

Second Amendment to 2011 Airport Lease Agreement Between the City of Temple and McLane Company, Inc.

AND

Assignment of the Lease, as Amended, to Fikes Wholesale, Inc.

This Second Amendment (the "Second Amendment") to the Airport Lease Agreement for the Leased Premises at the Draughon Miller Central Texas Regional Airport, identified as Corporate Hangar #28, is entered into as of the Amendment Effective Date (defined below) between Fikes Wholesale, Inc. (hereinafter referred to as "Fikes") and the City of Temple, a home rule city in Bell County, Texas (hereinafter the "City"). Fikes and City may sometimes be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

Whereas, on November 1, 2011 ("Lease Effective Date") the City entered into an Airport Lease Agreement, with McLane Company, Inc. (the "Lease Agreement") to provide a ground lease for an approximately 100,425 square foot plot of land at the Draughon Miller Central Texas Regional Airport for the construction of a private corporate hangar;

Whereas, the Lease Agreement had a term of twenty five (25) years, and provided for a termination date of March 31, 2037;

Whereas, in 2015, City Council approved an amendment to the Lease Agreement (the "First Amendment") to extend the original agreement an additional fifteen (15) years through March 31, 2052, and amending Section IV (4) of the Lease Agreement;

Whereas, the Lease Agreement and First Amendment are attached hereto as 'Exhibit A' and incorporated herein by reference as though all terms and conditions are set out in their entirety;

Whereas, the Leased Premises consists of an approximately 100,425 square foot plot of land, and includes improvements consisting of a 230 x 107 foot hangar, its associated apron, vehicle parking and easements, and is identified on the airport property as Corporate Hangar #28- the Leased Premises and improvements are to be used for private aircraft storage and aviation operations and no other commercial activity is permitted without first being approved by City Council;

Whereas, the initial lease rate under both the Lease Agreement and the First Amendment was \$0.10 per square foot per year, or \$10,042.50 and is subject to an annual rental rate adjustment based on the Consumer Price Index (CPI) for Dallas, Texas, or to rates prevailing in the the Temple area for similar facilities;

Whereas, Section IV(29) of the Lease Agreement permitted McLane Company, Inc. to sell or transfer title to improvements made on the leased land, subject to written notice to the City, and receipt of consent of the City, which consent will not be unreasonably withheld – on December 21, 2021, the City received written notice from McLane Company, Inc. of its intention to sell and transfer title to the improvements made on the Leased Premises to Fikes Wholesale, Inc., the written notice, being attached hereto as 'Exhibit B' and incorporated herein for all purposes;

Whereas, Section IV(29) of the Lease Agreement also requires the new assignee/Lessee to lease the Leased Premises under the same terms and conditions as the 2011 Lease Agreement, as amended by the First Amendment in 2015;

Whereas, the City consents to the assignment of the Lease Agreement to Fikes Wholesale, Inc.- the Airport Advisory Board recommended approval of the assignment by a vote of 6 to 0, with one member abstaining, at its January 10, 2022 board meeting and the City Council approved the same at its January 20, 2022 regular city council meeting; and

AGREEMENT

Now, therefore, in consideration of the agreement contained in this Second Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to amend the Lease Agreement and assign the Lease Agreement as follows:

Section 1. Capitalized Terms and Definitions.

Capitalized terms used in this Second Amendment but not defined herein shall have the meanings ascribed to them in the Lease Agreement.

Section 2. Amendments.

1. The Parties hereby consent to the transfer of title and assign the Lease Agreement between the City of Temple and McLane Company, Inc. for Corporate Hangar #28 to Fikes Wholesale, Inc. under the same terms and conditions as the Lease Agreement, as amended by the First Amendment.
2. The Lease Agreement is amended by substituting the Lessee with Fikes Wholesale, Inc. ("Fikes.") All references to "McLane Company, Inc." or "McLane" in the Lease Agreement are now replaced with "Fikes Wholesale, Inc." or "Fikes."
3. Fikes agrees to comply with all terms and conditions of the Lease Agreement and any amendments, as set forth in Exhibit A.

