

LEASE AND LICENSE AGREEMENT
FOR COMMERCIAL FIXED BASE OPERATION
MARIANNA AIRPORT

Name of Company: **SKYWARRIOR FLIGHT SUPPORT, INC.**

EFFECTIVE DATE: ~~APRIL 1, 2014~~ APRIL 1, 2019

COMMENCEMENT DATE: See Article 4.2

PREPARED BY:
CITY OF MARIANNA

TABLE OF CONTENTS

ARTICLE

ARTICLE 1	DEFINITIONS
ARTICLE 2	LEASED PREMISES
ARTICLE 3	PRIVILEGES, USES, EXCLUSIONS AND SERVICES
ARTICLE 4	TERM
ARTICLE 5	OBLIGATIONS OF COMPANY
ARTICLE 6	RENTALS AND FEES
ARTICLE 7	MAINTENANCE OBLIGATIONS OF CITY
ARTICLE 8	MAINTENANCE OBLIGATIONS OF COMPANY
ARTICLE 9	FUTURE IMPROVEMENTS AND ALTERATIONS BY COMPANY
ARTICLE 10	TITLE TO IMPROVEMENTS
ARTICLE 11	DEFAULT AND TERMINATION RIGHTS
ARTICLE 12	LIENS
ARTICLE 13	UTILITIES
ARTICLE 14	TAXES AND FEES
ARTICLE 15	INDEMNIFICATION
ARTICLE 16	INSURANCE
ARTICLE 17	DAMAGE OR DESTRUCTION OF PREMISES
ARTICLE 18	ENVIRONMENTAL. REGULATIONS AND GENERAL CONDITIONS
ARTICLE 19	COMPLIANCE WITH LAWS, REGULATIONS, ORDINANCES, RULES
ARTICLE 20	GOVERNMENTAL INCLUSIONS
ARTICLE 21	NON-EXCLUSIVE
ARTICLE 22	RIGHT TO DEVELOP AIRPORT
ARTICLE 23	RIGHT OF FLIGHT
ARTICLE 24	RIGHT OF ENTRY

TABLE OF CONTENTS (CONTINUED)

ARTICLE 25	PROPERTY RIGHTS RESERVED
ARTICLE 26	SUBORDINATION TO TRUST AGREEMENT
ARTICLE 27	FEDERAL RIGHT TO RECLAIM
ARTICLE 28	NONDISCRIMINATION/AFFIRMATIVE ACTION
ARTICLE 29	AMERICANS WITH DISABILITIES
ARTICLE 30	SIGNS
ARTICLE 31	ENJOYMENT
ARTICLE 32	ASSIGNMENT AND SUBLETTING
ARTICLE 33	SURRENDER OF PREMISES
ARTICLE 34	WAIVER OF CLAIM
ARTICLE 35	APPLICABLE LAW AND VENUE
ARTICLE 36	ATTORNEYS FEES
ARTICLE 37	NOTICES AND COMMUNICATIONS
ARTICLE 38	HEADINGS
ARTICLE 39	RADON GAS NOTIFICATION
ARTICLE 40	AGENT FOR SERVICE OF PROCESS
ARTICLE 41	TIME IS OF THE ESSENCE
ARTICLE 42	COMPLETE AGREEMENT
ARTICLE 43	GENERAL AIRPORT MANAGEMENT
ARTICLE 44	MISCELLANEOUS
EXHIBIT "A"	MINIMUM STANDARDS FOR FULL-SERVICE FIXED BASE OPERATIONS AND SPECIALTY SERVICE OPERATIONS
EXHIBIT "B"	PREMISES

LEASE AND LICENSE AGREEMENT
FOR COMMERCIAL FIXED BASE OPERATION

MARIANNA AIRPORT

WITNESSETH

WHEREAS, CITY OF MARIANNA owns, operates and maintains an airport in Jackson County, Florida, known as the Marianna Airport (hereinafter referred to as "Airport"); and

WHEREAS, it is the best interests of the City to encourage air transportation services at the Airport; and

WHEREAS, the availability and conduct of quality fixed base operator services, as hereinafter set forth, are necessary to the operation of said Airport for public general aviation purposes, and City desires to enter into a Lease and License Agreement for Commercial Fixed Base Operation (hereinafter referred to as "Agreement") with **SKYWARRIOR FLIGHT SUPPORT, INC.** (hereinafter "Company"), a qualified, experienced operator to provide necessary general aviation services and a related fixed base operation at the Airport; and

WHEREAS, Company agrees to operate a first class, full service Fixed Base Operation ("FBO") facility and fuel farm on the Premises described in this Agreement.

WHEREAS, the City requires **GEORGE SIGLER**, the principal shareholder of Company to personally guaranty Company's obligations hereunder.

NOW, THEREFORE, for and in consideration of the premises, and of the mutual covenants and agreements herein contained, the City, Company, and Guarantor do hereby mutually undertake, promise and agree, each for itself and its successors and assigns, as follows:

ARTICLE I
DEFINITIONS

For the purpose of this Agreement, the following definitions shall apply:

- 1.1 City's Representative — shall mean the City Manager or such other person that City designates by written notice delivered to Company.
- 1.2 Company — shall also mean "Fixed Base Operator" as defined in the *Marianna Municipal Airport Minimum Standards for Full-Service Fixed Base Operations and Specialty Service Operations* ("Minimum Standards"), as adopted by the City and as may be amended from time to time. A copy of which is attached hereto as Exhibit A.

- 1.3 Core Services — shall mean those services that must be provided to general aviation airport patrons by Company and cannot be subleased to a person or other entity. These services are aircraft fueling, line service, aircraft hangar storage and tie-down.
- 1.4 General Manager — shall mean Company's designated person with day-to-day direct management authority for providing FBO services at the Marianna Airport. If the General Manager is replaced, the replacement candidate must meet or exceed the qualifications as outlined in the Minimum Standards. City reserves the right to approve Company's Manager and any such replacement.
- 1.5 Management Team — shall mean the Company's General Manager, Line Service Manager and Director of Maintenance.

ARTICLE 2

PREMISES

2.1 Premises

City hereby agrees to lease to Company and Company hereby agrees to lease from City real property located at 3689 Industrial Park Drive, Marianna, Florida 32446, consisting of premises in Exhibit B, which is attached to the Agreement, (hereinafter "Premises").

2.2 Space Allocation Adjustment--RESERVED

2.3 Company's Furnishings. Furniture and Fixtures

Company shall, without cost to City, furnish all furniture, fixtures, draperies and equipment necessary to conduct its FBO in an attractive, business-like manner that reflects the City's interest in providing high-quality service to the traveling public. All such furnishings, furniture and fixtures shall be of high quality, safe, fire resistant and attractive in appearance and shall require written approval of City prior to installation, which written approval shall not be unreasonably withheld. Company shall have the right to grant security interest, liens or encumbrances against the said furnishings, furniture and fixtures for purchase of said furnishings, furniture and fixtures only.

ARTICLE 3

PRIVILEGES, USES, EXCLUSIONS AND SERVICES

Company shall enjoy the following nonexclusive rights on the Airport subject to the conditions provided in this Agreement:

3.1 Privileges and Uses

- A. The use, in common with other duly authorized users, of the common areas (as the same now exist or may hereafter be extended) of the Airport, consisting of roadways, runways, taxiways, aircraft parking areas, all aids to air navigation for the Airport, and all public areas of the Airport.
- B. The right to operate a fuel farm.
- C. The right to use of the Premises for the conduct of a general aviation FBO.
- D. The loading and unloading of aircraft engaged in any lawful aviation activities.
- E. The maintenance, storing, and servicing of aircraft shall include overhauling, repairing, rebuilding, inspection and licensing of the same, and the purchasing and sales of parts, equipment, and accessories thereof.
- F. The right to maintain a business of buying and selling new and/or used aircraft, parts, and accessories therefore, and aviation equipment and merchandise which fall under the description of either retail, wholesale or as a dealer.
- G. The sale and into-plane delivery of aircraft fuels, lubricants and propellants at the Premises and at the Airport at such locations as may from time to time be designated by City and set forth in writing to Company. The sale of said fuels, lubricants and propellants at those locations designated by City shall include the right to use vehicles necessary for the servicing of aircraft.
- H. The sale of aviation products and merchandise incidental to general aviation activities.
- I. Flight instruction and ground school.
- J. The rental of aircraft.
- K. The operation of air taxi and charter services for the transportation of passengers, cargo and mail, including handling on the Premises of air taxi and charter services of others. The operations of such services shall be conducted in compliance with applicable Federal Aviation Administration regulations and certification requirements.
- L. The operation and sale of aerial survey, photography, and mapping services.

