

# Regular Meeting Agenda

December 12, 2022

Call to Order – 4:00pm

- **Call to Order**
- **Pledge of Allegiance**
- **Meeting Minutes**
- **Financial Report**
- **Agenda Approval**
- **Staff Report**
- **Business Partner Updates**
- **Old Business Items**
- **New Business**
  - Administrative Policy - Meeting Room Use
  - Eastside Environmental Permitting
  - Lease Action - Modern Aero, LLC
  - Airport Legal Services Solicitation
- **Public Comment – General**
- **Member Comments and Reports**
- **Adjournment**

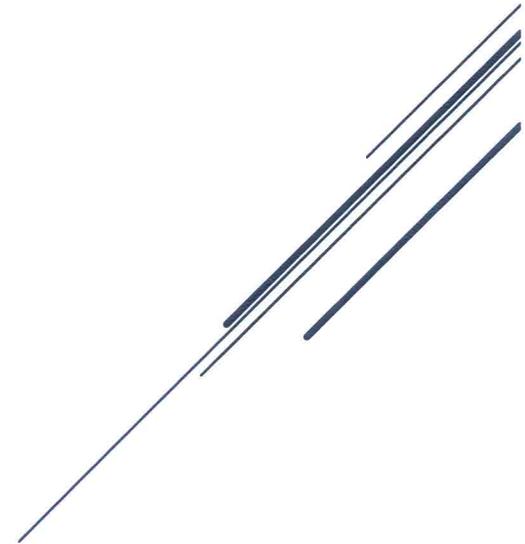


## **Staff Reports – Items of Interest & Update of Projects**

**FAA Annual FAR Part 139 Inspection** – Conducted in November, No Discrepancies

**Taxiway “B” Center Section** – Work to begin January 17

**Other Topics of Interest** –



## Staff Reports – Operations

### November

#### Air Traffic Volume -

	2022	<u>(2021)</u>
○ <i>Month:</i>	<b>9,069</b>	(11,900)
○ <i>YTD:</i>	<b>113,862</b>	(111,898)

#### Fuel Volumes – Gallons

FBO -	2022	<u>(2021)</u>
Jet A -		
▪ <i>Month:</i>	<b>111,109</b>	( 170,678)
▪ <i>YTD:</i>	<b>1,734,762</b>	(1,535,911)
100LL -		
▪ <i>Month:</i>	<b>15,641</b>	(7,947)
▪ <i>YTD:</i>	<b>95,637</b>	(96,555)
Self Serve - 100LL		
▪ <i>Month:</i>	<b>14,623</b>	(16,442)
▪ <i>YTD:</i>	<b>160,820</b>	(176,840)



# Meeting Details

## BUSINESS PARTNER UPDATES –

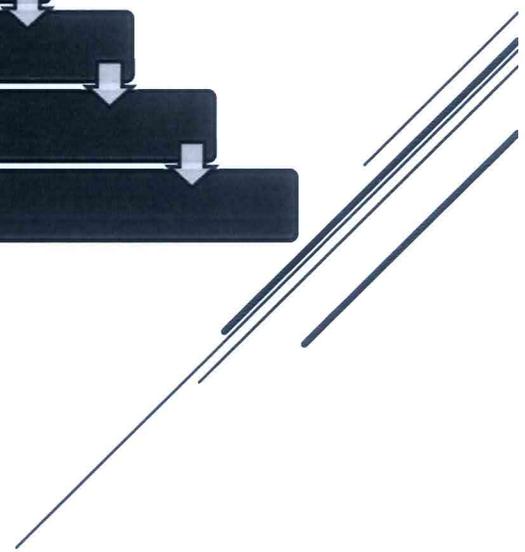
Mr. Henry Dean, St. Johns County Commissioner

Mr. Vinny Beyers, Atlantic Aviation

Mr. Jose Riera / Mr. Jaime Topp, SAAPA Liaison

Mr. Nate McKendrick, NGC

Mr. Doug Burnett, Airport Attorney



# Meeting Details

## **BUSINESS ITEM – ADMINISTRATIVE POLICY** Article VIII - *“Meeting Room Use”*



### OVERVIEW -

- **Policy Revisions Include –**
  - **Reduction of Policy Scope to Conference Center Meeting Room “B”**
  - **Eliminate Availability of Authority-owned Equipment to public**
  - **Rate Adjustment (first since original inception)**
    - **Use Fee - \$125.00 per event** (first 3-hours)
    - **\$50/hr** (Thereafter)
    - **\$100 Cleaning Fee** (Minimum, Applicable to Private Uses Only)

Board Discussion  
Public Comment  
Motion

## **BUSINESS ITEM – East Side Development Environmental Permitting** (Supplemental Agreement 22-103E)

### **Proposals from Passero Associates -**

- Total Effort - \$111,500
- 80% Complete within 3-months
  - Additional Time Required is Dependent on Permitting Agencies
- Includes Required Efforts –
  - Site Conceptual Plan Updates
  - Environmental Permitting
  - Cultural Resource Assessment

Board Discussion  
Public Comment  
Motion

## BUSINESS ITEM – Lease Action - Modern Aero, LLC

### Proposed Lease Terms Summary -

- Term – 5 years
- Base Rent – \$6.91/sf (\$50,395.44/yr.)
- Location – 4738 Casa Cola Way (Units A & B and Part of C)
- Uses –
  - Flight Training (MCAOS, Subpart F)
  - Aircraft Management (MCAOS, Subpart M)
  - Owned and Operated Aircraft Maintenance
- Standard Form Document

Board Discussion  
Public Comment  
Motion

## BUSINESS ITEM – AIRPORT LEGAL SERVICES SOLICITATION

### Request for Proposals (RFP) Results

- 6 Responses Received
- Results of Review by Member Green and Executive Director – Three Firms Recommended for Further Consideration (not ranked):
  - *Akerman*
  - *Balch & Bingham*
  - *Burr Forman*
- Each Invited to Attend and Have Been Given 5 Minutes to Present

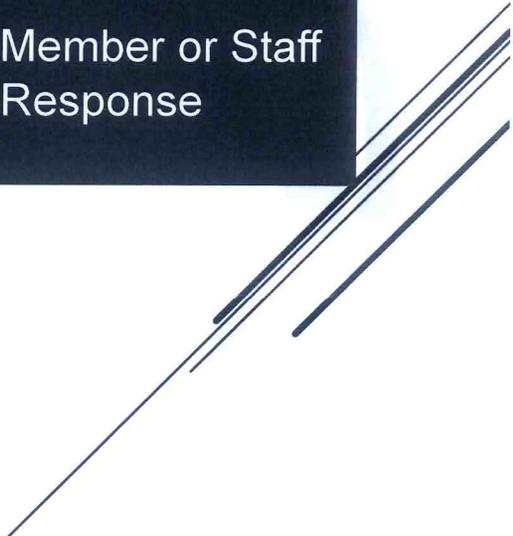
Board Discussion  
Public Comment  
Motion

# Public Comments

## General

- Three (3) Minutes per Speaker
- Address Matters that Reasonably May Need Attention of the Authority

### RULES OF DECORUM

- May Not Disrupt the Meeting with Personal, Impertinent or Slanderous Remarks or Boisterous Behavior
  - Please Address the Authority as a Whole, Not Any Individual Member or Staff
  - Please Refrain From Making any Demand for an Immediate Response From the Authority
- 

# Authority Members

## Comments and Reports

### **Ms. Reba Ludlow**

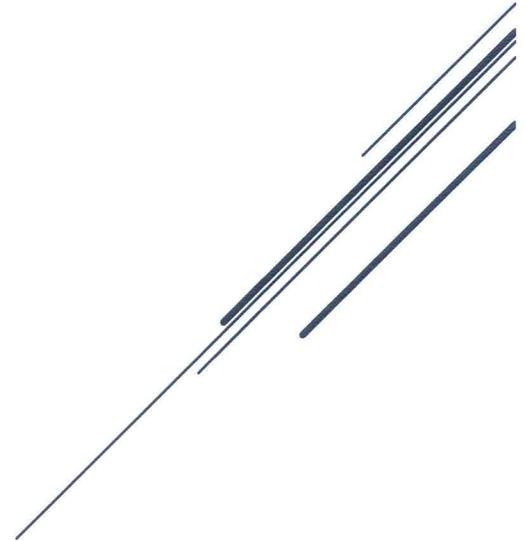
- Aerospace Academy
- TPO
- Safety Review Committee Report

### **Mr. Robert Olson**

### **Ms. Suzanne Green**

- EDC

### **Mr. Justin Mirgeaux**



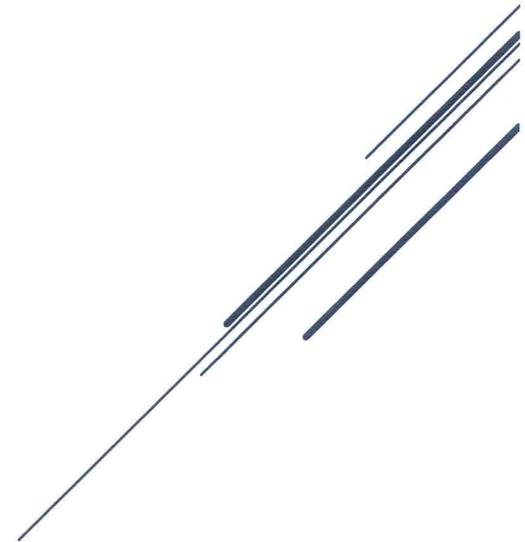
## **PROPOSED MEETING DATES**

Regular Meetings –

- January 9<sup>th</sup>
- February 13<sup>th</sup>

*\*All Meetings Begin at 4pm Except as Otherwise Noted*

**ADJOURNMENT**



## Article VIII. Meeting Room Use

**Section 1.01 Purpose** - The purpose of this Article is to communicate the terms and conditions ascribed by the St. Johns County Airport Authority (Authority) pertaining to a uniform operating procedure associated with use of Airport Meeting Rooms (AMR) by individuals and groups.

**Section 1.02 Scope** - This Article is intended to express the Authority position as it applies to the reservation, accommodation and use of all airport owned meeting rooms. Unless specifically provided herein, all non-Authority users and uses are subject to this section.

### Section 1.03 Meeting Rooms Available for Use -

Conference Center Building (4730 Casa Cola Way) -

Room "B"

occupancy not to Exceed 75 persons

**Section 1.04 Prioritization of Users** - The use of meeting rooms is herein established in the order identified below. However, once meeting confirmation is made and acknowledged by Airport Staff, said event is considered binding and may not be revoked without cause or voluntary withdrawal by the meeting organizer. It is clearly understood that Authority Use shall take precedence over all other users, regardless of confirmation of facility. Staff shall make every effort to avoid the necessity of previously confirmed meetings to avoid conflict when possible.

### Section 1.05 Order of Priority -

- (a) Official Airport Business - All types of Authority and Staff Uses.
- (b) Outside Governmental Uses - Uses by Local, State or Federal government agencies.
- (c) Aviation Groups - Not-for-profit organizations or groups whose primary purpose is related to aviation
- (d) Private Meeting Groups/Banquets/Receptions/Business Uses – Individuals, groups, businesses for private events or functions.

**Section 1.06 Reservation Process** - Requests for use of the AMR should be directed to the Airport Administration Office at 904-209-0090 and/or by completing the Reservation Request Form.

- (a) All proposed users are encouraged to submit requests as far in advance as possible to assure room availability. The Reservation Request Form must be signed by an authorized representative of the group, who shall attend the meeting and be responsible for the conduct of the meeting and for any damages to facilities.
- (b) Each request will be reviewed and the contact person will receive confirmation either by fax, email or by U.S. Mail. The meeting room will not be considered scheduled until confirmation is sent.
- (c) The AMR may not be reserved for use by groups or individuals that have abused or otherwise damaged the facility on prior uses, who are delinquent in any financial matter with the Airport, or have been identified as in violation of any regulations set forth under this section.
- (d) Other than Authority uses, a maximum of one scheduled meeting per month for not more than 12 months in advance may be confirmed by any one user. Accommodation of additional meetings will be at the sole discretion of the Authority and is subject to "space available" limitations.

**Section 1.07 Reservation Cancellation** - When necessary, confirmed meeting room users are encouraged to cancel reservations as far in advance as possible to facilitate other uses.

The Airport Authority reserves the right to cancel reservations for meeting rooms if the space is needed for Official Airport Business. Whenever possible, a minimum of twenty-four (24) notice will be given.

**Section 1.08 Regulations** - Groups and/or individuals desiring to use the AMR must abide by the following regulations.

- (a) All advertisements, announcements, press releases, flyers, etc. relating to meetings must clearly state the meeting is not sponsored by the Authority, its Staff or the Airport.
- (b) Neither the name nor the address of the Airport or Authority may be used as an official address or headquarters of any organization. No mail or shipments of materials will be accepted for organizations or individuals without prior arrangement. In addition, the St. Johns County Airport Authority's phone number shall not be used by any groups in meeting announcements.
- (c) The Authority requires that all groups hosting events will uphold high ethical standards without regard to race, color, religion, sex, age national origin or disability.
- (d) Neither the Authority nor its Staff shall assume responsibility for the property of individual(s), groups or organizations. At the end of each meeting, all property belonging to an organization, group and/or individual must be removed from the facility. No storage space is available.