Section 3. Effect of Amendment.

On and after the Amendment Effective Date (defined below), the Lease Agreement shall mean the Lease Agreement as amended by this Second Amendment.

Section 4. Estoppel.

The Parties hereby affirm the Lease Agreement, as amended by this Second Amendment, and all prior amendments, and agree the Lease Agreement, as so amended, remains in full force and effect.

Section 5. Entire Agreement.

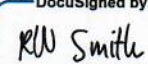
This Second Amendment and the Lease Agreement (as amended by this Second Amendment and all prior amendments) embody the entire agreement between the Parties and supersede all prior agreements and understandings, if any, relating to the subject matter hereof, and may not be contradicted by evidence of prior or contemporaneous oral agreements of the Parties. Except as expressly modified hereby, all the terms, provisions and conditions of the Lease Agreement shall remain unchanged and continue in full force and effect.

Section 6. Counterparts.

This Second Amendment may be executed in multiple counterparts, each of which shall constitute an original and all of which together shall constitute one instrument. A copy of the original of this Second Amendment shall be enforceable as the original Second Amendment.

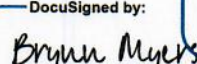
Executed as of the _____ day of 2/1/2022 | 2:55 PM CST, ~~2022~~ (the "Amendment Effective Date").

Fikes Wholesale, Inc.

By: 
DocuSigned by: 8A514C3AAB99457...
 Raymond Smith
 President

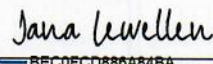
City of Temple, Texas

DocuSigned by:

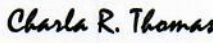
By: 
DocuSigned by: E37CE5415DD84F8...
 Brynn Myers
 City Manager



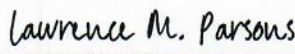
ATTEST:


DocuSigned by: BEC0FC0886A54BA
 Jana Lewellen, City Secretary

APPROVED AS TO FORM:


DocuSigned by: A27118892734E2...
 City Attorney's Office

McLane Company, Inc., evidenced by its signature below, acknowledges, agrees, and consents to the assignment of the Lease Agreement, as amended, to Fikes Wholesale, Inc.

By: 
DocuSigned by: D97663D8A09946B...
 Lawrence M. Parsons

H-719
11-1-11

exp. 3-31-2037

2011 AIRPORT LEASE AGREEMENT
Ground Lease to Permit Construction of Private Hangar

STATE OF TEXAS §

COUNTY OF BELL §

Date: November 1, 2011

This Lease Agreement is by and between the City of Temple, Texas (the "CITY") and MCLANE Company, Inc. ("MCLANE").

WHEREAS, the CITY is the owner of the Draughon-Miller Central Texas Regional Airport, existing in the corporate limits of the City of Temple, by virtue of an agreement with the United States relative to development, operation and maintenance of the Draughon-Miller Central Texas Regional Airport dated August 18, 1947, to which reference is hereby made, and by such reference made a part hereof.

I.

The CITY is willing to, and by these presents does hereby, enter into a Lease Agreement with MCLANE Company, Inc., allowing and permitting MCLANE to lease a 300 foot x 334.75 foot tract of land (the "Leased Premises") and construct a 230 foot by 107 foot by 52 foot corporate hangar (the "Hangar") to include required parking facilities, driveways, sidewalks, or any other required improvements to the land, and more particularly shown in Exhibit "A", attached hereto and made a part hereof, under the terms set out hereinafter.

II.

The term of this Lease Agreement shall be for twenty-five (25) years and shall begin on the 1st day of **April, 2012**, and shall terminate on the 31st day of **March, 2037**. At the end of the lease term, upon mutual agreement of all the parties, the lease may be renewed at a mutually agreed upon lease rate.

McLane is granted access to the Leased Premises beginning on the 21st day of **October 2011** for construction purposes.