- M. The operation of Specialized Aviation Service Operations (SASO) such as paint, radio, propellers, instruments, accessories and upholstery shops.
- N. The operation of facilities and improvements upon the Premises, for the purpose of carrying out any of the activities provided for herein; subject, however, to the conditions of this Agreement as hereinafter described.
- O. The right to provide food and beverage vending machines in the public and employee break areas of the FBO Facilities.
- P. Car rental services (not including automobile sales or long-term leasing).
- Q. The right to provide food and beverages at no cost to the customers who have purchased fuel at the FBO facility.

No other business activity is authorized unless approved in writing, in advance, by the City.

3.2 Minimum General Aviation Commercial Aeronautical Operations to be provided by Company

As part of the consideration hereunder, Company must provide the following services:

- A. Tie-down and hangar storage.
- B. Sale and into plane dispensing of aviation fuels.
- C. Adequate ramp service for general aviation aircraft users, with a qualified attendant available on the ramp, Monday thru ~~Friday-Sunday~~ from 8 a.m. to ~~8 5~~ p.m. ~~-and Saturday and Sunday from 8 a.m. to 5 p.m.~~, for the purpose of providing aircraft guidance, aircraft parking, tie-down and after hour on-call service. If business warrants, the hours may be expanded.
- D. Operation of a fuel farm facility for the storage, handling and delivery of aviation fuel products.
- E. Emergency service to disabled general aviation aircraft on the Airport, including towing and transporting disabled aircraft at the request of the owner, operator of the aircraft, or City.
- F. Flight planning and flight services facilities equipped with direct telephone communication to a Federal Aviation Administration (FAA) flight service station, local navigation charts,

flight planning materials and weather information available during hours of operation for the airport patron.

- G. Courtesy transportation providing passenger transportation service between FBO and nearby destinations within a 10 mile radius of the airport. Courtesy vehicles shall be clean and reliable.
- H. Rental car services. If such services are available off-site, car delivery or other means of convenient access to rental vehicles must be provided.

3.3 Specialty Services which Company will endeavor, but is not required, to provide.

As part of the consideration hereunder, Company will endeavor to provide the following services:

- A. Maintenance, repair and servicing of general aviation aircraft, aircraft engines and parts by a qualified mechanic.
- B. Maintenance of adequate inventory of the necessary aircraft parts and accessories to maintain, repair and service general aviation aircraft.
- C. Flight training school with a certified flight instructor and two airworthy, owned or leased aircraft, including at least one aircraft suitable for instrument flight instruction.
- D. Aircraft rental with two airworthy Company owned or leased aircraft, including at least one aircraft suitable for instrument flight operation.

ARTICLE 4

TERM

4.1 Effective Date

This Agreement shall become binding and effective upon approval and execution by City and Company.

4.2 Commencement Date

The term of this Agreement shall be for a period of ~~5 years~~ 1 year and commence on APRIL 1, 2014-2019 ("Commencement Date"). ~~Company has submitted a proposal to the Department of the Army contracting command, MICC, to provide flight training (NAICS Code: 611 — Educational Services / 611512 — Flight Training). If Company is awarded said contract, the term shall be~~

~~extended to expire the earlier of 8 years from the Commencement Date or the termination of the contract so long as term is not reduced to less than 5 years from the Commencement Date.~~

4.3 Renewal

If the Company is not in default at the end of the term and is in good standing with the City, the Company may request the renewal of the Agreement for an additional 5 year period. The Company's lease renewal may be subject to new rules, regulations, terms, conditions, and rates that may apply at the time of renewal. If the Company desires to renew the Agreement, a written request shall be provided to the City at least 6 months prior to the expiration date of this Agreement. Renewal of the lease shall be within the City's absolute and unfettered discretion.

ARTICLE 5

OBLIGATIONS OF COMPANY

Company covenants and agrees:

- A. The use and occupancy of the Premises by Company shall be without cost or expense to City except as provided herein.
- B. Company agrees as a condition of this Agreement that it will, at all times, furnish courteous, prompt and efficient commercial aviation operations adequate to meet the reasonable demands for such services at the Airport and to furnish said services on a fair, equal and non-discriminatory basis to all users thereof, and to charge fair, reasonable, and non-discriminatory rentals and prices for each unit of sale or service. Company has made specific commitments in this Agreement as to levels and quality of service. To ensure these commitments are diligently pursued, City will evaluate the performance of Company periodically. If City determines that Company is not fulfilling the commitments under this Agreement, City shall notify Company in writing by certified mail of said service or quality deficiencies and Company will have 30 days from receipt of such notice to correct said deficiencies. Failure to correct said deficiencies shall be a condition of default.
- C. Company agrees, at its own expense, to provide for the general upkeep of the Premises and appurtenances thereto, as described herein, to maintain the Premises in a presentable condition consistent with good business practice as of the Commencement Date of this Agreement, normal wear and tear excepted, and to procure and keep in force during the term of this Agreement all necessary occupational licenses and permits as are required by

law for the operation of Company's business on the Premises. Company agrees to prevent the accumulation of materials, parts, or other materials on the Premises.

- D. Company agrees to conduct its business in a proper and first-class manner at all times. Company further agrees to operate in harmony with others on the Airport and will at all times operate with safety and concern for others.
- E. Company will market and solicit tenants for hangar occupancy and maintain a "waiting list" on behalf of the City. All hangars shall be rented using a standard lease provided by the City.
- F. Company will provide aircraft pull out/in service during normal business hours upon customer's request, for aircraft with a gross weight of 4000 lbs or greater.
- G. Company will be responsible for marketing and promoting the FBO facility and services.
- H. Company will promote and host at least one annual combination Weekend Open House/Fly-In and tenant appreciation event. ~~"weekend fly-in" or similar event.~~
- ~~I. Company will host at least one tenant meeting per year.~~
- ~~J. Company will host at least one tenant appreciation event per year.~~
- K. ~~Company will provide or cause to be provided all necessary dumpsters or other types of storage receptacles or devices as may be necessary.~~ The piling of boxes, cartons, barrels or similar items in an unsightly manner on or about the Premises shall not be permitted. Company shall cause to be removed (at its own expense) from Premises all waste, garbage and rubbish. Further, Company agrees not to deposit said waste on any part of the Airport, except in connection with collection or removal. Said waste shall be placed in a location and container ~~approved~~ provided by City.
- L. Company shall neither cause or create nor permit to be caused or created upon the Premises, or elsewhere on the Airport, any obnoxious odor, smoke or noxious gases or vapors. The creation of exhaust fumes by the operation of internal-combustion engines or engines of other types, so long as such engines are maintained and are being operated in a proper manner, shall not be a violation of this Agreement.
- M. Company hereby agrees that it will use the paved areas according to the specifications and planned use for such areas and Company will prohibit its employees, agents or

sublessee's from exceeding the planned use or from placing excessive loads on paved areas on the Premises. Company shall be responsible for the repair of any paved area damaged by non-conforming usage or excessive loading due to negligence on its part or any of its employees.

- N. Company shall not keep or store flammable liquids within any covered and enclosed portion of the Premises in excess of Company's working requirements. Any such liquids having a flash point of less than 110 degrees Fahrenheit shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.
- O. Company shall provide frequency protection within the aviation air/ground VHF frequency band in accordance with restrictions promulgated by the FAA for the vicinity of the FAA Remote Communications Outlet or aids to air navigation.
- P. Company accepts all Premises in its present condition, as is, except as otherwise stated, in this agreement and without expense to City.
- Q. Hangar doors to Hangars occupied by Company, if any, are to be kept closed at all times, except when moving aircraft, working on aircraft, when aircraft is gone for a short time or some other justifiable reason, and at no time shall doors be left open at night.
- R. Company will exercise reasonable care to keep oil, grease, solvents and other petroleum products off all surfaces and out of all drains and water bodies
- S. Company shall comply with the requirements of security plans that may be adopted for the Airport. If an official security plan is not in place, the Company shall implement commonly-accepted industry practices for general aviation airport security. Such practices may include, but are not be limited to, securing airfield gates and facilities after hours or when not in use and reporting suspicious persons or activities to law enforcement authorities.
- T. Company shall practice energy conservation where possible and when not in conflict with airport operations.