- (e) Special equipment such as laptops, projectors, screens, supplies, and/or rental equipment used is the sole responsibility of the group or individual.
- (f) Public Internet Access is normally available through the Authority's wireless network. Instructions for using the network are available at the Administration office.
- (g) Other than private meeting groups using the AMR, all other priority use groups are not permitted to charge a registration or admission fee. Such groups may not as a condition of admittance require the purchase of any item or service. Membership dues and voluntary incidental donations (such as coffee money or the recovery of photocopy costs) may however be collected.
- (h) Groups shall not exceed the legal posted capacity of the AMR. It is the group's responsibility to monitor compliance with these regulations and to deny admittance to the room to people who would cause the group to exceed the posted capacity.
- (i) A group composed of minors (less than eighteen years of age) must have an adult chaperone attend the meeting at all times. A maximum ratio of 10 minors to one adult must be maintained at all times.
- (j) Groups or individuals may not tape, tack or fasten anything to the walls, ceiling or floor/carpet of the AMR. Exception is made for the attachment of items in rooms properly equipped with permanently mounted surfaces for said use. Any materials left affixed to any surface will be disposed of by the Authority and may subject user to a cleanup fee.
- (k) Any special table or seating arrangements shall be coordinated with the Authority Administration Office at the time of application. A fee may be assessed if a meeting room is not returned to its original condition immediately following a scheduled event.
- (l) Use of Authority telephone must be arranged in advance. Private phone calls or long-distance calls may not be made on Airport Authority's telephones without prior approval.
- (m) Please be considerate of others as to not disturb other meetings in progress, cell phone calls must be kept to a minimum in public areas.
- (n) The Authority reserves the right to limit or prohibit any use of the AMR that it determines may represent a threat to the health or safety of others or to the orderly use of the facility.
- (o) Beverages and food service may be permitted if prior approval is obtained. The user assumes all liability for damage and/or cleanup related to such approved use.
- (p) Smoking is prohibited in any airport building. Smoking is discouraged on all campus areas of the Airport. Outdoor smokers are responsible for all related material disposal in approved containers.

- (q) For and in consideration of the use of the AMR, the individual or group using the AMR hereby agrees to indemnify and hold harmless the Authority and Staff from any and all actions or suits relating to its use of such rooms and facilities. Further, the user agrees to reimburse the Authority for any and all costs for repair of any and all damage as may be caused directly or indirectly to the room, facilities or equipment by such use thereof. Refusal by any user to pay for the damage will result in referral to the Airport Authority Attorney for collection and/or legal action and will result in the loss of future use privileges.

**Section 1.09 Insurance Requirements** - All non-governmental users of Airport Meeting Rooms who desire to serve alcoholic beverages of any type are required to have general liquor liability insurance covering the scope of the event. A minimum aggregate coverage for all risks of one million (\$1,000,000) dollars is required. Coverage may be provided in one of two forms, as follows:

- (a) Special Event Coverage - required coverage may be provided as a single-event policy with the Airport Authority as a named or additional insured. This policy form will require that all aspects of the planned event held on airport property is covered, including any liability related to any planned consumption of alcoholic beverages by organizers or guests of the event.
- (b) Additional or Named Insured to Existing Business or Personal Policy - a certificate or coverage naming the Airport Authority as an additional or named insured may be substituted for Special Event Coverage as applicable to any non-governmental entity desiring to use airport meeting rooms. Coverage shall be deemed in effect for the period covered by the certificate provided by the meeting organizer.
- (c) A commitment to bind or other documentation is required to schedule events and a Certificate of Insurance naming the Airport Authority is required to be delivered to the Airport Administration Office not later than five (5) business days prior to any scheduled event.
- (d) Schedule of Fees - The Authority shall from time-to-time establish fees for the use of meeting rooms and/or equipment. Fees are applicable only to users classified under Section 1.05 (d) - Private Meeting Groups/Banquets/Receptions/Business Uses – Individuals, groups, businesses for private events or functions.

**Section 1.10** The Authority may also augment this section with additional information, rules, regulations, etc., for the purpose of ensuring compliance. Any additional guidance or fee structure implemented will be appended to this section.

- (a) All use fees require full-payment prior to the scheduled event. All damage fees are due within fourteen (14) days following notification of their assessment.
- (b) Meeting Room fees are subject to sales tax.
- (c) \$125.00 per event (first 3-hours) \$50/hr thereafter
- (d) Clean-Up Fee: \$100.00 Minimum Charge per Meeting applicable to Private Users Only.

(e) Refundable Security Deposit Required – Equal to 150% of Total Anticipated Event Charges

**Section 1.11 Delegation of Administration** - The Authority herein designates the Executive Director with the implementation and administration of this Article. Details as to the actual implementation of this Article shall be at the discretion of the Executive Director.

**Section 1.12 Appeal to Authority** - To provide a uniform method of appeal for any aggrieved party relative to administrative decisions pursuant to this section, the following procedure is established:

- (a) An adversely affected person or entity of any final decision of the Executive Director, or his designee, may request to be heard as an agenda item before the Authority by submitting a Written Appeal Statement within thirty (30) days of the Executive Director's decision.
- (b) The Written Appeal Statement shall set forth the following: the background facts, issue in dispute or nature of the dispute, the decision of the Executive Director, the date of the Executive Director's decision, the relief requested, and the facts and circumstances warranting the relief requested and/or supporting a reversal of the Executive Director's decision. Every Written Appeal Statement shall include as attachments any and all documents (i.e., letters, contracts, etc.) related to the matter to be appealed.
- (c) Upon receipt of a completed Written Appeal Statement the Executive Director shall add the issue to the next reasonably available Authority regular meeting. Should any Written Appeal Statement be incomplete, the Executive Director shall notify the appellant in writing.
- (d) At a regular meeting of the Authority whereupon a Written Appeal Statement is an agenda item, the Authority shall first review the Written Appeal Statement and determine whether to hear the appeal. If there is no affirmative vote to hear the appeal, the appeal and Written Appeal Statement shall be deemed denied and the decision of the Executive Director shall stand. Should the Authority hear an appeal, the Authority shall retain all rights to grant or deny any appeal even after hearing further evidence or argument in support of the appeal.
- (e) At a regular meeting of the Authority whereupon a Written Appeal Statement is an agenda item, the Authority shall first review the Written Appeal Statement and determine whether to hear the appeal. If there is no affirmative vote to hear the appeal, the appeal and Written Appeal Statement shall be deemed denied and the decision of the Executive Director shall stand. Should the Authority hear an appeal, the Authority shall retain all rights to grant or deny any appeal even after hearing further evidence or argument in support of the appeal.

# AIRPORT MEETING ROOM RESERVATION REQUEST

Name of Event: \_\_\_\_\_

Name of Responsible Organization or Individual: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Event Date: \_\_\_\_\_ Event Time: \_\_\_\_\_

Start Time – End Time

Meeting Room Requested:

Expected attendance at this event: \_\_\_\_\_ Refreshments being served: \_\_\_ Yes \_\_\_ No

Tables & Chairs \_\_\_ Yes \_\_\_ No If so, how many of each: \_\_\_ Table \_\_\_ Chairs

Do you require setup assistance from the Airport: \_\_\_ Yes \_\_\_ No If yes, please detail: \_\_\_\_\_

Does your event require Airside Access: \_\_\_ Yes \_\_\_ No (If yes, attached detailed security plan.)

Fee: \$ \_\_\_\_\_ Deposit: \$ \_\_\_\_\_

## Reservation Cancellation

When necessary, confirmed meeting room users are encouraged to cancel reservations as far in advance as possible to facilitate other uses. **The Airport Authority reserves the right to cancel reservations for meeting rooms if the space is needed for Official Airport Business.** Whenever possible, a minimum of twenty-four (24) notice will be given.

## ACKNOWLEDGEMENT:

*The undersigned agrees to protect, defend, reimburse, indemnify and hold harmless the Airport Authority, its agents, employees and officers and each of them, free and harmless at all times from and against any and all claims, liability, expense, loss, cost, fine, and damages (including reasonable attorneys fees) and causes of action of every kind and character to the fullest extent allowed by law by reason of any damage to property or the environment, including any contamination of Airport property, or bodily injury (including death) incurred or sustained by any party hereto, any agent or employee of any party hereto, or any other person whomsoever, arising out of or incident to any acts, omissions or operations related to the use of the Airport Authority's room(s) and other areas, and the undersigned expressly recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily makes this covenant.*

*The undersigned acknowledges that the facility is located on property where an active airport is operated and there may be vibrations, noise or other airport related interruptions, intrusions, and hazards.*

*I hereby acknowledge and certify that the information provided is a true representation of the size, scope and activities planned for my event and that I understand and agree to the policy and regulations pertaining to this event promulgated by the Airport Authority.*

\_\_\_\_\_  
Signature of Authorized Individual or Event Sponsor

\_\_\_\_\_  
Date

Office Use Only \_\_\_ Approved \_\_\_ Denied By: \_\_\_\_\_

\_\_\_\_\_  
SJCAA Date

**St. Johns County  
Airport Authority**



**East Side Development  
(Environmental Permitting)**

Environmental Permitting Services  
by  
Passero Associates, LLC  
(PA Project No. 23000081.103E)

**Supplemental Agreement 22-103E**

**This Supplemental Agreement No. 22-103E** is made this \_\_\_\_ day of \_\_\_\_\_, 2022, by and between Passero Associates, LLC. dba Passero (“Consultant” or “Passero”) and the St. Johns County Airport Authority (“Authority”) and is hereby incorporated into the Master Consulting Agreement (“Agreement”) between the parties dated October 22, 2018. This Supplemental Agreement supplements the Master Consulting Agreement to the extent the terms and conditions herein differ from those found in the Agreement. All Agreement terms and conditions not modified by this Supplemental Agreement shall be applicable to this Supplemental Agreement.

## **1 SCOPE OF WORK – Basic Services**

Passero Associates will perform environmental permitting services to assist the Authority with development of the east side of the Airport.

The project is described below in the Project Description.

### **A. Project Description**

This project includes environmental permitting services to support the development of the east side of the Airport accessed via Gun Club Road and Hawkeye View Lane.

See the attached Environmental Permitting sketch for illustration of the project area.

This project includes the following disciplines and tasks:

- Site Conceptual Design
  - Updated conceptual site layouts to support environmental permitting
- Environmental
  - Wetland Permitting including wetland mitigation plan
  - Final protected species assessment
- Cultural Resources Assessment
  - Field investigation
  - Historical research and report

See the attached detailed proposals for further information on the scope of work included for Environmental Permitting and Cultural Resources Assessment.

### **B. Environmental Permitting**

Passero Associates will provide the following services to assist the Authority with this phase of the work:

1. Act as liaison between the Authority and all subconsultants.
2. Coordinate scheduling of site investigations and assist subconsultants with obtaining access within the secured airfield perimeter.
3. Assist in providing subconsultants with any requested Airport records, data, or graphics needed to complete the work.
4. Review the results of all site investigations and analysis, and seek clarification or correction as needed.

## 2 SCOPE OF WORK – Special Services

### Environmental

Environmental Resource Solutions will complete environmental permitting. (Cost: \$59,000.00)

### Cultural Resources Assessment

Search will complete a Phase 1 cultural resources assessment. (Cost: \$30,000.00)

## 3 SCHEDULE

After receiving the Notice-To-Proceed (NTP) from the Authority, the Consultant will immediately be available to work on the project, in accordance with the proposed project, as assigned by the Authority.

The project can be approximately 80% completed within three (3) months of authorization. Finalization of the environmental permitting and wetland mitigation cannot be completed until the Authority approves the development plan (i.e. selection of the entity who will develop the site and the associated site development layout) and authorizes final stormwater engineering design.

## 4 ESTIMATE OF COSTS

Passero will complete the above tasks for a Not-To-Exceed fee of **\$111,500.00 (one hundred eleven thousand five hundred dollars and zero cents)**, broken down further as follows:

1. \$22,500 – Project Management & Updated Conceptual Site Layouts; Meetings (Passero)
  2. \$59,000 – Environmental Permitting (Environmental Resource Solutions)
  3. \$30,000 – Cultural Resources Assessment (Search)
- \$111,500.00 – Total**

## 5 DELIVERABLES

1. Environmental Resource Permit application (not including detailed engineering design) and wetland mitigation plan.
2. Phase 1 Cultural Resources Assessment Report

## **6 MEETINGS AND PRESENTATIONS**

1. Meetings and Presentations: As needed and requested by the Authority.

## **7 SPECIAL TERMS AND CONDITIONS**

The compensation itemized above may be renegotiated to reflect a change in Project Scope at the request of the Authority or Passero. Additional compensation may be due Passero if rework is necessary or if delays occur which result in additional expense to Passero. Such additional compensation will be negotiated between the Authority and Passero.

## **8 OTHER**

The Authority is responsible for providing complete and thorough data in a timely fashion as requested by Passero, including all necessary data from Airport archives. Passero is not responsible for data that is not provided in the course of this Agreement.

## **9 EXCLUSIONS**

1. Stormwater engineering design required for Environmental Resource Permitting is not included in this scope of work. This task would be included in a future authorization once the Authority approves a development plan for the subject sites (i.e. selection of the entity who will develop the site and the associated site development layout). Finalization of the environmental permitting and wetland mitigation cannot be completed until the Authority approves the development plan. The environmental permitting scope of work included in this authorization will remain at approximately 80% completed until that time.
2. No engineering or architectural design services are included except conceptual site layouts.
3. No further planning studies are included.
4. No permitting beyond the environmental and cultural resources permitting as specifically stated herein.

Remainder of Page left intentionally blank

**IN WITNESS WHEREOF**, Consultant and the Authority have caused this Supplemental Agreement to be executed by their duly authorized representatives as of the date first written above.

