

Yuma International Airport



Yuma County Airport Authority 2191 E 32nd St, Ste 218, Yuma, AZ 85365 (928) 726-5882

June 30, 2015

Maria Ramirez
Area Manager
Bureau of Reclamation
7301 Calle Agua Salada
Yuma, AZ 85364

RE: Request for Contract and License Agreement
Existing Agreement #06-07-34-L0550

Dear Ms. Ramirez,

The Yuma County Airport Authority, Inc. ("the YCAA"), respectfully requests on behalf of the County of Yuma, Arizona ("the County"), that the United States Department of the Interior, Bureau of Reclamation ("the BOR"), consider drafting a new agreement substantially similar to the existing agreement referenced above for the purpose of outlining the terms and conditions of the continued contract and license to use lands for airport purposes. In an attempt to simplify the nature of the agreement and its management, the YCAA is further requesting that the BOR consider entering into this new agreement with the YCAA, rather than the County, as has been done in the past. This letter is intended to provide with you with information necessary to get started, including the the intended use of the lands and suggested terms and conditions desired.

BACKGROUND

The YCAA is an Arizona non-profit corporation and an airport authority in accordance with Arizona Revised Statutes ("A.R.S.") § 28-8411 *et seq.* The YCAA was created in 1965 to manage aviation assets controlled by the County including the Yuma International Airport. The County leases its entire airport facility to the YCAA pursuant to those statutes. In addition to the Yuma International Airport, the County has utilized the YCAA to manage Rolle Field Airport, located in San Luis, Arizona and its related Contract and License Agreement with the BOR since 1972. The County has had an agreement to use the property commonly known as Rolle Field Airport, through a number of agreements with the BOR that dates as far back as the 1950's. The use of the property, which consists of an entire section or one square mile, has essentially remained unchanged over the decades, in that it is the location on which a paved landing strip is used for General Aviation aircraft activity of various types. The Licensee on the current Agreement is the County of Yuma; however, the YCAA manages this property and the related Contract and License Agreement with the BOR on the County's behalf.

The current Agreement and the related Amendment 1, extending the term to October 22, 2034, is attached for your reference as Exhibits A and B, respectively. The YCAA has appreciated the

Request new
lease + possible
move away from
County to YCAA

Cover of 290
page DOC

nature of the agreement, and the community has benefitted greatly from the ability to utilize the resulting improvements to help foster civil aviation in the Southwest region.

MOVING FORWARD

The YCAA was formed pursuant to the amended articles of incorporation attached hereto as Exhibit C for "the development, promotion, and encouragement of transportation into and out of the County of Yuma and other communities in Southern Arizona." Pursuant to A.R.S. §§ 28-8411.A.1, 28-8418.A.2, 28-8423.A and 28-8425.A, copies of which are attached hereto as Exhibits D, E, F and G, a county is authorized to establish and operate an airport and vest authority for control of the same in a body of the county, which may be accomplished through the lease of the airport to such body. Pursuant to A.R.S. 28-8424.A.1, a copy of which is attached hereto as Exhibit H, "a non-profit corporation that is a lessee as provided in section 28-8423 is a validly organized and existing body politic and corporate." The YCAA is such a nonprofit corporation, and is a lessee as contemplated by A.R.S. § 28-8423, and, therefore, a body politic of the State of Arizona. As such, at the YCAA is seeking that the new contract and license agreement be made between the YCAA and the BOR.

The YCAA has been directly responsible for all aspects of the Yuma International Airport since 1966 through its lease with the County attached hereto as Exhibit I (the "Lease"), as amended and extended through its current term, which is set to expire in 2057. The Lease is long term and grants the YCAA exclusive control and operation of Yuma International Airport, as well as responsibility for any associated risks. Since entering into the Lease, YCAA has fulfilled all of its obligations under the Lease, taking full control of and responsibility for all aspects of the operation, maintenance, and leasing of land and facilities as contemplated by and provided for in the Lease. Accordingly, the United States Department of Transportation, Federal Aviation Administration, recognizes the YCAA as the airport sponsor, fully responsible for compliance with thousands of regulations, and provides millions of dollars in capital improvement grants directly to the YCAA.

Simply put, the YCAA is more than qualified to enter into a new contract and license agreement directly with the BOR. If the BOR is agreeable to such a change in the current Contract and License Agreement, the YCAA will provide written evidence of the County's concurrence with such change. Further, since the current Agreement has less than 20 years remaining, the YCAA's ability to obtain grant funding from the Arizona Department of Transportation ("ADOT") necessary to invest in airfield improvements is restricted. Therefore, the YCAA would like to begin work on a new contract and license agreement with the BOR as soon as possible to enhance its ability to secure more ADOT grants for facility improvements.

