MEMORANDUM

Agenda Item No. 14(A)(6) TO: Honorable Chairman Oliver G. Gilbert, III **DATE:** July 18, 2023 and Members, Board of County Commissioners FROM: Geri Bonzon-Keenan **SUBJECT: Resolution approving** County Attorney County **Restated Development Lease** between the County and AAR Aircraft Services, Inc. ("AAR") to extend the term of AAR's existing maintenance hangar and ancillary leases on the north side of Miami International Airport ("MIA") and to modify the boundaries of AAR's existing leases to enable AAR to develop an expanded hangar to meet growing aircraft maintenance needs at MIA; authorizing the County Mayor to execute such Restated Development Lease and all rights contained therein, including the termination provisions; and directing the County Mayor to provide the Restated Development Lease to the County Property Appraiser in accordance with Resolution No. R-791-14

The accompanying resolution was prepared by the Aviation Department and placed on the agenda at the request of Prime Sponsor Commissioner Kevin Marino Cabrera.

Tankez for

Geri Bonzon-Keenan County Attorney

GBK/ks

IIAMI-DADE

Date:	July 18, 2023
То:	Honorable Chairman Oliver G. Gilbert, III and Members, Board of County Commissioners
From:	Daniella Levine Cava Mayor Daniella Lerine Cava
Subject:	Restated Lease Agreement with AAR Aircraft Services, Inc. for the Construction of Aviation Use Facilities at Miami International Airport

Executive Summary

AAR Aircraft Services, Inc. (AAR) currently leases hangar and ancillary space on the north side Miami International Airport (MIA) to provide its customers at MIA with aircraft Maintenance, Repair, and Overhaul (MRO) services that include major and/or minor maintenance and overhaul of aircraft and aviation related equipment as well as the purchase or sale, or exchange of aircraft, engines, accessories, equipment, and other related supplies. This item is recommending the County enter into a Restated Lease Agreement (Restated Lease) with AAR to expand its present-day leasehold at MIA and finance the construction of a new aviation hangar subject to reimbursement by the County through the Miami-Dade Aviation Department's (Aviation Department or MDAD) Tenant Airport Construction Reimbursable (TAC-R) process. The improvements performed under the Restated Lease will be conveyed to the County immediately after the construction project is determined to be substantially complete.

AAR currently holds the following leases (i) a lease for Building 850, which is a 200,000 square feet hangar located on the north corridor of MIA that was constructed on a 422,096 square foot parcel under Lease Agreement No. C-634, (ii) a lease for 87,100 square feet for aircraft pavement under Lease Agreement No. C-12236, (iii) a lease for 74,895 square feet under Lease Agreement No. C-011926 which includes aircraft and vehicle pavement, storage space and Building 857 where AAR operates an Aircraft Paint Stripping Wash Rack (Wash Rack) facility, and (iv) a lease for 5,145 square feet of vehicular pavement under Lease Agreement No. C-009876.

The Restated Lease consolidates all of AAR existing leases and authorizes MDAD to modify the boundaries of AAR's existing leaseholds to enable AAR to build an expansion for its current operations. Specifically, the expansion will include development of an additional 114,000 square foot hangar facility comprised of a new aircraft hangar with a three-story back shop area, a ground service equipment (GSE) area, and other related improvements on a parcel that measures approximately 77,669 square feet that will be known as the Adjacent Premises. The Restated Lease term is twenty-two (22) years (inclusive of a 30-month development period for the improvements) with one (1) five-year renewal option, subject to certain conditions. Because this Restated Lease involves the lease of County-owned land, compliance with Implementing Order (I.O.) No.: 8-4, which governs the sale, lease, and conveyance of County-owned property is required. As such, the necessary due diligence was completed and documented by the Aviation Department in Attachment A as attached to this memorandum.

AAR will fund all hard and soft costs including stormwater mitigation costs related to the scope of work, including (i) construction of a 55,734 square foot aircraft hangar with an adjunct three-story back shop and ground service equipment area, (ii) relocation of a Wash Rack facility in Building 857 to a hangar bay in Building 850, and (iii) demolition of Building 857 including its conversion to an aircraft ramp.

AAR will be reimbursed by the County up to a maximum reimbursement amount of \$50,000,000.00 for these improvements.

Per the terms and conditions of the Restated Lease, construction of the improvements must be completed no later than 30 months from the commencement date of the Restated Lease. It is anticipated that approximately 200 temporary jobs will be created during the design and construction periods, as well as 250 permanent jobs with an average wage of \$65,000.00 to manage the expanded operation and maintain the facilities.

Implementation of this Restated Lease is contingent upon the occurrence of the following conditions: (i) MDAD's receipt of the 707 Certificates from both the Traffic Engineers and the Consulting Engineers determining that the improvements to be constructed meet the requirements of the Trust Agreement, (ii) review and approval from the Federal Aviation Administration (FAA), and (iii) approval from the Majority-in-Interest of Airlines at MIA. However, in the event that the Majority-in-Interest of Airlines do not consent to the reimbursement of up to \$50,000,000.00 by the County to AAR, either party shall have the right to terminate this agreement with no further obligations to the other party or resume negotiations for a lease with different terms and conditions.

Recommendation

It is recommended that the Board adopt the attached resolution approving the Restated Lease between Miami Dade County and AAR entitled: "Restated Lease Agreement Between Miami-Dade County, Lessor, and AAR Aircraft Services, Inc. as Lessee, at Miami International Airport" with an initial term of twenty-two years plus one (1) five-year renewal option.

Scope

MIA is located within District 6, which is represented by Commissioner Kevin M. Cabrera, however, the impact of the Restated Lease is countywide as MIA is a regional asset.

Delegation of Authority

The County Mayor or County Mayor's designee has the authority to execute the Restated Lease. Furthermore, under the terms of the Restated Lease, the County Mayor or County Mayor's designee has the option to: (i) terminate the Restated Lease for any breach, (ii) approve any assignment or subletting of the premises, or (iii) reduce acreage or the leasehold term for AAR's failure to timely or completely construct the required improvements.

Fiscal Impact/Funding Source

The Restated Lease has a two-fold impact to the County. With respect to the construction of the proposed improvements, there is a fiscal impact of up to \$50,000,000.00 to the County as the improvements will be funded by AAR but reimbursed by the County through MDAD's TAC-R process. The funding sources include Future Aviation Revenue Bonds (\$32,000,000.00) and previously set aside funding for MDAD's Capital Projects (\$18,000,000.00).

There is also a positive fiscal impact to the County as it is estimated by the Aviation Department that the County will receive an estimated \$173,000,000.00 in land and building rent over the 22-year term of the Restated Lease as noted below. The total minimum received will be increased over the lifetime of the Restated Lease due to various increases in appraised values of the land and the buildings causing an increase over today's stated rent.

A. Land Rent

Upon the effective date of the Restated Lease, AAR will continue to pay annual land rent for the Existing Premises and the Adjacent Premises, payable monthly by square foot, which is currently \$2.50 FY 2022-2023. As such, AAR will pay the County \$1,055,240.00 in annual land rent for 422,096 square feet of land for the Existing Premises this fiscal year, and \$194,172.50 in annual land rent for 77,669 square feet for the Adjacent Premises. It is estimated that AAR will pay the County a total of \$40,500,000.00 in land rent over the 22-year term.

The rental rates for land will be evaluated and, if appropriate, increased on an annual basis by an independent appraiser under contract with MDAD and as approved by the Board of County Commissioners (Board) as part of MDAD's Annual Rates and Charges as published.

B. Regular Facility Rent (Building Rent)

On the Adjacent Premises, AAR will begin paying regular facility (building) rent, payable by square foot, based on amounts approved by the Board no later than 30 months from the commencement date of the Restated Lease, unless an extension is granted by MDAD in MDAD's reasonable discretion due to delays associated with permits and approvals. The rental rate amount (subject to Board approval) will be established by appraisal based on triple net lease terms, which requires AAR to maintain the building including the roof and structure.

Regular facility rent will be due for approximately 55,734 square feet of aircraft hangar space; 3,478 square feet of parts storage; 10,117 square feet for a GSE area; and 45,254 square feet for shops on the first, second and third floors of the adjunct three-story back shop.

On the Existing Premises, AAR will begin paying regular facility rent in accordance with the original terms of conditions of Lease Agreement No. C-634 in order for AAR to amortize its investment, as such, AAR shall commence paying regular facility rent to the County on December 15, 2029, which is the 26th year of Lease Agreement No. C-634. The rental rate amount (subject to Board approval) will be established by appraisal based on triple net lease terms, which requires AAR to maintain the building including the roof and structure.

The rental rates for regular facility rent will be evaluated and, if appropriate, increased on an annual basis by an independent appraiser under contract with MDAD and as approved by the Board.

Track Record/Monitor

MDAD's Division Director for Real Estate Management, Michéle Raymond, will monitor the implementation of the Restated Lease.

Background

In 1998, the Board adopted Resolution No. 392-98 authorizing Professional Modification Services, Inc. to enter into Lease Agreement No. C-634 (DLA C-634) to construct a new aircraft hangar for their use and occupancy at MIA, that is now known as Building 850. Since that time, the Board has approved five amendments to DLA C-634, including an amendment to reflect a change in the Lessee's name to Avborne Heavy Maintenance, Inc., an amendment to extend the term, an amendment to expand the Lessee's permitted use of the premises, an amendment to reflect a change in the Lessee's name to AAR, and an amendment to revise specific articles in DLA C-634 including Article 4.2 (Opportunity Fee), Article 4.12 (Gross Revenues), and Article 21.24 (Mutual Acknowledgment of No Claims as of date of the Fifth Amendment).

AAR is a well-established tenant at Building 850, which is a 200,000 square feet hangar located on the north corridor of MIA. Building 850 was constructed on a 422,096 square feet parcel under DLA C-634, which was executed in 1998 and expires in 2034. As mentioned previously, under three (3) additional lease agreements at MIA, AAR occupies other leaseholds adjacent to Building 850 dedicated to aircraft pavement, vehicular parking and a Wash Rack Facility, they are as follows: (i) a lease for 87,100 square feet for aircraft pavement under Lease Agreement No. C-12236, (ii) a lease for 74,895 square feet under Lease Agreement No. C-011926 which includes aircraft and vehicle pavement, and storage space in addition to Building 857 where AAR operates a Wash Rack facility, and (iii) a lease for 5,145 square feet of vehicular pavement under Lease Agreement No. C-009876.

AAR desires to expand its current premises by constructing a new aircraft hangar with three (3) service bays that can accommodate narrowbody aircraft. The size of the proposed hangar expansion is about 100,000 square feet, which will be constructed eastbound from the existing envelope of Building 850. The new hangar will allow AAR to meet the increase in demand for aircraft maintenance at MIA and expand its MRO offerings with airlines that provide services at the airport. Additionally, as part of the expansion, AAR will relocate the Wash Rack from Building 857 to Building 850 and demolish Building 857 to augment its aircraft staging capacity (apron space) in support of operational growth.

Per the terms and conditions of the Restated Lease, AAR must achieve "Beneficial Occupancy" of the newly constructed facilities no later than 30 months from the commencement date of the Restated Lease, provided that delays are not caused by Force Majeure events. Beneficial Occupancy shall be deemed to have been achieved by AAR on the date which is the earlier of: (i) the date upon which substantial completion of the improvements has occurred or a Temporary Certificate of Occupancy (TCO) or Certificate of Completion (CO) is issued that enables AAR to occupy or utilize the improvement in any manner for its intended use, or (ii) the date upon which AAR commences the use of any improvement for its intended use with or without the TCO or CO, or (iii) the date on which substantial completion of the improvement and on which the appropriate code enforcement agency would have issued a TCO or CO but for the occurrence of AAR caused delays, all as determined in the sole reasonable discretion of the County.

AAR has the option to extend the initial 22-year term by five (5) years by providing notice to MDAD in writing no later than by the end of the day on the twentieth (20th) year of the lease term so long as (i) AAR completes construction of the improvements no later than 30 months from the commencement date of the Restated Lease, unless otherwise delayed due to administrative process associated with permits and approvals, (ii) AAR is not in default under the terms of the Restated Lease, (iii) AAR is not in arrears in financial obligations to the County in accordance with the Administrative Order Relating to the Prohibition of Contracting with Individuals or Entities that are in Arrears to the County, and (iv) the County agrees to the extension.

Because MIA is a noise sensitive airport due to its location, AAR agrees to abide by certain policies, procedures and/or regulations adopted by the County to minimize the adverse impacts to surrounding communities with respect to aircraft noise including but not limited to nighttime engine run-ups and aircraft arrival and departure patterns.

With the implementation of this Restated Lease, AAR will make a new annual contribution in the amount of \$10,000.00 to the Florida Memorial University scholarship fund as support for students in their aviation

programs. In addition to this new annual contribution, AAR is known for its existing contributions to surrounding local communities, including the following:

- George T. Baker Aviation School AAR participates in job fairs at the school, the firm invites students to their site at MIA for visits and provides employment opportunities to students as Support Technicians and contributes \$1,000.00 to six (6) graduates in each class.
- Operation SAFEE Flight Air Expo AAR participates in this event which brings in students from all over the county to explore different careers in aviation. The ages range from 3rd grade through 12th grade. AAR contributes \$10,000.00 for top sponsorship.
- Greater Miami Aviation Association (GMAA) AAR is involved with the scholarship committee that selects students from local aviation schools to provide them scholarships for their aviation education. AAR sponsors fund raisers throughout the year to support this mission.
- Atlantic Technical College AAR welcomes students every year to their site at MIA for a visit and has hired two (2) students. AAR is looking to make another employment offer soon.
- Miami Springs Senior High School This high school has a new aviation program, and AAR is looking for ways to become involved with the students.
- Beacon Council AAR is a member, pays annual dues and contributes top sponsorships at events.

The attached Restated Lease reflects the negotiated terms and conditions between AAR and the County, and includes among other things, all small business enterprise provisions applicable to architects and engineers in Section 2-10.4.01 of the Code of Miami-Dade County (Code); small business enterprise provisions applicable to construction activities under Section 10-33.02 of the Code; Art in Public Places under Section 2-11.15 of the Code; the "Little Davis-Bacon Ordinance" under Section 2-11.16 of the Code, Responsible Wages Ordinance under Section 2-11.16 of the Code; Residents First Training and Employment Program under Section 2-11.7; Employ Miami-Dade under Administrative Order (AO) 3-6; Responsible Wages and Benefits for County Construction Contracts - Implementing Order No. 3-24; Guidelines and Procedures for the Sale, Lease, and Conveyance of County Real Property - Implementing Order 8-4, and any other program of the County applicable to AAR's activities, including the Department's Tenant Airport Construction Program in effect, as such procedures, programs, ordinances, or code provisions may be amended from time to time.

The development proposed by the Restated Lease benefits AAR as well as the County. The scope of work under the Restated Lease gives AAR the ability to provide MIA's airline tenants with MRO aircraft services that are in high demand. Additionally, throughout the 22-year lease period, AAR will pay applicable fair market rental rates on buildings and land estimated to generate at minimum \$173,000,000.00 in revenues to the County. As such, it is in the best interest of the County to proceed with the Restated Lease, subject to final FAA approval.

Jimmy Morales Chief Dperations Officer



Identification of the Property Requested:

East of MIA Building 850. Address: 5300 NW 36 Street, Miami, Florida, 33166 Folio: 30-3130-0000010





Use of Premises (Description):

The Lessee shall use the Premises leased only for the purposes specifically authorized below, in accordance with the designed and developed buildings and the uses set forth by the CO issued for each improvement and as allowed by Chapter 25 as may be established and amended from time to time.

The Lessee shall use the Premises for the following purposes only:

Major and minor maintenance and overhaul of Aircraft and aviation related equipment, including but not limited to modifying, refurbishing or otherwise rebuilding or overhauling airframes, engines and equipment, and executive administrative and operational offices to support the maintenance activities. The purchase and/or sale, disposition or exchange of aircraft, engines, accessories, equipment, and any other supplies including fuel and lubricants; provided however, that there shall be no commercial selling of fuel and lubricants except as it is incidental to and a part of its maintenance activities.

Past Experience of Requestor (Background):

AAR Aircraft Maintenance (AAR) has been a long-term Business Partner at Miami International Airport (MIA) under Lease Agreement No. C-634 since 2009. The company operates similar Maintenance, Repair and Overhaul (MRO) facilities throughout the US. Currently, AAR is leasing MIA Bldg. 850, which is a 200,000 square feet hangar located on the north corridor of MIA. This building was constructed on a 422,096 square feet parcel under Development Lease Agreement (DLA) No. C-634, executed in 1998 and expiring in 2034. Under three additional Lease Agreements, AAR occupies other leaseholds dedicated to vehicular parking, aircraft pavement, and an Aircraft Paint Stripping Wash Rack facility known as Bldg. 857.

Improvements to Premises:

AAR is seeking approval to expand Bldg. 850's operational capacity by adding a Group III hangar building with a 3-story back shop facility, with a GSE area. This project will also entail the construction of a landside Parking Garage, located west of Bldg. 850, with capacity for 1,200 vehicles to mitigate existing employee parking demands in the area. Moreover, AAR will demolish Bldg. 857 to augment aircraft staging capacity (apron space) in support of this operational growth. Consequently, a new Wash Rack will be integrated within the expansion plan. This expansion will allow AAR to meet its industry growth and expand its MRO offerings under long-term service contracts with United Airlines, and Southwest amongst other airlines that offer regular service at MIA.

Development Milestones:

Promptly following Lessor's approval of Lessee's final plans, specifications, and contract documents, Lessee shall commence the work necessary for the required construction. The Approved Improvements Documents shall reflect Lessee's compliance with the programs identified in Articles 4A-11 below, to the extent applicable. The Lessee shall cause the work to be completed within the following timelines:

(a) Submit 100% development plans (Plans) as further described in Article 4A.02 to MDAD for review and approval, no later than 4 months from the Execution Date. MDAD shall either approve or disapprove such Plans within thirty (30) days of receipt thereof. Any such disapproval shall be with a detailed explanation for such disapproval. Any failure to respond within such thirty (30) day time period shall be deemed approval of such Plans. Notwithstanding, Lessee acknowledges that other agencies/departments of the County provide guidance on Plans and Lessor cannot be responsible for their responses.

Attachment A – I.O. 8-4

(b) Submit MDAD approved development plans to other governmental agencies (FAA, Zoning etc.) for approval, no later than 5 months from the Execution Date.

(c) Submit final approved plans for Permitting, no later than 10 months from the Execution Date.

(d) Complete construction within twenty-four (24) months from the Commencement Date.

(e) Contract Document 180 days status reports for the construction of their improvements

(f) Other milestones as listed in this Article 4 or Article 7 (Development and Improvements to Premises).

The Lessee shall provide quarterly notarized status reports to the Lessor, with a copy to the Commission District 11 office in which the property lies, regarding compliance with each milestone set forth in a-f above as provided for in Implementing Orders (IO) 8-4 as may be amended from time to time.

Utilities:

Unless the Premises are separately metered and billed directly to the Lessee by the utility company or included in the rental rates and stated in Article 3.01, the Lessee hereby agrees to pay monthly, upon billing by MDAD, for utilities consumption in the Premises. This monthly charge will be based on a survey conducted by or on behalf of MDAD of the consumption by the Lessee and current nondiscriminatory rates charged others at the Airport. This monthly charge may also be adjusted and billed retroactively, from time to time, based on changes in consumption and rates. Lessee shall pay for all other utilities used by it. In the event the Premises are metered and billed to MDAD, the Lessee shall pay for utility consumption based on the metered charge. The County shall have no obligation to provide utilities to the Premises other than those existing as of the effective date of this Agreement; provided if any utility is cut off or discontinued due to the willful misconduct of the County or MDAD, and such act(s) prevents Lessee from being able to use any portion of the Premises for more than twenty-four (24) hours, then the Monthly Rent payable hereunder shall be abated based on the area of the Premises Lessee does not use for the operation of their business on account of such utility interruption, on a per diem basis, until Lessee is able to resume business operations or such utility interference stops, whichever is earlier.

Attachment A – I.O. 8-4

Third Party Mortgages:

Third-party mortgages, if applicable, shall be subordinate to the interest of the County, and all proceeds received from such mortgage loan shall be reinvested into the Premises.

Proposed Rental Rates:

Currently, AAR is paying **\$1,683,396.84** per annum on their different Lease Agreements. This charge includes land under Building 850, land for aircraft parking lots, land and facility rent for Building 857 (the existing wash rack), and 25 automobile parking spaces.

On the Adjacent Premises, Lessee shall begin to pay Land Rent on the Commencement Date, which will correspond to **\$180,930.00** annually, on about 72,372 sq. ft. of land.

Regular facility rent on the adjacent premises (about 110,000 sq. ft.) will begin upon the Date of Beneficial Occupancy ("DBO") of this new facility. On the current premises, (about 228,000 sq. ft.) facility rent will commence on December 15, 2029.

Rates are yet to be established by appraisal and approved by the BCC annually.

Lindsay Shilney

Lindsay Shilney Print Name

VP, Sourcing & Logistics

Title

June 6, 2023 Date



MIAMI-DADE COUNTY SINGLE EXECUTION AFFIDAVIT AND DECLARATION FORM Rev. August, 2019

Miami-Dade County requires each party desiring to enter into a contract with the County to (1) sign an affidavit as to certain matters and (2) make a declaration as to certain other matters. This form contains both an Affidavit form for matters requiring the entity to sign under oath and a Declaration form for matters requiring only an affirmation or declaration for other matters.

The Affidavit form and the matters covered by the Affidavit are in the first portion of this document. The Declaration form and the matters covered by the Declaration are in the last portion of this document.

(A).	THE FOLLOWIN	NG MATTERS REQUIRE THE ENTITY TO	SIGN AN AFFIDAVI	T UNDER OATH:		
STATE	OF	Illinois				
COUNT	YOF	DuPage				
STATE	OR PROVINCE	Illinois				
COUNTI	RY	USA				
Before n	ne the undersigr	ned authority appeared Christopher Andrew	Jessup	(Print Name),		
who is p	orsonally known	to mo or who has provided		as		
Identifica	ation and who di	d swear to the following:				
	That he or she is	s the duly authorized representative of				
6	AAR Aircraft Services, Inc.					
(Name of Entity) 2825 W. Perimeter Road, Indianapolis Maintenance Center, Indianapolis, IN 46241 (Address of Entity)						
		(Address of Entity)				

Federal Employment Identification Number

(hereinafter referred to as the contracting "entity"), and that he or she is the entity's

(Sole Proprietor)(Partner)(Member)(President or Other Authorized Officer)

That he or she has full authority to make this affidavit, and that the information given herein and

the documents attached hereto are true and correct; and

That he or she says as follows.

I. OWNERSHIP DISCLOSURE AFFIDAVIT

Section 2-8.1(d) of the Code of Miami-Dade County requires the contracting entity to disclose under oath the following information.

Check this box if the entity is a publicly-traded corporation which makes the entity exempt from the requirement of disclosing information in questions 1-9.

Check this box and answer the following questions if the entity is not a publicly-traded corporation:

1. The full legal name and business address* of the person or entity (Contractor) contracting or transacting business with Miami-Dade County is:

AAR AIRCRAFT SERVICES, INC. 2825 W. Perimeter Rd. Indianapolis, IN 46241

2. If the contract or business transaction is with a Corporation**, provide the full legal name and business address* and title for each officer. Attached

3. If the contract or business transaction is with a Corporation**, provide the full legal name and business address* for each director.

Attached

4. If the contract or business transaction is with a Corporation**, provide the full legal name and business address* for each stockholder who holds directly or indirectly five percent (5%) or more of the corporation's stock and state the percentage. AAR CORP. 1100 N Wood Dale Rd. Wood Dale, IL 60191 100%

5. If the contract or business transaction is with a Trust, provide the full legal name and address∗ for each trustee and each beneficiary. All such names and addresses are: The contract is not a trust

6. If a Corporate Joint Venture, list the names and titles of the Officers of the Corporate Members of the Joint Venture:

(a) President:	This is not a corporate	(b) President:
Vice-President:	joint venture	Vice-President:
Secretary:		Secretary:
Treasurer:		Treasurer:

7. If a Non-Corporate Partnership or Joint Venture, list the names of the Principals of the Non-Corporate Partnership or Joint Venture:

(C)	This is not a non-corporate partnership	(d)	(d)or joint venture	
	(Name)	_ ()	(Name)	
(C)		(d)		
	(Title)		(Title)	

8. If the contract or business transaction is with an LLC, please complete the LLC Affidavit form and proceed to the next question.

9. The full legal name and business addresses of any other individuals (other than subcontractors, material men, suppliers, laborers, or lenders) who have, or will have, any interest (legal, equitable, beneficial or otherwise) in the contract or business transaction with Miami-Dade County are:

There are no other individuals that have any interest in the contract

10. State whether the person or entity (Contractor) contracting or transacting business with Miami-Dade County has a collective bargaining agreement with its employees (Yes No)

11. State whether the person or entity (Contractor) contracting or transacting business with Miami-Dade County provides health care benefits to its employees performing work under this Contract. (No):

12. Attach a list reflecting the current breakdown of the Contractor's work force and ownership as to race, national origin, and gender.

(ADD EXTRA SHEETS IF NEEDED)

Post Office Box addresses not acceptable.
If a Joint Venture, list this information for each member of the Joint Venture

II. EMPLOYMENT DRUG-FREEWORKPLACE CERTIFICATION (Section 2-8.1.2 of the Miami-Dade County Code)

All persons and entities that contract with Miami-Dade County are required to certify that they will maintain a drug-free workplace and such persons and entities are required to provide notice to employees and to impose sanctions for drug violations occurring in the workplace.