**FOR:**  
Passero Associates, LLC

**FOR:**  
St. Johns County Airport Authority

By: \_\_\_\_\_  
**Signature**

Bradley J. Wentz, P.E.  
**Name (Typed or Printed)**

Southeast Services Director  
**Title**

\_\_\_\_\_  
**Date**

By: \_\_\_\_\_  
**Signature**

Edward R. Wuellner, A.A.E.  
**Name (Typed or Printed)**

Executive Director  
**Title**

\_\_\_\_\_  
**Date**

**INTENDED ENVIRONMENTAL PERMITTING PROJECT LIMITS (DARK BLUE)**

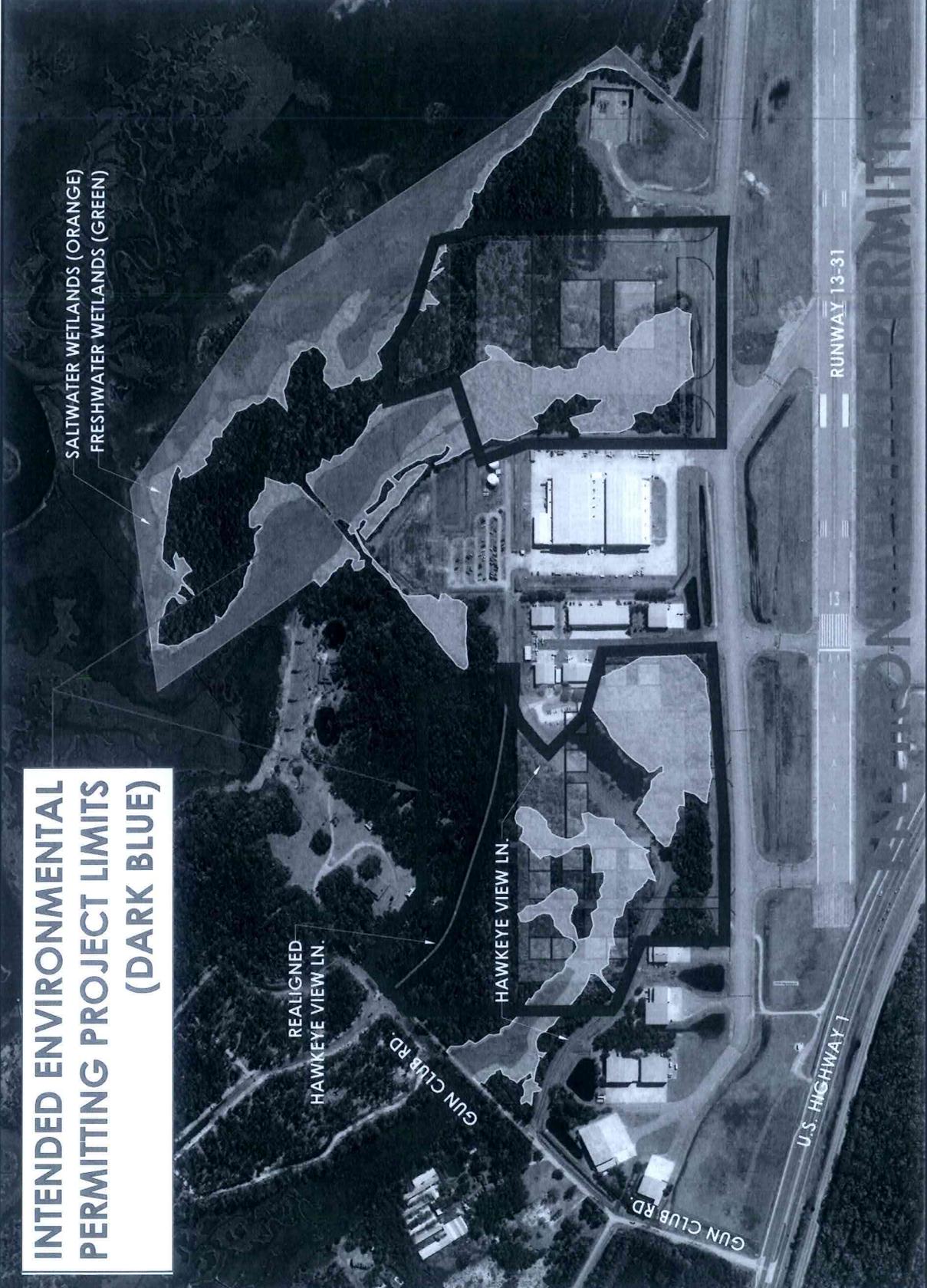
SALTWATER WETLANDS (ORANGE)  
 FRESHWATER WETLANDS (GREEN)

REALIGNED HAWKEYE VIEW LN.

HAWKEYE VIEW LN.

RUNWAY 13-31

U.S. HIGHWAY 1



PROJECT SKETCH

Client: St. Augustine-St. Johns County Airport Authority  
 4276 US 1  
 St. Augustine, Florida 32095



Passero Associates  
 10000  
 Program Manager: [Name]  
 Address: [Address]

NO.	DATE	BY	REVISIONS

ENVIRONMENTAL PERMITTING PROJECT SKETCH

EAST SIDE HANGAR DEVELOPMENT

Northwest Florida Regional Airport  
 County: St. Johns  
 Project No.: 2300081.103E

Drawing No.: 1

Date: December 2022



## SES Environmental Resource Solutions LLC

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1 December 2022

Mr. Andrew Holesko  
Passero Associates, LLC  
4730 Casa Cola Way, Suite 200  
St. Augustine, Florida 32095

**RE: Northeast Florida Regional Airport Expansion-Environmental Permitting  
St. Johns County, FL  
Proposal/Contract for Services  
ERS Proposal No. P22541**

Dear Mr. Holesko:

SES Environmental Resource Solutions LLC is pleased to provide Passero Associates, LLC (Client), with this proposal/contract to provide environmental permitting support associated with two sites at the Northeast Florida Regional Airport (NFRA). Our services will include consultation, application preparation, submittal, and responses to agency requests for additional information for the environmental portions of permit application packages associate with two development parcels within the NFRA property.

As always, we look forward to working with you on this project. Please feel free to contact me with any questions.

Sincerely,

**SES ENVIRONMENTAL RESOURCE SOLUTIONS LLC**

Kim M. Allerton  
Deputy Executive Director, Environmental Division

Attachment: Proposal/Contract for Services  
General Terms and Conditions

PCP/P22542 Northeast Florida Regional Airport Expansion

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**PROPOSAL/CONTRACT**

**Prepared for:  
Mr. Andrew Holesko  
Passero Associates, LLC  
4730 Casa Cola Way, Suite 200  
St. Augustine, Florida 32095  
1 December 2022**

**RE: Northeast Florida Regional Airport Expansion-Environmental Permitting  
St. Johns County, FL  
Proposal/Contract for Services  
ERS Proposal No. P22541**

***Scope of Services***

**Task 1 – Northwest Parcel State Environmental Resource Permitting, Chapter 62-330, F.A.C. –** SES Environmental Resource Solutions LLC (ERS) will assist the project engineer in preparing all necessary documentation and graphics required for submittal of a permit application to the St. Johns River Water Management District (SJRWMD). This task includes assisting the project engineer and the client with permit application preparation, responses to agency Requests for Additional Information, and ERS attendance at meetings with the regulatory agency as needed. Because development of this parcel will likely impact salt marsh wetland habitat and because salt marsh mitigation bank credits are not available in the project basin, this task includes the development of a permittee-responsible mitigation plan to include on-site salt marsh wetland creation areas. Additional mitigation requirements for non-salt marsh impacts will be coordinated through the purchase of appropriate wetland mitigation bank credits. ERS also anticipates that a conservation easement will be required over any proposed on-site mitigation areas and required upland buffers. The scope of this task includes coordination with SJRWMD for review and approval of conservation easement documents and coordination with the project surveyor and legal counsel for preparation of survey documents and title opinions necessary for conservation easement approval.

**Task 1 – Not to Exceed\*.....\$12,500.00**

**Task 2 – Northwest Parcel Federal Clean Water Act Section 404 Permitting -** ERS will prepare all necessary documentation and graphics required for submittal of a federal Clean Water Act Section 404 Individual Permit. The permit application package will require preparation of a detailed alternatives analysis to demonstrate that avoidance and minimization of wetland impacts has occurred in the site selection and site planning process to the greatest extent practicable. ERS will require final plans in AutoCAD format prior to initiating 404 application preparation. Additionally, ERS may require supplemental information related to project design constraints and non-chosen alternative site plans to prepare the complete alternatives analysis. Because the proposed mitigation plan may contain an on-site, permittee responsible component in the form of salt marsh wetland creation, the scope of this task includes preparation of a “12-step” 404 mitigation analysis report pursuant to the requirements of the Federal Mitigation Rule.

**Task 2 – Not to Exceed\*.....\$14,500.00**

**Task 3 –Southeast Parcel State Environmental Resource Permitting, Chapter 62-330, F.A.C. –ERS** will assist the project engineer in preparing all necessary documentation and graphics required for submittal of a permit application to SJRWMD. This task includes assisting the project engineer and the client with permit application preparation, responses to agency Requests for Additional Information, and ERS attendance at meetings with the regulatory agency as needed. Based on preliminary consultation with the Client, ERS does not anticipate that impacts to salt marsh wetland habitats will occur as result of development of this parcel and all mitigation requirements will be met through mitigation bank credit purchase. ERS anticipates that a conservation easement may be required over required upland buffers or other on-site preservation areas. The scope of this task includes coordination with SJRWMD for review and approval of conservation easement documents and coordination with the project surveyor and legal counsel for preparation of survey documents and title opinions necessary for conservation easement approval.

**Task 3 – Not to Exceed\* .....\$10,500.00**

**Task 4 – Southeast Parcel Federal Clean Water Act Section 404 Permitting - ERS** will prepare all necessary documentation and graphics required for submittal of a federal Clean Water Act Section 404 Individual Permit. The permit application package will require preparation of a detailed alternatives analysis to demonstrate that avoidance and minimization of wetland impacts has occurred in the site selection and site planning process to the greatest extent practicable. ERS will require final plans in AutoCAD format prior to initiating 404 application preparation. Additionally, ERS may require supplemental information related to project design constraints and non-chosen alternative site plans to prepare the complete alternatives analysis.

**Task 4 – Not to Exceed\* .....\$12,500.00**

**Task 5 – Project Presentations and Coordination Meetings – ERS** will support the Client in the development of presentation materials, exhibits, slides, and budget information for two anticipated presentations to the St. Johns County Airport Authority (SJCAA) regarding the feasibility, permitting strategy, and anticipated costs related to environmental permitting and mitigation for development of both the Northwest and Southeast Parcel based on conceptual site plans to be provided by the Client. ERS senior staff will attend two anticipated meetings with the Client to present preliminary findings to the SJCAA regarding the projects' cost and feasibility.

**Task 5 - SJCAA Presentations (two)- Not to Exceed.....\$6,000.00**

**Task 5 - Project Team Coordination Meetings- Not to Exceed.....\$3,000.00**

**Task 5 – Total Not to Exceed\* .....\$9,000.00**

***\*Not to exceed without prior authorization of Client. All meeting attendance and associated preparation costs to be billed on a time and materials basis at ERS standard hourly rates. Meeting attendance by ERS and meeting frequency will be at the direction of Client. ERS will provide a budget status update with each monthly project invoice and will provide a supplemental proposal if any initial task budgets are to be exceeded.***

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**Meetings/Consultation.** Any requested meetings or consultation that are beyond the scope of services as described above will be invoiced on a time and materials basis at standard hourly rates.

If this proposal, which incorporates the attached General Terms and Conditions by reference, meets with your approval, please sign below and return a copy to our office as your authorization to proceed. We look forward to working with you.

TERMS ACCEPTED:

For: \_\_\_\_\_

For: SES Environmental Resource Solutions LLC

Date: \_\_\_\_\_

Date: 30 November 2022

By: \_\_\_\_\_

By:  \_\_\_\_\_

(Signature)

(Signature)

\_\_\_\_\_  
(Printed/Typed)

Kim Allerton

(Printed/Typed)

PCP/P22542 Northeast Florida Regional Airport Expansion



## PRICE PROPOSAL

### CULTURAL RESOURCE ASSESSMENT SURVEY (CRAS) OF NORTH FLORIDA REGIONAL AIRPORT, ST. JOHNS COUNTY, FL

SEARCH PROPOSAL SUBMITTED	T022-231 29 November 2022	TERMS	Valid for 90 Days Client Approval Required
SUBMITTED TO	Patrick C. Pierce Senior Project Manager Environmental Resource Solutions SES Energy Services, LLC 3550 St. Johns Bluff Road South Jacksonville, FL 32224 PPierce@ses-grp.com (904) 285-1397	FROM	Geoff DuChemin Project Manager SEARCH 8298 Bayberry Road, Ste 1 Jacksonville, FL 32256 geoff.duchemin@searchinc.com (904) 379-8338
SCOPE & PRICE	\$21,596.88	Task 1: PHASE I CRAS FIELDWORK	
		- Archaeological crew of 2, 10 days	
		- High and moderate testing, up to 150 Shovel tests	
		- 1 Architectural Historian, 1 day	
		- Test and document up to three previously recorded resources for presence and integrity	
	\$8,399.37	Task 2: ARTIFACT ANALYSIS AND TECHNICAL CRAS REPORT	
		- Analysis of up to 200 artifacts	
		- Background and historical research, GIS and map production	
		- Electronic draft & final report, and up to 4 resources updated or recorded	
	\$29,996.25	TOTAL PRICE	
PRICING NOTES	<ul style="list-style-type: none"><li>• This price is valid for 90 days.</li><li>• This is a Lump Sum contract and will be invoiced upon Task completion.</li><li>• Total estimate price may be exceeded if project parameters change.</li><li>• SEARCH's standard pricing assumptions are attached.</li></ul>		
PROJECT NOTES	<ul style="list-style-type: none"><li>• Project area includes 142 total acres, including 98 testable acres.</li><li>• Project area contains archaeological sites 8SJ03175, 8SJ03186, and historic structure 8SJ02502, all of which are unevaluated for NRHP inclusion by the SHPO.</li></ul>		

We appreciate your review and consideration of this proposal. Contact me directly with questions or requests for information regarding this submission. On behalf of the SEARCH team, thank you for the opportunity to work with you.

Sincerely,

Geoff DuChemin, PhD, RPA  
Project Manager



## 2022 SEARCH PRICING STANDARD ASSUMPTIONS

The price estimate for the Project is subject to the following Assumptions. In the event that any of these standard assumptions or project-specific assumptions noted within the proposal prove untrue, the Client will be notified and a modification to the Project will be required.