III.

For and in consideration of the rents, covenants and promises herein set forth and to be paid, kept, performed and observed by MCLANE, CITY does hereby lease and demise to MCLANE, and MCLANE does hereby rent and accept from CITY, the Leased Premises consisting of approximately 100,425 square feet and more particularly shown in Exhibit "A," attached hereto and made a part hereof.

Except to the extent provided herein and subject to the provisions hereof, MCLANE shall have and hold the Leased Premises, together with all rights, privileges, easements, appurtenances, and immunities belonging to or in any way attached to said Leased Premises, including, but not limited to, any and all easements, rights, title and privileges of CITY now or hereafter existing in, to, or under said Leased Premises, and additionally MCLANE shall be permitted to use in common with others all streets and other rights of ingress and egress and all runways, taxiways and designated aprons which are or may hereafter be provided at the Airport. **The Leased Premises and any improvements thereon to be constructed by MCLANE may be used for private aircraft storage and aviation operations as provided in this Lease. No other commercial activity is authorized unless it is first approved by the City Council.**

Subject to the provisions herein set out, MCLANE agrees to pay to the CITY the following amount of \$10,042.5 per year (.10 cents per square foot X 100,425 square feet) as the initial rental for the use and occupancy of the land portion of the Leased Premises under this lease, beginning on the commencement date of this lease (April 1, 2012) and continuing regularly and annually thereafter during the term of this lease.

MCLANE's rental rates may be adjusted at the end of each lease year computed according to the Consumer Price Index (CPI) for Dallas, Texas, or to rates prevailing in the Temple area for similar facilities. Provided, however, if a rental adjustment is to be made with respect to a particular year but has not been made, then the rental payment due in advance with respect to such year shall be the annual rental due for the preceding year, but once the rental adjustment is made, and if it results in additional rental due for such year, then within thirty (30) days after CITY notifies MCLANE of such additional rental, MCLANE shall pay such additional rental to CITY.

MCLANE shall have the option to prepay any of the annual installments of rent, but shall not be required to do so.

IV.

In further consideration for the lease granted herein, MCLANE agrees to and covenants with CITY as follows:

(1) All construction shall be accomplished in accordance with the FAA's Advisory Circular 150/5370-2E, "Operational Safety on Airports During Construction" if applicable at the time construction is commenced. A copy of the current version of this circular is available on the FAA website. Select "Airports & Air Traffic tab, then select "Airport Advisory Circulars and search for 150/5370.2E.

(2) The improvements constructed shall be generally consistent with the purposes hereinafter provided for in this Lease Agreement and at least comparable in quality and construction to other similar improvements on the Airport.

(3) CITY shall be notified prior to commencement of any work as follows:

- (a) No structure or other improvement, for which the plans, specifications and proposed location of which have not first received the written approval of CITY, or which do not comply with such approved plans, specifications and locations, shall be constructed or maintained on the Leased Premises. **No new construction shall take place on the Airport until the City has filed a "Notice of Proposed Construction," with the FAA and received their approval to proceed with construction. The CITY will work with MCLANE to obtain expedited approval from the FAA.** No material addition to, or alteration of, any building or structure erected on the Leased Premises shall be commenced unless and until plans and specifications covering the exterior shall have been first submitted to and approved by CITY.
- (b) MCLANE shall, at its own expense, prepare plans and specifications for any building project, and shall submit the same to CITY at least thirty (30) days prior to the planned commencement of such project.
- (c) CITY agrees to promptly review and approve the plans or note in writing any required changes or corrections which must be made to the plans. Any required changes or corrections must be made and the plans resubmitted to CITY within thirty (30) days after the corrections or changes have been noted. Failure of CITY to object to such resubmitted plans and specifications within thirty (30) days shall constitute CITY's approval of the changes. Minor changes in work or materials, not affecting the general character of the building project, may be made in the plans and specifications at any time without the approval of CITY.
- (d) The following items do not require submission to and approval by CITY of plans and specifications:
 - 1. Such minor repairs and alterations as may be necessary to continue the structures and improvements already placed in a useful state of repair and operation; and
 - 2. Such changes and alterations, either at the time of the original construction or thereafter as may be required by an authorized public official having authority or jurisdiction over such structures or improvements in order to comply with legal requirements.
- (e) The approval by CITY of any plans and specifications refers only to the conformity of such plans and specifications to the general architectural plan for the Leased Premises and compliance with all applicable codes and ordinances, and such approval shall not be withheld unreasonably. Such plans and specifications are not approved for architectural or engineering

