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Shelby Cnty Judge of Probate, AL
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Ground Lease Shelby County, Airport

WHEREAS, the County of Shelby ("County"), a Political Subdivision of the State of Alabama, is the owner of certain real properties known collectively as the Shelby County Airport ("Airport") in Shelby County, Alabama; and,

WHEREAS, the County maintains designated areas on the Airport specifically to lease to aviation-related businesses and individuals to develop the Airport, its infrastructure, and aviation business for the benefit of the citizens of the County; and

WHEREAS, Jim Cawthon and Michael Brewer, dba Twelve hangars, LLC ("Lessee") desires to lease hangar site 5, a parcel of real property on the premises of the Shelby County Airport for the purpose of furthering the Lessee's aviation interests; and

WHEREAS, the County is willing to Lease the Parcel desired to the Lessee, and the parties desire to execute a written Lease containing the terms and conditions of their Lease.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the following is agreed:

1. The Leased Area Described.

The County hereby agrees to lease, a parcel of real Property located in the NE 1/4 of Section 30, T21S, R2W, Huntsville Meridian, within the boundary of Shelby County, State of Alabama, described as hangar site 5 on the Plat Showing Lease Properties at the Shelby County Airport, and more particularly described in Exhibit "B" attached hereto and incorporated herein by this reference, together with an easement for ingress and egress to the property (hereinafter "Parcel") by the Lessee.

2. Terms.

- a. Initial Lease Term. The term of this Lease shall be forty (40) years (hereinafter "Lease Term") commencing on the "Commencement Date," as hereinafter defined, and terminating on the 40th anniversary of the Commencement Date. **The Commencement Date shall be the 1st day of May, 2006, and the 40th anniversary date shall be the 1st day of May, 2046.** Possession of the Parcel by the lessee shall begin on the Commencement Date.
- b. Subsequent Lease. At the conclusion of the Lease Term, the Lessee shall not have the right to enter into a new agreement with the County for the leasehold.

3. Fees and Charges. Lessee shall pay the following fees and charges:

- a. Earnest Money. Lessee has made an earnest money deposit with the County of Shelby in the sum of Two Hundred Fifty Dollars and no cents (\$250.00), which shall be part of the annual rent for the first year of the Lease. However, this fee

shall revert to the County should the Lessee fail to execute this Lease within sixty (60) days of its approval by the County Commission.

- b. Closing and Processing Fee. Lessee shall pay a one-time closing and processing fee of Five Hundred Dollars and no cents (\$500.00), which is due with the first annual rent payment on the Commencement Date.
- c. Rent. Beginning on the Commencement Date, the Lessee shall pay the County a fixed annual rental payment ("Rent") plus any additional consideration as defined below. **The amount of the Rent shall be three thousand dollars and no cents (\$3000.00) for the Parcel per year for the first five years of the Initial Lease Term.** The rent shall be adjusted every fifth anniversary of the Commencement Date based on the increase or decrease in the cumulative Average Annual U.S. Consumer Price Index, or its successor report issued by the Federal Government, over the preceding five (5) calendar years of reporting. The adjusted Rent payment shall be due on the next payment date. Should the Lessee remain in possession of the Parcel as a hold-over Lessee, the rent shall be adjusted likewise each five years thereafter as described above.
- d. Additional Consideration. As additional consideration, lessees will be required to (1) construct, at lessee's expense within 6 months, a structural steel prefabricated hangar on the parcel, which will become the property of Shelby County Alabama at the termination of the lease.



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4. Payments Due.

- a. Due in Advance. In addition to those payment dates specified above, all rent payments shall be due and payable in advance, beginning on the Commencement Date and continuing regularly and annually without notice from County thereafter during the Lease Term. However, the County may elect to invoice payment notices.
- b. Due Annually. The first annual payment shall be due and payable on the Commencement Date. All subsequent payments shall be due on the Commencement Date Anniversary each year thereafter.
- c. Late Fee. On any annual rental payment made 10 days after the payment due date, Lessee shall in addition pay a late charge of ten percent (10%) of the annual rent for each month or part thereof that the payment is late.

5. No Refunds. Lessees may relinquish this Lease to the County, however the Lessee shall not be entitled to a refund of any fees of any kind paid.

6. Insurance Requirements.


- a. Public Liability. Lessee shall maintain general public liability insurance insuring against such claims. Such insurance shall name the County as an additional insured. This insurance shall have an aggregate limit in the minimum amount of \$1,000,000, (per building if multiple buildings are to be constructed) or as required to meet the mandatory requirements of state law, whichever is greater.
- b. Fire and Casualty. Lessee shall maintain property and casualty insurance covering the improvements to the Parcel, and the contents thereof. Such

insurance shall be a fire insurance policy with extended coverage endorsement, including vandalism, and malicious mischief. The insurance shall be on a replacement cost basis and shall name the County as an additional insured, as its interests may appear.

- c. **Proof of Insurance Required.** Such insurance shall be with a company licensed and authorized to do business in the State of Alabama. The lessee shall furnish annually to the County on the rent payment due date of this Lease, a certificate or other evidence and proof of maintenance of the above required insurances. Lessee shall provide the County with notice of any change thereof, and furnish to the County evidence of acquirement of a substitute therefore, and payment of the premium thereof. If the Lessee shall fail to maintain such insurance coverage, then the County may obtain it and add the cost of such insurance to the next due Lease payment. If the County does so, it may charge interest thereon at the rate of 15% per annum from the time of payment, which shall be added to the rental becoming due, and shall be collected as an additional charge.
- d. **Self-Insurance.** Lessee may self-insure by filing with the County a letter of credit in the amounts listed above, or other promissory or escrowed monetary instrument.

Lessee's Initials:

Joe HFB


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7. Quiet Enjoyment. The Lessee, upon payment of the required fees and rents, and the faithful performance of such covenants, agreements and conditions required by law, or this agreement, shall and may, peaceably and quietly have, enjoy those portions of the Airport authorized for their use. Such use shall be free from molestation, eviction or disturbance by the County or any person claiming by, through, or under it, subject to the terms and conditions of the law or agreement entered into. Such quiet enjoyment is conditional upon Lessee adhering to the following conditions:

- a. **Permitted Uses.** Lessee shall have use of the Parcel only for the construction, maintenance, and operation of offices, factories, hangars, warehouses, classrooms, and other facilities required in connection with these uses.
- b. **Additional Uses Require Permission.** The Lessee shall not use or permit the use of the Parcel, or improvements thereto, for any purpose or use other than those expressly and specifically authorized by this Lease. Additional uses may be hereafter authorized in writing by the County, but only upon such terms and conditions as may be set out in such authorization.
- c. **Commercial Use of Parcel and Future Improvements.** Lessee agrees to obtain permission from the County prior to commencing or permitting any commercial use of the Parcel, or additional improvements thereto, in accordance with the current Airport policies, code and/or standards. In the event that this Parcel or improvements thereto is used for business purposes, the Lessee shall at all times maintain and pay any required permits, licenses, insurances, and taxes as required by law.
- d. **Construction and Ownership of Improvements.**
 - 1. **Title to Improvements.** During the Lease Term, title to all improvements existing or constructed upon the Parcel by Lessee are and shall be vested in Lessee.