In compliance with Ordinance No. 92-15 of the Code of Miami-Dade County, the above named firm is providing a drug-free workplace. A written statement to each employee shall inform the employee about:

- 1. Danger of drug abuse in the workplace.
- 2. The firms' policy of maintaining a drug-free environment at all workplaces.
- 3. Availability of drug counseling, rehabilitation and employee assistance programs.
- 4. Penalties that may be imposed upon employees for drug abuse violations.

The firm shall also require an employee to sign a statement, as a condition of employment that the employee will abide by the terms of the drug-free workplace policy and notify to employer of any criminal drug conviction occurring no later than five (5) days after receiving notice of such

conviction and impose appropriate personnel action against the employee up to and including termination. Firms may also comply with the County's Drug Free Workplace Certification where a person or entity is required to have a drug-free workplace policy by another local, state or federal agency, or maintains such of its own accord and such policy meets the intent of this ordinance.

Check this box if, pursuant to Section 2-8.1.2(e) of the Code of Miami-Dade County, the entity has read the aforementioned requirements and the entity is in compliance.

III. ARREARAGE AFFIDAVIT (Section 2-8.1 of the Code)

The entity verifies that the entity submitting this affidavit is current in its obligations to the County and is not otherwise in default of any County contract. In addition, the entity verifies that the entity submitting this affidavit is not in arrears under any individual contract with the County in excess of \$25,000 and which arrearage has been delinquent for greater than 180 days, or if such arrearage exists, the County has agreed in writing to a repayment schedule.

IV. CODE OF BUSINESS ETHICS AFFIDAVIT

The contracting entity has adopted a Business Code of Ethics that complies with the requirements of Section 1 of Ordinance No. 01-96, codified as Section 2-8.1(i) of the Code of Miami-Dade County.

The above named entity hereby affirms its understanding that its failure comply with its Code of Business Ethics shall render any contract between it and the County voidable, and subject it to debarment from future County work pursuant to Section 10-38(h)(2) of the Code of Miami-Dade County. The Inspector General shall be authorized to investigate any alleged violation by a contractor of its Code of Business Ethics. Nothing contained herein shall be construed to limit the powers and duties of the Inspector General as stated in other sections of the Code of Miami-Dade County.

This single execution shall have the same force and effect as if each of the above four affidavits had been individually executed.

AAR	Aircraft Se	ervices, Inc.				
Full na	me of ent	ity				
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			MDC	GIU		

(B). THE FOLLOWING MATTERS REQUIRE THE ENTITY TO MAKE A DECLARATION OR STATEMENT AS TO THE MATTER COVERED BY THIS DECLARATION FORM:

1. FAMILY LEAVE PLAN DECLARATION (County Code Chap. 11A, Art V)

The entity hereby acknowledges the provisions of Section 11A-29 of the Miami-Dade County Code that requires each entity having more than fifty (50) employees working in Miami-Dade County to comply with the Family Leave ordinance set forth in Section 11A-29, and that Section 11A-29 provides that an employee who has worked for the above firm at least one year shall be entitled to 90 days family leave during any 24 month period for medical reasons, for the birth or adoption of a child, or for the care of a child, spouse or other close relative who has a serious health condition without risk of termination of employment or employer retaliation, among other things provided in such section. In addition, the entity declares that, if less than 50 are employed in Miami-Dade County by the entity at the time of execution of this Declaration, the entity will comply with the provisions of Section 11A-29 when it employs 50 or more employees in Miami-Dade County.

2. DISABILITY AND NONDISCRIMINATION DECLARATION

The entity is in compliance with, and agrees to continue to comply with, and assures that any subcontractor, or third party contractor under an agreement to which this Declaration applies, complies with, all applicable requirements of the laws listed below including, but not limited to, those provisions pertaining to employment, providing programs and services, transportation, communications, access to facilities, renovations, and new construction:

The Americans with Disabilities Act of 1990 (ADA), Pub. L. 101-336, 104 Stat 327, 42 U.S.C. 12101-12213 and 47 U.S.C. Sections 225 and 611 including Title I, Employment; Title II, Public Services; Title III, Public Accommodations and Services Operated by Private Entities; Title IV, Telecommunications; and Title V, Miscellaneous Provisions. The Rehabilitation Act of 1973, 29 U.S.C. Section 794; The Federal Transit Act, as amended, 42 U.S.C. Section 1612; The Fair Housing Act, as amended, 42 U.S.C. Section 3601-3631

3. CRIMINAL RECORD AFFIDAVIT (Section 2-8.6 of the Code)

The entity affirms its awareness of Section 2-8.6 of the Code of Miami-Dade County that requires the entity to disclose whether, during the past ten years, the entity or any officer, director or executive thereof has been convicted of a felony, and that such disclosure must be made at the time of bid or proposal submission, Any such applicable disclosure is attached to this Affidavit and Declaration form.

4. DECLARATION AS TO PUBLIC ENTITY CRIMES (Florida Statutes, § 287.133(3)(a)

The entity is aware of the provisions of Section 287.133 of the Florida Statutes that prohibits the entity from transacting business with the County if the entity or any affiliate, as defined in the statute, has been placed on the convicted vendor list following a conviction for a public entity crime.

As to Section 287.133, the entity understands that:

A. A "public entity crime" as defined in Paragraph 287.133(1) (g), Florida <u>Statutes</u>, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation;

B. "Convicted" or "conviction" as defined in Paragraph 287.133 (1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication

of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contender;

C. An "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

1. A predecessor or successor of a person convicted of a public entity crime: or 2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

D. A "person" as defined in Paragraph 287.133(1) (e), **Florida Statutes**, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members and agents who are active in management of an entity.

5. DECLARATION OF OWNERSHIP INTEREST IN PROPERTY TO BE LEASED.

If this Affidavit and Declaration Form applies to property owned by the County to be leased to the entity, the entity declares its awareness of the obligation to identify the extent of the entity's ownership interest—if any—in the property to be leased to the entity. Any such ownership interest is reflected in a document attached to this Affidavit and Declaration Form.

6. AFFIRMATIVE ACTION PLAN/PROCUREMENT POLICY

The entity has a current Affirmative Action Plan and/or Procurement Policy as required by Section 2-8.1.5 of the Code; or

The contracting entity has a Board of Directors which is representative of the population make-up of the nation and hereby claims exemption in accordance with the requirements of Section 2-8.1.5 of the Code. Said contracting entity has a current Board of Directors Disclosure form as required by Section 2-8.1.5, processed and approved for filing with Miami-Dade County Office of Capital Improvements under File No. _______; or

The requirements of Section 2-8.1.5 are not applicable to the entity because the entity has annual gross revenues less than or equal to \$5 million; or

The contracting entity is a foreign air carrier as defined under federal law and has been granted an exemption under U.S. Department of Transportation Docket No. ______ to engage in air carrier service within the United States.

AAR Aircraft Services, Inc. Full name of Entity

Signature of Entity Representative CHRETS JESTIP

Print Name of Entity Representative



AAR AIRCRAFT SERVICES, INC.

(FEI/EIN # 90-0168563)

OFFICER/DIRECTOR DETAIL

GROSS, NICHOLAS (**President**) 2825 WEST PERIMETER ROAD Indianapolis, IN 46241

GARASCIA, JESSICA (Director and Vice President) 1100 N. WOOD DALE ROAD WOOD DALE, IL 60191

LOOMER, BRIAN (Vice President) 5300 NW 36th STREET, BLDG 850 MIAMI, FL 33122

KLEIMAN, DANY (Vice President) 1100 N. WOOD DALE ROAD WOOD DALE, IL 60191

VILIM, DONALD J (**Asst. Secretary**) 1100 N. WOOD DALE ROAD WOOD DALE, IL 60191

GRIFFIN, JENNIFER P. (Asst. Secretary) 1100 N. WOOD DALE ROAD WOOD DALE, IL 60191

FLEISHMANN, JEFFREY (**Asst. Secretary**) 1100 N. WOOD DALE ROAD WOOD DALE, IL 60191

JESSUP, CHRIS (Vice President) 1100 N. WOOD DALE ROAD WOOD DALE, IL 60191

MAYER, STANLEY (Vice President) 6611 SOUTH MERIDIAN OKLAHOMA CITY, OK 73159



HOLMES, JOHN M. (**Director**) 1100 N. WOOD DALE ROAD WOOD DALE, IL 60191

WOLIN, DYLAN (**Treasurer**) 1100 N. Wood Dale Road Wood Dale, IL 60191

GILLEN, SEAN M. (Director and Vice President) 2825 WEST PERIMETER ROAD Indianapolis, IN 46241

JONAS, TROY (**Vice President**) 2825 WEST PERIMETER ROAD Indianapolis, IN 46241

SARTAIN, BRIAN (**Vice President**) 2825 WEST PERIMETER RD INDIANAPOLIS MAINTENANCE CENTER Indianapolis, IN 46241



-dich raticfies the requirements of

Business Travel Accident (ACE American Insurance Company)



Company's Name. Contractor's Workforce Ethnicity & Gender Breakdown

Hispanic		White		Bla	ck
Male	Female	Male	Female	Male	Female
521	48	40	5	55	7

APPLICATION & QUESTIONNAIRE

	Name of Applicant: AAR Aircraft Services Inc	
2	Principal Office Address: 1100 Wood Dale Rd, Wood Dale, IL 60137	
	Phone: 630.227.2000 Fax: N/A	
6.	Official Representative: Chris Jessup	
	Title: Chief Commercial Officer	
	Address/Folio Number: 1100 Wood Dale Rd, Wood Dale, IL 60137	
	Billing Address: 1100 Wood Dale Rd, Wood Dale, IL	
	5	
	a. Individual I Partnership I Corporation	
	If company is a corporation, is applicant a subsidiary? If yes, please provide name and address of Parent Corporation: AAR CORP	
	b. If applicant is a corporation, complete the following:	
	When Incorporated: ¹⁹⁵⁵	
	In what State:	
	If not a Florida Corporation, date of registration with Florida Secretary of State along with nam and address of Florida Registered Agent:	ne
	12/24/2009	
	United Agent Group Inc. 801 US Highway 1, North Palm Beach, FL 33408	
	c. If Partnership, complete the following:	
	Date or Organization:	
	General or Limited Partnership:	

Name and address of each Partner:

	<u>Name</u>	<u>General/Limited Partnership</u>	<u>Address</u>
		Partnership Agreement and if applicable, e Florida Fictitious Name Statute).	the certificate evidencing
5.	Bank References:		
<u>Bank</u>		<u>Address</u>	
Ba	nk of America	135 S. LaSalle, Chicago, IL 60603	

- 6. The Department reserves the right to request the financial statements of the corporation, partnership or individual making application for lease or contract. If the corporation or partnership is newly formed for the purpose of this lease or contract and not in business for a period of time greater than one year, the Department reserves the right to request the financial statements of stockholders of the corporation or the partnership or corporation. In addition, the Department also reserves the right to review financial statements, or any other material presented to a bonding company for the purpose of obtaining a Performance Bond.
- 7. The Applicant(s) understands that the information contained in this Application and Questionnaire Form is to be relied upon by the County in its consideration for entering into lease or contract and such information is warranted by the Application(s) to be true. The undersigned agrees to furnish upon request any additional information as may be required by the County.
- 8. The Applicant(s) understands that the County has the right to verify the information submitted and to seek any additional information relating to the Applicant(s). The discovery of any misrepresentation, which, in the sole opinion of the County, materially affects the qualifications of the Applicant to perform under the lease or contract, without liability shall result in the County's withdrawal of its offer to enter a lease or a contract.

9. The Applicant(s), if a corporation, must be authorized to do business in the State of Florida and must be incorporated under the laws of one of the States of the United States.

10.	Please select the airport you ar Miami International Airpo			Ona lacka Airport	
	Kendall-Tamiami Airport			Opa-locka Airport Homestead Airport	
11.	Purpose of which applicant inte Aircraft maintenance	nds to use spac	ce:		
12.	Specify the amount of space ne ~400,000 sq ft	eded (Offices, \	Wareho	ouses, Ramps, Etc.)	
13.	Number of years of experience	applicant has h	nad in d	operation of similar business:_	Over 40 years
14.	Give the names, locations and the last 5 years.	dates operatio	on of si	milar business conducted by	applicant in
<u>Nam</u>	e of Company Location	<u>on</u>		<u>Type of Business</u>	<u>Date</u>
	R has 6 similar hangars doing H	eavy Maintenai	nce: M	IA, OKC, IND, Rockford, IL, W	/indsor CA,
Tri	os Rivieres, CA				

15. Provide an estimate of the construction, operating, and maintenance costs, as well as the funding source: if applicable

\$50M funded by our revolver and reimbursed through the TCAR process

16. Provide an estimated period of the construction/ renovation process, including development timeframe: if applicable

~	24	months
---	----	--------

17. Describe the projected ideas for building, renovations, and development: if applicable

Add additional capacity by building another hangar

- 18. How will space contribute to the interest of the community? ______200 new jobs
- 19. Provide names of personnel, developers, contractors, and consultants: if applicable

Primary AAR Sponsor: Brian Loomer

Primary Project Manager: Jalal Slade

APPLICANT:

CHRTI JESSUP

Name:

VICE	PRESEDEN-	CHIEF	Commercian	OFFCUSZ
Title:	1 1			
1	104			
Signat	ure: V			

NOTE: An Officer or Owner(s) must sign all questions or requests for information. If development or construction is complete, please answer the following:

Lease No.: C<u>-12424</u> Cust. No.: <u>AVBO30</u>

RESTATED LEASE AGREEMENT BETWEEN **MIAMI-DADE COUNTY**, **FLORIDA**, THROUGH **THE MIAMI-DADE AVIATION DEPARTMENT**, AS LESSOR, AND **AAR AIRCRAFT SERVICES, INC.**, AS LESSEE, AT MIAMI INTERNATIONAL AIRPORT

THIS RESTATED LEASE AGREEMENT ("Agreement") is made and entered into as of the day of ______, 20___ (the "Commencement Date"), by and between **MIAMI-DADE COUNTY, THROUGH THE MIAMI-DADE AVIATION DEPARTMENT** (MDAD), a political subdivision of the State of Florida ("County" or "Lessor" or "MDAD") and **AAR AIRCRAFT SERVICES, INC**. ("AAR"), an Illinois corporation authorized to do business in the State of Florida, ("Lessee").

WHEREAS, Lessee is currently a tenant in Building 850 (the "Building"), which is located in the north side area of Miami International Airport ("MIA"), under Lease Agreement No. C-634, and has 422,096 square feet of land. They are also leasing Building 857 (the "Wash Rack"), under Lease Agreement No. C-011926, located in the southwest area of Building 850, two airside lots that have 87,100 square feet of land, under Lease Agreement No. C-12236, and 25 parking spaces, under Lease Agreement No. C-009876 (collectively, the "Existing Premises"; the "Existing Premises" are depicted on Composite Exhibit A). Lease Agreement No. C-12236, Lease Agreement No. C-009876 are collectively hereinafter referred to as the "Existing Leases"); and,

WHEREAS, Lease Agreement No. C-634 has been amended five (5) times. The First amendment was created to update article 10.4 (Leasehold Mortgages), to include provisions G, H and I. The Second amendment changed the name from Professional Modification Services, Inc. to Avborne Heavy Maintenance, Inc. The Third amendment extended thirty (30) year term Lease Agreement by four (4) more years and changed the (Commencement Date) to reflect the date when this amendment was executed, which is December 15, 2004 (the "New Commencement Date"). Also, the Use of Premises was updated to include Aviation Related Services. The Fourth amendment changed the name from Avborne Heavy Maintenance, Inc. to AAR Aircraft Services, Inc., and the Fifth amendment updated Articles 4.2 (Opportunity Fee), 4.12 (Gross Revenues), Article 21.24 (Mutual acknowledgment of no claims as of date of Fifth Amendment); and,

WHEREAS, Lessee desires to grow its business and expand its footprint and operations beyond the Existing Premises, and has agreed to lease additional land from the County ("Adjacent Premises"; the Adjacent Premises are depicted on Exhibit B) and construct on the Adjacent Premises a Group III hangar with a 3 story back shop area and GSE area (approximately 114,000 sf) (collectively, the "Hangar Improvements"); and

WHEREAS, Lessee's expansion of its operations is in line with the Lessor's plans

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to foster MRO operations in its airport system; and

WHEREAS, the parties agree that the foregoing objectives can be accomplished through a reimbursement agreement (the "Reimbursement Agreement") with a maximum reimbursement of \$50,000,000.00 by the Lessor to the Lessee for Lessee's construction of new improvements on the Adjacent Premises; and

WHEREAS, Lessee has requested to enter into a new lease agreement with the County, to include both the Existing Premises, with certain modifications to be made at the various times specified herein, and the Adjacent Premises. The Existing Premises and the Adjacent Premises shall together be known as the "Restated Premises." Upon the Commencement Date of the instant Agreement, all prior lease agreements (including, without limitation, the Existing Leases) between the parties respecting the Existing Premises will be terminated and replaced by the instant Agreement, which will cover the Restated Premises; and

WHEREAS, Lessee shall pay land rent on the Restated Premises upon full execution of this Agreement, using rental rates established annually by the Board of County Commissioners (BCC) in accordance with this Agreement; and,

WHEREAS, Lessee shall pay facility rent on the new improvements on the Adjacent Premises upon the Date of Beneficial Occupancy ("DBO") of the newly constructed improvements. Lessee shall pay facility rent on the Existing Premises, as per what was agreed on the previous development lease, which payment is projected to start on December 15, 2029 (the "26th year of Lease Agreement No. C-634"). Note that Commencement Date was amended to December 15, 2004, on amendment No. 3; and,

WHEREAS, Lessee shall relocate the current wash rack in Building 857 to one of the existing Building 850 hangar bays, demolish Building 857, remediate the area as necessary, and convert it to aircraft ramp contiguous to the existing aircraft pavement, on the former wash rack (Building 857) site; and,

WHEREAS, the total land area shall be reduced by an amount equal to the square footage of the portion of the new Parking Garage Building on the Restated Premises, which will be located to the west of Bldg. 850 and will have a capacity of 1,200 spaces, in which Lessee commits to lease a minimum of 600 spaces; and,

WHEREAS, Lessee will reduce the premises in the northeast corner, in front of its existing hangar, to support resolution of parking impacts of the hangar expansion for adjacent MDAD tenants from Bldgs. 861, 862, 863; and,

WHEREAS, to resolve employee parking issues during construction, AAR agrees to recondition and lease the remote automobile surface parking lot located between Sheridan Drive and Ragan Drive intersection, and La Baron Drive and Oakwood Drive intersection, from the construction project commencement date until the Parking Garage is finished, or CO received. The rental payment rate will be based on the per vehicle

parking space rate for areas dedicated to AAR's use based on the rates set by the Board of County Commissioners (FY 2022-2023). AAR will not be responsible for monthly parking leases of other tenants; and,

WHEREAS, with respect to the Existing Premises, Lessee is accepting Premises "As-is" condition and will be responsible for remediation costs associated with remediation efforts back to baseline conditions as established at execution of the original development Lease Agreement dated June 29, 1,998, and the lease for the Wash Rack dated August 31, 2016; and,

WHEREAS, with respect to the Adjacent Premises, Lessor will be responsible for remediation costs; and,

WHEREAS, Lessor and Lessee acknowledge the "Commencement Date" of this Agreement is the date written by the Clerk after approval by the County through its Board of County Commissioners (BCC), and execution by the Mayor or the Mayor's designee; and,

WHEREAS, MDAD and AAR agree that the hangar expansion, remote parking lot reconditioning, and Wash Rack demolition and conversion to ramp, including all hard and soft costs, plus ancillary and supporting improvements, including stormwater mitigation will be funded by the Lessee but reimbursed by the County (up to a maximum reimbursement amount of \$50,000,000.00) and subject to MDAD's Tenant Airport Construction Reimbursable Process (TAC-R), and other County regulations, including but not limited to SBD, RER requirements, and MDAD Design Guideline manual (DGM) for all site geometry/utilities, and the MIA Stormwater Master Plan for drainage; and,

WHEREAS, the County may exercise its proprietary right to buy-out Lessee's ownership interest the Existing Premises, at any time as provided herein and that the County may also exercise its regulatory eminent domain rights to condemn any and all interests of Lessee in this lease and the hangar facility at any time; and,

NOW THEREFORE, for and in consideration of the premises and of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE 1

Term, Premises, and County Buy-Out Rights

1.01 <u>Term</u>:

(A) Lessor hereby leases to the Lessee, and the Lessee hereby leases from Lessor, the Restated Premises as more fully described in Article 1.02 hereof, for the purposes and uses set forth in Article 2 ("Use of Premises") hereof, for a term of **twenty-two (22) years**, *inclusive of the development period*. Therefore, the twenty-two (22) year term shall begin at the Commencement Date of this agreement, and terminate

twenty-two (22) years thereafter, at 11:59 PM on the last day of the twenty-second year, unless sooner terminated as provided for in section 1.05 or Article 13 herein.

(B) Mutual Option to Extend:

The Lessee, with MDAD's consent, which consent shall not be unreasonably withheld, shall have the option to extend this Agreement for one five-year term, upon the terms and conditions contained herein, provided, however, MDAD shall not withhold its consent if the Lessee has completed construction of the Hangar Improvements by no later than thirty (30) months from the Commencement Date (unless otherwise delayed due to administrative process associated with permits and approvals), the Lessee is not in default under the terms of the Agreement and Lessee is not in arrears in financial obligations to the County in accordance with the Administrative Order Relating to the Prohibition of Contracting with Individuals or Entities that are in Arrears to the County and the Lessor agrees to the extension.

If Lessee desires to extend the Term for one five-year term, Lessee shall notify the County in writing, no later than the end of the day on the last day of **the twentieth (20th)** year of the Term. In the event the Lessee does not timely provide such notice, this Agreement shall terminate on the last day of the twenty-second year pursuant to the provisions stated in article 1.01 ("Term").

The following timeframes shall apply if Lessee timely provides notice of its desire to extend: Within ninety (90) days of County's receipt of Lessee's notice to extend, the County shall conduct or cause to be conducted an inspection of the Improvements. Within two hundred ten (210) days of County's receipt of Lessee's notice to extend, the County shall provide a report specifying the results of the inspection and highlighting any required maintenance and repairs that are necessary to bring the Premises into compliance with the requirements of Article 4 of this Agreement (Maintenance and Repairs by Lessee).

If the report shows there is a need to carry out maintenance and repairs, Lessee shall be required to complete such maintenance and repair within ninety (90) days of receiving notice by the Department unless such maintenance and repair requires more than ninety (90) days to complete, in which case, so long as Lessee continues to use its good faith and diligent efforts, Lessee may be afforded such additional time as may be necessary to complete such maintenance and repair, in 90 day increments, not to exceed twelve (12) months in total at the discretion of the Lessor. Within six (6) months of the request to extend, (or later, if Lessor has afforded Lessee additional time to complete maintenance and repair pursuant to the preceding sentence), Lessor shall notify Lessee

in writing whether Lessor consents to the extension which consent may be expressly conditioned on the completion of any such repairs.

1.02 Premises:

The Premises, also referred to as the Restated Premises, consist of the following:

- i. The Existing Premises, which will be reduced to allow for construction of the Parking Garage and the demolition of the wash rack with conversion of the site to aircraft parking for common use; and
- ii. The Adjacent Premises.

The Existing and Adjacent Premises are specified below:

A. The Existing Premises – The Existing Premises comprise distinct areas consisting of the existing improvements developed under Lease Agreement No. C-634 at building 850, as shown in Table 1 below and herein after referred to as Premises A as well as .; and

Premises A (Lease C-634)			
Exhibit	Parcel ID	Description	Area (SF)
А	138501301 / 201	Non AC Hangar	160,743
А	88501325/244/311/102	A/C Office 1st Floor	34,808
А	108501323 / 104	Non Ac Storage	4,021
В	88502219	Ac Office (2nd Floor)	29,906
Р	22-12K04	Airside Veh pavmnt	26,577
Р	25-12K03	Landside Veh Pvmnt	159,625
		Landscape	
1		Land	422,096
		, · · · · · · · · · · · · · · · · · · ·	42

Table 1

MIA Building 857 (the Wash Rack) under Lease Agreement No. C-011926, as shown in Table 2 (Premises B); two aircraft lots under Lease Agreement No. C-012236 (Premises C), as shown in Table 3; and 25 parking spaces under Lease Agreement No. C-009876, as shown in Table 4 (Premises D). The

agreements listed above will be terminated and superseded by this new development Lease Agreement.

		Table 2 Premises B ase C-011926)	
Exhibit	Parcel ID	Description	Area (SF)
A	13857100	Wash Rack at Bldg. 857	7,228
Α	28571122	A/C Office 1st Floor	599
Α	108571130	Storage	65
А	108571120	Storage	150
Р	27-12L11	Landscaped Land	4,274
Р	23-12L10	Aircraft Pavement	61,113
Р	23-12L12	Airside Vehicle Pavement	1,466
		Land	74,895

Table 3 Premises C (Lease C-012236)			
Exhibit	Parcel ID	Description	Area (SF)
P-1A	23-12H00	Airside Aircraft Pavement	39,599
P-1A	23-12H03	Airside Aircraft Pavement	47,501
		Land	87,100

Table 4 Premises D (Lease C-009876)			
Exhibit	Parcel ID	Description	Area (SF)
Р	25-12J09	Landside Vehicular Pvmnt	4,508
Р	25-12J10	Landside Vehicular Pvmnt	637
		25 Parking spaces	5,145

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B. The Adjacent Premises herein after referred to as Premises E comprising the parcels as shown in Table 5 below on which the improvements in Article 4A.01 are to be constructed, as shown on Exhibits A, A-1, and B, attached hereto and made a part hereof.

riemises E (Aujacent Fremises)			
Exhibit	Parcel ID	Description	Area (SF)
A	TBD	Non-A/C Hangar*	50,437
A	TBD	Parts Storage *	3,478
A-1	TBD	GSE Shop *	10,117
A-1	TBD	Shop *	8,340
В	TBD	Shop Second and Third Floor *	36,914
		Other*	
		Land *	77,669

Premises E (Adjacent Premises)

*Estimated numbers

Lessee acknowledges that there are third-party leaseholds adjacent to the Adjacent Premises and that the boundaries of the anticipated Restated Premises have not yet been finalized. The final Restated Premises boundaries shall be drawn so as to not interfere or overlap with any third- party leasehold at MIA. Once the final Lease boundaries are agreed upon by the parties, which shall occur prior to Lessee taking possession of the Adjacent Premises, the parties agree to adjust the above stated square footage of the Adjacent Premises.

