Agenda Item: 3F2

Date

## PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

## AGENDA ITEM SUMMARY

Meeting Date: December 2, 2008 [X] Consent [ ] Regular [ ] Workshop [ ] Public Hearing
[ ] Workshop [ ] Public Hearing Submitted By: Department of Airports
I. EXECUTIVE BRIEF
Motion and Title: Staff recommends motion to receive and file: Seven (7) original Agreements for the Department of Airports.
A. Agreement to Terminate Hangar Lease Agreement with Airways Aviation, Inc., Unit 18, Building 11720 at North County Airport, terminating R-2006-0970 on 9/30/2008. (JB)
<b>B.</b> Agreement to Terminate Hangar Lease Agreement with Gary Czajkowski, Unit 20, Building 11740 at North County Airport, terminating R-2003-1448 on 10/10/2008. <b>(JB)</b>
C. North County General Aviation Airport Hangar Lease Agreement with Cloud 9 Helicopters, LLC, Unit 20, Building 11740, for one (1) year, automatically renewed at one (1) year intervals, commencing on 10/10/2008. (JB)
D. North County General Aviation Airport Hangar Lease Agreement with Thomas W. Costanzo, Unit 18, Building 11720, for one (1) year, automatically renewed at one (1) year intervals, commencing on 10/1/2008. (JB)
E. License Agreement with CSC Applied Technologies, L.L.C. to use Airport Property exclusively for twenty-four (24) hour vehicle parking, commencing 10/1/2008, expiring 12/31/2008, automatically renewed for one (1) month intervals thereafter. (JCM)
F. License Agreement with CSC Applied Technologies, L.L.C. to use Airport Property exclusively for twenty-four (24) hour vehicle parking, commencing 10/27/2008, expiring 12/31/2008, automatically renewed for one (1) month intervals thereafter. (JB)
<b>G.</b> Agreement Covering the Operation of Aircraft at Palm Beach International Airport with REPUBLIC AIRLINE, INC., commencing 4/7/2008, expiring 9/30/2008 and automatically extended on a year-to-year basis (October 1 <sup>st</sup> through September 30 <sup>th</sup> ). (JB)
<b>Summary:</b> Delegation of authority for execution of the standard County agreements above was approved by the BCC in R-83-801, R-2003-1047, R-2004-1367 and R-2007-2070. <b>Countywide</b>
Background and Justification: N/A
Attachments: Seven (7) Standard Agreements for the Department of Airports
Recommended By: Department Director Date
Approved By: MANA (464

**County Administrator** 

# AGREEMENT TO TERMINATE HANGAR LEASE AGREEMENT BETWEEN PALM BEACH COUNTY AND AIRWAYS AVIATION, INC.

This Agreement (this "Agreement") is made and entered into OCT 1 0 20,820 by and between Palm Beach County, a political subdivision of the State of Florida (the "COUNTY"), and Airways Aviation, Inc., whose address is 16147 75<sup>th</sup> Ave., Palm Beach Gardens, FL. 33418 (the "LESSEE").

### WITNESSETH:

**WHEREAS**, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the North County General Aviation Airport (the "Airport") located in Palm Beach County, Florida; and

WHEREAS, pursuant to that certain Hangar Lease Agreement between COUNTY and LESSEE dated May 2, 2006 (R-2006-0970) (the "Hangar Lease Agreement"), LESSEE leases that certain hangar unit # 18, building 11720 on Airport property; and

**WHEREAS**, LESSEE has requested to terminate the Hangar Lease Agreement; and

WHEREAS, COUNTY has no objection to the termination of the Hangar Lease Agreement.

- **NOW, THEREFORE**, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:
- 1. The recitals set forth above are true and correct and form a part of this Agreement.
- 2. The parties hereby agree that the Hangar Lease Agreement shall be terminated effective September 30, 2008 (the "Termination Date").
- 3. COUNTY is holding LESSEE's security deposit for the above hangar in the amount of One Thousand Six Hundred Eighty Dollars (\$1,680). The full amount of deposit shall be returned to LESSEE's within thirty (30) days of the Termination Date, providing that LESSEE has left the hangar in good condition, has no outstanding debt to COUNTY, has returned all gate access cards and keys to the County.
- 4. This Agreement shall become effective upon execution by the parties hereto.

(Remainder of page left blank intentionally)

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first written above.

PALM BEACH COUNTY, a political Subdivision of the State of Florida

1	BY ITS DIRECTOR OF AIRPORTS
Signature  Signature  Signature  Signature	By See Sel County Administrator or designee
Print Name	
Signature  Signature  Signature	By:  Monda Myla  Print Name  Title:
Print Name	

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

By

County/Aftorney

# AGREEMENT TO TERMINATE HANGAR LEASE AGREEMENT BETWEEN PALM BEACH COUNTY AND Gary Czajkowski

This Agreement (this "Agreement") is made and entered into \_\_\_\_\_\_\_, 20\_\_\_ by and between Palm Beach County, a political subdivision of the State of Florida (the "COUNTY"), and Gary Czajkowski, whose address is 3180 Fairlane Farms Road Suite 1, Wellington, Florida, 33401 (the "LESSEE").

## WITNESSETH:

WHEREAS, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the North County General Aviation Airport (the "Airport") located in Palm Beach County, Florida; and

WHEREAS, pursuant to that certain Hangar Lease Agreement between COUNTY and LESSEE dated September 4, 2003 (R-2003-1448) (the "Hangar Lease Agreement"), LESSEE leases that certain hangar unit # 20, building 11740 on Airport property; and

WHEREAS, LESSEE has requested to terminate the Hangar Lease Agreement; and

**WHEREAS**, COUNTY has no objection to the termination of the Hangar Lease Agreement.

- **NOW, THEREFORE**, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:
- 1. The recitals set forth above are true and correct and form a part of this Agreement.
- 2. The parties hereby agree that the Hangar Lease Agreement shall be terminated effective October 10, 2008 (the "Termination Date").
- 3. COUNTY is holding LESSEE's security deposit for the above hangar in the amount of Sixteen Hundred Eighty Dollars (\$1,680). The full amount of deposit shall be returned to LESSEE's within thirty (30) days of the Termination Date, providing that LESSEE has left the hangar in good condition, has no outstanding debt to COUNTY, has returned all gate access cards and keys to the County.
- 4. This Agreement shall become effective upon execution by the parties hereto.

(Remainder of page left blank intentionally)

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first written above.

PALM BEACH COUNTY, a political

Subdivision of the State of Florida BY ITS DIRECTOR OF AIRPORTS County Administrator or designee Signaturé Jeffrey S. Bolton Print Name Witnesses: LESSEE: INDIVIPUACE Title:\\_ Signature Print Name

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

## NORTH COUNTY GENERAL AVIATION AIRPORT HANGAR LEASE AGREEMENT

This Lease, is made and entered into this	day of <b>OCT 2 3 200</b> 5	t, 20, (the "Effective
Date") by and between Palm Beach County, a political		
and Cloud 9 Helicopters, LLC, whose address is 11610	) Aviation Blvd, Suite B2	, West Palm Beach, Florida,
33412, ("LESSEE").		

#### WITNESSETH

**WHEREAS**, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the North County General Aviation Airport (the "Airport") located in Palm Beach County, Florida; and

WHEREAS, COUNTY has certain property at the Airport which is available for lease; and

**WHEREAS**, LESSEE has indicated willingness and demonstrated the ability to lease the Airport property in accordance with the terms and conditions of this Lease.

- **NOW, THEREFORE**, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereto expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions.
- 1. <u>Term.</u> The term of this Lease shall be for a period of one (1) year commencing on the <u>10th</u> day of <u>October</u>, <u>2008</u>, (the "Commencement Date") and terminating on the <u>9th</u> day of <u>October</u>, <u>2009</u>. This Lease shall be automatically renewed at one (1) year intervals thereafter; provided, however, either party may elect to not renew this Lease upon providing no less than thirty (30) days advance written notice to the other party prior to the expiration of the then current term.
- 2. <u>Premises.</u> COUNTY hereby leases to LESSEE and LESSEE hereby rents from COUNTY that certain hangar identified as unit number 20, Building 11740, containing a total of 1,399 square feet, located at the Airport, all as more particularly described on Exhibit "A", attached hereto and made a part hereof (the "Premises").
- 3. Rental. LESSEE shall pay COUNTY as the initial annual rental for the Premises, the sum of Six Thousand Seven Hundred Twenty Dollars (\$6,720), payable in equal monthly installments of Five Hundred Sixty Dollars (\$560.00), plus any applicable taxes as may be required by law. Payment of rental by LESSEE to County shall commence on the Commencement Date. Rental shall be payable in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first day of each and every month throughout the term of this Lease, as adjusted in accordance with the provisions of Section 5 below. If the Commencement Date occurs on a day other than the first day of a month, LESSEE shall pay rent from the Commencement Date to the first day of the following month on a per diem basis [calculated on the basis of a thirty (30) day month], payable in advance on the Commencement Date. Any rent payment due hereunder for any other fractional month shall likewise be calculated and paid on such a per diem basis. Rental payable for each month during any renewal term shall be the monthly rental in effect for the prior year, as adjusted in accordance with the provisions of Section 5 below. Rental shall be made payable to Palm Beach County Board of Commissioners and shall be mailed or hand delivered to the following address:

Department of Airports
Fiscal Department
846 Palm Beach International Airport
West Palm Beach, FI 33406-1470

COUNTY may, at any time, elect to hire, utilize, or select an agent(s) to administer this Lease and to collect rent payments on behalf of COUNTY and the Department. COUNTY will provide thirty (30) days written notice to LESSEE prior to any change in payment procedure or the payment addresses. COUNTY may offer alternative methods of payment, including, but not limited to, payment by debit card, credit card, or similar method of payment. If LESSEE selects an alternative method of payment, LESSEE agrees to abide by any terms and conditions promulgated by COUNTY in connection with the abovementioned method of payment. LESSEE shall pay interest at the rate of one and one half percent (1.5%) per month on late payments, which shall accrue against the delinquent payment(s) from date due until the date payment is received by the Department. Notwithstanding the foregoing, COUNTY shall not be prevented from terminating this Lease for default in the payment of rentals or from enforcing any other provisions contained herein or implied by law.

4. <u>Payment of Taxes.</u> LESSEE shall pay any and all taxes and other costs lawfully assessed against its leasehold interest in the Premises, its improvements and its operations under this Lease. LESSEE shall have the right to contest the amount or validity of any tax or assessment payable by it by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying, or extending LESSEE's covenants to pay any such tax or assessment, unless the legal proceedings shall operate to prevent the collection of the tax or assessment. Upon termination of such legal proceedings, LESSEE shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

Provity Usigary 11:740 M20 Wangar Deuse Agreement R2003-1747. Soc

- 5. Adjustment of Rent. The amount of rentals due hereunder may be adjusted from time-to-time by the COUNTY. In such event, LESSEE shall be provided at least ninety (90) days advance written notice prior to the commencement of any new rental rate. Notwithstanding anything to the contrary contained in this Lease, the rental rate shall be maintained at all times to ensure compliance with the provisions Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended, and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.
- 6. <u>Security Deposit.</u> LESSEE shall pay to COUNTY, prior to the Effective Date of this Lease, a refundable security deposit, in the form of a certified or cashier's check, in an amount equal to three (3) months rental due hereunder. The security deposit shall be held by the Department and will be refunded to LESSEE upon termination of this Lease provided that LESSEE is not in default of any of the provisions of this Lease; the Premises are left in good and serviceable condition, to be determined in the sole discretion of the Department; all rentals, fees, and taxes due are paid in full by LESSEE; and LESSEE has returned the Airport access card key to the Department. If there is a rental or fee deficiency or if the Premises require maintenance or repair in order to be returned to serviceable condition, the Department may apply the security deposit, or any part thereof, to the deficiency or to costs incurred by COUNTY, plus any applicable administrative overhead.
- 7. Additional Rent. Any and all sums of money or charges required to be paid by LESSEE under this Lease, other than the annual rent, shall be considered "Additional Rent," whether or not the same is specifically so designated, and COUNTY shall have the same rights to enforce due and timely payment by LESSEE of all Additional Rent as are available to COUNTY with regard to annual rent.
- 8. <u>Description of Specific Privileges, Uses and Rights.</u> The County hereby grants to LESSEE, the limited right to use the Premises for the following purposes, and for no other purposes whatsoever, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:
  - A. LESSEE shall use the Premises to store aircraft which are owned by or leased to LESSEE and registered with the Department in accordance with the provisions of this Lease (the "Registered Aircraft").

FAA Registration No. N440RP

Make: Robinson Helicopter

Model: R44

LESSEE shall promptly register all aircraft being stored within the Premises with the Department. LESSEE shall not use the Premises for any commercial purpose, including, but not limited to, the sale of products or services of any kind, whether or not such transactions are engaged in for a profit. LESSEE shall not store or park aircraft within the Premises, which are not owned or leased by LESSEE and registered with the Department in accordance with the provisions of this Section.

- B. LESSEE may perform preventive maintenance on the Registered Aircraft, of the kind and to the extent permitted by Title 14, Part 43.3 Appendix A, paragraph (C) of the Code of Federal Regulations entitled "Preventive Maintenance", as may be amended from time to time. LESSEE shall not perform repairs or maintenance to its Aircraft on any ramp, apron, taxiway, runway or other public area of the Airport.
- C. LESSEE agrees that use of the Premises shall be in accordance with federal, state and local laws and regulations including, but not limited to, the Palm Beach County Airport Rules and Regulations, Resolution No. R-98-220, as amended and as may be amended from time to time.
- D. LESSEE's aircraft shall not be parked or positioned in such common use areas so as to block, limit or restrict the use of the ramps, aprons or taxiways by other Airport tenants or users.
- E. LESSEE may place within the Premises a small desk, workbench, tool cabinet and necessary small hand tools required for work permitted under Section 8(B) above.
- F. LESSEE may store parts and accessories within the Premises for the Registered Aircraft; provided, however, storage of any parts, accessories, hulls, or incomplete aircraft, which are not manufactured for use on, or cannot be readily adapted for use on the Registered Aircraft for the Premises is prohibited.
- G. LESSEE may park one (1) operable automobile within the Premises, but only while the Registered Aircraft is in use.
- H. LESSEE may install within the Premises one (1) hand-operated winch, and/or one (1) motorized towing vehicle to assist with maneuvering and hangaring of aircraft.

- I. LESSEE may store not more than five (5) gallons of flammable fluid within the Premises, provided that any such storage shall be limited to NFPA-approved containers, or unopened original cans.
- J. LESSEE shall not use the Premises to store furniture, boats, recreational vehicles, hang gliders, ultralights, inoperative or unregistered aircraft (except to the extent permitted under Section 8(F) and (G) above), utility trailers, or any other objects unrelated to the purposes for which the Premises have been leased.
- K. LESSEE shall not perform repair service on automobiles or automotive equipment of any kind, other than an authorized motorized towing vehicle, from or at the Premises.
- L. LESSEE shall not perform painting, or "doping" operations of any kind within the Premises and shall not install or use compressors for any purpose; provided, however, LESSEE may use non-electric, non-combustible, air pressure tanks used to inflate aircraft landing gear tires within the Premises.
- M. LESSEE shall install and maintain an appropriate fire extinguisher within the Premises at all times.
- N. Subject to written approval of the Department, LESSEE may be permitted to use approved electrical appliances that have a combined maximum load of 5.0 amps or less. Such electrical appliances shall not be used on a continual basis or while the Registered Aircraft is not within the Premises or while the LESSEE is not actually working within the Premises. It shall be the responsibility of the LESSEE to request and obtain the Department's written approval of the installation and use of approved electrical appliances and failure to do so may result in termination of this Lease or other action deemed appropriate by the Department. In addition to any other remedy or action available to COUNTY, COUNTY shall have, and LESSEE hereby agrees that COUNTY shall have the right to enter onto the Premises and remove therefrom any and all electrical appliances or devices which COUNTY has not approved for installation and use in the Premises. COUNTY shall not be held liable for any such loss or damage suffered by the LESSEE as a result of such action by COUNTY unless such loss or damage results from solely from negligence of COUNTY, its officers, agents, or employees.
- O. LESSEE shall not have open flames or weld within the Premises.
- P. LESSEE shall keep hangar doors closed when the Registered Aircraft is not being stored within the Premises.
- Q. No running water or washing of aircraft shall take place within the Premises, or any other Airport location except the COUNTY approved aircraft wash rack.
- 9. <u>Description of General Privileges, Uses and Rights.</u> In addition to the specific privileges granted in Section 8 above, COUNTY hereby grants to LESSEE the following general, nonexclusive privileges, uses, and rights on the Airport, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:
  - A. The general use, in common with others, of all public Airport facilities and improvements which are now or may hereafter be connected with or appurtenant to the Airport (including airfield access). For purposes of this Lease, "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, which are not specifically leased to or under the contractual control of others.
  - B. The right of ingress to and egress from the Premises over and across public roadways serving the Airport. Said right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

Except as expressly set forth in Sections 9 (A) and (B) above, nothing contained in this Lease shall be construed to grant to LESSEE the right to use any space or area improved or unimproved which is leased to a third party, or which COUNTY has not leased herein.

10. <u>Condition of Premises.</u> LESSEE acknowledges that COUNTY has made no representations or warranties of any nature whatsoever regarding the Premises including, without limitation, the physical and/or environmental condition of the Premises, or any improvements located thereon, or the value of such Premises or improvements, or the suitability of the Premises for LESSEE's intended use thereof.

#### 11. Obligations of COUNTY.

A. <u>Condition of Airport.</u> Except as to the Premises and facilities leased to others by COUNTY, COUNTY shall maintain all public Airport facilities in good and adequate condition for their intended use to the extent required by law.

B. <u>Utilities.</u> COUNTY shall provide at no additional cost to LESSEE electrical power within the Premises for lighting and the operation of electrical appliances as approved by the Department pursuant to Section 8 above, if any.