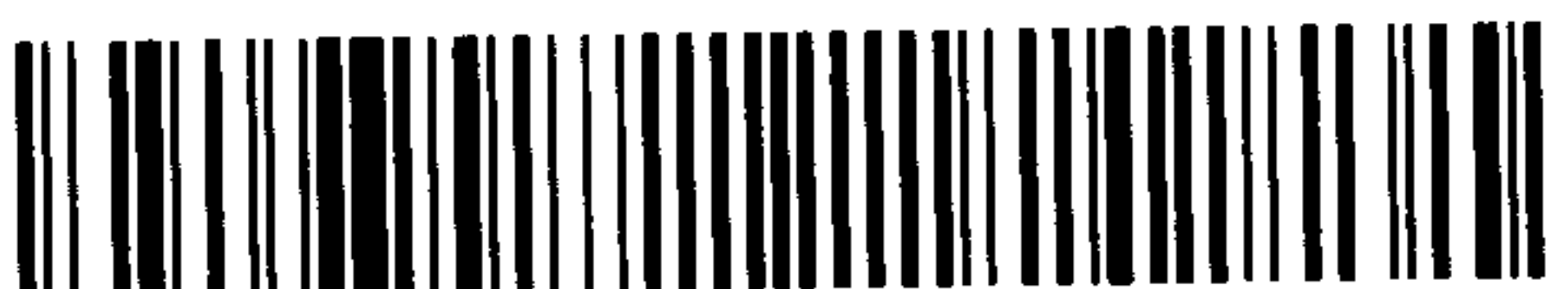
2. Special Ownership Provisions, Stipulations, and Conditions. It is understood and agreed that Lessee shall construct up to a maximum of twelve (12) individual hangar spaces on the property which is the subject of this lease and that such individual hangar spaces will be sold to other persons, firms, or legal entities which will have sole right of ownership, use, and possession thereof, subject to the terms and conditions of this lease and subject to the terms and conditions of the documents by which Lessee assigns title and right of possession thereto. After the expiration of the term of this lease said hangar and hangar space will become the property of Shelby County unless the aforesaid lease with Shelby County is renewed or extended pursuant to Section 2(b) of this lease.

All use of the premises, including, but not being limited to, each and every hangar and hangar space constructed thereon shall be in compliance with the terms, conditions, and limitations of the aforesaid lease between Lessee and Shelby County. Each owner or person in possession or control of any individual hangar space or spaces shall use said premises in a legal manner in accord and full compliance with the terms, conditions, and provisions of this lease and for no other purpose. Said space shall not be used for any commercial or for profit use. Sub-leasing of a unit for housing of a single aircraft at the owner's cost will not be considered a commercial use or a for profit use and would be allowed. The payment by the individual owners of any such hangar or hangar space of an appropriate share of common expenses such as ground lease, electricity, insurance, maintenance, et cetera, shall be the sole responsibility of Lessee and shall be the subject matter of the instrument or documents by which Lessee conveys title and/or right of possession to such hangar or hangar space.

Lessee's Initials:

JOC HLB

3. Proposed Improvements. The Lessee is required to construct improvements on the Parcel as summarized in Exhibit "A", attached hereto and incorporated herein by this reference. **Lessee shall begin such process with no less than submission of a building permit application to Shelby County, no later than six (6) months following the Commencement Date of this Lease, that date being October 1, 2006.** The county may terminate this lease if the lessee fails to meet this deadline.
4. County Codes Apply. Lessee must meet all Building Codes as currently adopted by the county for all plumbing, electrical, mechanical, and natural gas, including development or extension of infrastructure.
- Lessee's Initials: *JOC HLB*
5. Lessee shall pave all access from the Parcel, or improvements thereto, to taxiways and roads, and such construction shall match the existing grade and pavement build-up (six inches of crushed aggregate course and 3 inches of bituminous surface course).


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6. Utility Systems. Sanitary wastewater disposal may be made available to this site. Lessee of these sites may hook up to the City of Calera waste water system for sewage disposal upon approval and installation of required service line and appurtenances as required by the City of Calera. Two-way four-inch conduits have been installed under the access road adjacent to each site except site 1A - 1D for water and electrical service.
 7. Time Restrictions. **All building construction on the parcel as described in Exhibits "A" must be completed on or before the first anniversary date of the Commencement Date of the Lease, that date being May 1, 2007.** The county may terminate this lease if the lessee fails to meet this deadline.
 8. Additional Improvements. Lessee may construct additional improvements or modifications at a later date, adhering to the requirements of those codes and regulations then in effect. However, in all cases, construction must be completed within eighteen (18) months of approval.
- e. Condition, Maintenance and Repairs of Leasehold and Improvements Thereto.
1. Lessee Accepts Parcel "As-Is." Lessee acknowledges that it has fully inspected the Parcel and hereby accepts the Parcel and any buildings, improvements and appurtenances thereto as is, in their present state and condition. Lessee agrees to allow for changes in such condition, occurring by reasonable deterioration between the Commencement Date and the date such changes shall occur.
 2. Lessee Shall Maintain. Lessee shall maintain, at its own expense, the Parcel and any improvements, fixtures or equipment on the Parcel in a safe, sanitary, orderly, and sightly manner, in accordance with all applicable codes and regulations. Lessee shall also maintain the cleanliness of all paved area on the Parcel, and shall be responsible for mowing all grass, watering lawns, controlling weeds, and maintaining shrubs and trees on the Parcel.
 3. Erosion Control. Where the slope, terrain, or soil disturbance is such that active soil or wind erosion may be present, Lessee must carry out erosion control practices to mitigate the erosion. These practices include, but are not limited to drainage facilities constructed and maintained by Lessee, landscaping, and/or seeding and maintaining of vegetation.
 4. County's Right to Correct Deficiencies. The County has the right to require reasonable maintenance and repairs to the Parcel or the improvements thereon by Lessee as required by this lease. Should the Lessee fail to make the required corrections, the County shall have the right to enter the Parcel, or improvements thereto, correct the deficiency, and recover the cost of activities from Lessee as rent due on the next rent payment date.
 5. Repair of Damage. If the Parcel, or improvements thereto is partially destroyed or damaged by fire or other casualty, then Lessee shall repair and restore the Parcel, or improvements thereto as soon as it is reasonable practicable. Such repair or restoration shall commence not later than six (6) months after such damage, and be completed within six

(6) months thereafter. Such restoration shall be to substantially the same condition in which the Parcel or improvements thereto was before such damage. In the event that Lessee has not commenced repairs within six (6) months from the date of said damage and thereafter completed such repairs within six (6) months, this Lease may be immediately terminated by the County. Such termination shall be made effective by serving notice upon the Lessee, and effective on the date of receipt of such notice by the Lessee.

6. Destruction of the Parcel or Improvements Thereto. In the event the Parcel, or improvements thereto is completely destroyed or so badly damaged that repairs cannot be commenced within six (6) months and completed within six (6) months thereafter, then this Lease may be terminated. Such termination shall be effective as of the date of the occurrence of the damage or destruction, and made effective by either party hereto by serving written notice upon the other.

f. Removal of Improvements.

1. When Requested by Lessee. If at any time during the Lease Term, when all Rent then due and owing has been fully paid and Lessee is not in default under this Lease, Lessee may request to remove any or all improvements. Lessee shall give forty-five (45) days advance written notice of its intent to remove the improvements to the County, which shall not unreasonably withhold consent. When removing improvements, the Lessee shall restore the Parcel to its previously existing condition, including filling excavations, returning the surface to grade, and leaving the Parcel safe and free from all debris and hazards.
2. At Expiration or Termination of Lease. At the expiration or termination of this Lease, any or all buildings and other permanent improvements to the Parcel will, at the direction and sole discretion of the County, either remain intact on the Parcel and become the property of the County, or be removed by Lessee. Should the County elect for the Lessee to remove any or all improvements, the Lessee shall do so within forty-five (45) days. When removing improvements, the Lessee shall restore the Parcel to its previously existing condition, including filling excavations, returning the surface to grade, and leaving the Parcel safe and free from all debris and hazards. All improvements not removed as aforesaid shall, without compensation to or by County, become County's property free and clear of all liability and expenses. Lessee shall thereafter be released from any and all liability, cost or expense associated with the Parcel, including the improvements thereon, or associated with termination of this Lease. However, if Lessee fails to promptly remove said improvements if and as required by the County, the County may assess and bill Lessee based on receipt of an itemized statement of costs of removal and restoration of the Parcel.
3. Installation of Utilities. County warrants that all utilities, which are necessary for the conduct of Lessee's activities, are available on Airport premises. However, Lessee shall obtain and install underground at its own expense any necessary electrical, gas, water, sewer and any other utility service, subject to the Development Guidelines, rules and

regulations or building codes of the State of Alabama, County of Shelby and the City of Calera.