design, and by approving such plans and specifications, CITY assumes no liability or responsibility therefore or for any defect in any structure constructed from such plans or specifications.

(4) All permanent building and improvements placed upon the Leased Premises by MCLANE shall be deemed to be the ad valorem property of MCLANE during the term of this Lease Agreement, and MCLANE shall have the full and peaceful use and enjoyment thereof during the primary term of this lease. **ALL PERMANENT IMPROVEMENTS SHALL BECOME THE PROPERTY OF THE CITY UPON THE TERMINATION OF THE INITIAL TWENTY-FIVE (25) YEAR PERIOD OF THE LEASE AS PART OF THE CONSIDERATION FOR THIS LEASE AGREEMENT.**

(5) MCLANE shall pay or cause to be paid all charges for water, heat, gas, electricity, sewer, and any and all other utilities used on the Leased Premises throughout the term of this lease, including any connection fees.

(6) MCLANE shall have, and is hereby granted a license to place and maintain utility lines across airport property to the various utility services necessary to provide adequate utility services to the Leased Premises, including water, electricity, telephone and sewer. MCLANE shall obtain the approval of CITY for the location of utility lines across airport property to the Leased Premises. All utility lines shall be underground, and MCLANE shall repair all areas disturbed by the installation of said lines. It is, however, agreed that once the utility lines are installed, the CITY shall not thereafter require MCLANE to relocate such lines and the CITY shall relocate such lines or interrupt the use thereof only if at its expense the CITY relocates such lines and additionally provides for service of equal quality to that previously enjoyed by MCLANE. All utilities lines built by MCLANE shall be dedicated to the CITY upon completion.

(7) In addition to the provisions and limitations set forth below, MCLANE shall have the right to use the Leased Premises for lawful purposes of private use only which are related to aviation or the aviation industry and not incompatible with other normal private uses of airport property. In this regard, and without detracting from the generality of the foregoing, it is understood and agreed that the primary purpose for which the Leased Premises have been leased is for the development and construction of an airplane hangar to be used for the storage of airplanes and related aeronautical equipment and other items of personal property owned or leased by MCLANE. Nothing herein will prohibit MCLANE from using its airplanes to facilitate its business excluding the hauling of cargo or passengers for hire on a full time basis.

(8) MCLANE agrees that its failure to begin substantial progress toward the construction of the improvements in Article IV hereof within 180 days from the date hereof shall constitute a waiver of its rights under this Lease Agreement, and the Leased Premises shall revert to CITY, and the Lease Agreement shall become

null and void unless such delay is caused by the CITY, governmental agency, or City's contractors completing other phases of the project.

(9) If for any reason, MCLANE is unable to begin substantial progress toward the construction of the improvements described in Article IV hereof within 180 days from the date hereof, MCLANE may apply to the CITY in writing for an extension of time, but CITY will be under no obligation to grant the extension.

(10) MCLANE may, at any time and from time to time, encumber the leasehold interest, by deed of trust, mortgage or other security instrument, without obtaining the consent of the CITY, but no such encumbrance shall constitute a lien on the fee title of CITY, and the indebtedness secured thereby shall at all times be and remain inferior and subordinate to all the conditions, covenants and obligations of this Lease Agreement and to all of the rights of the CITY hereunder.