#### 12. Obligations of LESSEE.

- Maintenance. LESSEE shall, at its sole cost and expense, maintain the Premises in a clean, safe and presentable condition consistent with good business practice, industry standards, and in accordance with all applicable laws, regulations, and rules of any applicable governmental entity. LESSEE shall repair all damages to the Premises and improvements caused by its employees, patrons, invitees, suppliers of services or furnishers of material, or any other persons whomsoever, and all damages caused by or resulting from or in any way arising out of LESSEE's operations thereon or LESSEE's use of the Premises. LESSEE hereby agrees that it shall abide by the decision of the Department with respect to any and all such maintenance or repair. Upon written notice by the Department to LESSEE, LESSEE shall perform the required maintenance or repair in accordance with the Department's decision. If LESSEE has not made a good faith effort, as determined by the Department, to begin to perform the required maintenance or repair within twenty (20) days after written notice and to diligently pursue the same to completion, COUNTY shall have the right to enter the Premises and perform the necessary maintenance or repair, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of any costs incurred by COUNTY, plus a twenty-five percent (25%) administrative overhead. Such maintenance or repair cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of the Department's billing therefore.
- B. <u>Security.</u> LESSEE acknowledges and accepts full responsibility for the security and protection of the Premises and any and all of LESSEE's property placed upon the Premises. LESSEE fully understands that the police security protection provided by COUNTY is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and property thereon, shall be the sole responsibility of LESSEE and shall involve no cost to COUNTY. COUNTY shall have the right to review, change, alter, or revise any security policy or procedure at any time based on the COUNTY's responsibility to operate the Airport in a safe and secure manner.
- Indemnification. LESSEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which COUNTY is named or joined, arising out of this Lease or LESSEE's use or occupancy of the Premises, including, without limitation, those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with LESSEE's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of LESSEE or any breach of the terms of this Lease; provided, however, LESSEE shall not be responsible to COUNTY for damages resulting out of body injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of COUNTY, its respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify COUNTY for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to LESSEE's activities or operations or use of the Premises whether or not LESSEE was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. This indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of LESSEE. LESSEE recognizes the broad nature of this indemnification and hold-harmless clause, and acknowledges that COUNTY would not have entered into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification. The obligations arising under this Section shall survive the expiration or termination of this Lease.
- 14. <u>Insurance.</u> Without limiting LESSEE's obligation to indemnify COUNTY, as provided herein, LESSEE shall provide, pay for, and maintain in force at all times during the term of this Lease, a policy of Aircraft/General Liability Insurance to protect against bodily injury liability and property damage in an aggregate amount of not less than Five Hundred Thousand Dollars (\$500,000). Aircraft Liability shall endorse Palm Beach County Board of County Commissioners as additional insured. The additional insured endorsement shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents, c/o Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Fl, 33406-1470"

If LESSEE will be operating vehicles on the Airport, LESSEE shall provide Automobile Liability Insurance coverage with minimum limits of One Hundred Thousand Dollars (\$100,000) per person, Three Hundred Thousand Dollars (\$300,000) per accident for bodily injury, and Fifty Thousand Dollars (\$50,000) per accident for property damage. A certificate(s) evidencing all required insurance must be provided to COUNTY prior to the Effective Date of this Lease and renewal certificates must be provided throughout the

term of this Lease. Certificate(s) of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. COUNTY shall have the right to review and modify insurance requirements of this Lease from time to time, provided that COUNTY gives LESSEE ninety (90) days prior written notice of any such change.

- Assignment by LESSEE. LESSEE shall not assign an interest in this Lease, or any part thereof, without the prior written consent of the Department, which consent may be granted or withheld at the Department's sole and absolute discretion for any reason or no reason at all. Any attempted assignment without Department approval shall be null and void. In the event the Department provides such consent, LESSEE shall have the right only to the extent permitted by the Department's consent to assign all or any portion of the Premises, provided that any such assignment shall be limited to only the same purposes as are permitted under this Lease. LESSEE is expressly prohibited from subleasing, mortgaging or otherwise encumbering this Lease, or any part thereof. Any such sublease, mortgage or encumbrance shall be considered null and void and will be considered grounds for termination of this Lease.
- Assignment by COUNTY. COUNTY may freely assign this Lease at any time without the consent of LESSEE, and COUNTY shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by COUNTY, LESSEE agrees that it shall recognize COUNTY's assignee as its new landlord under this Lease upon the effective date of such assignment. LESSEE acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between COUNTY and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. LESSEE acknowledges and agrees that COUNTY may transfer any security deposit held by COUNTY pursuant to Section 6 above to COUNTY's assignee.
- Signs and Improvements. No signs, emblems, or advertising shall be placed or erected on or in the Premises, nor shall LESSEE make any alterations, changes or additions to the Premises.
- 18. <u>Disclaimer of Liability.</u> COUNTY HEREBY DISCLAIMS, AND LESSEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSEE, ITS EMPLOYEES, AGENTS OR INVITEES DURING THE TERM OF THIS LEASE OR ANY EXTENSION HEREOF INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF LESSEE OR LESSEE'S INVITEES THAT MIGHT BE LOCATED OR STORED ON THE PREMISES, UNLESS SUCH LOSS, DAMAGE OR INJURY IS CAUSED BY COUNTY'S NEGLIGENCE. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE LEASING OF THE PREMISES PURSUANT TO THIS LEASE. LESSEE RELEASES COUNTY FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY COUNTY RELATING TO THIS LEASE. FURTHERMORE, LESSEE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION, WHETHER PREPARED OR PROVIDED BY COUNTY OR OTHERWISE, IN DETERMINING WHETHER TO ENTER INTO THIS LEASE WAS AT ITS SOLE RISK. THE FOREGOING DISCLAIMER SHALL NOT BE CONSTRUED TO CONSTITUTE AN AGREEMENT BY LESSEE TO INDEMNIFY THE COUNTY FOR THE COUNTY'S NEGLIGENT, WILLFUL OR INTENTIONAL ACTS.
- Default. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by LESSEE:
  - A. The vacating or abandonment of the Premises by LESSEE for a period of more than sixty (60) consecutive, calendar days.
  - B. The failure by LESSEE to make payment of rent or any other payment required to be made by LESSEE, as and when due, where such failure shall continue for a period of three (3) days after written notice from the Department to LESSEE.
  - C. The failure by LESSEE to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by LESSEE, other than described in paragraph B. above, where such failure shall continue for a period of fifteen (15) days after written notice from the Department; provided, however, that if the nature of LESSEE's default is such that more than fifteen (15) days are reasonably required for its cure, then LESSEE shall not be deemed to be in default if LESSEE has commenced such cure within such fifteen (15) day period and thereafter diligently pursues such cure to completion.
  - D. To the extent permitted by law, (i) The making by LESSEE or any guarantor hereof of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against LESSEE of a petition to have LESSEE adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against LESSEE, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where possession is not restored to LESSEE within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of

substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where such seizure is not discharged within thirty (30) days.

- E. The discovery by COUNTY that any information given to COUNTY by LESSEE relating to this Lease was materially false.
- 20. <u>Remedies.</u> In the event of any such material default or breach by LESSEE, COUNTY may, at any time thereafter, with or without notice or demand and without limiting any other right or remedy which COUNTY may have under the law by reason of such default or breach, elect to exercise any one of the following remedies:
  - A. Declare the entire rent for the balance of the Lease term, or any part thereof, due and payable forthwith, and bring an action for the recovery thereof.
  - B. Terminate LESSEE's right to possession of the Premises by any lawful means and reenter and retake possession of the Premises for the account of LESSEE, in which case the rent and other sums due hereunder shall be accelerated and due in full and LESSEE shall be liable for the difference between the rent which is stipulated to be paid hereunder plus other sums as described herein and what COUNTY is able to recover from its good faith efforts to relet the Premises, which deficiency shall be paid by LESSEE. Upon such reletting, all rentals received by COUNTY shall be applied, first to the payment of any indebtedness other than rent due under this Lease from LESSEE; second, to the payment of any costs and expenses of such reletting, which shall include all damages incurred by COUNTY due to LESSEE's default including, but not limited to, the cost of recovering possession of the Premises including attorneys' fees, expenses relating to the renovation or alteration of the Premises, and real estate commissions paid by COUNTY relating to the unexpired term of this Lease; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be paid to LESSEE.
  - C. Treat this Lease as terminated and reenter and retake possession of the Premises for the account of COUNTY, thereby terminating any further liability under this Lease on the part of LESSEE and COUNTY. Notwithstanding the foregoing, COUNTY shall have a cause of action to recover any rent remaining unpaid when COUNTY retakes possession of the Premises for the account of COUNTY.
  - D. Stand by and do nothing, holding LESSEE liable for the rent as it comes due.
  - E. Pursue any other remedy now or hereafter available to COUNTY under the laws and judicial decisions of the State of Florida.

Notwithstanding anything in this Lease to the contrary, upon the occurrence of a material default or breach of this Lease by LESSEE, COUNTY shall have the right to bring an action for damages. COUNTY further reserves all rights which the laws of the State of Florida confer upon a landlord against a Tenant in default.

- 21. <u>Termination by LESSEE</u>. LESSEE may terminate this Lease, if LESSEE is not in default of this Lease, by giving COUNTY sixty (60) days' advance written notice to be served as hereinafter provided, upon or after the happening of any one of the following events:
  - A. The issuance by any court of competent jurisdiction of an injunction in any way preventing the use of the Airport for Airport purposes or a substantial part of the Premises, which injunction remains in force for a period of at least ninety (90) days.
  - B. The default by COUNTY in the performance of any covenant or agreement required to be performed by COUNTY and the failure of COUNTY to remedy such default for a period of ninety (90) days after receipt from LESSEE of written notice to remedy same; provided, however, that no notice of cancellation, as provided herein, shall be of any force or effect if COUNTY shall have remedied the default prior to receipt of LESSEE's notice of termination; or in the event the same cannot be cured within such ninety (90) day period and COUNTY has commenced such cure and thereafter diligently pursues the same until completion.
  - C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of LESSEE, for a period of at least ninety (90) days.

In the event of termination as herein provided, the parties shall be relieved of all obligations created hereunder except for those obligations accruing prior to termination of this Lease and those obligations that specifically survive termination of this Lease.

- Surrender of Premises. LESSEE expressly agrees that it shall immediately surrender the Premises to COUNTY in good and fit condition upon expiration or termination of this Lease, depreciation and wear from ordinary use for the purpose for which the Premises were leased being excepted. All repairs and obligations that LESSEE is responsible for shall be completed by the earliest practical date prior to surrender. In the event LESSEE shall holdover, refuse, or fail to give up the possession of the Premises at the termination of this Lease, LESSEE shall be liable to COUNTY for any and all damages, and in addition thereto, LESSEE shall also be strictly liable to pay to COUNTY during the entire time period of such holdover, double rental, as provided for in section 83.06, Florida Statutes. LESSEE shall remove all of its personal property from the Premises prior to the expiration of this Lease. Any personal property of LESSEE, including, but not limited to aircraft, not removed shall become the property of COUNTY.
- Inspection. COUNTY, its agents and employees and any applicable Federal, State or local governmental entity having jurisdiction shall have the right to enter the Premises at any time for the purpose of inspecting the Premises for compliance with the provisions of this Lease and/or applicable laws. LESSEE agrees that COUNTY may take such action and to make such repairs or alterations as are, in the sole opinion of the COUNTY, desirable or necessary, and to take such materials into or out of the Premises for the safe and economical accomplishment of said purposes without in any way being deemed guilty of an actual or constructive eviction of the LESSEE.
- Relationship of the Parties. LESSEE or any successor in interest to this Lease, is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and COUNTY shall in no way be responsible therefor.
- Remedies Cumulative. The rights and remedies of the parties hereto with respect to any of the terms and conditions of this Lease shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.
- Notice All notices and elections (collectively, "notices") to be given or delivered by or to any party hereunder shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service, or national overnight delivery service, telecopied or faxed, or alternatively shall be sent by United States Certified Mail, with Return-Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services, or national overnight delivery service, or on the date of transmission with confirmed answer back if by telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

#### COUNTY:

Department of Airports Palm Beach County Building 846, Palm Beach International Airport West Palm Beach, Florida 33406-1491

## With a copy to:

Palm Beach County Attorney's Office Chief Deputy County Attorney 301 North Olive Avenue, Suite 601 West Palm Beach, FL 33401

#### LESSEE:

**Geoffrey Painter** Cloud 9 Helicopters, LLC 11610 Aviation Blvd, Suite B2 West Palm Beach, Florida, 33412

Either party may from time to time change the address to which notice under this Lease shall be given such party, upon three (3) days' prior written notice to the other party.

- 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 ninety (90) days, either party may terminate this Lease by providing written notice of such termination to the other party and the parties shall thereupon be released and fully discharged from any and all liability hereunder arising after such termination or as a result thereof. This Section shall not act or be construed as a waiver of any rights LESSEE may have against the United States as a result of such taking.
- Federal Review. LESSEE acknowledges this Lease may be subject to review or inspection by the Federal Aviation Administration to determine satisfactory compliance with Federal law or grant assurances and this Lease shall be in full force and effect and binding upon both parties pending such review or inspection by the Federal Aviation Administration, if applicable, provided, however, that upon such review or inspection all parties hereto agree to modify any of the terms of this Lease which shall be determined by the Federal Aviation Administration to be in violation of existing laws, regulations, grant assurances or other requirements.

North Creary Airrort\T Hangars\11740\H20\Hangar Lease Agreement Rabbs-1047.doc

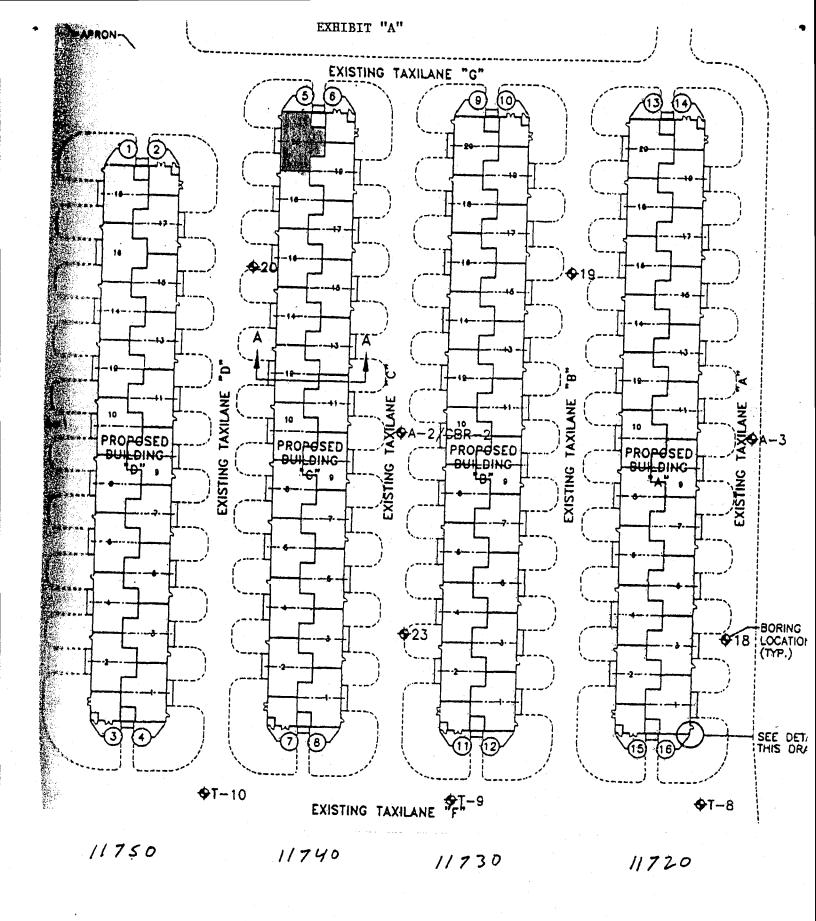
- 29. <u>County Tax Assessment Right.</u> None of the terms, covenants and conditions of this Lease shall in any way be construed as a release or waiver on the part of the COUNTY, as a political subdivision of the State of Florida, or any of the public officials of the County of Palm Beach, of the rights to assess, levy, and collect any ad valorem, non ad valorem, license, personal, intangible, occupation, or other tax which shall be lawfully imposed on the Premises, the business or property of LESSEE.
- 30. <u>Height Restriction.</u> LESSEE 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 Title 14, Part 77 of the Code of Federal Regulations, as amended and as may be amended from time to time.
- 31. Right of Flight. COUNTY reserves unto itself, its successors and assigns, 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 Premises together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft now known or hereafter used, for navigation of or flight in the said airspace for landing on, taking off from, or operating on the Airport.
- 32. Operation of Airport LESSEE expressly agrees for itself, its successors and assigns, to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an Airport hazard.
- 33. <u>Release</u>. LESSEE acknowledges that noise and/or vibration are inherent to the operation of Airport and hereby releases COUNTY from any and all liability relating to the same.
- Non-discrimination. LESSEE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Premises, (b) that in the construction of any improvements on, over, or under such Premises and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended from time to time. In the event of the breach of any of the foregoing non-discrimination covenants, COUNTY shall have the right to terminate this Lease and to reenter and repossess said Premises and the facilities hereon, and hold the same as if said Lease had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.
- 35. <u>COUNTY not Liable.</u> COUNTY shall not be responsible or liable to LESSEE for any claims for compensation or any losses, damages or injury whatsoever sustained by LESSEE including, without limitation, those resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. All personal property placed on or moved onto the Premises shall be at the sole risk of LESSEE. COUNTY shall not be liable for any damage or loss of said personal property.
- 36. <u>Compliance with Laws.</u> Notwithstanding anything to the contrary herein, LESSEE shall not use or permit the use of the Premises or the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the Premises or the Airport for COUNTY or LESSEE.
- 37. <u>Waiver.</u> The failure of COUNTY to insist on a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY may have for any subsequent breach, event of default, or nonperformance, and COUNTY's right to insist on strict performance of this Lease shall not be affected by any previous waiver or course of dealing.
- 38. <u>Subordination to Bond Resolution.</u> This Lease and all rights granted to LESSEE hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by COUNTY in the Bond Resolution, and COUNTY and LESSEE agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by LESSEE and COUNTY with the terms and provisions of this Lease and Bond Resolution.
- 39. <u>Subordination to Federal Agreements.</u> This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which COUNTY acquired the land or improvements thereon, of which the Premises are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. LESSEE understands and agrees that this Lease shall be subordinate to the provisions of any existing or future agreement between COUNTY 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.