- g. **Hazardous Waste.** No toxic materials or hazardous waste subject to regulation by the EPA or ADEM shall be stored or disposed of on the Airport.
- 1. **Environmental Assessment and Remediation.** At the expiration or termination of this Lease, the County may require that Lessee furnish to the County an Environmental Assessment Report on the place of business, conducted in accordance with the laws, codes and regulations in effect at that time. The costs of remediation, if any should be required by law, shall be the responsibility of the Lessee.
- h. **Signs.** Lessee must obtain County consent to paint or construct any exterior signs; including approval for a City Sign Permit if one is required. Lessee further agrees that upon vacating the Facilities, Lessee will restore exterior signs to same condition as received at time of occupancy. The Lessee shall be responsible for all cost and expense of maintaining its signs as permitted hereby. Lessee shall not erect, paint or maintain any temporary signs or advertising displays, such as banners, balloons, flashing signboards, and/or any similar visual devices whatsoever.
- i. **Restroom.** Where sanitary sewer facilities are provided, lessee shall maintain any public restroom on the Parcel, or improvements thereto in proper odor control devices and providing and maintaining an adequate supply of paper towels, soap and toilet tissue.

8. Acceleration of rent and termination of lease on default or violations. In the event the Lessee fails to pay any one or more of said installments of rent, or any amount owing or accruing hereunder, as and when due, or if a petition in bankruptcy is filed by or against Lessee, or an assignment for the benefit of creditors is made by Lessee, or if a receiver of Lessee's property is appointed, or if the Lessee uses or permits any part of the premises to be used for any purpose prohibited by State, County, City or Federal laws, or if Lessee permits the same to be used for any purpose other than those for which the premises are hereby let, or if the Lessee vacates said premises before the expiration of the term of said lease without the written consent of the County or if Lessee violates any of the other terms, conditions, or covenants herein contained in said lease, then and upon the happenings of any one or more of said events, County may, at County's option, mature and make due and payable all rent reserved herein, immediately upon giving written notice to said Lessee.


The County may, whether the above option is exercised or not, terminate this lease upon the happenings of any one or more of the above events or other violations of one or more of the terms or provisions hereof, and may, upon giving twenty-four hours' written notice to Lessee, terminate this lease, re-enter, take possession, and re-let said premises.

9. Notices. Whenever any notice is required or permitted hereunder, such notice shall be in writing. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered whether actually received or not, when deposited in the United States mail, as Certified Mail, postage prepaid, return receipt requested, and addressed to the parties at their respective addresses, as set forth below:

County Manager

Shelby County Commission
P.O. Box 467
Columbiana, Alabama 35051

Michael Brewer
Twelve Hangars, LLC
475 Heatherwood Dr.
Birmingham, AL 35244


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9. Exhibits. The following exhibits are attached and made part of this Lease:


- A. EXHIBIT "A": LEASE APPLICATION.
- B. EXHIBIT "B": LEGAL DESCRIPTION OF PARCEL.
- C. EXHIBIT "C": DESIGN STANDARDS FOR THE LEASEHOLD.
- D. EXHIBIT "D": MINIMUM STANDARDS FOR AIRPORT TENANTS


IN WITNESS WHEREOF, County and Tenant have executed the Lease to be in effect as of the date first written above.