(11) Any lender on the security of the leasehold estate shall have the right at any time during the term of this lease:

(a) to do any act or thing required of MCLANE hereunder and all such acts or things done and performed shall be as effective to prevent a forfeiture of MCLANE's rights hereunder as if done by MCLANE; and

(b) to realize on the security afforded by the leasehold estate by exercising foreclosure proceedings or power of sale or other remedy afforded in law or in equity or by the security documents and to transfer, convey or assign, the title of MCLANE to the leasehold estate created hereby to any purchaser at any such foreclosure sale, and to acquire and succeed to the interest of MCLANE hereunder by virtue of any such foreclosure sale. No such mortgagee or trustee of the rights or interests of MCLANE hereunder shall be or become liable to City as an assignee of this lease or otherwise until it expressly assumes by written instrument such liability.

(12) MCLANE, at its own costs and expense at all times during the term of this Lease Agreement agrees to keep and maintain or cause to be kept and maintained, all buildings and improvements which may be erected upon the Leased Premises in a good state of appearance and repair, reasonable wear and tear alone excepted.

(13) In the event the building or any building or improvement thereafter constructed on the Leased Premises is damaged by fire or any other casualty, regardless of the extent of such damage or destruction, MCLANE shall within one year from the date of such damage or destruction commence the work of repair, reconstruction or replacement of damage or destroyed building or improvement and prosecute the same with reasonable diligence so that the building, to the extent originally constructed by MCLANE, shall be restored to substantially the condition it was in prior to the happening of the casualty, provided, however, that if the commencement, construction or completion of said repair, reconstruction or

replacement work shall be prevented or delayed by reason of war, civil commotion, acts of God, strikes governmental restrictions or regulations, or interferences, fire or other casualty, or any other reason enumerated or not, the time for commencing or completing, or both, of the construction of said building, as the case may be, shall automatically be extended for the period of each such delay.

(14) During the period of construction of any building or other improvement on the Leased Premises and at all times thereafter during the lease term, MCLANE shall keep the improvements insured against loss or damage by fire, with extended coverage endorsement or its equivalent, in such responsible insurance companies as MCLANE shall select and CITY shall approve, and in amounts not less than 80% of the fair insurable value of the buildings and other improvements.

MCLANE will further maintain general liability coverage with minimum limits for damages resulting from bodily injury or death of \$250,000 per person and \$500,000 per occurrence, and \$100,000 per occurrence for property damage, or a combined single limit of \$500,000. CITY must be named as an additional insured with a waiver of subrogation in favor of CITY on the property and liability insurance required under this Lease Agreement.

McLane shall have the right to self-insure for any insurance required to be maintained by McLane under this Lease.

(15) Except to the extent caused by or arising out of the negligence or willful misconduct of the City, its agents, servants and employees, CITY, its agents, servants and employees, shall not be liable for any loss, damage or injury of any kind or character to any person or property arising from any use of the Leased Premises, or any part thereof, or caused by any defect in any building, structure or other improvement thereon or in any equipment or other facility therein, or caused by or arising from any act or omission of MCLANE, or of any of its agents, employees, licensees, or invitees. MCLANE agrees to hold CITY, its agents, servants and employees entirely free and harmless from all liability, loss, damage or injury of other persons, and from all costs and expenses including attorneys fees caused by the negligence or willful misconduct of MCLANE, its agents, servants, and employees. City agrees to hold MCLANE, its agents, servants, and employees entirely free and harmless from all liability, loss, damage or injury of persons, and from all costs and expenses including attorneys fees caused by the negligence or willful misconduct of City, its agents, servants, and employees.

(16) Nothing herein contained shall be construed to deny the CITY its right to condemn the Leased Premises through its power of eminent domain. In the event of condemnation of all or any portion of the Leased Premises, the leasehold interest of MCLANE shall be deemed to include all rights under this lease including, but not limited to, the right to occupy the improvements placed on the

Leased Premises. McLane shall be compensated by the City for the full replacement value of its improvements if the Leased Premises are condemned during its tenancy.