ARTICLE 6
RENTALS AND FEES

6.1 Company shall pay to City the following Rentals and Fees:

A. Airport Use Assessment Fee:

Company cannot charge a fee for the use of the Airport. However, consistent with its policy for charging each and every user of the Airport, including the Company, a use assessment to recover the costs of maintaining and operating the Airport, the City desires to collect an assessment for general aviation usage of the airfield. In this regard, the City has determined that a fair and efficient way to recover the costs of the general aviation usage of the airfield is by imposing an assessment on aviation and non-aviation fuel delivered to the Company, hereinafter referred to as "Airport Use Assessment". Company can only charge for the sale or provision of the goods and services authorized under this Agreement and actually provided. This does not preclude the Company from charging a reasonable ramp fee.

1) Description:

Company shall pay to the City an Airport Use Assessment Fee, also referred to as fuel flowage fee, of ~~\$.06~~ **\$.08** per gallon on all fuel delivered to the Company for the purpose of conducting activities authorized under this Agreement. The delivery or sale of fuel on the Airport for which the Airport Use Assessment Fee is not collected is prohibited. Said flowage fees are subject to an adjustment as specified below.

2) Payment Due:

The Company through its vendors shall provide to the City along with its payment a report of all deliveries of aviation fuel within 10 days of delivery to the Company. The report shall at a minimum provide information on current fuel deliveries and sales (by fuel type), to-date year totals, and comparison to the year-prior month. The format of the report shall be approved by the City and the fuel flowage report shall be incorporated into the monthly reporting requirements outlined in Section 6.3 (A) of this Agreement.

3) Fee Adjustment:

Fuel flowage fees shall be increased annually on the anniversary date, by an amount equal to the cumulative increase in the consumer price index for all

consumers for Florida for the prior calendar year. In no event will Fuel Flowage fees be decreased.

B. Percentage of Gross Sales

Company shall pay the City two and one-half percent (2.5%) of gross receipts for all services, equipment and supplies (with the exception of aircraft fuel). The term "gross receipts" shall include all charges or other fees charged by the Company on all sales and revenues of any kind and character derived from, arising out of, or payable on account of the business conducted by the Company or from operations under this Agreement, whether for cash or credit and without any deduction for credit card discounts, and regardless of whether operator ultimately collects monies owed for said sales. The term shall also include the value of goods and services when provided or given by the Company to anyone without charge except as provided herein. The term shall not include warranty work for which the Company receives no mark-up over cost, nor shall it include any sales tax or excise tax stated separately and collected for remittance to the taxing authority. All gross receipts shall be deemed to be received at the time of the determination of the amount due, not at the time of billing or payment, unless specifically authorized by the City. Payment shall be due for the aforementioned percentage of gross sales prior to the 10th day of the month following the month of the sale.

C. Premises Rent - Hangar:

The term "Hangar Rental Receipts" as used herein shall be construed to mean the aggregate dollar amount (excluding sales tax) of all hangar rental sales received by the City for City-owned individual hangars leased to the public. .

1) Description:

All rent shall be paid to the City. Any rent received by the Company at the airport shall be remitted to the City within five days of its receipt. In consideration of the Company's marketing of the hangars, the City will pay the Company's 5% of the Hangar Rental Receipts.

2) Payment Due:

Said hangar rent fee shall be remitted, without demand and without invoice, on or before the 10th day of each month.

D. Premises Rent — FBO Buildings, Office Space, and Ancillary Land:

1) Description:

Company shall pay monthly rent in the amount of ~~\$500.00~~ ~~\$600.00~~ for the exclusive use of the office space and the non-exclusive use of the common areas and ancillary land all as identified on Exhibit B. Company shall also pay any associated commercial rental taxes owed to the State of Florida.

2) Payment Due:

The Premises rent is due on or before the tenth of each month without demand and without invoice.

3) Rent Adjustment:

Beginning the sixth year of the term of this Agreement, the lease rental rate shall be subject to an annual adjustment, on the anniversary date, based on the cumulative increase in the Consumer Price Index for all consumers for Florida for the prior calendar year.

E. Automobile Rental:

1) Description:

Company shall pay to City 5% of Company's gross proceeds from automobile rentals on the Premises.

2) Payment Due:

Said automobile rent shall be remitted, without demand and without invoice, on the 10th day of the month after the month in which the Company's proceeds from automobile rental are received by Company.

F. Tie-Down Space Rental Rates:

1) Description:

Company agrees that tie-down space shall be subleased based on fair market value rental rates to ensure that the facilities produce maximum reasonable revenues to Company and City. All tenants will pay market rent. Company and City may meet by June 1 each year to determine the market value which will go into effect on for the City's upcoming fiscal year. If Company and City cannot agree on the market value, City will make the final determination.

2) Company's Use of Hangar Space:

To the extent Company's own aircraft are stored in a hangar space, said storage will be on a space available basis and Company shall pay revenues to City for aircraft storage at the same rates and charges as any tenant of the hangar space.

G. Extension of Credit:

The decision by the Company to extend credit to its customers rests solely with the Company. All credit sales are reportable by the Company and any related fees are payable to the City in the month the credit sale occurs. Bad debts as a result of the Company's decision to extend credit will be borne solely by the Company and shall not be a subtraction from the Company's reports or reduce fees payable to the City by the Company.

6.2 Late Payments

Without waiving any other right or action available to City in the event of default of Company's payment of charges or fees hereunder, and in the event Company is delinquent in paying to City any such charges or fees, for a period of five business days after the payment is due, City reserves the right to charge Company interest thereon, from the date such fees or charges became due to the date of payment, at the maximum rate authorized by the State of Florida.

6.3 Reports Due

- A. Company shall on or before the tenth of each month submit a completed General Aviation Revenue Activity Report. The Activity Report shall conform to format and content requirements of the City and provide sufficient information as to aviation and economic activity at the airport and business conducted by the Company thereon (i.e., fuel sales, lease income, sales, etc.). The Company monthly report shall be a single, self-contained report. Monthly report totals shall include information for the reporting period, year to-date totals, and comparison with prior year information.
- B. Company shall on or before 45 days following each anniversary date of this Agreement, have prepared and furnished to City a certified statement or statements and accounting by an independent certified public accountant which will reflect all Gross Receipts, all fuel flowage fees, and any of other revenues that Company is required to remit to City under the terms of this Agreement during the preceding 12 months of the Agreement.
- C. City and Company acknowledge and agree that on or before 45 days following each anniversary date of this Agreement, beginning with the 2015 reporting year and each year

thereafter for the term of this Agreement, Company may submit a written statement which shall reflect all Gross Receipts, fuel flowage fees, automobile rentals, and any other revenues that Company is required to remit to City under the terms of this Agreement during the preceding 12 months of the Agreement. The written statement shall be certified by the President of Company that, in his or her opinion, the fees and charges paid by Company to City during the reporting year were made in accordance with the terms of this Agreement. Such written statement shall be in lieu of the certified statement and accounting by an independent certified public accountant as required herein and shall be submitted in a form acceptable to City. If it appears from the statement that Company has understated the fees and charges payable to City, the written statement shall be accompanied with a payment of the difference between the fees and charges paid and the fees and charges owed.

6.4 Books and Records

Books and records include the general ledger, revenue journals, leases, subleases, line tickets, fuel tank logs, customer invoices, vendor invoices, sales tax returns and other documents produced evidencing the financial transactions occurring at the Premises. In the event Company utilizes computerized accounting software to record its financial transactions, at City auditor's request Company shall provide the general ledger and other financial information in electronic format. Books and records will be retained by Company and be available for audit for at least three years after the end of the anniversary date of this Agreement each year.

6.5 Audit By City

City reserves the right to audit Company's books and records or receipts at any time for the purpose of verifying the rental receipts and fees hereunder. If, as a result of such audit, it is established that Company has understated by three percent or more of the fees and charges payable to City, the entire expense of said audit shall be borne by Company. Any additional fees due, shall be paid by Company to City and City reserves the right to charge Company interest thereon, from the date such fees or charges became due to the date of payment, at the maximum rate allowed by the State of Florida.

ARTICLE 7

MAINTENANCE OBLIGATIONS OF CITY

7.1 City shall be obligated to provide preventative maintenance and repair to the following areas:

- A. All airfield pavements (including runway, taxiways, aprons) and landside access roads and parking lots.