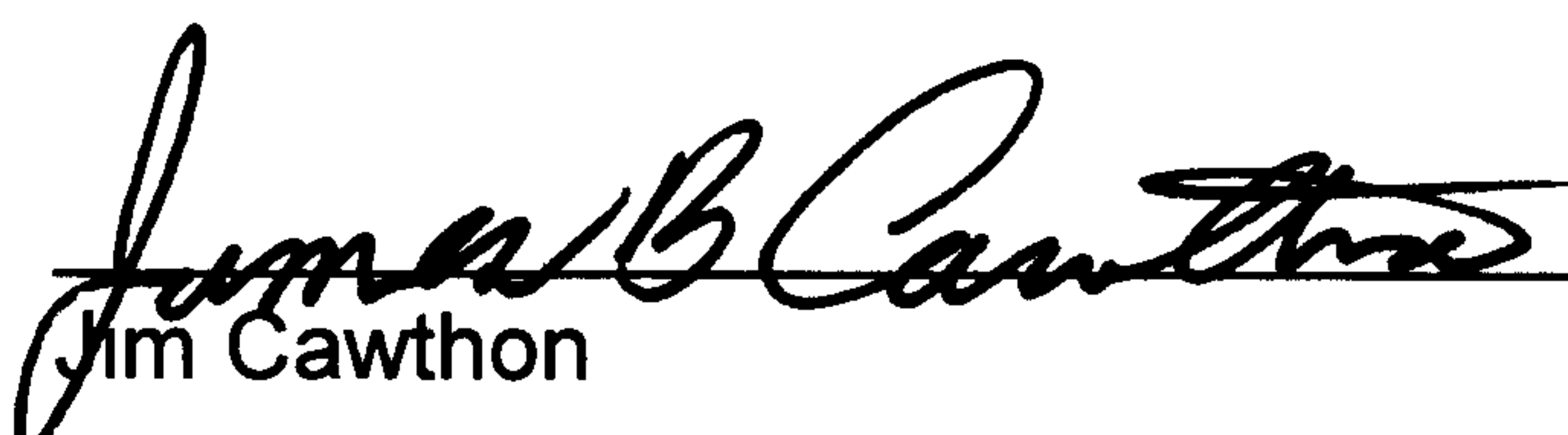
COUNTY OF SHELBY, LESSOR

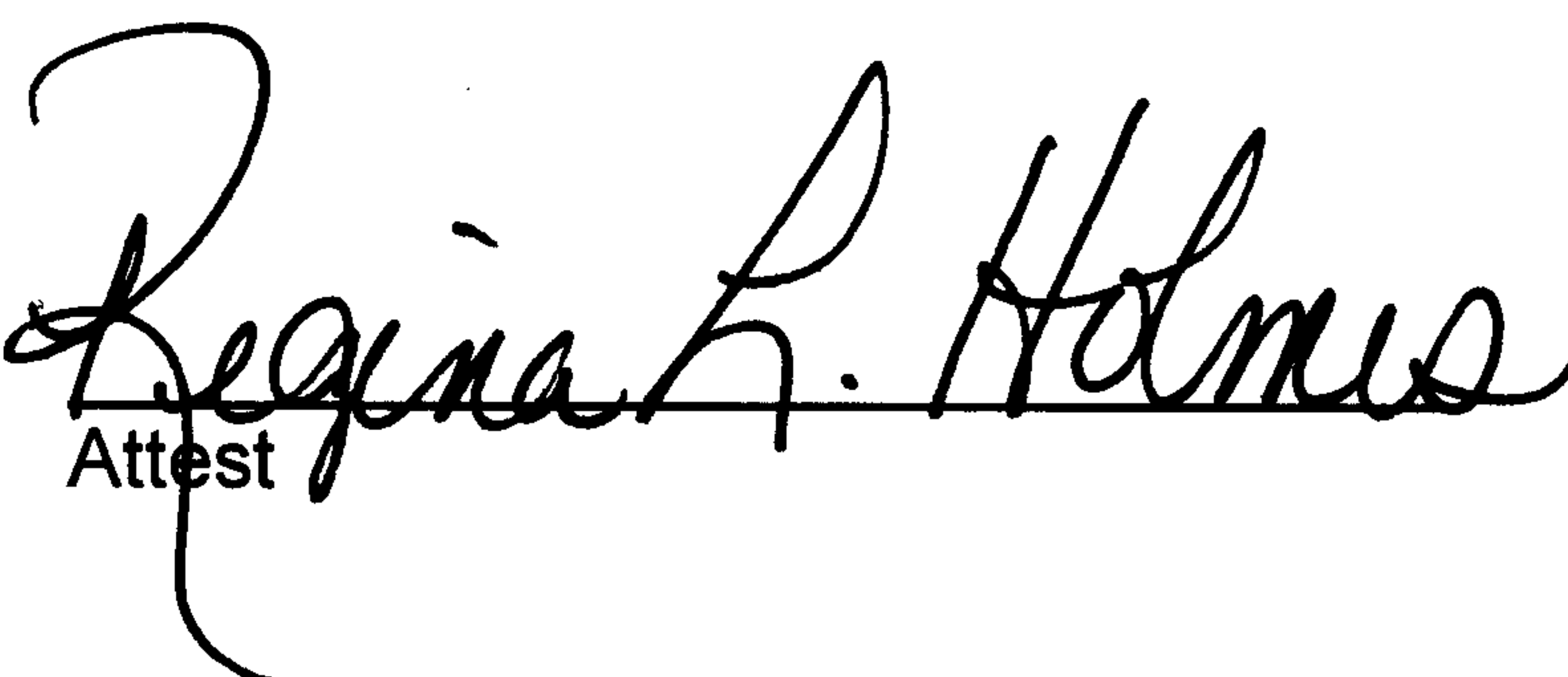
LESSEE


Alex Dudchock, County Manager


Michael Brewer


Attest


Jim Cawthon


Attest



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Shelby Cnty Judge of Probate, AL
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Exhibit A – Lease Application

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SHELBY COUNTY AIRPORT LEASE APPLICATION
RETURN THIS COMPLETED APPLICATION TO:
Shelby County Manager, P.O. Box 467 Columbiana, AL 35051

Use this Application Form to request a Lease of Land, Facilities, or Commercial Rights at the Shelby County Airport. Complete all blocks with the appropriate information; mark blocks "N/A" when they do not apply to your request. Continue on separate sheets if additional room is required.

1. INITIAL THE LEASE OR LEASES FOR WHICH YOU ARE APPLYING:

Joe HUB COMMERCIAL LEASE: All persons (other than transient aircraft operators) using the Shelby County Airport for commercial purposes are required to enter into a non-exclusive lease agreement with the County for the right to conduct such commercial activities on County property (e.g., the Airport).

LAND LEASE: All persons wishing to construct improvements at the Airport must first enter into a Land Lease for a suitable Parcel. Return this form, with \$250.00 earnest money to the Airport Manager who will initiate the lease approval process, which will include approval/disapproval by the County Manager.

FACILITY LEASE: All persons wishing to occupy County-owned improvements at the Airport must first enter into a Facility Lease for the desired facility. Return this form, with \$250.00 earnest money to the Airport Manager who will initiate the lease approval process, which will include approval/disapproval by the County Manager.

2. APPLICANT INFORMATION:

Name: Jim Cantor & Michael Brewer Phone: (205) 746-2358
Address: 1369 HWY. 69 Fax: ()
CHSELSEA, AL 35043 E-mail: JIMCANTOR@BELLNET.NET
If applying as a business or other legal entity: Business Name: TO BE DETERMINED
President/CEO: _____ d.b.a. _____

3. ACTIVITIES PROPOSED: Initial activities proposed to be conducted. For commercial activities, you will be required to conduct those activities proposed, and must also obtain a Shelby County and/or City of Calera business license, when required by law.

Customer Services:

Food services including catering, restaurants, etc.

Temporary lodging, such as hotel and motel operations.

Transportation services, such as rental cars, shuttle buses, and taxis.

Airline Operations:

Air Carrier or Air Taxi Operations.

Transportation of cargo and/or mail by aircraft.

Other scheduled air transportation services or patrol activities.

Aircraft Support Services:

Aircraft manufacture, maintenance, repair and storage (as defined by the FARs):

Aircraft major and minor repair and maintenance.

Manufacture, repair, or reconditioning of either new and/or used aircraft and/or parts.

Specialized repair services for aircraft appliances or aircraft components.

Warranty or guarantee service or supply.

Flammable liquid storage and/or sales.

Preventive Maintenance for aircraft.

Aircraft painting and/or washing using chemicals.

Sales, leasing, financing, insuring and/or brokerage of aircraft, airframes, engines, and/or other aeronautical items.

Storage of aircraft and parts.

Line Services (see Commercial Policy).

On-Demand Flying Services:

Aerial photography or survey.

Agricultural operations (including "crop dusting").

Aircraft Charter operations for any purpose.

Aircraft rental to the public.

Banner towing.

Corporate Flight Operations.

The County Manager may elect to review any application for approval, modification, or disapproval.

HUB
(Applicants Initials)

SHELBY COUNTY AIRPORT LEASE APPLICATION

- | | |
|--|---|
| <input type="checkbox"/> Dropping objects from aircraft. | <input type="checkbox"/> Sightseeing flights. |
| <input type="checkbox"/> Fire fighting (water and chemical applications) and 'smoke jumping'. | |
| <input type="checkbox"/> Pilot instruction conducted independently of an FAR Part 141 certified flight school. | <input type="checkbox"/> Other(list): |
| <input type="checkbox"/> Pilot Schools conducted in accordance with FAR Part 141. | _____ |
| <input type="checkbox"/> Parachute jumping. | _____ |

4. Aircraft to be based on the Leasehold (if any):			
Class	Category	How Many	Proposed Use
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

5. Toxic or hazardous chemicals/substances, subject to regulation, permitting, and inspection by the EPA or NM State Environment Department, to be used/stored on the leasehold or other location on the Airport:

6. Briefly Describe Your Proposed Land or Facility Requirements and Location on the Airport:

Lot #5 in area that Shelby County has specified for T-HANGARS.

7. FOR FACILITY LEASES ONLY: What Lease Terms do You Desire:

☐ Maximum. Initial Term: One (1) year, with four (4) one (1) year optional extended terms.

☐ Other. Describe:

8. FOR LAND LEASES ONLY: Briefly Describe the Proposed Improvements You Plan to Construct:

Plan to Build Twelve Enclosed T-HANGARS

The County Manager may elect to review any application for approval, modification, or disapproval.

MJB
 (Applicant's Initials)

SHELBY COUNTY AIRPORT LEASE APPLICATION

9. FOR COMMERCIAL LEASES ONLY:

What is Your Proposed Occupancy on the Airport?

Tenant of the County Sub-let from another Lessee or Tenant Non-Resident (through-the fence)

Shelby County Business Registration/License Number: Expiration Date:

List any Positions Which Will Require FAA or EPA Certification or Licensure:

Number	Job Title	License or Certificate Required

List the Hours of Proposed Operation for Your Business. You will be Required to Operate No Less Than at Those Times Listed. (FBOs offering Line Services must be open 7:00 a.m. - 7:00 p.m. daily):

Monday: or 24 HOURS Friday: or 24 HOURS
Tuesday: or 24 HOURS Saturday: or 24 HOURS
Wednesday: or 24 HOURS Sunday: or 24 HOURS
Thursday: or 24 HOURS Holidays: or 24 HOURS

10. Amount and Types of Insurance Coverage to be Obtained (see current Airport Policies for required coverage):

TYPE INSURANCE	MINIMUM AMOUNTS	AMOUNT TO BE OBTAINED
General Liability:	Each Incident \$1,000,000	\$ 1,000,000
Fire Casualty:	Each Accident \$ 300,000	\$ 300,000
Environmental Remediation:	Each Incident \$1,000,000	\$ 1,000,000
Other:	NOT YET BOUND	

APPLICANT'S CERTIFICATION: The above application is true and complete to the best of my knowledge.