- 40. <u>Exclusive Rights.</u> Notwithstanding anything contained in this Lease to the contrary, it is expressly understood and agreed that the rights granted under this Lease are nonexclusive, other than the exclusive right of use of the Premises, and that COUNTY may grant similar privileges to another lessee or other lessees on other parts of the Airport.
- 41. <u>Public Entity Crimes.</u> As provided in sections 287.132-133, Florida Statutes, as may be amended from time to time, by entering into this Lease or performing any work in furtherance hereof, LESSEE certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the Effective Date hereof. This notice is required by section 287.133(3)(a), Florida Statutes.
- 42. <u>Governmental Authority</u>. Nothing in this Lease shall be construed to waive or limit COUNTY's governmental authority as a political subdivision of the State of Florida to regulate LESSEE or its operations.
- 43. <u>Rights Reserved to the COUNTY.</u> All rights not specifically granted LESSEE by this Lease are reserved to the COUNTY.
- 44. <u>Invalidity of Clauses.</u> The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Lease shall have no effect upon the validity of any other part or portion hereof.
- 45. <u>Paragraph Headings.</u> The heading of the various articles and sections of this Lease are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Lease or any part or parts of this Lease.
- 46. <u>No Recording.</u> Neither this Lease, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida.
- 47. <u>Binding Effect.</u> The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, if any. This provision shall not constitute a waiver of any conditions against assignment or subletting.
- 48. <u>Performance.</u> The parties expressly agree that time is of the essence in this Lease and the failure by LESSEE to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of COUNTY, in addition to any other rights or remedies, relieve COUNTY of any obligation to accept such performance without liability.
- 49. <u>No Broker.</u> LESSEE warrants to COUNTY that no real estate broker or agent has been used or consulted in connection with the transaction contemplated by this Lease and agrees to indemnify and hold COUNTY harmless from all loss, cost, damage or expense (including reasonable attorneys' fees) incurred by COUNTY as a result of any claim arising out of the acts of LESSEE (or others on its behalf) for a commission, finder's fee or similar compensation made by any broker or agent who claims to have dealt with LESSEE.
- 50. <u>Excusable Delay.</u> Any party in performing under this Lease shall use reasonable efforts to remedy the cause or causes of an excusable delay. Excusable delays are those delays due to force majeure, acts of God, fire, flood, earthquake, explosion, riot, sabotage, windstorm, or labor dispute, and shall toll the time to perform under this Lease.
- 51. <u>Incorporation by References.</u> Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Lease by such reference.
- 52. <u>Venue and Governing Law.</u> To the extent allowed by law, the venue for any action arising from this Lease shall be in Palm Beach County, Florida. This Lease shall be governed by and in accordance with the laws of the State of Florida.
- 53. <u>Negotiated Agreement.</u> The parties agree that they have had meaningful discussion and/or negotiation of the provisions, terms and conditions contained in this Lease. Therefore, doubtful or ambiguous provisions, of any, contained in this Lease shall not be construed against the party who physically prepared this Lease.
- 54. <u>Entirety of Agreement.</u> The parties agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.
- 55. Radon. Radon is a naturally occurring radioactive 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 COUNTY's public health unit.

**IN WITNESS WHEREOF**, the parties have executed this Lease as of the date first written above.

Withesses:	PALM BEACH COUNTY BY ITS DIRECTOR OF AIRPORTS
Janue Shapher	BI 113 BIREOTOR OF AIR ORTO
Signature /	$\sim$ $\sim$ $\sim$
Linnie Shottner	By: / pen / fell
Print Name	Director
all s fall	
Signature Signat	•
Jeffrey S. Bolton	
Print Name	
Witnesses:	LESSEE:
	//
	//,
L. att	$\mathcal{U}_{\bullet}$
Signature Signature	Ву:
	GEOFF PAINTER
Print Name	Print Name
A A A	Title: PRESIDENT
13 below & McKay	
Signature ()	
Barbara J. McKay	
Print Name	
APPROVED AS TO FORM AND	



W - E

## NORTH COUNTY GENERAL AVIATION AIRPORT HANGAR LEASE AGREEMENT

This Lease, is made and entered into this <u>OCT</u>day of <u>2008</u>, 20\_, (the "Effective Date") by and between Palm Beach County, a political subdivision of the state of Florida (the "COUNTY"), and Thomas W. Costanzo, whose address is 138 Abondance Dr., Palm Beach Gardens, Florida 33410 ("LESSEE").

#### WITNESSETH

WHEREAS, COUNTY, by and through its Department of Airports (the "Department"), owns and operates the North County General Aviation Airport (the "Airport") located in Palm Beach County, Florida; and

WHEREAS, COUNTY has certain property at the Airport which is available for lease; and

**WHEREAS**, LESSEE has indicated willingness and demonstrated the ability to lease the Airport property in accordance with the terms and conditions of this Lease.

- **NOW, THEREFORE**, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereto expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions.
- 1. <u>Term.</u> The term of this Lease shall be for a period of one (1) year commencing on the 1st day of October, 2008, (the "Commencement Date") and terminating on the 30<sup>th</sup> day of September, 2009. This Lease shall be automatically renewed at one (1) year intervals thereafter; provided, however, either party may elect to not renew this Lease upon providing no less than thirty (30) days advance written notice to the other party prior to the expiration of the then current term.
- 2. <u>Premises.</u> COUNTY hereby leases to LESSEE and LESSEE hereby rents from COUNTY that certain hangar identified as unit number 18, Building 11720, containing approximately 1,399 square feet, located at the Airport, all as more particularly described on Exhibit "A", attached hereto and made a part hereof (the "Premises").
- 3. Rental. LESSEE shall pay COUNTY as the initial annual rental for the Premises, the sum of Seven Thousand One Hundred Forty Dollars (\$7,140.00), payable in equal monthly installments of Five Hundred Ninety Five Dollars (\$595.00), plus any applicable taxes as may be required by law. Payment of rental by LESSEE to County shall commence on the Commencement Date. Rental shall be payable in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first day of each and every month throughout the term of this Lease, as adjusted in accordance with the provisions of Section 5 below. If the Commencement Date occurs on a day other than the first day of a month, LESSEE shall pay rent from the Commencement Date to the first day of the following month on a per diem basis [calculated on the basis of a thirty (30) day month], payable in advance on the Commencement Date. Any rent payment due hereunder for any other fractional month shall likewise be calculated and paid on such a per diem basis. Rental payable for each month during any renewal term shall be the monthly rental in effect for the prior year, as adjusted in accordance with the provisions of Section 5 below. Rental shall be made payable to Palm Beach County Board of Commissioners and shall be mailed or hand delivered to the following address:

Department of Airports
Fiscal Department
846 Palm Beach International Airport
West Palm Beach, FI 33406-1470

COUNTY may, at any time, elect to hire, utilize, or select an agent(s) to administer this Lease and to collect rent payments on behalf of COUNTY and the Department. COUNTY will provide thirty (30) days written notice to LESSEE prior to any change in payment procedure or the payment addresses. COUNTY may offer alternative methods of payment, including, but not limited to, payment by debit card, credit card, or similar method of payment. If LESSEE selects an alternative method of payment, LESSEE agrees to abide by any terms and conditions promulgated by COUNTY in connection with the abovementioned method of payment. LESSEE shall pay interest at the rate of one and one half percent (1.5%) per month on late payments, which shall accrue against the delinquent payment(s) from date due until the date payment is received by the Department. Notwithstanding the foregoing, COUNTY shall not be prevented from terminating this Lease for default in the payment of rentals or from enforcing any other provisions contained herein or implied by law.

4. Payment of Taxes. LESSEE shall pay any and all taxes and other costs lawfully assessed against its leasehold interest in the Premises, its improvements and its operations under this Lease. LESSEE shall have the right to contest the amount or validity of any tax or assessment payable by it by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying, or extending LESSEE's covenants to pay any such tax or assessment, unless the legal proceedings shall operate to prevent the collection of the tax or assessment. Upon termination of such legal proceedings, LESSEE shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

Gramorth County Airportal Hangars (11970) Ers (Access Rese Rere

- 5. Adjustment of Rent. The amount of rentals due hereunder may be adjusted from time-to-time by the COUNTY. In such event, LESSEE shall be provided at least ninety (90) days advance written notice prior to the commencement of any new rental rate. Notwithstanding anything to the contrary contained in this Lease, the rental rate shall be maintained at all times to ensure compliance with the provisions Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended, and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.
- 6. <u>Security Deposit.</u> LESSEE shall pay to COUNTY, prior to the Effective Date of this Lease, a refundable security deposit, in the form of a certified or cashier's check, in an amount equal to three (3) months rental due hereunder. The security deposit shall be held by the Department and will be refunded to LESSEE upon termination of this Lease provided that LESSEE is not in default of any of the provisions of this Lease; the Premises are left in good and serviceable condition, to be determined in the sole discretion of the Department; all rentals, fees, and taxes due are paid in full by LESSEE; and LESSEE has returned the Airport access card key to the Department. If there is a rental or fee deficiency or if the Premises require maintenance or repair in order to be returned to serviceable condition, the Department may apply the security deposit, or any part thereof, to the deficiency or to costs incurred by COUNTY, plus any applicable administrative overhead.
- 7. <u>Additional Rent.</u> Any and all sums of money or charges required to be paid by LESSEE under this Lease, other than the annual rent, shall be considered "Additional Rent," whether or not the same is specifically so designated, and COUNTY shall have the same rights to enforce due and timely payment by LESSEE of all Additional Rent as are available to COUNTY with regard to annual rent.
- 8. <u>Description of Specific Privileges, Uses and Rights.</u> The County hereby grants to LESSEE, the limited right to use the Premises for the following purposes, and for no other purposes whatsoever, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:
  - A. LESSEE shall use the Premises to store aircraft which are owned by or leased to LESSEE and registered with the Department in accordance with the provisions of this Lease (the "Registered Aircraft").

FAA Registration No.	N490PS
Make:	Mooney
Model:	Acclaim M20TN

LESSEE shall promptly register all aircraft being stored within the Premises with the Department. LESSEE shall not use the Premises for any commercial purpose, including, but not limited to, the sale of products or services of any kind, whether or not such transactions are engaged in for a profit. LESSEE shall not store or park aircraft within the Premises, which are not owned or leased by LESSEE and registered with the Department in accordance with the provisions of this Section.

- B. LESSEE may perform preventive maintenance on the Registered Aircraft, of the kind and to the extent permitted by Title 14, Part 43.3 Appendix A, paragraph (C) of the Code of Federal Regulations entitled "Preventive Maintenance", as may be amended from time to time. LESSEE shall not perform repairs or maintenance to its Aircraft on any ramp, apron, taxiway, runway or other public area of the Airport.
- C. LESSEE agrees that use of the Premises shall be in accordance with federal, state and local laws and regulations including, but not limited to, the Palm Beach County Airport Rules and Regulations, Resolution No. R-98-220, as amended and as may be amended from time to time.
- D. LESSEE's aircraft shall not be parked or positioned in such common use areas so as to block, limit or restrict the use of the ramps, aprons or taxiways by other Airport tenants or users.
- E. LESSEE may place within the Premises a small desk, workbench, tool cabinet and necessary small hand tools required for work permitted under Section 8(B) above.
- F. LESSEE may store parts and accessories within the Premises for the Registered Aircraft; provided, however, storage of any parts, accessories, hulls, or incomplete aircraft, which are not manufactured for use on, or cannot be readily adapted for use on the Registered Aircraft for the Premises is prohibited.
- G. LESSEE may park one (1) operable automobile within the Premises, but only while the Registered Aircraft is in use.
- H. LESSEE may install within the Premises one (1) hand-operated winch, and/or one (1) motorized towing vehicle to assist with maneuvering and hangaring of aircraft.

- I. LESSEE may store not more than five (5) gallons of flammable fluid within the Premises, provided that any such storage shall be limited to NFPA-approved containers, or unopened original cans.
- J. LESSEE shall not use the Premises to store furniture, boats, recreational vehicles, hang gliders, ultralights, inoperative or unregistered aircraft (except to the extent permitted under Section 8(F) and (G) above), utility trailers, or any other objects unrelated to the purposes for which the Premises have been leased.
- K. LESSEE shall not perform repair service on automobiles or automotive equipment of any kind, other than an authorized motorized towing vehicle, from or at the Premises.
- L. LESSEE shall not perform painting, or "doping" operations of any kind within the Premises and shall not install or use compressors for any purpose; provided, however, LESSEE may use non-electric, non-combustible, air pressure tanks used to inflate aircraft landing gear tires within the Premises.
- M. LESSEE shall install and maintain an appropriate fire extinguisher within the Premises at all times.
- N. Subject to written approval of the Department, LESSEE may be permitted to use approved electrical appliances that have a combined maximum load of 5.0 amps or less. Such electrical appliances shall not be used on a continual basis or while the Registered Aircraft is not within the Premises or while the LESSEE is not actually working within the Premises. It shall be the responsibility of the LESSEE to request and obtain the Department's written approval of the installation and use of approved electrical appliances and failure to do so may result in termination of this Lease or other action deemed appropriate by the Department. In addition to any other remedy or action available to COUNTY, COUNTY shall have, and LESSEE hereby agrees that COUNTY shall have the right to enter onto the Premises and remove therefrom any and all electrical appliances or devices which COUNTY has not approved for installation and use in the Premises. COUNTY shall not be held liable for any such loss or damage suffered by the LESSEE as a result of such action by COUNTY unless such loss or damage results from solely from negligence of COUNTY, its officers, agents, or employees.
- O. LESSEE shall not have open flames or weld within the Premises.
- P. LESSEE shall keep hangar doors closed when the Registered Aircraft is not being stored within the Premises.
- Q. No running water or washing of aircraft shall take place within the Premises, or any other Airport location except the COUNTY approved aircraft wash rack.
- 9. <u>Description of General Privileges, Uses and Rights.</u> In addition to the specific privileges granted in Section 8 above, COUNTY hereby grants to LESSEE the following general, nonexclusive privileges, uses, and rights on the Airport, all of which shall be subject to the terms, conditions, and covenants set forth in this Lease:
  - A. The general use, in common with others, of all public Airport facilities and improvements which are now or may hereafter be connected with or appurtenant to the Airport (including airfield access). For purposes of this Lease, "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to the Airport, which are not specifically leased to or under the contractual control of others.
  - B. The right of ingress to and egress from the Premises over and across public roadways serving the Airport. Said right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

Except as expressly set forth in Sections 9 (A) and (B) above, nothing contained in this Lease shall be construed to grant to LESSEE the right to use any space or area improved or unimproved which is leased to a third party, or which COUNTY has not leased herein.

10. <u>Condition of Premises.</u> LESSEE acknowledges that COUNTY has made no representations or warranties of any nature whatsoever regarding the Premises including, without limitation, the physical and/or environmental condition of the Premises, or any improvements located thereon, or the value of such Premises or improvements, or the suitability of the Premises for LESSEE's intended use thereof.

## 11. Obligations of COUNTY.

A. <u>Condition of Airport.</u> Except as to the Premises and facilities leased to others by COUNTY, COUNTY shall maintain all public Airport facilities in good and adequate condition for their intended use to the extent required by law.

B. <u>Utilities.</u> COUNTY shall provide at no additional cost to LESSEE electrical power within the Premises for lighting and the operation of electrical appliances as approved by the Department pursuant to Section 8 above, if any.

#### 12. Obligations of LESSEE.

- Maintenance. LESSEE shall, at its sole cost and expense, maintain the Premises in a clean, safe and presentable condition consistent with good business practice, industry standards, and in accordance with all applicable laws, regulations, and rules of any applicable governmental entity. LESSEE shall repair all damages to the Premises and improvements caused by its employees, patrons, invitees, suppliers of services or furnishers of material, or any other persons whomsoever, and all damages caused by or resulting from or in any way arising out of LESSEE's operations thereon or LESSEE's use of the Premises. LESSEE hereby agrees that it shall abide by the decision of the Department with respect to any and all such maintenance or repair. Upon written notice by the Department to LESSEE, LESSEE shall perform the required maintenance or repair in accordance with the Department's decision. If LESSEE has not made a good faith effort, as determined by the Department, to begin to perform the required maintenance or repair within twenty (20) days after written notice and to diligently pursue the same to completion, COUNTY shall have the right to enter the Premises and perform the necessary maintenance or repair, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of any costs incurred by COUNTY, plus a twenty-five percent (25%) administrative overhead. Such maintenance or repair cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of the Department's billing therefore.
- B. <u>Security.</u> LESSEE acknowledges and accepts full responsibility for the security and protection of the Premises and any and all of LESSEE's property placed upon the Premises. LESSEE fully understands that the police security protection provided by COUNTY is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises and property thereon, shall be the sole responsibility of LESSEE and shall involve no cost to COUNTY. COUNTY shall have the right to review, change, alter, or revise any security policy or procedure at any time based on the COUNTY's responsibility to operate the Airport in a safe and secure manner.
- Indemnification. LESSEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which COUNTY is named or joined, arising out of this Lease or LESSEE's use or occupancy of the Premises, including, without limitation, those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with LESSEE's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of LESSEE or any breach of the terms of this Lease, provided, however, LESSEE shall not be responsible to COUNTY for damages resulting out of body injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of COUNTY, its respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify COUNTY for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to LESSEE's activities or operations or use of the Premises whether or not LESSEE was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. This indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of LESSEE. LESSEE recognizes the broad nature of this indemnification and hold-harmless clause, and acknowledges that COUNTY would not have entered into this Lease without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification. The obligations arising under this Section shall survive the expiration or termination of this Lease.
- 14. <u>Insurance.</u> Without limiting LESSEE's obligation to indemnify COUNTY, as provided herein, LESSEE shall provide, pay for, and maintain in force at all times during the term of this Lease, a policy of Aircraft/General Liability Insurance to protect against bodily injury liability and property damage in an aggregate amount of not less than Five Hundred Thousand Dollars (\$500,000). Aircraft Liability shall endorse Palm Beach County Board of County Commissioners as additional insured. The additional insured endorsement shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents, c/o Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Fl, 33406-1470"

If LESSEE will be operating vehicles on the Airport, LESSEE shall provide Automobile Liability Insurance coverage with minimum limits of One Hundred Thousand Dollars (\$100,000) per person, Three Hundred Thousand Dollars (\$300,000) per accident for bodily injury, and Fifty Thousand Dollars (\$50,000) per accident for property damage. A certificate(s) evidencing all required insurance must be provided to COUNTY prior to the Effective Date of this Lease and renewal certificates must be provided throughout the

term of this Lease. Certificate(s) of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. COUNTY shall have the right to review and modify insurance requirements of this Lease from time to time, provided that COUNTY gives LESSEE ninety (90) days prior written notice of any such change.

