

LEASE AND OPERATING AGREEMENT

This Lease and Operating Agreement (the "Agreement"), is made and entered into this 30 day of April 2012, by and between the City of Clearwater, a Florida municipality, hereinafter called the "Lessor", and Clearwater Airpark, Inc., hereinafter called the "Lessee".

This agreement represents the whole and entire agreement between Lessee and Lessor and incorporates City's Request for Proposal, Lessee's Response and all attachments thereto.

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W I T N E S S E T H:

WHEREAS, Lessor has jurisdiction over the safe operation and maintenance of the Premises and improvements to the City-owned land within the territorial limits of the City of Clearwater, now known as the "Clearwater Airpark" (the "Airpark"); and

WHEREAS, Professional aeronautical services are essential to the proper accommodation of private and commercial aviation at the Airpark; and

WHEREAS, Lessor desires to make such services available at the Airpark through independent operators and Lessee desires to provide such services as an independent operator.

NOW, THEREFORE, in consideration of the Promises and the mutual covenants contained in this Agreement, the parties hereby agree as follows:

ARTICLE I
TERM

The initial term of this Agreement shall be for a period of 60 months, commencing on the first day of December 2012 and continuing through the 30th day of November 2017 (the "Termination Date"), unless earlier terminated under the provisions of this Agreement. This is the first five (5) year lease period. Lessee with Lessor's consent may renew this Lease Agreement for one (1) additional consecutive five (5) year lease period if agreeable to both parties, upon the same terms and conditions, subject to Lessor and Lessee negotiating in good faith a new rental rate schedule within the last 60 days of said lease term or any extension thereof, and subject to Lessee having not been in material default under the terms and provisions of this said Lease.

ARTICLE II
AIRPARK OPERATIONS AREA

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, all facilities and improvements located on the following property, identified and shown on Exhibit A hereto and having a mailing address of 1000 North Hercules Ave. Clearwater FL 34625 (the Airpark Operations Area):

A. Airpark Operations Area Described as follows:

Commence at the center of Section 12, Township 29 South, Range 15 East; thence run North $89^{\circ}19'10''$ West, along the East-West centerline of said Section 12, 50.00 feet, to a point on the West right-of-way line of Hercules Avenue; thence run South $00^{\circ}16'59''$ West, 22.07 feet, for a Point of Beginning of Parcel 1. Thence run North $89^{\circ}21'07''$ West, 519.10 feet; thence run North $03^{\circ}51'07''$ West, 92.96 feet; thence run North $29^{\circ}57'09''$ West, 132.28 feet; thence run North $21^{\circ}27'15''$ West, 204.07 feet; thence run South $89^{\circ}21'07''$ East, 88.01 feet; thence run North $00^{\circ}16'59''$ East, 134.20 feet; thence run North $89^{\circ}09'12''$ West, 230.01 feet; thence run South $00^{\circ}38'53''$ West, 95.00 feet; thence run North $89^{\circ}21'07''$ West, 237.84 feet to a point also referred to as point "A" for convenience; thence run South $25^{\circ}13'17''$ East, 1869.75 feet; thence run South $89^{\circ}49'19''$ West, 131.67 feet; thence run South $00^{\circ}16'59''$ West, 220.46 feet; thence run South $89^{\circ}22'16''$ East, 375.00 feet; thence run North $00^{\circ}16'59''$ East, 1469.04 feet to the P.O.B. for

Parcel;
Together with:

1. Commence at point "A"; thence run North $25^{\circ}13'17''$ West, 15.25 feet for a Point of Beginning of Parcel
2. Thence run North $00^{\circ}16'59''$, East, 906.84 feet; thence run North $89^{\circ}19'26''$ West, 434.06 feet; thence run South $25^{\circ}13'17''$ East, 1008.06 feet to the P.O.B. for Parcel 2.

B. Improvement on said real property as follows:

Five (5) covered "T" hangar buildings, four (4) multiple bay shade hangars, all hard stand and sod aircraft tie down parking spaces; a 3600 square foot (MOL) operations building; one maintenance hangar of 8,487 feet (MOL); two (2) corporate hangars; two (2) twelve thousand (12,000) gallon fuel tanks and pumps; and facilities related to or dependent upon the described improvements.

The Airpark operations area and the improvements thereto are referred to as the "Premises."

C. Maintenance and Repair:

1. Lessee shall maintain the Premises and all structures in their present condition. The Lessee agrees to maintain in a good state of repair, at all times, all leased grounds and structures, including all interior maintenance. For the purpose of this Agreement, Airpark Operations Area interior maintenance is defined as the maintenance and keeping in good repair of the interior walls and ceilings, painting, repairs or alterations of plumbing, doors, window or door glass, electrical fixtures, air conditioning, water fixtures, locking devices and all other fixtures; janitorial services such as sweeping, dusting, mopping and waxing floors; relamping; interior and exterior washing of windows; and the arrangement for sanitary removal of trash from the Premises. The Lessee shall not be responsible for the maintenance of the structural integrity of the leased structures with the exception of the (1) above ground portion of the fuel pumping system and (2) existing sign maintenance. Fuel tanks and all public and common or joint use areas of the Airpark shall be the responsibility of the Lessor.

D. Lessee's contact with the Lessor in connection with the Premises herein leased shall be with the Lessor's Staff Member

designated by the City Manager, subject to the terms and provisions of this Lease, which may not be waived, modified, or amended except in writing executed by the Lessor.

E. The parties agree that the Lessor has the right to add, remove, repair or relocate structures on the Premises at no cost to Lessee. Lessee agrees that no structural, electrical or other modification to any structure on the Premises shall be permitted without the express written consent of Lessor. If any alteration or modification takes place without Lessor's written permission, then, upon written request by Lessor, Lessee agrees to return that part of the Premises modified, altered or affected without consent from Lessor to its original condition. If Lessee fails to return that part of the Premises which was modified or altered without written consent to its original condition within thirty (30) days from receipt or written request from Lessor, then Lessor shall be entitled to return that part of the Premises to its original condition, and shall be entitled to recover the cost and expenses from Lessee. Emergency repairs may be made by Lessee for the safety of individuals and prevention of damage to real and personal property.

F. The Lessee agrees to comply with the American Disabilities Act (ADA) requirements as they pertain to the Airpark Operations Building.

G. Lessee agrees to maintain the Premises according to the minimum periodic maintenance standards described in Exhibit E.

ARTICLE III

RIGHTS, OBLIGATIONS, AND MINIMUM OPERATING STANDARDS

Lessee shall provide the following Aeronautical Activities at the Airpark:

1. Rental of hangar and tie down space
2. Sale of aviation petroleum products
3. Aircraft rental
4. Repair and maintenance of airplanes

In addition to these activities, Lessee is also granted the right, but is not obligated to conduct the following Aeronautical Activities at the Airpark:

1. Aircraft sales
2. Flight instructions
3. Flying club(s)

4. Aerial surveying
5. Sightseeing
6. Air Taxi operations
7. Air Freight operations
8. Charter operations

The standards established herein set forth the minimum operating standards to be met as a condition for the right to conduct any Aeronautical Activity or endeavor at the Airpark. Lessee agrees that all Aeronautical Activities authorized under this agreement will be performed in accordance with the minimum operating standards established herein; including such reasonable amendments as may be adopted by Lessor from time to time. Lessor may also review and approve all contracts, leases, subleases or other agreements that Lessee enters into to provide Aeronautical Activities. Lessee's failure to obtain Lessor's written approval for any Aeronautical Activity shall, at the option of Lessor, be a default under this Agreement.