12-9-05
(Date of Application)

JIM CAITHEN
MICHAEL BREWER
(Printed or typed Name of Applicant)

[Signature]
(Signature of Applicant)

Return this form to the County Manager for processing, with the following attached:

- Any additional information continued from the application, referenced by question number.
- Proof of Insurance.
- If sub-letting, a copy of the sub-letting agreement.
- If operating an FAA Certified business, a copy of the Certificate.

The County Manager may elect to review any application for approval, modification, or disapproval.

[Signature]
(Applicant's Initials)



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SHELBY COUNTY AIRPORT LEASE APPLICATION

CONTINUATION SHEET.

Please continue any narrative from the application on this page.

Please reference your continuation by number.

Please attach additional continuation pages as required.

General:

1. \$3,000 ANNUAL GROUND LEASE RENT.
2. 40-YEAR STRAIGHT-TERM LEASE
BASED ON CONDO FORM OF OWNERSHIP.
3. County Review of Articles of Condominium
and any COVENANTS, SAID ARTICLES TO
BE ATTACHED AND MADE PART OF
LEASE AGREEMENT.
4. ADDITIONAL CONSIDERATION WAIVED.
5. OBSERVATION DECK TO BE BUILT ON
WEST-END ROOF, TO REMAIN BELOW
20-FOOT HEIGHT RESTRICTION.

The County Manager may elect to review any application for approval, modification, or disapproval.


(Applicant's Initials)



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MICHAEL L OR LINDA S BREWER
493 Hillandell Drive
Hoover, Alabama 35244
Ph 205-980-3005

2581

01-1/020

12-12-05

DATE

Pay to
the order of

Shelby County Commission

\$ 250.00

Two Hundred Fifty Dollars

Dollars



Security
Features
Shown to
You

AME SOUTH BANK

THE RELATIONSHIP PEOPLE

For

HANGER EARNST MONEY

[Signature]

⑆062000019⑆ 0003457829⑆ 2581

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Exhibit C – Design Standards

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I. Setbacks from Aircraft Operating Surfaces. No above ground portion of any building nor any fences, landscaping, or walls taller than 24 inches shall be placed within twenty (20) feet of any taxiway or taxilane.

II. Landscaping. All landscaping shall be designed to discourage the nesting and aggregation of birds and animals. All unpaved portions of the site shall be grassed or planted with a low growing ground cover.

III. Exterior Lighting. Obstruction lighting shall be installed when required to meet FAA safety standards. Exterior illumination, including that in illuminated signs, shall never be angled above the horizontal, nor extend into flight patterns or other aircraft operating surfaces, unless designed and approved specifically for the purpose of aiding aircraft navigation or safety. Area lighting of buildings, vehicle parking areas and walkways shall be shielded so as not to shine above the horizontal, and shall not produce glare on adjacent streets, aircraft operating surfaces, or building sites.

IV. Off-Street Parking and Loading. Off-street parking shall be required as per the City Zoning Code. No truck loading or unloading area shall be located on a building wall fronting on a major arterial or collector, or in the front setback of the Property.

V. Utility Construction. All utilities to be constructed at the Airport including water, wastewater, natural gas, telephone, electric and cable TV, shall be constructed underground from the point of service to the parcel or improvement thereon.


VI. Architectural Standards.

1. Hangars

- a. Stand-alone hangars (one single open bay) shall contain no less than 1,200 square feet of total floor area, including aircraft parking space capable of containing, with the entry door closed, an aircraft with a wingspan of ___ feet, a nose-to-tail length of ___ feet, and a tail height of ___ feet. The aircraft entry door shall open no less than ___ feet wide and ___ feet high.
- b. Multiple bay hangars (T-Hangars and the like) shall have no fewer than ten bays. Each bay shall be capable of containing, with the entry door closed, an aircraft with no less than the following dimensions: Wingspan of 38 feet, nose-to-tail length of 31 feet, and tail height of 12 feet. Each bay shall have an aircraft entry door which shall open no less than 40 feet wide and 12 feet high.
- c. All hangars shall be commercial grade metal buildings, but shall be painted, or permanently colored by the manufacturer. Color selection shall be approved in writing by the county. The side of the Hangar facing Shelby West Parkway shall have a brick exterior extending at least 4 feet from the ground. Natural metal is not acceptable as a finish. Hangars shall have a reinforced concrete pad no less than four (4) inches thick as a floor, and weatherproof, closing aircraft entry doors, and be provided with electrical service. Each stand-alone or T-hangar building shall have

water service, fire extinguishers and other protection required by the City Building and Fire Code.

- d. All hangars shall be connected to the Airport's paved aircraft movement surfaces by a paved surface, matching the grade of the aircraft movement surface, and no less wide than the hangar's aircraft entry door, and of construction suitable for the type of aircraft hangared.
- e. Those sides of the building not facing streets shall be finished in an attractive manner in keeping with the accepted standards used for industrial buildings.
- f. In-Hangar Static Grounding. Hangars shall provide electrical grounding connections to the steel structure for hangared aircraft. It is the responsibility of individual plane owners to ground their aircraft if required by the manufacturer. This can be accomplished with one of the following devices or an equivalent product:
 - Hubbell, HBL50SD Static Discharge Reel
 - Appleton, SD Series Static Discharge Grounding Reel, or,
 - Crouse-Hinds, SDR Cable-Guard Static Discharge Reel


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2. Buildings.

- a) Buildings shall not exceed a height that penetrates the FAR Part 77 planar surfaces unless otherwise approved by the FAA.
- b) Wind Resistance. All buildings shall be designed to withstand winds of eighty-five (85) miles per hour.

3. Aircraft Parking Areas and Aprons. All aircraft parking surfaces shall be paved. Such surfaces shall be either reinforced concrete of no less than four (4) inches in thickness, or asphalt of no less than two (2) inches of asphalt with six (6) inches of base course with 95% compaction.

4. Emergency Eye Wash Stations. Each hangar shall have emergency eyewash and shower for chemical accidents. For stand-alone hangars, this may be located inside or on the exterior of the hangar. For multiple-bay hangars, this emergency facility shall be mounted on the exterior of the hangar, and there shall be at least one clearly marked facility located on at least one end of the building.

5. Minimum Improvement Areas.

- a) Each parcel adjoining the aircraft operating surfaces, upon which buildings are to be constructed, shall be developed so that the buildings cover no less than 36% of the parcel.
- b) Each parcel upon which aircraft parking areas are to be established shall be developed so that those surfaces cover no less than 75% of the parcel, including that area upon which buildings are constructed. In addition, all such

aircraft parking areas shall be connected to the established aircraft movement areas with a taxiway or direct abutment no less than the width of the hangar door and constructed in accordance with paragraph 3 above.

- c) **Limit Erosion.** Lessees or Tenants shall limit grading and clearing activities on the site to the actual physical area planned for facility development, to limit soil erosion, blowing sand and dust.

6. Maintenance.

- a) **Orderliness.** Lessees and Tenants shall keep and maintain the buildings, structures, parking areas, landscaping, signs and other improvements to the Airport under their care or control in an orderly and well maintained condition.
- b) **Blowing Dust to be Controlled.** All areas of disturbed earth not landscaped shall be maintained with ground cover plants and grasses to reduce blowing dust.
- c) **Outside Storage and Trash.** All rubbish, trash, garbage, debris and other wastes, all loading docks and garbage collection facilities, and all other articles, goods, materials, incinerators, trash bins, storage tanks or like equipment shall be stored at the side or rear of the building and the improvements with which same are associated. All such storage shall be screened from public view or from a view from adjacent buildings in a manner approved in writing by the Airport Manager. Screening materials shall be maintained in a sound and sightly condition and be constructed and designed in such a manner so that they equal a height equal to that of the materials or equipment being stored but in no event less than four (4) feet in height.
- d) **Hazardous Materials.** All storage of toxic or hazardous materials and waste will be in accordance with environmental statutes and regulations, and shall be protected from inadvertent public access (by fencing, under lock and key, etc.).