1.03 <u>Suitability of Premises</u>:

The Lessee acknowledges that the Premises are suitable for the Lessee' proposed use and that the County has no obligation to perform or cause to be performed any maintenance, repairs, clean-ups, painting, or the like. The Lessee' obligation under this Agreement, such as in Article 6.01(E) ("Permits and Licenses"), to obtain all operating permits required of the Lessee, shall not require the County to take any action or perform any tasks within the Premises to enable the Lessee to obtain such permits, including, but not limited to, certificates of occupancy, which shall remain the Lessee' exclusive obligation to perform in order to obtain such permits.

1.04 Adjustment of Premises:

The Premises leased hereunder are subject to relocation, or modification, by addition or deletion, with the mutual consent of the Lessee and MDAD, and Articles 1.02 (Premises) and 3 (Rental and Payments) hereof and the exhibits to this Agreement shall then be administratively revised to reflect such re-location, modification, or deletion upon 30 days written notice to the Lessee by the Department. Relocated space may not be similar in size, configuration, or location to the Premises leased herein.

1.05 County Right to Terminate for Airport Development:

The County shall have the right, at any time during the term of this Agreement, to terminate the Agreement upon not less than three (3) years' advance written notice to the Lessee, if the Premises are needed by the County for Airport development projects as approved by the Board of County Commissioners ("Airport Development Purposes"). Such termination shall not entitle the Lessee to any relocation costs, and in no event shall the County be responsible to the Lessee for any costs, damages, expenses, moving costs, loss of revenues, business interruption damages, or the like, caused by or arising out of such termination, nor shall such termination be deemed an eminent domain taking for any purpose. Notwithstanding the foregoing, in the event the County terminates this Agreement pursuant to this Section 1.05, Lessee shall immediately be entitled to all unpaid funds already expended under the Reimbursement Agreement.

Notwithstanding anything to the contrary set forth in the Agreement, the parties hereby agree that prior to the commencement of any construction or development on any portion of the Restated Premises, Lessee shall have the right to request, and Lessor agrees to provide, written confirmation stating whether or not Lessor has any present intention of exercising any take back rights as to any portion of the Restated Premises for Airport Development Purposes. To the extent such writing confirms that the Lessor is considering exercising any such rights, then Lessee shall not be obligated to develop the portion of the Restated Premises which may potentially be affected by the Lessor's exercise of such rights. Lessor acknowledges that as of the Commencement Date of this Agreement Lessor has no present intention of exercising any take back rights as to any portion of the Restated Premises for Airport Development Purposes. To the extent possible, any termination of this Agreement for Airport Development Purposes shall only be for the area required by the County for Airport Development Purposes and shall not result in the termination of any other portion of the Agreement.

1.06 Approvals

(A) Review by FAA:

This Agreement is subject to the review and approval by the Federal Aviation Administration (the "FAA"). Prior to the commencement of construction of the Improvements, if the FAA indicates that any portion of this Agreement is not consistent with the requirements of federal law or grant assurances, or else raises an objection to any portion of this Agreement, the parties may, upon mutual consent, either (i) declare this Agreement to be null and void or (ii) change the terms of this Agreement so as to overcome the reasons for the FAA's statements or objections. In the latter event, Lessor shall prepare a revised lease that incorporates the changes required by the FAA and submit to the Lessee this Agreement as so changed.

In the latter event, the Lessee shall respond to such proposed changes promptly, and in any case, not later than sixty (60) days from the date the Lessor provides such changes to the Lessee. If the Lessee accepts such changes, the parties will execute a

new Agreement as changed, subject again to FAA review. the parties are unable to agree to the terms of a revised Agreement that will overcome the concerns raised by the FAA.

(B) In addition to the above this agreement and the enforcement of each party's obligations hereunder are contingent upon the occurrence of the Lessor's receipt of certificates under Section 707 of the Lessor's Restated and Amended Trust Agreement (the "707 Certificates") from both the Traffic Engineers and the Consulting Engineers determining that the improvements to be constructed by Lessee meet the standards provided in Section 707.

If any of the foregoing are not given or provided, the parties will take reasonable steps to amend this agreement so as to modify any provision hereof to overcome any reason for the above entities' failure to consent, give, or provide what is required; provided, however, Lessor shall not be required to agree to a modification that is inconsistent with its obligations under federal law or the Trust Agreement, or with agreements with the Airlines.

(C) The Airlines, through the Majority-in-Interest of Airlines identified in Article 6(D) of the 2018 Airline Use Agreement, need to consent to the reimbursement for the construction of the expansion of the Facility. In the event that the Majority-in-Interest of Airlines identified in Article 6(D) of the 2018 Airline Use Agreement do not consent to the reimbursement, then the parties to this Agreement agree to negotiate in good faith to agree on a mutually acceptable alternative to the reimbursement for the construction of the Facility and, to the extent, following such negotiations, they are unable to come to such an agreement, either party shall have the right to terminate this agreement with no further obligations to the other party.

1.07 Use of Improvements Prior to TCO Prohibited:

The Lessee shall not occupy or otherwise use the improvements prior to issuance of a temporary or completed Certificate of Occupancy.

1.08 <u>Buy-Out</u>:

Lessee reserves all the same rights for buyout of Existing Premises under Article 2.8 of the original Development Lease Agreement dated June 29th, 1998, until the turnover of said premises to Lessor in 2034. Lessor must provide twenty-four (24) months written notice of its intent to purchase and the anticipated closing date upon which the purchase will be effective.

1.09 Purchase Price of Existing Premises:

The purchase price payable by the County to the Lessee at closing, as reserved in Article 1.08, shall consist of the following:

- (A) The undepreciated value of the Approved Improvement Costs, calculated over 32.5 years on a straight-line basis.
- (B) The County shall pay a 20% additive to the Approved Improvement Costs calculated over 25 years on a straight-line basis.
- (C) The County shall pay a proportionate share of any pre-payment penalty the Lessee is obligated to pay the lending institution providing the funds for the construction of the Improvements constructed herein.
- (D)Additionally, the County shall pay the undepreciated value of any finishes, fixtures or equipment considered part of the realty as evidenced by the audit provided, all of which shall be conveyed to the County at closing. Such undepreciated amounts shall not exceed 10% of the Approved Improvement Costs.

1.10 Consequences of Purchase:

The County shall have no obligation to pay, compensate or reimburse Lessee for any other costs associated with the County's Right of Purchase, including but not limited to, costs of moving equipment from the facility, relocation costs, loss of productivity, costs attributable to business interruption, reduction in or loss of business or business opportunities, loss of revenues and profits, and employee severance and termination costs, it being agreed that the amounts set forth in 1.09 (A) through (E) are the exclusive payments due to Lessee as a result of County's exercise of its Right to Purchase. As of the close of business on the closing date, this Agreement shall stand terminated. Such termination, and the County's exercise of its Right to Purchase, shall not be deemed eminent domain taking for any purpose.

1.11 Eminent Domain:

The County's right to purchase the Lessee's interest in the improvements of the Existing Premises in the manner set forth herein is in addition to the County's right to exercise its power of condemnation in whatever manner and to whatever extent is then provided by law. If the County exercises its right to condemn any portion of the improvements and then permits Lessee to occupy any portion of the condemned improvements, Lessee shall be obligated to pay rentals on such improvements all in the manner and at the times specified herein.

1.12 Pursuant to Implementing Order 8-4 the County reserves the right to terminate or suspend this Agreement if an emergency situation arises where a property is needed by the County for an emergency public purpose. During any such period, Lessee's rent obligations under this Agreement shall be suspended.

ARTICLE 2 Use of Premises

2.01 Authorized Use of Premises:

The Lessee shall use the Premises for the following purposes only:

- (A) Major and minor maintenance and overhaul of Aircraft and aviation related equipment, including but not limited to modifying, refurbishing or otherwise rebuilding or overhauling airframes, engines and equipment, and executive administrative and operational offices to support the maintenance activities.
- (B) The purchase and/or sale, disposition or exchange of aircraft, engines, accessories, equipment, and any other supplies including fuel and lubricants; provided however, that there shall be no commercial selling of fuel and lubricants except as it is incidental to and a part of its maintenance activities.

2.02 Lessee Responsibility for Use of Premises by Customers and Third parties:

Lessee shall be responsible for assuring that all customers and third parties using the Restated Premises comply with security and other requirements imposed on users of the Airport by Lessor or federal agencies, and Lessee shall be responsible for collection of all fees and other charges applicable to Lessee's customers and third parties that use Lessor's airport facilities to access Lessee's Restated Premises.

2.03 Non-Flyable Aircraft:

Aircraft in non-flyable condition shall not be parked or stored on the leased Premises for a period in excess of sixty (60) days without the prior written approval of the Department, which shall not be unreasonably withheld or delayed; provided, however, the foregoing sixty (60) day period shall not commence (and shall be reset) during any period in which Lessee is performing maintenance and/or repair on such non-flyable aircraft.

2.04 Aircraft Parking:

All parking of aircraft on, at, or in the vicinity of the Premises shall be in strict accordance with Lessor's requirements.

2.05 Prohibited Activities on the Aircraft Parking Parcels:

While parcels are being used as aircraft parking, the following activities are prohibited on said parcels:

(A) Use or occupancy of any other space not included in Article 1.01 ("Premisees") is strictly prohibited. The following activities: doping, welding, torching, stripping,
soldering, fuel transfer, aircraft demolitions and spray painting without the proper regulatory permits are prohibited. If permits for these services are acquired, the Lessee must provide the Lessor with proper documentation of these activities. Notwithstanding the foregoing, Lessee may seek permits for any use of the Premises in keeping with the airport's ALP, but, in connection with each such application, and concurrently therewith, Lesseee shall notify the Department at any time it seeks such a permit.

(B) Equipment in non-serviceable condition shall not be parked or stored on the leased Premises for a period in excess of 15 days without the prior written approval of the Department; provided, however, the foregoing fifteen (15) day period shall not commence (and shall be reset) during any period in which Lessee is performing maintenance and/or repair on such equipment. All truck servicing shall be in strict accordance with all applicable Federal, State and County laws, statutes, ordinance, rules and regulations.

(C) Storing fuel or chemicals tanks, pallets, debris, FOD materials, or derelict equipment unless such storage is in the ordinary course of Lessee's business and in accordance with any applicable laws.

- (D) Parking any non-Lessee equipment or office trailers.
- (E) Mechanical maintenance of any GSE or motorized vehicles.

ARTICLE 3 Rentals and Payments

3.01. Annual Rent:

A. Land Rent:

Land rent on the Restated Premises is payable monthly due by the first of the month with or without an invoice, based in the square foot (current land rent rate for FY 2022-2023 is \$2.50 per sq. ft. and aircraft pavement rates, if leased, are \$1.00 per sq. ft.), based on amounts established from time to time by the Board of County Commissioners.

On the Existing Premises, beginning on the Commencement Date, Lessee shall continue to pay land rent as per rates established annually by the Board of County Commissioners (BCC)

During the term of this Agreement, the parties will need to amend the boundaries of the Existing Premises to reduce the size (i.e., the Revised Existing Premises) by an amount equal to the square footage used to develop the Parking Garage that Lessee is required to construct under this Agreement.

Moreover, during the course of the construction required herein, Lessee may lose the use certain other portions of the Existing Premises. In such case, Lessee's monthly rent will be reduced by the amount of square footage that Lessee is not able to use.

On the Adjacent Premises, Lessee shall begin to pay Land Rent on the Commencement Date.

These rates are adjusted annually per appraisal and are approved in the annual County budget by the Board of County Commissioners (BCC), and computed as follows:

Existing and Adjacent Premises Land						
Description / Building	Sq. Ft.	Rate	Annual	Monthly		
Land (Existing Premises)	422,096	\$2.50	\$1,055,240.00	\$87,936.67		
Land Adjacent Premises (Approx.)	77,669	\$2.50	\$194,172.50	\$16,181.04		
TOTAL			\$1,249,412.50	\$104,117.71		

*Plus applicable state sales taxes, as required by law.

B. <u>Regular Facility Rent</u>:

Facility rent is payable monthly by the square foot based on amounts established from time to time by the Board of County Commissioners; .

On the Adjacent Premises, regular facility rent for the improvements that Lessee is required to construct shall begin upon the Date of Beneficial Occupancy ("DBO"). The DOB is defined to be the earliest of: (i) the date on which substantial completion of the Improvements on the Premises has occurred and the appropriate code enforcement agency has issued a Certificate of Occupancy ("CO") or a Temporary Certificate of Occupancy ("TCO") that enables the Lessee to occupy or utilize the Improvements or a portion thereof in any manner for its intended use, or (ii) the date on which the Lessee commences the use of any of the Improvements for its intended use (with or without a TCO or CO), or (iii) the date on which substantial completion of the Improvements would have occurred and on which the appropriate code enforcement agency would have issued a CO or TCO but for the occurrence of the Lessee's delays, all as determined in the sole reasonable discretion of the County. Notwithstanding the above, regular facility rent must begin no later than thirty (30) months from the Lease Agreement Commencement Date (unless an extension is granted by MDAD in MDAD's reasonable discretion due to delays associated with permits and approvals). The Regular Facility Rent for the improvements shall be established by appraisal (which appraisal shall take into account the triple net structure of this Agreement and that Lessee is responsible for the cost of all maintenance, including, without limitation, the roof and structural repairs, in addition to the maintenance typically allowed for under a triple net lease) and approved by the BCC annually. Said facility rent is computed as follows:

* These rates won't be established until parcels are identified and appraised in accordance with the County's Standards Appraisal Procedures, which procedures shall take into account the triple net structure of this Agreement and that Lessee is responsible for the cost of all maintenance, including, without limitation, the roof and structural repairs, in addition to the maintenance typically allowed for under a triple net lease.

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Adjacent Premises - Facility Rent					
Description / Building	Sq. Ft.	Rate	Annual	Monthly	
Non-A/C Hangar	55,734	\$0.00	\$0.00	\$0.00	
Parts Storage	3,478	\$0.00	\$0.00	\$0.00	
GSE Shop	10,117	\$0.00	\$0.00	\$0.00	
Shop (First Floor)	8,340	\$0.00	\$0.00	\$0.00	
Shop (Second and Thrid Floor)	36,914	\$0.00	\$0.00	\$0.00	
Land	77,669	\$2.50	\$194,172.50	\$16,181.04	
TOTAL			\$194,172.50	\$16,181.04	

*Plus applicable state sales taxes, as required by law.

On the Existing Premises, regular facility rent shall begin in the 26th year of the present Development Lease No. C-634, dated June 29, 1998, as stated in Article 4.1 (C) of said Lease Agreement, and as extended for four (4) years per Article 2.1 of the Third Amendment dated December 15, 2004. Therefore, regular facility rent shall begin on **December 15, 2029**. Note that Lease Agreement No. C-634 will be superseded by this agreement. The rent will be established by appraisal (which appraisal shall take into account the triple net structure of this Agreement and that Lessee is responsible for the cost of all maintenance, including, without limitation, the roof and structural repairs, in addition to the maintenance typically allowed for under a triple net lease) and approved by BBC at that time.

During the course of the construction required herein, Lessee may lose the use of certain facilities or portions thereof and, in such case, Lessee's rent will be reduced by the amount of square footage of the facilities or portions thereof that Lessee is not able to use.

Additionally, Lessee shall pay for a minimum of 600 parking spaces upon completion of the garage, at published rates approved by the BCC, the "Parking Commitment". The parking rent shall begin upon AAR's ability to use the Parking Garage. At Lessor's discretion, Lessee shall be able to lease more than 600 parking spaces based on Lessor's determination of availability. The parking rent shall begin upon receipt of the CO for the Parking Garage.

3.01.C Improvement Rent:

Intentionally Omitted.

3.02 Opportunity Fee:

Through December 2029, the Opportunity Fee calculation will remain the same as set forth in Amendment 5 from Lease Agreement No. C-634, except that expendables will be included in the Gross Revenue, as stated below: "Lessee shall pay the County an opportunity fee calculated in the manner provided in this section and payable annually at the times provided herein:

- A. The base amount on which the opportunity fee is calculated shall include amortization costs, as described below, 35% of such amortization costs, and the amount of land rental as adjusted annually, or fair market rentals of the land and improvements constructed herewith. The determination of the amount of opportunity fee paid to the County shall be as follows:
 - 1. Lessee's imputed amortization costs based on its cost of financing during the construction phase and cost of financing the debt, thereafter, shall be \$1,500,000.00 annually for the 10th through 25th year of the lease. To this annual amount shall be added \$300,000.00 representing 20% of such imputed amortization cost and other expenses, and to this shall be added the land rental paid by Lessee for the 12-month period for which the opportunity fee is being calculated. Starting with the 10th year of the term of this lease, Lessee shall pay County annually an amount by which 3% of its Gross Revenues exceeds the total of the three components. For purposes of this section, the land rental component of the base amount shall include all rent paid by Lessee to Lessor (for the 12-month period for which the opportunity fee is being calculated) in connection with all of Lessee's leased premises at Miami International Airport that are used by Lessee as part of its business operations under the Lease Agreement. For purposes of this section, the parking spaces that Lessee is required to rent shall not count as "rent."
- B. Beginning December 16, 2029 and continuing through the remaining term or occupancy beyond the term by the Lessee as a holdover tenant, Lessee shall pay as an opportunity fee the amount by which 3% of its Gross Revenue for the prior 12-month period generated from its activities under this Agreement exceeds the fair market rentals for land and improvements pursuant to 4.1(A) and 4.1(C) hereof. For purposes of calculating the fair market rentals under this section, Lessee shall be entitled to include all rent paid by Lessee to Lessor for the prior 12-month period in connection with all of Lessee's leased premises at Miami International Airport except the Parking Garage that are used by Lessee as part of its business operations under the Lease Agreement." Taxes and utilities shall also be excluded from inclusion in the rent /as consideration as part of the rent.

Except that, commencing January 1, 2026, the Opportunity Fee calculation and Opportunity Fee payment will be due on a monthly basis and, at all times prior to that, the Opportunity Fee calculation and Opportunity Fee payment shall remain on an annual basis. Thus, the \$1.8 million plus land rent deduction will be divided by 12, so that the

credit becomes a monthly credit.

Beginning January 2030, the Opportunity Fee calculation shall be modified to be calculated as the amount by which 3% of all Gross Revenues (without any deductions) exceeds only the rent paid. Again, the Opportunity Fee calculation and payment will be due on a monthly basis. Neither utility nor sales tax should be included as part of the rent payments offsetting revenues.

The Lessee shall pay such amount to the County by the tenth (10th) day of the month following the month in which the Gross Revenues were received or accrued. The percentage fees payable on any unreported Gross Revenues, determined by the annual audit required pursuant to Article 3.13 ("Annual Audit Required") are considered, for the purposes of Article 3.08 ("Late Payment Charge"), as having been due on the tenth day of the month following the month during which such unreported Gross Revenues were received or accrued. Such opportunity fee is not a payment for the lease or license to use the Premises, but rather payment for the Lessee' privilege of doing business at the Airport.

3.03 <u>Security Deposit</u>:

Prior to occupancy of the Premises, the Lessee shall pay to the County an amount equal to two times the required total monthly rental as determined pursuant to Article 3.01 above, plus applicable state sales tax thereon, as security for the payment of the Lessee' obligations hereunder. Said deposit shall be in addition to any rental payments required hereunder, and MDAD shall be entitled to apply such payment to any debt of the Lessee to MDAD that may then exist, as permitted by law, including but not limited to the rentals required hereunder. In lieu of the security deposit being made in cash, MDAD, in its sole discretion, may authorize the Lessee to provide an irrevocable Letter of Credit, in a form provided by MDAD, in like amount. The amount of the security deposit is subject to adjustment by MDAD at any time there is a change in the annual or monthly rentals pursuant to the terms of this Agreement; provided further, that MDAD shall have the right to demand an increase in the security deposit requirement of up to an additional four months rental to provide MDAD with adequate assurance of the Lessee' payment of their obligations, which assurance is required because of the Lessee' defaults in the timely payment of rents, fees and charges due hereunder, or because MDAD has reason to believe, based on published reports, that the Lessee' future ability to pay such rentals, fees and charges, on a timely basis, is in jeopardy.

County acknowledges that, pursuant to the terms of the Existing Leases, the Lessee has a security deposit balance that will be transferred to this new Agreement, minus any applicable outstanding charges applicable at the time of transfer.

3.04 <u>Common Use Service Charges</u>:

In addition to the monthly rentals required herein, the Lessee shall pay each month during the term of this Agreement an applicable portion of the costs incurred by the County in providing certain common use services for the benefit of the Lessee, including, but not necessarily limited to, security, servicing of dumpsters provided by MDAD pursuant to Article 4.02 ("Removal of Trash"), compressed air, emergency power, and industrial waste system, as applicable and actually used by or provided to the Lessee. Such costs, including administrative costs, shall be determined by MDAD, and billed periodically. These service charges shall be adjusted and billed retroactively from time to time based on changes in usages and in costs to the County.

3.05 Rental Rate Review:

Beginning on October 1, 2023 (and each annual anniversary thereafter), the rental rates stated in Article 3.01 (Annual Rental) above shall be subject to review and adjustment as set forth hereafter. When such rental rate adjustments are approved by the Board of County Commissioners, and new or revised rental rates applicable in whole or in part to the Premises and to all other similarly situated tenants at the airport are established by said Board, the Department shall notify the Lessee in writing of such rates and this Agreement shall be considered and deemed to have been administratively amended to incorporate the revised rental rates effective as of such October 1, date. Payments for any retroactive rental adjustments shall be due upon billing by the Department and payable within ten calendar days of same.

3.06 Double Rental:

In the event that the Lessee remains in possession of the Premises beyond the expiration or termination of this Agreement, the Lessee shall be bound by all of the terms and conditions of this Agreement to the same extent as if this Agreement were in full force and effect during the time beyond the expiration date of this Agreement. However, during any such possession of the Premises as a holdover tenant after the County has demanded the return of the Premises, the Lessee shall be liable for double rentals for so long as the Lessee remains in possession after such demand, such rentals to be based upon the rental rates applicable from time to time in whole or in part to the Premises.

3.07 Methods of Payments:

The Lessee shall pay, by anyone of the methods described in this article, all rentals, fees, and charges required by this Agreement to the following:

By mail:

Miami-Dade County Aviation Department Accounting Division P.O. Box 526624 Miami, Florida 33152-6624

By hand delivery to the offices of MDAD during normal working hours to the following:

Miami-Dade County Aviation Department 4200 N.W. 36 Street Miami, Florida 33122

By electronic funds transfer for immediate credit via wire transfer to:

Bank: Bank of America Miami, Florida ABA Number: 026009593 Swift Code Number: BofAUS3N Account Name: Miami-Dade Aviation Department Bank Account Number: 001180000120

Note: Transaction must include the Aviation Department invoice number(s) of charges to be paid.

By electronic funds transfer for next day credit via the ACH (Automatic Clearing House) to:

Bank: Bank of America Miami, Florida ABA Number: 063100277 Account Name: Miami-Dade Aviation Department Bank Account Number: 001180000120

- Note: Transaction must include the Aviation Department invoice number(s) of charges to be paid.
- 3.08 Late Payment Charge:

In the event the Lessee fails to make any payments, as required to be paid under the provisions of this Agreement, within ten (10) days after same shall become due, interest at the rates established from time to time by the Board of County Commissioners of Miami-Dade County, Florida currently set at one and one-half percent (1½%) per month, shall accrue against the delinquent payment(s) from the original due date until MDAD actually receives payment. The right of the County to require payment of such interest and the obligation of the Lessee to pay same shall be in addition to and not in lieu of the right of the County to enforce other provisions herein, including termination of this Agreement, and to pursue other remedies provided by law.

3.09 Dishonored Check or Draft:

In the event that the Lessee delivers a dishonored check or draft to the County in payment of any obligation arising under the terms of this Agreement, the Lessee shall incur and pay a service fee of (a) TWENTY-FIVE DOLLARS, if the face value of the dishonored check or draft is \$50.00 or less, (b) THIRTY DOLLARS, if the face value of the dishonored check or draft is more than \$50.00 and less than \$300.00, or (c) FORTY DOLLARS, if the face value of the dishonored check or draft is \$300.00 or more, or Five Percent of the face value of such dishonored check or draft, whichever is greater. Further, in such event, the Department may require that future payments required pursuant to this Agreement be made by cashier's check or other means acceptable to the Department.