<b>1.0</b>	<b>MANAGEMENT</b>	
1.1	Changes	There will be no changes to the Project area, scope of services, schedule, travel, or the sequencing of tasks.
1.2	Delays	There will be no delays as a result of circumstances beyond the control of SEARCH, such as inclement weather and national emergencies or crises, including disruptions to the project related to COVID-19.
1.3	Data Quality	Project data delivered to SEARCH will be accurate, timely, organized, and will not require conversion, correction, or the purchase of new software or equipment.
1.4	Invoicing	SEARCH will submit project invoices using SEARCH's standard invoice form.
<b>2.0</b>	<b>HEALTH, SAFETY, AND ENVIRONMENT</b>	
2.1	Notification	The Client will immediately notify SEARCH of any known hazardous conditions on the Project and provide any applicable site-specific safety training.
2.2	Stop Work Authority	SEARCH may suspend, redirect, or terminate work if it is determined that a hazardous condition exists.
2.3	Specialized Requirements	No special safety equipment, certification, personal protective equipment (PPE), or training required.
2.4	Productivity Impacts	Crew productivity and worksite access will not be impacted by extreme or abnormal weather conditions.
2.5	Site Access	There is no specialized vehicle requirements, lighting, placarding, or branding required to drive on-site.
2.6	Support Vehicle	Staff will be able to stay within a safe proximity to a vehicle for emergency support.
2.7	UXO	There is no Unexploded Ordnance (UXO), nor a risk of UXO on the Project, and SEARCH will not be responsible for conducting a UXO detection survey. For sites with UXO potential, the client will provide a qualified UXO tech as an escort, with credentialing and proof of qualification available upon request.
2.8	Hazardous Chemicals/Waste	There is no risk of discovering or coming into contact with any hazardous chemicals or hazardous waste.
2.9	Hunting/Shooting	There is no hunting, illicit hunting, or shooting on or adjacent to the Project.
2.10	Illegal Activity	There is no illegal activity on or adjacent to the Project.
2.11	Opposition	There are no hostile persons, opposition groups, landowners, or neighbors that will engage or threaten SEARCH on the Project, including after work hours.
2.12	Security	Site security, protective services, or police officers will not be required.
2.13	Emergency Response	SEARCH personnel will have ready access to public or private emergency care services without the use of an airlift or sealift.
2.14	Force Majeure	Force Majeure events will not impact the job or the Health and Safety of SEARCH employees to an extent that SEARCH will not be able to fulfill project requirements.
2.15	COVID-19	Regulations, restrictions, advisories, protocols, or best practices issued by the government, client, landowner, or project stakeholder will not affect the project schedule, travel, or team assignments.
<b>3.0</b>	<b>FIELD</b>	
3.1	Access	The Client will secure landowner and/or land manager permission for SEARCH to access the Project and will supply SEARCH with the authorization in advance of fieldwork.



3.2	Keys/Codes	The Client will provide gate keys and security codes to access the Project in advance of fieldwork.
3.3	Ingress/Egress	There will be proximate and direct ingress and egress to the Project.
3.4	Sequential Access	SEARCH will receive sequential access to the Project.
3.5	Accessibility	The Project will be accessible and will not require clearing of heavy vegetation, crossing of water bodies, use of equipment other than hand shovels, or have other access obstacles.
3.6	Known Data	The Client will provide SEARCH with knowledge of rumored, suspected, or unrecorded cultural resources and/or historical events that are known to the Client to be on, adjacent to, or relevant to the Project.
3.7	Buried Utilities	Buried utilities, if present, will be clearly marked by the Client prior to fieldwork; SEARCH will not be required to coordinate with buried utility location contractors except for Department of Transportation projects, when applicable.
3.8	Deep Testing	No deep testing or trenching will be conducted.
3.9	Delineation	Delineation of archaeological sites will comprise no more than 10% of the fieldwork and will not extend outside the Project boundaries.
3.10	Field Expectations	The level of effort, number of cultural resources, and artifact quantities proposed will not be exceeded.
3.11	Artifacts	The artifacts and samples can be inventoried, processed, analyzed, and reported within the allotted laboratory labor hours, as scheduled.
3.12	Burials	Unless otherwise stated in the proposal, no burials, cemeteries, unmarked graves, grave goods, or skeletal remains will be on the Project.
3.13	Archaeological Monitoring	A minimum 24 hours' notice is given per call out; the workday includes travel time to a location, and a minimum eight (8) hours is charged per call-out day.
<b>4.0</b>	<b>TRAVEL</b>	
4.1	Lodging	Suitable overnight accommodations will be located in proximity to the Project.
4.2	Modes of Transportation	Proposed modes of transportation (rental, flight, POV, etc.) will be available at time of booking.
4.3	Bookings	Travel bookings will not exceed the proposed cost.
<b>5.0</b>	<b>REPORTING</b>	
5.1	Cut-off Date	The date of the proposal serves as the cut-off date for the consideration of new research, methods, reports, theories, laws, regulations, guidelines, policies, etc.
5.2	Comments	Comments will be provided via one round of review by the Client and each agency prior to the final deliverable. Comments are expected to: (1) offer clear direction of changes requested; (2) be non-contradictory between reviewers and with previous guidance; (3) not request information or action outside the scope of services; (4) not request substantial reworking of the deliverable; and (5) be delivered within 30 calendar days.
5.3	Digital	Project deliverables will be digital, unless a hard copy is specified in the scope of services with the quantities defined.
<b>6.0</b>	<b>EXCLUSIONS</b>	
6.1	Additional Services	Additional services or products, such as out-of-scope fieldwork, special analysis or tests, subcontractors, travel, meetings, media communications, public outreach, deliverables, reports, other direct costs, fees, tariffs, insurance, or labor requested from a Tribe, Agency, Landowner, Stakeholder, Government, or Client is not included in this Project.
6.2	Curation	Because the size and character of the artifact collection is unknown, the cost to prepare, insure, ship or deliver, and curate the artifact collection at an appropriate repository is not included in this Project.

# HANGAR LEASE & OPERATING AGREEMENT

This HANGAR LEASE entered into this 1st day of \_\_\_\_\_, 2022, between St. Johns County Airport Authority, hereinafter referred to as "Landlord", and Modern Aero, LLC, hereinafter referred to as "Tenant".

## PREAMBLE

On October 26, 2010, and October 9, 2012, Jacksonville Aviation, Inc. (dba Premier Aviation) entered into lease agreements with the Landlord for the operation of a "public" aircraft maintenance business. Both leases were subsequently amended to include language to facilitate activities associated with a Fixed Based Operation without fuel sales. On or about March 30, 2021, a Stock Purchase Agreement was consummated wherein Modern Aero, LLC acquired Jacksonville Aviation, Inc. in its entirety and, assumed the lease with the Landlord. At the time of entry into this agreement, the Tenant has two leases by virtue of the purchase of Jacksonville Aviation. Both leases shall terminate with the execution of this Agreement. The Landlord and the Tenant now desire to enter into one new Hangar Lease and Operating Agreement, memorialized herein for the purpose of documenting their mutual understanding as it pertains to the Tenant's scope of operation and the terms and conditions associated with its operation at Northeast Florida Regional Airport.

1. **LEASE OF HANGAR** - In consideration of the Rent (as defined at Section 5) and the provisions of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the Hangars known as "A", "B", and portions of "C" located at 4738 Casa Cola Way, as described in Section 2 and shown on Exhibit "A" attached hereto (collectively, the "Hangar"). The Hangar is located within the Airport described in Section 2. Tenant shall have the use of two (2) tie down locations on the south area ramp with the understanding that all aircraft utilizing this location must be visually intact with no missing pieces or parts and the location of which shall be subject to assignment or adjustment by the Landlord. Tenant shall have the non-exclusive right (unless otherwise provided herein) in common with Landlord, other tenants, subtenants and invitees, to use that portion of the Common Areas necessary for ingress and egress to the Hangar, including the area designated in Unit "C" shown on Exhibit "A" attached hereto.

## 2. DEFINITIONS.

As used in this Lease, the following terms shall have the following meanings:

- a. *Base Rent*: **\$50,395.44** (7,290sf X \$6.91/sf) per year with adjustments per Section 5.
- b. *Monthly Base Rent*: **\$4,199.62** (\$50,395.44/12) per month plus taxes, utilities, etc., as set forth herein.
- c. *Rent Deferral Period*: Rent shall not be deferred, making the first monthly rent payment due on 1<sup>st</sup> of the Month.
- d. *Security Deposit (Section 7)*: **N/A**.
- e. *Commencement Date*: \_\_\_\_\_ **1, 2022**
- f. *Expiration Date*: \_\_\_\_\_, **2027** unless otherwise sooner terminated in accordance with the provisions of this Lease.
- g. *Renewal Option*: Tenant may renew this Lease for an additional 5-year term by providing Landlord written notice 90 days in advance of the Expiration Date and provided that the Tenant is not in breach or default on any provision contained herein in which event the Expiration Date shall become \_\_\_\_\_ 2032.

h. *Mailing Addresses*:

### TENANT:

**Modern Aero, LLC**  
4738 Casa Cola Way  
St. Augustine, FL 32095

### LANDLORD:

Executive Director  
**St. Augustine-St. Johns County Airport Authority**  
4796 US Highway 1, North  
St. Augustine, Florida 32095

i. *Vehicular Parking*: Tenant shall be permitted to park cars on a non-exclusive basis in the area(s) designated by Landlord for parking, provided parking is available and not reserved or dedicated for other use in Landlord's sole discretion. Tenant shall abide by any and all parking regulations and rules established from time to time by Landlord or Landlord's parking operator. Landlord reserves the right to separately charge for parking.

j. *Hangar/Premises*: The leased Hangar/Premises is the hangar unit located within space in the Northeast Florida Regional Airport General Aviation Facility, those certain premises known and described are as follows:

**1. Hangar Units: A & B & Part of C (the "Hangar")**

**2. Two (2) tie down locations on the south area ramp**

**Hangar Address: 4738 Casa Cola Way, St. Augustine, FL 32095**

**Unless otherwise specified, this Hangar Lease, leases only the specific units and not the real property surrounding the unit(s).**

k. *Airport*: The Northeast Florida Regional Airport owned, operated and under the jurisdiction of Landlord.

l. *Common Areas*: the building lobby, common corridors and hallways, parking areas, stairway, elevator and other generally understood public or common areas necessary for ingress and egress of the Hangar. Landlord shall have the absolute right to regulate or restrict the use of the Common Areas.

m. *Broker(s)*

Landlords:           N/A          

Tenant's:           N/A          

n. *State*: The State of Florida.

o. *Tenant's First Adjustment Date* (Section 5.2): the first day of the calendar month following the Commencement Date plus **12** months.

p. *Tenant's Proportionate Share*: 100%. Such share is a fraction, the numerator of which is the Rentable Area of the Building containing the Hangar, and the denominator of which is the Rentable Area of the Hangar, as determined by Landlord from time to time.

q. *Tenant's Use Clause* (Article 8):

r. *Term*: the period commencing on the Commencement Date and expiring at midnight on the Expiration Date. The term is subject to renewal options as defined in subsection (g). Early termination rights are described in Section 35.

**3. EXHIBITS AND ADDENDA.** The exhibits and addenda listed below (unless lined out) are incorporated by reference in this Lease:

**Sketch of Hangar/Premises Exhibit "A"**

#### **4. DELIVERY OF POSSESSION.**

If for any reason Landlord does not deliver possession of the Hangar to Tenant on the Commencement Date, Landlord shall not be subject to any liability for such failure, the Expiration Date shall not change and the validity of this Lease shall not be impaired, but Rent shall be abated until delivery of possession unless such delayed possession extends for more than 20 days, whereupon Tenant may terminate this Lease and be entitled to the return of any and all deposits and rents paid or pre-paid. "Delivery of possession" shall be deemed to occur on the date Landlord tenders delivery of keys to Tenant. If Landlord permits Tenant to enter into possession of the Hangar before the Commencement Date, such possession shall be subject to the provisions of this Lease, including, without limitation, the payment of Rent prorated on a per diem basis.

#### **5. RENT.**

a. *Payment of Base Rent*. Tenant agrees to pay the Base Rent for the Hangar. Monthly Installments of Base Rent shall be payable in advance on the first day of each calendar month of the Term. If the Term begins (or ends) on other than the first (or last) day of a calendar month, the Base Rent for the partial month shall be prorated on a per diem basis. Tenant shall pay Landlord the first Monthly Installment of Base Rent when Tenant executes the Lease. All rent shall be paid to Landlord in lawful money of the United States of

America, which shall be legal tender at the time of payment, at the office of Landlord or to such other person or at such other place as Landlord may from time to time designate in writing.

b. *Adjusted Base Rent.*

1. The Base Rent (and the corresponding Monthly Installments of Base Rent) set forth at Section 2a shall be adjusted annually (the "Adjustment Date"), commencing on Tenant's First Adjustment Date (See Section 2.o. hereinabove.)