- B. Airfield fencing, lighting, signage, NAVAIDs, and pavement markings.
- C. Existing potable water, natural gas and sanitary sewer from the mains to the Premises.
- D. Storm drainage systems.

ARTICLE 8
MAINTENANCE OBLIGATIONS OF COMPANY

8.1 General Obligations

Except as described in Article 7, Company shall be obligated to provide the upkeep of the Premises and every part thereof in good appearance, repair and safe condition, consistent with good business practice, whether installed by City or Company, such maintenance shall be without cost to City. Company shall repair all damages to the Premises caused by its employees, patrons or its operations thereon. All such maintenance, repair and replacements shall be of a quality equal to the original in materials and workmanship. All paint colors shall be submitted to and approved in writing by City prior to application. City shall be responsible for any painting of the buildings during the first five years of the Agreement.

Company shall be responsible for the routine maintenance and repair of the interior and exterior of the buildings located on the Premises. The Company shall also be responsible for the upkeep and maintenance of landscaping and grassed areas on the Premises. City will responsible for the repairs to the electrical, heating, cooling and plumbing systems.

8.2 Fuel Farm Facilities

Company shall conduct its operations of said fuel farm facilities in such a manner as will meet all federal, state, or local requirements, and further will reduce to a minimum any spillage, overflowing or escaping of gases, petroleum or petroleum products to that which is reasonably practicable, considering the nature and extent of Company's operations. Company shall at all times maintain the fuel farm facilities free and clear of any offensive substances, refuse matter, scrap material or waste resulting from its use or work performed thereon and Company shall strictly comply with safety and fire prevention ordinances of the governing jurisdiction, including any and all applicable safety regulations at the Airport that may be adopted by City.

Company shall train its employees annually on proper fuel dispensing procedures with an emphasis on safety, and shall document such training to include a synopsis of topics and names of those trained.

Company shall provide adequate fire extinguishers and shall establish a fuel dispensing operations manual for its employees and submit same to City for comment and approval. The manual shall include the following items:

- a) Types of fuel.
- b) Grounding techniques, positioning of aircraft, and safety tips.
- c) Procedures to follow for fuel spills.
- d) Location of all fire extinguishers and fuel shutoff push button stations.
- e) Call-out list.
- f) Spill prevention control and countermeasure (SPCC) plan.

8.3 Failure to Repair and Maintain

If Company fails to perform Company's maintenance responsibilities, City shall have the right, but not the obligation, to perform such maintenance responsibilities, provided City has first, in any situation not involving an emergency, by written notice to Company, delivered in accordance with Article 37, afforded Company a period within which to correct the failure of 30 days or of such longer duration as may be reasonably required to rectify the failure through the exercise of prompt, diligent and continuous effort said extension must be approved by City. All costs incurred by City in performing Company's maintenance responsibility, plus a 15% administrative charge, shall be paid by Company within 30 days of receipt of billing therefore. Failure of Company to pay for more than 30 days after receipt of City's notice of delinquency shall be deemed a condition of default.

City retains the right, after giving reasonable advance notice to Company, to enter upon the Premises to repair any utilities thereon that serve any areas. City shall endeavor to use commercially reasonable efforts to minimize interference or disruption to Company's operations.

ARTICLE 9

FUTURE IMPROVEMENTS AND ALTERATIONS BY COMPANY

9.1 Written Approval

Company shall make no improvements or alterations whatsoever to the Premises without the prior review and written approval of City, which consent shall not be unreasonably withheld or delayed, provided, however, that improvements do not conflict with the current use and future development of the Airport and that such alterations or improvements shall commence only after plans and specifications thereof have been submitted to and approved in writing by City, and Company has obtained necessary permits. Within 45 days after receipt by City of Company's plans and specifications, City shall inform Company that the City requires additional information or that the plans are either; approved, approved subject to certain stated conditions and changes, or not approved.

9.2 Conditions

If Company's request for approval to make improvements or alterations is granted, the following conditions shall apply:

- A. Company shall obtain all required permits and licenses necessary under, and shall comply with applicable zoning laws, building codes and other laws or regulations of all appropriate governing entities, including the State and City, applicable to the construction or installation of approved improvements or alterations.
- B. Company agrees that all construction shall conform to the general architectural requirements of City's development standards, as most recently amended and adopted by City, from time to time, as well as the building code requirements of the applicable jurisdiction.
- C. Company agrees to hire only licensed contractors and subcontractors and to indemnify City in the event of any loss or damage resulting from work performed on the Premises by its contractors and subcontractors.
- D. Company covenants and agrees to accept and pay all costs necessary to complete approved alterations or improvements.
- E. Company agrees to be solely responsible for any damage (other than normal wear and tear) resulting from the removal by Company of its personal property or signs.

ARTICLE 10
TITLE TO IMPROVEMENTS

All improvements of whatever kind or nature, including but not limited to, all buildings and all equipment installed upon the Premises, heating and air conditioning equipment, interior and exterior light fixtures, fencing, landscaping, paving and the like placed upon the Premises, with or without consent of City, which, under the laws of the State of Florida, are part of the realty, shall be deemed to be the property of City and shall remain on the Premises unless otherwise agreed in writing. Title to all personal property, furnishings and trade fixtures shall be and remain with Company and shall be removed from the Premises upon termination or expiration of this Agreement as provided herein. Company will pay any costs associated with the restoration of the Premises due to such removal.

ARTICLE 11
DEFAULT AND TERMINATION RIGHTS

11.1 Events of Default

The following events shall be deemed events of default by Company:

- A. The failure or omission by Company to perform its obligations under this Agreement or the breach of any term, condition or covenant required herein.
- B. The conduct of any business or performance of any acts at the Airport not specifically authorized in this Agreement or by other agreements between City and Company, and Company's failure to discontinue that business or those acts within thirty (30) days of receipt by Company of City's written notice to cease said business or acts.
- C. The appointment of a Trustee, custodian, or receiver of all or a substantial portion of Company's assets.
- D. The divestiture of Company's estate herein by operation of law, by dissolution, or by liquidation, (not including a merger or sale of assets).
- E. The insolvency of Company; or if Company shall take the benefit of any present or future insolvency statute, shall make a general assignment for the benefit of creditors, or shall seek a reorganization or the readjustment of its indebtedness under any law or statute of the United States or of any state thereof including the filing by Company of a voluntary petition of bankruptcy or the institution of proceedings against Company for the adjudication of Company as bankrupt pursuant thereto.

- F. Company's non-compliance with Florida Statute 287.133 — concerning Criminal Activity on Contracts with Public Entities.

11.2 City's Remedies

In the event of any of the foregoing events of default enumerated in Section 12.1, and following 30 days' notice by City and Company's failure to cure, City, at its election, may exercise any one or more of the following options or remedies, the exercise of any of which shall not be deemed to preclude the exercise of any others herein listed or otherwise provided by statute or general law:

- A. Terminate Company's rights under Agreement and, in accordance with law, take possession of the Premises. City shall not be deemed to have thereby accepted a surrender of the Premises, and Company shall remain liable for all payments due, or other sums due under this Agreement and for all damages suffered by City because of Company's breach of any of the covenants of Agreement; or
- B. Treat Agreement as remaining in existence, during Company's default by performing or paying the obligation which Company has breached, and all sums paid or expenses incurred by City directly or indirectly in curing Company's default shall become immediately due and payable as well as interest thereon, from the date such fees or charges became due to the date of payment, at the maximum rate allowed by the State of Florida.
- C. Declare this Agreement to be terminated, ended, null and void, and reclaim possession of the Premises whereupon all rights and interest of Company in the Premises shall end.

No waiver by City at any time of any of the terms, conditions, covenants, or agreements of this Agreement, or noncompliance therewith, shall be deemed or taken as a waiver at any time thereafter of the same or any other term, condition, covenant, or agreement herein contained, nor of the strict and prompt performance thereof by Company. No delay, failure, or omission of City to re-enter the Premises or to exercise any right, power, privilege, or option arising from any default nor subsequent acceptance of fees or charges then or thereafter accrued shall impair any such right, power, privilege, or option, or be construed to be a waiver of any such default or relinquishment, or acquiescence of the Premises. No notice by City shall be required to restore or revive time is of the essence hereof after waiver by City or default in one or more instances. No option, right, power, remedy, or privilege of City shall be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of the rights, powers, options, or remedies given to City by this Agreement are cumulative and that the exercise of one right, power, option, or remedy by City shall not impair its rights to any other right, power, option, or remedy available under this Agreement or provided by law.