3.10 Gross Revenues:

The term "Gross Revenues", as used in this Agreement means all moneys paid or payable to, or considerations of determinable value received by the Lessee for sales made, transactions had, or services rendered, inclusive of customer reimbursements for expendables, in the operation of its business under this Agreement and the Other Lease Agreements for all of Lessee's leased premises at Miami International Airport that are used by Lessee as part of its business operations under the Lease Agreement, and from the subleasing of office space or other portions of the Premises, regardless of when or where the order therefor is received, whether paid or unpaid, whether on a cash or credit basis or in consideration of any other thing of value, including any revenue from "parts" sold to Lessee's customers or required to be installed in or on aircraft being worked on by Lessee; provided, however, that for purposes of calculating the Opportunity Fee under Article 4.2, the following shall be excluded from gross revenues:

- (A) Any taxes imposed by law which are separately stated to and actually paid by a customer and directly payable by the Lessee to a taxing authority. Despite such taxes being excluded from gross revenues for purposes of calculating the Opportunity Fee, Lessee shall report these amounts as separate line items in its reporting under Articles 4.14 and 4.15.
- (B) All sales refunds or volume discounts offered by Lessee to its customers in the form of a credit against future billings. Despite such refunds or volume discounts being excluded from gross revenues for purposes of calculating the Opportunity Fee, Lessee shall report these amounts as separate line items in its reporting under Articles 4.14 and 4.15.

3.11 Records and Reports:

The Lessee shall keep in Miami-Dade County, during the term of this Agreement, all books of account, records and reports used in their operation necessary to report Gross Revenues and to calculate the percentage opportunity fees payable hereunder and as may, from time to time, be required by MDAD to document their activities pursuant to this Agreement. All Gross Revenues hereunder shall be accounted for in accordance with generally accepted accounting principles. The form of all such books of account, records and reports shall be subject to the approval of MDAD and/or the auditors of the County (one or more of the following: the designated external auditing firm or other certified

public accounting firm selected by MDAD, the County's Department of Audit and Management Services, or auditors of the State of Florida). Recommendations for changes, additions, or deletions to such books of account, records, and reports by the auditors of the County shall be complied with by the Lessee when requested by MDAD. The auditors of the County shall be permitted, during normal working hours, to audit and examine all books of account, records, and reports relating to the operations of the Lessee hereunder, including, but not limited to, balance sheets, profit and loss statements, deposit receipts, Florida State Sales Tax Reports and such other documents as may be determined by MDAD to be necessary and appropriate; provided, however, that the Lessee shall not be required to retain such records in Miami-Dade County, Florida, for more than three (3) years following termination of this Agreement. Any such inspections shall be subject to five (5) Business Days' prior written notice and to Lessee's right to accompany such persons and neither the Lessee nor auditors shall not unreasonably interfere with the ongoing audit and business operations. Any changes in Lessee's recordkeeping procedures shall be at the cost of Lessee and Lessee shall have a minimum of 120 days in which to implement such changes.

3.12 Monthly Report of Gross Revenues:

On or before the tenth (10th) day following the end of each calendar month throughout the term of this Agreement, the Lessee shall furnish to MDAD a statement of monthly Gross Revenues for the preceding calendar month and certify as to the accuracy of such Gross Revenues in the form prescribed by MDAD. In the event there are no Gross Revenues a monthly report will be submitted stating such.

3.13 <u>Annual Audit Required</u>:

Within sixty (60) days of each anniversary of the Commencement Date of this Agreement, the Lessee shall, at their sole cost and expense, provide to MDAD on an annual (or portion thereof) basis an audit report of monthly Gross Revenues, containing an unqualified opinion, prepared, and attested to by an independent certified public accounting firm, licensed in the State of Florida. The report shall include a schedule of Gross Revenues and percentage opportunity fees paid to the County under this Agreement, prepared in accordance with the comprehensive basis of accounting defined under terms of this Agreement and reported in the format as subsequently prescribed by MDAD. The audit shall be conducted in accordance with generally accepted auditing standards and include issuance of a management letter, which will contain the findings discovered during the course of the examination, such as recommendations to improve internal controls and other significant matters related to this Agreement. In addition, the audit shall include comprehensive compliance procedures to determine whether the books of account, records and reports were kept in accordance with the terms of this Agreement for the period of examination. The auditor shall report such procedures and findings in a separate letter report to MDAD. The last such report shall include the last day(s) of operations. A final audit report shall also be provided to MDAD within sixty (60) days following the termination of this Agreement. Such report shall be subject to the same requirements set forth herein.

3.14 <u>Right to Inspect</u>:

MDAD and the auditors of the County shall have the right, without limitation, to enter upon the Premises at any time during normal operating hours of the Lessee to: (1) inspect, review, verify and check all or any portion(s) of the Lessee' procedures for recording or compiling Gross Revenue information by day or month; and (2) audit, check, inspect and review all books of account, records, financial reports, financial statements, operating statements, inventory records, copies of State sales tax returns, and work papers relating to the operation of the Lessee, and other pertinent information as may be determined to be needed or desirable by MDAD. Any rights that Lessor or the auditors of the Lessor may have to enter or inspect the Premises shall, except in the event of an emergency, be subject to two (2) Business Days' prior written notice and to Lessee's right to accompany such persons and neither the Lessee nor auditors shall unreasonably interfere with the ongoing audit or business operations.

3.15 Other Fees and Charges:

The Lessee acknowledges that the Board of County Commissioners has or will establish or direct the establishment, from time to time, of various fees and charges for the use of various facilities, equipment and services provided by the County and not leased to or specifically provided to the Lessee hereunder, and procedures relating to the payment of same. The Lessee shall pay, upon billing, for their use of such facilities, equipment, and services those fees and charges, which are billed monthly. For other fees and charges which are based on usage, the Lessee shall, unless otherwise directed by MDAD in writing, report their use of applicable facilities, equipment and services and pay the applicable fees and charges at such frequency and in such manner as may be prescribed by MDAD; provided that fees and charged to Lessee in a fair, equitable and non-discriminatory manner, and in compliance with all applicable laws, rules, statutes, and ordinances, including, without limitation, the Federal Aviation Administration ("FAA") standard grant assurances.

3.16 Monthly Cargo Statistics Report:

Intentionally Omitted

3.17 Utilities:

Unless the Premises are separately metered and billed directly to the Lessee by the utility company or included in the rental rates and stated in Article 3.01, the Lessee hereby agrees to pay monthly, upon billing by MDAD, for utilities consumption in the Premises. This monthly charge will be based on a survey conducted by or on behalf of MDAD of the consumption by the Lessee and current nondiscriminatory rates charged others at the Airport. This monthly charge may also be adjusted and billed retroactively, from time to time, based on changes in consumption and rates. Lessee shall pay for all

other utilities used by it. In the event the Premises are metered and billed to MDAD, the Lessee shall pay for utility consumption based on the metered charge. The County shall have no obligation to provide utilities to the Premises other than those existing as of the Commencement date of this Agreement; provided if any utility is cut off or discontinued due to the willful misconduct of the County or MDAD, and such act(s) prevents Lessee from being able to use any portion of the Premises for more than twenty-four (24) hours, then the Monthly Rent payable hereunder shall be abated based on the area of the Premises Lessee does not use for the operation of their business on account of such utility interruption, on a per diem basis, until Lessee is able to resume business operations or such utility interference stops, whichever is earlier.

3.18 Third Party Mortgages:

Third-party mortgages, if applicable, shall be subordinate to the interest of the County, and all proceeds received from such mortgage loan shall be reinvested into the Premises.

ARTICLE 4A

<u>Construction</u>

4A.01 Lessee's Work:

Lessee shall construct a Group III three (3) hangar with a 3 story shop and GSE facility (approximately 114,000 sq. ft.), as depicted on Exhibit (A1.0), and required stormwater drainage, including any infrastructure necessary to support these new buildings including but not limited to aircraft pavement and storm water retention devices.

Additionally, Lessee shall develop a new wash rack inside the hangar facility. It is acknowledged and agreed that Lessee shall have no obligation to wash any aircraft or other equipment for 3rd parties (i.e., GSE and ramp equipment, machinery, tooling, and equipment) unless Lessee accepts the responsibility.

After construction of the expanded facilities, Lessee will demolish the existing wash rack at Bldg.857 (Wash Rack), remediate that site as necessary, and construct an aircraft ramp in its place, contiguous to the Tract 1 AOA area. Upon the Commencement Date of this Agreement, Lease Agreement No. C-011926 for Bldg 857 (Wash rack) shall be deemed voluntarily terminated by the parties with no further obligations between the parties (other than the obligations set forth herein).

Lessee agrees to develop the Parking Garage, which will be located to the west side of Bldg. 850 and will have a capacity of 1,200 spaces. Lessee shall obtain permits for the Parking Garage not later than July 1, 2025, and shall complete construction on the Parking Garage not later than June 30, 2027.

In addition to the warranties, manuals, close out of permits and certificates of completion, occupancy, etc., meter information, release of liens, Lessee shall provide one

certified construction audit for the new improvement and one for the wash rack relocation, demolition, remediation, and AOA construction work.

Lessee agrees to establish new airport perimeter security measures as required by existing requirements.

Lessee acknowledges that there are third-party leaseholds adjacent to the

Adjacent Premises and that the boundaries of the anticipated Restated Premises have not yet been finalized.

Lessee will be responsible for (1) the lease boundary survey necessary to define the Restated Premises, and (2) ensuring, prior to taking possession of the Restated Premises, that the Restated Premises do not interfere or overlap with any existing leaseholds at MIA. If it is discovered that any portion of the anticipated Restated Premises would interfere or overlap with any existing leasehold at MIA, the Restated Premises shall be modified so as to not interfere or overlap with any existing leasehold.

MDAD agrees to provide any necessary legal descriptions and utilities information in the hangar expansion and Parking Garage areas. MDAD also agrees to review and approve the Lease Agreement boundaries within ninety-six (96) hours of receipt, so it can be included in the definitive documents to be executed by AAR and submitted to MDAD for legislative approval.

To address employee parking issues during construction, AAR agrees to lease the remote automobile surface parking lot located between Sheridan Drive and Ragan Drive intersection, and La Baron Drive and Oakwood Drive intersection, or other suitable area from the start of hangar expansion until the Parking Garage is finished, or CO received, at the rates established annually by the Board of County Commissioners (BCC), current parking rates for FY 2022-2023 is \$65 per space, per month. AAR will not be responsible for monthly parking leases of other tenants. AAR will make improvements recommended on the Engineering Assessment Report provided by MDAD Civil Engineering to the automobile surface parking lot to be reimbursed under TAC-R requirements as an ancillary improvement.

MDAD agrees to operate a shuttle operation for AAR and adjacent tenants to the remote parking lot at no additional cost to AAR. If MDAD cannot provide adequate shuttle service to support the volume of employees AAR has for respective daily and weekend shifts, then AAR reserves the right to contract with a transportation provider and have the costs reimbursed by MDAD pursuant to the Department's reimbursable procedures. Shuttle requirements should be based on a previous study made by tenants. MDAD will not be required to provide more services than the amounts of shuttles per hour stipulated in said study.

Lessee accepts Premises "as is" condition and will be responsible for remediation costs associated with remediation efforts back to baseline conditions as established at the execution of:

- •the original Development Lease Agreement dated June 29th, 1998.
- •the lease for the Wash Rack dated August 31st, 2016.

Lessor will be responsible for costs associated for remediation of hangar expansion area.

All such work shall meet the Code Requirements and the Americans with Disabilities Act (herein collectively the "Improvements"), as well as make the Premises suitable for occupancy for the purposes and uses described in Article 2 hereof. Lessee must comply with the completion time requirements imposed by RER, MDFR, and any other agency having jurisdiction over the Buildings on the Premises.

Lessee shall be responsible for complying with all County and Aviation Department rules and regulations, including the Miami-Dade County Small Business Enterprises (SBE) regulations; Architecture & Engineering, Construction and Good & Services programs, APP Art in Public Places, IDA Industrial Development Authority, CBE Community Business Enterprise requirements of the Tenant Airport Construction Reimbursable Process (TAC-R), per documented and applicable guidelines and any other applicable County rules, regulations, requirements or programs applicable to construction on County land, before commencing with the procurement process for any exploratory work associated with the projects and any design and construction.

Lessee must comply with the MDAD Design Guideline Manual (DGM) for all site geometry/utilities, and the MIA Stormwater Master Plan for drainage.

MDAD and AAR agree that the hangar expansion, remote parking lot, Parking Garage and Wash Rack, including all hard and soft costs plus ancillary and supporting improvements including stormwater mitigation are subject to MDAD's Tenant Airport Construction Reimbursable Process (TAC-R), per documented and applicable guidelines.

4A.02 Design of Improvements:

As soon as possible, but in no event later than 120 days following the date of this Agreement, unless otherwise extended by the Department in writing, the Lessee shall submit to the Department, for its review and approval, disapproval or modification, detailed plans, specifications, contract documents and construction cost estimates for the required construction work or any portion thereof on a phased basis as may be approved by Lessor in writing, prepared by an architect or engineer registered in the State of Florida (the "**Approved Improvement Documents**"). All design and construction work shall be in compliance with Lessor's then-current design and construction standards.

4A.03 Construction of Improvements:

Promptly following Lessor's approval of Lessee's final plans, specifications, and contract documents, Lessee shall commence the work necessary for the required

construction. The Approved Improvements Documents shall reflect Lessee's compliance with the programs identified in Articles 4A-11 below, to the extent applicable. The Lessee shall cause the work to be completed within the following timelines:

(a) Submit 100% development plans (Plans) as further described in Article 4A.02 to MDAD for review and approval, no later than 4 months from the Execution Date. MDAD shall either approve or disapprove such Plans within thirty (30) days of receipt thereof. Any such disapproval shall be with a detailed explanation for such disapproval. Any failure to respond with such thirty (30) day time period shall be a deemed approval of such Plans. Notwithstanding Lessee acknowledges that other agencies/departments of the County provide guidance on Plans and Lessor cannot be responsible for their responses.

(b) Submit MDAD approved development plans to other governmental agencies (FAA, Zoning etc.) for approval, no later than 5 months from the Execution Date.

(c) Submit final approved plans for Permitting, no later than 10 months from the Execution Date.

(d) Complete construction no later than thirty (30) months from the Commencement Date.

(e) Contract Document 180 days status reports for the construction of their improvements

(f) Other milestones as listed in this Article 4 or Article 7 (Development and Improvements to Premises).

The Lessee shall provide quarterly notarized status reports to the Lessor, with a copy to the Commission District 11 office in which the property lies, regarding compliance with each milestone set forth in a-f above as provided for in Implementing Orders (IO) 8-4 as may be amended from time to time.

In the event that Lessee is unable to meet any of this development milestones due to a delay in receiving permits or approvals, and such delay is not caused by Lessee, Lessor shall have the authority to extend the abovementioned milestones up to a period of one (1) year.

4A.04 Certain Construction Contract Terms:

All contracts entered into by the Lessee for construction shall require completion of such Buildings within a specified time period following the execution of said contracts. The Lessee agrees that it will use its best efforts to take all necessary action available under contracts applicable to such work to enforce the timely completion of the work covered thereby.

4A. 05 Improvements Free and Clear of Liens:

The Lessee agrees that any contract for reconstruction or for the purchase of material to be used, or for work and labor to be performed thereon, shall be in writing and shall contain provisions to protect the County from the claims of any laborers, subcontractors or material men against the Premises or Improvements.

4A.06 Construction Bonds and Insurance Required:

Lessee shall provide and maintain throughout the course of the required construction work hereunder, or cause its contractors to so provide and maintain, the following insurance and bond coverage:

(A) A policy of completed value builder's risk insurance on an "All Risks" basis, in an amount not less than 100% of the full insurable value of the Improvements to be constructed. The policy shall be issued in the names of the County, the Lessee and the contractor(s) as their interests may appear.

(B) A policy of owner's protective liability insurance issued in the name of the County, as sole named insured, in an amount not less than \$5 million dollars combined single limit per occurrence for Bodily Injury and Property Damage. This policy must be endorsed to indicate that any premium, whether deposit or final, shall be the sole obligation of the contractor(s) or the Lessee.

(C) Separate performance and payment bonds in the full amount of the Improvements, to assure completion of contract work and payment of the costs thereof, free and clear of all claims, liens and encumbrances of subcontractors, laborers, mechanics, suppliers and material men, with the County and the Lessee named as dual obliges thereunder.

(D) A Demolition Bond or a financial instrument acceptable to Lessor in the full amount of the estimated cost of demolishing the building on the Premises in the event such demolition is made necessary either by Lessee's failure to complete the required construction work in the manner required by law, Lessee's abandonment of the construction project, or Lessee's eviction as a result of regulatory action or action by Lessor under this Lease.

4A.07 <u>Completion Bond</u>:

If required by Lessor, prior to the commencement of the required construction work or any phase thereof, the Lessee shall provide to the Department a contract completion bond or other assurance acceptable to the Lessor, as security for the completion of and payment for such work free and clear of all claims of any nature whatsoever in the full amount of the cost of the contracts for such work.

4A.08 Approved Improvement Costs:

For purposes of Article 1.08, and Lessor's records, Lessee's Approved Improvement Costs shall consist of eligible costs associated with Lessee's New Facilities Within ninety days of completion of the work, Lessee shall submit to the work. Department a certified audit of the monies actually expended by Lessee in the design and construction of the work in accordance with the Approved Improvement Documents, prepared by an independent certified public accounting firm, approved in advance by the Department ("Auditor"). The costs of design and construction, in accordance with the Approved Improvements Documents and any changes thereto requested by the Lessee and approved by the Department, including the costs of required bonds, construction insurance and the construction audit ("Approved Improvements Costs"), shall not include the costs of any other consultant unless otherwise approved in advance by the Department, or accountant fees and legal fees, and furniture and other personal property of the Lessee. Interest in construction financing by third parties or Lessee's internal funds shall be reasonable and, in the amount, previously approved by Lessor. The cost of interior decorations, other than standard Department approved finishes, special finishes, wall tile or other special wall finishes and coverings, construction photographs and special external and internal lighting and signage shall not be included in Approved Improvement Costs, unless specifically approved in writing by the Department, upon the separate request of the Lessee. Approval of such decorations, finishes, lighting and signs as part of Approved Improvement Documents shall not constitute an approval of same for inclusion in Approved Improvement Costs. In the event of any disputes between the Department and the Lessee as to whether certain costs are to be included in Approved Improvement Costs, said dispute(s) shall be submitted to the Consulting Engineers named pursuant to the Trust Agreement, as defined in Article 19 hereof. The decision of said Consulting Engineers shall be final and binding upon the parties hereto.

4A.09 [Reserved]

4A.10 Review of Construction:

During the required construction work, the Department, or its designee, as well as representatives of RER and MDFR, shall have the right to periodically inspect the construction to ensure conformity with the Approved Improvement Documents, and any changes thereto requested by the Lessee and approved by the Department. In the event the inspection is being undertaken by MDAD, MDAD will provide 24-hour notice. However, to the extent such inspection is being conducted by a different County Department, MDAD may not have advance notice about the inspection, and therefore, may not be able to provide such notice.

4A.11 Compliance with County Requirements:

(A) The Lessee, for itself, its sublessees, successors in interest, assigns, and contractors (herein collectively for this Section 4A.11 the "Lessee"), as part of the consideration hereof, does hereby covenant and agree that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits

of, or be otherwise subject to discrimination in, the use of the Premises and improvements hereunder, (2) that in the construction of any improvements on, over, or under the Premises hereunder, and the furnishing of services therein or thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee will use the Premises and improvements in compliance with all other requirements imposed by or pursuant to the List of Nondiscrimination Acts and Authorities attached hereto as Exhibit R-02.

(B) To the extent required by the then current terms of the County's programs, including but not limited to the Community Business Enterprise (CBE) Program applicable to architects and engineers under Section 2-10.4.01 of Miami-Dade County's Code, the Small Business Enterprise (SBE) Program for construction activities under Section 10-33.02, the Living Wage Ordinance under Section 2-8.9, the Art in Public Places (AIPP) Program under Section 2-11.15, the Responsible Wages Ordinance under Section 2-11.16, the Residents First Training and Employment Program under Section 2-11.17, Employ Miami-Dade Program under Implementing Order No. 3-63, the Community Workforce Program under Section 2-1701 and Implementing Order 3-3, and any other programs, ordinances, or code provisions may be amended from time to time, Lessee agrees to comply with such applicable provisions as well as any Administrative Orders and other directives issued by the County relating to such Programs.

4A.12 Maximum Reimbursement:

The maximum reimbursement to the Lessee for the construction of the new hangar, adjunct shop, and stores areas, wash rack relocation, along with demo of Building 857, and remediation and construction of aircraft ramp it its place is fifty (50) million dollars (\$50,000,000). The reimbursement shall not include Lessee's furnishings, aircraft maintenance equipment, or systems peculiar to the Lessee's operation, or supplies for the operation of the Lessee's business. Reimbursement for the Parking Garage shall be under separate agreement. The interim remote parking lot shuttle operations will be provided by the Lessor.

4A.13 Construction Work by Lessee for the Premises:

Lessee shall perform all construction work that is required to make the Premises eligible for a Certificate of Occupancy ("CO") and suitable for Lessee' use of the Premises. The construction work will be done to standards approved by MDAD, must be completed under Lessor's Tenant Airport Construction Reimbursable program ("TAC-R"), and must be completed in accordance with the approval of MDAD. Lessee agrees to endeavor to complete the Construction Work, sufficient for Lessee to obtain at least a TCO to allow Lessee to begin occupancy of the Premises by no later than two (2) years after the Commencement Date, subject to delays resulting from Force Majeure (defined below); and provided no such delay shall in any way impact the terms of Section 3.01 below regarding the commencement for payments of full rental with respect to the Premises. All

related equipment and improvements made by the Lessee on the Premises must be removed by Lessee at lease expiration or termination, and the Premises restored to their original condition, normal wear and tear, and casualty, as provided in article 20.19, excepted.

4A.14 Record of Drawings and Audit to be submitted to Lessor:

Within 105 days of final acceptance of the construction, the Lessee shall furnish to the Lessor, at the Lessee' expense, a certified audit of the monies actually spent on the construction, and one complete set of computer's produced drawing disc files (Autocad) of the Record Drawings in the size and format required by MDAD. The complete set of record drawings shall include all pertinent shop drawings as well as the Plans and Specifications as adjusted to accurately depict the as-built work. The Lessee shall also provide MDAD one copy of all maintenance manuals, pamphlets, charts, parts lists and specified spare parts, operating instructions and other necessary documents required for all installed materials, equipment, or machinery, as well as all applicable warranties and guarantees and the appropriate Certificate of Occupancy.

4A.15 Review of Construction:1

During the construction of the improvements, the Department or its designee shall have the right, but not the obligation, to periodically review the construction and to enter the Premises at reasonable times to inspect the construction for the purpose of ensuring conformity with the contract documents and any changes thereto requested by the Lessee and approved by the Department. Failure of the Department to make such review or inspection shall not impose any liability on the Department or the County, nor constitute Lessor's acceptance of the improvement as being in accordance with the contract documents and Lessee's obligations hereunder.

ARTICLE 4 Maintenance and Repair by Lessee

4.01 <u>Cleaning</u>:

The Lessee shall, at its sole cost and expense, perform or cause to be performed, services which will, at all times, keep the Premises, Improvements, and the adjacent non-leased aircraft ramp clean, neat, orderly, sanitary and presentable.

4.02 <u>Removal of Trash</u>:

The Lessee shall, at their sole cost and expense, remove from the Premises all trash and refuse which might accumulate and arise from their use of the Premises and the business operations of the Lessee under this Agreement. Such trash and refuse shall be disposed of only in the common use dumpsters provided by MDAD or in such other manner approved by MDAD.

¹ Note to County – Deleted as addressed in Section 4A above.

4.03 Maintenance and Repairs:

As consideration for the extension of the term for the Existing Premises, Lessee shall be responsible for all maintenance associated with the Restated Premises (except for the Parking Garage) including, if such periods occur during the term of this Agreement, any County required recertifications. Lessee shall be responsible for the 30th and the 40th year recertification or any other recertifications required by any applicable laws.

The Lessee shall repair and maintain the Premises and all improvements or alterations thereto, except for (i) reasonable wear and tear and damage caused by any acts of God or approved change in use and (ii) for those items for which the County is responsible pursuant to Article 5 ("Maintenance by County"). Such repairs and maintenance shall include, but not be limited to, roofstructural elements, exterior walls, including painting in accordance with Department prescribed colors and specifications, interior painting, floor, coverings, overhead and personnel doors, air conditioning, widows, pavement (landside and airside), dock levelers, protection bumpers, ladders attached to building, equipment, furnishings, skylights, fixtures, appurtenances, replacement of light bulbs, ballasts, and tubes, replacement of all broken glass, components for control and safety, fence, fence enclosures, protective guardrails, protective bollards, fire suppression system, and shall at all times be based on a standard of care reflecting prudent property management. Maintenance and repairs shall be in quality and class equal to or better than the original work to preserve the Premises in good order and condition, subject to reasonable wear and tear and damage caused by an act of God or approved changed in use. Lessee shall be responsible for any County required recertifications. The Lessee shall repair all damage caused by the Lessee and their employees, agents, independent contractors, patrons, servants, or invitees. Prior to or at termination of this Agreement, injury done by the installation or removal of furniture and personal property of the Lessee shall be repaired so as to restore the Premises to their original state, except as the Premises may have been altered by the Lessee with the approval of MDAD pursuant to Article 7.01 ("Alterations"), and to guit and surrender up the Premises in the same good order and condition as it was at the commencement of this Agreement, reasonable wear and tear and damage caused by an Act of God excepted; provided however, that such return of the Premises under this Article 4.03 shall not relieve the Lessee of their obligations for damages to the Premises that may be specifically provided elsewhere in this Agreement.

