



Mr. Jerry Sansom, Chairman
Dr. Dave Hosley, Vice Chairman
Ms. Patricia Patch, Treasurer
Mr. Harry Carswell, Secretary
Dr. Wasim Niazi
Mr. Jay Stalrit
Mr. Milo Zonka

355 Golden Knights Blvd. → Titusville, Florida 32780
321.267.8780 → fax: 321.383.4284 → mpowell@flairport.com

**AGENDA
REGULAR MEETING**

AUGUST 20, 2015 AT 4:00 P.M.

*** NOTE TO ALL PUBLIC ATTENDEES:**

The public may speak on any item on the agenda. Should someone wish to address the Airport Authority Board on a specific item, there will be request cards located on the wall adjacent to the public seating area. Be advised that these cards must be completed and presented to the Executive Secretary prior to the item being heard. Your comments will be addressed prior to the Board's discussion and you will have 5 minutes to address the Board. Thank you for your attention.

Salute to Flag - Pledge of Allegiance.

- I. CALL TO ORDER.
- II. ROLL CALL.
- III. APPROVAL OF THE AGENDA, AS PRESENTED
- IV. APPEARANCES: None
- V. PRESENTATIONS: None
- VI. CONSENT AGENDA:

(These items are considered routine and will be acted upon by the Authority in one motion. If an Airport Authority Board Member requests discussion on an item, it will be considered separately.)

- a. Approval Of The Titusville - Cocoa Airport Authority Minutes:
 - 1. JULY 16, 2015 - Regular Meeting

- VII. OLD BUSINESS: None
- VIII. NEW BUSINESS:

- a. Discussion and Consideration of a Commercial Lease at TIX
- b. Discussion and Consideration of a Commercial Lease at X21
- c. Discussion by Mr. Brian Russell or Mr. Aaron McDaniel of Recent Invoiced Costs by the Michael Baker Jr., Inc. and Contractors Regarding Current Projects

NEXT REGULARLY SCHEDULED AUTHORITY MEETING IS TENTATIVELY SCHEDULED FOR
SEPTEMBER 17, 2015 AT 4:00 P.M.
ADDITIONAL INFORMATION ON AGENDA ITEMS CAN BE OBTAINED BY CONTACTING 267-8780.

IX. INFORMATION SECTION:

- a. Chief Executive Officer Report
- b. Attorney Report
- c. Check Register & Budget to Actual
- d. Administration & Project Reports

X. AUTHORITY MEMBERS REPORT

XI. PUBLIC AND TENANTS REPORT

XII. ADJOURNMENT

Respectfully submitted,

Michael D. Powell, C.M., ACE
Chief Executive Officer

Jerry Sansom
Chairman

TITUSVILLE – COCOA AIRPORT AUTHORITY

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on July 16, 2015 at 8:30 a.m. at the Titusville - Cocoa Airport Authority Office at 355 Golden Knights Boulevard, Titusville, FL. The following members were present: Mr. Jerry Sansom, Chairman; Dr. David Hosley, Vice Chairman; Ms. Patricia Patch, Treasurer; Mr. Harry Carswell, Secretary; Mr. Michael D. Powell, C.M., ACE, CEO; Mr. Timothy Pickles, Esq., Airport Attorney. Dr. Wasim Niazi, Mr. Jay Stalrit and Mr. Milo Zonka were absent.

Call to Order

Mr. Sansom called the meeting to order and determined that a quorum was present.

Approval of the Agenda

Mr. Sansom asked if there were any changes or additions to the Agenda. Seeing none, Mr. Sansom asked for a motion. Ms. Patch made a motion to approve the Agenda as presented. Mr. Carswell seconded. Mr. Sansom called the question. There were no objections. Motion Passed.

Appearances – None**Presentations – None****Consent Agenda****Item A – Approval of the Titusville-Cocoa Airport Authority Minutes:****1. June 18, 2015 – Regular Meeting**

Mr. Sansom called for a motion. Dr. Hosley made a motion to approve the Consent Agenda as presented. Mr. Carswell seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Old Business – None**New Business****Item A – Discussion and Consideration of an Extension to the Short Term Lease for Building 51 at Space Coast Regional Airport**

Mr. Powell gave a brief overview of the item stating that the lease at Building 51 had originally been a short term lease. Mr. Powell stated that the tenant would like

to extend the lease for six more months and agreed to pay an additional \$1,000 a month.