The Lessee shall be responsible for the enforcement of the provisions contained in the Tie Down/Hangar Lease Form (EXHIBIT B or the Form) and shall take action to correct any violation within twenty-four (24) hours of written notice from Lessor. Lessor reserves the right to add, remove or revise any section(s) of the Form, or replace the Form in its entirety. Lessee shall be responsible to enforce the Form and any amendments at all times, and Lessee's failure to enforce shall result in a default after thirty (30) days written notice from Lessor.

A. Definitions

1. **Aeronautical Activity** - Shall mean any activity which involves, makes possible, or is required for the operation of aircraft or which contributes to, or is required for, the safety of such operations and shall include, but not by way of limitation, all activities commonly conducted at airports, such as charter operations, pilot training, aircraft rental, sightseeing, aerial photography, surveying, aircraft sales and service, sale of aviation petroleum products (whether or not conducted in conjunction with other included activities), repair and maintenance of aircraft, sale of aircraft parts, sale and maintenance of aircraft accessories, radio, communication and navigation equipment, flying clubs and any other activity which, because of its direct relationship to the operation of aircraft, can appropriately be regarded as an "aeronautical activity". Aeronautical activity shall not include scheduled air carrier operations, glider training and operations, aerial advertising,

crop dusting, all manufacturing, fabricating or assembly operations or ultra light operations; therefore, these activities are expressly prohibited.

2. **Agreement** - Shall mean the Lease and Operating Agreement.

3. **Air Operations Area** - Shall mean those portions of the Airpark provided and made available by City for aircraft and related operations, and shall include aircraft runways, taxiways, ramps, aprons and aircraft parking spaces, and areas directly associated therewith which are not leased by Lessee or any other tenant at the Airpark.

4. **Airpark** - Shall mean the Clearwater Airpark, owned by the City.

5. **City** - Shall mean the City of Clearwater, Florida, and any of the appointed officials of the City who are vested with the specific authority to govern the activities of the Airpark.

6. **Airpark Tenant** - Shall mean any entity authorized by this Agreement to conduct Aeronautical Activities

7. **Fixed Base Operator (FBO)** - Shall mean the entity authorized by this Agreement to conduct Aeronautical Activities at the Airpark. For purposes of this Agreement, the Lessee and the FBO are the same entity.

8. **Master Plan** - Shall mean the master plan as adopted by the City Commission on October 5, 2000, and any subsequent amendments approved by the Lessor's City Council, and the scaled dimensional layout of the entire Airpark, indicating current and proposed usage for each identifiable segment as approved by the Lessor and the State of Florida.

9. **Tie Down/Hangar Lease Agreements** - Shall mean the agreement forms supplied by the Lessor and used by the Lessee to sub-lease any covered shade, enclosed or tie down hanger spaces.

10. **Structures** - Above ground buildings, runways, taxiways and other objects permanently affixed to the ground.

B. Standard Requirements for all Services

In providing any of the required services or activities specified herein, Lessee shall operate for the use and benefit of the public and shall meet or exceed the following standards:

1. Lessee shall furnish service on a fair, reasonable and nondiscriminatory basis to all users of the Airpark. Lessee shall furnish good, prompt, and efficient service adequate to meet all reasonable demands for its services at the Airpark. Lessee shall charge fair, reasonable, and nondiscriminatory prices for each unit of sale or service; provided, however, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers. Lessee shall obtain Lessor's written approval thirty (30) days in advance when changes in rental rates are proposed. Increases in shade hanger, T-hanger and tie down rates must be approved by Lessor, and shall be limited to the same percentage increases of the consumer price index for the previous 12 months. The rates in effect as of the date of this Agreement are attached as Exhibit C of this Agreement.

2. Lessee shall select and appoint a full-time manager of its operations at the Airpark. The manager shall be qualified and experienced and vested with full power and authority to act in the name of Lessee with respect to the method, manner and conduct of the operation of the fixed base services. The manager shall be available at the Airpark during regular business hours. During the manager's absence a duly authorized and adequately trained subordinate shall be in charge and available at the Airpark. Lessee agrees that a duly authorized representative shall attend Lessor's monthly Airpark Authority meeting to report on the Airpark and to answer any questions about the Airpark. Lessee further agrees to attend any meeting that Lessor deems necessary that may involve the operation of the Airpark.

3. Lessee shall provide, at its sole expense, no fewer than two (2) full-time qualified and trained employees during hours of operation to provide effectively and efficiently the services required or authorized by this Agreement.

4. Lessee shall control the conduct, demeanor and appearance of its employees, who shall be trained by Lessee and who shall possess such technical qualifications and hold such certificates of qualification as may be required in carrying out assigned duties. It shall be the responsibility of Lessee to maintain close supervision over its employees to assure a high standard of service to customers of Lessee. Lessee shall provide all of its employees collared shirt uniforms identifying themselves as Lessee's employees

5. Lessee shall meet all expenses and payments in connection with the use of the Premises and the rights and

privileges herein granted, including licenses, taxes or permits required by law in the normal course of business. Lessee may, however, at its sole expense and cost, contest any tax, fee or assessment.

6. Lessee shall comply with all federal, state, and local laws and standards set forth in the Airpark master plan, which may be amended from time to time. Lessee shall keep in effect and post in a prominent place all necessary or required licenses or permits.

7. It is expressly understood and agreed that, in providing required or optional services pursuant to the Agreement, Lessee shall select all vendors, suppliers or other users of the Airpark.

8. During the term of the Agreement, Lessee shall have the right, at its expense, to place in or on the Premises a sign or signs identifying Lessee. Said sign or signs shall be of a size, shape and design and at a location or locations approved by Lessor, and must comply with all City code requirements. Notwithstanding any other provision of the Agreement, said sign(s) shall remain the property of Lessee. Lessee shall remove, at its expense, all lettering, signs and placards so erected on the Premises at the expiration of the term of the Agreement, or upon written notice by Lessor. Lessee further agrees to provide an area within the operations building, an information dissemination point for City sponsored promotions, events and activities. Lessee shall sponsor at least once annually an open house day at the Airpark which date and time must be approved by Lessor. Lessee agrees to expend at least one thousand dollars (\$1,000.00) annually to fund the open house day.

9. Lessee shall use the standard tie down/hangar space Lease form attached as Exhibit B for hangar and tie down space rentals. Copies of each executed lease agreement shall be made available to the Lessor upon request. Hangar vacancies shall be filled on a "first come, first serve" basis in accordance with a waiting list maintained by the Lessee and made available to the Lessor and general public upon request.

10. The Lessee shall provide, upon Lessor's written request documentation as to the Lessee's technical and financial ability to perform the services of proposed operation at all times during the term of this lease. Such evidence of technical and financial ability shall consist of, but not necessarily be limited to, a statement of financial position certified by an officer of the Lessee as to its correctness and reviewed by the City auditor

and other licenses, permits or certificates required by law and applicable to Lessee's proposed operation.

11. Lessee shall not do business on the Premises in any business name other than the name of the business as it appears in this Agreement without written permission by the Lessor.

C. Minimum Requirements - Aviation Petroleum and Ramp Services

1. Buildings - The Lessor shall provide a building to serve as a General Aviation Terminal for use by the Lessee that contains at least 2,000 square feet of properly lighted space for office space, storage, a public waiting area that includes indoor restroom facilities, restaurant or appropriate vending machines and a public use telephone. The Airpark Authority and the Lessor shall have the right to conduct regular and special meetings in this building at no cost.

2. Personnel - Lessee shall employ at least two (2) full-time employees properly trained in aircraft fueling and ramp safety procedures.

3. Services - Lessee shall provide aircraft ground guidance within the uncontrolled areas adjacent to the Premises and ramp service, including sale and into plane delivery of aviation fuels, lubricants, and other related aviation products.