- 15. Assignment by LESSEE. LESSEE shall not assign an interest in this Lease, or any part thereof, without the prior written consent of the Department, which consent may be granted or withheld at the Department's sole and absolute discretion for any reason or no reason at all. Any attempted assignment without Department approval shall be null and void. In the event the Department provides such consent, LESSEE shall have the right only to the extent permitted by the Department's consent to assign all or any portion of the Premises, provided that any such assignment shall be limited to only the same purposes as are permitted under this Lease. LESSEE is expressly prohibited from subleasing, mortgaging or otherwise encumbering this Lease, or any part thereof. Any such sublease, mortgage or encumbrance shall be considered null and void and will be considered grounds for termination of this Lease.
- 16. Assignment by COUNTY. COUNTY may freely assign this Lease at any time without the consent of LESSEE, and COUNTY shall be released from all liability and obligation arising under this Lease upon such assignment. In the event of an assignment by COUNTY, LESSEE agrees that it shall recognize COUNTY's assignee as its new landlord under this Lease upon the effective date of such assignment. LESSEE acknowledges and agrees that this Lease shall be subject and subordinate to any future agreement entered into between COUNTY and its assignee related to the Premises, and shall be given only such effect as will not conflict with nor be inconsistent with terms and conditions of such agreement. LESSEE acknowledges and agrees that COUNTY may transfer any security deposit held by COUNTY pursuant to Section 6 above to COUNTY's assignee.
- 17. <u>Signs and Improvements.</u> No signs, emblems, or advertising shall be placed or erected on or in the Premises, nor shall LESSEE make any alterations, changes or additions to the Premises.
- 18. <u>Disclaimer of Liability.</u> COUNTY HEREBY DISCLAIMS, AND LESSEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSEE, ITS EMPLOYEES, AGENTS OR INVITEES DURING THE TERM OF THIS LEASE OR ANY EXTENSION HEREOF INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF LESSEE OR LESSEE'S INVITEES THAT MIGHT BE LOCATED OR STORED ON THE PREMISES, UNLESS SUCH LOSS, DAMAGE OR INJURY IS CAUSED BY COUNTY'S NEGLIGENCE. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE LEASING OF THE PREMISES PURSUANT TO THIS LEASE. LESSEE RELEASES COUNTY FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY COUNTY RELATING TO THIS LEASE. FURTHERMORE, LESSEE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION, WHETHER PREPARED OR PROVIDED BY COUNTY OR OTHERWISE, IN DETERMINING WHETHER TO ENTER INTO THIS LEASE WAS AT ITS SOLE RISK. THE FOREGOING DISCLAIMER SHALL NOT BE CONSTRUED TO CONSTITUTE AN AGREEMENT BY LESSEE TO INDEMNIFY THE COUNTY FOR THE COUNTY'S NEGLIGENT, WILLFUL OR INTENTIONAL ACTS.
- 19. <u>Default.</u> The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by LESSEE:
  - A. The vacating or abandonment of the Premises by LESSEE for a period of more than sixty (60) consecutive, calendar days.
  - B. The failure by LESSEE to make payment of rent or any other payment required to be made by LESSEE, as and when due, where such failure shall continue for a period of three (3) days after written notice from the Department to LESSEE.
  - C. The failure by LESSEE to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by LESSEE, other than described in paragraph B. above, where such failure shall continue for a period of fifteen (15) days after written notice from the Department; provided, however, that if the nature of LESSEE's default is such that more than fifteen (15) days are reasonably required for its cure, then LESSEE shall not be deemed to be in default if LESSEE has commenced such cure within such fifteen (15) day period and thereafter diligently pursues such cure to completion.
  - D. To the extent permitted by law, (i) The making by LESSEE or any guarantor hereof of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against LESSEE of a petition to have LESSEE adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy [unless, in the case of a petition filed against LESSEE, the same is dismissed within sixty (60) days]; (iii) the appointment of a trustee or receiver to take possession of substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where possession is not restored to LESSEE within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of

substantially all of LESSEE's assets located at the Premises or of LESSEE's interest in this Lease, where such seizure is not discharged within thirty (30) days.

- E. The discovery by COUNTY that any information given to COUNTY by LESSEE relating to this Lease was materially false.
- 20. <u>Remedies.</u> In the event of any such material default or breach by LESSEE, COUNTY may, at any time thereafter, with or without notice or demand and without limiting any other right or remedy which COUNTY may have under the law by reason of such default or breach, elect to exercise any one of the following remedies:
  - A. Declare the entire rent for the balance of the Lease term, or any part thereof, due and payable forthwith, and bring an action for the recovery thereof.
  - Terminate LESSEE's right to possession of the Premises by any lawful means and reenter and retake possession of the Premises for the account of LESSEE, in which case the rent and other sums due hereunder shall be accelerated and due in full and LESSEE shall be liable for the difference between the rent which is stipulated to be paid hereunder plus other sums as described herein and what COUNTY is able to recover from its good faith efforts to relet the Premises, which deficiency shall be paid by LESSEE. Upon such reletting, all rentals received by COUNTY shall be applied, first to the payment of any indebtedness other than rent due under this Lease from LESSEE; second, to the payment of any costs and expenses of such reletting, which shall include all damages incurred by COUNTY due to LESSEE's default including, but not limited to, the cost of recovering possession of the Premises including attorneys' fees, expenses relating to the renovation or alteration of the Premises, and real estate commissions paid by COUNTY relating to the unexpired term of this Lease; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be paid to LESSEE.
  - C. Treat this Lease as terminated and reenter and retake possession of the Premises for the account of COUNTY, thereby terminating any further liability under this Lease on the part of LESSEE and COUNTY. Notwithstanding the foregoing, COUNTY shall have a cause of action to recover any rent remaining unpaid when COUNTY retakes possession of the Premises for the account of COUNTY.
  - D. Stand by and do nothing, holding LESSEE liable for the rent as it comes due.
  - E. Pursue any other remedy now or hereafter available to COUNTY under the laws and judicial decisions of the State of Florida.

Notwithstanding anything in this Lease to the contrary, upon the occurrence of a material default or breach of this Lease by LESSEE, COUNTY shall have the right to bring an action for damages. COUNTY further reserves all rights which the laws of the State of Florida confer upon a landlord against a Tenant in default.

- 21. <u>Termination by LESSEE</u>. LESSEE may terminate this Lease, if LESSEE is not in default of this Lease, by giving COUNTY sixty (60) days' advance written notice to be served as hereinafter provided, upon or after the happening of any one of the following events:
  - A. The issuance by any court of competent jurisdiction of an injunction in any way preventing the use of the Airport for Airport purposes or a substantial part of the Premises, which injunction remains in force for a period of at least ninety (90) days.
  - B. The default by COUNTY in the performance of any covenant or agreement required to be performed by COUNTY and the failure of COUNTY to remedy such default for a period of ninety (90) days after receipt from LESSEE of written notice to remedy same; provided, however, that no notice of cancellation, as provided herein, shall be of any force or effect if COUNTY shall have remedied the default prior to receipt of LESSEE's notice of termination; or in the event the same cannot be cured within such ninety (90) day period and COUNTY has commenced such cure and thereafter diligently pursues the same until completion.
  - C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of LESSEE, for a period of at least ninety (90) days.

In the event of termination as herein provided, the parties shall be relieved of all obligations created hereunder except for those obligations accruing prior to termination of this Lease and those obligations that specifically survive termination of this Lease.

- 22. <u>Surrender of Premises.</u> LESSEE expressly agrees that it shall immediately surrender the Premises to COUNTY in good and fit condition upon expiration or termination of this Lease, depreciation and wear from ordinary use for the purpose for which the Premises were leased being excepted. All repairs and obligations that LESSEE is responsible for shall be completed by the earliest practical date prior to surrender. In the event LESSEE shall holdover, refuse, or fail to give up the possession of the Premises at the termination of this Lease, LESSEE shall be liable to COUNTY for any and all damages, and in addition thereto, LESSEE shall also be strictly liable to pay to COUNTY during the entire time period of such holdover, double rental, as provided for in section 83.06, Florida Statutes. LESSEE shall remove all of its personal property from the Premises prior to the expiration of this Lease. Any personal property of LESSEE, including, but not limited to aircraft, not removed shall become the property of COUNTY.
- 23. <u>Inspection.</u> COUNTY, its agents and employees and any applicable Federal, State or local governmental entity having jurisdiction shall have the right to enter the Premises at any time for the purpose of inspecting the Premises for compliance with the provisions of this Lease and/or applicable laws. LESSEE agrees that COUNTY may take such action and to make such repairs or alterations as are, in the sole opinion of the COUNTY, desirable or necessary, and to take such materials into or out of the Premises for the safe and economical accomplishment of said purposes without in any way being deemed guilty of an actual or constructive eviction of the LESSEE.
- 24. <u>Relationship of the Parties.</u> LESSEE or any successor in interest to this Lease, is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and COUNTY shall in no way be responsible therefor.
- 25. <u>Remedies Cumulative.</u> The rights and remedies of the parties hereto with respect to any of the terms and conditions of this Lease shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.
- 26. <u>Notice All notices and elections (collectively, "notices")</u> to be given or delivered by or to any party hereunder shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service, or national overnight delivery service, telecopied or faxed, or alternatively shall be sent by United States Certified Mail, with Return-Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services, or national overnight delivery service, or on the date of transmission with confirmed answer back if by telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

#### COUNTY:

Department of Airports
Palm Beach County
Building 846, Palm Beach International Airport
West Palm Beach, Florida 33406-1491

## With a copy to:

Palm Beach County Attorney's Office Chief Deputy County Attorney 301 North Olive Avenue, Suite 601 West Palm Beach, FL 33401

#### LESSEE:

Thomas W. Costanzo 138 Abondance Dr. Palm Beach Gardens, Florida 33410 PH: 561-630-1888

E-mail Address: tcostanz@cataractsteel.com

Either party may from time to time change the address to which notice under this Lease shall be given such party, upon three (3) days' prior written notice to the other party.

- 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 ninety (90) days, either party may terminate this Lease by providing written notice of such termination to the other party and the parties shall thereupon be released and fully discharged from any and all liability hereunder arising after such termination or as a result thereof. This Section shall not act or be construed as a waiver of any rights LESSEE may have against the United States as a result of such taking.
- 28. <u>Federal Review.</u> LESSEE acknowledges this Lease may be subject to review or inspection by the Federal Aviation Administration to determine satisfactory compliance with Federal law or grant assurances and this Lease shall be in full force and effect and binding upon both parties pending such review or inspection by the Federal Aviation Administration, if applicable, provided, however, that upon such review or inspection all parties hereto agree to modify any of the terms of this Lease which shall be

determined by the Federal Aviation Administration to be in violation of existing laws, regulations, grant assurances or other requirements.

- 29. <u>County Tax Assessment Right.</u> None of the terms, covenants and conditions of this Lease shall in any way be construed as a release or waiver on the part of the COUNTY, as a political subdivision of the State of Florida, or any of the public officials of the County of Palm Beach, of the rights to assess, levy, and collect any ad valorem, non ad valorem, license, personal, intangible, occupation, or other tax which shall be lawfully imposed on the Premises, the business or property of LESSEE.
- 30. <u>Height Restriction.</u> LESSEE 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 Title 14, Part 77 of the Code of Federal Regulations, as amended and as may be amended from time to time.
- 31. Right of Flight. COUNTY reserves unto itself, its successors and assigns, 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 Premises together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft now known or hereafter used, for navigation of or flight in the said airspace for landing on, taking off from, or operating on the Airport.
- 32. <u>Operation of Airport.</u> LESSEE expressly agrees for itself, its successors and assigns, to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an Airport hazard.
- 33. <u>Release.</u> LESSEE acknowledges that noise and/or vibration are inherent to the operation of Airport and hereby releases COUNTY from any and all liability relating to the same.
- Non-discrimination. LESSEE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Premises, (b) that in the construction of any improvements on, over, or under such Premises and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended from time to time. In the event of the breach of any of the foregoing non-discrimination covenants, COUNTY shall have the right to terminate this Lease and to reenter and repossess said Premises and the facilities hereon, and hold the same as if said Lease had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.
- 35. <u>COUNTY not Liable.</u> COUNTY shall not be responsible or liable to LESSEE for any claims for compensation or any losses, damages or injury whatsoever sustained by LESSEE including, without limitation, those resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Premises, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. All personal property placed on or moved onto the Premises shall be at the sole risk of LESSEE. COUNTY shall not be liable for any damage or loss of said personal property.
- 36. <u>Compliance with Laws.</u> Notwithstanding anything to the contrary herein, LESSEE shall not use or permit the use of the Premises or the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the Premises or the Airport for COUNTY or LESSEE.
- 37. <u>Waiver.</u> The failure of COUNTY to insist on a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY may have for any subsequent breach, event of default, or nonperformance, and COUNTY's right to insist on strict performance of this Lease shall not be affected by any previous waiver or course of dealing.
- 38. <u>Subordination to Bond Resolution.</u> This Lease and all rights granted to LESSEE hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by COUNTY in the Bond Resolution, and COUNTY and LESSEE agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by LESSEE and COUNTY with the terms and provisions of this Lease and Bond Resolution.
- 39. <u>Subordination to Federal Agreements.</u> This Lease shall be subject and subordinate to all the terms and conditions of any instrument and documents under which COUNTY acquired the land or improvements thereon, of which the Premises are a part, and shall be given only such effect as will not

conflict with nor be inconsistent with such terms and conditions. LESSEE understands and agrees that this Lease shall be subordinate to the provisions of any existing or future agreement between COUNTY 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.

- 40. <u>Exclusive Rights.</u> Notwithstanding anything contained in this Lease to the contrary, it is expressly understood and agreed that the rights granted under this Lease are nonexclusive, other than the exclusive right of use of the Premises, and that COUNTY may grant similar privileges to another lessee or other lessees on other parts of the Airport.
- 41. <u>Public Entity Crimes.</u> As provided in sections 287.132-133, Florida Statutes, as may be amended from time to time, by entering into this Lease or performing any work in furtherance hereof, LESSEE certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the Effective Date hereof. This notice is required by section 287.133(3)(a), Florida Statutes.
- 42. <u>Governmental Authority</u>. Nothing in this Lease shall be construed to waive or limit COUNTY's governmental authority as a political subdivision of the State of Florida to regulate LESSEE or its operations.
- 43. <u>Rights Reserved to the COUNTY.</u> All rights not specifically granted LESSEE by this Lease are reserved to the COUNTY.
- 44. <u>Invalidity of Clauses.</u> The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Lease shall have no effect upon the validity of any other part or portion hereof.
- 45. <u>Paragraph Headings.</u> The heading of the various articles and sections of this Lease are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Lease or any part or parts of this Lease.
- 46. <u>No Recording.</u> Neither this Lease, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida.
- 47. <u>Binding Effect.</u> The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, if any. This provision shall not constitute a waiver of any conditions against assignment or subletting.
- 48. <u>Performance.</u> The parties expressly agree that time is of the essence in this Lease and the failure by LESSEE to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of COUNTY, in addition to any other rights or remedies, relieve COUNTY of any obligation to accept such performance without liability.
- 49. <u>No Broker.</u> LESSEE warrants to COUNTY that no real estate broker or agent has been used or consulted in connection with the transaction contemplated by this Lease and agrees to indemnify and hold COUNTY harmless from all loss, cost, damage or expense (including reasonable attorneys' fees) incurred by COUNTY as a result of any claim arising out of the acts of LESSEE (or others on its behalf) for a commission, finder's fee or similar compensation made by any broker or agent who claims to have dealt with LESSEE.
- 50. <u>Excusable Delay.</u> Any party in performing under this Lease shall use reasonable efforts to remedy the cause or causes of an excusable delay. Excusable delays are those delays due to force majeure, acts of God, fire, flood, earthquake, explosion, riot, sabotage, windstorm, or labor dispute, and shall toll the time to perform under this Lease.
- 51. <u>Incorporation by References.</u> Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Lease by such reference.
- 52. <u>Venue and Governing Law.</u> To the extent allowed by law, the venue for any action arising from this Lease shall be in Palm Beach County, Florida. This Lease shall be governed by and in accordance with the laws of the State of Florida.
- 53. <u>Negotiated Agreement.</u> The parties agree that they have had meaningful discussion and/or negotiation of the provisions, terms and conditions contained in this Lease. Therefore, doubtful or ambiguous provisions, of any, contained in this Lease shall not be construed against the party who physically prepared this Lease.
- 54. <u>Entirety of Agreement.</u> The parties agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.
- 55. Radon is a naturally occurring radioactive 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 COUNTY's public health unit.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first written above.

Signature

PALM BEACH COUNTY BY ITS DIRECTOR OF AIRPORTS

Witnesses:

LESSEE:

costanio

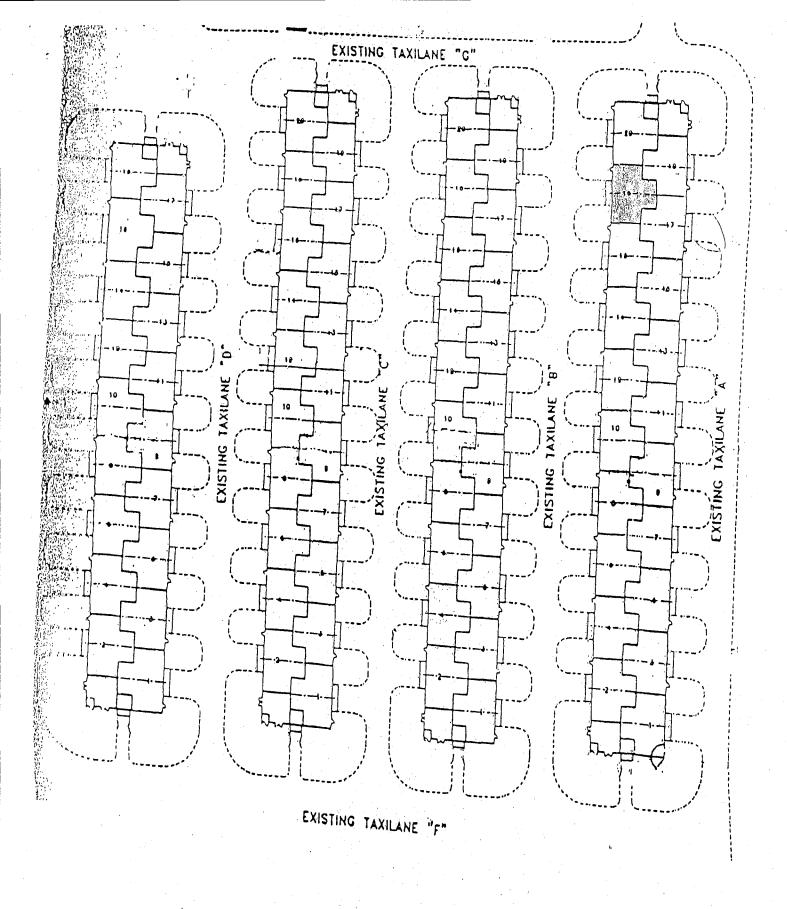
Print Name

Omas U Print Name

APPROVED AS TO FORM AND **LEGAL SUFFICIENCY:** 

**ø**unty Attorney

## **EXHIBIT "A"**



11750

11740

11730

11720

## LESSEE

Thomas W. Costanzo 138 Abondance Dr. Palm Beach Gardens, FL 33410



## **LICENSE AGREEMENT**

THIS LICENSE AGREEMENT (this "Agreement") made and entered into this 200 day of OCTOBER, 200 , by and between Palm Beach County, a political subdivision of the State of Florida, hereinafter referred to as ("County") and CSC Applied Technologies, L.L.C., a Delaware limited liability company, with an office at 3170 Fairview Park Drive, Falls Church, Virginia, hereinafter referred to as ("Licensee").