(17) Any consent required of the CITY hereunder shall be given or denied within thirty (30) days after written request has been made by MCLANE. If it is not denied within thirty (30) days, the consent shall be deemed given.

(18) Should MCLANE default in the performance of any covenant, condition or agreement in this lease, and such default is not corrected within thirty (30) days after receipt of written notice from CITY to MCLANE, CITY may declare this lease, and all rights and interest created by it, to be terminated. Upon CITY electing to terminate, this lease shall cease and come to an end as if that were the day originally fixed herein for the expiration of the term hereof. CITY, its agent or attorney, may resume possession of the premises and release MCLANE of all liability or relet the same for the remainder of the term at the best rent CITY, its agent or attorney may obtain for the account of MCLANE, who shall make good any deficiency.

(19) Any termination of this lease as herein provided shall not relieve MCLANE from the payment of any sum or sums that shall then be due and payable to CITY hereunder, or any claim or damages then or theretofore accruing against MCLANE hereunder, and any such termination shall not prevent CITY from enforcing the payment of any such sum or sums or claim damages by any remedy provided for by law or from recovering damages from MCLANE for any default there under.

(20) All rents or other sums, notices, demands or requests from one party to another may be personally delivered or sent, by mail, certified or registered, postage prepaid, to the addressee stated in this paragraph, and shall be deemed to have been given at the time of personal delivery or at the time of mailing.

All payments, notices, demands, or request from CITY to MCLANE shall be given to MCLANE at the Hangar with a copy to McLane Company, Inc., c/o Legal Department at 4747 McLane Parkway, Temple, TX 76503, or at such other address as MCLANE may give written notice of to CITY.

All notices, demands, or requests from McLane to City shall be given to City at 2 North Main, Temple, TX 76501, or such other address as City may give written notice of to McLane.

(21) That, insofar as general municipal regulation is concerned, MCLANE binds itself, its successors and assigns, to comply, at its own cost and expense, with all municipal regulations, ordinances and zoning regulations now in force, or that may be hereafter enacted with regard to the use of the airport premises.

(22) That it is understood and agreed that nothing herein contained shall be

construed to grant or authorize the granting of an exclusive right except as to the premises leased herein.

(23) That CITY reserves the right to further develop or improve the landing area or taxiways of the airport as it sees fit, regardless of the desires or view of MCLANE, and the granting of an exclusive right.

(24) That CITY will maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of MCLANE in this regard.

(25) That, during the time of war or national emergency, CITY shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use, and, if such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the Government shall be suspended.

(26) That CITY reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent MCLANE from erecting, or permitting to be erected, any building or other structure on or adjacent to the airport which, in the opinion of the CITY, would limit the usefulness of the airport or constitute a hazard to aircraft.

(27) That this lease shall be subordinate to the provisions of any existing or future agreement between CITY and the United States, relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the airport.

(28) That it is agreed and understood that any holding over by MCLANE of the airport premises after the expiration of this Agreement shall operate and be construed as a tenancy from day to day at a rental rate computed from the rental rate then prevailing under this lease but limited to 110% of the previous rental rate under the agreement.

(29) That MCLANE may sell or transfer title to improvements made on the leased land, subject to written notice to CITY, and receipt of written consent of CITY, which consent will not be unreasonably withheld. The transfer of title will require the new lessee to sign a new lease, with the same terms and conditions as this lease. No time extension will be approved in the new lease for CITY acquisition of title to any and all improvements made on the leased land under the terms of this lease.

(30) That any hangar or building structure will not be constructed nearer than seventy feet (70') from the taxiway closest to the Leased Premises.

(31) That no part of the structure of any building will be constructed nearer than ten feet (10') to any site boundary.

(32) CITY, within a reasonable time will give MCLANE notice of any changes in governmental rules and regulations affecting this lease.