- 7. **Security.** When a parcel or proposed improvement is located in such a position as to form the boundary of a legally required safety or security perimeter, the Lessee may be required to construct and maintain the required barrier. The lessee shall permit the County to construct any such barrier without interference.

- 8. **Temporary Structures.** No temporary building or structure other than construction offices and structures for related purposes during the construction period shall be installed or maintained on any Building Site without the prior written approval of the Airport Manager. All temporary structures used for construction purposes must receive approval by the County Manager with regard to location and appearance. All such buildings shall be removed promptly upon completion of construction and that portion of the Building Site from which same are removed, restored to its original condition or to such condition as is otherwise required by these standards.

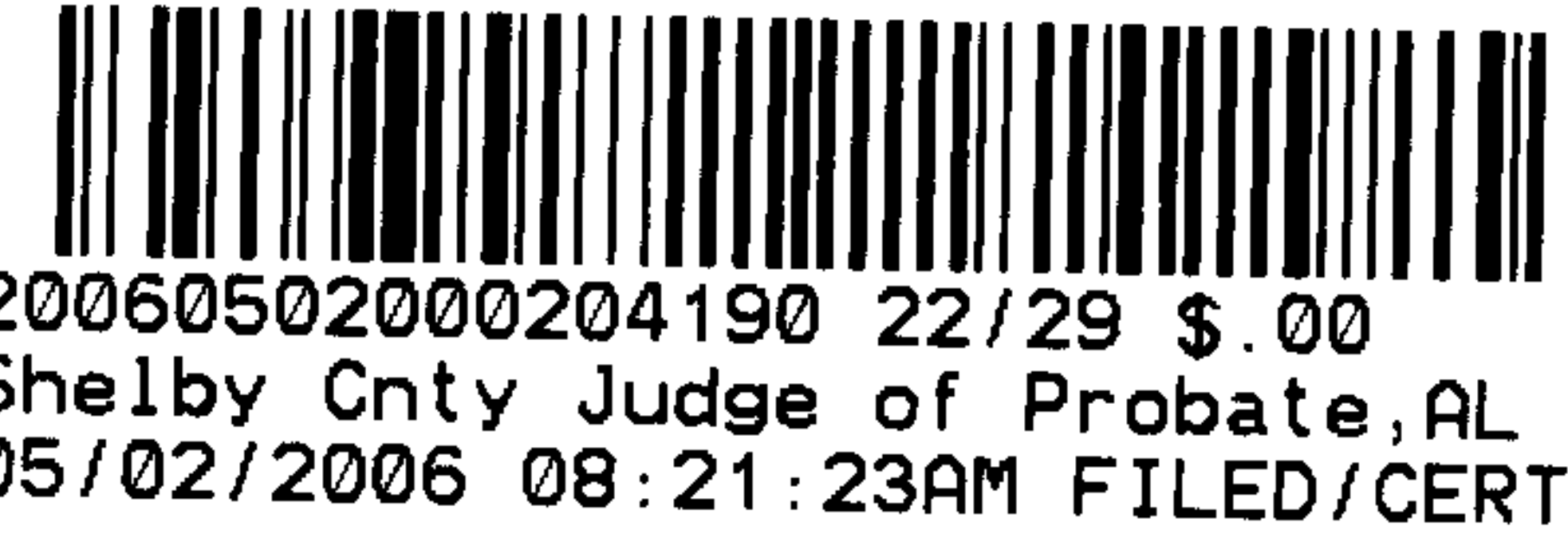


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Exhibit D – Minimum Standards



Article I

Definitions

1. 1 Definitions. As used in this document, the following terms shall be defined as follows:

a) **Aeronautical Activity.** 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. The following activities, commonly conducted on airports, are aeronautical activities within this definition: pilot training, aircraft rental, charter operations, sight-seeing, aerial photography, crop dusting, aerial advertising or surveying, scheduled and non-scheduled air carrier operations, aircraft sales, sale of aviation petroleum products (whether or not conducted in conjunction with other included activities), service, repair or maintenance of aircraft, sale of aircraft parts, radio and instrument repair or installation, and any other activity which, because of its direct relationship to the operation of aircraft, can appropriately be regarded as an aeronautical activity.

b) **Airport.** Shelby County Airport, County of Shelby, State of Alabama.

c) **Airport Tenant.** Any person or entity that has entered into a lease for real property with the County at the Airport.

d) **Airport Tenant Lessee.** Any person or entity, which has entered into a sub-lease with an Airport Tenant.

e) **Commercial Tenant.** Any Airport Tenant who fulfills the requirements of Article X and the appropriate requirements of Articles III, V, VI, VII, VIII or other specific requirements. By fulfilling said requirements, a Commercial Tenant may qualify to engage in any one or more aeronautical activity.

f) **Commercial Tenant Lessee.** Any person or entity which has entered into a sub-lease with an Airport Tenant and who fulfills the appropriate requirements of Articles III, IV, V, VI, VII, VIII or other specific requirements. By fulfilling said requirements a Commercial Tenant Lessee may qualify to engage in any aeronautical activity except the sale of aviation petroleum products.

g) **County.** Shelby County, Alabama

h) **Director.** Shelby County Commission or its designee.

i) **Fixed Base Operator.** Any Airport Tenant who fulfills the requirements and meets the qualifications set forth in Articles II and X and Articles III, IV, V, VI, VII, VIII or other specific requirements as appropriate (hereinafter referred to as "FBO")

j) **Leaseholders.** Airport Tenants, Commercial Tenants and FBO's shall be referred to collectively in this document as "Leaseholders".

Article II

Fixed Base Operators

2. 1 Qualifications. An Airport Tenant shall qualify as an FBO upon proof that said Airport Tenant is a financially stable and responsible business enterprise. In addition, said Airport Tenant shall demonstrate that the premises from which it operates at the Airport and the personnel employed by it comply with the following requirements:

- a) A minimum of three (3) acres of land leased from the COUNTY;
- b) A general aviation service hangar containing a minimum of 8,000 square feet;
- c) An office facility staffed with qualified personnel;
- d) A heated and air-conditioned waiting room for passengers and crew of itinerant aircraft;
- e) Sanitary restroom facilities;
- f) Public telephones;
- g) Parking sufficient to accommodate employees and customers;
- h) Personnel on duty seven days a week during normal business hours and additional employees available on call as needed; and
- i) Availability of fuel for the public, and properly trained personnel and adequate equipment to perform fueling services.

2. 2 Certification. Prior to engaging in the activities of an FBO, said Airport Tenant shall submit to Director a properly executed Statement of Compliance with the minimum qualifications set forth in Paragraph 2.1 of this Document and with the applicable requirements set forth in Articles III, IV, V, VI, VII, VIII or other specific requirements, Director shall issue a certificate authorizing said Airport Tenant to become an FBO.

2.3 Authorized Activities. FBO shall have the right to engage in the aeronautical activities for which it qualifies by complying with the minimum standards of the particular aeronautical activity, as set forth in Articles III, IV, V, VI, VII or VIII. Provided, FBO shall provide written notification to COUNTY of its intent to engage in the particular activity described in Articles III through VIII, and shall provide a statement of compliance executed by FBO. Provided, further, that if FBO wishes to engage in an aeronautical activity not set forth in Articles III, IV, V, VI, VII, VIII, FBO shall provide COUNTY with written notification of said intent and shall comply with specific minimum standards to be determined by COUNTY.

Article III

Pilot Training, Aircraft Rental

3.1 Facility. Commercial Tenant, Commercial Tenant Lessee or FBO offering pilot training and/or aircraft rental shall either own, lease or sublease sufficient ramp and/ or hangar space, classroom facilities and/ or office space to adequately accommodate the requirements of its program.