Ms. Patch made a motion to accept the request. Dr. Hosley seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Item B – Discussion and Consideration of the Proposed 2015-2016 Fiscal Year Budget

Mr. Powell gave a brief overview of the item, stating that this was the second presentation of the budget to the Board, and that the public budget meetings would be held in August and September.

Ms. Patch made a motion to accept the budget. Mr. Carswell seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Item C – Discussion by Mr. Brian Russell of Recent Invoiced Costs by Michael Baker Jr., Inc. and Contractors Regarding Current Projects

Mr. Sansom turned the floor over to Mr. Russell.

Mr. Russell presented Pay Request Number 4 in the amount of \$168,552.20 from C & D Construction, and Invoice Number 908697 in the amount of \$4,989.19 from Michael Baker, which were for the East Side Hangar Project at Space Coast Regional Airport. Discussion continued.

Mr. Russell presented Pay Request Number 2 (Revision 4) in the amount of \$56,813.96 from Welsh Companies, which was for the RSA Compliance & Shoreline Stabilization Project at the Merritt Island Airport.

Mr. Russell presented Invoice Number 908721 in the amount of \$15,439.92 from Michael Baker, which was for the design portion of the RSA Compliance & Shoreline Stabilization Project at the Merritt Island Airport.

Mr. Russell presented Invoice Number 909228 in the amount of \$15,498.97 from Michael Baker, which was for the RSA Compliance & Shoreline Stabilization Project at the Merritt Island Airport.

Mr. Russell presented Invoice Number 910588 in the amount of \$36,482.27 from Michael Baker, which was for the Spaceport Licensing and Associated Improvements at the Space Coast Regional Airport. Discussion continued.

Dr. Hosley made a motion to approve the invoices. Mr. Carswell seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Information Section

CEO Report

Mr. Powell reported that there was continued increased interest in companies locating to the area.

Mr. Powell reported that he had met with FDOT for a JACIP and Planning Meeting and he felt that they seemed more comfortable with everything moving forward. Mr. Powell stated that Staff was in the process of re-doing the JACIP. Mr. Sansom asked if there should possibly be a Board discussion regarding that. Mr. Powell stated that they could do that at any time. Mr. Sansom suggested that perhaps they discuss it at the next Board meeting.

Mr. Powell reported that there had been an issue with the mitigation permit for the RSA project at the Merritt Island Airport, which had held things up. Mr. Powell stated that the Airport Authority had been given direction for over eight months to put it in the scope to handle environmental issues in a certain manner, and when the permit was finally received somebody higher up the chain decided that they agreed with everything the Airport Authority had stated originally. Mr. Powell stated that they went ahead and made the changes without telling anyone. Mr. Powell asked Mr. Brian Russell from Michael Baker to give an explanation to the Board.

Mr. Russell gave an explanation of the issue, stating that in the end the Airport Authority will not be required to remove sea grass, but will still have to create a sea grass ledge and remove soil. Mr. Russell stated that they were negotiating with the contractor to move the dirt, which would reduce the sea grass monitoring cost. Mr. Russell stated that he would be meeting with St. John's on the coming Friday to discuss the communication gap. Discussion continued.

Mr. Powell reported that a building on the east side of Space Coast Regional Airport, which was formerly leased by Bristow, was now available and the Airport Authority had two potential tenants. Mr. Powell explained that Rocket Crafters had been interested in leasing it, but they didn't want the entire building and Staff had looked at what it would cost to split the building for two tenant occupancy. Mr. Powell stated that the lowest it would cost would be approximately \$30,000. Mr. Powell stated that a group called U.S. Applied Physics Group wanted that building and were ready to lease it immediately in its entirety. Mr. Powell explained that the group was affiliated with North American Surveillance Systems, which was already located on the west side of Space Coast Regional Airport.

Ms. Patch stated that the Airport Authority should give Rocket Crafters a deadline. Mr. Carswell stated that the Airport Authority had bent over backwards for Rocket Crafters in the past, but needed to do what was best for the airport. Discussion continued.