Lessee shall provide apron servicing of and assistance to aircraft, including itinerant parking, storage, and tie down service for both based and itinerant aircraft upon or within facilities leased to Lessee or aircraft parking areas designated by Lessor and described in the lease.

Customary accommodations for the convenience of users, including passenger and pilot lounge areas, information services and telephone service connections to the Flight Service Station and/or the United States Weather Bureau, pilot accessories, appropriate vending machines, and rental car services as may be appropriate shall be provided by the Lessee.

Lessee shall ensure the availability of an adequate number and type of fire extinguishers, and pieces/units of appropriate ground support equipment (GSE), to meet airport user requirements and all applicable governmental Codes.

Lessee shall provide, maintain and operate an airport UNICOM providing continuous airport advisory services during the hours

set forth in paragraph 5, Hours of Operation. By federal law, Lessee shall be the sole licensed UNICOM operator at the Airpark.

4. Fuel Facilities and Fuel Supply - The City shall furnish at least two (2) leased metered and filter equipped dispensers, for dispensing 100-octane aviation fuel from storage tanks having a minimum capacity of 12,000 gallons each.

Lessee shall ensure the maintenance of pumping equipment in as is condition and meeting all applicable safety requirements with reliable metering, filtering and grounding devices subject to independent inspection and with a pumping efficiency capable of servicing aircraft. An adequate supply of 100 octane fuel will be maintained at all times and Lessee will secure and maintain an ongoing contract with a fuel supplier to ensure continuous supply of aviation fuel. Lessee shall be responsible for dispensing equipment on the Premises regardless of ownership.

Automobile fuel may be dispensed at the Airpark under terms and conditions that may be subsequently agreed upon between the Lessor and the Lessee.

5. Hours of Operation - Aircraft shall be permitted to operate from Clearwater Airpark between 7:00 am and 11:00 pm for takeoffs and landings. The Airpark shall be closed to takeoffs and landings at all other times except when authorized in writing by the City Manager or designated representative. Takeoffs and landings beginning at 6:00 am for traffic reporting aircraft shall only be with the written permission of the City Manager, and such permission is revocable at any time within the City manager's sole discretion. Emergency "on call" service will be provided during off duty hours by Lessee.

6. INSURANCE COVERAGE: Lessee shall obtain at Lessee's expense, and continuously maintain in effect at all times during the term of the Agreement, insurance for Fixed Base Operator (Fueling) and/or Self-Fueling Operator to include broad form contractual liability and the following coverage:

a. **Fixed Base Operator (Fueling)**

- i. General Liability to include bodily injury, personal injury and property damage for all premises, unlicensed vehicles, and contractual liability in an amount not less than \$1,000,000, Combined Single Limit Per Occurrence, or equivalent.
- ii. Vehicular Liability to include bodily injury and property damage for all licensed vehicles owned, non-owned, or hired in an amount not less than

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- iii. \$1,000,000, Combined Single Limit per Occurrence.
 - iv. Hangar Keeper's Liability to include property damage for all non-owned aircraft under the care, custody or control of the operator in an amount not less than \$1,000,000 Each Aircraft and \$1,000,000 Each Occurrence.
 - iv. Environmental Impairment to include pollution Legal Liability and Remediation Legal Liability in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.
 - v. Workers' Compensation as required by the State of Florida.
 - vi. Fire and Extended Coverage to be maintained in an amount not less than the full replacement value(FRV) of airport facilities on leasehold premises.
Products and Completed Operations in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.

b. Self-Fueling Operator (Fueling)

- i. General Liability to include bodily injury, personal injury and property damage for all premises, unlicensed vehicles, and contractual liability in an amount not less than \$1,000,000, Combined Single Limit Per Occurrence, or equivalent.
- ii. Vehicular Liability to include bodily injury and property damage for all licensed vehicles owned, non-owned, or hired in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.
- iii. Environmental Impairment to include pollution Legal Liability and Remediation Legal Liability in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.
- iv. Workers' Compensation as required by the State of Florida.
- v. Fire and Extended Coverage to be maintained in an amount not less than the full replacement value (FRV) of airport facilities on leasehold premises.
- vi. Products and Completed Operations in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.

D. Minimum Requirements - Flight Training

1. **Personnel** - Lessee shall employ Certified Flight instructors sufficient in number to meet service demands and currently certified by the Federal Aviation Administration, with

appropriate ratings to provide ground instruction, private, commercial, and instrument flight training.

2. Aircraft - At least one (1) airworthy, properly equipped instrument single-engine aircraft, owned or leased in writing to the Lessee shall be furnished by the Lessee.

3. Hours of Operation - The normal operating hours for flight training will be from 8:00 a.m. to 5:00 p.m. 5 days per week exclusive of Holidays.

4. Customer Notification - Lessee shall post a sign or placard visible to all renter pilots giving notification of insurance coverage, student pilot liability, and other legal risks associated with the aircraft rental agreement.

5. INSURANCE COVERAGE: Lessee shall obtain at Lessee's expense, and continuously maintain in effect at all times during the term of the Agreement, insurance for Flight Training to include broad form contractual liability and the following coverage:

a. Flight Training

- i. General Liability to include bodily injury, personal injury and property damage for all premises, unlicensed vehicles, and contractual liability in an amount not less than \$1,000,000, Combined Single Limit Per Occurrence, or equivalent.
- ii. Vehicular Liability to include bodily injury and property damage for all licensed vehicles owned, non-owned, or hired in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.
- iii. Aircraft and Passenger Liability to include bodily injury, property damage, and passenger injury, with a minimum of \$1,000,000 per passenger, for all owned or operated aircraft.
- iv. Workers' Compensation as required by the State of Florida.
- v. Fire and Extended Coverage to be maintained in an amount not less than the full replacement value (FRV) of airport facilities on leasehold premises.

E. Minimum Requirements - Aircraft Rental

1. Personnel - Certified Flight instructors sufficient in number to meet service demands with ratings appropriate for aircraft for rent and currently certified by the Federal Aviation

Administration shall be employed.

2. Aircraft - A total of at least one airworthy, properly equipped aircraft to include at least one airworthy, properly equipped instrument single-engine aircraft, owned or leased in writing to the Lessee shall be furnished by the Lessee.

3. Hours of Operation - The normal operating hours for Aircraft rental will be from 8:00 a.m. to 5:00 p.m., 5 days per week, exclusive of Holidays.

4. Customer Notification - The Lessee shall post a sign or placard visible to all rental customers giving notification of insurance coverage, renter liability, and other legal risks associated with the aircraft rental agreement.

5. INSURANCE COVERAGE: Lessee shall obtain at Lessee's expense, and continuously maintain in effect at all times during the term of the Agreement, insurance for Aircraft Rental to include broad form contractual liability and the following coverage:

a. Aircraft Rental

- i. General Liability to include bodily injury, personal injury and property damage for all premises, unlicensed vehicles, and contractual liability in an amount not less than \$1,000,000, Combined Single Limit Per Occurrence, or equivalent.
- ii. Vehicular Liability to include bodily injury and property damage for all licensed vehicles owned, non-owned, or hired in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.
- iii. Aircraft and Passenger Liability to include bodily injury, property damage, and passenger injury, with a minimum of \$1,000,000 per passenger, for all owned or operated aircraft.
- iv. Workers' Compensation as required by the State of Florida.
- v. Fire and Extended Coverage to be maintained in an amount not less than the full replacement value (FRV) of airport facilities on leasehold premises.

F. Minimum Requirements - Aircraft Sales

1. Personnel - At least one (1) commercial pilot(s) currently certified by the Federal Aviation Administration, with ratings appropriate for the types of aircraft to be demonstrated

shall be employed by the Lessee.

