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County Recording Fee: \$57.00  
Iowa E-Filing Fee: \$3.00  
Combined Fee: \$60.00  
Revenue Tax: \$0.00  
Delaware County, Iowa  
Daneen Schindler RECORDER  
BK: 2024 PG: 2016

LEASE AGREEMENT  
RECORDER'S COVER SHEET

Preparer Information: Erin Learn  
208 East Main Street  
Manchester, IA 52057  
Phone: (563) 927-1113

Taxpayer Information: Woodley Aerial Spray, Inc.  
10629 2550 North Ave.  
Walnut, IL 61376

Return Document To: City of Manchester, Iowa  
208 E. Main St.  
Manchester, IA 52057

Lessors: City of Manchester, Iowa

Lessees: Woodley Aerial Spray, Inc.

Legal description is located on page: 1 (not including cover sheet)

## Lease Agreement

STATE OF IOWA )

) KNOW ALL PERSONS BY THESE PRESENTS:

CITY OF MANCHESTER )

This lease is entered into this 20 day of June, 2022, between the City of Manchester hereinafter referred to as the "Lessor" and is the owner of the Manchester Municipal Airport, hereinafter referred to as "Airport" and Woodley Aerial Spray, Inc. hereinafter referred to as "Lessee" who covenant and agree as follows:

**WHEREAS**, Lessor and Lessee are committed to the proper operation, improvement, and continued development of the Airport; and

**WHEREAS**, Lessor deems it advantageous to itself and to the operation of the Airport to lease to Lessee certain land for construction of an Airplane hangar as stated herein;

**NOW THEREFORE**, in consideration of the terms, considerations, and privileges listed herein, Lessor and Lessee covenant and agree as follows:

### Section 1. Leased Area

- A. Land – Lessor does hereby lease to Lessee approximately 9,350 sq. ft. of land more particularly described as follows:

Space for a hangar building with dimensions 75 feet by 100 feet and A 5 foot area of land around the perimeter of the building. Said facility to be located at lot #13

as shown on the "Plat of Land" which is attached hereto and incorporated herein, and hereinafter referred to as the "Land" and located on the Airport. Lessee hereby leases the said Land from the Lessor subject to the terms, considerations, and privileges stated herein.

- B. Hangar – Lessor does hereby lease to Lessee the above described property for construction of an airplane hangar. Hangar shall be constructed at the sole cost of lessee and shall be constructed in a manner consistent with the attachment hereto.
- C. Construction and Maintenance - The hangar shall be constructed in a manner subject to approval by lessor. Lessor shall have the right to demand that the hangers be constructed consistent with standard practice for airports and all applicable regulations and statutes

## **Section 2. Term**

This lease shall be for the term of 40 years, except in the event Lessee requests an extension by written notice by Lessee to Lessor not more than one hundred eighty (180) nor less than sixty (60) days prior to the expiration of the preceding 40 year lease term and upon mutual and written agreement. Upon such notice, this lease may be renewed for an additional five (5) year extension upon giving of written notice by Lessor.

## **Section 3. Consideration**

- A. In consideration for the lease of the Hangar referenced herein, Lessee hereby agrees to pay yearly the sum of \$.20 per square foot as stated in Section 1A above for a period of one year after the beginning of this lease. Subsequently, the consideration shall increase \$.01 per square foot for each year thereafter. The first year's payment to be made in advance. Thereafter, all future payments shall be made on or before the first working day of the month/year due for the term of this contract plus any extensions thereto.
- B. All lease fees shall be paid as the same becomes due, without demand, in lawful currency of the United States made payable to the City of Manchester, Iowa by mail or delivery.
- C. In the event Lessee fails to remit any payments when the same are due, interest at the rate of 1.5% shall be charged by Lessor beginning on the tenth (10) day after the date the payment is due and such interest shall continue to accrue against such delinquent payment until the payment plus interest is received by Lessor. In the event Lessee shall become delinquent for more than 30 days, this lease may be terminated by Lessor as further defined in Section 7. – Termination.
- D. Lessee agrees that it will at all times keep the premises of the Hangar, including the inside and the outside of the Hangar, clean and free of trash, litter, tall grass, weeds, junked automobiles, and scrap aircraft parts. Lessee shall abide by all applicable rules and recommendations of the Environmental Protection Agency, the Iowa Environmental Protection Commission, the Iowa Department of Agriculture, the Iowa Department of Transportation, and any other public agency concerning the use, storage, and disposal of hazardous chemicals, fuel, and/or oil. Lessee further agrees to abide by the manufacturer's directions in regards to the use, storage, and disposal of all pesticides, herbicides, and other chemicals plus their containers used at the airport. Should Lessee fail to keep the leased Hangar clean and free of hazards, Lessor may, after 15 days written notice, arrange for the cleanup of the littered or hazardous area. Such cleanup shall be charged to Lessee and payable on demand. Failure to render proper payment for such cleanup and/or general disregard for the considerations and restrictions listed in this lease agreement are grounds for Lessor to terminate this lease.
- E. Taxes, Fees, Insurance, and Bond – Lessee shall be liable for all taxes and fees owed on or by its business. Under no circumstances shall Lessor be liable for or be required to pay any tax or fee owed by Lessee. *Lessee shall reimburse Lessor for any real estate tax payable by Lessee attributable to this lease agreement.* Lessor shall provide insurance for all Lessor owned real property located at the Airport under lessor's policy which shall be for the sole benefit and protection of Lessor. Lessee should provide his own insurance coverage for any personal property located in or on the Hangar and is required herein to provide business liability insurance in an amount of \$1,000,000.00. Lessee shall be bonded in the amount of \$1,000,000.00 with Lessor listed as beneficiary in the event of