### **WITNESSETH:**

WHEREAS, County, by and through its Department of Airports (the "Department"), is the owner and operator of the Palm Beach International Airport (the "Airport"); and

**WHEREAS**, County is the owner of that certain real property as more particularly depicted on the attached Exhibit "A"; and

**WHEREAS**, County is willing to grant Licensee a revocable license to use the Property for the purposes hereinafter defined.

**NOW THEREFORE**, in consideration of the covenants and agreements hereinafter set forth on the part of the Licensee to be observed and performed, the County hereby grants the Licensee a non-exclusive, revocable license to use the Property (as hereinafter defined) upon the following terms and conditions:

# ARTICLE 1 BASIC PROVISIONS

- 1.01 Recitals. The foregoing recitals are true and correct and incorporated herein.
- 1.02 <u>Property.</u> The Property, which is the subject of this Agreement, is more particularly identified as the highlighted area in Exhibit "A", attached hereto and incorporated herein (the "Property").

# ARTICLE 2 LENGTH OF TERM AND COMMENCEMENT DATE

The term of this Agreement shall be for the period commencing on October 1, 2008 (the "Commencement Date") and expiring on December 31, 2008 (the "Initial Term"), unless terminated earlier as provided for herein. This Agreement shall be automatically renewed for one (1) month intervals thereafter (the "Renewal Term"), unless terminated earlier as provided for herein; provided, however, either party may elect to not renew this Agreement upon providing no less than fifteen (15) days advance written notice to the other party prior to the expiration of the then current term. The Initial Term and Renewal Term shall be collectively referred to as the "Term".



### ARTICLE 3 LICENSE FEE

3.01 <u>License Fee.</u> Licensee shall pay County for the use and occupancy of the Property a license fee for the Initial Term in the amount of Six Thousand Dollars (\$6,000.00), together with applicable sales taxes thereon, plus the amount of Five Thousand Six Hundred Dollars (\$5,600.00), for reimbursement of County's expenses for the installation of a fence and gate. For each Renewal Term, Licensee shall pay County for the use and occupancy of the Property a license fee in the amount of Two Thousand Dollars (\$2,000.00) per month, together with applicable sales taxes thereon. The license fee shall be payable in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first day of each and every month throughout the Term of this Agreement with the first payment becoming due and payable on the Commencement Date.

# ARTICLE 4 CONDUCT OF BUSINESS AND USE OF PROPERTY BY LICENSEE

- 4.01 <u>Use of Property</u>. Licensee shall use the Property solely and exclusively for twenty-four (24) hour vehicle parking. Licensee shall not use, permit or suffer the use of the Property for any other business or purpose whatsoever.
- 4.02 <u>Improvements.</u> Licensee shall make no improvements, alterations or additions to the Property whatsoever, without the prior written consent of the Department, which may be granted or withheld in the Department's sole and absolute discretion.
- 4.03 <u>Condition of Property.</u> Licensee accepts the Property in its "As is", "Where is" condition as of the Commencement Date. Licensee further acknowledges that County has not made any warranties or representations of any nature whatsoever regarding the Property including, but not limited to, any warranties or representations relating to the physical condition of the Property or any improvements located therein, or the suitability of the Property or any improvements for the Licensee's intended use.
- 4.04 <u>Waste or Nuisance</u>. Licensee shall not commit or suffer to be committed any waste upon the Property or any nuisance or other act or thing which may result in damage or depreciation of value of the Property.
- 4.05 <u>Compliance with Laws.</u> Licensee acknowledges and agrees that County has made no representations whatsoever regarding Licensee's ability to use the Property for the purposes set forth in this Agreement. Licensee shall ensure that its invitees, guests and any all other persons entering the Property with or without Licensee's consent or knowledge comply with all applicable laws on the Property. Licensee shall indemnify, defend and save County harmless from any and all penalties, fines, costs, expenses, suits, claims, or damages resulting from Licensee's failure to perform its obligations specified in this Section. The foregoing indemnification agreement shall survive the expiration or earlier termination of this Agreement.



- Non-Discrimination. Licensee for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Property, (b) that in the construction of any improvements on, over, or under such Property and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that Licensee shall use the Property in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended from time to time. In the event of the breach of any of the foregoing non-discrimination covenants, County shall have the right to terminate this Agreement and to reenter and repossess the Property and the facilities hereon, and hold the same as if the Agreement had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.
- 4.07 <u>Surrender of Property.</u> Upon expiration or earlier termination of Licensee's license to use the Property, Licensee, at its sole cost and expense, shall surrender the Property to the County in at least the same condition as the Property was in as of the Commencement Date of this Agreement.
- 4.08 <u>County's Right to Enter.</u> County shall have the right to enter the Property at any time, without notice, for any purpose whatsoever. County agrees to exercise reasonable efforts to minimize interference with or disruption of Licensee's operations on the Property; provided, however, County shall not be required to expend additional sums of money in order to comply with the foregoing requirement. In the event that a County work activity must take place within the Property during Licensee's operating hours, which will disrupt or interfere with the Licensee's operations, County will endeavor to provide prior notice to Licensee. The notice requirements provided under Section 10.04 shall not apply to this Section.

# ARTICLE 5 REPAIRS AND MAINTENANCE OF PROPERTY/SECURITY

Solution Service Services Serv



plus a twenty five percent (25%) overhead, within fifteen (15) days after written request for reimbursement from County.

5.02 <u>Security.</u> Licensee acknowledges and accepts full responsibility for the security and protection of the Property and any and all personal property and improvements now existing or hereafter placed on or installed in or upon the Property, and for the prevention of unauthorized access to the Property. Licensee fully understands that the police security protection provided by County is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Property, shall be the sole responsibility of Licensee and shall involve no additional cost to County.

# ARTICLE 6 INSURANCE

6.01 <u>Maintenance of Insurance.</u> Licensee agrees to maintain, on a primary basis and at its sole expense, at all times during the Term of this Agreement, and any extension thereof, the insurance coverages and limits set forth in Exhibit "B", attached hereto and incorporated herein. The requirements contained herein, as well as County's review or acceptance of insurance maintained by Licensee is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by Licensee under this Agreement.

# ARTICLE 7 INDEMNIFICATION

Licensee shall indemnify, defend and save County harmless from and against any and all claims, actions, damages, liability and expense in connection with: (i) loss of life, personal injury and/or damage to or destruction of property arising from or out of any occurrence in, upon or at the Property; (ii) the occupancy or use by Licensee of the Property or any part thereof; or (iii) any act or omission of Licensee, its agents, contractors, employees or invitees. In the event the County is made a party to any litigation commenced against Licensee or by Licensee against any third party, then Licensee shall protect and hold County harmless and pay all costs and attorney's fees incurred by County in connection with such litigation, and any appeals thereof. Licensee recognizes the broad nature of this indemnification provision and specifically acknowledges the receipt of good and value separate consideration in support thereof. This provision shall survive expiration or earlier termination of this Agreement.

# ARTICLE 8 ASSIGNMENT

Licensee may not assign, sublet or rent any portion of the Property.



# ARTICLE 9 REVOCATION OF LICENSE/DEFAULT

- 9.01 <u>Revocation of License.</u> Notwithstanding any provision of this Agreement to the contrary, the rights granted to Licensee hereunder amount only to a non-exclusive license to use the Property, which license is expressly revocable by County for any reason whatsoever upon notice to Licensee. Upon notice from County of the revocation of the license granted hereby, this Agreement shall terminate and County shall be relieved of all further obligations hereunder accruing subsequent to the date of such termination.
- 9.02 <u>Termination for Convenience by Licensee.</u> Licensee may terminate this Agreement for convenience upon five (5) days prior written notice to County, whereupon the parties shall be relieved of all further obligations hereunder with the exception of those obligations accruing prior to the date of such termination and those obligations which expressly survive termination of this Agreement.
- 9.03 <u>Default.</u> Failure to perform or observe any of the agreements, covenants, or conditions contained in this Agreement to be performed or observed by such party upon five (5) days prior written notice shall constitute a default of this Agreement.

# ARTICLE 10 MISCELLANEOUS

- 10.01 <u>Subordination to Bond Resolution</u>. This Agreement and all rights granted to Licensee hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by County in the Bond Resolution, and County and Licensee agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of County hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by Licensee and County with the terms and provisions of this Agreement and Bond Resolution.
- 10.02 <u>Subordination to State/Federal Agreements</u>. This Agreement shall be subject and subordinate to all the terms and conditions of any instrument and documents under which the County acquired the land or improvements thereon, of which the Property are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Licensee understands and agrees that this Agreement shall be subordinate to the provisions of any existing or future agreement between County and the United States of America, the State of Florida or any of their respective 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.
- 10.03 Entire Agreement. This Agreement and any Exhibits attached hereto and forming a part thereof as if fully set forth herein, constitute all agreements, conditions and understandings between County and Licensee concerning the Property. All representations, either oral or written, shall be deemed to be merged into this



Agreement. Except as herein otherwise provided, no subsequent alteration, waiver, change or addition to this Agreement shall be binding upon County or Licensee unless reduced to writing and signed by them.

10.04 Notices. All notices and elections (collectively, "notices") to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service or overnight mail, telecopied or faxed (provided in each case a receipt is obtained), or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services or overnight mail, or on the date of transmission with confirmed answer back if by telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

(a) If to the County at:
Palm Beach County Department of Airports
846 Palm Beach International Airport
West Palm Beach, FL 33406-1470
Attn: Deputy Director, Airports Business Affairs

(b) If to the Licensee at:
 CSC Applied Technologies, L.L.C.
 c/o Computer Sciences Corporation
 North American Public Sector
 3170 Fairview Park Drive
 Mail Code 230
 Falls Church, Virginia 22042

Fax: (561) 471-7427

Attn: Real Estate Manager Fax: (703) 205-1502

With a copy to:
Computer Sciences Corporation
2100 East Grand Avenue
El Segundo, California 90245
Attn: Senior Real Estate Counsel

Fax: (310) 640-3167

Either party may from time to time change the address to which notice under this Agreement shall be given such party, upon three (3) days prior written notice to the other party.



- 10.05 <u>Recording.</u> Licensee shall not record this Agreement or any memorandum or short form thereof.
- 10.06 <u>Waiver of Jury Trial.</u> The parties hereto waive trial by jury in connection with proceedings or counterclaims brought by either of the parties hereto against the other, in connection with this Agreement.
- 10.07 <u>Governing Law and Venue.</u> This Agreement shall be governed by and interpreted according to the laws of the State of Florida and venue shall be in Palm Beach County.
- 10.08 <u>Time of Essence</u>. Time is of the essence with respect to the performance of every provision of this Agreement in which time of performance is a factor.
- 10.09 <u>Captions</u>. The captions and section designations set forth herein are for convenience only and shall have no substantive meaning.
- 10.10 <u>Severability.</u> In the event that any section, paragraph, sentence, clause, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.
- 10.11 <u>Waiver</u>. No waiver of any provision of this Agreement shall be effective against any party hereto unless it is in writing and signed by the party waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.
- 10.12 <u>Liability of County.</u> Licensee shall look solely to the estate and property of the County in the Property for the collection of any judgment, or in connection with any other judicial process, requiring the payment of money by County in the event of any default by County with respect to any of the terms, covenants and conditions of this Agreement to be observed and performed by County, and no other property or estates of County shall be subject to levy, execution or other enforcement procedures for the satisfaction of Licensee's remedies and rights under this Agreement.
- 10.13 <u>Effective Date.</u> This Agreement shall become effective when executed by the parties hereto and approved by the Palm Beach Board of County Commissioners.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]



IN WITNESS WHEREOF, County and Licensee have executed this Agreement, or have caused the same to be executed as of the day and year first above written.

WITNESSES:  Debra Reese  Signature  Debra Reese	PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA  By:
Typed or Printed Name	Director, Department of Airports
Laura Beebe	
Signature  Sama Bube  Typed or Printed Name	
. Okon or a month of the control of	
	APPROVED AS TO FORM

LICENSEE:

**CSC APPLIED TECHNOLOGIES, L.L.C.** 

By: Signature

Ralph E. Baker, Jr.

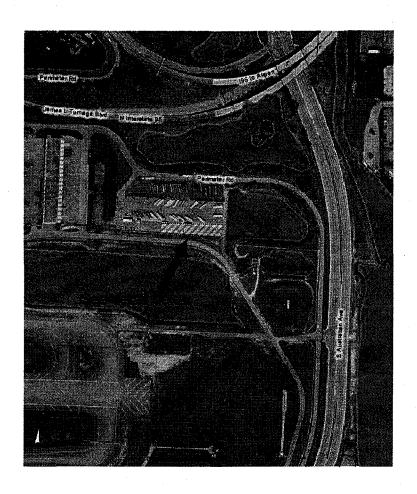
Typed or Printed Name

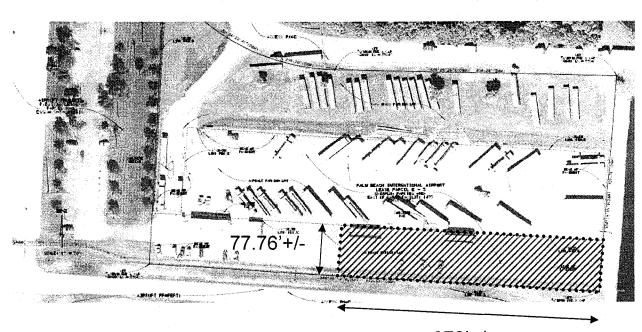
Title: Vice President & Assist. Treasurer

### **EXHIBIT "A"**THE PROPERTY

A portion of the parking lot east of the Air Cargo Building 1475 at the Airport.

# Approximately 29,471 square feet; 90 parking spaces total (all dimensions approximate)









### EXHIBIT "B" INSURANCE

<u>Commercial General Liability</u>. Licensee shall maintain Commercial General Liability Insurance at a limit of liability of not less than Five Million Dollars (\$5,000,000) each occurrence. Coverage shall not contain any endorsement(s) excluding or limiting Premises/Operations, Damage to Rented Property, Personal Injury, Product/Completed Operations, Contractual Liability, Severability of Interests or Cross Liability. Coverage shall be provided on a primary basis.

Business Automobile Liability. Licensee shall maintain Business Automobile Liability Insurance at a limit of liability of not less than Five Million Dollars (\$5,000,000) each occurrence. Coverage shall include liability for Owned, Non-Owned & Hired automobiles. In the event the Licensee does not own automobiles, Licensee agrees to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy. Coverage shall be provided on a primary basis.

Additional Insured. Licensee shall endorse the County as an Additional Insured with a "CG026 Additional Insured - Designated Person or Organization" endorsement to the Commercial General Liability policy. The additional insured endorsement shall read APalm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents." Coverage shall be provided on a primary basis.

Waiver of Subrogation. Licensee agrees by entering into this Agreement to a Waiver of Subrogation for each policy required herein. When required by the insurer, or should a policy condition not permit Licensee to enter into any pre-loss agreement to waive subrogation without an endorsement, then Licensee agrees to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition specifically prohibiting such an endorsement, or voids coverage should Licensee enter into such an agreement on a pre-loss basis.

<u>Certificate(s) of Insurance.</u> Licensee shall provide the County with Certificate(s) of Insurance evidencing that all coverages, limits and endorsements required herein are maintained and in full force and effect. The Certificate(s) of Insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation (ten (10) days for nonpayment of a premium) or non-renewal of coverage. The Certificate Holder address shall read: Palm Beach County Board of County Commissioners, c/o Palm Beach County Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida 33406.



#### **LICENSE AGREEMENT**

THIS LICENSE AGREEMENT (this "Agreement") made and entered into this <u>27</u> day of <u>OCTOBEL</u>, 2008, by and between Palm Beach County, a political subdivision of the State of Florida, hereinafter referred to as ("County") and CSC Applied Technologies, L.L.C., a Delaware limited liability company, with an office at 3170 Fairview Park Drive, Falls Church, Virginia, hereinafter referred to as ("Licensee").

#### **WITNESSETH:**

WHEREAS, County, by and through its Department of Airports (the "Department"), is the owner and operator of the Palm Beach International Airport (the "Airport"); and

**WHEREAS**, County is the owner of that certain real property as more particularly depicted on the attached Exhibit "A"; and

**WHEREAS**, County is willing to grant Licensee a revocable license to use the Property for the purposes hereinafter defined.

**NOW THEREFORE**, in consideration of the covenants and agreements hereinafter set forth on the part of the Licensee to be observed and performed, the County hereby grants the Licensee a non-exclusive, revocable license to use the Property (as hereinafter defined) upon the following terms and conditions:

### ARTICLE 1 BASIC PROVISIONS

- 1.01 <u>Recitals.</u> The foregoing recitals are true and correct and incorporated herein.
- 1.02 <u>Property.</u> The Property, which is the subject of this Agreement, is more particularly identified as the highlighted area in Exhibit "A", attached hereto and incorporated herein (the "Property").

### ARTICLE 2 LENGTH OF TERM AND COMMENCEMENT DATE

The term of this Agreement shall be for the period commencing on October 27, 2008 (the "Commencement Date") and expiring on December 31, 2008 (the "Initial Term"), unless terminated earlier as provided for herein. This Agreement shall be automatically renewed for one (1) month intervals thereafter (the "Renewal Term"), unless terminated earlier as provided for herein; provided, however, either party may elect to not renew this Agreement upon providing no less than fifteen (15) days advance written notice to the other party prior to the expiration of the then current term. The Initial Term and Renewal Term shall be collectively referred to as the "Term".