2. **Dealerships** - It shall be at the discretion of the Lessee: (1) whether to be an authorized factory dealer; or (2) what manufacturer the Lessee chooses to represent. All aircraft dealers shall hold a dealership license or permit.

3. **INSURANCE COVERAGE:** Lessee shall obtain at Lessee's expense, and continuously maintain in effect at all times during the term of the Agreement, insurance for Aircraft Sales to include broad form contractual liability and the following coverage:

a. **Aircraft Sales**

- i. General Liability to include bodily injury, personal injury and property damage for all premises, unlicensed vehicles, and contractual liability in an amount not less than \$1,000,000, Combined Single Limit Per Occurrence, or equivalent.
- ii. Vehicular Liability to include bodily injury and property damage for all licensed vehicles owned, non-owned, or hired in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.
- iii. Hangar Keeper's Liability to include property damage for all non-owned aircraft under the care, custody or control of the operator in an amount not less than \$1,000,000 Each Aircraft and \$1,000,000 Each Occurrence.
- iv. Aircraft and Passenger Liability to include bodily injury, property damage, and passenger injury, with a minimum of \$1,000,000 per passenger, for all owned or operated aircraft.
- v. Workers' Compensation as required by the State of Florida.
- vi. Fire and Extended Coverage to be maintained in an amount not less than the full replacement value (FRV) of airport facilities on leasehold premises.
- vii. Products and Completed Operations in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.

G. Minimum Requirements - Air Taxi Operations

Lessees engaging in air taxi and/or commuter airline operations must be certified by the Federal Aviation Administration under Federal Aviation Regulation Part 135 and Part 121 and registered with the Civil Aeronautics Board under the Economic Regulations of

Part 298, and meet the following minimum standards.

1. **Personnel** - A sufficient number of commercial and/or airline transport pilot(s) shall be employed plus additional such pilots part-time and/or on call sufficient in number to meet service demands and currently certified by the Federal Aviation Administration to conduct the air taxi.

2. **Aircraft** - A minimum of one (1) airworthy, instrument aircraft is required. Beyond this minimum requirement, it shall be left to the discretion of the Lessee to provide the type, category, class, size and number of aircraft to meet the scope and magnitude of the service performed. All aircraft will be owned or leased in writing to the Lessee and will be airworthy and meet all requirements of the certificate held. Such aircraft shall be under the full operational control of the Lessee.

3. **INSURANCE COVERAGE:** Lessee shall obtain at Lessee's expense, and continuously maintain in effect at all times during the term of the Agreement, insurance for Aircraft Taxi Operation to include broad form contractual liability and the following coverage:

a. **Aircraft Taxi Operations**

- i. General Liability to include bodily injury, personal injury and property damage for all premises, unlicensed vehicles, and contractual liability in an amount not less than \$1,000,000, Combined Single Limit Per Occurrence, or equivalent.
- ii. Vehicular Liability to include bodily injury and property damage for all licensed vehicles owned, non-owned, or hired in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.
- iii. Aircraft and Passenger Liability to include bodily injury, property damage, and passenger injury, with a minimum of \$1,000,000 per passenger, for all owned or operated aircraft.
- iv. Workers' Compensation as required by the State of Florida.
- v. Fire and Extended Coverage to be maintained in an amount not less than the full replacement value (FRV) of airport facilities on leasehold premises.

Separate insurance policies are not required as long as the minimum requirements set forth in the Lease Agreement are met.

ARTICLE IV
APPURTENANT PRIVILEGES

A. Use of Airpark Facilities - Lessee shall be entitled, in common with others so authorized, to the use for their intended purposes of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airpark, including the use of landing areas, runways, taxiways, navigational aids, terminal facilities and aircraft parking areas designated by Lessor.

B. Maintenance of Airpark Facilities

1. Lessor shall maintain all public and common or joint use areas of the Airpark in good repair, and shall make such repairs, replacements or additions thereto as are required and necessary for the safe and efficient operation of the Airpark.

2. Lessee shall keep all areas, including those common use areas within a distance of one hundred (100) feet from the Premises, free from trash, debris, litter, and all other discards.

3. Lessee shall notify the Lessor's Marine & Aviation Department Staff Liaison of any condition requiring repairs, replacements or additions necessary for the safe and efficient operation of the Airpark. Lessor shall not be liable to Lessee, its agents, employees or customers, for any damages resulting from any condition arising after the execution of this Lease unless Lessee has notified the Lessor's Marine & Aviation Department Staff Liaison and has confirmed such notification in writing directed to the Lessor prior to the occurrence of any loss.

4. Lessee shall maintain all grass and landscape vegetation on the Premises. Lessee agrees to mow and maintain the Airpark grass as described on the mowing specifications in Exhibit E, or as revised by Lessor throughout the term of this agreement. If Lessee fails to maintain Airpark as per Lessor's specifications, Lessor at its option may hire a contractor to maintain and bill Lessee accordingly.

C. Airspace and Approaches - Lessor reserves the right to take any action it considers necessary to protect the airspace and approaches of the Airpark against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, or locating any building, object, or structure on the Premises or adjacent to the Airpark which, in the opinion of the Lessor, would limit the usefulness of the Airpark or constitute a hazard to aircraft.

ARTICLE V
PAYMENTS

A. Rent and Fees - In consideration of the rights and privileges granted by this Agreement, Lessee agrees to pay Lessor during the term of this agreement rent of Twenty Thousand Three Hundred Ninety-Nine Dollars and Seventy-Six Cents (\$20,399.76) per month rent for Airpark and hangar rentals, plus Five Hundred Sixty Dollars and Ninety-Seven Cents (\$560.97) plus tax room rental, for a combined total of \$21,000.00 monthly, plus ten cents (\$.10) per gallon fuel flowage fee for all fuel deliveries received at the Airpark up to 90,000 gallons. After 90,000 gallons the fuel flowage fee is increased to twenty cents (\$.20) per gallon. Lessee agrees to pay Lessor sales tax on all Rent and Fee payments.

B. Payments - All rent and fee payments shall be paid monthly in advance on the tenth (10) day of each month during the term of this Agreement. Lessee agrees to pay the pro rata share of any partial month during the beginning or end of this agreement. Lessor shall determine and assess a CPI increase yearly on January 1st for all rent and fee payments.

C. Delinquency Charge - A rent and fee payments shall be delinquent if not paid on or before the tenth (10th) day following the due date, and shall accrue interest at the maximum amount allowable by law, until paid.

D. Place of Payment - All payments due Lessor from Lessee shall be delivered to the Marine & Aviation Department, City of Clearwater, 25 Causeway Boulevard, Clearwater, Florida 33767.

E. Taxes and Assessments - Lessee shall pay all taxes and assessments against property leased to Lessee by this Agreement, and against the leasehold and any other property interests under this Agreement.

F. Records - Lessee shall maintain in accordance with generally accepted accounting principles and keep for a period of five (5) years and for such additional reasonable period as the Lessor may request, records and books of account and such other records as the Lessor may reasonably request. Lessee shall record all transactions for the conduct of the business provided for herein, all of which records and books of account shall be made available at the Airpark, or in such other location as may be requested in writing by the Lessor.

G. Lessee will submit to the Lessor an annual financial report prepared in accordance with generally accepted auditing standards and compliance with the Lease Agreement. The report

will be submitted to the City no later than one month after the completion of the Lessee's Fiscal Year, and Lessor, at its option may inspect Lessee's financial records upon written notice. The statement used by the Lessee to report such sales will be in such form as to be satisfactory to the City Manager or his designee, and must be certified as correct by the Lessee's chief financial officer, or his designee, showing the amount of gross sales at and/or from the demised premises during the monthly periods reported by the statement in the amount of year-to-date gross sales for the calendar year.