Additionally, the YCAA is seeking a new agreement between the YCAA and the BOR to reflect the intentions of both parties, including modern language essential to address compliance requirements, as well as the following issues:

1. **Revolving 25-year term.** In an effort to simplify the ability to keep the agreement in compliance with ADOT's requirement of a minimum 20-year term, the YCAA is requesting an initial 25-year term, with three options to renew for five years each. These options could be limited to being exercised during years four, eight and 12, keeping the agreement with an overall term of less than 30 years, but always more than the 20 years, as required by the YCAA's funding sources.
2. **Revising the scope of activity occurring on the property if necessary.** Over time, the most frequent use of the airfield has shifted from almost entirely agricultural related activity to pilot training and the test and evaluation of unmanned aerial systems or UAV's. The intended use of the property is described in Section 2 of the current Agreement which reads:

“[T]he Contractor desires the right to operate and maintain an airport on lands of the United States primarily for the purpose of operating, maintaining, and managing an airport including, but not limited to, use by farmers and growers of the Yuma area in connection with crop spraying or dusting.”

Due to the ever-evolving nature of the aviation industry, for purposes of the new agreement, it may be prudent to limit the references of specific uses of the property and simply reference the intention to “operate and maintain an airport.” If a more specific purpose is necessary in the new agreement, the following activities commonly occur at the Rolle Field Airport today:

- Flight instruction and pilot training
- Practice landings and takeoffs by licensed pilots
- Flight testing of unmanned aerial systems
- Agricultural related aircraft activity
- Military training exercises

It is important to note that the property continues to be utilized for the purposes of operating and maintaining an airport, as it has for decades, without exception.

DEVELOPMENT PLANNING AND ENVIRONMENTAL ASSESSMENT

In an effort to ensure efficient and responsible stewardship of the property, the YCAA has completed a masterplan for the intended use of the property. The Rolle Field Masterplan has been attached as Exhibit J for your reference.

Maria Ramirez
Bureau of Reclamation
Page 4

In order to ensure that the property's intended use is not at odds with responsible stewardship, the YCAA has obtained funding from ADOT to perform an environmental assessment. This funding, represented as ADOT Grant E5S2Z, will fund the completion of an environmental assessment, which will begin in the Summer of 2015. A copy of the grant funding for this study has been attached as Exhibit K.

IN SUMMARY

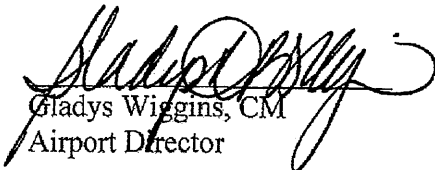
The YCAA looks forward to working with your staff to establish a new agreement with the YCAA to continue to promote and foster responsible civil aviation management in the region.

Your contact for purposes of this new agreement will be:

Gladys Wiggins, CM
Airport Director
2191 East 32nd Street, STE 218
Yuma, AZ 85365
Tel: 928.726.5882
Fax: 928.344.4677
gladys@yumaairport.com

We appreciate everything that you have done in the past to assist us in managing the Rolle Field Airport and look forward to working with you on the new agreement.

YUMA COUNTY AIRPORT AUTHORITY, INC.


Gladys Wiggins, CM
Airport Director



United States Department of the Interior

BUREAU OF RECLAMATION

Lower Colorado Region
Yuma Area Office
7301 Calle Agua Salada
Yuma, AZ 85364

IN REPLY REFER TO

YAO-7120
LND-6.00
2.2.3.18

JUN 21 2018

Ms. Gladys Brown
Airport Director
Yuma County Airport Authority
2191 East 32nd Street, Suite 218
Yuma, AZ 85365

Subject: Yuma County Airport Authority (YCAA) – Contract and License No. 06-07-34-L0550
With Yuma County for Airport Purposes (Contract) – Rolle Airfield – Colorado River
Basin Salinity Control Project – Protective and Regulatory Pumping Unit – Title I
Division, Five Mile Zone, Arizona


Dear Ms. Brown:

We appreciated the opportunity to meet with Mes. Gen Grosse and Sarah Halligan on June 1, 2018, to discuss the subject Contract. It is our understanding that because the remaining term of the current Contract with Yuma County is insufficient in relation to grant funding opportunities, as well as the fact that the YCAA is an entity that is independent of Yuma County, a new agreement with the YCAA for Rolle Airfield is desired. It is also our understanding that you intend to obtain a letter of concurrence from Yuma County for the termination of the subject Contract, concurrent with the execution of a new agreement with YCAA.