3.2 Training Pilot. A Commercial Tenant, Commercial Tenant Lessee or FBO offering pilot training instructions must employ on a full-time basis a minimum of one (1) instructor pilot. All

instructor pilots must have current FAA pilot and approved medical certificates. Flight instructor personnel must demonstrate a continuing ability to meet FAA requirements.

3.3 Aircraft Rental. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in the rental of aircraft shall maintain a minimum of three (3) aircraft. The aircraft shall be under the exclusive control of Commercial Tenant, Commercial Tenant Lessee or FBO, shall be properly and lawfully equipped and shall be FAA certified for flight instruction and rental.

3.3 Responsibility For Renters. Commercial Tenant, Commercial Tenant Lessee or FBO shall not rent an aircraft to any person who fails to display appropriate and current FAA pilot and approved medical certificates.

Article IV Charter Operations, Sight-seeing

4.1 Facility. A Commercial Tenant, Commercial Tenant Lessee or FBO offering charter operations and/or sightseeing shall own, lease, or sublease sufficient office space to provide shelter for passengers, rostrum, telephone and parking area. Commercial Tenant, Commercial Tenant Lessee or FBO shall provide for the checking in of passengers, handling of luggage, ticketing, ground transportation, and other related customer services.

4.2 Pilot. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in Charter operations and/ or sight-seeing shall at all times maintain under his exclusive control a minimum of two (2) currently certified and airworthy aircraft, either owned or leased by Commercial Tenant, Commercial Tenant Lessee or FBO and Properly certified for charter operations or sight-seeing.

Article V Crop Dusting, Aerial Advertising or Surveying

5.1 Facility. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in aerial photography, crop dusting or aerial advertising or surveying shall own, lease, or sublease sufficient ramp and/or hangar and office space to house its aircraft and supplies. Commercial Tenant, Commercial Tenant Lessee or FBO shall assume total responsibility for making arrangements for the safe loading, unloading, storage and containment of noxious chemical materials.

5.2 Aircraft and Pilot. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in aerial photography, crop dusting, or aerial advertising or surveying shall have in his employ a minimum of one (1) aircraft with pilot. The aircraft shall be suitable equipped for such operations and, if applicable, with adequate safeguards against spillage of chemical spray mixtures or materials on runways and taxiways or dispersal by wind force to operational areas of the Airport. The pilot shall have appropriate and current FAA pilot and approved medical certificates.

Article VI Aircraft Sales

6.1 Facility. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in aircraft sales must own, lease, or sublease office, ramp and hangar facilities adequate to store aircraft and service customers.

6.2 Pilot. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in the sale of aircraft must employ a minimum of one (1) fully qualified demonstrator pilot with current and appropriate FAA pilot and approved medical certificates.

6.3 Franchise. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in the sale of aircraft must have a sales or distribution franchise from a recognized aircraft manufacturer.

6.4 Used Aircraft. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in the sale of used aircraft must conform to the provision of FAA regulations, Part 47, Subpart C, and must possess a valid "Dealer Aircraft Registration Certificate", FAA Form 8050.

Article VII

Service, Repair or Maintenance of Aircraft

7.1 Facility. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in service, repair or maintenance of aircraft shall own, lease or sublease a minimum of 5,000 square feet of hangar, shop and storage space, and adequate ramp space and vehicle parking areas. Commercial Tenant, Commercial Tenant Lessee or FBO shall furnish facilities and equipment for airframe and power plant repairs to be conducted by a minimum of (1) Federal Aviation Administration certified A & P mechanic and such other personnel as may be necessary. Air frame and power plant repair shall include facilities for both major and minor repair of aircraft and engines used in private aviation in the area of the Airport; provided, however, that Commercial Tenant, Commercial Tenant Lessee or FBO shall first demonstrate its ability to comply with requirements of the Airport; for the suppression of noise, dust, fumes, dirt, odors, smoke and other similar nuisances, including but not limited to, soundproofed and air-conditioned enclosures for the performance of air frame and power plant repair.

7.2 Removal of Disabled Aircraft. Commercial Tenant, Commercial Tenant Lessee or FBO shall demonstrate the ability to, and shall assume responsibility for promptly removing disabled aircraft from the public landing area as soon as permitted by the Federal Aviation Administration, the Civil Aeronautics Board or similar authority. No tenant shall allow an aircraft to remain on airport property without a proper air-worthiness certificate. Inoperable, abandoned or junked aircraft will not be permitted at the airport unless the aircraft is scheduled to undergo repairs with the intent on placing the aircraft into airworthy condition. Such repairs shall begin within a reasonable period of time, but shall not exceed 90 days. The county reserves the right to remove derelict aircraft upon certified notice to the owner (see section 10.9).


Article VIII

Radio and Instrument Repair

8.1 Facility. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in the repair of radio and other aircraft instruments, shall own lease or sublease a minimum 1,000 square feet of shop and storage space. Commercial Tenant, Commercial Tenant Lessee or FBO shall make arrangements for access to and storage of aircraft on which there is work in progress.

8.2 Technician. A Commercial Tenant, Commercial Tenant Lessee or FBO engaged in the repair of radio and other aircraft instruments shall employ on a full-time basis a minimum of one (1) technician certified by the Federal Aviation Administration in the field of aircraft electronics and/ or aircraft instruments with current Federal Communications license to conduct complete aircraft transmitter, receiver and antenna repair.

Article IX Airport Tenant


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9.1 Prohibited Activities. No Airport Tenant shall engage in nor allow any Airport Tenant Lessee to engage in any aeronautical activity. No Airport Tenant shall allow any Commercial Tenant Lessee to engage in any aeronautical activity unless said Commercial Tenant Lessee complies with all appropriate provisions and requirements of Articles II, III, IV, V, VI, VII, VIII or other special requirements.

9.2 Responsibility to County. An Airport Tenant shall be responsible that any aircraft owned, leased or subleased by it, or that any aircraft operated from the property leased, owned or occupied by it, is operated by personnel who hold appropriate and current Federal Aviation Administration pilot and approved medical certificates.

9.3 Notification. Airport Tenant shall notify Director in writing prior to allowing any Commercial Tenant Lessee to perform an aeronautical activity. Said notification shall include the name of Commercial Tenant Lessee, its principles, officers and employees, and aeronautical activities it will perform.

Article X General Minimum Standards

10.1 Commercial Tenant Eligibility. Any Airport Tenant who complies with the minimum standards set forth in Articles III through VIII or other special requirements for the categories of Commercial Tenant at the Airport, is eligible to become a Commercial Tenant for that category. Said Commercial Tenant shall not engage in any business or activity on Airport property other than that authorized by the Director. A Commercial Tenant desiring to extend its operation into one or more categories or to discontinue operation in one or more categories, shall first apply in writing to the Director for permission to do so, setting forth in detail the reasons and conditions for the request. The Director shall then grant or deny the request on such terms and conditions, as Director deems reasonable and proper under the circumstances. Each Commercial Tenant shall provide its own buildings, personnel and equipment, and other requirements as herein stated upon land privately owned or lease from the COUNTY. Commercial Tenants agree to permit Director to enter upon and inspect their premises at any reasonable time.

10.2 Minimum Standard for Charges to Public. FBO and Commercial Tenants shall at all times conduct, operate and maintain for the benefit of the public the services provided for and described herein, and all services related thereto as herein defined and set forth, and shall make all such services available to the general public. FBO and Commercial Tenants may make charges to patrons and customers for all merchandise or materials and services furnished or rendered, but agree that they will not impose or levy excessive or otherwise unreasonable charges or fees for any facilities or services. All leaseholders shall be reasonable for requiring that all Commercial Tenant Lessees comply with the Minimum Standard for Charges to Public hereinabove described. Notwithstanding anything contained in any lease or agreement that may be or appear to the contrary, it is expressly understood and agreed that the rights granted hereunder are non-exclusive and COUNTY reserves the right to grant similar privileges to others.