4.04 Excavation of Land:

Except with respect to construction of the Improvements, no excavation of any of the land shall be made, no soil or earth shall be removed from the Premises, and not well of any nature shall be dug, constructed, or drilled on the Premises, except as may be required for environmental assessment, remediation and monitoring purposes pursuant to Article 8 ("Environmental Compliance")without the prior written approval by the Department, which approval shall not be unreasonably withheld, conditioned or delayed

4.05 <u>Water and Sewerage System</u>:

The Lessee shall, at their sole cost and expense, operate and maintain all the components of the existing water, sanitary sewerage, and storm drainage facilities within the boundaries of the Premises except for (i) reasonable wear and tear and damage caused by any acts of God or approved change in use and (ii) for those items for which the County is responsible pursuant to Article 5 ("Maintenance by County"). The Lessee shall not make any alterations or modifications to such facilities without the advance written approval of MDAD. Because the Premises lie within the Urban Development Boundary, Lessee shall connect to the sanitary sewer system within 90 days of the Commencement Date of this Agreement if the property is not currently connected. Development shall not commence until such connection occurs.

4.06 Industrial Waste Facilities:

The Lessee shall be fully responsible for all industrial wastes exiting the Premises and in response thereto shall provide, operate, and maintain adequate facilities on the Premises for separating, neutralizing, and treating industrial waste and foreign materials and the proper disposal thereof, in accordance with applicable laws, rules and regulations.

4.07 Modifications or Access to Roof:

Intentionally Omitted.

4.08 Grassed Areas and Shrubbery:

The Lessee, at its sole cost and expense, shall be responsible for the maintenance of all landscaping, shrubbery and grassed areas on the Restated Premises, in accordance with the maintenance standards established by the Department. In accordance with such standards, the Lessee shall cause grassed areas and shrubbery to be mowed and trimmed regularly so as to maintain the Premises in a neat, orderly and attractive condition reasonable wear and tear and damage caused by any acts of God excluded. Any land areas not grassed or paved shall be stabilized by the Lessee and the Premises shall be so utilized that use of the same will not cause dust, debris or waste to be blown about or raised so as to be ingested by aircraft or otherwise interfere with or disturb the use of enjoyment of others of their premises.

4.09 Loading Dock/Platform:

If the Premises include a loading dock/platform, the Lessee shall keep such loading dock/platform clean and clear at all times and shall not use the loading dock/platform for the storage of cargo, equipment or any other materials.

4.10 <u>Inspections</u>:

MDAD and/or its designated representatives shall have the right, upon not less than twenty-four (24)hours advanced written notice to Lessee (except in emergencies), during normal working hours, to inspect the Premises to identify those items of maintenance, repair, replacement, modification, and refurbishment required of the Lessee or the County, pursuant to Article 5 (Maintenance by County), to keep the Premises in good order and condition. The Lessee shall perform all corrective work required of it, identified in such inspection(s) within thirty (30) days of receipt of written notice from MDAD. Trash and debris problems shall be corrected within twenty-four (24) hours following receipt of written notice from MDAD.

4.11 Failure to Maintain:

If it is determined by MDAD that the Lessee has failed to properly clean, remove trash and refuse, maintain, repair, replace and refurbish the Premises as required by this Article 4 (Maintenance and Repair by Lessee), MDAD shall provide to the Lessee a list of deficiencies, reflecting the amount of time to be reasonably allowed for the Lessee to correct same. If the Lessee fails to correct such deficiencies within the time allowed and has not registered an objection as to their obligation to do so, MDAD, following ten (10) days further notice to the Lessee, may enter upon the Premises and perform all work, which, in the judgment of MDAD, may be necessary, and the County shall add the cost of such work, plus twenty-five (25%) for administrative costs, to the rent due hereunder on the first day of the month following the date of such work, and such cost shall be and constitute a part of the rent. Subsequent to receipt of the further notice of intent to perform repairs or cleanup from MDAD, the Lessee shall not undertake performance of such repairs or cleanup without specific prior written authorization from MDAD.

ARTICLE 5

Maintenance by County

5.01 Lessor Responsibility:

The Lessor shall have no responsibility for maintenance or repair of any portion of the Premises that was constructed by Lessee. Lessor shall be responsible for the maintenance of the Parking Garage, including cleaning and security.

5.02 Maintenance of Water, Sewer and Drainage Systems:

The County shall operate and maintain, in good condition, all components of the existing water, sanitary sewerage and storm water drainage facilities that lie <u>outside</u> the boundaries of the Premises.

5.03 <u>Building Maintenance</u>:

Intentionally Omitted

5.04 County Maintenance Subject to Certain Conditions:

Such maintenance by the County may be subject to interruption caused by repairs, strikes, lockouts, labor controversies, inability to obtain fuel, power or parts, accidents, breakdowns, catastrophes, national or local emergencies, acts of God, and other conditions beyond the control of the County. Upon any such happening, the Lessee shall have no claim for damages for the County's failure to furnish or to furnish in a timely manner any such maintenance; provided, however, that MDAD, in its sole discretion, may provide a rent abatement for that portion of the Premises rendered unusable for the period of time that the County is unable to make the repairs required by Articles 5.02 (Maintenance of Water, Sewer and Drainage Systems) and 5.03 (Building Maintenance). The County shall exercise reasonable diligence to remedy and/or cure any such interruptions to the extent such interruptions are within the County's control.

ARTICLE 6

Regulations, Licenses and Permits

6.01 <u>Rules and Regulations - General</u>:

(A) <u>Rules and Regulations:</u>

1

- 1. The Lessee shall comply with all Ordinances of the County, including the Rules and Regulations of the Department, Chapter 25, Code of Miami-Dade County, Florida, as the same may be amended from time to time, Operational Directives issued thereunder, all additional laws, statutes, ordinances, regulations and rules of the Federal, State and County Governments, and any and all plans and programs developed in compliance therewith, which may be applicable to its operations or activities under this Agreement, specifically including, without limiting the generality hereof, Federal air and safety laws and regulations and Federal, State and County environmental laws.
- 2. During the renovation period of the work to be performed by Lessee hereunder, and at any time Lessee performs any work on the Premises, Lessee shall comply with all design and construction requirements of MDAD, including, but not limited to, MDAD's Tenant Airport Construction (Reimbursable or Non-Reimbursable) requirements ("TAC"), as they may be amended from time to time, ("Exhibit Y").

All design and construction work must be approved in advance by MDAD, to the extent set forth in such TAC.

B) <u>Compliance with Responsible Wages and Benefits for County Construction</u> <u>Contracts (Implementing Order #3-24)</u>:

Lessee is aware of the policy of Miami-Dade County that in all leases of Countyowned land which provide for privately funded construction improvements thereon whose construction costs are greater than or equal to \$5 million, or construction improvements

where any portion of which are financed by any federal, state or local governmental entity or by bonds issued by such entities, including the Industrial Development Authority ("IDA"), the Lessee shall include the requirements of the Responsible Wages Ordinance codified as Section 2-11.16 of the Miami-Dade County Code, as well as Implementing Order #3-24 in all applicable construction contracts. Lessee agrees to comply with all applicable provisions of such ordinance and implementing order.

C) Other Programs:

To the extent required by the current terms of the County's Community Business Enterprise ("CBE)" Program applicable to architects and engineers under Section 2-10.4.01 of Miami-Dade County's Code, the Community Small Business Enterprise ("CSBE") Program for construction activities under Section 10-33.02, the Living Wage Ordinance under Section 2-8.9, the Art in Public Places ("AIPP") Program under Section 2-11.15, the ordinance referred to as the "Little Davis-Bacon Ordinance" under Section 2-11.16, and any other program of the County applicable to the Lessee' activities hereunder, as such programs, ordinances, or code provisions may be amended from time to time, Lessee agrees to comply with such applicable provisions as well as any Implementing Orders and other directives issued by the County relating to such Programs.

D) Art in Public Places:

Lessee shall comply with Art in Public Places ("APP") provisions of the Miami-Dade County Code and Administrative Order, as managed by the Miami-Dade County Department of Cultural Affairs ("Department of Cultural Affairs") pursuant to Procedure 358 in the Miami-Dade County Procedures Manual ("Procedures Manual"). The Lessee/Developer shall transmit 1.5% of the Project costs for all development on County land (as outlined in the Procedures Manual) to the Miami-Dade Aviation Department to be deposited in the Aviation Art in Public Places Trust Account for the implementation of the APP program. The Lessee/Developer is required to work collaboratively with the Department of Cultural Affairs on the implementation of the APP program pursuant to the requirements of said program. The referenced documents can be accessed at: https://library.municode.com/fl/miami - dade county/codes/code of ordinances http://www.miamidade.gov/ao/home.asp?Process=alphalist http://intra.miamidade.gov/managementandbudget/library/procedures/358.pdf

Notwithstanding the foregoing, the cost to comply with any APP requirements shall be reimbursed by MDAD to Lessee via the Reimbursement Agreement.

- (E) <u>Permits and Licenses</u>:
 - (1) The Lessee, at their sole cost and expense, shall be liable and responsible for obtaining, paying for, maintaining on a current basis, and fully complying

with, any and all permits, licenses and other governmental authorizations, however designated, as may be required, at any time throughout the entire term of this Agreement, by any Federal, State, or County governmental entity or any judicial body having jurisdiction over the Lessee or the Lessee' operations and activities, for any activity of the Lessee conducted on the Premises and for any and all operations conducted by the Lessee, including insuring that all legal requirements, permits and licenses necessary for or resulting, directly or indirectly, from the Lessee' operations and activities on the Premises have been obtained and are being fully complied with.

(2) Such permits and licenses shall include, but not be limited to, a Certificate of Use and Occupancy and any required Industrial Waste or Operating Permits from Department of Environmental Resources Management ("DERM"). Prior to occupancy of the Premises and commencement of operations under this Agreement, the Lessee shall provide to the Department evidence that it has obtained the Certificate of Use and Occupancy and, as applicable, the appropriate operating Waste Permit(s). Upon written request of the Department, the Lessee shall provide to the Department copies of any permits and licenses, and applications therefor, which the Department may request.

(F) <u>Violations of Rules and Regulations</u>:

The Lessee agrees to pay on behalf of the County any penalty, assessment or fine issued against the County, or to defend in the name of the County any claim, assessment or civil action, which may be presented or initiated by any agency or officer of the Federal, State or County governments, based in whole or substantial part upon a claim or allegation that the Lessee, their agents, employees, invitees, or trespassers have violated any applicable law, ordinance, regulation, rule, plan, program or directive. The Lessee further agrees that the substance of this Article 6.01 (Rules and Regulations - General) above shall be included in every sublease, contract, and other agreement, which the Lessee may enter into related to their operations and activities under this Agreement and that any such sublease, contract and other agreement shall specifically provide that "Miami-Dade County, Florida is a third-party beneficiary of this and related provisions." This provision shall not constitute a waiver of any other conditions of this Agreement prohibiting or limiting assignments, subletting, or subcontracting.

6.02 <u>Aircraft Noise Abatement Regulations Compliance</u>:

The Lessee hereby specifically acknowledges their awareness that the noise generated by aircraft, while on the ground and in flight, may cause annoyance to residential areas in proximity to the Airport and/or under or near flight corridors serving the Airport and that the County, as proprietor of the Airport, may, therefore, from time to time adopt certain lawful policies, procedures and/or regulations, not inconsistent with the Airport Noise and Capacity Act of 1990, unless otherwise approved by the Federal

Aviation Administration, and not inconsistent with aircraft safety, intended to abate the effects of aircraft noise. Said policies, procedures and/or regulations may deal with, but are not necessarily limited to, nighttime engine run-ups, preferential runway usage, aircraft arrival and departure patterns, use of displaced runway thresholds, and the like. The Lessee specifically understands and agrees that a violation of such noise abatement policies, procedures and/or regulations may result in the arrest or citation of the offending party, with the imposition of fines, and that a violation of same shall constitute a material breach hereunder and may result in termination of this Agreement pursuant to the provisions hereof.

ARTICLE 7

Alteration of Premises, Erection of Signs, Construction, and Improvements

7.01 <u>Alterations</u>:

The Lessee shall not alter the Premises in any manner whatsoever without the prior written approval of the Department which approval shall not be unreasonably withheld, conditioned or delayed. In the event the Lessee is given approval to make any alterations to the Premises, the Lessee shall fully comply with the terms and conditions of the approval document, the applicable Tenant Airport Construction (TAC) requirements (Exhibit Y), as may be amended from time to time, of the Department's TAC Program in effect, and Article 6 (Regulations, Licenses and Permits). Such programs may include, but shall not be limited to: (i) the County's Community Business Enterprise (CBE) Program applicable to architects and engineers under Section 2-10.4.01 of Miami-Dade County's Code; (ii) the Community Small Business Enterprise (CSBE) Program for construction activities under Section 10-33.02; (iii) the Living Wage Ordinance under Section 2-8.9; the Art in Public Places (AIPP) Program under Section 2-11.15; (iv) the Responsible Wages Ordinance under Section 2-11.16; (v) Residents First Training and Employment Program under Section 2-11.7; (vi) Employ Miami-Dade under Administrative Order (AO) 3-6; and any other program of the County applicable to the Lessee' alteration activities hereunder, as such programs, ordinances, or code provisions may be amended from time to time.

The Lessee shall comply with such applicable provisions as well as any Administrative and/or Implementing Orders and other directives issued by the County relating to such Programs. The Lessee' failure to do so shall constitute a default pursuant to Article 13.03 (Other Defaults) hereof.

All repair/renovation work on the leased premises shall be in accordance with (i) all applicable Federal, State and County laws, statutes, ordinances, rules, and regulations and (ii) MDAD's TAC procedures, ("Exhibit Y").

7.02 Signage:

The Lessee shall not erect, maintain, or display any identifying signs or any advertising matter, of any type or kind which is visible to the public, without prior written

approval of the Department which approval shall not be unreasonably withheld, conditioned or delayed. In the event the Department changes the graphics system for the identification of Lessee at the Airport, the Lessee agrees, if required by the Department, to change, at their sole cost, any of their identification signs necessary to comply with such graphics system.

7.03 <u>Construction and Improvements:</u>

(A) Subject to the limitations and obligations within this Agreement, the Lessee, for its convenience, shall, design, construct and pay for such improvements to the Premises as shall be approved by the Lessor, as shall be necessary to make the Premises suitable for Lessee' use and occupancy for the purposes and uses described in Article 2 ("Use of Premises") hereof and pursuant to the TAC requirements and drawings submitted, in accordance with all applicable FAA, Florida Law and Aviation Departmental requirements and all building, fire and environmental codes and the Americans with Disabilities Act (ADA).

(B) The Lessee shall bear and be solely responsible for all costs arising out of any improvements, including, but not limited to, the following:

1. Land use approvals development fees, concurrency fees, and permit fees for the design, construction, and subsequent use of the improvements and infrastructure.

2. Design and construction of the improvements and infrastructure.

3. Financing, construction bonding and insurance, building permits, impact and concurrency fees, utility installations and/or hook-ups or other infrastructure, as may be required to make the Premises suitable for the use of the improvements.

4. Construction audits (as may be required elsewhere herein).

5. Consultants, accountants, financing charges, legal fees, furnishings, equipment, and other personal property of the Lessee, and

6. All other direct or indirect costs associated with the approvals, design, construction and financing of the improvements, and their subsequent use.

Lessee acknowledges that the Lessor shall have no maintenance responsibility for any of the improvements, utilities, and infrastructure to be constructed by Lessee except as specifically stated herein.

7.04 Failure to Complete on a Timely Basis:

In the event the Lessee fails to comply with the time requirements for the design and construction of any improvements, as required by Lessor, unless Lessee submit evidence that any delay is outside of Lessee' reasonable control or such time requirements are extended by the Department, in writing, based on a showing of good faith effort by the Lessee, the County shall have the right to terminate this Agreement on thirty (30) days' notice or else take whatever appropriate legal steps may be available to protect the County's interests, as defined article 13 (Termination).

7.05 Construction Completion Documents and Reporting:

(1) Within sixty (60) days following the completion of construction of any improvement for which a Certificate of Occupancy ("CO") or Temporary Certificate of Occupancy ("TCO") has issued; the Lessee shall furnish the following documents to the Department:

(A) Documents showing that the improvement has met the requirements of the final inspection and that all permits have been closed out.

(B) Documents that Lessee has obtained lien waivers from the general contractor and all parties designated by the Department, along with any final affidavit of the general contractor required by Chapter 713, Florida Statutes.

(C) Certificate of Occupancy for the improvement.

(D) Certification from the Lessee' architect that the improvement has been completed in conformance with the approved Plans and Specification as well as all permits and applicable governmental requirements.

(E) If applicable, at least one copy of an as-built survey of the area covered by the improvement.

(F) Two (2) complete sets of as-built construction drawings and two (2) AutoCAD files of the as-built construction drawings in a compact disk format or other format designated by the Department, including all pertinent shop and working drawings and such other as-built drawings as the Department may reasonably require; and

(G) Copies of all releases of contractor claims and liens.

(H) Copies of any documents noting utility meter installation sites and numbers, if applicable.

(2) Lessee shall provide notarized status reports to MDAD with a copy to the District 6 Commissioner every quarter regarding compliance with each milestone in this Agreement throughout the duration of milestone obligations.

7.06 Temporary Structures:

Should trailers or temporary structures be used for construction purposes but not for business purposes, such structures shall be allowed on the leased Premises during the period of construction of the improvements subject to all required permitting. All trailers or temporary structures must comply with the Florida Building Code and must be removed prior to or upon the ending of construction. Copies of building permits shall be submitted to the Department's Project Manager within ten (10) calendar days of issuance to Lessee.

ARTICLE 8 Environmental Compliance

8.01 Definitions:

For purposes of this Agreement, the following additional definitions apply:

- (A) "Baseline Environmental Conditions" means the presence or release of Hazardous Materials, at, on, under, or from the Premises prior to Lessee' Occupancy Date, the presence or release of which was not caused by Lessee or Lessee' agents, employees, contractors, invitees, or trespassers. Solely for purposes of this Agreement, it shall be presumed that the Baseline Environmental Conditions consist of, the conditions identified in any existing (as of the date of this Agreement) Miami-Dade County maintained records, including contamination assessment reports and any other technical reports, data bases, remedial action plans, the Baseline Audit (Exhibit K-03) or the presence, discharge, disposal or release of any other Hazardous Materials originating prior to the Occupancy Date that comes to be located on the Premises and not caused by Lessee or Lessee' agents, employees, contractors, invitees or trespassers.
- (B) "Environmental Claim" means, any investigative, enforcement, cleanup, removal, containment, remedial or other private, governmental or regulatory action at any time threatened, instituted or completed pursuant to any applicable Environmental Requirement, against Lessee with respect to their operations at Miami International Airport or against or with respect to the Premises or any condition, use or activity on the Premises (including any such action against County), and any claim at any time threatened or made by any person against Lessee with respect to their operations at Miami International Airport or with respect to their operations at Miami International Airport or against to their operations at Miami International Airport or against or with respect to their operations at Miami International Airport or against or with respect to the Premises or any condition, use or activity on the Premises (including any such claim against County), relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or in any way arising in connection with any Hazardous Material or any applicable Environmental Requirement.
- (C) "Environmental Law" means any applicable federal, state or local law, statute, ordinance, code, rule, or regulation, or license, authorization,

decision, order, injunction, or decree, any of which may be issued by a judicial or regulatory body of competent jurisdiction, or rule of common law including, without limitation, actions in nuisance or trespass, and any judicial or agency interpretation of any of the foregoing, which pertains to health, safety, any Hazardous Material, or the environment (including but not limited to ground or air or water or noise pollution or contamination, and underground or aboveground tanks) and shall include without limitation, the Solid Waste Disposal Act, 42 U.S.C. § 6901 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C § 9601 et seq. ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"); the Hazardous Materials Transportation Act 49 U.S.C. § 1801 et seq.; the Federal Water Pollution Control Act, 33 U.S.C.§ 1251 et seq.; the Clean Air Act 42 U.S.C. § 7401 et seq.; the Toxic Materials Control Act 15 U.S.C. § 2601 et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f et seq.; Chapters 403, 376 and 373, Florida Statutes; Chapters 24 and 25 of Miami-Dade County Code, and any other applicable local, state or federal environmental statutes, codes, or ordinances, and all rules, regulations, orders and decrees now or hereafter promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

(D) "Environmental Requirement" means any Environmental Law, or any agreement or restriction entered into or applicable by law (including but not limited to any condition or requirement imposed by any insurance or surety company), as the same now exists or may be changed or amended or come into effect in the future, which pertains to health, safety, any Hazardous Material, or the environment, including but not limited to ground or air or water or noise pollution or contamination, and underground or aboveground tanks.

With regard to any environmental agreements or restrictions entered into by MDAD, MDAD agrees to use reasonable efforts to apprise the Miami Airport Affairs Committee (the "MAAC"), which represents the interests of the airlines at the Airport, of any such agreements or restrictions and to obtain the MAAC's input into such items.

(E) "Hazardous Material" means any substance, whether solid, liquid or gaseous, which is listed, defined or regulated as a hazardous substance, a hazardous waste or pesticide, or otherwise classified as hazardous or toxic, in or pursuant to any applicable Environmental Requirement; or which is or contains asbestos, radon, any polychlorinated biphenyl, urea formaldehyde foam insulation, explosive or radioactive material, or motor fuel or other petroleum hydrocarbons; or which causes or poses a threat to cause contamination or a nuisance on the Premises, any adjacent Premises or a hazard to the environment or to the health or safety of persons on the Premises or Other Airport Property.

- (F) "Initial Construction Period" means for any lease which contemplates construction or renovation for Premises not previously occupied in whole or in part by Lessee under this Agreement and/or any previous Agreement, a period of time not to exceed six (6) months commencing with the date on which Lessee breaks ground on the Premises for construction of foundations or commences such renovation.
- (G) "Occupancy Date" means the date Lessee first entered, occupied, or took possession of the Premises under any written or verbal agreement.
- (H) "On" or "in" when used with respect to the Premises or any premises adjacent to the Premises, means "on, in, under, above or about."
- (I) "Other Airport Property" means property on the Airport occupied or used by Lessee, or upon which Lessee performs operations, but which is not subject to a lease, sublease or other legal agreement governing the terms of Lessee' occupation, use or operations at such property.
- (J) "Recognized Environmental Condition" shall have the meaning set forth in ASTM E 1527-05, Section 1.1.1, as such provision may be amended or superseded from time to time.
- (K) "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment.
- (L) "Remediation" means any investigation, clean-up, removal action, remedial action, restoration, repair, response action, corrective action, monitoring, sampling and analysis, installation, reclamation, closure, or post-closure in connection with the suspected, threatened, or actual release of Hazardous Materials.
- (M) "Trespassers" means third parties who have entered the Premises and whose actions while on the Premises have resulted in Release of Hazardous Materials directly onto the Premises. Notwithstanding the foregoing, for purposes of this Agreement, Trespassers shall not include those third parties whose actions took place off of the Premises and which resulted in the presence of Hazardous Materials on the Premises due to the migration of Hazardous Materials from that off-Premises location.
- 8.02 Lessee' Industrial Classification:

Lessee represents and warrant to County that Lessee' Standard Industrial Classification ("SIC") code number, as published in the most recent SIC Manual from the United States Office of Management and Budget, and as used on Lessee' Federal Tax

Return shall be made available to MDAD upon request.

8.03 Lessee' Acceptance of the Risks and Condition of Premises As-Is:

Lessee agrees that the Premises shall be leased and delivered to Lessee in their current "as-is/with all faults" condition (but it is not intended by this provision that County be relieved from its duties expressly set forth in this Agreement or any other applicable agreement). Lessee hereby, warrant, covenant, agree, and acknowledge that:

- (A) Hazardous Materials may be present on the Premises and Other Airport Property. The County is currently engaged in a significant environmental remediation program at MIA.
- (B) Under Article 8.06 below, Lessee is provided the opportunity to conduct an independent investigation of the Premises and the physical condition thereof, including the potential presence of any Hazardous Materials on or about the Premises. Lessee' report on the investigation, if any such report has been prepared, has been provided to the County and is listed in Exhibit K-03 attached to this Agreement. Whether Lessee has conducted such an investigation or not, Lessee is willing to proceed with this Agreement notwithstanding the environmental conditions of the premises or the properties surrounding the Premises, subject to Lessee' right to terminate this Agreement as otherwise provided herein.
- (C) Because of the possible presence of environmental contaminants on the Premises or Other Airport property, County has made no express, implied, or other representations of any kind with respect to the suitability or usability of the Premises or Other Airport Property, or any improvements appurtenant thereto, including, without limitation, the suitability or usability of any building materials, building systems, soils or groundwater conditions (due to the presence of Hazardous Materials in, on, under, or about the Premises or other Airport property), for Lessee' proposed or intended use, and Lessee has relied solely on Lessee' own inspection and examination of such matters.
- (D) Except as to County's obligations set forth in this Article or elsewhere in this Agreement, Lessee expressly assumes the risk that Hazardous Materials that are or may be present on the Premises at the commencement of this Agreement may affect the suitability or usability of the Premises for Lessee' proposed or intended use. Lessee agrees that, except to the extent of County's Remediation obligations provided in this Article 8, or any other discharge, disposal or release of Hazardous Materials or violation of Environmental Requirements, caused by County, its agents, employees, or contractors and except with respect to Baseline Environmental Conditions, County shall have no responsibility or liability with respect to any Hazardous Materials on the Premises. Notwithstanding the foregoing, in no event shall County be liable to Lessee for damages relating to physical or personal injury, business interruptions relocation costs or any other cost (other than a cost for which County is liable under this Article 8) resulting from the

presence of Hazardous Materials on the Premises at any time during this Agreement

8.04 Responsibilities for Hazardous Materials:

(A) Unless the parties agree otherwise in writing, the County shall conduct response actions mandated by existing Environmental Requirements applicable to the County for (i) Hazardous Materials disclosed in the Lessee Audit to the extent required by Article 8.06, and (ii) Baseline Environmental Conditions, provided however that:

1) To the extent this Agreement covers Premises not previously occupied by Lessee and if this Agreement contemplates construction or renovation by the Lessee, any Hazardous Material discovered during the Initial Construction Period as defined in Article 8.01(F), shall be presumed to be a Baseline Environmental Condition under this Agreement except to the extent the MDAD demonstrates to the satisfaction of Lessee by written notice setting forth the MDAD's explanation as to why the Hazardous Material originated from a discharge, disposal or release that was caused by Lessee, Lessee' agents, employees, contractors or invitees. Should Lessee determine that such a demonstration has not been made to Lessee' satisfaction, County may invoke the dispute resolution provision of 8.16. Until such time as the parties reach an agreement or such time as the dispute is otherwise resolved, responsibility for such Hazardous Material shall remain with MDAD and The County.