(33) MCLANE agrees and understands that this lease is particularly subject to all of the provisions of Chapter 3 of the Code of Ordinances of the CITY insofar as they may be applicable hereto except as modified by this Lease.

(34) MCLANE must apply for an individual TPDES Storm Water Permit and comply with the State and Federal requirements for businesses at the Airport.

V.

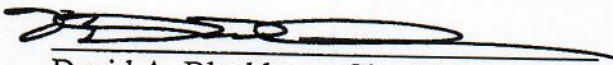
All covenants set forth in the Lease Agreement shall be paid, kept and performed at Temple, Bell County, Texas.

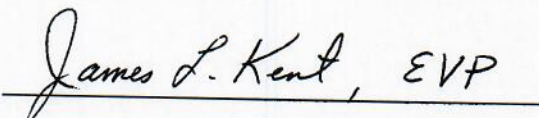
Upon default by MCLANE or CITY in the performance of any of the covenants herein contained, to be paid, kept and performed herein, either party may enforce the performance of the covenant hereof in an of the modes provided by law, and this Lease Agreement may be forfeited at either's discretion, if such default continues for a period of thirty (30) days after CITY has given MCLANE written notice or vice versa. Thereafter, if either so elects, this Lease Agreement shall cease and come to an end as if that were the day originally fixed for the expiration of the term hereof.

As security for the performance by MCLANE of all covenants to be paid, kept and performed by MCLANE, CITY shall have a lien upon any slab and any building that may be placed in or upon the Airport premises during the term of this Lease Agreement.

THE CITY OF TEMPLE, TEXAS


MCLANE COMPANY, INC.


David A. Blackburn, City Manager

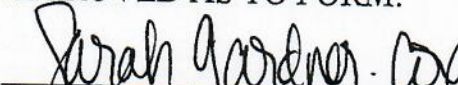

James L. Kent, EVP

ATTEST:




~~Clyde Entzminger~~ Lacy Borgeson
City Secretary

APPROVED AS TO FORM:


Jonathan Graham, City Attorney

STATE OF TEXAS §

COUNTY OF BELL §

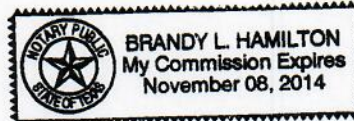
This instrument was acknowledged before me on the 8th day of December 2011, by David A. Blackburn, City Manager of the City of Temple, Texas.



Corrie Lee Wheeler
Notary Public, State of Texas

STATE OF TEXAS §

COUNTY OF BELL §



This instrument was acknowledged before me on the 8th day of Dec, 2011, 2011, by James L. Kent on behalf of MCLANE Company, Inc.

Brandy L. Hamilton
Notary Public, State of Texas

H-719
11-1-11
akp. 3.31.37

RECEIVED
JUL 3 1 2015

**First Amendment to
2011 Airport Lease Agreement
Between the City of Temple and
McLane Company, Inc.**

This First Amendment to the 2011 Airport Lease Agreement (the "First Amendment") is entered into between the CITY OF TEMPLE, a home rule city in Bell County, Texas ("City") and McLane Company, Inc. ("McLane"). The City and McLane are individually sometimes called a "Party" or referred to herein as the "Parties."

WHEREAS, on November 1, 2011, the 2011 Airport Lease Agreement (the "Original Agreement") became effective between the Parties;

WHEREAS, the Original Agreement set forth the responsibilities and promises of each Party relating to a land lease for a 300' x 334.75' plot of land for the purpose of constructing a 230' x 107' hangar to house corporate jets at the Draughon-Miller Central Texas Regional Airport, existing in the corporate limits of the City of Temple, Texas;

WHEREAS, the Original Agreement between the parties provided for a term of twenty-five (25) years, expiring on March 31, 2037; and,

WHEREAS, the City Council has approved an extension of the Original Agreement for an additional fifteen (15) years through March 31, 2052.

