

RESOLUTION NO. R2024-16

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BURNET, TEXAS APPROVING A LETTER OF INTENT WITH CAREFLITE TO GROUND LEASE PROPERTY AT THE BURNET MUNICIPAL AIRPORT.

Whereas, by resolution no. R2023-49 City Council authorized a letter of intent with Careflite, to negotiate ground leases for 0.972 +/- acres located at the south end of the Burnet Municipal Airport runway; and

Whereas, the term of the Letter of Intent expired on January 1, 2024, and City Council desires to enter into an additional Letter of Intent to extend the negotiate period; and

Whereas, the Letter of Intent authorizes the City Manager to continue negotiations of the terms and conditions of ground leases for a term up to forty-years; and

Whereas, any ground lease negotiated by the City Manager would require Council approval before becoming binding on the City; and

Whereas, should the parties not come to an agreement as to the terms and conditions of the ground leases before the expiration of the term of the Letter of Intent, or any extension thereof, neither party shall have any further obligation to the other under the Letter of Intent.

NOW, THEREFORE, BE IT RESOLVED BY CITY COUNCIL OF THE CITY OF BURNET, TEXAS, THAT:

Section one. Findings. That the recitals to this Resolution are incorporated herein for all purposes.

Section two. Approval. The Letter of Intent attached hereto are hereby approved.

Section three. Authorization. The Mayor is hereby authorized to execute instruments in substantial form as the attachment and execute such ancillary documents and take such related actions reasonably necessary to facilitate the intent of this Resolution. The City Manager is authorized to extend the term an additional ninety days without further City Council action.

Section four. Direction. Upon full execution of the Letter of Intent the City Manager is directed to pursue negotiations of a Ground Lease with Careflite for future Council consideration and action.

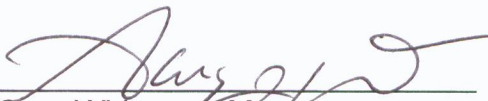
Section five. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act.

Section six. Effective Date. That this resolution shall take effect immediately upon its passage, and approval as prescribed by law.


PASSED AND APPROVED this the 27th day of February, 2024.

CITY OF BURNET, TEXAS

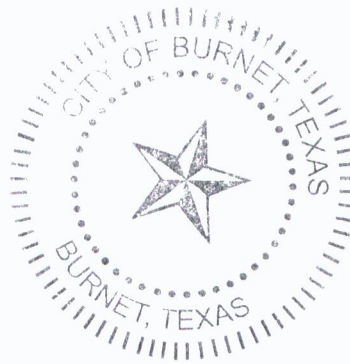
ATTEST:



Gary Wideman, Mayor



Kelly Dix, City Secretary



CareFlite
311-S Great
Southwest
Parkway
Grand Prairie,
Texas 75052

February 27, 2024

Gary Wideman, Mayor
City of Burnet Texas
1001 Buchanan Drive, Suite 4
Burnet, Texas 78611

RE: Letter of Intent

The Honorable Gary Wideman Mayor, City of Burnet, Texas:

This letter will serve as a Letter of Intent ("LOI") for ground lease for a parcel of land at the Burnet Municipal Airport by and between CareFlite, or assign ("Tenant") and the City of Burnet, Texas ("Landlord").

The following expresses our understanding with respect to the matters described herein, but, unless provided otherwise herein, it is expressly understood that this Letter of Intent does not constitute a complete statement of the terms of the ground lease.

1. **Ground Lease.** The Landlord and Tenant shall enter into a written ground lease on which Tenant shall have constructed an aircraft hangar.
 - a. Within ninety (90) days from the execution of this letter of intent, the parties hereto shall negotiate and enter into a ground lease for the Parcel described herein. The term of the lease shall be for forty (40) years, and any structure constructed thereon shall become the property of the City of Burnet at the expiration of the ground lease.
 - b. Tenant shall pay rentals and any other airport fees as provided in the ground lease.
 - c. The parties hereto shall negotiate other lease provisions that are mutually agreeable and typical of other ground leases at the Burnet Municipal Airport.
2. **Earnest Money.** The City of Burnet acknowledges receipt from Tenant of a fully refundable earnest money fee of \$500.00 for the Landlord to hold the parcels for ninety (90) days or until the ground lease is executed, whichever first occurs.
3. **Parcel.** The parcel to be included under the separate ground lease between the parties are:
 - a. .972 +/- acres known as Lot 2A as found on the attached survey and located at the south end of the Burnet Municipal Airport runway.


4. **Environmental Study.** Landlord shall provide to Tenant a copy of any environmental study conducted at the Burnet Municipal Airport.
5. **Broker's Commission.** Neither Landlord nor Tenant shall be represented by a broker for which a commission is paid based on the ground lease or otherwise.
6. **Due Diligence Period.** Tenant shall conduct due diligence on the parcel during the ninety (90) days commencing on the execution of this LOI by the City of Burnet.

Furthermore, Landlord agrees as follows: (i) no other third party has any contractual or other rights related to the Parcel; (ii) Landlord shall not market the parcel for lease or sale to any other third party during the Due Diligence Period noted above; and (iii) at the end of the Due Diligence Period this LOI may be extended in writing by the parties for an additional ninety (90) days or this LOI shall automatically expire.

Should this LOI expire, neither party hereto shall have any liability arising under this LOI as to the other party. Upon execution of this LOI, it shall be binding on the parties during the Due Diligence Period or the execution of the ground leases, whichever first occurs.


Sincerely,
CareFlite

By: CareFlite

By: 
A203D7FA7F62427
Kevin Reynolds
Chief Operating Officer

Read and Agreed to:

City of Burnet, Texas

By: 
Gary Wideman, Mayor

Date: 2-27-2024

Attachment - Survey