#### ARTICLE 3 LICENSE FEE

3.01 <u>License Fee.</u> Licensee shall pay County for the use and occupancy of the Property a license fee for the Initial Term in the amount of Six Thousand Five Hundred Ninety-Seven and 04/100 Dollars (\$6,597.04), together with applicable sales taxes thereon, less a credit for prepaid License Fees in the amount of Four Thousand Dollars (\$4,000.00), plus sales tax, in accordance with Section 10.13 of this Agreement. For each Renewal Term, Licensee shall pay County for the use and occupancy of the Property a license fee in the amount of Three Thousand Two Hundred Ninety-Eight and 52/100 Dollars (\$3,298.52) per month, together with applicable sales taxes thereon. The license fee shall be payable in advance, without demand and without any deduction, holdback or set off whatsoever, on or before the first day of each and every month throughout the Term of this Agreement with the first payment becoming due and payable on the Commencement Date.

### ARTICLE 4 CONDUCT OF BUSINESS AND USE OF PROPERTY BY LICENSEE

- 4.01 <u>Use of Property</u>. Licensee shall use the Property solely and exclusively for twenty-four (24) hour vehicle parking. Licensee shall not use, permit or suffer the use of the Property for any other business or purpose whatsoever.
- 4.02 <u>Improvements.</u> Licensee shall make no improvements, alterations or additions to the Property whatsoever, without the prior written consent of the Department, which may be granted or withheld in the Department's sole and absolute discretion.
- 4.03 <u>Condition of Property.</u> Licensee accepts the Property in its "As is", "Where is" condition as of the Commencement Date. Licensee further acknowledges that County has not made any warranties or representations of any nature whatsoever regarding the Property including, but not limited to, any warranties or representations relating to the physical condition of the Property or any improvements located therein, or the suitability of the Property or any improvements for the Licensee's intended use.
- 4.04 <u>Waste or Nuisance</u>. Licensee shall not commit or suffer to be committed any waste upon the Property or any nuisance or other act or thing which may result in damage or depreciation of value of the Property.
- 4.05 <u>Compliance with Laws.</u> Licensee acknowledges and agrees that County has made no representations whatsoever regarding Licensee's ability to use the Property for the purposes set forth in this Agreement. Licensee shall ensure that its invitees, guests and any all other persons entering the Property with or without Licensee's consent or knowledge comply with all applicable laws on the Property. Licensee shall indemnify, defend and save County harmless from any and all penalties, fines, costs, expenses, suits, claims, or damages resulting from Licensee's failure to perform its obligations specified in this Section. The foregoing indemnification agreement shall survive the expiration or earlier termination of this Agreement.



- Non-Discrimination. Licensee for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in or denied the use of the Property, (b) that in the construction of any improvements on, over, or under such Property and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that Licensee shall use the Property in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended from time to time. In the event of the breach of any of the foregoing non-discrimination covenants, County shall have the right to terminate this Agreement and to reenter and repossess the Property and the facilities hereon, and hold the same as if the Agreement had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.
- 4.07 <u>Surrender of Property.</u> Upon expiration or earlier termination of Licensee's license to use the Property, Licensee, at its sole cost and expense, shall surrender the Property to the County in at least the same condition as the Property was in as of the Commencement Date of this Agreement.
- 4.08 <u>County's Right to Enter.</u> County shall have the right to enter the Property at any time, without notice, for any purpose whatsoever. County agrees to exercise reasonable efforts to minimize interference with or disruption of Licensee's operations on the Property; provided, however, County shall not be required to expend additional sums of money in order to comply with the foregoing requirement. In the event that a County work activity must take place within the Property during Licensee's operating hours, which will disrupt or interfere with the Licensee's operations, County will endeavor to provide prior notice to Licensee. The notice requirements provided under Section 10.04 shall not apply to this Section.

### ARTICLE 5 REPAIRS AND MAINTENANCE OF PROPERTY/SECURITY

5.01 Repairs & Maintenance. County shall not be obligated or required to make or conduct any maintenance or repairs whatsoever to the Property. All portions of the Property and all improvements erected on the Property shall be kept in good repair and condition by Licensee. Licensee shall maintain the Property free of trash and debris. Upon expiration or earlier termination of this Agreement, Licensee shall deliver the Property to County in good repair and condition as specified herein, free of all improvements constructed by Licensee, if any. In the event of any damage to the Property, County may complete the necessary repairs or maintenance of the Property and Licensee shall reimburse County for all expenses incurred by County in doing so,

plus a twenty five percent (25%) overhead, within fifteen (15) days after written request for reimbursement from County.

5.02 <u>Security</u>. Licensee acknowledges and accepts full responsibility for the security and protection of the Property and any and all personal property and improvements now existing or hereafter placed on or installed in or upon the Property, and for the prevention of unauthorized access to the Property. Licensee fully understands that the police security protection provided by County is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Property, shall be the sole responsibility of Licensee and shall involve no additional cost to County.

### ARTICLE 6 INSURANCE

6.01 <u>Maintenance of Insurance</u>. Licensee agrees to maintain, on a primary basis and at its sole expense, at all times during the Term of this Agreement, and any extension thereof, the insurance coverages and limits set forth in Exhibit "B", attached hereto and incorporated herein. The requirements contained herein, as well as County's review or acceptance of insurance maintained by Licensee is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by Licensee under this Agreement.

### ARTICLE 7 INDEMNIFICATION

Licensee shall indemnify, defend and save County harmless from and against any and all claims, actions, damages, liability and expense in connection with: (i) loss of life, personal injury and/or damage to or destruction of property arising from or out of any occurrence in, upon or at the Property; (ii) the occupancy or use by Licensee of the Property or any part thereof; or (iii) any act or omission of Licensee, its agents, contractors, employees or invitees. In the event the County is made a party to any litigation commenced against Licensee or by Licensee against any third party, then Licensee shall protect and hold County harmless and pay all costs and attorney's fees incurred by County in connection with such litigation, and any appeals thereof. Licensee recognizes the broad nature of this indemnification provision and specifically acknowledges the receipt of good and value separate consideration in support thereof. This provision shall survive expiration or earlier termination of this Agreement.

### ARTICLE 8 ASSIGNMENT

Licensee may not assign, sublet or rent any portion of the Property.

### ARTICLE 9 REVOCATION OF LICENSE/DEFAULT

- 9.01 <u>Revocation of License</u>. Notwithstanding any provision of this Agreement to the contrary, the rights granted to Licensee hereunder amount only to a non-exclusive license to use the Property, which license is expressly revocable by County for any reason whatsoever upon notice to Licensee. Upon notice from County of the revocation of the license granted hereby, this Agreement shall terminate and County shall be relieved of all further obligations hereunder accruing subsequent to the date of such termination.
- 9.02 <u>Termination for Convenience by Licensee.</u> Licensee may terminate this Agreement for convenience upon five (5) days prior written notice to County, whereupon the parties shall be relieved of all further obligations hereunder with the exception of those obligations accruing prior to the date of such termination and those obligations which expressly survive termination of this Agreement.
- 9.03 <u>Default.</u> Failure to perform or observe any of the agreements, covenants, or conditions contained in this Agreement to be performed or observed by such party upon five (5) days prior written notice shall constitute a default of this Agreement.

### ARTICLE 10 MISCELLANEOUS

- 10.01 <u>Subordination to Bond Resolution</u>. This Agreement and all rights granted to Licensee hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by County in the Bond Resolution, and County and Licensee agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of County hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by Licensee and County with the terms and provisions of this Agreement and Bond Resolution.
- 10.02 <u>Subordination to State/Federal Agreements</u>. This Agreement shall be subject and subordinate to all the terms and conditions of any instrument and documents under which the County acquired the land or improvements thereon, of which the Property are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Licensee understands and agrees that this Agreement shall be subordinate to the provisions of any existing or future agreement between County and the United States of America, the State of Florida or any of their respective 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.



10.03 Entire Agreement. This Agreement and any Exhibits attached hereto and forming a part thereof as if fully set forth herein, constitute all agreements, conditions and understandings between County and Licensee concerning the Property. All representations, either oral or written, shall be deemed to be merged into this Agreement. Except as herein otherwise provided, no subsequent alteration, waiver, change or addition to this Agreement shall be binding upon County or Licensee unless reduced to writing and signed by them.

10.04 Notices. All notices and elections (collectively, "notices") to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service or overnight mail, telecopied or faxed (provided in each case a receipt is obtained), or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services or overnight mail, or on the date of transmission with confirmed answer back if by telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

- (a) If to the County at:
  Palm Beach County Department of Airports
  846 Palm Beach International Airport
  West Palm Beach, FL 33406-1470
  Attn: Deputy Director, Airports Business Affairs
  Fax: (561) 471-7427
- (b) If to the Licensee at:
   CSC Applied Technologies, L.L.C.
   c/o Computer Sciences Corporation
   North American Public Sector
   3170 Fairview Park Drive
   Mail Code 230
   Falls Church, Virginia 22042
   Attn: Real Estate Manager
   Fax: (703) 205-1502

With a copy to:
Computer Sciences Corporation
2100 East Grand Avenue
El Segundo, California 90245
Attn: Senior Real Estate Counsel
Fax: (310) 640-3167

Either party may from time to time change the address to which notice under this

- Agreement shall be given such party, upon three (3) days prior written notice to the other party.
- 10.05 <u>Recording.</u> Licensee shall not record this Agreement or any memorandum or short form thereof.
- 10.06 <u>Waiver of Jury Trial.</u> The parties hereto waive trial by jury in connection with proceedings or counterclaims brought by either of the parties hereto against the other, in connection with this Agreement.
- 10.07 <u>Governing Law and Venue.</u> This Agreement shall be governed by and interpreted according to the laws of the State of Florida and venue shall be in Palm Beach County.
- 10.08 <u>Time of Essence</u>. Time is of the essence with respect to the performance of every provision of this Agreement in which time of performance is a factor.
- 10.09 <u>Captions</u>. The captions and section designations set forth herein are for convenience only and shall have no substantive meaning.
- 10.10 <u>Severability</u>. In the event that any section, paragraph, sentence, clause, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.
- 10.11 <u>Waiver</u>. No waiver of any provision of this Agreement shall be effective against any party hereto unless it is in writing and signed by the party waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.
- 10.12 <u>Liability of County.</u> Licensee shall look solely to the estate and property of the County in the Property for the collection of any judgment, or in connection with any other judicial process, requiring the payment of money by County in the event of any default by County with respect to any of the terms, covenants and conditions of this Agreement to be observed and performed by County, and no other property or estates of County shall be subject to levy, execution or other enforcement procedures for the satisfaction of Licensee's remedies and rights under this Agreement.
- 10.13 <u>Termination of Prior Agreement</u>. Upon the Effective Date of this Agreement, that certain License Agreement between County and Licensee dated October 2, 2008 shall be terminated in its entirety, provided, however, that any claim, cause of action, or other obligation to Licensee or to County then accrued, shall survive said termination, and further provided that Licensee's prepaid License Fees for the Initial Term of such terminated License Agreement shall be prorated and the amount of Four Thousand Dollars (\$4,000.00), plus sales tax, shall be credited to the Initial License Fee provided in Section 3.01 of this Agreement.

10.14 <u>Effective Date.</u> This Agreement shall become effective when executed by the parties hereto and approved by the Palm Beach Board of County Commissioners.

**IN WITNESS WHEREOF,** County and Licensee have executed this Agreement, or have caused the same to be executed as of the day and year first above written.

WITNESSES:

Signature

Typed or Printed Name

Ray Waltor

Typed or Printed Name

Typed or Printed Name

PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA

By: Director, Department of Airports

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

County Attorney

LICENSEE:

CSC APPLIED TECHNOLOGIES, L.L.C.

By: \_\_\_

Signature Ralph E. Baker, Jr.

Typed or Printed Name

Title: Vice President & Assist. Treasurer

### EXHIBIT "A" THE PROPERTY

A portion of the parking lot east of the Air Cargo Building 1475 at the Airport.

Approximately 48,716.64 square feet (all dimensions approximate)

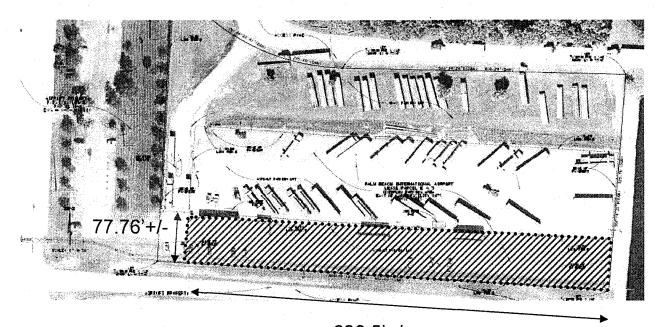


Exhibit "A" Page 1 of 2

### EXHIBIT "A" THE PROPERTY

A portion of the parking lot east of the Air Cargo Building 1475 at the Airport.

Approximately 48,716.64 square feet (all dimensions approximate)



626.5'+/-

### **EXHIBIT "B" INSURANCE**

Commercial General Liability. Licensee shall maintain Commercial General Liability Insurance at a limit of liability of not less than Five Million Dollars (\$5,000,000) each occurrence. Coverage shall not contain any endorsement(s) excluding or limiting Premises/Operations, Damage to Rented Property, Personal Injury, Product/Completed Operations, Contractual Liability, Severability of Interests or Cross Liability. Coverage shall be provided on a primary basis.

<u>Business Automobile Liability.</u> Licensee shall maintain Business Automobile Liability Insurance at a limit of liability of not less than Five Million Dollars (\$5,000,000) each occurrence. Coverage shall include liability for Owned, Non-Owned & Hired automobiles. In the event the Licensee does not own automobiles, Licensee agrees to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy. Coverage shall be provided on a primary basis.

Additional Insured. Licensee shall endorse the County as an Additional Insured with a "CG026 Additional Insured - Designated Person or Organization" endorsement to the Commercial General Liability policy. The additional insured endorsement shall read APalm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents." Coverage shall be provided on a primary basis.

Waiver of Subrogation. Licensee agrees by entering into this Agreement to a Waiver of Subrogation for each policy required herein. When required by the insurer, or should a policy condition not permit Licensee to enter into any pre-loss agreement to waive subrogation without an endorsement, then Licensee agrees to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition specifically prohibiting such an endorsement, or voids coverage should Licensee enter into such an agreement on a pre-loss basis.

<u>Certificate(s)</u> of <u>Insurance</u>. Licensee shall provide the County with Certificate(s) of Insurance evidencing that all coverages, limits and endorsements required herein are maintained and in full force and effect. The Certificate(s) of Insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation (ten (10) days for nonpayment of a premium) or non-renewal of coverage. The Certificate Holder address shall read: Palm Beach County Board of County Commissioners, c/o Palm Beach County Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida 33406.

Exhibit "B" Page 1 of 1

CSC

# AGREEMENT COVERING THE OPERATION OF AIRCRAFT AT PALM BEACH INTERNATIONAL AIRPORT

Department of Airports

Palm Beach International Airport

Palm Beach County, Florida

REPUBLIC AIRLINE, INC.

Airline

# AGREEMENT COVERING THE OPERATION OF AIRCRAFT AT PALM BEACH INTERNATIONAL AIRPORT

#### **TABLE OF CONTENTS**

		PAGE
ARTICLE I	<u>TERM</u>	·1
ARTICLE II	<u>USE</u>	1
ARTICLE III	FEES AND CHARGES	1
3.01	Fees and Charges	1
3.02	Payment Payment	
		2
3.03	Partial Month Charges	3
3.04	Information to be Supplied by AIRLINE	3
3.05	Audit	3
3.06	Contract Security	4
ARTICLE IV	INDEMNIFICATION	5
ARTICLE V	INSURANCE	5
5.01	Policies	5
5.02	Waiver of Subrogation	7
ARTICLE VI	ASSIGNMENT BY AIRLINE	7
ARTICLE VII	GOVERNMENT INCLUSION	7
7.01	Non-discrimination	7
7.02	Minority Business Enterprise/Affirmative Action	8
7.03	Rights Non-Exclusive	8
7.04	COUNTY Tax Assessment Right	8
ARTICLE VIII	LAWS, REGULATIONS, PERMITS, TAXES AND	
	COMPLIANCE	8
8.01	Rules and Regulations	8 .
8.02	Permits and Licenses	9
8.03		9
	Safety and Fire Regulations	
8.04	Payment of Taxes	10
8.05	Compliance By Other Airport Users	10
ARTICLE IX	GENERAL PROVISIONS	10
9.01	Relationship of Parties	10
9.02	County Not Liable	10
9.03	Quiet Enjoyment	10
ARTICLE X	AGENT FOR SERVICE	10
ARTICLE XI	NO INDIVIDUAL LIABILITY	11
ARTICLE XII	TERMINATION AND CANCELLATION OF AGREEME	
12.01	Termination	11
12.02	COUNTY's Right of Cancellation	11
12.03	Cancellation for Default in Payments	12
12.04	Cancellation by Airline	12
ARTICLE XIII	NOTICE	12
ARTICLE XIV	SUBORDINATION	13
14.01	Subordination to Bond Resolution	13
14.02	Subordination to Federal Agreements	13
ARTICLE XV	REMEDIES CUMULATIVE	13

### TABLE OF CONTENTS

		PAGE
ARTICLE XVI	WAIVERS	13
ARTICLE XVII	COUNTY'S GOVERNMENTAL AUTHORITY	14
ARTICLE XVIII	RIGHTS RESERVED TO COUNTY	14
ARTICLE XIX	INVALIDITY OF CLAUSES	14
ARTICLE XX	<u>VENUE</u>	14
ARTICLE XXI	GOVERNING LAW	14
ARTICLE XXII	INTENTIONALLY LEFT BLANK	14
ARTICLE XXIII	PARAGRAPH HEADINGS	14
ARTICLE XXIV	BINDING EFFECT	14
ARTICLE XXV	PERFORMANCE	15
ARTICLE XXVI	FORCE MAJEURE	15
ARTICLE XXVII	PUBLIC ENTITY CRIMES	15
ARTICLE XXVIII	ENTIRETY OF AGREEMENT	15

## AGREEMENT COVERING THE OPERATION OF AIRCRAFT AT PALM BEACH INTERNATIONAL AIRPORT

THIS AGREEMENT is made and entered into OCT 2 8 2008, by and between PALM BEACH COUNTY, a political subdivision of the State of Florida (hereinafter referred to as the "COUNTY"), and Republic Airline, Inc. an Indiana corporation, having its office and principal place of business at 8909 Purdue Road, Suite 300, Indianapolis, IN, 46268 (hereinafter referred to as the "AIRLINE").