H. The acceptance by Lessor of any statement by Lessee, or of any payment, shall not be deemed a waiver of the right of Lessor to claim additional payment after a review and inspection of Lessee's books and records nor shall such acceptance constitute a waiver by Lessee of any claim for a refund from Lessor for any overpayment.

I. Lessee will use cash and credit control devices of a type acceptable to Lessor and that accurately reflect the gross revenues of Lessee from all sales.

ARTICLE VI UTILITIES

Lessee agrees to pay the cost of all utilities for the facilities leased. In the event Lessee fails to pay any utility bills when due, Lessor may, at its option, pay the same and collect from Lessee the amounts so disbursed, plus interest at the maximum rate allowable by law until paid, and in such event, this Agreement is subject to termination at the option of the Lessor.

ARTICLE VII INSURANCE

INSURANCE COVERAGE: Lessee shall obtain at Lessee's expense, and continuously maintain in effect at all times during the term of the Agreement, insurance for claims arising from injuries to persons or damages to property, which may arise from or in connection with this Lease to include broad form contractual liability and the following coverage:

1. Minimum Scope of Insurance

- a. Commercial General Liability to include bodily injury, personal injury and property damage for all premises, unlicensed vehicles, and contractual liability in an

- amount not less than \$1,000,000, Combined Single Limit Per Occurrence, or equivalent.
- b. Vehicular Liability to include bodily injury and property damage for all licensed vehicles owned, non-owned, or hired in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.
 - c. Hangar Keeper's Liability to include property damage for all non-owned aircraft under the care, custody or control of the operator in an amount not less than \$1,000,000 Each Aircraft and \$1,000,000 Each Occurrence.
 - d. Workers' Compensation and Employer's Liability as required by the State of Florida.
 - e. Fire and Extended Coverage to be maintained in an amount not less than the full replacement value (FRV) of airport facilities on leasehold premises.
 - f. Products and Completed Operations in an amount not less than \$1,000,000, Combined Single Limit per Occurrence.
 - g. Premises and Operations
 - h. Independent Contractors
 - i. Aircraft Liability to include single limit bodily injury and property damage in an amount not less than \$1,000,000 limit per passenger.
 - j. Air Meet Liability Coverage purchased as needed for special events/Air Meets and to include adequate limits to cover such events.

2. Minimum Limits of Insurance

- a. Lessee shall maintain limits and types of insurance coverage as provided in this Lease and Operating Agreement. The minimum limits and types of insurance that Lessee shall maintain in general are set forth in this Lease. However, the limits and types of insurance coverage for specific activities of the Lessee at the Airpark are set forth in Article III and the Lessee is required to maintain that coverage if that specific activity is engaged in by the Lessee and is not otherwise covered by the terms of the general insurance coverage. If the specific activity engaged in by the Lessee is insured by the provisions of its general coverage provided pursuant to the requirements of this Article VII, then the insurance requirements for that activity under Article III will be deemed satisfied and no additional insurance policy or endorsement to a policy shall be required of the Lessee.

3. Other insurance Provision

a. Policies are to contain, or be endorsed to contain, the following provisions:

- i. General Liability and Automobile Liability Coverage: The Lessor, its officials, employees and volunteers are to be covered as insured in respect to liability arising out of activities performed by, or on behalf of, the Lessee; products and completed operations of the Lessee; Premises owned, leased or used by the Lessee; or automobiles owned, leased, hired or borrowed by the Lessee. The coverage shall contain no special limitations on the scope of protection afforded to the Lessor, its officials, employees or volunteers.
- ii. The Lessee's insurance coverage shall be primary as respect to the Lessor, its officials, employees and volunteers. Any insurance or self-insurance maintained by the Lessor, its officials, employees or volunteers shall be excess of Lessee's insurance and shall not contribute with it.
- iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Lessor, its officials, employees or volunteers.
- iv. Coverage shall state that Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- v. Workers' Compensation and Employers' Liability Coverage: The Lessee shall agree to waive all rights of subrogation against the Lessor, its officials, employees and volunteers for losses arising from work performed by Lessee for the Lessor.

b. Deductibles and Self-Insured Retentions

- i. Any deductibles or self-insured retentions must be declared to and approved by the City. The City may require the Lessee to provide proof of ability to pay losses and related investigations, claims administration, and defense expenses within the retention

c. Subcontractors of Subleases

i. Lessee shall include all subcontractors/subleases as insured under its policies or shall verify and furnish separate Certificates and endorsements for each subcontractor/sublessee. All coverage for subcontractors/sublessee shall be subject to all of the requirements stated herein

4. All Coverage

- a. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice via certified mail, return receipt requested, has been given to the Lessor.
- b. If the Lessee is underwritten on a claims made basis, the Retroactive Date shall be prior to or coincide with the date of this Agreement and the Certificate of Insurance shall state that coverage is claims made and also the Retroactive Date. The Lessee shall maintain coverage for the duration of this Lease and for the two (2) years following the completion of this Lease. It is further agreed that the Contractor shall provide the Lessor a sixty (60) day notice of aggregate erosion, in advance of the Retroactive Date, cancellation and/or renewal. It is also agreed that either the Lessee or Lessor may invoke the tail option on behalf of the other party and the Extended Reporting Period (ERP) premium shall be paid by the Lessee.

Verification of Coverage

- a. The Lessee will provide the City with a Certificate or Certificates of Insurance showing the existence of coverage. In addition, the Lessee will provide to the City, if requested in writing, certified copies of all policies of insurance. The Lessee will maintain the required coverage with a current Certificate or Certificates of Insurance throughout the term of the lease with the City. New Certificates and new certified copies of policies shall be provided to the

City whenever the policy is renewed, revised, or obtained from other insurers. The address where such Certificates and certified policies shall be sent or delivered is as follows:

City of Clearwater
Attention: City Clerk
P.O. Box 4748
Clearwater, FL 33758-4748

5. Loss Control/Safety

- a. Precaution shall be exercised at all times by the Lessee for the protection of all persons, including employees, and property. The Lessee shall be expected to comply with all applicable laws, regulations, or ordinances related to safety and health, and shall make special efforts where appropriate to detect hazardous conditions, and shall take prompt action where loss control/safety measures should reasonably be expected.

ARTICLE VIII LIABILITY AND INDEMNIFICATION

A. Lessee agrees to assume all risks of the Premises and all liability therefore, and shall defend, indemnify, and hold harmless the Lessor, its officers, agents and employees from and against any and all loss, liability, and damages of whatever nature, to persons and property, including, without limiting the generality of the foregoing, death of any person and loss of the use of any property. This includes, but is not limited to, matters arising out of or claimed to have been caused by or in any manner related to the Premises or Lessee's operations or those of any approved or unapproved tenant, subtenant, licensee, invitee, contractor, subcontractor or other person approved, authorized, or permitted by Lessee in or about the Premises, including losses, liability, and claims related to air and noise pollution, or any other operations pursuant hereto, whether or not based on negligence. Lessee shall defend all such claims, demands, and suits, whether groundless or not, at Lessee's own cost and expense. Further, Lessee does hereby covenant and agree to indemnify, hold harmless, and defend Lessor, its officers, agents, and employees, from and against any and all loss, liability and damages arising out of or in any manner related to any breach by Lessee, its agents, employees, invitees, licensees, contractors, subcontractors, tenants, or subtenants, whether approved or unapproved, of any of the terms, conditions, or other provisions

of this Agreement, and name the City of Clearwater as additional insured with respect to all coverage's except workers' compensation.