2) To the extent this Agreement covers premises previously occupied by Lessee, and except for Baseline Environmental Conditions, Remediation of any Hazardous Material discovered on the Premises shall be the responsibility of the Lessee, except to the extent that Lessee demonstrates to the satisfaction of Aviation Department Management by written notice setting forth Lessee' explanation as to why the Hazardous Material originated from (1) a discharge, disposal or release outside of the Premises, unless such discharge, disposal or release was caused by Lessee, Lessee' agents, employees, contractors or invitees (2) a discharge, disposal or release of Hazardous Material on the Premises prior to the date upon which Lessee first occupied the Premises and not caused by Lessee or Lessee' agents, employees, contractors or invitees; or (3) a discharge, disposal or release caused by the County, its agents, employees, contractors or any third party. Should the Aviation Department determine that such a demonstration has not been made to MDAD's satisfaction, Lessee may invoke the dispute resolution provision of 8.16. Until such time as the parties reach an agreement or such time as the dispute is otherwise resolved, responsibility for such Hazardous Material shall remain with Lessee.

(B) County's responsibility for Remediation under this Article 8.04 shall be

limited to the Recognized Environmental Conditions required to be remediated under applicable Environmental Requirements. If County is permitted to leave any Hazardous Material in place under applicable Environmental Requirements unless a governmental authority requires at any time the removal of Hazardous Materials for Lessee to be able to continue with construction or occupancy of the Premises. The County shall notify Lessee of any such decision to leave Hazardous Material in place.

- (C) (1) To the extent they exist, the County has made available to Lessee a listing of contamination assessment reports and remedial action plans regarding any soil and groundwater contamination at the Premises. Such list is found on Exhibit K-03 to this Agreement. The County may have already installed or may have plans to install remediation systems to clean up the contamination described in such reports to the extent they exist. Lessee agrees that during the term of the Agreement, County's authorized representatives, shall have the right to enter the Premises in order to operate, inspect, maintain, relocate and replace any such installed systems. Without limiting the generality of the foregoing, the County shall have the right to: (a) install, use, monitor, remove (or, in connection with monitoring wells, abandon in place in accordance with applicable governmental regulations) soil borings, treatment systems, pumps, monitoring wells, and associated equipment; (b) construct, maintain, and ultimately remove various mechanical devices designed to aid in the monitoring and remediating effort; and (c) undertake such related activities as the Aviation Department or other governmental authorities may require or recommend, utilizing such methods as the MDAD or the applicable governmental authorities may elect in order to remediate the contamination described in any such reports.
 - (2) County shall utilize reasonable efforts to minimize any disturbance of the Lessee' use of the Premises caused by any Remediation it undertakes and shall provide Lessee prior written notice of such Remediation. Lessee agrees that it shall not unreasonably interfere with or obstruct such Remediation. County and Lessee each agree to take such action as may be reasonable to coordinate their operations so as to minimize any interference with the other party. If vehicles, equipment, or materials belonging to the Lessee has to be temporarily relocated to permit the Remediation to be performed, the Lessee will effect such relocation at no expense to the County. Attached to Exhibit K-03 is a site sketch of the Premises describing any existing or currently planned Remediation equipment and depicting the current and proposed future location of such equipment.
 - (3) If Remediation equipment or materials need to be temporarily stored in a secure location on the Premises, the Lessee will provide reasonable storage inside the building on the Premises for such equipment and

materials at no expense to the County, provided, however, that Lessee shall bear no liability and otherwise shall have no responsibility for any theft of and/or damage to such equipment or materials so stored, to the extent Lessee took reasonable measures to prevent, such theft and/or damage and such theft and/or damage was not caused by Lessee or Lessee' employees. To the extent that water and electrical service within the Premises are not metered and the Lessee do not pay for such services directly, the Lessee will provide the County with water and electrical service from the Premises in connection with the Remediation, without charge. The Lessee acknowledges the Remediation may be conducted at the locations depicted on the site sketch attached to Exhibit K-03 at any time during the term of the Agreement and may continue until such time as a no further action letter is obtained from the appropriate regulatory authorities.

8.05 Baseline Audit:

The County has provided Lessee with a copy of an environmental audit of the Premises, conducted to identify any Recognized Environmental Conditions associated with the Premises, which audit may include analyses of soil and groundwater samples (the initial "Baseline Audit"). Except to the extent Lessee previously occupied the Premises, the County shall be responsible for any Recognized Environmental Conditions within the meaning of ASTM E 1527-05, or most recent version, disclosed by the Baseline Audit, Except to the extent Lessee previously occupied the Premises, Lessee may terminate this Agreement within sixty (60) days of receipt of the Baseline Audit if Lessee, in its sole discretion, determines that the Recognized Environmental Conditions disclosed in such Baseline Audit are unacceptable. To the extent Lessee previously occupied the Premises, Lessee, subject to their right to invoke the dispute resolution provision of 8.16, shall be responsible for all Recognized Environmental Conditions disclosed in the Baseline Audit, which are not otherwise Baseline Environmental Conditions, unless Lessee demonstrates to the County's satisfaction that the Recognized Environmental Conditions originated from (1) a discharge, disposal or release outside of the Premises, unless such discharge, disposal or release was caused by Lessee, Lessee' agents employees, contractors or invitees; or (2) a discharge, disposal or release of Hazardous Material on the Premises prior to Lessee' first occupancy of the Premises and not caused by Lessee, Lessee' agents, employees, contractors, invitees, or Trespassers.

8.06 Lessee Audit:

Lessee, at its sole cost and expense, shall have the right to conduct, within sixty (60) days from the receipt of the Baseline Audit, an environmental inspection of the Premises (the "Lessee Audit"), through an independent environmental consultant approved in writing by County, such approval not to be unreasonably withheld or delayed. If Lessee elect to conduct a Lessee Audit, it shall furnish County a copy of the Lessee Audit within thirty (30) days of Lessee' receipt of the Lessee Audit. The purpose of the Lessee Audit is to determine whether there are present on the Premises any Recognized Environmental Conditions not identified in the Baseline Audit, any previous audits, or any

contamination assessment reports or remedial action plans, to the extent any such documents exist. Within thirty (30) days of receipt of such Lessee Audit, the County shall notify Lessee if they dispute the Recognized Environmental Conditions, or the delineation of any subsurface conditions described in the Lessee Audit. If the Lessee Audit reveals any Recognized Environmental Conditions or delineates any subsurface contamination not disclosed in any contamination assessment reports, remedial action plans, or the Baseline Audit, and which are not otherwise considered Baseline Environmental Conditions under the terms of this Agreement, then, except to the extent that Lessee previously occupied the Premises, the County, at its option, shall: (i) allow Lessee to terminate the Agreement, without penalty, within sixty (60) days of receipt of such notice of dispute from the County; or (ii) notify Lessee that they have agreed to be responsible for such Recognized Environmental Conditions and delineated subsurface contamination to the same extent as the County is responsible for the Recognized Environmental Conditions and subsurface contamination disclosed in any contamination assessment reports, remedial action plans and the Baseline Audit. If the County allows Lessee to terminate the Agreement and Lessee elect not to terminate, Lessee' failure to terminate shall constitute a waiver of 1) Lessee' rights to terminate their obligations under this Agreement as to any findings in such Lessee Audit, except as to their right to cancel the lease on thirty (30) days notice under Article 1.01 (B) and, 2) as provided in Article 8.04, any claim it may have against the County with respect either to Recognized Environmental Conditions and subsurface contamination disclosed in such Lessee Audit. To the extent the Lessee previously occupied the Premises, Lessee shall be responsible for all Recognized Environmental Conditions disclosed in the Lessee Audit that are not Baseline Environmental Conditions unless Lessee demonstrate to the satisfaction of MDAD Management by written notice setting forth Lessee' explanation why the Recognized Environmental Conditions originated from (1) a discharge, disposal or release outside of the Premises, unless such discharge, disposal or release was caused by Lessee, Lessee' agents, employees, contractors, or invitees; (2) a discharge, disposal or release of Hazardous Material on the Premises prior to the Occupancy Date and not caused by Lessee or Lessee' agents, employees, contractors or invitees; or (3) a discharge, disposal or release caused by County or third party. Should the MDAD determine that such a demonstration has not been made to MDAD's satisfaction, Lessee may invoke the dispute resolution provision of 8.16 Until such time as the parties reach an agreement or until such time as the dispute is otherwise resolved, responsibility for such Recognized Environmental Condition shall remain with Lessee.

8.07 Environmental Maintenance of Premises:

Except for the obligations of the County under this Article 8, Lessee shall, at its sole cost and expense, keep, maintain, and use the Premises, and operate within the Premises at all times, in compliance with all applicable Environmental Laws, and shall maintain the Premises in good and sanitary order, condition, and repair.

8.08 Lessee's Use of Hazardous Materials:

Exhibit K-08 is a complete list of all Hazardous Materials which Lessee currently

intend to use on the Premises or Other Airport Property during the term of the Agreement which have been approved by the County, and the use, storage, and transportation of which on or about the Premises shall not be subject to County's approval or objections. Except for those Hazardous Materials listed on Exhibit K-08, Lessee shall not use, store, generate, treat, transport, or dispose of any Hazardous Material on the Premises or Other Airport Property without first providing the County thirty (30) days written notice prior to bringing such Hazardous Material upon the premises. To the extent certain Hazardous Materials are needed to be used by Lessee on a non-routine basis, such as for emergency repairs, Lessee may provide such notice within twenty-four (24) hours of bringing such Hazardous Material upon the premises. Notwithstanding the foregoing. County may object to the use of any previously approved Hazardous Material should County reasonably determine that the continued use of the Hazardous Material by Lessee present a material increased risk of site contamination, damage or injury to persons, Premises, resources on or near the Premises or Other Airport Property, or noncompliance due to a change in regulation of such Hazardous Material under applicable Environmental Law. Upon County's objection, Lessee shall immediately remove the Hazardous Material from the site. This section 8.08 shall not apply to Hazardous Materials which are not used, generated, treated, or disposed of by Lessee but which are otherwise transported by Lessee solely in the course of Lessee' business, such as cargo operations, and for which Lessee have no knowledge as to the identity of such hazardous materials prior to such transport. County's objection or failure to object to the use, storage, generation, treatment, transportation, or disposal of Hazardous Material under this paragraph, or the exclusion of certain Hazardous Materials under this paragraph, shall not limit or affect Lessee' obligations under this Agreement, including Lessee' duty to remedy or remove releases or threatened releases; to comply with applicable Environmental Law and/or Environmental Requirements relating to the use, storage, generation, treatment, transportation, and/or disposal of any such Hazardous Materials; or to indemnify County against any harm or damage caused thereby. Lessee shall promptly and completely answer periodic questionnaires from the County concerning Lessee' practice regarding the generation, use, storage, and disposal of Hazardous Materials under this Agreement.

8.09 Entry by County:

(A) Notwithstanding any other right of entry granted to County under this Agreement, and subject to the requirements set forth in Article 8.09(B), MDAD shall have the right, at its own expense and upon reasonable notice, to enter the Premises or to have consultants enter the Premises throughout the Term of this Agreement for the purposes of: (1) determining whether the Premises are in conformity with applicable Environmental Law; (2) conducting an environmental review or investigation of the Premises; (3) determining whether Lessee have complied with the applicable environmental requirements of this Agreement; (4) determining the corrective measures, if any, required of Lessee to ensure the safe use, storage, and disposal of Hazardous Materials; or (5) removing Hazardous Materials (except to the extent used, stored, generated, treated, transported, or disposed of by Lessee in compliance with applicable Environmental Requirements and the terms of this Agreement). Lessee agrees to provide access and reasonable assistance for such inspections. MDAD shall use their best efforts
to reasonably minimize interruptions of business operations on the Premises.

Such inspections may include, but are not limited to, entering the Premises (B) or adjacent property with drill rigs or other machinery for the purpose of obtaining laboratory samples of environmental conditions or soil or groundwater conditions. Lessee shall have the right to collect split samples of any samples collected by MDAD, MDAD shall not be limited in the number of such inspections during the Term of this Agreement MDAD will conduct such inspections during Lessee' normal business hours, but MDAD may conduct such inspections in other than normal business hours if the circumstances so require. For inspections conducted by MDAD, MDAD agrees to provide Lessee with reasonable notice (not less than twenty-four (24) hours) prior to inspecting the Premises; provided however, that such notice period shall not apply under circumstances in which MDAD reasonably determines that there exists an immediate threat to the health, safety, or welfare of any persons. Based on the results of such inspections, should MDAD reasonably determine that Hazardous Materials have been released, discharged, stored, or used on the Premises in violation of the terms of this Agreement, Lessee shall, in a timely manner, at their expense, remove such Hazardous Materials in a manner not inconsistent with applicable Environmental Law and otherwise comply with the reasonable recommendations of MDAD and any regulatory authorities related to the results of such inspections. The right granted to MDAD herein to inspect the Premises shall not create a duty on MDAD's part to inspect the Premises, nor liability of MDAD for Lessee' use, storage, or disposal of Hazardous Materials, it being understood that Lessee shall be solely responsible for all liability in connection therewith. MDAD shall provide the results of such inspections to the Lessee in a timely manner if requested to do so in writing. Nothing herein shall be construed to limit, restrain, impair, or interfere with County's regulatory authority to conduct inspections and/or the manner in which it conducts such inspections. Lessee shall not be liable or otherwise responsible for any property damage to the Premises or injury to any person caused by County, its agents, or consultants during County's inspection under this Section 8.09.

8.10 Permits and Licenses:

The Lessee warrants that it will secure at the times required by issuing authorities all applicable permits or approvals that are required by any governmental authority having lawful jurisdiction to enable Lessee to conduct its obligations under this Agreement. Upon written request, Lessee shall provide to County copies of all permits, licenses, certificates of occupancy, approvals, consent orders, or other authorizations issued to Lessee under applicable Environmental Requirements, as they pertain to the Lessee' operations on or use of the Premises or Other Airport Property.

8.11 Notice of Discharge to County:

(A) In the event of: (i) the happening of any material event involving the spill, release, leak, seepage, discharge or clean-up of any Hazardous Material on the Premises or Other Airport Property in connection with Lessee' operation thereon; or (ii) any written Environmental Claim affecting Lessee from any person or entity resulting from Lessee'

use of the Premises or Other Airport Property, then Lessee shall immediately notify County orally within twenty-four (24) hours and in writing within three (3) business days of said notice. If County is reasonably satisfied that Lessee are not promptly commencing the response to either of such events. County shall have the right but not the obligation to enter onto the Premises or to take such other actions as it shall deem reasonably necessary or advisable to clean up, remove, resolve or minimize the impact of or otherwise deal with any such Hazardous Material or Environmental Claim following receipt of any notice from any person or any entity having jurisdiction asserting the existence of any Hazardous Material or an Environmental Claim pertaining to the Premises, which if true, could result in an order, suit or other action against the County. If Lessee are unable to resolve such action in a manner which results in no liability on the part of County, all reasonable costs and expenses incurred by County shall be deemed additional rent due County under this Agreement and shall be payable by Lessee upon demand, except to the extent they relate to a Baseline Environmental Condition

(B) With regard to any reporting obligation arising out of Lessee' operations or during the Agreement, Lessee shall timely notify the State of Florida Department of Environmental Protection, Miami-Dade County Department of Environmental Resources Management, and the United States Environmental Protection Agency, as appropriate, with regard to any and all applicable reporting obligations while simultaneously providing written notice to County.

(C) Within sixty (60) days of execution of this Agreement, Lessee shall submit to County an emergency action plan/contingency plan setting forth in detail Lessee' procedures for responding to spills, releases, or discharges of Hazardous Materials. The emergency action plan/contingency plan shall identify Lessee' emergency response coordinator and Lessee' emergency response contractor.

8.12 Reports to County:

For any year in which any Hazardous Materials have been used, generated, treated, stored, transported or otherwise been present on or in the Premises, (or on or in other Airport property for purposes related to Lessee' operations on the Premises), Lessee shall provide County with a written report listing: the Hazardous Materials which were present on the Premises or other Airport property; all releases of Hazardous Material that occurred or were discovered on the Premises or other Airport property and which were required to be reported to regulatory authorities under applicable Environmental Laws; all enforcement actions related to such Hazardous Materials, including all, consent agreements or other non-privileged documents relating to such enforcement actions during that time period. In addition, Lessee shall provide County with copies of any reports filed in accordance with the Emergency Planning and Community Right to Know Act (EPCRA) and shall make available for review upon request by County copies of all manifests for hazardous wastes generated from operations on the Premises. Lessee shall provide the report required under this section to the County by April 1 of each year for the preceding calendar year.

8.13 Periodic Environmental Audits:

Lessee shall establish and maintain, at its sole expense, a system to assure and monitor its continued compliance on the Premises with all applicable Environmental Laws, which system shall include, no less than once each year a detailed review of such compliance (the "Environmental Audit") by such consultant or consultants as County may approve, which approval shall not be unreasonably withheld, delayed, or conditioned. Alternatively, if the MDAD approves, which approval shall not be unreasonably withheld, delayed, or conditioned, such Environmental Audit may be conducted by Lessee' personnel but in either case Lessee shall provide County with a copy or summary of their report of their annual Environmental Audit, which shall be consistent with ASTM's "Practice for Environmental Regulatory Compliance Audits" which shall include in its scope the items listed in Exhibit K-13 hereto or other recognized format approved by County. If the Environmental Audit indicates any unresolved violation of any applicable Environmental Law and/or Environmental Requirements, Lessee shall, at the request of County, provide a detailed review of the status of any such violation within thirty (30) days of the County's request.

8.14 Remediation of Hazardous Material Releases:

If Lessee or Lessee' agents, employees, contractors or invitees cause any Hazardous Materials to be released, discharged, or otherwise located on or about the Premises or Other Airport Property during the term of this Agreement ("Hazardous Material Release"), Lessee shall promptly take all actions, at its sole expense and without abatement of rent, as are reasonable and necessary to return the affected portion of the Premises or Other Airport Property and any other affected soil or groundwater to their condition existing prior to the Hazardous Material Release in a manner not inconsistent with applicable Environmental Law. County, shall have the right to approve all such remedial work, including, without limitation: (i) the selection of any contractor or consultant Lessee propose to retain to investigate the nature or extent of such Hazardous Material Release or to perform any such remedial work; (ii) any reports or disclosure statements to be submitted to any governmental authorities prior to the submission of such materials; and (iii) any proposed remediation plan or any material revision thereto prior to submission to any governmental authorities. The County's approvals shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, County's prior consent shall not be necessary if a Hazardous Material Release poses an immediate threat to the health, safety, or welfare of any persons and, despite Lessee' best efforts, it is not practicable to obtain County's consent before taking remedial action to abate such immediate threat, provided that: (a) Lessee shall notify County as soon as possible and shall thereafter obtain County's consent as otherwise provided in this paragraph; and (b) Lessee shall take only such action as may be necessary or appropriate to abate such immediate threat and shall otherwise comply with the provisions of this paragraph. In addition to any rights reserved by County in this Agreement, County shall have the right, but not the obligation, to participate with Lessee, Lessee' consultants, and Lessee' contractors in any meetings with representatives of the governmental authorities and Lessee shall provide County reasonable notice of any such meetings. All remedial work

shall be performed in compliance with all applicable Environmental Laws. The County's consent to any remedial activities undertaken by Lessee shall not be withheld so long as County reasonably determines that such activities will not cause any material adverse long-term or short-term effect on the Premises, or other adjoining property owned by County. Lessee' obligations in this section do not apply to Baseline Environmental Conditions

8.15 Indemnity:

Lessee shall indemnify, defend (with counsel reasonably satisfactory to County), and hold County, its directors, officers, employees, agents, assigns, and any successors to County's interest in the Premises, harmless from and against any and all loss, cost, damage, expense (including reasonable attorneys' fees), claim, cause of action, judgment, penalty, fine, or liability, directly or indirectly, relating to or arising from the use, storage, release, discharge, handling, or presence of Hazardous Materials on, under, or about the Premises or Other Airport Property and caused by Lessee, Lessee' agents, employees, contractors or invitees. This indemnification shall include without limitation: (a) personal injury claims; (b) the payment of liens; (c) diminution in the value of the Premises or Other Airport Property; (d) damages for the loss or restriction on use of the Premises or Other Airport Property; (e) sums paid in settlement of claims; (f) reasonable attorneys' fees, consulting fees, and expert fees, (g) the cost of any investigation of site conditions, and (h) the cost of any repair, cleanup, remedial, removal, or restoration work or detoxification if required by any governmental authorities or deemed necessary in County's reasonable judgment, but shall not extend to such claims, payment, diminution, damages, sums, fees or costs to the extent caused (i) solely by an act of God or (ii) by the negligent or willful misconduct of the County, its officers, employees, contractors or agents. For any legal proceedings or actions initiated in connection with the Hazardous Materials Release, County shall have the right at its expense but not the obligation to join and participate in such proceedings or actions in which the County is a named party and control that portion of the proceedings in which it is a named party. County may also negotiate, defend, approve, and appeal any action in which County is named as a party taken or issued by any applicable governmental authorities with regard to a Hazardous Materials Release; provided, however, claims for which Lessee may be liable pursuant to this Article 8.15 shall not be settled without Lessee' consent. Any costs or expenses incurred by County for which Lessee are responsible under this paragraph or for which Lessee have indemnified County: (i) shall be paid to County on demand, during the term of this Agreement as additional rent; and (ii) from and after the expiration or earlier termination of the Agreement shall be reimbursed by Lessee on demand. Lessee' obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Agreement and shall bind Lessee' successors and assignees and inure to the benefit of County's successors and assignees. Notwithstanding any other provision of this Agreement, this section 8.15 does not apply to Baseline Environmental Conditions, or a discharge, disposal or release caused by the County, its officers, employees, contractors, or agents.

(A) This indemnity specifically includes the direct obligation of Lessee to perform,

at its sole cost and expense, any remedial or other activities required or ordered by court or agency having competent jurisdiction over the subject matter, or otherwise necessary to avoid or minimize injury or liability to any person, or to prevent the spread of Hazardous Materials.

- (B) Lessee agrees to use best efforts to assist the MDAD in responding to Hazardous Materials spills in or Airport property reasonably close the Premises used by Lessee by making Lessee' remediation equipment and personnel available for such emergency remediation activity. However, Lessee may provide such assistance only at the direct request of the MDAD and only if Lessee' remediation equipment is intended to be utilized for the Hazardous Material spill at issue and only if Lessee' personnel have been trained to respond to the Hazardous Material spill at issue. If Lessee is directed to perform any remedial work under this Article 8.15(B) for which it is later determined that Lessee is not responsible, then MDAD shall reimburse Lessee for all costs associated with or arising out of Lessee' performance of such remedial work. Lessee shall cooperate with MDAD in any subsequent effort by MDAD to recover from the responsible parties all costs involved with the remediation effort that utilized Lessee' equipment and personnel. Lessee shall perform all such work in its own name in accordance with applicable laws. Lessee acknowledges that the County's regulatory power in this regard is independent of the County's contractual undertakings herein, and nothing herein shall affect the County's right in its regulatory capacity to impose its environmental rules, regulations, and authorities upon the Lessee in accordance with the law.
- (C) In the event Lessee fail to perform its obligations in Article 8.15(A) above, and without waiving its rights hereunder, County may, at its option, perform such remedial work as described in Article 8.15(A) above, and thereafter seek reimbursement for the costs thereof. In accordance with this Article 8, Lessee shall permit the County or its designated representative access to the Premises areas to perform such remedial activities.
- (D) Whenever County has incurred costs described in this section as a result of the failure of Lessee to perform its obligations hereunder, Lessee shall, within thirty (30) days of receipt of notice thereof, reimburse County for all such expenses together with interest at the rate of 1 ½ % per month on the outstanding balance commencing on the thirty-first date following Lessee' receipt of such notice until the date of payment.
- (E) To the extent of Lessee' responsibility under this Article and without limiting its obligations under any other paragraph of this Agreement, and except to the extent of County's responsibility for environmental conditions set forth in this Article 8, Lessee shall be solely and completely responsible for responding to and complying with any administrative notice, order, request or demand, or any third party claim or demand relating to potential or actual Hazardous

Materials contamination on the Premise. Lessee' responsibility under this paragraph includes but is not limited to responding to such orders on behalf of County and defending against any assertion of County's financial responsibility or individual duty to perform under such orders. Lessee shall assume, pursuant to the indemnity provision set forth in this Article 8, any liabilities or responsibilities which are assessed against County in any action described under this paragraph.

8.16 Dispute Resolution:

County and Lessee agree that any dispute between them relating to this Article 8 will first be submitted, by written notice, to a designated representative of both County and Lessee who will meet at County's place of business or other mutually agreeable location, or by teleconference, and confer in an effort to resolve such dispute. Any decision of the representatives will be final and binding on the parties. In the event the representatives are unable to resolve any dispute within ten (10) days after submission to them, either party may refer the dispute to mediation, or institute any other available legal or equitable proceeding in order to resolve the dispute.