11.3 Continuing Responsibilities of Company

Notwithstanding the occurrence of any event of default, Company shall remain liable to City for all payments payable hereunder and for all preceding breaches of any covenant of this Agreement. Furthermore, unless City elects to cancel this Agreement, Company shall remain liable for and promptly pay any and all payments accruing hereunder until termination of this Agreement as set forth in this Agreement or until this Agreement is canceled by Company.

11.4 Company's Remedies

Upon 30 days' written notice to City, Company may terminate this Agreement and all of its obligations hereunder, if Company is not in default of any term, provision, or covenant of this Agreement or in the payment of any rents or charges to City, and only upon or after the occurrence of any of the following events: the inability of Company to use Airport for a period of longer than 90 consecutive days due to war, terrorism, or the issuance of any order, rule or regulation by a competent governmental City or court having jurisdiction over City, preventing Company from operating its business for a period of 90 consecutive days, provided, however that such inability or such order, rule or regulation is not due to any fault or negligence of Company.

ARTICLE 12

LIENS

The interest of City in the Premises shall not be subject to liens for improvements made by or for Company, whether or not the same shall be made or done in accordance with an agreement between City and Company, and it is specifically understood and agreed that in no event shall City or the interest of City in the Premises be liable for or subjected to any construction, mechanics', material man's, or laborer's liens for materials furnished improvements or work made by or for Company; and this Agreement specifically prohibits the subjecting of City's interest in the Premises to any construction, mechanics', material man's, or laborer's liens for improvements made by Company or for which Company is responsible for payment under the terms of this Agreement. Company shall indemnify and hold the City harmless for any expense or cost associated with any claim of lien that may be filed against the Premises or City, including attorney fees incurred by City.

ARTICLE 13

UTILITIES

13.1 Company's Responsibilities

During the term of this Agreement, City shall provide water, sanitary sewer, seventy-five percent (75%) of the electric, ~~and natural gas,~~ storm drainage, and garbage services at the Premises. Should Company require additional utilities beyond what are currently provided at the Premises,

Company agrees to pay the full cost and expense associated with the installation, metering, and usage of all additional utilities related to its use of the Premises and to comply with all provisions required by City for maintaining such services. ~~Company shall obtain its own garbage service.~~

ARTICLE 14
TAXES AND FEES

Company shall pay all applicable sales, use, and assessment fees of any kind, against Company's Premises, the real property and any improvements thereto or leasehold estate created herein, or which result from Company's occupancy or use of the Premises, whether levied against Company or City. Company shall also pay any other taxes or assessments against the Premises or leasehold estate created herein. Company may reserve the right to contest such taxes and withhold payment of such taxes upon written notice to City of its intent to do so, so long as the nonpayment of such taxes does not result in a lien against the real property or any improvements thereon or a direct liability on the part of City. City agrees to immediately forward to Company any notices of such taxes and assessments. Company shall pay the taxes or assessments reflected in a notice Company receives from City within 30 days after Company's receipt of that notice or within the time period prescribed in tax bill. City will attempt to cause taxing City to send the applicable tax bills directly to Company and Company shall remit payment directly to the taxing City, in such instance. Notwithstanding the foregoing, City shall pay the advalorem real property taxes levied on the Premises, if any.

ARTICLE 15
INDEMNIFICATION

To the fullest extent permitted by law, the Company shall indemnify and hold harmless the City, its officers, employees, and its agents from claims, liabilities, damages, losses, and costs including, but not limited to, reasonable attorney fees, to the extent caused by the negligence, recklessness, or intentional wrongful conduct of the Company and any other person, firm or entity employed or utilized by the Company in the performance of this Agreement.

This clause shall survive the termination of this Agreement. Compliance with the insurance requirements as attached hereto shall not relieve Company of its liability or obligation to indemnify City as set forth in this Article.

ARTICLE 16
INSURANCE

16.1 Insurance Terms and Conditions

The Company shall purchase coverage provided by Property/Casualty Insurance Companies qualified to do business in the State of Florida whose rating by the A.M. Best Company is "A" or better. For Business Auto policies, the Company shall purchase coverage on forms no more restrictive than Business Auto policies filed by the Insurance Services Office. The City shall be an Additional Insured and such coverage shall be at least as broad as that provided to the Named Insured under the policy for the terms and conditions of this Lease. The City shall not be considered liable for premium payment, entitled to any premium return or dividend and shall not be considered a member of any mutual or reciprocal company. Minimum limits and coverage as outlined below must be provided, with umbrella insurance coverage making up any difference between the policy limits of underlying policies coverage and the total amount of coverage required.

16.2 Required Coverages — Minimum Limits

Workers' Compensation/Employer's Liability: The minimum limits of insurance (inclusive of any amount provided by an umbrella or excess policy) shall be:

Part One: State	"Statutory"
Part Two: Employer's Liability	\$500,000 each person accident
	\$500,000 each person disease
	\$500,000 aggregate disease

Airport Liability: Coverage including bodily injury and property damage liability for premises, operations, products and completed operations, hangar keepers and independent contractors. The

coverage shall be written on occurrence type basis with minimum limits of \$1,000,000 combined single limit.

Aircraft Liability: Coverage including bodily injury and property damage liability arising out of the operations of owned and non-owned aircraft. This coverage shall be written on an occurrence type basis with minimum limits of \$1,000,000 combined single limit for single engine aircraft.

Business Auto: Coverage including bodily injury and property damage arising out of operation, maintenance or use of owned, non-owned and hired automobiles and employee non-ownership use. This coverage shall be written with minimum limits of \$1,000,000 combined single limit.

Environmental Impairment: Coverage including spillage, leakage, seeping or the like arising out of the fuel storage tank system (fuel farm), all of which may be sudden and accidental or over a long period of time. This coverage shall be written on a claim made type basis with minimum limits of \$5,000,000 combined single limit or as required by Federal or State Statute.

Umbrella Liability: Coverage shall not be more restrictive than the underlying insurance policy coverage. The coverage shall be written on an occurrence-type basis within minimum limits of N/A.

Company and the City understand and agree that the minimum limits and type of insurance herein required may become inadequate, and Company agrees that it will increase such coverage or limits of liability to commercially reasonable levels within ninety (90) days upon receipt of notice in writing from the City.

Property Insurance

The City shall maintain property and casualty insurance on the Premises as part of its master policy. City shall not be responsible for damages to Company's personal property and the Company expressly releases City from any such damages.

Certificates of Insurance: Required insurance shall be documented by Certificates of Insurance which provide that the City shall be notified at least thirty (30) days in advance of cancellation, non-renewal or adverse change or restriction in coverage. The City shall be named on each certificate as an Additional Insured and this contract shall be listed. If required by the City, the Company shall furnish copies of the insurance policies, forms, endorsements, jackets and other items forming a part of, or relating to such policies. If not acceptable to the City, certificate must be replaced with terms acceptable to the City. If not replaced in a timely manner, the Company shall, upon

instructions of the City cease all operations under the contract until such time as directed in writing by the City to resume operations. The Certificate Holder address should read: City of Marianna, 2898 Green Street, Marianna, Florida 32446.

ARTICLE 17

DAMAGE OR DESTRUCTION OF PREMISES

17.1 Partial Damage

In the event all or a portion of the Premises is partially damaged by fire, explosion, the elements, a public enemy, act of God, or other casualty, but not rendered untenable, City will make the repairs within a reasonable period of time, at its own cost and expense.

17.2 Extensive Damage

In the event damages as referenced in Paragraph 17.1 shall be so extensive as to render all or a significant portion of the Premises untenable, but capable of being repaired within 120 days, City will make the repairs with due diligence, at its own cost and expense.

17.3 Complete Destruction

In the event the Premises are completely destroyed by fire, explosion, the elements, a public enemy, act of God, or other casualty or are so damaged as to render the entire Premises untenable and the Premises cannot be repaired within 120 days', City shall be under no obligation to repair, replace, and reconstruct said Premises. In the event City elects not to repair, replace, and reconstruct said Premises, City will not be required to grant alternative Premises and this Agreement shall be terminated on 30 days' notice to Company.

17.4 Destruction as a Result of Company's Negligence

Notwithstanding the foregoing, in the event the Premises are damaged or destroyed as a result of the negligent act or omission of Company, Company's rents and fees shall not abate and Company shall be responsible for all repair costs.