B. Lessee agrees to defend, indemnify, and hold harmless the Lessor, its officers, agents, and employee from and against any and all claims or liability for compensation under any Workers' Compensation statute arising out of injuries sustained by any employee of Lessee or any licensee, contractor, subcontractor, tenant, or subtenant of Lessee.

C. Lessee agrees to indemnify Lessor from and to assume all liability for, and to pay all taxes and assessments of every kind, including taxes imposed or which may be imposed by the County of Pinellas and Lessor, which by law may be levied or assessed on the Premises occupied by Lessee pursuant to this Agreement, or which arise out of the operations of Lessee, or by reason of occupancy by Lessee or any of Lessee's agents, licensees, invitees, contractors, subcontractors, tenants, or subtenants, whether or not approved by the Lessor. Lessee shall be responsible for obtaining bills for all of said taxes and assessments directly from the taxing or assessing authority, and shall promptly deliver to the Lessor copies of receipts of payment.

D. Lessee's obligations to defend, indemnify, and hold harmless, as set forth in this article, shall include any and all attorneys' fees and investigative expenses, incurred by Lessor in the defense and handling of said suits, claims, damages, and the like, and in enforcing and obtaining compliance with the provisions of this Article.

E. Nothing contained herein shall be construed as a waiver of any immunity from or limitation of liability the Lessor, its officers, agents, and employees may be entitled to under the doctrine of sovereign immunity or section 768.28, Florida Statutes.

ARTICLE IX DISCLAIMER OF WARRANTIES

This Agreement constitutes the entire Agreement of the parties on the subject matter hereof and may not be changed, modified or discharged except by written Amendment duly executed by both parties. Lessee agrees that no representations or warranties shall be binding upon Lessor unless expressed in writing herein or in a duly executed Amendment hereof.

It is understood and agreed that:

A. Lessor does not warrant, and hereby disclaims any and all liability and responsibility for or on account of the condition of, the Premises, or the Airpark or any portions thereof, or for or on account of anything affecting such conditions.

B. Lessor makes no warranties and has no obligations or liability for or with respect to the removal of sand, water or debris from the Premises of any part thereof.

C. Lessee makes no warranties and has no obligations or liability for or with respect to the acts or omissions of, or the presence or absence of any other Lessee or operator at the Airpark

D. Lessor makes no warranties and shall have no obligations or liability with respect to noise, noise pollution, air quality, or air pollution.

ARTICLE X LESSEE AS INDEPENDENT CONTRACTOR

In conducting its business hereunder, the Lessee acts as an independent contractor and not as an agent of the Lessor. The direction, and payment of Lessee's employees shall be the sole responsibility of Lessee, and Lessor shall not attempt to exercise control over the daily performance of duties by Lessee's employees. Lessee acts independently as to selection, retention and assignment.

ARTICLE XI ASSIGNMENT

This Agreement, nor any part thereof or any interest therein, shall not be assigned, transferred or subleased by Lessee without the express written consent of the Lessor which shall not be unreasonably withheld. This shall include any agreements or subleases in effect at the commencement of this agreement. Lessee's failure to obtain Lessors written consent to any assignment, transfer or sublease shall render such agreement null and void.

All principals of the Lessee and their respective percentages of ownership shall be disclosed to the Lessor in writing and it is expressly agreed that if the Lessee is a corporation, any change in the ownership of corporate stock; or if a partnership, the addition to or withdrawal of any partner from the partnership

firm; or the addition to or withdrawal of a principal Lessee in whatever capacity; by purchase or sale, or operation of law or in any other manner whatsoever, without the consent of the Lessor shall be deemed an assignment.

Notwithstanding any attempt by Lessee to assign, transfer or sublease this Agreement, or any part thereof or interest therein, Lessee shall remain obligated and liable to Lessor for the performance of all covenants, terms, and conditions, warranties and other provisions of this Agreement to the same extent that Lessee would have been obligated and liable if such assignment, delegation, or sublease had not been attempted, but such attempt shall be deemed an act of material default by Lessee.

It is understood and agreed that Lessor may, at any time, with notice, assign or delegate any or all of its rights hereunder.

ARTICLE XII NONDISCRIMINATION

Notwithstanding any other provision of this Agreement, during the performance of this Agreement, Lessee, for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration for this Agreement, does hereby covenant and agree, as a covenant running with the land, that;

A. No person shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of the Premises on the grounds of race, color, religion, sex, handicap, age, or national origin.

B. In the construction of any improvements on, over or under the Premises, and the furnishing of services therein or thereon, no person shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination on the grounds of race, color, religion, sex or national origin.

C. Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

ARTICLE XIII
REQUIREMENTS OF THE UNITED STATES

This Agreement shall be subject and subordinate to the provisions of any existing or future Agreement between Lessor and the United States, or any agency thereof, relative to the operation or maintenance of the Airpark, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development or operation of the Airpark.

ARTICLE XIV
DEFAULT AND TERMINATION

A. Termination by Lessee. This Agreement shall be subject to termination by Lessee at its option in the event of any one or more of the following events:

1. The abandonment by the Lessor of the Airpark as an airport or airfield.
2. The default by the Lessor in the performance of any of the terms, covenants or conditions of this Agreement, and in the failure of Lessor to remedy, or undertake to remedy, to Lessee's satisfaction, such default for a period of thirty (30) days after receipt of notice from Lessee to remedy the same.
3. Damage to or destruction of all or part of the Premises or Airpark facilities necessary to the operation of Lessee's business not repaired within 180 days.
4. The lawful assumption by the United States, State of Florida, or any authorized agency thereof, of the operation, control, or use of the Airpark, or any substantial part or parts thereof, in such a manner as to restrict substantially Lessee from conducting business operations for a period in excess of forty-five (45) days.

B. Termination by Lessor. This Agreement shall be subject to termination by Lessor at its option in the event of any one or more of the following events:

1. The material default by Lessee in the performance of any of the terms, covenants or conditions of this Agreement, and in the failure of Lessee to remedy, or undertake to remedy, to Lessor's satisfaction, such default for a period of thirty (30) days after receipt of written notice from Lessor to remedy the same.

2. Lessee files a voluntary petition in bankruptcy, including a reorganization plan, makes a general or other assignment for the benefit of creditors, is adjudicated as bankrupt or if a receiver is appointed for the property or affairs of Lessee and such receivership is not vacated within thirty (30) days after the appointment of such receiver.

3. The Lessor determines that a municipal need exists for all or part of the Premises consistent with the Lessor's Charter.

4. The Lessee has violated the terms of the agreement by a consistent pattern of conduct detrimental to the operation of the Airpark.

C. Exercise. Exercise of the rights of termination set forth in Paragraphs A and B, above, shall be by five (5) days' written notice to the other party. Forbearance of timely notice shall not be deemed a waiver of any breach.

D. Removal of Property - Upon termination of this Agreement for any reason, Lessee, at its sole expense, shall remove from the Premises all signs, trade fixtures, furnishings, personal property, equipment and materials which Lessee was permitted to install or maintain under the rights granted herein. If Lessee shall fail to do so within thirty (30) days, then Lessor may affect such removal or restoration at Lessee's expense, and Lessee agrees to pay Lessor such expense promptly upon receipt of a proper invoice therefore.

E. Waiver. - The waiver of any breach, violation or default in or with respect to the performance or observance of the covenants and conditions contained herein shall not be taken to constitute a waiver of any such subsequent breach, violation or default in or with respect to the same or any other covenant or condition hereof.

ARTICLE XV MISCELLANEOUS PROVISIONS

A. The point of contact for all matters related to the Lease Agreement and all other conditions, activities and events relating to the Airpark shall be the Lessor's Marine & Aviation Department Staff Liaison or as otherwise designated by the Lessor's City Manager.