#### WITNESSETH:

WHEREAS, COUNTY, by and through its Department of Airports (hereinafter referred to as the "Department"), owns and operates Palm Beach International Airport, located in Palm Beach County, Florida (hereinafter referred to as the "Airport"); and

WHEREAS, AIRLINE owns and operates aircraft engaged in commercial aviation and hereby desires to operate its air transportation business at the Airport; and

**WHEREAS**, COUNTY is willing to grant AIRLINE the right to operate at the Airport and to grant AIRLINE certain privileges in connection therewith in accordance with the terms of this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions.

### ARTICLE I TERM

This Agreement shall commence on the 7<sup>th</sup> day of April, 2008, and shall terminate on the 30<sup>th</sup> day of September, 2008, and shall automatically be extended on a year-to-year basis (October 1st through September 30th), unless either party hereto, with the Department acting on behalf of the COUNTY, shall advise, by at least thirty (30) days advance written notice, the other party of its desire or intent to amend or terminate this Agreement.

#### ARTICLE II USE

AIRLINE shall have the non-exclusive privilege of landing, taking off, parking and other uses of designated landing areas, taxiways, ramps and Airport terminal facilities as may be required for AIRLINE's operation of its air transportation business at the Airport. Use of Airport terminal facilities shall be at such times and places as approved by the Department.

### ARTICLE III FEES AND CHARGES

#### 3.01 Fees and Charges.

A. AIRLINE shall pay to COUNTY, for the rights and privileges granted herein, the fees and charges as established by the COUNTY from time-to-time. AIRLINE hereby

acknowledges receipt of a copy of the fees and charges in effect at the Airport as of the date of this Agreement. When such fees and charges are revised by the COUNTY, AIRLINE shall pay such revised fees and charges.

- B. Fees and charges shall be reviewed annually and adjusted as necessary effective upon the first day of each new Fiscal Year of COUNTY, throughout the entire term hereof, and at any time that unaudited Airport financial data indicates that total fees and charges payable pursuant to the then current rate schedules are estimated and anticipated by Department to vary by more than ten percent (10%) from the total fees and charges that would be payable based upon the use of actual financial data to date for that Fiscal Year. "Fiscal Year" means the then current annual accounting period of COUNTY for its general accounting purposes which, at the time of entering into this Agreement, is the period of twelve (12) consecutive calendar months ending with the last day of September of each year.
- C. Adjustments to fees and charges, pursuant to this Article III, shall apply without the necessity of formal amendment of this Agreement. A statement showing the calculation of the new rates for fees and charges shall be prepared by the Department and delivered to AIRLINE pursuant to Article XIII below. Upon delivery to AIRLINE by Department, said statement shall then be deemed part of this Agreement.
- D. If adjustment of fees and charges is not completed by Department on or prior to the beginning of the new Fiscal Year, the fees and charges then in existence shall continue to be paid by AIRLINE until such adjustment is concluded. Upon conclusion of such adjustment calculations, any difference(s) between the actual fees and charges paid by AIRLINE through the date of said adjustment for the then current Fiscal Year and the fees and charges that would have been paid by AIRLINE using said adjusted rates shall be remitted to the party to whom it is due within thirty (30) days of Department's delivery of the revised statement of fees and charges.

#### 3.02 Payment.

A. AIRLINE payments to COUNTY for the fees and charges due hereunder shall be paid in lawful money of the United States of America, by check payable to Palm Beach County, without set off, and shall be made at such places as Department may designate, which at the commencement date of this Agreement shall be as follows:

Department of Airports Accounting Section Palm Beach International Airport Building 846 West Palm Beach, Florida 33406-1491

B. Payment for fees and charges based upon AIRLINE's monthly activity, including but not limited to (i) landing fees; (ii) law enforcement officer fees; (iii) Federal Inspection Facility fees; (iv) Environmental Operating Fees; and (v) commuter operating area and apron fees, if applicable, shall be due without demand or invoicing on the tenth (10th) day following the month in which said activity occurred. Said fees and charges shall be deemed delinquent if payment is not received by the twentieth (20th) day following the month in which the activity occurred. Department agrees to provide invoices to AIRLINE for said fees and charges solely for the purpose of AIRLINE's information and documentation; provided, however, said invoice shall not be deemed

to be evidence of the accuracy of the amount so invoiced, and further, shall not be deemed a waiver of any of COUNTY's rights hereunder.

- C. Payment for other fees and charges due hereunder, including, but not limited to (i) baggage claim conveyors and devices; (ii) baggage claim area; (iii) employee parking charges; (iv) concourse areas and tug drives, if applicable; and (v) other miscellaneous charges, shall be due as of the date of Department's invoice. Said fees and charges shall be deemed delinquent if payment is not received within thirty (30) days of the date of invoice.
- D. Department agrees to provide timely notice of any and all payment delinquencies; provided, however, interest at the rate established from time to time by the Board of County Commissioners (currently set at one and one-half percent [1½%] per month) shall accrue against any and all delinquent payment(s) from the date due until the date payment is received by the Department. COUNTY agrees that said interest rate shall not be adjusted more often than annually. This provision shall not preclude COUNTY from terminating this Agreement as provided for herein for default in the payment of fees or charges, or from enforcing any other provisions contained herein or provided by law.
- E. The acceptance by COUNTY of any AIRLINE payment shall not preclude COUNTY from verifying the accuracy of AIRLINE's reports on which AIRLINE's fees and charges are based as provided in this Article and shall not be deemed a waiver of interest penalty due, if any.
- 3.03 <u>Partial Month Charges</u>. In the event the commencement or termination date with respect to any of the particular rights, licenses, services, or privileges as herein provided falls on any date other than the first or last day of a calendar month, the applicable fees and charges for that month shall be paid for said month on a prorata basis according to the number of days during which said particular rights, licenses, services, or privileges were enjoyed during that month.

#### 3.04 <u>Information to be Supplied by AIRLINE</u>.

- A. Not later than the first (1st) business day following the ninth (9th) calendar day after the end of each calendar month, AIRLINE shall file with Department written reports on forms provided by Department for activity conducted by AIRLINE at the Airport during said month.
- B. In the event AIRLINE fails to provide the written report(s) specified in Paragraph 3.04 (A) hereinabove, within the time specified herein, or if the data set forth on said written report(s) submitted to Department is questionable, the Department may, based on previous reports or other information available to Department, estimate AIRLINE's activity for said month and issue invoices based thereon. AIRLINE shall be liable to COUNTY for any deficiencies in payments based upon such estimates. If such estimates result in an overpayment by AIRLINE, COUNTY shall remit or at COUNTY's option credit such overpayment to AIRLINE. Said invoice shall be deemed delinquent if payment is not received by the twentieth (20th) day following the month in which such estimated activity occurred.

#### 3.05 Audit.

A. AIRLINE shall maintain and keep books, ledgers, accounts, or other records, accurately recording the total number of Revenue and Non-Revenue Landings at the Airport, the Maximum Gross Landed Weight of each aircraft, total number of passengers enplaned and

deplaned at the Airport, and all other traffic and activity statistics to be recorded or reported hereunder. Such books, ledgers, accounts, and records shall be made available in Palm Beach County for a period of three (3) years subsequent to the activities reported therein.

- B. COUNTY or its duly authorized representative(s) may examine any and all such books, ledgers, accounts and records during all reasonable business hours, in AIRLINE's offices or such other place as mutually agreed to between AIRLINE and Department. Upon COUNTY's written request for examination of such books, ledgers, accounts and records, AIRLINE shall produce such items in Palm Beach County within ten (10) business days or pay all reasonable expenses, including but not limited to transportation, food, and lodging for COUNTY's internal auditor or his/her representative(s) to audit said books and records outside Palm Beach County.
- C. The cost of said audit, with the exception of the aforementioned transportation, food and lodging expenses, shall be borne by COUNTY; provided however, that the full cost of said audit shall be borne by AIRLINE if either or both of the following conditions exist:
  - (1) The audit reveals an underpayment of more than five percent (5%) of the fees and charges which are based on monthly activity, due hereunder, as determined by said audit;
  - (2) AIRLINE has failed to maintain true and complete books, records, accounts, and supportive source documents in accordance with Article 3.04 hereinabove.
- D. Any underpayment of amounts due COUNTY disclosed as a result of said audit, including interest computed from the original due date of each such amount due shall be paid to COUNTY within thirty (30) consecutive calendar days of the date of Department's invoicing therefor. Such payment by AIRLINE shall not abrogate AIRLINE's right to contest the validity of said underpayments. Any overpayments made by AIRLINE shall be promptly remitted or at Department's option credited to AIRLINE.

#### 3.06 Contract Security.

- A. Prior to the commencement of operations by AIRLINE, AIRLINE shall provide COUNTY, and shall keep in full force and effect throughout the entire term of this Agreement, a Clean Irrevocable Letter of Credit or Surety Bond ("Contract Security") in the amount of Fifty Thousand dollars (\$50,000.00) or an amount equal to the Department's estimate of three (3) months' fees and charges payable by AIRLINE pursuant to this Article III, whichever is greater. Such Contract Security shall guarantee the faithful performance by AIRLINE of its obligations under this Agreement and the payment of all fees and charges due hereunder. In addition, said Contract Security shall be in such form and with such company licensed to do business in the State of Florida as shall be reasonably acceptable to COUNTY. In the event that any such Contract Security shall be for a period of less than the full period required by this Agreement, or if such Contract Security may be cancelled, AIRLINE shall provide a renewal or replacement Contract Security for the period following the expiration or cancellation of such Contract Security previously provided at least sixty (60) days prior to the date on which such previous Contract Security expires or at least sixty (60) days prior to the effective date of such cancellation.
- B. Department may adjust the amount of said Contract Security required hereunder, annually during the term of this Agreement or any renewal thereof; provided, however, that Department shall have the right to adjust the amount of said Contract Security at any time, if and

when AIRLINE changes its operating schedule, including the type of aircraft operated, or if COUNTY revises the fees and charges pursuant to Article 3.01 hereinabove. In such event, AIRLINE shall submit such adjusted Contract Security within thirty (30) days of receipt of Department's notice thereof.

C. Failure to maintain Contract Security as required herein shall constitute a material default by AIRLINE and shall be grounds for immediate termination of this Agreement.

#### ARTICLE IV INDEMNIFICATION

AIRLINE shall protect, defend, and hold COUNTY and its officers, employees and agents completely harmless from and against any and all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to reasonable attorney fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to AIRLINE's conduct of its business under this Agreement and/or in its use or occupancy of the Airport or the negligent or willful acts or omissions of AIRLINE's officers, agents, employees, contractors, subcontractors, licensees, or invitees, regardless of where the injury, death, or damage may occur, unless such injury, death or damage is caused by the sole negligence or willful misconduct of the COUNTY, its officers, agents or employees. Nothing herein shall be deemed to abrogate AIRLINE's Common Law or Statutory rights to contribution from COUNTY for liability legally established as attributable to COUNTY's negligence. Each party shall give to the other reasonable notice of any such claims or actions. The provisions of this Article shall survive the expiration or early termination of this Agreement.

#### ARTICLE V INSURANCE

- 5.01 <u>Policies</u>. Notwithstanding AIRLINE's obligation to indemnify COUNTY as set forth in this Agreement, AIRLINE shall maintain the following insurance policies during the term of this Agreement.
- A. In addition to such insurance as may be required by law and regulation, AIRLINE, at its sole cost and expense, shall at a minimum, maintain in full force and effect throughout the term of this Agreement the following types and amounts of insurance:
  - (1) Aircraft Liability in respect of all aircraft owned, leased or operated by the AIRLINE for bodily injury (including death) and property damage liability in a Combined Single Limit Amount of not less than \$25,000,000 per occurrence.
  - Automobile Liability covering all Owned, Hired, and Non-Owned Vehicles used on the Airport in an amount of not less than \$1,000,000 Combined Single Limit per occurrence for Bodily Injury (including death) and Property Damage Liability; provided however, that if the scope and conduct of the AIRLINE's operations under this Agreement require vehicle access to areas designated for the parking and maneuvering of aircraft (ramp area) said liability insurance shall be in an amount not less than \$5,000,000 Combined Single Limit per occurrence for Bodily Injury (including death) and Property Damage Liability. Notwithstanding the foregoing, if the scope and conduct of the AIRLINE's operations under this Agreement do not involve the operation, ownership or use of any vehicle, then this requirement shall be waived.

- (3) Comprehensive or Commercial General Liability. Coverage shall be underwritten by a company or companies, acceptable to COUNTY, in its reasonable discretion. Required coverage must have limits of not less than \$5,000,000 Combined Single Limit per occurrence for Personal Injury, Bodily Injury (including death) and Property Damage Liability and shall include, but not be limited to Premises and Operations, Product and Completed Operations and Contractual.
- (4) Occurrence form general liability insurance is highly preferred; however, in the event that AIRLINE is only able to secure Claims-Made general liability insurance, the following special conditions apply:
  - a. Any Certificate of Insurance issued to the COUNTY must clearly indicate whether the Claims-Made Commercial General Liability or similar form applies. Further it must indicate if the limits are aggregated. In the event aggregate limits are applicable, the COUNTY requires that the AIRLINE's aggregate amount of insurance be no less than three times the basic limit of liability required in Paragraphs 5.01 (A.1.) through (A.3.), hereinabove, for each accident or occurrence.
  - b. Should coverage be afforded on a Claims-Made basis, the AIRLINE shall be obligated by virtue of this Agreement to maintain insurance coverage in effect with no less limits of liability nor any more restrictive terms and/or conditions for a period of not less than thirty-six (36) months from the termination of the Agreement. The retroactive date shall be no later than the commencement date of this Agreement and shall be maintained for all subsequently required policies.
- B. A signed Certificate or Certificates of Insurance, evidencing that required insurance coverage(s) has been procured by AIRLINE in the types and amount(s) required hereunder, shall be transmitted to COUNTY prior to execution of this Agreement by both parties. Said certificate(s) shall clearly state Palm Beach County, a Political Subdivision of the State of Florida, as an Additional Insured to the extent of AIRLINE's obligations assumed hereunder. Further, said Certificate of Insurance shall unequivocally provide thirty (30) days written notice to COUNTY prior to any adverse material change, cancellation, or non-renewal of coverage thereunder. Said liability insurance must be acceptable to and approved by COUNTY, in its reasonable discretion, as to form and types of coverage. AIRLINE's failure to maintain current all insurance policies required pursuant to this Agreement, shall constitute a material default by AIRLINE and shall be grounds for immediate termination of this Agreement.
- C. AIRLINE's policy(ies) of insurance shall provide that, in the event of bankruptcy or insolvency of AIRLINE, the insurance company shall not be relieved of performance of its obligations under the policy for any acts or conditions caused or created by AIRLINE or for which AIRLINE is in any way responsible or liable.
- D. All insurance policies required hereunder may be written to include a reasonable deductible. Limits on said deductible amounts shall be subject to the reasonable approval of the COUNTY's Risk Management Department.
- E. Notwithstanding anything to the contrary herein, COUNTY through its Risk Management Department, may allow insurance coverage required herein through AIRLINE's self-insurance plan. Any request for approval of AIRLINE's self-insurance plan must be approved in advance, in writing, by the COUNTY's Risk Management Department.

- F. Notwithstanding the foregoing, COUNTY, by and through its Risk Management Department, in cooperation with the Department, reserves the right to periodically review any and all policies of insurance and to reasonably adjust the limits of coverage required hereunder from time to time throughout the term of this Agreement. In such event, COUNTY shall provide AIRLINE written notice of such adjusted limits and AIRLINE shall comply within thirty (30) days of receipt thereof.
- G. AIRLINE shall not knowingly use or permit the use of the Airport for any illegal or improper purposes, and further notwithstanding anything to the contrary herein, AIRLINE shall not knowingly use or permit the use of the Airport for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the Airport for the COUNTY or AIRLINE. In the event AIRLINE knowingly performs or allows any act, or failure to act, that shall cause an increase in the premiums for insurance for the Airport, or any part thereof, then AIRLINE shall immediately upon demand by COUNTY pay the amount of such increase. If any AIRLINE act or failure to act shall cause cancellation of any policy, then AIRLINE shall immediately, upon notification by COUNTY, take such action as is necessary to cause reinstatement of said insurance.
- 5.02 <u>Waiver of Subrogation</u>. COUNTY and AIRLINE hereby mutually waive any and all rights of recovery against the other party arising out of damage or destruction of the Airport terminal facilities or any other property from causes included under any property insurance policies to the extent such damage or destruction is covered by the proceeds of such policies but only to the extent that the insurance policies then in force permit such waiver.

#### ARTICLE VI ASSIGNMENT BY AIRLINE

AIRLINE shall not in any manner assign, transfer, mortgage, pledge, encumber, hypothecate or otherwise convey an interest in this Agreement without the prior written consent of COUNTY. Such consent shall not be unreasonably withheld. The foregoing shall not prevent the assignment of this Agreement to any corporation with which AIRLINE may merge or consolidate; provided however, such successor corporation, not later than thirty (30) days prior to the date of such merger, consolidation or succession, shall provide written acknowledgment by a duly authorized corporate officer to COUNTY that it has assumed all obligations of AIRLINE and will fully honor all terms and conditions set forth in this Agreement, and further will provide such documentation as COUNTY requires in its reasonable discretion.

### ARTICLE VII GOVERNMENT INCLUSION

7.01 <u>Non-discrimination</u>. AIRLINE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (1) that no person on the grounds of race, creed, color, national origin, sex, age or handicap shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of services of AIRLINE, and (2) that AIRLINE shall use the Airport in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations (CFR), Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in

Federally-Assisted Programs of the Department of Transportation- Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. In the event of breach of any of the above non-discrimination covenants, COUNTY shall have the right to terminate this Agreement and hold the same as if said Agreement had never been made or issued. This provision shall not be effective until the procedures of Title 49, CFR, Part 21 are followed and completed, including exercise or expiration of appeal rights.

Minority Business Enterprise/Affirmative Action. AIRLINE acknowledges that the provisions of 49 CFR, Part 23, Minority Business Enterprises (MBE), and 14 CFR, Part 152, Affirmative Action Employment Programs, may be applicable to the activities of AIRLINE under the terms of this Agreement, unless exempted by said regulations, and hereby agrees, if such provisions are applicable, to comply with all requirements of the Department, the Federal Aviation Administration, and the U.S. Department of Transportation, in reference thereto. requirements may include, but not be limited to, the compliance with MBE and/or Employment Affirmative Action participation goals, the keeping of certain records of good faith compliance efforts, which would be subject to review by the various agencies, the submission of various reports, and including, if directed by the Department, the contracting of specified percentages of goods and service contracts to Minority Business Enterprises. Failure to comply with these requirements, if applicable, shall be grounds for default and cancellation of this Agreement. Any cancellation pursuant to this Article 7.02 shall not be effective until the procedures specified in said Federal regulations and such other procedures that are established by COUNTY are completed, including exercise or expiration of any appeal rights.