Please let this letter serve as confirmation that the Bureau of Reclamation is willing to enter into an agreement with YCAA for airport purposes for Rolle Airfield, contingent upon reaching mutually acceptable terms with YCAA and receipt of written concurrence from Yuma County for termination of the subject Contract.

We look forward to working with your agency in the development of a new agreement for Rolle Airfield. If you have any questions, please contact Mr. Scott Kerns, Realty Specialist, at telephone No. 928-343-8462 or via electronic mail at skerns@usbr.gov.

Sincerely,


Christopher M. Wallis, Chief,
Resource Management Office



Rolle Airfield- YCAA and BOR
Gladys Brown to: Susan Thorpe
Bcc: Junior Hinkle

06/05/2018 01:41 PM

Good Afternoon Susan,

As you know, the County has a "Contract and License Agreement" (the "License") with the US Department of the Interior for a section of land in San Luis, Arizona upon which the Airport Authority has constructed and maintains Rolle Airfield. The "License", which is set to expire in 2034, is managed by the Authority, on the County's behalf, in accordance with action taken by the Board of Supervisors back in 1973. Over the years the Authority has invested a substantial amount of resources into the facility which includes a paved runway and an aircraft hangar building in a secure access-controlled environment.

The Authority is eligible to receive funding from ADOT to support further investment into the airfield, as long as we have the right to manage, operate and control the facility for a minimum of 25 years from the date grant monies are allocated. In an effort to ensure our ability to continue investing in airfield improvements, we have been working with the Bureau of Reclamation (BOR) to get everything in place to extend or hopefully obtain a new License. Since initiating the effort, we have completed a masterplan for the facility, as well as completing an Environmental Assessment and the all important FONSI, it was determined by the BOR that a Categorical Exclusion is expected as we look at improvements within the fenceline. Our intention is to obtain a similar License which provides for use of the property with the following improvements:

- A longer term
- A stipulated series of options to extend, to avoid applying for extensions on a regular basis
- Updating the scope of authorized use to reflect the operations described the masterplan
- Replace the County as the Licensee with the Airport Authority

Rather than continue down the historical path of managing the License on behalf of the County, we have asked the BOR if they would consider establishing a new agreement directly with the Airport Authority. We believe this reflects the intent of the action taken by the Board of Supervisors back in 1973, as well as, our existing relationship. We have avoided approaching the County with this concept until we have received confirmation that they would be willing to do so. The BOR has agreed to work on a new License, with the improvements listed above, including changing the parties to reflect an agreement between the Department of the Interior and the Airport Authority, rather than Yuma County. We expect to receive written notification of their intent in the coming weeks.

This email is intended as a "heads up" on the issue, which we expect to formerly present to your attention once we receive written confirmation from the BOR. Our formal request will contain the necessary additional details and supporting documentation, as well as our commitment to provide your administration with everything necessary to have the issue considered by the Board of Supervisors.

If you have any questions, please do not hesitate to call.

Thank you for your time and always a pleasure working with you,

Gladys

Gladys D. Brown, C.M., C.A.E.