Adjustments in rent shall be increased annually in proportion to the increase in the United States Consumer Price Index ("CPI") as maintained by the U. S. Department of Labor (Urban Index-All Consumers, All Items). In addition to said Base Rent, Tenant agrees to pay the amount of the rental adjustments as and when hereinafter provided in this Lease.

c. *Definition of Rent.* All costs and expenses which Tenant assumes or agrees to pay to Landlord under this Lease shall be deemed additional rent (which, together with the Base Rent is sometimes referred to as the "Rent"). The Rent shall be paid to the Landlord (or other person) and at such place, as Landlord may from time to time designate in writing, without any prior demand therefor and without deduction or offset, in lawful money of the United States of America.

d. *Taxes Payable by Tenant.* In addition to the Rent and any other charges to be paid by Tenant hereunder, Tenant shall reimburse Landlord for any and all taxes payable by Landlord which are not otherwise reimbursable under this Lease, whether or not now customary or within the contemplation of the parties, where such taxes are upon, measured by or reasonably attributable to (a) the cost or value of Tenant's equipment, furniture, fixtures and other personal property located in the Hangar, or the cost or value of any leasehold improvements made in or to the Hangar by or for Tenant, other than Hangar Standard Work made by Landlord, regardless of whether title to such improvements is held by Tenant or Landlord; (b) the gross or net Rent payable under this Lease, including, without limitation, any rental or gross receipts tax levied by any taxing authority with respect to the receipt of the Rent hereunder; (c) the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Hangar or any portion thereof; or (d) this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Hangar. If it becomes unlawful for Tenant to reimburse Landlord for any costs as required under this Lease, the Base Rent shall be revised to net Landlord the same net Rent after imposition of any tax or other charge upon Landlord as would have been payable to Landlord but for the reimbursement being unlawful.

**Payment of taxes herein shall specifically include all sales taxes related to this Lease, all personal property taxes and all real property taxes on the Hangar, as may be increased from time to time by local, state and federal governments.**

**Sales Taxes: Shall be made monthly with the payment of Base Rent.**

**Ad Valorem Taxes: In the event that real and/or personal property taxes are levied against Landlord for some or all of the value of the Land and the Improvements to be constructed thereon, Tenant shall pay to Landlord each month as additional rent a sum equal to 1/12th of the annual taxes attributable to the Land and Improvements as reasonably estimated by Landlord. In the event of a difference between the exact amount of taxes paid and the estimate by Landlord, the excess or deficiency shall be computed in Landlord's calculation of the ensuing year's estimate or, in the event of the last year of the lease term, refunded by Landlord or paid by Tenant within 30 days of the due date of the taxes.**

**6. INTEREST AND LATE CHARGES.**

If Tenant fails to pay when due any Rent or other amounts or charges which Tenant is obligated to pay under the terms of this Lease, the unpaid amounts shall bear interest at the maximum rate then allowed by law. Tenant acknowledges that the late payment of any Monthly Installment of Base Rent will cause Landlord to lose the use of that money and incur costs and expenses not contemplated under this Lease, including without limitation, administrative and collection costs and processing and accounting expenses, the exact amount of which is extremely difficult to ascertain. Therefore, in addition to interest, if any such installment is not received by Landlord within ten (10) days from the date it is due, Tenant shall pay Landlord a late charge equal to ten percent (10%) of such installment. Landlord and Tenant agree that this late charge represents a reasonable estimate of such costs and expenses and is fair compensation to Landlord for the loss suffered from such nonpayment by Tenant. Acceptance of any interest or late charge shall not constitute a waiver of Tenant's default with respect to such nonpayment by Tenant nor prevent Landlord from exercising any other rights or remedies available to Landlord under this Lease.

## 7. SECURITY DEPOSIT.

a. Tenant agrees to deposit with Landlord the Security Deposit set forth at Section 2.0 upon execution of this Lease, as security for Tenant's faithful performance of its obligations under this Lease. Landlord and Tenant agree that the Security Deposit may be commingled with funds of Landlord and Landlord shall have no obligation or liability for payment of interest on such deposit. Tenant shall not mortgage, assign, transfer or encumber the Security Deposit without the prior written consent of Landlord, which may be withheld for any or no reason, and any attempt by Tenant to do so shall be void, without force or effect and shall not be binding upon Landlord.

b. If Tenant fails to pay any Rent or other amount when due and payable under this Lease, or fails to perform any of the terms hereof, Landlord may appropriate and apply or use all or any portion of the Security Deposit for Rent payments or any other amount then due and unpaid, for payment of any amount for which Landlord has become obligated as a result of Tenant's default or breach, and for any loss or damage sustained by Landlord as a result of Tenant's default or breach, and Landlord may so apply or use this deposit without prejudice to any other remedy Landlord may have by reason of Tenant's default or breach. If Landlord so uses any of the Security Deposit, Tenant shall, within ten (10) days after written demand therefore, restore the Security Deposit to the full amount originally deposited; Tenant's failure to do so shall constitute an act of default hereunder and Landlord shall have the right to exercise any remedy provided for at Article 27 hereof. Within fifteen (15) days after the Term (or any extension thereof) has expired or Tenant has vacated the Hangar, whichever shall last occur, and provided Tenant is not then in default on any of its obligations hereunder, Landlord shall return the Security Deposit to Tenant, or, if Tenant has assigned its interest under this Lease, to the last assignee of Tenant. If Landlord sells its interest in the Hangar, Landlord may deliver this deposit to the purchaser of Landlord's interest and thereupon be relieved of any further liability or obligation with respect to the Security Deposit.

## 8. TENANT'S USE OF THE HANGAR.

i. a. Tenant's use of the Hangar shall be limited to the following aeronautical uses as described and limited in: **Landlord's "Minimum Commercial Aviation Operating Standards" - Part VI "Minimum Operating Standards" –**

- a. **Subpart F – Flight Training Facility** – The scope of this section shall be limited to instruction in piston-powered aircraft.
- b. **Subpart M – Aircraft Management Services** – The scope of which shall be limited to aircraft owned or controlled by Tenant and their customers that operate Cirrus branded aircraft.

b. **Non-Commercial Use** – Tenant may facilitate the maintenance and repair of its own aircraft, whether owned or exclusively leased, and those which are owned or exclusively leased by companies or majority mutual ownership.

ii. No other use is permitted. No unapproved commercial aviation activity shall be conducted utilizing Premises. Tenant shall promptly provide Landlord with a copy of the title or lease demonstrating Tenant's ownership or use rights of any aircraft based at the Premises at the time the aircraft is located on the Premises.

c. Tenant shall use the Hangar solely and only for the purposes set forth in Tenant's Use Clause. Tenant shall not use or occupy the Hangar in violation of law or any covenant, condition or restriction affecting the Hangar or Airport or the certificate of occupancy issued for the Hangar or Building which the Hangar is a part, and shall, upon notice from Landlord, immediately discontinue any use of the Hangar which is declared by any governmental authority having jurisdiction to be a violation of law or the certificate of occupancy. Tenant, at Tenant's own cost and expense, shall comply with all laws, ordinances, regulations, rules and/or any directions of any governmental agencies or authorities having jurisdiction which shall, by reason of the nature of Tenant's use or occupancy of the Hangar, impose any duty upon Tenant or Landlord with respect to the Hangar or its use or occupation. A judgment of any court of competent jurisdiction or the admission by Tenant in any action or proceeding against Tenant that Tenant has violated any such laws, ordinances, regulations, rules and/or directions in the use of the Hangar shall be deemed to be a conclusive determination of that fact as between Landlord and Tenant. Tenant shall not do or permit to be done anything which will invalidate or increase the cost of any fire, extended coverage or other insurance policy covering the Hangar, the Building which the Hangar is a part, or the Airport and/or property located therein, and shall comply with all rules, orders, regulations, requirements and recommendations of the Insurance Services Office or any other organization performing a similar function. Tenant shall promptly upon demand reimburse Landlord for any additional premium charged for such policy by reason of Tenant's failure to comply with the provisions of this Article. Tenant shall not do or permit anything to be done in or about the Hangar for any improper, immoral, unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Hangar. Tenant shall not commit or suffer to be committed any waste in or upon the Hangar.

d. Tenant shall not store hazardous or toxic materials at the Hangar or on any of the Common Area, the related premises or the Airport. This provision does not refer to aircraft fuel and lubricants stored within an aircraft., or other chemicals or materials generally used in aircraft maintenance or operations. The storage of fuel in portable containers, regardless of type, shall not be permitted on any of the related premises.

## **9. SERVICES AND UTILITIES.**

a. Tenant shall be responsible for the payment of all services and utilities in connection with the Hangar. Landlord shall not be in default hereunder or be liable for any damages directly or indirectly resulting from, nor shall the Rent be abated by reason of (i) the installation, use or interruption of use of any of the services or utilities, (ii) failure to furnish or delay in furnishing any such services or utilities, or by the making of necessary repairs or improvements to the Hangar or Airport, or (iii) the limitation, curtailment or rationing of, or restrictions on, use of water, electricity, gas or any other form of energy serving the Hangar or Airport. Landlord shall not be liable under any circumstances for a loss of or injury to property or business, however occurring, through or in connection with or incidental to any such services or utilities. If Tenant uses heat generating machines or equipment in the Hangar which affect the temperature otherwise maintained by the HVAC system, Tenant shall be responsible for installing supplementary air conditioning units in the Hangar and the cost thereof, including the cost of installation, operation and maintenance thereof, shall be paid by Tenant to Landlord.

b. Tenant shall not, without the written consent of Landlord, use any apparatus or device in the Hangar, using in excess of 120 volts, which consumes more electricity than is usually furnished or supplied for the use of Hangar, as determined by Landlord. Tenant shall not connect any apparatus with electric, water, gas or other utility except through existing electrical outlets, faucets, valves or as otherwise existing in the Hangar without first procuring the written consent of Landlord, which Landlord may refuse. Tenant may utilize GPUs of any kind and install automotive charging stations at Tenant's expense upon Landlord's written approval and in accordance with this Hangar Lease.

c. Landlord shall not be responsible for furnishing any services or utilities to the Hangar other than the Common Areas, including the elevator.

## **10. CONDITION OF THE HANGAR.**

a. Tenant taking possession of the Hangar shall be deemed conclusive evidence that as of the date of taking possession the Hangar is in good order and satisfactory condition, except for such matters as to which Tenant gave Landlord written notice before the Commencement Date and which Landlord agreed in writing to correct. No promise of Landlord to alter, remodel, repair or improve the Hangar or the Common Areas or Airport and no representation, express or implied, respecting any matter or thing relating to the Hangar or this Lease (including, without limitation, the condition of the Hangar) have been made to Tenant by Landlord or its Broker or Sales Agent, if any, other than as may be contained herein or in a separate exhibit or addendum signed by Landlord and Tenant.

b. Tenant has examined the leased Hangar before entering into this lease and does not rely upon any representation by Landlord as to the condition of the leased Hangar or its suitability for Tenant's purposes.

## **11. CONSTRUCTION, REPAIRS AND MAINTENANCE.**

a. *Landlord's Obligations.* Landlord shall maintain in good order, condition and repair the roof and structural components of the Hangar, as well as the Common Areas of the Hangar. If such maintenance and repairs are necessitated in part or whole by the act, neglect, fault or omission of any duty by Tenant, its agents, servants, employees or visitors, Tenant shall pay to Landlord upon demand the reasonable cost (or portion thereof equitably allocated to Tenant) of such maintenance and repairs.

b. *Tenant's Obligations.*

(1) Tenant at Tenant's sole expense shall maintain the Hangar in good order, condition and repair, including the interior surfaces of the ceilings, walls and floors, all doors, automatic door systems, all interior windows, all plumbing, fire sprinkler systems, mechanical components, HVAC, pipes and fixtures, electrical wiring, switches and fixtures, Hangar furnishings and special items and equipment installed by or at the expense of Tenant.

(2) Tenant shall be responsible for all repairs and alterations in and to the Premises and Hangar and the facilities and systems thereof, the need for which arises out of (i) Tenant's use or occupancy of the Hangar, (ii) the installation, removal, use or operation of Tenant's Property (as defined in Article 13) in the Hangar, (iii) the moving of Tenant's Property into or out of the Hangar, or (iv) the act, omission, misuse or negligence of Tenant, its agents, contractors, employees or invitees.

(3) If Tenant fails to maintain the Hangar in good order, condition and repair, Landlord shall give Tenant notice to do such acts as are reasonably required to so maintain the Hangar. If Tenant fails to promptly commence such work and diligently prosecute it to completion, then Landlord shall have the right to do such acts and expend such funds at the expense of Tenant as are reasonably required to perform such work. Any amount so expended by Landlord shall be paid by Tenant promptly after demand with interest at the prime commercial rate then being charged by Bank of America NT & SA plus two percent (2%) per annum, from the date of such work, but not to exceed the maximum rate then allowed by law. Landlord shall have no liability to Tenant for any damage, inconvenience, or interference with the use of the Hangar by Tenant as a result of performing any such work.

*c. Tenant's Operating Obligations:*

- (1) Tenant shall be currently licensed or certified by the FAA and provide a copy of each license or certificate to the Landlord.
- (2) Aircraft maintenance performed hereunder shall be limited to maintenance performed by Tenant's certified mechanic. Alternatively, maintenance can be provided by either a certified mechanic based at the Airport who is in possession of a valid lease or operating agreement with the Authority.
- (3) Each Person providing services hereunder shall have in its employ, and on duty during the appropriate business hours, trained and certified personnel in such numbers as are required to meet the minimum operating standards set forth in this category of services in an efficient manner, but never less than one person currently licensed or certificated by the FAA with ratings appropriate to the work being performed.
- (4) Each Person providing services hereunder shall maintain, continuously in effect at all time while operating within the Airport, at its sole expense, insurance with total limits in an amount not less than the amounts prescribed by the Authority and listing the Authority as additional insured.
- (5) Tenant shall continually abide by any companion agreements related to this Lease, including any FBO Lease or Fuel Farm Lease and a breach of any such agreement shall also be a material breach of this Lease.
- (6) Tenant agrees to abide by the Airport's Minimum Operating Standards as may be amended from time to time.
- (7) Tenant agrees that operations at the Airport are under the control of Landlord and/or the FAA and Tenant shall abide by and not interfere with any directions or instructions given concerning the Airport.
- (8) Tenant must operate the facility under the direct management and supervision of Tenant at all times.
- (9) Tenant may not have live music and amplified music at the Hangar and shall not violate the St. Johns County noise ordinance.
- (10) Tenant is responsible for the disposal of solid waste and refuse during Lease term. Tenant must comply with system of disposal used on the Airport and must comply with local and state government requirements, including compliance with Airport recycling programs.
- (11) Tenant shall not make any improvements to the Hangar unless authorized in writing by Landlord in accordance with this Lease.
- (12) The Tenant agrees that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Tenant, 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.
- (13) FAR Part 135 Charter Service and Air Taxi operations consistent with this Agreement will obtain and maintain all FAA certificates, licenses or other permissions/waivers required for the scope of this agreement.