17.5 Limits of City's Obligations Defined

Redecoration, replacement, and refurbishment of furniture, fixtures, equipment, and supplies shall be the responsibility of and paid for by Company and any such redecoration and refurbishing or re-equipping shall be of equivalent quality to that originally installed hereunder. City shall not be responsible to Company for any claims related to loss of use, loss of profits, or loss of business

resulting from any partial, extensive, or complete destruction of the Premises regardless of cause of damage.

17.6 Waiver of Subrogation

Neither the City nor the Company waive any right to recover against the other on account of any and all claims City or Company may have against the other.

ARTICLE 18

ENVIRONMENTAL REGULATIONS AND GENERAL CONDITIONS

18.1 General Conditions: Environmental

Notwithstanding any other provisions of this Agreement, and in addition to any and all other requirements of this Agreement or any other covenants, representations or warranties of Company, Company hereby expressly covenants, warrants and represents to City, in connection with Company's operations at the Airport the following:

- A. Company is knowledgeable of all applicable federal, State, and local environmental laws, ordinances, rules, regulations and orders, that apply to Company's operations at the Airport and acknowledges that such environmental laws, ordinances, rules, regulations and orders change from time-to-time, and Company agrees to keep informed of any such future changes.
- B. Company agrees to comply with all applicable federal, State, and local environmental laws, ordinances, rules, regulations, and orders that apply to Company's operations. Company agrees to hold harmless and indemnify City for any violation by Company of such applicable federal, State, and local environmental laws, ordinances, rules, regulations and orders and for any non-compliance by Company with any permits issued to Company pursuant to such environmental laws, which shall include but not be limited to, enforcement actions to assess, abate, remediate, undertake corrective measures and monitor environmental conditions and for any monetary penalties, costs, expenses, or damages, including natural resource damages, imposed against Company, its employees, invitees, suppliers, or service providers or City by reason of Company's violation or non-compliance.
- C. Company agrees to cooperate with any investigation, audit or inquiry by City or any governmental agency, regarding possible violation of any environmental law or regulation upon the airport premises.

- D. Company agrees that all remedies of City as provided herein with regard to violation of any federal, State or local environmental laws, ordinances, rules, regulations or orders shall be deemed cumulative in nature and shall survive termination of this Agreement.
- E. Company agrees that any notice of violation, notice of non-compliance, or other enforcement action of the nature described in Section 18.1-B shall be provided to City within 24 hours of receipt by Company or Company's agent. Any violation or notice of violation or non-compliance with federal, State, or local environmental law or ordinance that Company fails to rectify within the cure period established in Section 12.1- B shall be deemed a default under this Agreement. Any such default which is not cured shall be grounds for termination of this Agreement.
- F. In entering this Agreement, City expressly relies on the covenants, representations, and warranties of Company as stated herein.

18.2 Prior Contamination

Nothing in this Article shall be construed to make Company liable in any way for any contamination or release of Hazardous Substances (as defined below) affecting the Premises that occurs prior to the entry upon or occupancy of the Premises by Company or that occurs as a result of the actions of City or any of its employees, agents, or contractors. Company will be given copies of reports documenting the location of contamination that occurred prior to the entry upon or occupancy of the Premises by Company.

18.3 Offsite Contamination

Nothing in this Article shall be construed to make Company liable in any way for any contamination or release of Hazardous Substances affecting the Premises that occurs by reason of the migration or flow to the Premises from verifiable or documented offsite contamination that is not attributable to Company's activities at the Premises.

18.4 Environmental Inspection at End of Agreement Term

- A. At least 30 days, but no more than 90 days, before the expiration of the Term, or renewal thereof, as provided in Article 4 herein, Company, shall conduct an environmental inspection/examination. If warranted by the findings of the inspection or if requested by City, a compliance audit or site assessment shall be performed within the aforementioned time period. The cost for professional consulting/engineering services required for such audit or assessment shall be at the expense of Company. Company agrees to pay all associated laboratory and testing fees incurred to test and analyze samples collected during the site assessment process. If the existence of Hazardous Substances or

hazardous waste are detected, Company shall immediately take such action as is necessary to clean up the contamination at its own expense, and in accordance with applicable federal, State, and local law to the extent that it is obligated to do so by virtue of the foregoing provisions of this Article.

- B. If City is unable to lease the Premises during the period of a cleanup, referred to in I 9.4A above, due to the environmental condition of the Premises, in addition to any other damages for which Company may be liable, Company shall be responsible for payment of lost Rental Payment or lost use to City.
- C. The firm conducting cleanup work must be approved by City, and the methodology used by such firm shall be consistent with the then current engineering practices and methods required by the State of Florida or the United States government and must be reasonably acceptable to City.

18.5 General Conditions — Fuel Farm Facilities and Fuel Tender Operations

At Company's expense, Company shall at all time comply with all applicable laws, rules, and regulations pertaining to fuel tenders, petroleum storage tanks, and piping system operation, inspection and compliance monitoring programs, release detection procedures, maintenance and preventative maintenance programs including all fees, fines, and penalties in connection therewith. City shall register each tank as required by law and provide Company with a copy of the registration certificate.

Company shall train its employees and employees of fuel suppliers on proper fuel dispensing procedures with an emphasis on safety as well as spill prevention and response. All fuel deliveries to fuel farm facilities and aircraft shall be attended by a Company employee. Company shall comply with all requirements of the Federal Oil Pollution Prevention regulation found in Title 40 of the Code of Federal Regulations (CFR) part 112 (40 CFR part 112). As a result, Company shall prepare and implement a Spill Prevention Control and Countermeasure (SPCC) plan. Notification and response related to the spill or release of petroleum products shall be in compliance with the regulations of the Florida Department of Environmental Protection (FDEP) as stated in Chapter 62-761, Florida Administrative Code. In addition, Company shall follow City's Spill Response and Notification Guidelines.

Company shall provide adequate fire extinguishers and shall establish a Fuel Dispensing Operations manual for its employees and submit same to City for comment and approval. The manual shall include the following items:

- a) Types of fuel.
- b) Grounding techniques, positioning of aircraft, and safety tips.
- c) Procedures to follow for fuel spills.
- d) Location of all fire extinguishers and fuel shutoff push button stations.
- e) Call-out list.
- f) Spill prevention control and countermeasure (SPCC) plan.

All costs and expenses set forth in this section are in addition to the rentals and fees to be paid for the use and occupancy of the Premises.

Company understands and agrees that it is strictly liable for any environmental violation or harm, or any contamination to the soil or the water table caused by the operation of the fuel farm during the Term of this Agreement and any extension thereto, and that it shall immediately take such action as is necessary to clean up the contamination at its own expense, and in accordance with applicable federal, State and local law.

18.6 General Conditions: Stormwater

- A. Notwithstanding any other provisions or terms of this Agreement, Company acknowledges that certain properties within the Airport, or on City owned land, are subject to stormwater rules and regulations. Company agrees to observe and abide by such stormwater rules and regulations as may be applicable to the Premises.
- B. Company will be required to submit a separate Notice of Intent to use the State of Florida Multi-Sector Generic Permit for Stormwater Discharge Associated with Industrial Activity. City and Company both acknowledge that close cooperation is necessary to ensure compliance with any stormwater discharge permit terms and conditions, as well as to ensure safety and to minimize cost of compliance. Company acknowledges further that it may be necessary to undertake actions to minimize the exposure of stormwater to “significant materials” (as such term may be defined by applicable stormwater rules and regulations) generated, stored, handled or otherwise used by Company by implementing and maintaining “best management practice” (as such term may be defined in applicable stormwater rules and regulations).

- C. City will provide Company with written notice of any stormwater discharge permit requirements applicable to Company and with which Company will be obligated to comply including the submittal of Notice of Intent to the appropriate agency along with a copy to City. Company may also be required to comply with the following requirements including but not limited to: certification of non-stormwater discharges; collection of stormwater samples; preparation of a Stormwater Pollution Prevention Plan (SWPPP) or similar plans; implementation of best management practices; and maintenance and submittal of necessary records. In complying with such requirements, Company shall observe applicable deadlines set by the regulatory agency that has jurisdiction over the permit. Company agrees to undertake, as its sole expense, those stormwater permit requirements for which it has received written notice from the regulatory agency and that apply to the Premises, and Company agrees that it will hold harmless and indemnify City for any violations or non-compliance with any such permit requirements.