damage to the Airport for which Lessee is liable and cannot or will not rectify. Certificates of such required insurance and bond shall be furnished by Lessee to Lessor and certificates presently then in effect shall be on file at all times. Any changes in those certificates must have prior written approval of Lessor.

- F. Lessee shall maintain a minimum of (1) operable aircraft registered as based in the Manchester Municipal Airport.

#### **Section 4. Permitted Use**

- A. Lessee agrees that the leased Hangar may be used for aeronautical activity which must be made known to and agreed upon by Lessor, and for no other purposes.
- B. Lessee may park its and/or their passenger's privately owned automobile(s) inside the Hangar.
- C. Lessee may subject to the other terms of this lease store up to a maximum of two (2) fifty-five (55) gallon barrels of aviation oil inside the Hangar for use in his aircraft so long, and only so long, as such oil is contained in marked, approved containers. Such storage will be at the discretion of and with written approval from the local fire marshal if such storage is allowed under local fire codes.
- D. The hangar located on the leased property shall have access to water for office and general personal use. No water provided to the hangar may be used to fill tanks, wash equipment or for any other purpose. Lessor reserves the right to charge a commercially reasonable rate for water service provided to Lessee.
- E. Construction of the hangar may include office space, break room, and living space to be used exclusively by lessee and its employees. The premises may not be leased, sub leased or in any other manner used for a purpose which is not directly related to the aviation services provided by Lessee. Any septic tank, water filtration, or other similar facilities required to service the structure shall be at the sole cost and expense of lessee and shall be subject to review and reasonable restrictions imposed by Lessor consistent with operation of the airport.
- F. Lessee shall have the right to store fuel outside of the hangar for the period of June 1 through October 1 each year. Storage of such fuel shall not exceed 10,000 gallons. Placement of stored fuel shall be subject to reasonable rules and regulations adopted by Lessor. In the event Lessor is able to supply Jet A fuel to Lessee, the rights conferred herein for storage of fuel shall terminate.
- G. Lessee shall be permitted to store vehicles and tractors used in the operation of its business inside the hangar.
- H. Lessee during the period of May 1 through October 1 park a dry fertilizer truck inside the hangar.

#### **Section 5. Restricted Use**

- A. Lessee agrees that the usage of the Hangar plus any associated apron shall be limited to the parking/hangaring of his personal/company owned aircraft. No automobile, bus, truck, or other transportation mode may be permanently or habitually parked or stored on/in the Hangar except in approved automobile parking areas and as agreed upon by Lessor.

- B. Lessee agrees that it will not conduct any commercial activity such as pilot instruction, aerial spraying, charter flights, air taxi, sightseeing, aerial photography, aircraft engine or airframe repair, avionics repair, or any other at the Airport without the written consent of Lessor. Any such approved commercial operation must be in accordance with a separate contract agreement with Lessor.
- C. Lessee agrees that it will not store or permit the storage of any fuel or hazardous, volatile, and/or dangerous chemicals on/inside the Land/Hangar/Building/Office except as authorized in Section 4.c. without the written consent of Lessor.
- D. Lessee agrees not to fuel or defuel any aircraft parked inside the Hangar.
- E. Lessee agrees to have a sufficient number of fire extinguishers of acceptable size as determined by the local fire marshal inside the Hangar. Such fire extinguisher(s) shall be readily accessible in the event of a fire.
- F. Lessee agrees not to make any additions or modifications to the Land unless agreed upon by both parties in writing. In event of such consent, all improvements or modifications shall be made at the expense of Lessee and, at the expiration of this Lease and any extensions to this lease, shall become the property of the Lessor.
- G. Lessee agrees that it will not operate any nonaviation related business or activity on/in the Land without the expressed written consent of Lessor. Any such nonaviation related business or activity must be so established by a separate contract.
- H. Lessor shall have the right to adopt reasonable restrictions concerning the storage, and use of fuel, oil and all flammable materials located upon the premises. Lessor shall retain the right to direct the manner and location of all fuel or oil stored or dispenses on airport property. The parties recognize the importance of safely addressing the sale, use, dispensing and storage of fuel, oil and other flammable materials at the airport facility.
- I. Upon Lessor providing notice to Lessee of the availability of Jet A Fuel for sale by Lessor, Lessee' right to store fuel on premises shall terminate and all fuel provided to aircraft on premises shall be purchased from Lessor. Lessor shall not implement sale of Jet A Fuel prior to Jun 1, 2030.
- J. *Lessee shall be subject to terms of Operating Rule adopted by the Manchester Municipal Airport establishing fees and general obligations for the efficient and proper operation of the airport facility. A copy of the current Operating Rules are attached for reference.*