10.3 General Operations Standards. Each leaseholder shall abide by and shall be responsible for the Airport Tenant Lessees and Commercial Tenant Lessees abiding by the following general operational standards:

- a) To reduce to a minimum vibrations tending to damage any equipment, structure, building or portion of a building, which is located on leaseholders premises or is located elsewhere on or near the Airport;
- b) To keep the sound level of its operations as low as reasonably possible;
- c) To commit no unlawful nuisance, waste or injury on its property and to refrain from doing anything which may result in the creation or commission or maintenance of such nuisance, waste or injury to its property or the Airport;
- d) To refrain from creating or permitting to be caused or created upon its premises any obnoxious odors or smokes or noxious gases or vapors. The creation of exhaust fumes by the operation of internal combustion engines or aircraft engines of other types, so long as such engines are maintained and are being operated in a proper manner, shall not be a violation of this paragraph, nor shall the reasonable operation of Leaseholders business constitute such violation, although odors, gases and vapors may result there from;
- e) To refrain from doing anything which might interfere with the effectiveness or accessibility of the drainage or sewer system, fire protection system, sprinkler system, alarm system, fire hydrants, and hoses if any are installed or located on or in Leaseholder's premises or premises subleased by Leaseholder;
- f) To refrain from overloading any floor or paved area on Leaseholder's premises or premises sub-leased by Leaseholder and to repair any floor, including supporting members, and any paved area damaged by overloading;
- g) To refrain from doing any act or thing upon the premises: (1) Which will invalidate or conflict with any fire insurance policies covering the premises at the Airport, or (2) Which may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the normal Airport operation;
- h) To refrain from storing during any 24 hour period flammable liquids within any covered and enclosed portion of its premises in excess of Leaseholder's or Airport Tenant Lessee's or Commercial Tenant Lessee's working requirements during the 24 hour period. Any liquids having a flash point of less than 110° F. shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories and COUNTY;
- i) To refrain from fueling or defueling aircraft or other equipment in the covered or enclosed portions of the premises without prior approval of the Director, provided, however, that Leaseholder shall not be prohibited from using gasoline or other fuel in such enclosed areas where necessary in repairing or testing aircraft component parts. In such event, Leaseholders shall take all precautions reasonably necessary to minimize the hazards created by use of flammable;

- j) To conduct pressure, water flow, and other appropriate tests of the fire extinguishing system and apparatus, which constitute a part of the premises;
- k) To demonstrate the capability to perform minor repairs and to have available tools, jacks, towing equipment, tire repair equipment and any other equipment reasonably required for the performance of minor repairs;
- l) To carry airport liability insurance with a minimum coverage of \$200,000 per person, \$1,000,000 per any one occurrence and \$200,000 property damage. Provided, however, that COUNTY may require higher insurance coverage equal to the amount of potential liability imposed upon COUNTY by law. Insurance policies and renewals thereof shall be delivered to and held by the Director except in case of an Airport Tenant Lessee or Commercial Tenant Lessee;
- m) To arrange for and pay for all lights, gas, electrical current, water, sewer charges and garbage collection charges for services accepted in or about Leaseholder's premises or premises subleased by Leaseholder and to pay the charges promptly when due;
- n) To remove from the Airport or otherwise dispose of in a manner approved by the Director, all garbage debris and other waste material (whether solid or liquid) arising out of Leaseholder's Airport Tenant Lessee's or Commercial Tenant Lessee's activities. Leaseholder shall maintain its premises and its sub-leased premises in a neat and orderly condition; shall keep the grass cut and buildings painted. Any garbage, debris or waste which may be temporarily stored in the open shall be kept in suitable garbage or waste receptacles, made of metal and equipped with tight fitting covers of a design sufficient to contain whatever may be placed therein. Leaseholder shall use extreme care when effecting removal of all such waste.

10.4 Minimum Size of Hangar. Any hangar constructed by Leaseholder or on property leased by Leaseholder to be used for the rental of space for aircraft storage shall contain not less than 8,000 square feet of floor area. Leaseholder may, if sufficient land is available for lease from the COUNTY, construct such hangar and engage in the business of rental of space for aircraft storage.

10.5 Compliance with Law. Each Leaseholder shall abide by and be responsible for all Airport Tenant Lessee's and Commercial Tenant Lessee's abiding by all state and county laws and ordinances, the rules and regulations of the COUNTY for the Airport, and the rules and regulations of the State and Federal Aviation Administrations.

10.6 Failure to Comply with Minimum Standards. In the event that Leaseholder fails to comply fully with the Minimum Standards contained in this Document, or fails to comply with any reasonable request or direction of the Director as it relates to said Minimum Standards, such refusal shall constitute a default. If said default continues for more than three (3) days after notice of said default, the Director may terminate any operating agreement with Leaseholder withdraw any certificates of compliance, or take whatever reasonable steps are necessary to abate Leaseholder's failure to comply.

10.7 Construction. All Construction required of Leaseholders or Airport Tenant Lessee's or Commercial Tenant Lessee's leasing from Leaseholder shall be in accordance with design and construction standards established by the COUNTY for the type of facility or activity involved.

Leaseholder shall be required to furnish payment and performance bonds commensurate with any construction required under the standards established herein, or under any contract or lease by and between Leaseholder and COUNTY.

10.8 Security. On-site security patrolling, inspection and maintenance of property of Leaseholders, Airport Tenant Lessees and Commercial Tenant Lessees shall be provided by Leaseholders and/or said Lessees. These areas will be subject to periodic inspection by Director. In case of fire or disorder beyond the capabilities of the personnel of Leaseholder and/or said Lessees, Leaseholder shall notify local police or fire departments for assistance and notify the Director.

10.9 Non-Airworthy Aircraft. All non-airworthy aircraft shall be removed from the Airport by Leaseholder at Leaseholder's expense on thirty (30) days written notice from the Director.

10.10 Assignment or Sublease. Leaseholder may not sublease or assign its interest in any property leased from COUNTY without prior written consent, which shall not unreasonably withheld such subletting or assignment. Any such subletting or assignment shall be subject to all of the terms and conditions set forth herein.

10.11 Employees of Leaseholders. Leaseholder shall be responsible for controlling the conduct, demeanor and appearance of its employees, invitees, and all those doing business with it. Upon objection from the Director concerning the conduct, demeanor and appearance of any such employee, Leaseholder shall immediately take all reasonable steps necessary to remove the cause of objection. Leaseholder shall be solely responsible for all of the acts of its agents and/or employees, and shall save and hold the COUNTY harmless from any act of leaseholder, its agents and employees.

10.12 Servicing Equipment. Leaseholder shall maintain equipment used to service aircraft in conformity with applicable safety requirements. Equipment shall be monitored by reliable metering devices subject to independent inspection. Fueling equipment used by FBO shall have a pumping efficiency capable of meeting normal demand.

10.13 Financial Ability. Leaseholder shall satisfy the Director that it is technically and financially able to perform the services of a Leaseholder. This shall include the responsibility for demonstrating continued financial solvency and business ability by the submission to Director of an annual balance sheet, credit references and any other proof that the Director may require from time to time. The Director shall be the final judge as to the qualifications and financial ability of a leaseholder.

10.14 Waiver. Upon written application, Commercial Tenant, Commercial Tenant Lessee or FBO may request, and Director may grant, a waiver of any qualification, requirement or obligation of commercial Tenant, Commercial Tenant Lessee or FBO, provided, however, that said waiver does not result in Commercial Tenant, Commercial Tenant Lessee or FBO acquiring an unreasonably unfair advantage over similarly situated Commercial Tenants, Commercial Tenant Lessees or FBO's at Airport.