(14) Operator shall assure that a copy of the most current version of the required agreement shall at all times be on file with the Airport.

(15) At all times consider the operational nature of the Airport and the conduct of the FAR Part 135 Charter Service and Air Taxi operations thereon. Operator acknowledges the significant operating level of the Airport and will at all times endeavor to ensure that the overall safety and efficiency of the Airport is not diminished.

(16) For the purpose of assuring continued operation of the Airport, should an aircraft or vehicle owned or operated by the Operator be determined by the Authority to be disabled and said vehicle or aircraft is likely to remain disabled for a period in excess of twenty (20) minutes and consistent with all other applicable regulations, the Authority shall be empowered, without prejudice or financial risk, to move or cause the removal and relocation of the vehicle or aircraft to a suitable location outside the Airport movement areas.

(17) At all times make "good faith" attempts to reduce the occurrence of over flight impacts of noise and disturbance to residences of St. Johns County relative to Operator's business conduct.

(18) Maintain valid contact information with the Authority.

(19) Tenant may not assign its interest in this Agreement. See Section 15.

(20) Tenant may not sublet any portion of this Agreement or Premises. See Section 15.

d. *Compliance with Law.* Landlord and Tenant shall each do all acts required to comply with all applicable laws, ordinances, and rules of any public authority relating to their respective maintenance obligations as set forth herein. This Lease shall be governed by the laws of the state of Florida. This lease is subordinate to the provisions of any existing agreement between the Landlord and the United States of America, the State of Florida or their agencies, relative to the operation of maintenance of the St. Augustine-St. Johns County Airport and specifically subject to all rules and regulations of the Federal Aviation Administration and the state of Florida, the St. Augustine-St. Johns County Airport Authority, including the Minimum Operating Standards.

e. *Waiver by Tenant.* Tenant expressly waives the benefits of any statute now or hereafter in effect which would otherwise afford the Tenant the right to make repairs at Landlord's expense or to terminate this Lease because of Landlord's failure to keep the Hangar in good order, condition and repair.

f. *Load and Equipment Limits.* Tenant shall not place a load upon any floor or other structural element of the Hangar which exceeds the load per square foot which such floor or element was designed to carry, as determined by Landlord or Landlord's structural engineer. The cost of any such determination made by Landlord's structural engineer shall be paid for by Tenant. Tenant shall not install equipment or machines without complying with this Section. Nor, shall Tenant store an aircraft with unusual structure demands.

g. *Landlord's Hangar Improvements and Maintenance.* Except as otherwise expressly provided in this Lease, Landlord shall have no liability to Tenant nor shall Tenant's obligations under this Lease be reduced or abated in any manner whatsoever by reason of any inconvenience, annoyance, interruption or injury to business arising from Landlord's making any repairs, upgrades, renovations or changes which Landlord is required or permitted by this Lease or required by law to make in or to any portion of the Hangar or the Premises. Landlord shall nevertheless use reasonable efforts to minimize any interference with Tenant's use of the Hangar.

h. *Notice to Landlord of Tenant Repairs.* Tenant shall give Landlord prompt notice of any damage to or defective condition in any part or appurtenance of the Hangar's mechanical, electrical, plumbing, HVAC or other systems serving, located in, or passing through the Hangar so that Landlord is kept fully informed of Tenant's repairs of such items.

i. *Broom Clean.* Upon the expiration or earlier termination of this Lease, Tenant shall return the Hangar to Landlord clean and in the same condition as on the date Tenant took possession, except for normal wear and tear, and in a broom clean condition. Any damage to the Hangar, including any structural damage, resulting from Tenant's use or from the removal of Tenant's fixtures, furnishings and equipment pursuant to Section 13 shall be repaired by Tenant at Tenant's expense.

## **12. ALTERATIONS AND ADDITIONS.**

a. Tenant shall not make any additions, alterations, or improvements to the Hangar without obtaining the prior written consent of Landlord. Landlord's consent may be conditioned on Tenant's removing any such additions, alterations, or improvements upon the expiration of the Term and restoring the Hangar to the same condition as on the date Tenant took possession. All work with respect to any addition, alteration or improvement shall be done in a good and workmanlike manner by properly qualified and licensed personnel

approved by Landlord, and such work shall be diligently prosecuted to completion. Landlord may, at Landlord's option, require that any such work be performed by Landlord's contractor, in which case the cost of such work shall be paid for before commencement of the work. Tenant shall pay to Landlord upon completion of any such work by Landlord's contractor, an administrative fee of fifteen percent (15%) of the cost of the work.

b. Tenant shall pay the costs of any work done on the Hangar pursuant to Section 12 and shall keep the Premises and Hangar free and clear of liens of any kind. Tenant shall indemnify, defend against and keep Landlord free and harmless from all liability, loss, damage, costs, attorneys' fees and any other expense incurred on account of claims by any person performing work or furnishing materials or supplies for Tenant or any person claiming under Tenant.

c. Tenant shall keep Tenant's leasehold interest, and any additions or improvements which are or become the property of Landlord under this Lease, free and clear of all attachment or judgment liens. Before the actual commencement of any work for which a claim or lien may be filed, Tenant shall give Landlord notice of the intended commencement date a sufficient time before that date to enable Landlord to post notices of non-responsibility or any other notices which Landlord deems necessary for the proper protection of Landlord's interest in the Premises, Hangar or the Airport, and Landlord shall have the right to enter the Hangar and post such notices at any reasonable time.

d. Landlord may require, at Landlord's sole option, that Tenant provide to Landlord, at Tenant's expense, a lien and completion bond in an amount equal to at least one and one-half (1½) times the total estimated cost of any additions, alterations or improvements to be made in or to the Hangar, to protect Landlord against any liability for mechanic's and materialmen's liens and to insure timely completion of the work. Nothing contained in this Section 12 shall relieve Tenant of its obligation under Section 12 to keep the Premises, Hangar and Airport free of all liens.

e. Unless their removal is required by Landlord as provided in Section 12, all additions, alterations and improvements made to the Hangar shall become the property of Landlord and be surrendered with the Hangar upon the expiration of the Term; provided, however, Tenant's equipment, machinery and trade fixtures which can be removed without damage to the Hangar shall remain the property of Tenant and may be removed, subject to the provisions of Section 13.

f. Tenant shall have no authority to subject the leased Hangar or any part thereof or any interest of Landlord therein, to an construction or other lien, should any construction, or other liens: be filed against the leased Hangar or any part thereof or any interest of Landlord therein, by reason of Tenant's acts or omissions or because of a claim against Tenant, Tenant shall cause the same to be canceled and discharged of record by bond or otherwise within ten (10) days.

**g. Landlord's property is public property and not subject to construction lien claims under Florida law. Tenant shall provide all contractors, subcontractors, material suppliers, or others who perform work or supply materials notice of this provision.**

### **13. LEASEHOLD IMPROVEMENTS; TENANT'S PROPERTY.**

a. All fixtures, equipment, improvements and appurtenances attached to or built into the Hangar at the commencement of or during the Term, whether or not by or at the expense of Tenant ("Leasehold Improvements"), shall be and remain a part of the Hangar, shall be the property of Landlord and shall not be removed by Tenant, except as expressly provided in Section 13b

b. All movable partitions, business and trade fixtures, machinery and equipment, communications equipment and office equipment located in the Hangar and acquired by or for the account of Tenant, without expense to Landlord, which can be removed without structural damage to the Hangar, and all furniture, furnishings and other articles of movable personal property owned by Tenant and located in the Hangar (collectively "Tenant's Property") shall be and shall remain the property of Tenant and may be removed by Tenant at any time during the Term; provided that if any of Tenant's Property is removed, Tenant shall promptly repair any damage to the Premises or to the Hangar resulting from such removal.

### **14. CERTAIN RIGHTS RESERVED BY LANDLORD.**

Landlord reserves the following rights, exercisable without liability to Tenant for (a) damage or injury to property, person or business, (b) causing an actual or constructive eviction from the Hangar, or (c) disturbing Tenant's use or possession of the Hangar:

a. To name the Hangar and to change the name or street address of the Hangar.

b. To install and maintain all signs on the exterior and interior of the Hangar, including ADA signage.

c. To have pass keys to the Hangar and all doors within the Hangar (any doors found to not be on the Landlord's pass key will be rekeyed by Landlord at Tenant's expense).

d. At any time during the Term, and without prior notice to Tenant, to inspect the Hangar, and to show the Hangar to others having an interest in the Hangar or Landlord, and during the Term, to show the Hangar to prospective tenants or buyers thereof.

e. To enter the Hangar for the purpose of making inspections, repairs, alterations, additions or improvements to the Premises or the Hangar (including, without limitation, checking, calibrating, adjusting or balancing controls and other parts of the HVAC system), and to take all steps as may be necessary or desirable for the safety, protection, maintenance or preservation of the Premises or the Hangar or Landlord's interest therein, or as may be necessary or desirable for the operation or improvement of the Hangar or in order to comply with laws, orders or requirements of governmental or other authority. Landlord agrees to use its best efforts (except in an emergency) to minimize interference with Tenant's business in the Hangar during any such entry; and

f. Access to install and maintain a security camera system to be able to observe the exterior of the Hangar (not interior), Premises and Airport from internet and mobile phone.

#### **15. ASSIGNMENT AND SUBLETTING.**

No assignment of this Lease or sublease of all or any part of the Hangar shall be permitted, except as provided in this Article 16.

a. Tenant shall not, without the prior written consent of Landlord, assign or hypothecate this Lease or any interest herein or sublet the Hangar or any part thereof, or permit the use of the Hangar by any party other than Tenant. Any of the foregoing acts without such consent shall be void and shall, at the option of Landlord, terminate this Lease. This Lease shall not, nor shall any interest of Tenant herein, be assignable by operation of law without the written consent of Landlord which may be withheld for any or no reason.

b. Notwithstanding the provisions of paragraph a above, Tenant may not assign this Lease or sublet the Hangar or any portion thereof, without Landlord's consent and without extending any recapture or termination option to Landlord, to any corporation which controls, is controlled by or is under common control with Tenant, or to any corporation resulting from a merger or consolidation with Tenant, or to any person or entity which acquires all the assets of Tenant's business as a going concern, provided that (i) the assignee or sublessee assumes, in full, the obligations of Tenant under this Lease, (ii) Tenant remains fully liable under this Lease, and (iii) the use of the Hangar under Article 8 remains unchanged.

c. No subletting or assignment shall release Tenant of Tenant's obligations under this Lease or alter the primary liability of Tenant to pay the Rent and to perform all other obligations to be performed by Tenant hereunder. The acceptance of Rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any provision hereof. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. In the event of default by an assignee or subtenant of Tenant or any successor of Tenant in the performance of any of the terms hereof, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against such assignee, subtenant or successor. Landlord may consent to subsequent assignments of the Lease or sublettings or amendments or modifications to the Lease with assignees of Tenant, without notifying Tenant, or any successor of Tenant, and without obtaining its or their consent thereto and any such actions shall not relieve Tenant of liability under this Lease.

d. If Tenant assigns the Lease or sublets the Hangar or requests the consent of Landlord to any assignment or subletting or if Tenant requests the consent of Landlord for any act that Tenant proposes to do, then Tenant shall, upon demand, pay Landlord an administrative fee of Five Hundred and No/100ths Dollars (\$500.00) plus any attorneys' fees reasonably incurred by Landlord in connection with such act or request.

#### **16. HOLDING OVER.**

If after expiration of the Term, Tenant remains in possession of the Hangar with Landlord's permission (express or implied), Tenant shall become a tenant from month to month only, upon all the provisions of this Lease (except as to term and Base Rent), but the "Monthly Installments of Base Rent" payable by Tenant shall be increased to one hundred fifty percent (150%) of the Monthly Installments of Base Rent payable by Tenant at the expiration of the Term. Such monthly rent shall be payable in advance on or before the first day of each month.

#### **17. SURRENDER OF HANGAR.**

a. Tenant shall peaceably surrender the Hangar to Landlord on the Expiration Date, in broom-clean condition and in as good condition as when Tenant took possession, except for (i) reasonable wear and tear, (ii) loss by fire or other casualty, and (iii) loss by condemnation. Tenant shall, on Landlord's request, remove Tenant's Property on or before the Expiration Date and promptly repair all damage to the Premises or Hangar caused by such removal.

b. If Tenant abandons or surrenders the Hangar, or is dispossessed by process of law or otherwise, any of Tenant's Property left on the Hangar shall be deemed to be abandoned, and, at Landlord's option, title shall pass to Landlord under this Lease as by a bill of sale. If Landlord elects to remove all or any part of such Tenant's Property, the cost of removal, including repairing any damage to the Premises or Hangar caused by such removal, shall be paid by Tenant. On the Expiration Date, Tenant shall surrender all keys to the Hangar.

#### **18. DESTRUCTION OR DAMAGE.**

a. If the Hangar or the portion of the Hangar necessary for Tenant's occupancy is damaged by fire, earthquake, act of God, the elements of other casualty, or the Hangar reach age of life, Landlord may terminate this Lease.

b. Nonetheless, if Landlord elects to repair or rebuild the Hangar, upon notice to Tenant given within thirty (30) days after the date of such fire or other casualty, to repair such damage, in which event this Lease shall continue in full force and effect, but the Base Rent shall be partially abated during the time the Premise are not useable.

c. If the Hangar are to be repaired under this Article, Landlord shall repair at its cost any damage to the Hangar. Tenant shall be responsible at its sole cost and expense for the repair, restoration and replacement of any other Leasehold Improvements and Tenant's Property. Landlord shall not be liable for any loss of business, inconvenience or annoyance arising from any repair or restoration of any portion of the Premises, Hangar or Airport as a result of any damage from fire or other casualty.

d. This Lease shall be considered an express agreement governing any case of damage to or destruction of the Premises or Hangar by fire or other casualty, and any present or future law which purports to govern the rights of Landlord and Tenant in such circumstances in the absence of express agreement, shall have no application.