B. It is understood by the Lessee that no right or privilege has been granted to Lessee which would operate to

prevent any person, firm or corporation operating aircraft on the Airpark from performing any services on its own aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform.

C. It is understood and agreed that nothing herein shall be construed to grant or authorize the granting of an exclusive right other than rights of possession and peaceful enjoyment to the Premises.

D. Lessor reserves the right to further develop or improve the Airpark as it sees fit, taking into consideration the desires or view of the Lessee, and without interference or hindrance. Lessor shall make every effort to minimize the disruption of normal Airpark usage during periods of repair or further Airpark development. The Lessor proposes to construct a medium intensity runway light system (MIRL) and a low intensity taxiway light (LITL) system and the Lessee agrees to maintain these systems throughout the term of this Agreement. All improvements constructed at the Airpark shall be owned by the Lessor at the expiration of this agreement.

E. During time of war or national emergency Lessor shall have the right to lease the landing area or any part thereof to the United States Government or State of Florida for military or naval use, and, if such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended. Lessee's rents will abate accordingly.

F. Lessor reserves the right to enter upon the Premises for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this Agreement. Lessee agrees to correct any violation within a reasonable time thereafter, and if Lessee fails to correct such violation, then Lessor may assess a fine or penalty as determined by Lessor.

G. Lessor reserves the right to bar, terminate, or otherwise prohibit the use of its common use, publicly owned facilities by persons, activities or organizations including Lessees judged by the Lessor, or other duly authorized authority to be operating in an unsafe or unauthorized manner.

H. **Severability** - If a provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Agreement shall not be void, but the remaining provisions shall continue in effect as nearly as

possible in accordance with the original intent of the parties.

I. **Notice** - Any notice given by one party to the other in connection with the Agreement shall be in writing and shall be sent by certified mail, return receipt requested, with postage and fees prepaid:

1. If to Lessor, addressed to: With a copy to:

City Manager	City Attorney's Office
Attn: Marine & Aviation Dept.	City of Clearwater
City of Clearwater	Post Office Box 4748
25 Causeway Blvd.	Clearwater, FL 33756
Clearwater, FL 33767	

2. If to Lessee, addressed to:

Clearwater Airpark, Inc.
1000 North Hercules Avenue
Clearwater, Florida 33765

Notices shall be deemed to have been received on the date of receipt as shown on the return receipt.

J. **Corporate Status** - Lessee shall keep its corporate status active and current throughout the term of this agreement. Lessee shall annually file on the anniversary date of this agreement with Lessor a copy of the Certificate of Good Standing from the State of Florida. Lessee's failure to bring its corporate status current, after thirty (30) days written notice from Lessor, shall be a default under this agreement.

K. **Attorneys Fees** - Lessor and Lessee agree that the prevailing party in any litigation arising out of this agreement shall be entitled to attorney's fees and costs, and that litigation shall be in a court of competent jurisdiction in Pinellas County.

ARTICLE XVI LEASEHOLD IMPROVEMENTS

No improvements, additions, or changes shall be made to the Premises without the prior written consent of the Lessor. It is further agreed that any improvements, additions, or changes shall be made by the Lessee at its own expense and at the option of the Lessor shall become the property of the Lessor upon

expiration, or prior termination of this Lease Agreement or any extension or renewal thereof. Should the Lessor elect not to exercise this option, the Lessee agrees to remove such improvements, additions or changes at its own expense and deliver the Premises to the Lessor in as good condition as they now are.

Lessee may construct additional general aviation facilities such as a new terminal/hanger and T-hangers so long as such construction conforms to the Airpark Master Plan, conforms to all code requirements, and is approved by Lessor.

Lessee shall also have the first right of development of the '150 x '250 outparcel located on Hercules Ave. as described in Exhibit A, so long as the Lessee and Lessor agree on the use, and agree on addition rent for such use. The lease must be approved by Lessor's City Commission and must conform with all code requirements and any other conditions applicable to the use.

IN WITNESS WHEREOF, the parties hereto have set their seals on the date first above written.

Countersigned:

- george cretekos

George N. Cretekos
Mayor

Approved as to form:

Camilo A. Soto
Camilo A. Soto
Assistant City Attorney

CITY OF CLEARWATER, FLORIDA (Lessor)

By: *William B. Horne II*

William B. Horne, II
City Manager

Attest:

Rosemarie Call

Rosemarie Call
City Clerk



CLEARWATER Airpark, INC. (Lessee)

David W. King
By: Name: David W. King, Sr., President

EXHIBIT "A"

See Airpark Lease Description Pages 3 and 4

EXHIBIT "B"

CLEARWATER AIRPARK
TIE DOWN/HANGAR LEASE

That the _____ has this day leased
to _____
(Name of Lessee)

Space No. _____

Description _____
(i.e. Hangar/Grass Tie Down/Hard Stand)

located on the Clearwater Airpark on a month to month term beginning on the 1st day of _____, 20_____, upon the following terms and conditions:

1. The space is to be used solely for the parking of the Tenant's aircraft with the exception that automobile parking in the space is permitted while the aircraft is being flown. Any other use must be authorized by the City.
2. Aircraft parked in each space must be registered with the Clearwater Airpark. The aircraft to be parked is described as:

3. The Tenant does not have the right to sub-lease a space without Lessor's approval.
4. Airworthy aircraft may not be under repair for more than ninety (90) days.
5. If the Tenant changes the aircraft to be parked in the space, the identifications and N-number of the new aircraft must be reported to the Airport Manager and shown on this rental agreement.
6. Rent in the amount of \$_____ plus applicable sales tax is due on or before the first of each month beginning _____, 20_____, and will be considered delinquent if not paid on or before the 10th of the month. If the tenant has not paid the rent on or before the last day of each month when it becomes due, the Lessor, may terminate the rental agreement. The Lessor reserves the right to

adjust the rental amount upon fifteen (15) days written notice to the Tenant. Partial payment of tie-down space rental will not be accepted by the Lessor.

7. The tenant shall make no structural, electrical, or other modification to the premises. Any modification that is not expressly authorized in writing by the City shall result in the termination of this agreement and tenant shall be responsible to restore the premises to its original condition and to reimburse the City for any cost, expense or loss of revenue resulting thereof.
8. The Tenant shall be responsible for all damage to the leased premises caused by the Tenant's negligence or abuse. If the Tenant does not promptly repair any damages caused by its negligence or abuse after notification by the Lessor and / or City, the City reserves the right to make repairs at the Tenant's expense which shall become due and payable as part of the Tenant's rent on the next billing cycle.
9. Partial payment of space rental will not be accepted by the Lessor.
10. The Tenant shall purchase a hangar lock from the Airport Manager with one (1) key supplied to the Tenant and one (1) key to be retained by the Airport Manager.
11. The Lessor and the City reserves the right at all times to enter the space for security, fire, and other emergency inspections. The space shall not be used for any illegal purposes or used in connection with any illegal activity.
12. Remedies for default and payment. If the Tenant defaults in the payment of rent or does not fulfill the other terms and conditions of this Lease, the Tenant does, by the signing of this Lease, grant the Lessor or the City the right to remove the airplane and all contents from the space and to then lease the space to another tenant. Any airplane removed from space for non-payment of rent shall be impounded by the Lessor or the City in an area designated by the Airport manager, and shall not be removed until all unpaid rent, storage charges, fees are paid in full. This section shall be construed to be an additional remedy and right granted by the Tenant to the Lessor in addition to any other remedy available by law.
13. Tenant shall keep area of space clean and clear of oil, grease, and other stains.
14. No explosive or flammable materials will be permitted

within or about the space with the exception of fuel in aircraft tanks.