8.17 Waiver and Release:

Lessee, on behalf of itself and its heirs, successors and assigns, hereby waives, releases, acquits and forever discharges County, its principals, officers, directors, employees, agents, representatives and any other person acting on behalf of the County, and the successors and assign of any of the preceding, of and from any and all claims, actions, causes of action, demands, rights, damages, costs, expenses or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, which Lessee or any of its heirs, successors, or assigns now have or which may arise in the future on account of or in any way related to or in connection with any past, present or future physical characteristic or condition of the Premises, including, without limitation, any Hazardous Material in, at, on, under or related to the Premises, or any violation or potential violation of any Environmental Law applicable thereto; provided, however, this Article 8.17 shall not constitute a waiver or release of any obligation of County under this Article 8. Lessee acknowledges that County would not enter into this Agreement without Lessee' agreement to the waiver and release provided herein.

8.18 No Waiver of Rights, Causes of Actions or Defenses:

Intentionally Omitted.

8.19 <u>Surrender of Premises</u>:

Lessee shall surrender the Premises used by Lessee to County upon the expiration or earlier termination of this Agreement free of debris, waste, and Hazardous Materials used, stored, or disposed of by Lessee or their agents, employees, contractors, invitees, or Trespassers, or otherwise discharged on the Premises or Other Airport

Property for which Lessee are responsible during the term of this Agreement. The Premises shall be surrendered in a condition that complies with all applicable Environmental Requirements, and such other reasonable environmental requirements as may be imposed by County. Lessee shall not be responsible under this Section 8.19 to the extent of County's obligations under this Article 8.

8.20 <u>Breach</u>:

Any breach by Lessee of any provision of this Article 8 shall, after notice and a reasonable opportunity for Lessee to cure, constitute a default of the Agreement and shall entitle County to exercise any and all remedies provided in the Agreement, or as otherwise permitted by law.

8.21 <u>Survivability of Terms</u>:

The terms and conditions of this Article 8, including the indemnity, waiver, and release, shall survive the termination of this Agreement.

8.22 Right to Regulate:

As provided for in Article 20.12 of this Agreement, nothing within this Article 8 shall be construed to waive or limit, restrain, impair, or interfere with the County's regulatory authority.

ARTICLE 9

Indemnification and Hold Harmless

The Lessee shall indemnify and hold harmless the County and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the County or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Agreement or the use of the Premises or the Airport by the Lessee or their employees, agents, servants, partners, and principals, invitees, trespassers, contractors, or subcontractors, except to the extent any injury, death or damage is caused (i) solely by an Act of God, or (ii) by the gross negligence or willful misconduct of the County, its officers, employees or agents. Lessee shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the County, where applicable, including appellate proceedings, and shall pay costs, judgments and attorney's fees which may issue thereon. Lessee expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by Lessee shall in no way limit the responsibility to indemnify, keep and save harmless and defend the County or its officers, employees, agents, and instrumentalities as herein provided. The County shall give to the Lessee reasonable - notice of any such claims or actions, with such detail as may be necessary to evaluate such claim or action. The provisions of this section shall survive

the expiration or early termination of this Agreement.

ARTICLE 10 Assignment and Subletting

The Lessee shall not assign, transfer, pledge or otherwise encumber this Agreement, or sublet all or any portion of the Premises, or allow others to use the Premises without the express prior written consent of MDAD. Lessee shall pay Lessor a transfer fee of five percent (5%), based on the net profit from a sale or of the assignment of the Lease to a third party not affiliated with Lessee. Lessee acknowledges that Lessor has the right to approve the sale or assignment of the lease.

The Transfer or Assignment Fee shall be five percent (5%) of net profit provided however, such Transfer or Assignment Fee shall not be assessed on transfers, subleases, or assignments to Affiliates of Lessee, or to Lessee's financing parties. For the purposes of this Lease, the term "Affiliate" means a business entity in which Lessee maintains a majority ownership (51%) or exercises 100% control.

ARTICLE 11

<u>Insurance</u>

11.01 Insurance Required:

In addition to such insurance as may be required by law, the Lessee shall maintain, without lapse or material change, for so long as it occupies the Premises, the following insurance:

- (A) Commercial General Liability Insurance on a comprehensive basis, including Contractual Liability, to cover the Lessee' Premises and Operations, in an amount not less than \$5,000,000 combined single limit per occurrence for bodily injury and property damage. The County must be shown as an additional insured with respect to this coverage.
- (B) Automobile Liability Insurance covering all owned, non-owned and hired vehicles used by the Lessee in connection with their operations under this Agreement in an amount not less than:
 - (1) \$5,000,000 combined single limit per occurrence for bodily injury and property damage.
 - (2) \$300,000 combined single limit per occurrence for bodily injury and property damage covering vehicles when being used by the Lessee off of the AOA.

Pollution Legal Liability Insurance for Lessee' Premises and other airport property in an amount not less than \$2,000,000 per occurrence covering

site assessment, site clean-up, third party claims, including, but not limited to governmental claims, legal defense costs, charges and expenses arising from any on-site and off-site loss, damage, expense, or claim related to the release or any threatened release of Hazardous Material.

(D) Workers' Compensation as required by Chapter 440, Florida Statutes.

The insurance coverage required shall include those classifications, as listed in standard liability insurance manuals, which most nearly reflect the operations of the Lessee under this Agreement. All insurance policies required pursuant to the terms of this Agreement shall be issued in companies approved to do business under the laws of the State of Florida. Such companies must be rated no less than "A-" as to management, and no less than VII" as to strength in accordance with the latest edition of the "Best's Insurance Guide", published by A.M. Best Company, Inc., or its equivalent, subject to approval of the County Risk Management Division.

11.02 Insurance Certificates Required:

Prior to the commencement of operations hereunder and annually thereafter, the Lessee shall furnish or cause to be furnished certificates of insurance to MDAD which certificates shall clearly indicate that:

- (A) The Lessee have obtained insurance in the types, amounts and classifications as required for strict compliance with this Article;
- (B) The policy cancellation notification provisions specify at least thirty (30) days advance written notice of cancellation to the County; an©(C) The County is named as an additional insured with respect to the Lessee' commercial general liability policies.

On said insurance certificates, unless specifically shown to be excluded thereon, commercial general liability coverage shall include contractual liability, and notification of cancellation shall include notification of material changes in the policies.

The County reserves the right to require the Lessee to provide such reasonably amended insurance coverage as it deems necessary or desirable, upon issuance of notice in writing to the Lessee, which notice shall automatically amend this Agreement effective thirty (30) days after such notice.

11.03 Compliance:

Compliance with the requirements of this Article 11 (Insurance) shall not relieve the Lessee of their liability under any other portion of this Agreement or any other agreement between the County and the Lessee.

11.04 Right to Examine:

MDAD reserves the right, upon reasonable notice, to examine the original or true copies of policies of insurance (including but not limited to binders, amendments, exclusions, riders, and applications) to determine the true extent of coverage. The Lessee agrees to permit such inspection at the offices of MDAD.

11.05 Personal Property:

Any personal property of the Lessee or of others placed in the Premises and Airport shall be at the sole risk of the Lessee or the owners thereof, and the County shall not be liable for any loss or damage, except to the extent such loss or damage was caused by the sole active negligence of the County, as limited by Section 768.28, Florida Statutes.

ARTICLE 12

Use of Public Facilities

The County grants to the Lessee, in common with all others desiring to use the Airport, and only to the extent necessary or reasonably desirable, so long as such use does not conflict with the 'ounty's operation of the Airport, to carry out the rights granted the Lessee hereunder, the nonexclusive privilege to use the runways, taxiways, roads of egress and ingress, service roads and such other facilities and improvements as may be now in existence or hereafter constructed for the use of persons lawfully using the Airport; provided, however, that such usage shall be subject to the payment of nondiscriminatory fees and other charges established by the County. Nothing herein contained shall grant to the Lessee the right to use any leasable space or area improved or unimproved which is leased to a third party, or which the County has not leased herein.

ARTICLE 13

Termination

13.01 Payment Defaults:

Failure of the Lessee to make all payments of rentals, fees and charges required to be paid herein when due shall constitute a default, and the County may, at its option, terminate this Agreement after seven (7) calendar days' notice in writing to the Lessee unless the default be cured within the notice period.

13.02 Insurance Defaults:

The Conty shall have the right, upon fifteen (15) calendar days written notice to the Lessee, to terminate this Agreement if the Lessee fails to provide evidence of insurance coverage in strict compliance with Article 11 hereof prior to commencement of operations or fail to provide a renewal of said evidence upon its expiration; provided, however, that such termination shall not be effective if the Lessee provide the required evidence of insurance of insurance coverage within the notice period.

13.03 Other Defaults:

The County shall have the right, upon forty-five (45) calendar days written notice to the Lessee, to terminate this Agreement upon the occurrence of any one or more of the following, unless the same shall have been corrected within such period, or, if correction cannot reasonably be completed within such forty-five (45) day period, in the sole discretion of MDAD, the Lessee have commenced substantial corrective steps within such forty-five (45) day period and diligently pursues same to completion:

(A) Failure of the Lessee to comply with any covenants of this Agreement, other than the covenants to pay rentals, fees, and charges when due, and the covenants to provide required evidence of insurance coverage.

(B) The conduct of any business, the performance of any service, or the merchandising of any product or service not specifically authorized herein, by the Lessee.

(C) Failure of the Lessee to comply with any Environmental Law or Environmental Requirement as those terms are defined in Article 8.01 of this Agreement.

13.04 Habitual Default:

Notwithstanding the foregoing, in the event that the Lessee at any time has defaulted 3 times within any 12 month period in the performance of or breached any of the terms, covenants and conditions required herein to be kept and performed by the Lessee, in the sole opinion of the County and regardless of whether the Lessee have cured each individual condition of breach or default as provided in Articles 13.01 (Payment Defaults), 13.02 (Insurance Defaults) and 13.03 (Other Defaults) hereinabove, the Lessee shall be determined by the Director to be an "habitual violator." At the time that such determination is made, MDAD shall issue to the Lessee a written notice advising of such determination and citing the circumstances thereof. Such notice shall also advise Lessee that there shall be no further notice or grace periods to correct any subsequent breach(es) or default(s) and that any subsequent breach(es) or default(s), of whatever nature, taken with all previous breaches and defaults, shall be considered cumulative and, collectively, shall constitute a condition of non-curable default and grounds for immediate termination of this Agreement. In the event of any such subsequent breach or default, the County may cancel this Agreement upon the giving of written notice of termination to the Lessee, such termination to be effective upon the tenth (10th) day following the date of receipt thereof and all payments due hereunder shall be payable to said date, and the Lessee shall have no further rights hereunder.

13.05 Termination by Abandonment:

This Agreement shall be automatically terminated upon the abandonment by the Lessee of the Premises or the voluntary discontinuance of operations at the Airport for any period of time exceeding thirty (30) consecutive calendar days, unless such abandonment or discontinuance has been caused by strike, labor disturbance, acts of

God, civil disturbance or governmental order that prevents the Lessee' use of the Premises for the purposes authorized in Article 2 (Use of Premises) hereof. Abandonment of the Premises by the Lessee without specified justification does not relieve it of their obligation to pay the rent for the remaining term of the lease nor does it constitute a waiver by the Lessor of its rights to recover damages for loss of future rents.

13.06 Actions at Termination:

The Lessee shall vacate, guit, surrender and deliver the Premises to the (A) County on or before the termination date of this Agreement, whether by lapse of time or otherwise. The Lessee shall surrender the Premises in the condition required under Article 4.03 (Maintenance and Repairs) herein. All repairs for which the Lessee is responsible shall be completed prior to surrender. The Lessee shall deliver to MDAD all keys to the Premises upon surrender. On or before the termination date of this Agreement, except in the instance of termination pursuant to Article 13.05 (Termination by Abandonment), in which event the Lessee shall be allowed up to five (5) calendar days from date of termination, and provided that the Lessee is not in default in the payment of any rentals, fees or charges required to be paid herein, the Lessee shall remove all of its personal property from the Premises. Any personal property of the Lessee not removed in accordance with this Article may be removed by MDAD for storage at the cost of the Lessee. Failure on the part of the Lessee to reclaim its personal property within thirty (30) days from the date of termination shall constitute a gratuitous transfer of title thereof to the County for whatever disposition is deemed to be in the best interest of the County.

(B) The Lessee shall, at its expense, take all actions required by Federal, State, and local laws, regulations, or codes to remove from the Premises any Hazardous substance or environmental contaminant, whether stored in drums, or found in vats, containers, distribution pipelines, or the like. All such substances and contaminants shall be removed by the Lessee in a manner approved and authorized by such Federal, State, or local laws, regulations, or codes.

(C) If the County advises the Lessee that it has reasonable grounds to believe that any hazardous substance or environmental contaminant has been released within the Premises or into the ground under the Premises, during the term of this Agreement or during the terms of any prior leases between the Lessee and the County for the same or substantially the same Premises, then the Lessee at its expense shall retain an approved environmental consultant to perform whatever environmental assessment may be required to determine the extent of such release. The Lessee shall comply with the recommendations and conclusions, contingent upon County approval, of such consultant regarding environmental clean-up efforts that may be required and shall comply with any other clean up requirements imposed on the Lessee by Federal, State, or local law, regulations, or codes.

13.07 Lien Upon Personal Property:

In the event of termination for default or upon termination of this Agreement by its term, the County shall have a lien upon all personal property of the Lessee to secure the payment of any unpaid rentals, fees and charges accruing under the terms of this Agreement. The lien of the Lessor shall only extend to the personal property of the Lessee and will not extend to the personal property of any subtenant of Lessee and Lessor hereby specifically waives any and all landlord lien rights with respect to the personal property of any subtenant of Lessee.

13.08 Right to Show Premises:

At any time after the Lessee has been given notice of termination or default, pursuant to this Article 13 (Termination)or other applicable provisions of this Agreement, the County shall have the right to enter on the Premises for the purpose of showing the Premises to prospective tenants or users.

13.09 County Defaults:

This Agreement shall be subject to termination by the Lessee in the event of a default by the County in the performance of any covenant or agreement herein required to be performed by the County and the failure of the County to remedy same within a reasonable period of time following receipt of written notice from the Lessee of such default.

13.10 Other Terminations:

This Agreement shall be subject to termination by the County or the Lessee in the event of any one or more of the following:

(A) The permanent abandonment of the Airport.

(B) The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part or parts thereof, in such a manner as to substantially restrict the Lessee from operating therefrom for a period in excess of ninety (90) consecutive days, provided that nothing contained herein shall be deemed to constitute a waiver by the Lessee of any right it may have against the United States to just compensation in the event of any such assumption.

(C) The issuance by any court of competent jurisdiction of any injunction in any way substantially preventing or restraining the use of the Airport, and such injunction remains in force for a period in excess of ninety (90).

Upon the occurrence of either of the events described in Articles 13.10 above, Lessor may send a notice of termination to the Lessee whereupon this Agreement shall terminate sixty (60) days from the date of receipt of such notice by the Lessee and upon such termination the Lessee shall have no further obligations hereunder, and Lessor shall reimburse Lessee any outstanding cost of the reimbursable expenses for constructing all structures required pursuant to the terms of this Agreement (including hard and soft

60

costs).

ARTICLE 14 Special Conditions

14.01 Quality of Services:

The Lessee shall furnish the services required and authorized, pursuant to Article 2 (Use of Premises) hereof, on a good, prompt, and efficient basis and on a fair, equal, and not unjustly discriminatory basis to all users thereof.

14.02 Nondiscriminatory Prices:

The Lessee shall charge fair, reasonable, customary, and not unjustly discriminatory prices for each unit of sale or service; provided, however, that the Lessee may make reasonable, customary, and nondiscriminatory discounts, rebates, or similar types of price reductions to volume purchasers of the Lessee' services.

14.03 County's Obligations:

The Lessee, in recognition of the County's obligation, pursuant to Section 22 of Part V of the Federal Aviation Administration's standard grant assurances, to enforce the provisions of Articles 14.01 (Quality of Service) and 14.02 (Nondiscriminatory Prices) above, agrees that MDAD may, from time to time, promulgate standards, methods and procedures for and monitor and test the provision of services hereunder and may require the Lessee to provide copies of schedules of service charges and the bases for discounts, rebates and similar types of price reductions. Should MDAD determine that the Lessee are not in compliance with the provisions of Articles 14.01 (Quality of Service) and 14.02 (Nondiscriminatory Prices) above, the first such occurrence shall be considered a curable default, pursuant to Article 13.03 (Other Defaults) hereof, and subsequent occurrence(s) shall be considered a material breach of this Agreement, entitling the County to the remedies provided in this Agreement or by law.

ARTICLE 15

Equal Employment Opportunity, Nondiscrimination and Affirmative Action

15.01 Equal Employment Opportunity:

In accordance with Title 14 Code of Federal Regulation (CFR) Part 152 (Affirmative Action Employment Program), the Lessee shall not discriminate against any employee or applicant for employment because of age, sex, race, color, religion, marital status, place of birth or national origin, ancestry, in accordance with the Americans with Disabilities Act, discriminate against any otherwise qualified employees or applicants for employment with disabilities who can perform the essential functions of the job with or without reasonable accommodation. The Lessee shall take affirmative actions to ensure that applicants are employed and that employees are treated during their employment without regard to age,

sex, race, color, religion, marital status, place of birth or national origin, ancestry, or disability. Such actions include, but not limited to, the following: Employment, upgrading, transfer or demotion, recruitment, recruitment advertising, layoff or termination, rates of pay or other forms of compensation, selection for training including apprenticeship.

The Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the County setting forth the provisions of this Equal Employment Opportunity clause. The Lessee shall comply with all applicable provisions of the Civil Rights Act of 1964, Executive Order 11246 issued September 24, 1965, as amended by Executive Order 113155, revised order No. 4 issued December 1, 1951, as amended, and the Americans with Disabilities Act. The Age Discrimination in Employment Act effective June 12, 1968, Executive Order 13166 issued August 11, 2000, Improving Access to Services for persons with Limited English Proficient (LEP), the rules, regulations and relevant orders of the Secretary of Labor, Florida Statues §112.041, §112.042, §112.043 and the Miami-Dade County Code Section 11A1 through 13A1, Articles 3 and 4.

The Lessee shall assign responsibility to one of its employees to develop procedures that will assure that the policies of Equal Employment Opportunity and Affirmative Action are understood and implemented.

15.02 Nondiscriminatory Access to Premises:

The Lessee, for themselves, their sublessee, successors, in interest, assigns, and contractors (herein collectively for this Section 15.02 the "Lessee"), as part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Premises and improvements hereunder, (2) that in the construction of any improvements on, over, or under the Premises hereunder, and the furnishing of services therein or thereon, no person the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee will use the Premises and improvements in compliance with all other requirements imposed by or pursuant to the List of Nondiscrimination Acts and Authorities in Section 15:08.

15.03 Breach of Nondiscrimination Covenants:

In the event it has been determined that the Lessee has breached any enforceable nondiscrimination covenants contained in Section 15.01 Equal Employment Opportunity and Section 15.02 Nondiscriminatory Access to Premises above, pursuant to the complaint procedures contained in the applicable Federal Regulations, and the Lessee fail to comply with the sanctions and/or remedies which have been prescribed, the County shall have the right to terminate this Agreement pursuant to the Termination of the Agreement section hereof.

15.04 Nondiscrimination:

During the performance of this Agreement, the Lessee agree as follows: The Lessee shall, in all solicitations or advertisements for employees placed by or on behalf of the Lessee, state that all qualified applicants will receive consideration for employment without regard to age, sex, race, color, religion, marital status, place of birth or national origin, ancestry, physical handicap or disability. The Lessee shall furnish all information and reports required by Executive Order 11246 issued September 24, 1965, as amended by Executive Order 113155, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to the Lessee' books, records, accounts by the County and Compliance Review Agencies for purposes of investigation to ascertain the compliance with such rules, regulations, and orders. In the event of the Lessee' noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, and orders, this Agreement may be canceled, terminated, or suspended in whole or in part in accordance with the Termination of Agreement section hereof and the Lessee may be declared ineligible for further contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended by Executive Order 113155 and such sanctions as may be imposed and remedies invoked as provided in Executive Order 113155 and such sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 as amended or by rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.

The Lessee will include Section 15.01 Equal Employment Opportunity and Section 15.02 Nondiscriminatory Access to Premises of this Article in the Lessee sub-contracts in excess of \$10,000.00, unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 issued September 24, 1965, as amended by Executive Order 113155, so that such provisions will be binding upon each sub-consultant. The Lessee shall take such action with respect to any sub-contract as the County may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Lessee become involved in, or is threatened with, litigation with a sub-consultant as the result of such direction by the County or by the United States, the Lessee may request the United States to enter into such litigation to protect the interests of the United States.

15.05 Disability Nondiscrimination Affidavit:

By entering into this Agreement with the County and signing the Disability Nondiscrimination Affidavit, the Lessee attests that this is not in violation of the Americans with Disabilities Act of 1990 (and related Acts) or Miami-Dade County Resolution No. R-385-95. If the Lessee or any owner, subsidiary or other firm affiliated with or related to the Lessee are found by the responsible enforcement officer of the Courts or the County to be in violation of the Act or the Resolution, such violation shall render this Contract terminable in accordance with the Termination of Agreement section hereof. This Contract shall be void if the Lessee submit a false affidavit pursuant to this Resolution or the Lessee were not in violation at the time it submitted their affidavit.

15.06 <u>Affirmative Action/Nondiscrimination of Employment Promotion and</u> <u>Procurement Practices:</u>

(County Code Section 2-8.1.5): In accordance with the requirements of County Code Section 2-8.1.5, all firms with annual gross revenues in excess of \$5 million seeking to contract with Miami-Dade County shall, as a condition of award, have a written Affirmative Action Plan and Procurement Policy on file with the County's Department of Procurement Management. Said firms must also submit, as a part of their Lease to be filed with the Clerk of the Board, an appropriately completed and signed Affirmative Action Plan/Procurement Policy Affidavit.

Firms whose Boards of Directors are representative of the population make-up of the nation are exempt from this requirement and must submit, in writing, a detailed listing of their Boards of Directors, showing the race or ethnicity of each board member, to the County's Department of Procurement Management. Firms claiming exemption must submit, as part of their Lease to be filed with the Clerk of the Board, an appropriately completed and signed Exemption Affidavit in accordance with County Code Section 2-8.1.5. These submittals shall be subject to periodic reviews to assure that the entities do not discriminate in their employment and procurement practices against minorities and women/owned businesses.

It will be the responsibility of each firm to provide verification of their gross annual revenues to determine the requirement for compliance with the County Code Section. Those firms that do not exceed \$5 million annual gross revenues must clearly state so in their Lease.

15.07 <u>Title VI Clauses Applicable to this Agreement</u>:

(A) The Lessee, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (1) no person on the ground of race, color, or national origin, will 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 ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Pertinent Nondiscrimination Acts and Authorities in Article 15.08.

(B) With respect to licenses, leases, permits, etc., in the event of breach of any of the above Nondiscrimination covenants, the County will have the right to terminate the Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the Lease had never been made or issued.

15.08 Title VI List of Pertinent Nondiscrimination Acts and Authorities:

During the performance of this Lease, the Lessee agree to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients, and Lessee, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123 (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, Lessee must take reasonable steps to ensure that LEP persons have meaningful access to their programs (70 Fed. Reg. at 74087 to 74100);

• Title IX of the Education Amendments of 1972, as amended, which prohibits Lessee from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

ARTICLE 16 Security and Special Provisions

16.01 Security:

The Lessee acknowledges and accepts full responsibility for (i) the security and protection of the Premises, any improvements thereon, its equipment and property on the Airport and (ii) all breaches of federal and Lessor security requirements by Lessee's employees or those persons for whom Lessee has responsibility under Article 16.02, and (iii) control of access to the AOA through the Premises by persons and vehicles. The Lessee fully understands and acknowledges that any security measures deemed necessary by the Lessee for the protection of said Premises, equipment and property shall be the sole responsibility of the Lessee and shall involve no cost to the County. Lessee is responsible for compliance by its employees and all others for whom they are responsible with applicable security requirements relating to access, through Lessee' Premises or otherwise, to the AOA or any Security Identification Display Area ("SIDA"). All such security measures by the Lessee shall be in accordance with FAR 107, 49 CFR Part 1542 and the Airport Security Plan.

16.02 Security Identification Display Areas Access - Identification Badges:

The Lessee shall be responsible for (i) assuring that all of Lessee' employees, and all employees and persons of entities using the Premises or a SIDA on behalf of Lessee (collectively herein, the "SIDA Users"), have appropriate SIDA Identification Badges and comply with all federal and Lessor security requirements applicable to the Premises and SIDAs, (ii) immediately reporting to MDAD all lost or stolen ID badges of a SIDA User, and (iii) immediately returning the ID badges of any SIDA User that is transferred from the Airport or terminated from the employ of the Lessee or upon termination of this Agreement. Each employee must complete the SIDA training program conducted by MDAD, before an ID badge is issued. The Lessee shall pay, or cause to be paid, to MDAD any fines or penalties imposed on Lessor for a violation of the security requirements by a SIDA User as well as such nondiscriminatory charges, as may be established from time to time, for lost or stolen ID badges and those not returned to MDAD in accordance with this Article. MDAD shall have the right to require the Lessee to conduct background investigations and to furnish certain data on such employees before the issuance of ID badges, which data may include the fingerprinting of employee applicants for the badges.

16.03 AOA - Driver Training:

Before the Lessee shall permit any employee to operate a motor vehicle of any kind or type on the AOA, the Lessee shall require such employee to attend and successfully complete the AOA Driver Training Course conducted from time to time by MDAD. The privilege of a person to operate a motor vehicle on the AOA may be withdrawn by MDAD for any violation of AOA driving rules. Notwithstanding the above, the Lessee shall be responsible for ensuring that all such vehicle operators possess current, valid, appropriate Florida driver's licenses.