#### **19. AIRPORT OPERATIONS AND IMPROVEMENTS.**

a. Landlord reserves the right to make any repairs, improvements, alterations, additions and deletions to the Hangar, the Common Areas, the Airport and any other related areas or property free from any and all liability to the Tenant for loss of business or damages during, leading up to, or associated with the repairs, improvements, alterations, additions and deletions. Tenant specifically waives any and all claims at law or in equity that it may have related thereto. Further, Tenant acknowledges that the Hangar is located at an Airport and operation of the Airport may result in noise, smell, odor, inconvenience, security delays and procedures and other matters associated with aircraft flight, support and operations.

b. It is clearly understood by the Tenant that no right or privilege has been granted which would operate to prevent any person, firm or corporation operating aircraft on the airport performing any services in its own aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform.

c. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right other than to the interior space of the Hangar.

d. Landlord reserves the right to further develop or improve the landing area, taxiways and other facilities of the Airport as it sees fit, regardless of the desires of view of the Tenant, and without interference or hindrance from the Tenant.

e. Landlord reserves the right, but shall not be obligated to Tenant, to maintain and keep in repair the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard.

f. This Lease shall be subordinate to the provisions of any existing or future agreement between Landlord and the United States, relative to the operation or maintenance of the Landlord's 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 Landlord's Airport.

#### **20. INDEMNIFICATION.**

a. Tenant shall indemnify and hold Landlord harmless against and from liability and claims of any kind for loss or damage to property of Tenant or any other person, or for any injury to or death of any person, arising out of: (1) Tenant's use and occupancy of the Hangar,

or any work, activity or other things allowed or suffered by Tenant to be done in, on or about the Hangar; (2) any breach or default by Tenant of any of Tenant's obligations under this Lease; or (3) any negligent or otherwise tortious act or omission of Tenant, its agents, employees, invitees or contractors. Tenant shall at Tenant's expense, and by counsel satisfactory to Landlord, defend Landlord in any action or proceeding arising from any such claim and shall indemnify Landlord against all costs, attorneys' fees, expert witness fees and any other expenses incurred in such action or proceeding. As a material part of the consideration for Landlord's execution of this Lease, Tenant hereby assumes all risk of damage or injury to any person or property in, on or about the Hangar from any cause.

b. Landlord shall not be liable for injury or damage which may be sustained by the person or property of Tenant, its employees, invitees or customers, or any other person in or about the Hangar, caused by or resulting from fire, steam, electricity, gas, water or rain which may leak or flow from or into any part of the Hangar, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or resulting from aircraft damage or property damage resulting from sharing leased Hangar. whether such damage or injury results from conditions arising upon the Hangar or upon other portions of the Hangar or from other sources. Landlord shall not be liable for any damages arising from any act or omission of any tenant of the Hangar.

## **21. TENANT'S INSURANCE.**

a. All insurance required to be carried by Tenant hereunder shall be issued by responsible insurance companies acceptable to Landlord and qualified to do business in the State. Each policy shall name St. Augustine – St. Johns County Airport Authority and their respective directors, officers, employees, agents and assigns of each as an additional insured. Each policy shall contain (i) a cross-liability endorsement, (ii) a provision that such policy and the coverage evidenced thereby shall be primary and non-contributing with respect to any policies carried by Landlord and that any coverage carried by Landlord shall be excess insurance, and (iii) a waiver by the insurer of any right of subrogation against Landlord, its agents, employees and representatives, which arises or might arise by reason of any payment under such policy or by reason of any act or omission of Landlord, its agents, employees or representatives. A copy of each paid up policy (authenticated by the insurer) or certificate of the insurer evidencing the existence and amount of each insurance policy required hereunder shall be delivered to Landlord before the date Tenant is first given the right of possession of the Hangar, annually, and within thirty (30) days after any demand by Landlord therefor. Landlord may, at any time and from time to time, inspect and/or copy any insurance policies required to be maintained by Tenant hereunder. No such policy shall be cancelable except after twenty (20) days written notice to Landlord. Tenant shall furnish Landlord with renewals or "binders" of any such policy at least ten (10) days prior to the expiration thereof. Tenant agrees that if Tenant does not take out and maintain such insurance or not provide proof of same, Landlord may (but shall not be required to) procure said insurance on Tenant's behalf and charge the Tenant the premiums together with a twenty-five percent (25%) handling charge, payable upon demand. Tenant shall have the right to provide such insurance coverage pursuant to blanket policies obtained by the Tenant, provided such blanket policies expressly afford coverage to the Hangar, Landlord, Landlord's Airport and Tenant as required by this Lease.

b. **Property Damage Insurance.** Beginning on the date Tenant is given access to the Hangar for any purpose and continuing until expiration of the Term, Tenant shall procure, pay for and maintain in effect policies of casualty insurance covering (i) all Leasehold Improvements (including any alterations, additions or improvements as may be made by Tenant pursuant to the provisions of Article 12 hereof), and (ii) any other personal property from time to time in, on or about the Hangar, in an amount not less than one hundred percent (100%) of their actual replacement cost from time to time, providing protection against any peril included within the classification "Fire and Extended Coverage" together with insurance against sprinkler damage, vandalism and malicious mischief. The proceeds of such insurance shall be used for the repair or replacement of the property so insured. Upon termination of this Lease following a casualty as set forth herein, the proceeds under (i) shall be paid to Landlord, and the proceeds under (ii) above shall be paid to Tenant.

c. **Liability Insurance.** Tenant shall, at all times during the term hereof and at its own cost and expense, procure and continue in force comprehensive general liability insurance for bodily injury and property damage, adequate to protect Landlord against liability for injury to or death of any person, arising in connection with the construction of improvements on the Hangar or use, operation or condition of the Hangar. Such insurance at all times shall be in an amount of not less than a combined single limit of Three Million Dollars (\$3,000,000), insuring against any and all liability of the insured with respect to said Hangar or arising out of the use or occupancy thereof.

d. **Aircraft Legal Liability Including Passengers.** Tenant shall, at all times during the term hereof and at its own cost and expense, procure and continue in force Aircraft Legal Liability Including Passengers insurance, adequate to protect Authority against legal liability arising out of the operation of aircraft. Such insurance at all times shall be in an amount of not less than a combined single limit of Three Million Dollars (\$3,000,000), insuring against any and all liability.

e. **Automobile Liability.** Tenant shall, at all times during the term hereof and at its own cost and expense, procure and continue in force Automobile Liability insurance, adequate to protect Authority against legal liability for bodily injury and property damage caused by the use of an automobile. Such insurance at all times shall be in an amount of not less than a combined single limit of One Million Dollars (\$1,000,000), insuring against any and all liability; and,

f. Landlord and Tenant shall mutually agree to increases in all of Tenant's insurance policy limits for all insurance to be carried by Tenant as set forth in this Article. In the event Landlord and Tenant cannot mutually agree upon the amounts of said increases, then Tenant agrees that all insurance policy limits as set forth in this Article shall be adjusted for increases in the cost of living in the same manner as is set forth in Section 5.2 hereof for the adjustment of the Base Rent.

## **22. WAIVER OF SUBROGATION.**

Tenant shall have no interest in or claim to any portion of the proceeds of any insurance maintained by Landlord.

## **23. PARKING AND ACCESS.**

Tenant automobile parking for personal vehicles shall be permitted within the Common Area or on the access driveway to the individual hangar unit. At all times, automobile parking shall be accomplished in a manner to provide unrestricted movement of aircraft and other automobiles on or about the taxiways and Airport. Other parking areas may be provided by Landlord. No on-street parking is permitted. Vehicle Access to the Hangar area is to be accomplished through gates designated by Landlord. No Hangar access is to be accomplished utilizing the FBO Area. No automobile, wheeled vehicle or pedestrian use of airfield movement areas is permitted unless those uses are required for the towing of aircraft with the permission of ground movement control or otherwise conform with the Landlord's written operating standards then in force. At all times, vehicle surface traffic shall yield to aircraft. Tenant acknowledges that the Airport is a secured facility. Tenant shall abide by any and all parking regulations and rules established from time to time by Landlord, Landlord's parking operator or other security personnel. Tenant acknowledges that any violation of the provisions of this Section may result in immediate termination of this Lease.

## **24. SIGN CONTROL.**

Tenant shall not affix, paint, erect or inscribe any sign, projection, awning, signal or advertisement of any kind to any part of the Hangar or Airport, including without limitation, the inside or outside of windows or doors, without the written consent of Landlord, which may be withheld for any or no reason. Landlord shall have the right to remove any signs or other matter, installed without Landlord's permission, without being liable to Tenant by reason of such removal, and to charge the cost of removal to Tenant as additional rent hereunder, payable within ten (10) days of written demand by Landlord.

## **25. TENANT ESTOPPEL CERTIFICATES.**

Within ten (10) days after written request from Landlord, Tenant shall execute and deliver to Landlord or Landlord's designee, a written statement certifying (a) that this Lease is unmodified and in full force and effect, or is in full force and effect as modified and stating the modifications; (b) the amount of Base Rent and the date to which Base Rent and additional rent have been paid in advance; (c) the amount of any security deposited with Landlord; and (d) that Landlord is not in default hereunder or, if Landlord is claimed to be in default, stating the nature of any claimed default. Any such statement may be relied upon by a purchaser, assignee or lender. Tenant's failure to execute and deliver such statement within the time required shall at Landlord's election be a default under this Lease and shall also be conclusive upon Tenant that: (1) this Lease is in full force and effect and has not been modified except as represented by Landlord; (2) there are no uncured defaults in Landlord's performance and that Tenant has no right of offset, counter-claim or deduction against Rent; and (3) not more than one month's Rent has been paid in advance.

## **26. TRANSFER OF LANDLORD'S INTEREST.**

In the event of any sale or transfer by Landlord of the Hangar or Airport, and assignment of this Lease by Landlord, Landlord shall be and is hereby entirely freed and relieved of any and all liability and obligations contained in or derived from this Lease arising out of any act, occurrence or omission relating to the Hangar or Lease occurring after the consummation of such sale or transfer, providing the purchaser shall expressly assume all of the covenants and obligations of Landlord under this Lease. If any security deposit or prepaid Rent has been paid by Tenant, Landlord may transfer the security deposit or prepaid Rent to Landlord's successor and upon such transfer, Landlord shall be relieved of any and all further liability with respect thereto.

## **27. DEFAULT.**

27.1. *Tenant's Default.* The occurrence of anyone or more of the following events shall constitute a default and breach of this Lease by Tenant:

- a. If Tenant abandons or vacates the Hangar; or
- b. If Tenant fails to pay any Rent or any other charges required to be paid by Tenant under this Lease and such failure continues for five (5) days after such payment is due and payable without notice thereof; or
- c. If Tenant fails to promptly and fully perform any other covenant, condition or agreement contained in this Lease and such failure continues for ten (10) days after written notice thereof from Landlord to Tenant or if the failure is repeated after a prior notice; or
- d. If a writ of attachment or execution is levied on this Lease or on any of Tenant's Property; or
- e. If Tenant makes a general assignment for the benefit of creditors, or provides for an arrangement, composition, extension or adjustment with its creditors; or
- f. If Tenant files a voluntary petition for relief or if a petition against Tenant in a proceeding under the federal bankruptcy laws or other insolvency laws is filed and not withdrawn or dismissed within forty-five (45) days thereafter, of if under the provisions of any law providing for reorganization or winding up of corporations, any court of competent jurisdiction assumes jurisdiction, custody or control of Tenant or any substantial part of its property and such jurisdiction, custody or control remains in force unrelinquished, unstayed or unterminated for a period of forty-five (45) days; or
- g. If in any proceeding or action in which Tenant is a party, a trustee, receiver, agent or custodian is appointed to take charge of the Hangar or Tenant's Property (or has the authority to do so) for the purpose of enforcing a lien against the Hangar or Tenant's Property; or
- h. Tenant fails to comply with, fails to abide by or breaches any of Tenant's Operating Obligations as provided for in this Lease.
- i. If Tenant is a partnership or consists of more than one (1) person or entity, if any partner of the partnership or other person or entity is involved in any of the acts or events described in subparagraphs above.

27.2. *Remedies.* In the event of Tenant's default hereunder, then in addition to any other rights or remedies Landlord may have under any law, Landlord shall have the right, at Landlord's option, without further notice or demand of any kind to do the following:

- a. Terminate this Lease and Tenant's right to possession of the Hangar and reenter the Hangar and take possession thereof, and Tenant shall have no further claim to the Hangar or under this Lease; or
- b. Continue this Lease in effect, reenter and occupy the Hangar for the account of Tenant, and collect any unpaid Rent or other charges which have or thereafter become due and payable; or
- c. Reenter the Hangar under the provisions of subparagraph b, and thereafter elect to terminate this Lease and Tenant's right to possession of the Hangar.