7.03 <u>Rights Non-Exclusive</u>. Notwithstanding anything herein contained, the rights, privileges and licenses granted under this Agreement are "non-exclusive" and COUNTY reserves the right to grant same to others.

7.04 <u>COUNTY Tax Assessment Right</u>. None of the terms, covenants and conditions of this Agreement shall in any way be construed as a release or waiver on the part of the COUNTY, as a political subdivision of the State of Florida, or any of public officials of the County of Palm Beach, of the right to assess, levy, and collect any license, personal, intangible, occupation, or other tax of general application which shall be lawfully imposed on the business or property of the AIRLINE.

### ARTICLE VIII LAWS, REGULATIONS, PERMITS, TAXES AND COMPLIANCE

#### 8.01 Rules and Regulations.

A. AIRLINE expressly covenants, warrants, guarantees, and agrees that throughout the term of this Agreement, AIRLINE shall at all times be and shall remain in full and complete compliance with all applicable statutes, regulations, rules, rulings, orders, or ordinances of any kind or nature without limitation, as the same may be supplemented or amended, of any or all Federal, State, Municipal, or local governmental bodies now or hereafter having jurisdiction over AIRLINE, AIRLINE's operations conducted under this Agreement or over those persons and entities performing any work or services on behalf of AIRLINE or at AIRLINE's expressed or implied request. AIRLINE further covenants, warrants, guarantees and agrees that it shall comply with all ordinances of COUNTY, including but not limited to the "Rules and Regulations of the Department

of Airports, of Palm Beach County, Florida" (Currently set forth in Resolution R-98-220 as may be amended, supplemented or otherwise superseded by the Board of County Commissioners) all operational orders issued thereunder, and any and all other laws, ordinances, regulations, rules, and orders of any governmental entity which may be applicable to AIRLINE or in any way to AIRLINE's business operations under this Agreement, as said laws, ordinances, regulations, rules, and orders now exist, or are hereafter amended, promulgated or otherwise imposed on AIRLINE by law. COUNTY and AIRLINE agree that nothing in this Agreement shall affect or impair AIRLINE's right to legally challenge any such statute, regulation, rule, ruling, order or ordinance, and providing that AIRLINE remains in compliance with all such statutes, regulations, rules, rulings, orders or ordinances during said legal challenge, AIRLINE shall not be held in default of this Agreement during or on account of AIRLINE's legal challenge to any such statute, regulation, rule, ruling, order or ordinance.

- B. Any new rules, regulations, orders or restrictions enacted by COUNTY during the term of this Agreement shall not be inconsistent with the terms, provisions, rights and privileges granted hereunder, unless enacted in compliance with the lawful rules, regulations, ordinances, laws or orders of other governmental authorities having jurisdiction over the operation of the Airport.
- C. COUNTY has enacted certain regulations and may, in the future, enact other regulations, for the purpose of minimizing, abating, and mitigating noise resulting from the operation of the Airport. COUNTY asserts the authority, as Airport proprietor, to enact such regulations, including, but not limited to, imposition of noise-related fees and charges and restrictions upon the types of aircraft and numbers and time of aircraft operations. AIRLINE may contest the validity of such regulations under the Constitution, laws, regulations, and grant agreements of the United States and/or the State of Florida. COUNTY and AIRLINE agree that nothing in this Agreement shall be deemed to impair or in any way affect COUNTY's right as Airport proprietor, to the extent of such right, to enact such regulations for this purpose, as long as such regulations are otherwise valid under applicable law, or to affect or impair AIRLINE's right to challenge any such regulations on any ground other than as a breach or impairment of this Agreement.
- D. COUNTY agrees that upon receipt of a written request from AIRLINE, COUNTY shall provide AIRLINE with COUNTY regulations, rules, rulings, orders, ordinances (and amendments thereto) which affect AIRLINE or its performance hereunder.
- 8.02 Permits and Licenses. AIRLINE expressly covenants, warrants and agrees that it shall, at its sole cost and expense, be strictly liable and responsible for obtaining, paying for, maintaining current, and fully complying with any and all permits, licenses, and other governmental authorizations, however designated, as may be required at an time throughout the entire term of this Agreement by any Federal, State, or local governmental entity or any Court of Law having jurisdiction over AIRLINE or AIRLINE's operations and activities, and for any and all operations conducted hereunder, by AIRLINE. Upon the written request of Department, AIRLINE shall provide to Department copies of and access to the originals of any and all such permits and licenses.
- 8.03 <u>Safety and Fire Regulations</u>. Airline shall conduct its operations and activities under this Agreement in compliance with all safety regulations of the Department and applicable

Federal, State, and local laws. AIRLINE shall procure and maintain such fire prevention and extinguishing devices as required by COUNTY and shall at all times be familiar and comply with the fire regulations and orders of COUNTY and the fire control agency with jurisdiction at the Airport, as same may now exist or hereafter come into being. AIRLINE agrees, for itself and any employee, contractor, or other person working for or on behalf of AIRLINE, to exercise due care at all times.

- 8.04 <u>Payment of Taxes</u>. AIRLINE shall pay any and all taxes and other costs lawfully assessed against its operations under this Agreement. Nothing herein shall be construed to deny or limit AIRLINE's right to contest in good faith the amount or validity of any tax or assessment payable by it by appropriate legal proceedings.
- 8.05 <u>Compliance By Other Airport Users</u>. COUNTY shall, whenever possible, make reasonable efforts to obtain uniform compliance with its rules and regulations; however, COUNTY shall not be liable to AIRLINE for any violation or non-observance of such rules and regulations by any Airport user, tenant, concessionaire or air transportation company or their officers, agents, or employees.

### ARTICLE IX GENERAL PROVISIONS

- 9.01 <u>Relationship of Parties</u>. AIRLINE is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and COUNTY shall in no way be responsible therefor.
- 9.02 <u>County Not Liable.</u> COUNTY shall not be responsible or liable to AIRLINE for any claims for compensation for any losses, damages, or injury sustained by AIRLINE resulting from failure of any water supply, heat, air conditioning, electrical power, or sewerage or drainage facility, or caused by natural physical conditions on the Airport, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, act of God, or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. COUNTY shall not be liable for any damage to, or loss of personal property, except to the extent that said damage or loss resulted from the negligence or willful misconduct of COUNTY, its officers, agents or employees.
- 9.03 Quiet Enjoyment. COUNTY covenants that so long as AIRLINE timely pays all fees and charges due hereunder, and fully and faithfully performs all of its obligations as provided herein, and otherwise is not in default of any of the terms and conditions of this Agreement, AIRLINE shall peacefully and quietly have, hold and enjoy the privileges granted herein, free from any unauthorized interference by COUNTY during the term hereof.

### ARTICLE X AGENT FOR SERVICE

It is expressly understood and agreed that if AIRLINE 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 not licensed to do business in Florida, then in any such event, AIRLINE shall appoint an agent for the purpose of service of process, in any court action between AIRLINE and COUNTY, arising out of or based upon this Agreement. AIRLINE shall immediately notify

COUNTY, in writing, of the name and address of said agent. 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, as an alternative method of service of process, should AIRLINE fail to appoint said agent, or fail to notify COUNTY of the name and address of said agent as aforesaid, AIRLINE may be personally served with such process out of this State by the registered mailing of such complaint and process to AIRLINE at the address set forth in Article XIII hereinbelow.

### ARTICLE XI NO INDIVIDUAL LIABILITY

No member, officer, agent, director, or employee of COUNTY shall be charged personally, or held contractually liable by or to AIRLINE, under the terms or provisions of this Agreement, or because of any breach thereof, or because of its or their execution or attempted execution.

### ARTICLE XII TERMINATION AND CANCELLATION OF AGREEMENT

- 12.01 <u>Termination</u>. This Agreement shall automatically terminate and expire as set forth in Article I hereof, unless canceled sooner as provided for herein.
- 12.02 <u>COUNTY's Right of Cancellation</u>. In addition to other cancellation or termination rights contained in this Agreement, COUNTY may, to the extent allowed by law, cancel this Agreement by giving AIRLINE thirty (30) days advance written notice, to be served as hereinafter provided, upon the happening of any one of the following events:
  - A. The filing by AIRLINE of a voluntary petition for bankruptcy.
  - B. The institution of proceedings in bankruptcy against AIRLINE and adjudication of AIRLINE as a bankrupt pursuant to said proceeding.
  - C. The taking of AIRLINE's assets by a Court of competent jurisdiction of AIRLINE, pursuant to proceedings brought under the provision of any federal reorganizational act and said proceeding is not dismissed, discontinued or vacated within thirty (30) days.
  - D. The appointment of a receiver of AIRLINE's assets.
  - E. The divestiture of AIRLINE's estate herein by operation of law.
  - F. AIRLINE shall voluntarily discontinue its operations at the Airport for a period of thirty (30) days unless otherwise approved by Department, in advance, in writing.
  - G. The conduct of any business or performance of any acts at the Airport not specifically authorized herein or within other validly executed Agreements between AIRLINE and COUNTY and said business or acts do not cease within thirty (30) days of receipt of written notice by Department to cease said business or acts.
  - H. Default in the performance of any of the covenants and conditions required herein (except Contract Security, and insurance requirements as hereinbefore set forth, and payment of fees and charges as hereinafter set forth) and said default is not cured within thirty (30) days of receipt of written notice by Department to do so, or if by reason of the nature of such default, the same cannot be remedied within thirty (30) days following receipt by AIRLINE of written demand from Department to do so, AIRLINE fails to commence the remedying of such default within said thirty (30) days following such written notice, or having so commenced, shall fail thereafter to continue with diligence the curing thereof. AIRLINE shall have the burden of proof

to demonstrate (i) that the default cannot be cured within thirty (30) days; (ii) that it is proceeding with diligence to cure said default; and (iii) that such default will be cured within a reasonable period of time.

In any of the aforesaid events, cancellation shall be effective upon the date specified in Department's written notice to AIRLINE and, upon said date, AIRLINE shall be deemed to have no further rights hereunder.

- 12.03 <u>Cancellation for Default in Payments</u>. If AIRLINE fails to pay the whole or any part of the fees and charges due hereunder and continues to fail to pay said amounts in full within ten (10) days from Department's transmittal to AIRLINE of a written past due statement therefor, such occurrence shall also be a material default under this Agreement, and COUNTY may, at its option, immediately cancel this Agreement thereafter by written notice thereof. In such event, AIRLINE shall be deemed to have no further rights hereunder.
- 12.04 <u>Cancellation by Airline</u>. AIRLINE may cancel this Agreement, if AIRLINE is not in default of a material provision of this Agreement (including, but not limited to, its payments to COUNTY hereunder) by giving COUNTY thirty (30) days advance written notice to be served as hereinafter provided, upon or after the happening of any one of the following events:
  - A. COUNTY fails after receipt of written notice from AIRLINE to keep, perform or observe any term, covenant or condition herein contained to be kept, performed, or observed by COUNTY and such failure continues for thirty (30) days or if by its nature such default cannot be cured within such thirty (30) day period, if COUNTY shall not commence to cure or remove such default within said thirty (30) days and/or continue diligently to cure or remove the same as promptly as reasonably practicable.
  - B. COUNTY closes Airport to flights in general or to the flights of AIRLINE, for reasons other than weather, acts of God or other reasons beyond its control, and fails to reopen Airport to such flights within thirty (30) days from such closure.
  - C. The Airport is permanently closed as an air carrier airport by act of any Federal, state or local government agency having competent jurisdiction, or AIRLINE is unable to use Airport for a period of at least thirty (30) days due to any law or any order, rule or regulation of any governmental authority having jurisdiction over the operations of the Airport, or any court of competent jurisdiction issues an injunction preventing COUNTY and AIRLINE from using Airport for airport purposes, and such injunction remains in force for a period of at least thirty (30) days.
  - D. The United States Government or any authorized agency of the same (by executive order or otherwise) assumes the operation, control or use of the Airport and its facilities in such a manner as to substantially restrict AIRLINE from conducting its operations, if such restriction be continued for a period of thirty (30) days or more; provided, however, that flow restrictions or capacity restraints of any type imposed by the FAA as part of its air traffic management plans at the Airport shall not be construed as being one of the aforementioned restrictions.

### ARTICLE XIII NOTICE

Any notice given under the provisions of this Agreement shall be in writing and shall be delivered personally or sent by certified or registered mail, postage prepaid

#### TO COUNTY:

Department of Airports Palm Beach County Building 846 Palm Beach International Airport West Palm Beach, Florida 33406-1491

#### TO AIRLINE:

Republic Airline, Inc.
Attn: Director of Properties & Facilities
8909 Purdue Road, Suite 300
Indianapolis, IN 46268

or to such other respective addresses as the parties may designate to each other in writing from time to time. Notice by certified or registered mail shall be deemed given three (3) days after the date that such notice is deposited in a United States Post Office.

### ARTICLE XIV SUBORDINATION

14.01 <u>Subordination to Bond Resolution</u>. This Agreement and all rights granted to AIRLINE hereunder are expressly subordinated and subject to the lien and provisions of the pledges, transfers, hypothecations, or assignment made by COUNTY to secure Bonds and to the terms and conditions of the Palm Beach County Airport System Revenue Bond Resolution dated April 3, 1984, as amended and supplemented (the "Bond Resolution"), and COUNTY and AIRLINE agree that to the extent required by Law or by the Bond Resolution, the holders of the Bonds or any Trustee may exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by AIRLINE and COUNTY with the terms and provisions of this Agreement and the Bond Resolution.

shall be subject and subordinate to all the terms and conditions of any instruments and documents under which COUNTY acquired the Airport and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. AIRLINE understands and agrees that this Agreement shall be subordinate to the provisions of any and all existing or future agreements between COUNTY and the United States government, or other governmental authority relative to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of Federal funds or other governmental authority funds for the development of the Airport.

#### ARTICLE XV REMEDIES CUMULATIVE

COUNTY's rights and remedies with respect to any of the terms and conditions of this Agreement shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of COUNTY.

#### ARTICLE XVI WAIVERS

The failure of COUNTY to insist on a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY may have for any subsequent breach, default, or non-performance by AIRLINE, and COUNTY's right to insist on strict performance of this Agreement shall not be affected by any

previous waiver or course of dealing. The acceptance by COUNTY of payments of fees and charges from AIRLINE for any period or periods after a default of any of the terms, covenants, and conditions herein contained shall not be deemed a waiver of any right on the part of the COUNTY for failure by AIRLINE to so perform, keep or observe any and all terms, covenants and conditions of this Agreement.

### ARTICLE XVII COUNTY'S GOVERNMENTAL AUTHORITY

Nothing in this Agreement shall be construed to limit COUNTY, as a political subdivision of the State of Florida, in its regulation of the Airport and its tenants or their operations under its governmental authority.

### ARTICLE XVIII RIGHTS RESERVED TO COUNTY

All rights not specifically granted to AIRLINE by this Agreement are reserved to COUNTY.

### ARTICLE XIX INVALIDITY OF CLAUSES

The invalidity of any portion, article, paragraph, provision, clause, or any portion thereof of this Agreement shall have no affect upon the validity of any other part or portion hereof, and shall not materially prejudice either COUNTY or AIRLINE in their respective rights and obligations set forth in the valid articles, paragraphs, provisions, clauses and any portions thereof of this Agreement.

#### ARTICLE XX VENUE

To the extent allowed by law, the venue for any action arising from this Agreement shall be in Palm Beach County, Florida.

#### ARTICLE XXI GOVERNING LAW

This Agreement shall be governed by and in accordance with the laws of the State of Florida.

#### **ARTICLE XXII**

(Intentionally left blank)

### ARTICLE XXIII PARAGRAPH HEADINGS

The headings of the various articles and sections of this Agreement, and its Table of Contents, are for convenience and ease of reference only, and shall not be construed to define, limit, augment, or describe the scope, context, or intent of this Agreement or any part or parts of this Agreement.

#### ARTICLE XXIV BINDING EFFECT

The terms, conditions, and covenants of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, if any. This provision shall not constitute a waiver of any conditions against assignment.

#### ARTICLE XXV PERFORMANCE

The parties expressly agree that time is of the essence in this Agreement and the failure by a party to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of the other party without liability, in addition to any other rights or remedies, relieve the other party of any obligation to accept such performance.

#### ARTICLE XXVI FORCE MAJEURE

Except as otherwise provided in this Agreement, neither COUNTY nor AIRLINE shall be deemed to be in default hereunder if either party is prevented from performing any of the obligations, other than the payment of fees and charges hereunder, by reason of strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, or sabotage, or any other circumstances for which it is not responsible or which are not within its control.

### ARTICLE XXVII PUBLIC ENTITY CRIMES

As provided in F.S. 287.132-133, by entering into this Lease or performing any work in furtherance hereof, LESSEE certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the effective date hereof. This notice is required by F.S. 287.133(3)(a).

### ARTICLE XXVIII ENTIRETY OF AGREEMENT

The parties agree that this Agreement sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. Except as otherwise provided in this Agreement, none of the provisions, terms, and conditions contained in this Agreement may be added to, modified, superseded, or otherwise altered except by written instrument executed by the parties hereto.

(Remainder of page intentionally left blank)

Operation of Aircraft at Palm Beach International Airport to be signed by the County Administrator or the Director of the Department of Airports, pursuant to the authority granted by said Board, and the AIRLINE, Republic Airline, Inc., has caused these presents to be signed in its corporate name by its duly authorized officer, the \_\_\_\_Vice President behalf of said AIRLINE, and the seal of said AIRLINE to be affixed hereto and attested by the Secretary of said AIRLINE, the day and year first written above. WITNESS: PALM BEACH COUNTY, FLORIDA Director - Department of Airports onn Name typed or printed APPROVED AS TO FORM AND LEGAL **SUFFICIENCY** ATTEST: AIRLINE: REPUBLIC AIRLINE, SCOTT DUTBIN of Corporate Officer (typed or printed) Title: VICE PRESIDENT (Corporate Seal) Signed, sealed and delivered in the presence of two witnesses for AIRLINE: Buttary Cardona Brittany Cardona SHELLY W. FOOTE

IN WITNESS WHEREOF, the COUNTY has caused this Agreement Covering the

Notary Public, State of Indiana

My Commission Expires Oct. 19, 2013

Name typed or printed County of Marion