**Section 6. Sublease, Assignment, or Sale**

The Lessee shall not without Lessors prior written approval sublease, assign, sell, or transfer this contract agreement or any right hereunder to any person, corporation, or association. Any such sublease, assignment, sale, or transfer shall be grounds, at the option of the Sponsor, for the Lessor to immediately terminate this contract agreement. The Lessor shall not unreasonably refuse to grant such approval.

**Section 7. Termination**

- A. This contract agreement may be prematurely terminated by Lessor or Lessee if either fails to abide by the terms and conditions expressed herein and due the complainant and so decreed by a court of competent jurisdiction. Should Lessee be declared bankrupt, or incompetent, this contract agreement shall immediately terminate and shall not be

considered an asset of any appointed or assigned guardian, trustee, or receiver.

In the event Lessee fails to make timely payments of all taxes or fees, fails to provide proof of required insurance or bond, uses the Airport property or permits the Airport property to be used for any illegal or unauthorized purpose, files bankruptcy, abandons or leaves the property vacant or unoccupied for 90 consecutive days, or violates any of the terms and conditions of this contract agreement, Lessor has the right to terminate this contract agreement and retake possession of any Airport property leased to or under the control of Lessee.

- B. Lessee agrees and understands that Lessor reserves the right to further expand, develop, or improve the airport, including the termination of this lease agreement, in such instance that the continued leasing of the Hangar would have a negative impact on any proposed development or improvements at the Airport. This contract agreement may be terminated regardless of the desires, wishes, or views of Lessee and without interference or hindrance from Lessee, but only so long as such expansion, development, or improvements are shown on a Iowa Department of Transportation and/or FAA approved Airport Layout Plan or Master Plan.
- C. This contract may be prematurely terminated by mutual agreement and consent of both parties in writing. Such termination by mutual agreement shall cause both Lessor and Lessee to be free of any and all requirements of this contract, except as contained in paragraph 7.D. hereunder, and neither Lessor nor Lessee shall have any derogatory remarks or entries made upon their resumés or upon any public or private records which would indicate failure to successfully fulfill the conditions of this contract.
- D. At the termination of this contract agreement, either by normal expiration, premature termination, or mutual agreement, Lessee shall peaceably vacate the premises. Should Lessee be in default of any monies owed to Lessor, Lessor may take possession of any personal property owned by Lessee and located at the Airport and hold until the monetary default is settled. In such case that Lessee cannot or will not settle any claims against it ~~him~~ owed to Lessor, Lessor may liquidate any personal property seized, subject to the disposition of a court of competent jurisdiction. Lessee shall be liable for any and all expenses incurred by Lessor in such action.

#### **Section 8. Hold Harmless**

Lessee agrees to save and hold harmless Lessor and its agents, servants, and employees of and from any and all liabilities, expenses, causes of action, damages, and/or attorney's fees resulting from or as a result of any of Lessee's businesses, operation, occupancy, or use of the Airport or from any act or omission of Lessee's agents, servants, or employees.

#### **Section 9. Maintenance of Landing Area**

Lessee understands and agrees that Lessor reserves the right, but not the obligation, to maintain the Airport to at least the minimum standards as recommended by the FAA and/or the Iowa Department of Transportation. Such right includes the right to maintain and keep in repair all public use areas at the Airport and the right to direct and control all activities as necessary at the Airport. Lessee also understands that Lessor is not obligated by this lease to continue operating the Airport as an Airport and may close the Airport at any time and at its own discretion. Such

closure shall immediately void this contract and no damages or monies or other compensation will be owed to the Lessee by Lessor.