If Landlord reenters the Hangar under the provisions of subparagraphs b or c above, Landlord shall not be deemed to have terminated this Lease or the obligation of Tenant to pay any Rent or other charges thereafter accruing, unless Landlord notifies Tenant in writing of Landlord's election to terminate this Lease. In the event of any reentry or retaking of possession by Landlord, Landlord shall have the right, but not the obligation, to remove all or any part of Tenant's Property in the Hangar and to place such property in storage at a public warehouse at the expense and risk of Tenant. If Landlord elects to relet the Hangar for the account of Tenant, the rent received by Landlord from such reletting shall be applied as follows: first, to the payment of any indebtedness other than Rent due hereunder from Tenant to Landlord; second, to the payment of any costs of such reletting; third, to the payment of the cost of any alterations or repairs to the Hangar; fourth to the payment of Rent due and unpaid hereunder; and the balance, if any, shall be held by Landlord and applied in payment of future Rent as it becomes due. If that portion of rent received from the reletting which is applied against the Rent due hereunder is less than the amount of the Rent due, Tenant shall pay the deficiency to Landlord promptly upon demand by Landlord. Such deficiency shall be calculated and paid monthly. Tenant shall also pay to Landlord, as soon as determined, any costs and expenses incurred by Landlord in connection with such reletting or in making alterations and repairs to the Hangar, which are not covered by the rent received from the reletting.

Should Landlord elect to terminate this Lease under the provisions of subparagraph a or c above, Landlord may recover as damages from Tenant the following:

1. *Past Rent.* The worth at the time of the award of any unpaid Rent which had been earned at the time of termination; plus
2. *Rent Prior to Award.* The worth at the time of the award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus
3. *Rent After Award.* The worth at the time of the award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the rental loss that Tenant proves could be reasonably avoided; plus
4. *Proximately Caused Damages.* Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, any costs or expenses (including attorneys' fees), incurred by Landlord in (a) retaking possession of the Hangar, (b) maintaining the Hangar after Tenant's default, (c) preparing the Hangar for reletting to a new tenant, including any repairs or alterations, and (d) reletting the Hangar, including broker's commissions.

"The worth at the time of the award" as used in subparagraphs 1 and 2 above, is to be computed by allowing interest at the rate often percent (10%) per annum. "The worth at the time of the award" as used in subparagraph 3 above, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank situated nearest to the Hangar at the time of the award plus one percent (1 %).

The waiver by Landlord of any breach of any term, covenant or condition of this Lease shall not be deemed a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition. Acceptance of Rent by Landlord subsequent to any breach hereof shall not be deemed a waiver of any preceding breach other than the failure to pay the particular Rent so accepted, regardless of Landlord's knowledge of any breach at the time of such acceptance of Rent. Landlord shall not be deemed to have waived any term, covenant or condition unless Landlord gives Tenant written notice of such waiver.

In addition to the above remedies, any default by Tenant shall result in all of Tenant's fixtures immediately and automatically becoming the sole and exclusive possessions of Landlord and shall not be removed from the Hangar.

**27.3 Landlord's Default.** If Landlord fails to perform any covenant, condition or agreement contained in this Lease within thirty (30) days after receipt of written notice from Tenant specifying such default, or if such default cannot reasonably be cured within thirty (30) days, if Landlord fails to commence to cure within that thirty (30) day period, then Tenant may terminate this Lease. Tenant shall not have the right to self-help or cure that default at Landlord's expense. Tenant shall not have the right to withhold, reduce or offset any amount against any payments of Rent or any other charges due and payable under this Lease except as otherwise specifically provided herein.

## **28. BROKERAGE FEES.**

Tenant warrants and represents that it has not dealt with any real estate broker or agent in connection with this Lease or its negotiation except those noted in Section 2.o. Tenant shall indemnify and hold Landlord harmless from any cost, expense or liability (including costs of suit and reasonable attorneys' fees) for any compensation, commission or fees claimed by any other real estate broker or agent in connection with this Lease or its negotiation by reason of any act of Tenant.

## **29. NOTICES.**

All notices, approvals and demands permitted or required to be given under this Lease shall be in writing and deemed duly served or given if personally delivered or sent by certified or registered U .S. mail, postage prepaid, and addressed as follows: (a) if to Landlord, to Landlord's Mailing Address and to the Hangar manager, and (b) if to Tenant, to Tenant's Mailing Address; provided, however, notices to Tenant shall be deemed duly served or given if delivered or mailed to Tenant at the Hangar. Landlord and Tenant may from time to time by notice to the other designate another place for receipt of future notices.

**Tenant:**  
**Modern Aero, LLC**  
4738 Casa Cola Way  
St. Augustine, FL 32095

**Landlord:**  
Executive Director  
**St. Augustine-St. Johns County Airport Authority**  
4796 US Highway 1, North  
St. Augustine, Florida 32095

### **30. GOVERNMENT ENERGY OR UTILITY CONTROLS.**

In the event of imposition of federal, state or local government controls, rules, regulations, or restrictions on the use or consumption of energy or other utilities during the Term, both Landlord and Tenant shall be bound thereby. In the event of a difference in interpretation by Landlord and Tenant of any such controls, the interpretation of Landlord shall prevail, and Landlord shall have the right to enforce compliance therewith, including the right of entry into the Hangar to effect compliance.

### **31. QUIET ENJOYMENT.**

Tenant, upon paying the Rent and performing all of its obligations under this Lease, shall peaceably and quietly enjoy the Hangar, subject to the terms of this Lease and to any mortgage, lease, or other agreement to which this Lease may be subordinate.

Landlord reserves unto itself, its successors and assigns, for the use of and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the real property associated with the Leased Hangar along with the right to cause in such airspace noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in said airspace, and for the use of such airspace for landing on, taking off from, or operating on the St. Augustine-St. Johns County Airport Authority. Tenant expressly agrees for itself, its successors and assigns, to prevent any use of the Leased Hangar which would interfere with or adversely affect the operation or maintenance of the airport or otherwise constitute an airport hazard.

### **32. OBSERVANCE OF LAW.**

Tenant shall not use the Hangar or permit anything to be done in or about the Hangar which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and with the requirements of any board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Hangar, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord is a party thereto or not, that Tenant has violated any law, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between Landlord and Tenant.

### **33. FORCE MAJEURE.**

Any prevention, delay or stoppage of work to be performed by Landlord or Tenant which is due to strikes, labor disputes, inability to obtain labor, materials, equipment or reasonable substitutes therefor, acts of God, governmental restrictions or regulations or controls, judicial orders, enemy or hostile government actions, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform hereunder, shall excuse performance of the work by that party for a period equal to the duration of that prevention, delay or stoppage. Nothing in this Article 33 shall excuse or delay Tenant's obligation to pay Rent or other charges under this Lease.

Landlord shall not be deemed in default with respect to any of the terms, covenants, conditions and provisions of this Lease on Landlord's part to be performed if Landlord fails to timely perform same and such failure is due in whole or in part to any strike, lockout, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by Tenant (or Tenant's agents, employees or invitees), mechanical breakdown, repair, servicing or any other cause beyond the reasonable control of Landlord.

### **34. CURING TENANT'S DEFAULTS.**

If Tenant defaults in the performance of any of its obligations under this Lease, Landlord may (but shall not be obligated to) without waiving such default, perform the same for the account at the expense of Tenant. Tenant shall pay Landlord all costs of such performance promptly upon receipt of a bill therefor. Should the default related to an unauthorized aircraft being on or in the Hangar, Landlord may remove the aircraft from the Hangar and relocate any such aircraft to another area of the Airport at the sole discretion of

the Landlord and charge a market rent for the hangar or paver apron area occupied by such aircraft and lien such aircraft for nonpayment.

### **35. TERMINATION.**

Either party to this agreement may at any time terminate this agreement in advance of the expiration date by providing written notification at least thirty (30) days in advance of the proposed cancellation. In the event of early termination, Tenant remains responsible for rent payments for the monthly period(s) in which the proposed cancellation will be effective.

### **36. MISCELLANEOUS.**

a. *Accord and Satisfaction. Allocation of Payments.* No payment by Tenant or receipt by Landlord of a lesser amount than the Rent provided for in this Lease shall be deemed to be other than on account of the earliest due Rent, nor shall any endorsement or statement on any check or letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of the Rent or pursue any other remedy provided for in this Lease. In connection with the foregoing, Landlord shall have the absolute right in its sole discretion to apply any payment received from Tenant to any account or other payment of Tenant then not current and due or delinquent.

b. *Addenda.* If any provision contained in an addendum to this Lease is inconsistent with any other provision herein, the provision contained in the addendum shall control, unless otherwise provided in the addendum.

c. *Attorneys' Fees.* If any action or proceeding is brought by either party against the other pertaining to or arising out of this Lease, the finally prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred on account of such action or proceeding.

d. *Captions, Articles and Section Numbers.* The captions appearing within the body of this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Lease. All references to Article and Section numbers refer to Articles and Sections in this Lease.

e. *Changes Requested by Lender.* Neither Landlord or Tenant shall unreasonably withhold its consent to changes or amendments to this Lease requested by the lender on Landlord's interest, so long as these changes do not alter the basic business terms of this Lease or otherwise materially diminish any rights or materially increase any obligations of the party from whom consent to such charge or amendment is requested.

f. *Choice of Law.* This Lease shall be construed and enforced in accordance with the laws of the State of Florida. The parties waive trial by jury. Venue shall be exclusively State Court in St. Johns County, Florida.

g. *Consent.* Notwithstanding anything contained in this Lease to the contrary, Tenant shall have no claim, and hereby waives the right to any claim against Landlord for money damages by reason of any refusal, withholding or delaying by Landlord of any consent, approval or statement of satisfaction, and in such event, Tenant's only remedies therefor shall be an action for specific performance, injunction or declaratory judgment to enforce any right to such consent, etc.

h. *Corporate Authority.* If Tenant is a corporation, each individual signing this Lease on behalf of Tenant represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of the corporation, and that this Lease is binding on Tenant in accordance with its terms. Tenant shall, at Landlord's request, deliver a certified copy of a resolution of its board of directors authorizing such execution.

i. *Counterparts.* This Lease may be executed in multiple counterparts, all of which shall constitute one and the same Lease.

j. *Execution of Lease; No Option.* The submission of this Lease to Tenant shall be for examination purposes only, and does not and shall not constitute a reservation of or option for Tenant to lease, or otherwise create any interest of Tenant in the Hangar or any other premises within the Hangar or Airport. Execution of this Lease by Tenant and its return to Landlord shall not be binding on Landlord notwithstanding any time interval, until Landlord has in fact signed and delivered this Lease to Tenant.

k. *Further Assurances.* The parties agree to promptly sign all documents reasonably requested to give effect to the provisions of this Lease.

l. *Radon Gas Disclosure.* 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 your county public health unit.

m. *Prior Agreements; Amendments.* This Lease contains all of the agreements of the parties with respect to any matter covered or mentioned in this Lease, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose. No provisions of this Lease may be amended or added to except by an agreement in writing signed by the parties or their respective successors in interest.

n. *Recording.* Tenant shall not record this Lease.

o. *Security.* Landlord makes no implication or guarantees as to the provision of security of the leasehold. The Tenant is solely responsible for the security of the Hangar. Tenant shall comply with any and all security policies, measures or requirements established by Landlord or FAA related to the Hangar or Airport.

p. *Severability.* A final determination by a court of competent jurisdiction that any provision of this Lease is invalid shall not affect the validity of any other provision, and any provision so determined to be invalid shall, to the extent possible, be construed to accomplish its intended effect.

q. *Successors and Assigns.* This Lease shall apply to and bind the heirs, personal representatives, and permitted successors and assigns of the parties.

r. *Time of the Essence.* Time is of the essence of this Lease.

s. *Waiver.* No delay or omission in the exercise of any right or remedy of Landlord upon any default by Tenant shall impair such right or remedy or be construed as a waiver of such default.

The receipt and acceptance by Landlord of delinquent Rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular Rent payment involved.

No act or conduct of Landlord, including, without limitation, the acceptance of keys to the Hangar, shall constitute an acceptance of the surrender of the Hangar by Tenant before the expiration of the Term. Only a written notice from Landlord to Tenant shall constitute acceptance of the surrender of the Hangar and accomplish a termination of the Lease.

Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act by Tenant.

Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of the Lease.

t. *Compliance.* The parties hereto agree to comply with all applicable federal, state and local laws, regulations, codes, ordinances and administrative orders having jurisdiction over the parties, property or the subject matter of this Agreement, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment In Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.

The parties hereto have executed this Lease as of the dates set forth below.

**LANDLORD**

**TENANT**

Date \_\_\_\_\_

Date: \_\_\_\_\_

Landlord: ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

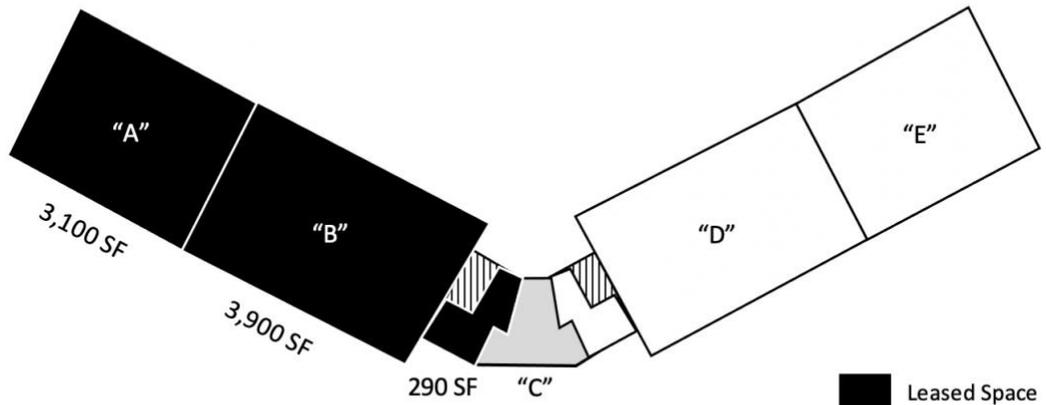
Tenant: Modern Aero, LLC

By: Edward R. Wuellner, AAE, Executive Director

By: \_\_\_\_\_

**Even if Tenant is an entity, by signing above, I am personally guaranteeing this Lease.**

**EXHIBIT "A"**  
**Hangar Units: A & B & Part of C (the "Hangar")**  
**4738 Casa Cola Way**



- Leased Space
- Common Area
- Utility Closets