NOW, THEREFORE, in consideration of the promises and agreements set forth in the Original Agreement and this First Amendment, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties contract and agree to the following:

1. The City agrees to an additional fifteen (15) year extension of the original lease term through March 31, 2052 at an initial rate of ten (10) cents per square foot per year, or \$10,042.50 per year;

2. McLane agrees to continue to support general aviation at the Draughon-Miller Central Texas Regional Airport throughout the term of the lease;
3. The City agrees that as of the date of this First Amendment McLane is in full compliance with all of its obligations under the Original Agreement;
4. The Parties agree that McLane's rental rates may be adjusted at the end of each lease year in accordance with the process and limitations provided for in Section III of the Original Agreement; and,
5. Section IV (4) of the Original Agreement is replaced in its entirety by the following:
"All permanent buildings and improvements placed upon the Leased Premises by McLane shall be deemed to be the ad valorem property of McLane during the term and extended term of this Lease Agreement, and McLane shall have the full and peaceful use and enjoyment thereof during the term and extended term of this lease. ALL PERMANENT IMPROVEMENTS SHALL BECOME THE PROPERTY OF THE CITY ON APRIL 1, 2052, AFTER THE END OF THE EXTENDED TERM OF THIS LEASE."

The Parties agree that all other sections of the Original Agreement remain the same and are not altered by this First Amendment.

Executed on this ____ day of _____, 2015 ("Date of this First Amendment").

McLane Company, Inc.

By: _____

Title: _____

Date: _____

James L. Kent
EVP
7/28/15

CITY OF TEMPLE

By: _____

Jonathan Graham, City Manager

Date: _____

Jonathan Graham
8-1-15

ATTEST:



Lacy Borgeson

Lacy Borgeson, City Secretary

APPROVED AS TO FORM:

Nan Rodriguez

City Attorney's Office

STATE OF TEXAS

COUNTY OF BELL

This instrument was acknowledged before me on the 3 day of August, 2015,
by Jonathan Graham, City Manager of the City of Temple, Texas.

Heather Bates

Notary Public, State of Texas



STATE OF TEXAS

COUNTY OF BELL

This instrument was acknowledged before me on the 28th day of July, 2015,
by Jim Kent, EVP (title) of McLane Company, Inc.

Steven D. Allen

Notary Public, State of Texas



Exhibit B



December 21, 2021

VIA REGULAR MAIL
AND EMAIL: esmith@templetx.gov

City of Temple
Attn: Ms. Erin Smith
Assistant City Manager
City of Temple | City Manager's Office
2 North Main
Temple, Texas 76501

RE: 2011 Airport Lease Agreement, Ground Lease to Permit Construction of Private Hangar, dated November 1, 2011, and First Amendment to 2011 Airport Lease Agreement Between City of Temple and McLane Company, Inc., (the "Ground Lease")

Dear Ms. Smith:

Pursuant to Section 29 of the Ground Lease, notice is hereby given by McLane Company, Inc., as Lessee, of its intention to sell and transfer title to the improvements made on the leased land to Fikes Wholesale, Inc., subject to this written notice to the City of Temple, and receipt of written consent of the City of Temple, which consent will not be unreasonably withheld.

McLane Company, Inc., and Fikes Wholesale, Inc., are aware that this sale and transfer of title to the improvements on the leased land will require Fikes Wholesale, Inc., as the new lessee, to sign a new lease, with the same terms and conditions as the Ground Lease.

Please notify the undersigned of any additional information or actions required at this time to move this transaction forward.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Larry M. Parsons".

Larry Parsons
McLane Company, Inc.
Chief Administrative Officer & Secretary

cc: Tate Seideman, Vice President and General Counsel
Fikes Wholesale, Inc.
6261 Central Pointe Pkwy
Temple, Texas 76504

Luis G. Garcia, Associate General Counsel
McLane Company, Inc.
4747 McLane Parkway
Temple, Texas 76504

P.O. Box 6115 / Temple, TX 76503
4747 McLane Parkway / Temple, TX 76504