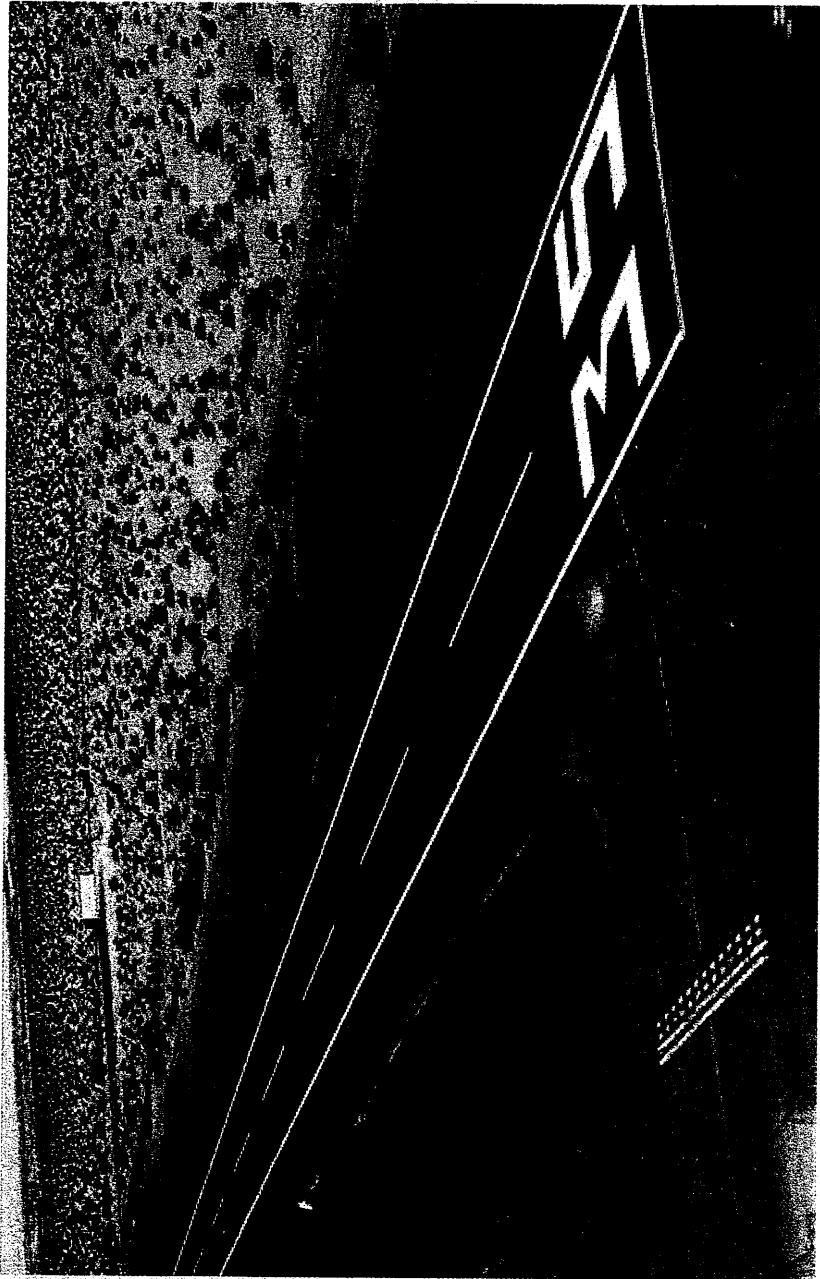
AIRPORT DIRECTOR

Yuma International Airport & Rolle Airfield

2191 E. 32nd Street, Suite 218

ROLLE AIRFIELD

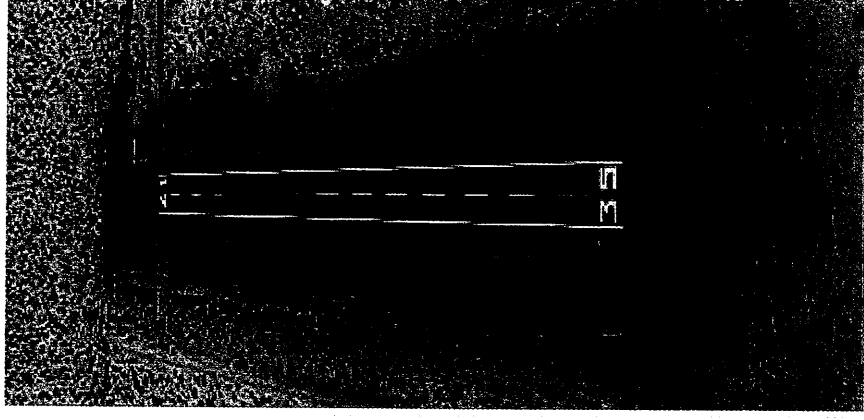
SAN LUIS, ARIZONA



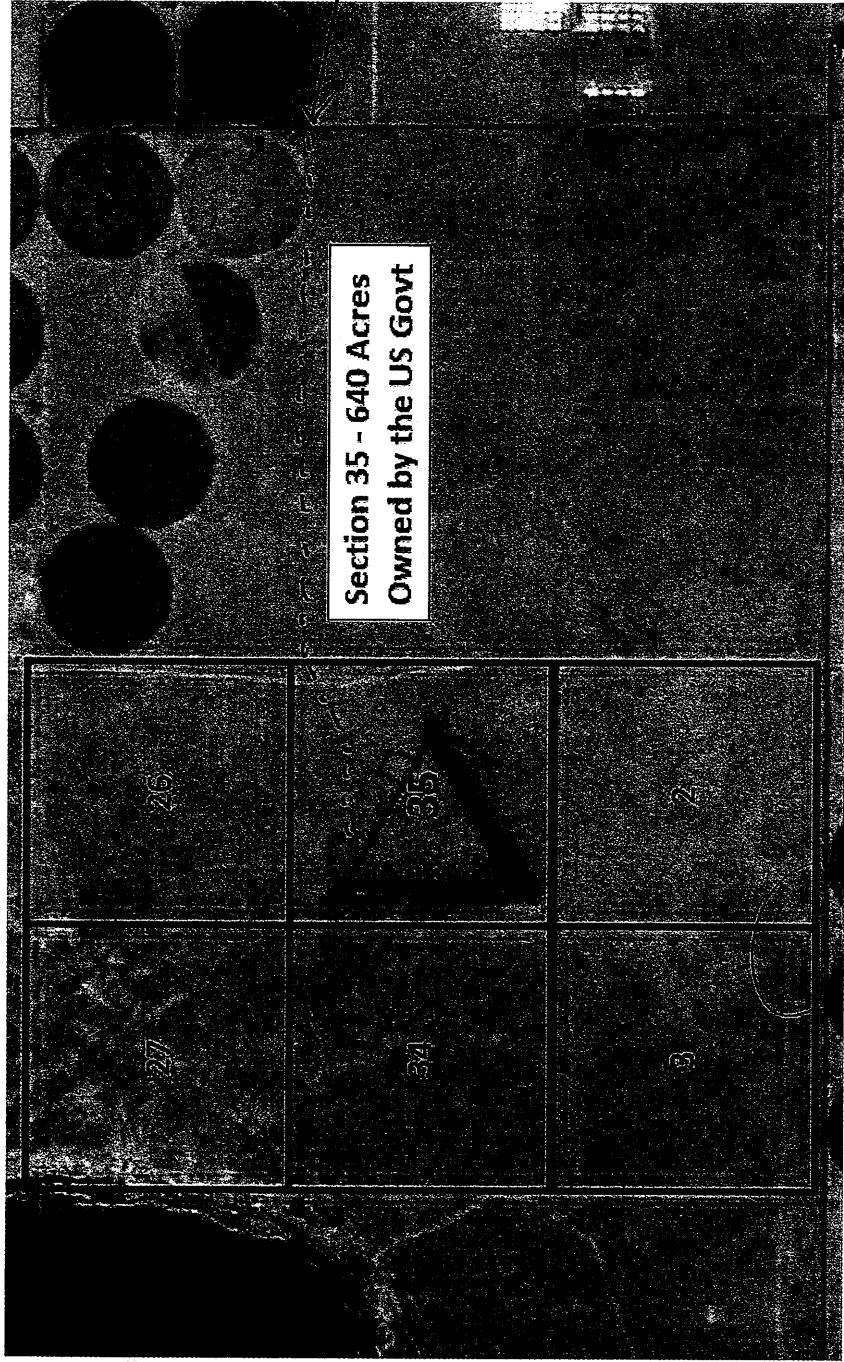
Rolle Airfield

Successful development:

- New Paved 2,800' runway
- 2,500 Sq. Ft. Hangar
- Full Security Fence/Access Control
- Helipad
- Utilized by defense contractors, aviation enthusiasts & the military



Rolle Airfield



COUNTY 21ST STREET
CURRENT ACCESS

Section 35 - 640 Acres
Owned by the US Govt

→ AVE E →

Rolle Airfield – New lease update

- The Airport Authority is the County’s “Agent” in regards to Rolle Field which does not satisfy the necessary element of control necessary to obtain ADOT Capital Improvement Grants
- In October of 2018 the Authority proposed to the County that it consider terminating its lease with the BOR, in favor of the Airport Authority which would satisfy this requirement.
- The BOR is willing to move this direction if the County so desires

Rolle Airfield – New lease update

- The following issues were raised:
 - Does the lease with BOR have any value? ^{NO}
 - Would it be legal to step aside and pass it along to the Authority? ^{YES}
 - Does San Luis support this?
- The County Attorney has verbally expressed his thoughts with YCAA legal counsel and believes that the License Agreement does not have value and taking these steps would be legal.
- The Authority is awaiting Mr. Reyes thoughts after having consulted with the City of San Luis