18.7 General Conditions: Solid and Hazardous Waste

- A. If Company is deemed to be a generator of hazardous waste, as defined by federal, State or local law, Company shall obtain a generator identification number from the U.S. Environmental Protection Agency (“EPA”) and the appropriate generator permit and shall comply with all federal, State and local laws, and any rules and regulations promulgated thereunder, including but not limited to, ensuring that the transportation, storage, handling and disposal of such hazardous wastes are conducted in full compliance with applicable law.
- B. Company agrees to provide City within ten days after City’s request copies of all hazardous waste permit application documentation, permits, monitoring reports, transportation, responses, storage and disposal plans and material safety data sheets prepared or issued in connection with Company’s use of the Premises.

18.8 Hazardous Substances

The term “Hazardous Substance” means any substance:

- A. The presence of which requires or may later require notification, investigation or remediation under any environmental law; or
- B. That is or becomes defined as a “hazardous waste”, hazardous material”, “hazardous substance”, “pollutant” or “contaminant” under any environmental law, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act

(42 U.S.C §9601 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.) and the associated regulations; or

- C. That is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous and is or becomes regulated by any governmental City, agency, department, commission, board, agency or instrumentality of the United States, any state of the United States, or any political subdivision within any state; or
- D. The presence of which on the Premises causes or threatens to cause a nuisance on the Premises or to adjacent properties or poses or threatens to pose a hazard to the Premises or to the health or safety of persons on or about the Premises; or
- E. That contains gasoline, diesel fuel or other petroleum hydrocarbons or volatile organic compounds; or
- F. That contains polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation; or
- G. That contains or emits radioactive particles, waves or materials, including, without limitation, radon gas.

ARTICLE 19

COMPLIANCE WITH LAWS, REGULATIONS, ORDINANCES, RULES

Company and its subcontractors shall at all times comply with applicable federal, State, and local laws and regulations, Airport rules, regulations, policies, procedures, Airport Security Program (ASP) and operating directives as are now or may hereinafter be prescribed by City, all applicable health rules and regulations and other mandates whether existing or as promulgated from time to time by the federal, State, or City including, but not limited to, permitted and restricted activities, security matters, parking, ingress and egress, environmental and storm water regulations and any other operational matters related to the operation of the Airport. Company, its officers, employees, agents, subcontractors, and those under its control, shall comply with security measures required of Company or City by the Federal Aviation Administration (FAA), or as may be required by the Transportation Security Administration (TSA) respective to Company's Premises. If Company, its officers, employees, agents, subcontractors or those under its control shall fail or refuse to comply with said measures and such noncompliance results in a monetary penalty being assessed against City, then, in addition to any other remedies available to City, Company shall be responsible and shall reimburse City in the full amount of any such monetary penalty or other damages. This amount must be paid by Company within 10 days of written notice.

ARTICLE 20
GOVERNMENTAL INCLUSIONS

The Premises and the Airport are subject to the terms of those certain Sponsor's Assurances made to guarantee the public use of the Airport as incidental to grant agreements between City and the United States of America as amended; and, City represents that none of the Provisions of this Agreement violates any of the provisions of the Sponsor's Assurance Agreement.

ARTICLE 21
NON-EXCLUSIVE

This Agreement shall not be construed to grant or authorize the granting of an exclusive right within the meaning of 49USC 40103(e) or 49USC 47107 (a) as may be amended from time to time, and related regulations.

ARTICLE 22
RIGHT TO DEVELOP AIRPORT

It is covenanted and agreed that City reserves the right to further develop or improve the Airport and all landing areas and taxiways as it may see fit, regardless of the desires or views of Company or its subcontractors and without interference or hindrance.

ARTICLE 23
RIGHT OF FLIGHT

City reserves, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the real property owned by City, including the Premises, together with the right to cause in said airspace, such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from or operating on Airport.

Company expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Premises to such a height so as to comply with Federal Aviation Regulations, Part 77; FDOT airport standards; and, the City's height zoning ordinance. Company further expressly agrees for itself, its successors and assigns, to prevent any use of the Premises which would interfere with or adversely affect the operation or maintenance of Airport, or otherwise constitute an Airport hazard.

ARTICLE 24
RIGHT OF ENTRY

City shall have the right to enter the Premises for the purpose of periodic inspection of the Premises from the standpoint of safety and health, and monitoring Company's compliance with the terms of this Agreement. City shall have the right to enter any building or structure on the Premises at any time in the event of an emergency, the determination of an emergency being at the sole discretion of City.

ARTICLE 25
PROPERTY RIGHTS RESERVED

This Agreement shall be subject and subordinate to all the terms and conditions of any instruments and documents under which City acquired the land or improvements thereon, of which said Premises are a part. Company understands and agrees that this Agreement shall be subordinate to the provisions of any existing or future Agreement between City and the United States of America, or any of its agencies, 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, and to any terms or conditions imposed upon the Airport by any other governmental entity.

ARTICLE 26
SUBORDINATION OF AGREEMENT

This Agreement and all rights of Company hereunder are expressly subordinated and subject to federal Airport Improvement Program grant assurances, FAA Orders and Advisory Circulars, and FDOT licensing requirements. Conflicts between this Agreement and the documents mentioned above shall be resolved in favor of such documents.

ARTICLE 27
FEDERAL RIGHT TO RECLAIM

In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof wherein the Premises are located, for public purposes, for a period in excess of 90 consecutive days, then this Agreement shall hereupon terminate and City shall be released and fully discharged from any and all liability hereunder. In the event of such termination, Company's obligation to pay rent shall cease, however, nothing herein shall be construed as relieving either party from any of its liabilities relating to events or claims of any kind whatsoever prior to this termination.

ARTICLE 28

NONDISCRIMINATION/AFFIRMATIVE ACTION

Company assures that, in the performance of its obligations hereunder, it will fully comply with the requirements of 14 C.F.R. Part 152, Subpart E (Nondiscrimination in Airport Aid Program), as amended from time to time, to the extent applicable to Company, to ensure, inter alia, that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any activities covered by such regulations. Company, if required by such regulations, will provide assurances to City that Company will undertake an affirmative action program and will require the same of its sub- organizations.

Company, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Airport facilities; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination; and (3) that Company shall fully comply with the requirements of 49 C.F.R. Part 21 (Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964), amended from time to time.

ARTICLE 29

AMERICANS WITH DISABILITIES ACT

Company shall comply with the applicable requirements of "The Americans with Disabilities Act" and the State of Florida Accessibility Requirements Manual, and any similar or successor laws, ordinances, rules, and regulations, including cooperation with City, concerning the same subject matter.

ARTICLE 30

SIGNS

31.1 Written Approval

Except with the prior written approval of City, Company shall not erect, maintain, or display any signs or any advertising at or on the Premises.

31.2 Removal

Upon the expiration or termination of Agreement, Company shall remove, obliterate or paint out, as City may direct, any and all signs and advertising on the Premises and, in connection therewith, shall restore the portion of the Premises affected by such signs or advertising to the same

conditions as existed at the commencement of the Term. In the event of failure on the part of Company to remove, obliterate, or paint out each and every sign or advertising and restore the Premises, City may perform the necessary work, at the cost of Company.

ARTICLE 31
ENJOYMENT

City represents and warrants that Company shall peaceably have, hold, and enjoy the Premises during the Term without hindrance or molestation from City, subject however, to all the terms and provisions hereof and covenants, easements, and other encumbrances now affecting the Premises.

ARTICLE 32
ASSIGNMENT AND SUBLETTING

The operations of Company hereunder are in the performance of functions, which are in the public interest and in furtherance of general aviation activities at the Airport. City is entrusted with the duty and obligation of providing the public with the highest level of general aviation services and facilities, and it is, therefore, necessary that Company's operations hereunder be subject to continuing scrutiny by City, and further that Company operate in a businesslike fashion, efficiently and with courtesy to the public. For these reasons the following shall apply:

- A. City shall retain total control and sole discretion over any assignment or subletting of the functions to be performed by Company hereunder, and such assignment or subletting must have prior written approval of City, which approval shall be within the City's absolute and unfettered discretion.
- B. Company may not sell, assign, or transfer this license or any portion thereof, except as provided herein. City must approve in writing the managing officers and the chief executive officers of Company and no capital stock of Company can be assigned, sold, or in any way transferred to any person or persons, firm or corporation, without the prior written consent and approval of City, which consent shall not be unreasonably withheld.
- C. City shall have the right to review and approve in advance, the financial capacity of the proposed assignee as well as the manager proposed to run the day-to-day operations of the facility for Company.
- D. In no event shall any approved assignment diminish City's rights to enforce any and all provisions of this Agreement.