**Section 10. Exclusions**

- A. This contract agreement embraces the entire lease agreement of the parties mentioned herein pertaining to the Hangar and no statement, remark, agreement, or understanding, either oral or written, not contained herein shall be recognized or enforced as it pertains to the lease of the Building, except that this contract agreement may be modified by written addendum agreed to and signed by all pertinent parties and attached hereto.
- B. For the purpose of this contract agreement, the singular number shall include the plural and the masculine shall include the feminine and vise-versa, whenever the context so admits or requires.
- C. The "Section" captions and headings are inserted solely for the convenience of reference and are not part of nor intended to govern, limit, or aid in the construction of any provision hereof.
- D. The parties to this contract agreement hereby acknowledge and agree that they are the principals to the contract agreement and have the power, right, and authority to enter into this contract agreement and have the power, right, and authority to enter into this contract agreement and are not acting as an agent for the benefit of any third party, except that Lessor is acting on behalf of the City of Manchester
- E. This contract agreement shall be governed by the laws of the State of Iowa and construed thereunder and venue of any action brought under this contract agreement shall be in Delaware County, Iowa.
- F. If any section, paragraph, sentence, or phrase entered in this contract agreement is held to be illegal or unenforceable by a court of competent jurisdiction, such illegality or unenforceability shall not affect the remainder of this contract agreement and, to this end, the provisions of this contract agreement are declared to be severable.

EXECUTED this 20<sup>th</sup> day of June, 2022

Lessee: Woodley Aerial Spray, Inc.

Lessor: City of Manchester

Craig Woodley  
Craig Woodley, Owner/President

Connie Behrken  
Mayor

Trinity J. Smith  
City Manager

Approved as to Form:  
[Signature]  
City Attorney

Attest: [Signature]  
City Clerk

City of Manchester/Craig Woodley



**1. Hanger Lease**

**Lessee: Woodley Aerial Spray, Inc**

**Hanger Number 13**



## OPERATION RULES

### MANCHESTER MUNICIPAL AIRPORT

The following rules have been adopted by the Manchester Municipal Airport and shall apply to all persons or entities utilizing the Manchester Municipal Airport, These rules shall be made immediately available to all current Lessees of hangar space and all other persons utilizing the facility.

These rules are subject to change and additions as deemed necessary by the Manchester Municipal Airport.

### RULES

1. All current Lessees of hanger space and all other persons utilizing the facility shall be provided with a copy of the Rules currently in effect for the Airport.
2. All deliveries and support vehicles shall use the (new) west driveway.
3. All persons or entities shall use care and caution when operating on the field. (Adhering to recognized safety standards related to the use of chemicals and fuels).
4. All Lessees of hangar space and all other persons utilizing the facility shall provide the Airport with the Material Safety Data Sheets (MSDS) for all chemicals used on the field.
5. All persons or entities utilizing the facility shall keep the area neat and picked up.
6. A flowage fee of \$0.10/gallon of fuel for fuel pumped into their planes for their operations while on the field shall be charged where such fuel is not available for purchase from the Manchester Municipal Airport.
7. All fuel supplied to aircraft at the facility shall, subject to fuel availability be purchased from the Manchester Municipal Airport



**AUTHORIZATION FOR AERIAL SPRAYING OPERATIONS  
AT THE  
MANCHESTER MUNICIPAL AIRPORT**


**WHEREAS** the City of Manchester, Iowa and Woodley Aerial Spray, Inc have previously entered into an agreement permitting Woodley Aerial Spray, Inc to utilize space at the Manchester Municipal Airport for construction of an airplane hanger and operation of an aerial spraying business from that location; AND

**WHEREAS** Woodley Aerial Spray, Inc is authorized to conduct aerial spray operations utilizing the Manchester Municipal Airport subject to compliance with all Federal, State, and local rules, ordinances, and laws applicable to the conduct of aerial spray operations and subject to reasonable use of the airport facility which shall not unreasonably interfere with other lawful use of the facility by others.


The City of Manchester hereby confirms the authority of Woodley Aerial Spray, Inc to conduct the operation of an aerial spray business located at the Manchester Municipal Airport subject to the following:

1. All business and other operations conducted by Woodley Aerial Spray, Inc at the Manchester Municipal Airport shall at all times be in compliance with applicable state, federal, and local rules, ordinances and laws.
2. The conduct of business operations by Woodley Aerial Spray, Inc shall not unreasonably interfere with public use or, or access to the Manchester Municipal Airport Or other persons utilizing hangar space at the airport.
3. Woodley Aerial Spray, Inc shall have a valid agreement to utilize hangar space at the airport.

Date: 05/09/2022

  
\_\_\_\_\_  
Connie Behnken, Mayor

Date: 05/09/2022

  
\_\_\_\_\_  
Erin Learn, City Clerk