16.04 Alcohol and Drug Testing:

The Lessee acknowledge that the County, as a public agency sponsor under the provisions of the Airport and Airway Improvement Act of 1982, as amended (the "Act"), has the obligation to establish a drug free workplace and to establish policies and programs to ensure airport safety and security. The Lessee acknowledges that MDAD, on behalf of the County, has the right to require users of the Airport (Lessee, Permittees, Licensees, etc.) to establish reasonable programs to further the achievement of the objectives described herein. Accordingly, the Lessee shall establish programs for preemployment alcohol and drug screening for all candidates for employment at the Airport who will as a part of their duties (a) be present on the AOA; (b) operate a motor vehicle of any type on the AOA; or (c) operate any equipment, motorized or not, on the AOA and for the same or similar screening based upon a reasonable suspicion that an employee, while on duty on the AOA, may be under the influence of alcohol or drugs. Notwithstanding the above, the Lessee specifically acknowledge that the County, acting through MDAD, has the right and obligation to deny access to the AOA and to withdraw AOA driving privileges from any person who it has a reasonable suspicion to believe is under the influence of alcohol or drugs.

16.05 Drug-Free Workplace Default:

The Lessee acknowledge it has provided to the County a Drug-Free Workplace Affidavit ("Affidavit") certifying that it is providing a drug-free workplace for its employees, as required by County Ordinance No. 92-15, adopted on March 17, 1992, as amended from time to time ("Ordinance"). Based on the provisions of said Ordinance, the County shall have the right, upon thirty (30) days written notice to the Lessee, to terminate this Agreement in the event the Lessee fail to provide, as of each anniversary of the Commencement Date of this Agreement, the annual re-certification affidavit as required by the Ordinance; provided, however, that such termination shall not be effective if the Lessee submit the required Affidavit within the notice period.

Further, this Agreement shall be terminated upon not less than fifteen (15) calendar days written notice to the Lessee and without liability to the County, if MDAD or the County Manager determines any of the following:

(A) That the Lessee has made a false certification in their execution of the Affidavit submitted or in their annual re-certification as required by the Ordinance.

(B) That the Lessee has violated their original or renewal certification by failing to carry out any of the specific requirements of the Ordinance, other than the annual re-certification; or

(C) That such a number of employees of the Lessee have been convicted of violations occurring in their workplace(s) as to indicate that the Lessee have failed to make a good faith effort to provide a drug-free workplace as required by the Ordinance.

16.06 Special Programs:

The Lessee shall ensure that all employees so required participate in such safety, security and other training and instructional programs, as MDAD or appropriate Federal agencies may from time to time require.

16.07 Vehicle Permit and Company Identification:

Motor vehicles and equipment of the Lessee operating on the AOA must have an official motor vehicle identification permit issued pursuant to Operational Directives of MDAD. In addition, company identification must be conspicuously displayed thereon.

16.08 Federal Agencies Right to Consent:

The Lessee understands and agrees that all persons entering and working in or around arriving international aircraft and facilities used by the various Federal Inspection Services agencies may be subject to the consent and approval of such agencies. Persons not approved or consented to by the Federal Inspection Services agencies shall not be employed by the Lessee in areas under the jurisdiction or control of such federal inspection agencies.

16.09 AOA - Right to Search:

The Lessee agrees that its vehicles, cargo, goods, and other personal property are subject to being searched when attempting to enter or leave and while on the AOA. The Lessee further agrees that it shall not authorize any employee or agent to enter the AOA unless and until such employee or agent has executed a written consent-to-search form acceptable to MDAD. Persons not executing such consent-to-search form shall not be employed by the Lessee at the Airport, in any job requiring access to the AOA.

It is further agreed that MDAD has the right to prohibit an individual, agent or employee of the Lessee from entering the AOA based upon facts which would lead a person of reasonable prudence to believe that such individual might be inclined to engage in theft, cargo tampering, aircraft sabotage or other unlawful activities. Any person denied access to the AOA or whose prior authorization has been revoked or suspended on such grounds shall be entitled to a hearing before the Director of MDAD or his authorized designee within a reasonable time. Prior to such hearing, the person denied access to the AOA shall be advised, in writing, of the reasons for such denial.

The Lessee acknowledge and understand that these provisions are for the protection of all users of the AOA and are intended to reduce the incidence of thefts, cargo tampering, aircraft sabotage and other unlawful activities at the Airport.

16.10 Right of Flight:

There is hereby reserved to the County, its successors and assigns, for the use and benefit of the County and the public, a right of flight for the passage of aircraft in the air space above the surface of the premises herein leased, together with the right to cause in said air space such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said air space for landing at, taking off from or operating on Miami International Airport.

16.11 Height Restrictions:

The Lessee expressly agree for themselves, their successors, and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the leased premises to such a height so as to comply with Federal Aviation Regulations, Part 77 and with the Code of Miami-Dade County, whichever is more restrictive.

ARTICLE 17

Control of Employees

17.01 Control of Employees:

The Lessee shall properly always control the actions of their employees that said employees are working on the Airport, ensuring that they present a neat appearance and discharge their duties in a courteous and efficient manner and that they maintain a high standard of service to the public.

17.02 Lessee' Responsibility for Employee's Violations:

In the event the Lessee are in default of the covenants of Article 17.01 (Control of Employees) for failure to properly control their employees or by permitting their employees to improperly use the facilities provided by the County, MDAD shall have the right to require the Lessee to conduct an investigation into any claimed violation of the covenants; if such investigation substantiates a violation, Lessee agree to administer the appropriate discipline up to and including discharge of the offending employee.

ARTICLE 18

Civil Actions

18.01 Governing Law; Venue:

This Agreement shall be governed and construed in accordance with the laws of the State of Florida. The venue of any action on this Agreement shall be laid in Miami-Dade County, Florida, and any action to determine the rights or obligations of the parties hereto shall be brought in the courts of the State of Florida.

18.02 Notice of Commencement of Civil Action:

In the event that the County or the Lessee commence a civil action where such action is based in whole or in part on an alleged breach of this Agreement, the County and the Lessee agree that service of process shall be made pursuant to the rules of Civil Procedure in the court in which the action has been filed.

18.03 Registered Office/Agent; Jurisdiction:

Notwithstanding the provisions of Article 18.02 (Notice of Commencement of Civil Action), and in addition thereto, the Lessee, if a corporation, shall designate a registered office and a registered agent, as required by Section 48.091, Florida Statutes, such designations to be filed with the Florida Department of State in accordance with Section 607.0501, Florida Statutes. If the Lessee are a natural person, he and his personal representative hereby submit themselves to the jurisdiction of the Courts of this State for any cause of action based in whole or in part on an alleged breach of this Agreement.

ARTICLE 19

Trust Agreement

19.01 Incorporation of Trust Agreement by Reference:

Notwithstanding any of the terms, provisions and conditions of this Agreement, it is understood and agreed by the parties hereto that, to the extent of any inconsistency with or ambiguity relating to the terms and conditions of this Agreement, and the level of rents, fees or charges required hereunder and their periodic modification or adjustment as may be required by the provisions of the Amended and Restated Trust Agreement dated as of the 15th day of December, 2002 as amended by and between the County and the JP Morgan Chase Bank as Trustee and Wachovia Bank, National Association as Co-trustee, and specifically the terms of Section 501 thereof, shall prevail and govern at all times during the term of this Agreement. Copies of the Trust Agreement are available for inspection in the offices of the Department during normal working hours.

19.02 Adjustment of Terms and Conditions:

If, at any time during the term of this Agreement, a Federal agency or court of competent jurisdiction shall determine that any of the terms and conditions of this Agreement, including the rentals, fees and charges required to be paid hereunder to the County by the Lessee or by other Lessee under other Agreements of the County for the lease or use of facilities used for similar purposes, are unjustly discriminatory, the County shall have the right to modify such terms and conditions and to increase or otherwise adjust the rentals, fees and charges required to be paid under this Agreement in such a manner as the County shall determine is necessary and reasonable so that the rentals, fees and charges payable by the Lessee and others shall not thereafter be unjustly discriminatory to any user of like facilities and shall not result in any violation of the Trust Agreement and/or bond resolution or in any deficiency in revenues necessary to comply

with the covenants of the Trust Agreement and/or bond resolution. In the event the County has modified the terms and conditions of this Agreement, including any adjustment of the rentals, fees and charges required to be paid to the County pursuant to this provision, this Agreement shall be amended to incorporate such modification of the terms and conditions including the adjustment of rentals, fees, and charges upon the issuance of written notice from the Department to the Lessee.

19.03 Lessee Right to Terminate:

In the event the terms and conditions of this Agreement, including the rentals, fees, and charges payable hereunder, have been substantially modified pursuant to Article 19.02 (Adjustment of Terms and Conditions) above, the Lessee, at any time within one year following the Commencement Date of such modification may terminate this Agreement by giving ninety days written notice to the County, without liability by any part to any other party.

ARTICLE 20

Other Provisions

20.01 No Representation:

The County makes no representation, warranty, guarantee, or averment of any nature whatsoever concerning the physical condition of the Premises, and it is agreed that the County will not be responsible for any loss, damage or costs which may be incurred by the Lessee by reason of any such physical condition.

20.02 <u>Headings</u>:

Any headings preceding the text of any articles, paragraphs or sections of this Agreement shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction, or effect.

20.03 Interference:

The Lessee further expressly agrees to prevent any use of the Premises, which would interfere with or adversely affect the operation or maintenance of the Airport or otherwise constitute an airport hazard. Lessee shall be solely responsible, at its sole cost, for designing, constructing, and operating the Premises such that interference with the Airport, including but not limited to easements, utilities, rights of way, etc., or the creation of any hazard is entirely avoided or entirely mitigated.

20.04 Authorized Uses Only:

The Lessee shall not use or permit the use of the Airport for any illegal or unauthorized purpose or for any purpose which would increase the premium rates paid by the County on, or invalidate, any insurance policies of the County or any policies of

insurance written on behalf of the Lessee under this Agreement.

20.05 Binding Effect:

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

20.06 Federal Subordination:

This Agreement shall be subordinate to the provisions of any existing or future agreements between the County and the United States of America relative to the operation and maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport. All provisions of this Agreement shall be subordinate to the right of the United States of America to lease or otherwise assume control over the Airport, or any part thereof, during time of war or national emergency for military or naval use and any provisions of this Agreement with the provisions of such lease to, or assumption of control by, the United States of America shall be suspended.

20.07 <u>Notices</u>:

All notices required or permitted to be given under the terms and provisions of this Agreement by either party to the other shall be in writing and shall be hand delivered or sent by registered or certified mail, return receipt requested, to the parties as follows:

As to the County or MDAD:

Miami-Dade County Aviation Department

Post Office Box 025504, Miami, Florida 33102-5504 C/O. Director

As to the Lessee:

President & Chief Executive Officer **AAR Aircraft Services, Inc.** Post Office Box 522602 Miami, Florida 33122-2602

or to such other address as may hereafter be provided by the parties in writing. Notices by registered or certified mail shall be deemed received on the delivery date indicated by the U.S. Postal Service on the return receipt. Hand delivered notices shall be deemed received by the Lessee when presented to the local management representative of the Lessee.

20.08 Rights Reserved:

Rights not specifically granted the Lessee by this Agreement are reserved to the County.

20.09 Rights of County at Airport:

The County shall have the absolute right, without limitation, to make any repairs, alterations and additions to any structures and facilities at the Airport. The County shall, in the exercise of such right, be free from any and all liability to the Lessee for business damages occasioned during the making of such repairs, alterations and additions, except those occasioned by the sole active negligence or willful misconduct of the County, its employees, or agents.

20.10 Rights to be Exercised by Department:

Wherever in this Agreement rights are reserved to the County, such rights may be exercised by MDAD.

20.11 <u>No Waiver</u>:

There shall be no waiver of the right of either party to demand strict performance of any of the provisions, terms and covenants of this Agreement nor shall there be any waiver of any breach, default, or non-performance hereof by either party, unless such waiver is explicitly made in writing by the other party. Any previous waiver, or course of dealing shall not affect the right of either party to demand strict performance of the provisions, terms, and covenants of this Agreement with respect to any subsequent event or occurrence of any subsequent breach, default, or non-performance hereof by the other party.

20.12 Right to Regulate:

Nothing in this Agreement shall be construed to waive or limit the governmental authority of the County, as a political subdivision of the State of Florida, to regulate the Lessee or their operations. Notwithstanding any provision of this Agreement, nothing herein shall bind or obligate the County, the Zoning Appeals Board, the Building and Zoning Department (as it may be renamed from time to time), the Planning Department, or any department, board or agency of the County, to agree to any specific request of Lessee that related in any way to the regulatory or quasi-judicial power of the County; and the County shall be released and held harmless by Lessee from any liability, responsibility, claims, consequential damages or other damages, or losses resulting from the denial or withholding of such requests; provided, however, that this provision shall not preclude any appeal from County action wherein the sole remedy sought is reversal of the County's bad faith, capricious behavior or arbitrary action.

20.13 <u>Severability</u>:

If any provision of this Agreement or the application thereof to either party to this Agreement is held invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions of this Agreement which can be given effect without the invalid provision, and to this end, the provisions of this Agreement are severable.

20.14 Inspections:

Subject to satisfying any conditions to entry established elsewhere in this Agreement, the authorized employees and representatives of the County and of any applicable Federal or State agency having jurisdiction hereof shall have the right of access to the Premises at all reasonable times for the purposes of inspection and testing to determine compliance with the provisions of this Agreement. This right of inspection and testing shall impose no duty on the County to inspect and shall impart no liability upon the County should it not make any such inspections.

20.15 Payment of Taxes:

The Lessee shall pay all taxes and other costs lawfully assessed against their leasehold interests in the Premises, their improvements, and their operations under this Agreement; provided, however, the Lessee shall not be deemed to be in default of their obligations hereunder for failure to pay such taxes pending the outcome of any legal proceedings instituted to determine the validity of such taxes. Failure to pay the taxes upon the adverse ultimate conclusion of such legal proceedings against the Lessee shall constitute a default pursuant to Article 13.03 (Other Defaults). Pursuant to IO 8-4 Lessee shall annually submit proof of payment of applicable property taxes to the Lessor finance section.

20.16 Quiet Enjoyment of Others:

The Lessee shall control the actions of their employees, agents, invitees, and those doing business with it, so as to not annoy, disturb or be offensive to others and to provide the service hereunder so as to not unreasonably create a nuisance or thing which may disturb the quiet enjoyment of any other users of the Airport.

20.17 Radon Disclosure:

In accordance with Section 404.056, Florida Statutes, the following disclosure is hereby made:

Radon Gas: 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.

20.18 Force Majeure:

The terms and conditions of the Agreement (with the exception of the obligation of the Lessee to pay the amounts required by the terms of this Agreement) shall be subject to "Force Majeure". Neither the County nor the Lessee shall be considered in default in the performance of their obligations hereunder, if such performance is prevented or delayed because of unforeseen circumstances due to war, hostilities, revolution, civil commotion, strike, lock-out, epidemic, fire, wind, flood, hurricane, tornado, lightning, wind damage, or because of any law, order, proclamation, regulation or ordinance of any government or of any subdivision thereof because of any act of god or any other cause whether of similar or dissimilar nature beyond the reasonable control of the party affected, providing that notice of such force majeure is given by the affected party to the other within ten (10) days of the beginning of said force majeure. Should one or both of the parties be prevented from fulfilling their contractual obligation by a state of force majeure lasting continuously for a period of six (6) months, the parties shall consult with each other regarding the implementation of the Agreement. Notwithstanding the foregoing, the prevention or delay of performance caused by the coronavirus disease 2019 (COVID-19) shall in no way be deemed by Lessee as a condition subject to Force Majeure.

20.19 Destruction of Premises:

In the event the Premises shall be destroyed or so damaged or injured by fire, windstorm, flood or other casualty (and in each such event the Lessee were not at fault in whole or in part) during the life of this Agreement that the Premises or any portion thereof are rendered untenantable, the County shall have the right, but not the obligation, to render said Premises or damaged portion thereof tenantable by repairs completed within a reasonable period of time.

- (A) <u>Total Destruction</u>: In the event the County elects not to render the Premises tenantable, if destroyed or damaged in their entirety, the Lessee shall be so notified in writing by MDAD, and this Agreement shall be deemed terminated as of the date of the casualty, with the Lessee being liable only for payment of rentals on a pro rata basis as to whatever portion(s) of the Premises which were tenantable and used by the Lessee following the casualty. In such event, MDAD shall endeavor to find adequate replacement premises for the Lessee in existing facilities at the Airport.
- (B) If the damaged portion of the Premises is not rendered tenantable by the County within a reasonable period of time, and the Lessee shall determine that: 1) the loss of the damaged portion of the Premises shall have a materially adverse impact on the ability of the Lessee to utilize the Premises for the purposes described in Article 2; or 2) would require the Lessee to

obtain other space off the Premises in order to substantially conduct the operations of the Lessee originally conducted within the Premises, then, in either such event, upon written notice to the County, the Lessee may cancel this Agreement as of a date which shall be not later than three (3) months from the giving of such notice, if the repairs are not completed within ninety (90) days following such written notice of the intent to cancel, or if the County has not commenced repairs within such notice period for repairs which cannot be reasonably completed within such ninety (90)-day period. In the event of cancellation, the rent for the untenantable portion of the Premises shall be paid only to the date of such fire, windstorm, flood, or other casualty. If the Agreement is not canceled following any such casualty, the rent shall be abated as to the portion of the Premises rendered untenantable.

If the casualty was caused in whole or in part by the Lessee, their officers, employees, agents, contractors, or trespassers, then the Lessee shall not have the right to terminate this Agreement and shall be responsible under other provisions of this Agreement for payment to the County of all damage to the Premises, plus the loss of rentals attributable to the damaged or destroyed premises.

The remedies provided to Lessee in this Article 20.19 are exclusive, and Lessee shall be entitled to no other remedies in the event of the complete or partial destruction of or damage to the Premises.

20.20 Quiet Enjoyment:

Subject to the terms of this Agreement, specifically including, but not limited to, environmental remediation steps to be taken under Article 8, the County's right and obligation to make certain repairs, alterations, and additions under Articles 5 (Maintenance by County) and 20.09 (Rights of County at Airport), which, for purposes of this clause, includes any and all demolition, in whole or in part, of buildings and runways, and roadway systems on or off the Airport, and the reservation of easement rights to the airspace under Article 16.10 (Right of Flight), all of which provisions and others in this Agreement, the Lessee acknowledge may cause disruption and disturbance to the Lessee, and upon the observance by the Lessee of all the terms, provisions, covenants, and conditions imposed upon the Lessee hereunder, the Lessee shall peaceably and quietly hold and enjoy the Premises for the term of this Agreement; provided, however, that the County shall not be liable for any violation of this clause or for any disturbance or disruption in or to the Lessee' business, for acts or omissions of tenants, users of the Airport, third parties or when any department or agency of the County is acting in its governmental capacity or by Acts of God.

20.21 Interpretation of Agreement:

This Agreement is the result of negotiation between the parties hereto and has been typed/printed by one party for the convenience of both parties, and the parties covenant that this Agreement shall not be construed in favor of or against any of the parties hereto.

20.22 Entirety of Agreement:

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

* * * *

ARTICLE 21

COMMUNITY PROGRAMS

In addition to AAR agrees to make an annual \$10,000 contribution to the Florida Memorial University scholarship fund.

EXHIBIT K-08

Listing of Hazardous Materials Usage (ARTICLE 8.08)

Pursuant to Section 8.08, the tenant intends to use the following hazardous materials in the operations within their leasehold, which are subject to approval from the Miami-Dade Aviation Department (MDAD). Note this exhibit, including MDAD's approval, shall be part of the final Lease Agreement documentation.

PRODUCT NAME _____

- NAME OF MANUFACTURER ______
- CHEMICAL ABSTRACTS SERVICE (CAS) REGISTRY NUMBER (IF AVAILABLE) FOR EACH HAZARDOUS INGREDIENT IN THE PRODUCT

MDAD APPROVAL (CIVIL ENVIRONMENTAL ENGINEERING DIVISION)

EXHIBIT-K--13

(ARTICLE 8.13: Periodic Environmental Audits)

Miami-Dade Aviation Department Civil Environmental Engineering Division

TENANT AUDIT SUMMARY MINIMUM REQUIREMENTS

Environmental Compliance Audit:

The audits shall conform with the most current ASTM standard E-2107. At a minimum the audit scope shall include the areas listed below, detailed visual inspection of the tenant leasehold and operations; a review of documents made available by the facility; interviews with knowledgeable site representatives; the completion of a detailed compliance audit questionnaire; photographic documentation of selected site conditions; and any follow-up visits.

Areas of Concern:

- Environmental Management Systems
- Air Emissions
- Asbestos and Polychlorinated Biphenyls (PCBs)
- Hazardous Materials and Waste
- Oil Pollution Management
- Pesticides
- Solid Waste
- Storage Tanks
- Water Supply and Wastewater

Documentation:

- Permits, Licenses, Certifications, etc.
- All regulatory activities by any environmental agency.
- Standard Operating Procedures (SOPs)
- Best Management Practices (BMPs)
- Emergency Response (spills, etc.)
- SPCC Plan, if required
- Dangerous Goods
- Employees Training Programs and Records.

80

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their appropriate officials as of the date first above written.

BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA

By: ______ Deputy Aviation Director

Date:

ATTEST: Luis G. Montaldo, Clerk Ad Interim

By: _

Deputy Clerk

(SEAL)

LESSEE: AAR AIRCRAFT SERVICES, INC. By: President Chris Jessup **Print Name**

Date: _____06/09/2023

ATTEST: By; Date: 81

(CORP. SEAL)




EXHIBITS

EXHIBITS Table 1 Premises A

PREMISES A PAGE 1 of 3



MDC111

PREMISES A PAGE 2 of 3





I

MDC113

EXHIBITS Table 2 Premises B

PREMISES B PAGE 1 of 2



PREMISES B PAGE 2of 2



EXHIBITS Table 3 Premises C

PREMISES C PAGE 1 of 1



EXHIBITS Table 4 Premises D



EXHIBITS Table 5 Premises E (Adjacent Premises)





MDC123

Biscayne Engineering

Boundary & Topography Survey AAR Aircraft Services

3/14/2023













MEMORANDUM

(Revised)

TO:Honorable Chairman Oliver G. Gilbert, IIIDATE:July 18, 2023and Members, Board of County Commissioners

Bonzon-Keenan

FROM: Con Bonzon-Kee County Attorney SUBJECT: Agenda Item No. 14(A)(6)

Please note any items checked.

 "3-Day Rule" for committees applicable if raised
 6 weeks required between first reading and public hearing
 4 weeks notification to municipal officials required prior to public hearing
 Decreases revenues or increases expenditures without balancing budget
 Budget required
 Statement of fiscal impact required
 Statement of social equity required
 Ordinance creating a new board requires detailed County Mayor's report for public hearing
 No committee review
 Applicable legislation requires more than a majority vote (i.e., 2/3's present, 2/3 membership, 3/5's, unanimous, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c), CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c), or CDMP 9 vote requirement per 2-116.1(4)(c)(2)) to approve
 Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved	Mayor	Agenda Item No. 14(A)(6)
Veto		7-18-23
Override		

RESOLUTION NO.

RESOLUTION APPROVING RESTATED DEVELOPMENT LEASE BETWEEN THE COUNTY AND AAR AIRCRAFT SERVICES, INC. ("AAR") TO EXTEND THE TERM OF AAR'S EXISTING MAINTENANCE HANGAR AND ANCILLARY LEASES ON THE NORTH SIDE OF MIAMI INTERNATIONAL AIRPORT ("MIA") AND TO MODIFY THE BOUNDARIES OF AAR'S EXISTING LEASES TO ENABLE AAR TO DEVELOP AN EXPANDED HANGAR TO MEET GROWING AIRCRAFT MAINTENANCE NEEDS AT MIA; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE SUCH RESTATED DEVELOPMENT LEASE AND ALL RIGHTS CONTAINED THEREIN, INCLUDING THE TERMINATION PROVISIONS: AND DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE THE RESTATED DEVELOPMENT LEASE TO THE COUNTY PROPERTY APPRAISER IN ACCORDANCE WITH **RESOLUTION NO. R-791-14**

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying

memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Approves the Restated Development Lease between the County and AAR Aircraft Services, Inc. ("AAR"), in the form substantially attached to the accompanying memorandum ("Restated Development Lease"), to extend the term of AAR's existing maintenance hangar and ancillary leases on the north side of Miami International Airport ("MIA") and to modify the boundaries of AAR's existing leases to enable AAR to develop an expanded hangar to meet the growing aircraft maintenance needs at MIA.

,

Section 2. Authorizes the County Mayor or County Mayor's Designee to execute the Restated Development Lease and to exercise all rights contained therein, including the termination provisions.

Section 3. Directs the County Mayor or County Mayor's designee to provide a copy

of the Restated Development Lease the County Property Appraiser in accordance with Resolution

No. R-791-14.

The foregoing resolution was offered by Commissioner who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

> Oliver G. Gilbert, III, Chairman Anthony Rodríguez, Vice Chairman Marleine Bastien Juan Carlos Bermudez Kevin Marino Cabrera Sen. René García Roberto J. Gonzalez Keon Hardemon Danielle Cohen Higgins Eileen Higgins Kionne L. McGhee Raquel A. Regalado Micky Steinberg

Agenda Item No. 14(A)(6) Page No. 3

The Chairperson thereupon declared this resolution duly passed and adopted this 18th day of July, 2023. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.

> MIAMI-DADE COUNTY, FLORIDA BY ITS BOARD OF COUNTY COMMISSIONERS

JUAN FERNANDEZ-BARQUIN, CLERK

By:___

Deputy Clerk

Approved by County Attorney as to form and legal sufficiency.

RCZ

Ryan Zagare David M. Murray