- E. Company may sublease part of Company's Premises thereon but City must first approve such sublease. Such subleases, if approved, may only be for aviation business in connection with aviation uses being conducted on the Premises. Company may not sublease its responsibility to conduct a FBO except as may otherwise be provided herein. Approval of any sublease shall be within the City's sole and absolute discretion.

ARTICLE 33

SURRENDER OF PREMISES

Company shall surrender up and deliver the Premises to City upon the conclusion of the Term in the same condition as existed at the commencement of the Term, ordinary wear and tear excepted. Provided Company is not in default of this Agreement, Company shall forthwith remove all of its personal property from the Premises at the conclusion of the Term. Failure on the part of Company to remove its personal property within ten (10) days after the date of termination shall constitute a gratuitous transfer of title thereof to City for whatever disposition is deemed to be in the best interest of City. Any costs incurred by City in the disposition of such personal property shall be borne by Company. All fixed personal property placed on Premises by Company shall, at City's option, become the property of City at the expiration or termination of this Agreement and shall be left in place.

ARTICLE 34

WAIVER OF CLAIM

Company hereby waives any claim against City, and its officers, board members, agents, or employees for loss of anticipated profits caused by any suit or proceedings directly or indirectly attacking the validity of this Agreement or any part hereof, or by any judgment or award in any suit or proceeding declaring this Agreement null, void, or voidable, or delaying the same, or any part hereof, from being carried out.

ARTICLE 35

APPLICABLE LAW AND VENUE

This Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any action brought pursuant to this Agreement shall be in Jackson County, Florida.

ARTICLE 36

ATTORNEY'S FEES

In the event legal action is required by City to enforce this Agreement, City shall be entitled to recover costs and attorneys' fees, including in-house attorney time (fees) and appellate fees to the extent allowed by law.

ARTICLE 37
NOTICES AND COMMUNICATIONS

All notices or communications whether to City or to Company pursuant hereto shall be deemed validly given, served, or delivered, upon receipt by the party at the addresses listed below or to such other address as either Party may designate in writing by notice to the other Party delivered in accordance with the provisions of this Article.

TO City:

(MAIL DELIVERY)
City Manager
CITY OF MARIANNA
2898 Green Street
Marianna, Florida 32446
Or
(HAND DELIVERY)
SAME AS ABOVE

TO Company:

SKYWARRIOR FLIGHT SUPPORT, INC.
4141 JERRY L. MAYGARDEN RD.
PENSACOLA, FL 32504

SAME AS ABOVE

If the Notice is sent through a mail system, a verifiable tracking documentation such as a certified return receipt or overnight mail tracking receipt is encouraged.

ARTICLE 38
HEADINGS

The headings contained herein, including the Table of Contents, are for convenience in reference and are not intended to define or limit the scope of any provisions of this Agreement. If for any reason there is a conflict between content and headings, the content will control.

ARTICLE 39
RADON GAS NOTIFICATION

In accordance with requirements of the State of Florida, the following notification statement shall be included in all agreements relating to rental of real property. This is provided for information purposes only.

RADON GAS: Radon is naturally occurring radio-active gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found

in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your City public health unit.

ARTICLE 40

AGENT FOR SERVICE OF PROCESS

It is expressly agreed and understood that if Company is not a resident of the State of Florida, or is an association or partnership without a member or partner resident of said state, or is a foreign corporation, then in any such event Company does designate the Secretary of State, State of Florida, its agent for the purpose of service of process in any court action between it and City arising out of or based upon this Agreement and the service shall be made as provided by the laws of the State of Florida, for service upon a non-resident. It is further expressly agreed, covenanted, and stipulated that if for any reason service of such process is not possible, and Company does not have a duly noted resident agent for service of process, as an alternative method of service of process, Company may be personally served with such process out of this State, by the registered mailing of such complaint and process to Company at the address set out hereinafter in this Agreement and that such service shall constitute valid service upon Company as of the date of mailing and Company shall have 30 days from date of mailing to respond thereto. It is further expressly understood that Company hereby agrees to the process so served, submits to the jurisdiction and waives any and all obligation and protest thereto, any laws to the contrary notwithstanding.

ARTICLE 41

TIME IS OF THE ESSENCE

Time is of the essence of this Agreement.

ARTICLE 42

COMPLETE AGREEMENT

This Agreement represents the complete understanding between the Parties, and any prior agreements, or representations, whether written or verbal, are hereby superseded. This Agreement may subsequently be amended only by written instrument signed by the Parties hereto.

ARTICLE 43

GENERAL AIRPORT MANAGEMENT

As additional consideration for its use of the leased premises Company will be responsible for daily survey of airfield including the inspection of the runways, taxi ways, ramp areas, hangar areas, and all public use areas. The Company will be responsible for fuel tank inspections and fuel testing at the airport. In addition

the Company will ensure there are environmental spill kits available at the airfield and those kits are kept up to date. The Company will be responsible for FOD (foreign object damage) inspections of the runways and taxi ways. In addition Company personnel will be responsible for replacing runway and taxi way light bulbs which will be furnished by the City. The weather reporting facility will be monitored for correct information and the beacon will be checked daily for proper operation. The Company will post all NOTAMS regarding the airfield facilities including outage of the VOR, runway lights, PAPI approach lights, and any other safety of flight issues at the airport.

ARTICLE 44

GUARANTY

The undersigned, **GEORGE SIGLER** ("Guarantor"), the stockholder of Company in consideration of the leasing of the premises described herein to Company as specified herein, does absolutely and unconditionally guarantee to City the full and complete performance of all Company's covenants and obligations under this Agreement and the full payment by Company of all rentals, obligations and other charges and amounts required to be paid under this Agreement.

The Guarantor, during the period of his guarantees, hereby waives all requirements of notice of breach or non-performance by Company. The said Guarantor further waives any demand by City and/or action by City of any nature whatsoever against Company. The said Guarantor's obligations under this agreement, during the period of his guarantee, shall remain fully binding although City may have waived one or more defaults by Company, extended the time performance by Company, modified or amended the Agreement, released, returned or has applied other collateral given later as additional security (including other guarantees) and released Company from the performance of its obligations under this Agreement.

This guarantee shall be binding upon the undersigned Guarantor and his respective representatives and assigns and shall continue in effect for the period provided herein subsequent to any assignment of the Agreement by Company or by operation of law and shall survive the termination of this Agreement.

ARTICLE 45

MISCELLANEOUS

Wherever used, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

IN WITNESS WHEREOF, the parties hereto have set their hands and corporate seals
on this _____ day of _____, 2014.

CITY OF MARIANNA

(Affix Corporate Seal)

By: _____
PAUL A. DONOFRO, JR.
Mayor

Signed in the presence of:

Witness

Print Name

Witness

Print Name

LEGAL FORM APPROVED:

By: _____
FRANK E. BONDURANT
City Attorney

STATE OF FLORIDA

COUNTY OF JACKSON

The foregoing instrument was acknowledged before me this ____ day of _____, 2014,
by _____ his capacity as Mayor of the City Commission of the City of Marianna,
Jackson County, Florida, a public body corporate under the laws of the State of Florida, on its behalf. He
is personally known to me and he did not take an oath.

(Stamp or seal of Notary)

Signature of Notary

Type or print name of Notary

Date of Commission Expiration
(if not on stamp or seal)

COMPANY

Signed in the presence of:

By: _____

Title: _____

Witness

Print Name

Print Name

Witness

Print Name

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledge before me this _____ day of _____,
2014, by _____ as _____,
(Individual's Name) (Individual's Title)
of _____, a corporation, on its behalf. _____
(He is / She is) (Personally / Not personally)
known to me and has produced _____.
(Form of identification)

(Stamp or seal of Notary)

Signature of Notary

Type or Print name of Notary

Date of Commission Expiration (if not on stamp or seal)

GUARANTOR

Signed in the presence of:

Witness

Print Name

Signature

Print Name

Witness

Print Name

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledge before me this _____ day of _____,
2014, by _____ . _____
(He is / She is) (Personally / Not Personally)
known to me and/or produced _____.
(Form of Identification)

(Stamp or seal of Notary)

Signature of Notary

Type or Print name of Notary

Date of Commission Expiration (if not on stamp or seal)