15. No boxes, crates, rubbish, paper, or litter that could cause or support combustion shall be permitted within or about the space. All spaces shall be kept clean and neat.
16. Tenant may polish or clean aircraft in the space if flammable materials are not used.
17. No shop equipment shall be installed in the space.
18. Lessee shall be permitted to perform only those repairs and /or maintenance which are specifically authorized under Federal Air Regulations, Part 43, preventive maintenance allowed by owner/pilot and subject to approval by the fire official, which does not require the services of a licensed A & P mechanic. This maintenance may be performed only by the owner or operator of the aircraft.
19. The tenant is not permitted to bring onto Airpark property fuel not dispensed from the Airpark fueling facilities with the exception of fuel in the aircraft tanks.
20. Failure to abide by these stipulations will result in immediate termination of the Agreement. Lessor or City may enforce all of the terms of this Agreement.
21. If it becomes necessary for the Lessor to use legal process to collect unpaid rent or charges, the Tenant shall pay all costs of collection at trial and appellate levels, including attorney fees and costs, incurred by the Lessor.
22. A copy of the performance section of the pilot's operating handbook for the aircraft listed on this rental agreement is required prior to placing the aircraft in the airpark.
23. Failure to abide by performance specifications of the pilot's operating handbook is reason for immediate termination of this rental agreement.

LESSOR:

By: _____ Date: _____

TENANT:

By: _____ Date: _____

EXHIBIT "C"

HANGAR/TIE DOWN RENTAL RATES EXCLUDING STATE SALES TAX

Grass tie down:

\$77.76 + 5.44 tax = \$83.20

Hard Stand:

\$92.74 + 6.49 tax = \$99.23

Shade Hangars:

\$240.87 + 16.86 tax = \$257.73

Older T Hangars: \$394.98 + 27.65 tax = \$422.63

Newer T Hangars: \$463.78 + 32.46 tax = \$496.24

End T Hangars (larger): \$502.70 + 35.19 = \$537.89

EXHIBIT "D"

ADA Deficiencies @ Air Ops. Bldg.

No longer applicable

Exhibit "E"

CLEARWATER AIRPARK PLANNED MAINTENANCE PROGRAM

Item	Frequency	Responsibility
Cut Grass in Normal Areas	See Page 2	FBO
Cut Grass in Special Areas	As Needed	City
Keep Fence Line Trimmed	See Page 2	FBO
Tree Trimming	As Needed	City
Taxiway Pavement	As Needed	City
Runway Pavement	As Needed	City
Shrubbery	As Needed	FBO
Signs	As Needed	FBO
CAP Building	As Needed	CAP
Storm Sewer System	Annually	City
Storm Retention System	Annually	City
Parking Lot Pavement	As Needed	City
Runway Pavement Markings	As Needed	City
Drainage Swales	Annually	City
Fire Extinguishers	Annually	FBO
HVAC	Annually	FBO
Plumbing	As Needed	City
Flight Operations Building Painting (interior)	5 Years	FBO
Flight Operations Building Painting (exterior)	7 Years	City
Carpet/Floor Cleaning	Semi-annually	FBO
New T-Hangar Drainage sumps	Annually	City
Hard Stand Replacement/Repair	As Needed	City
Sprinkler System/Pump Maintenance	As Needed	City
Electrical Exterior	As Needed	City
T-Hangar Electrical	As Needed	City
T-Hangar Lighting Exterior	As Needed	City
T-Hangar Lighting Interior	As Needed	Tenant
Shade Hangar Lighting	As Needed	City
Shade Hangar Electrical	As Needed	City
Runway Lights	As Needed	FBO
Exterior Lights	As Needed	City
T-Hangar Door Lubrication	As Needed	City
Perimeter Security Fencing	As Needed	City
Automatic Gates	Semi- Annually	City
T-Hangar Painting	As Needed	City
Shade Hangar Painting	As Needed	City
FBO Building Interior	As Needed	FBO
FBO Building Exterior	As Needed	City
Maintenance Hangar Interior	As Needed	FBO
Maintenance Hangar Exterior	As Needed	City
Fuel System Above Ground	As Needed	FBO
Fuel System Below Ground	As Needed	City

EXHIBIT "F"

SCHEDULE OF MINIMUM INSURANCE REQUIREMENTS



SCHEDULE OF INSURANCE REQUIREMENTS

Aircraft & Powerplant Maintenance & Alteration	Aircraft Frame & Powerplant Maintenance & Alteration	Builder Center	Aircraft Rental Provider	Flight Training	** Aircraft Charter Air Taxi Air Ambulance	Avionics, Instrument, Propeller Maintenance & Alteration	Aircraft Sales	* * Specialized Commercial Aeronautical Operator	Hanger Operator	Self-Fueling Operator
Fixed Base Operator (Fueling)	Flying Club									

COMMERCIAL GENERAL LIABILITY

TO INCLUDE BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE FOR ALL PREMISES, UNLICENSED VEHICLES, AND CONTRACTUAL LIABILITY					
Combined Single Limit Per Occurrence	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

VEHICULAR LIABILITY

TO INCLUDE BODILY INJURY AND PROPERTY DAMAGE FOR ALL LICENSED VEHICLES OWNED, NON-OWNED, OR HIRED					
Combined Single Limit Per Occurrence	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

HANGAR KEEPER'S LIABILITY

TO INCLUDE PROPERTY DAMAGE FOR ALL NON-OWNED AIRCRAFT UNDER THE CARE, CUSTODY OR CONTROL OF THE OPERATOR					
Each Aircraft	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Each Occurrence	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

** AIRCRAFT AND PASSENGER LIABILITY

TO INCLUDE BODILY INJURY, PROPERTY DAMAGE, PASSENGER INJURY, WITH A MINIMUM OF \$100,000 PER PASSENGER, FOR ALL OWNED OR OPERATED AIRCRAFT					
Combined Single Limit Per Occurrence	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

ENVIRONMENTAL IMPAIRMENT

TO INCLUDE POLLUTION LEGAL LIABILITY AND REMEDIATION LEGAL LIABILITY					
Combined Single Limit Per Occurrence	\$1,000,000				

WORKER'S COMPENSATION

AS REQUIRED BY THE STATE OF FLORIDA					
Per Operator	LEGAL LIMIT				
Per Household	FRV	FRV	FRV	FRV	FRV

FIRE AND EXTENDED COVERAGE

TO BE MAINTAINED IN AN AMOUNT NOT LESS THAN THE FULL REPLACEMENT VALUE (FRV) OF AIRPORT FACILITIES ON LEASEHOLD PREMISES					
Per Household	FRV	FRV	FRV	FRV	FRV

PRODUCTS AND COMPLETED OPERATIONS

BOTH 100LL AVGAS AND JET A FUEL ARE CLASSIFIED AS HAZARDOUS SUBSTANCES. FEDERAL DOT STANDARDS WILL APPLY TO THE AUTO LIABILITY BY GROSS WEIGHT					
Combined Single Limit Per Occurrence	\$1,000,000	\$1,000,000			

NOTE 1 IF APPLICABLE

NOTE 2 TRUCK/TRAILER

BOTH 100LL AVGAS AND JET A FUEL ARE CLASSIFIED AS HAZARDOUS SUBSTANCES. FEDERAL DOT STANDARDS WILL APPLY TO THE AUTO LIABILITY BY GROSS WEIGHT

**

The limits required should be based at a minimum of \$1,000,000 per person. Please refer to recommended minimum coverages.

Hangar Keeper's Liability: Minimum values should be the replacement cost of all the items stored in the particular hangar.

Special Event / Air Meet Liability Coverage: Appropriate limits are required on an as needed basis for all special events/Air Meets.