Mr. Carswell asked if Rocket Crafters could operate out of Building 51 after the six month lease was up there. Mr. Powell stated that it may be possible and would work on it. Discussion continued.

Mr. Pickles stated that since Dr. Hosley had declared a voting conflict with Rocket Crafters and there were only four Board members in attendance, they may not be able to vote. Mr. Sansom stated that since Rocket Crafters didn't have a proposal on the table, the Board would actually be voting on giving the lease to someone else. Mr. Sansom asked if the Board needed to have a lease in front of them.

Mr. Powell stated that the Applied Physics Group did have a letter of proposal and were willing to pay more than what Bristow was paying, but it would under the appraised rate. Mr. Powell stated that Staff could still move forward with creating a lease, adding that the Applied Physics Group needed the building quickly. Mr. Pickles stated that the Board could hold a special meeting or the lease could be presented at the next regular meeting. Discussion continued.

Mr. Powell reported that an Italian aircraft carrier company had showed interest in TIX and a manufacturing cleanup company had showed interest in acreage west of Grissom adjacent to Ecklers. Discussion continued.

Mr. Powell concluded his report.

Attorney Report

Mr. Pickles reported that regarding the RSA Project at Merritt Island Airport the Army Corps of Engineers had added another wrinkle to the Title Policy, but it had all gotten worked out. Discussion continued.

Mr. Pickles stated that Chief Terry Wooldridge at the Space Coast Regional Airport ARFF, wanted to establish an Intern Program. Mr. Pickles stated that he had drafted an agreement.

Chief Wooldridge gave a brief explanation on how the Intern Program would work. Discussion continued.

Mr. Pickles stated that the Intern Program would need to be voted on. Mr. Carswell made a motion to accept the Intern Program proposal. Ms. Patch seconded. There were no objections. Motion passed.

Mr. Pickles concluded his report.

Check Register & Budget to Actual

Mr. Powell stated that everything had been provided and was happy to answer any questions.

Administration & Project Reports

Mr. Powell stated that the reports were provided and nothing much had changed

Authority Members Report

Mr. Carswell stated that he knew that being on the Airport Authority Board was a volunteer job, but he was disappointed that some of the Board members consistently did not attend the meetings. Mr. Carswell asked if anything could be done to improve that.

Mr. Pickles stated that the Board was governed by legislation, so it was difficult to change that, adding that the requirement was that there had to be four to vote. Mr. Pickles stated that there was no removal mechanism in place, but in order to change it they would have to go to the legislature. Mr. Sansom stated that the Board members were appointed by the County, so the issue should be taken up with them first. Discussion continued.

Dr. Hosley stated that there were some big things going on with Delaware North and the City of Titusville regarding the possibility of a conference center. Mr. Powell stated that a conference center could do well in that area.

Dr. Hosley reported that the Astronaut Hall of Fame was shutting down and relocating, stating that discussions were happening presently on how that will work.

Mr. Sansom reported that the second legislation session was over and that the proposed funding for the Airport Authority didn't make it into the budget. Mr. Sansom stated that the request just wasn't possible this year, but perhaps the Airport Authority could make another request next year.

Public & Tenants Report – None**Adjournment**

Mr. Sansom adjourned the meeting at 9:51 a.m.

JERRY SANSOM, CHAIRMAN

HARRY CARSWELL, SECRETARY



TIX → SPACE COAST REGIONAL AIRPORT
COI → MERRITT ISLAND AIRPORT
X2I → ARTHUR DUNN AIRPARK

355 Golden Knights Blvd. → Titusville, Florida 32780 → 321.267.8780 → fax: 321.383.4284 → email: admins@tfairport.com

MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael D. Powell, C.M., ACE
Chief Executive Officer

DATE: August 20, 2015

ITEM DESCRIPTION - NEW BUSINESS ITEM A

Discussion and Consideration of a Commercial Lease at TIX

BACKGROUND

This discussion was brought up at last month's Board Meeting. US Applied Physics Group has proposed to lease the building located at 6995 Tico Rd to expand their lighting company. Their Letter of Interest is attached for the Board's convenience.

USAPG is affiliated with current tenants at TIX, North American Surveillance Systems (NASS).

ALTERNATIVES

The Airport Authority Board could approve the lease, disapprove, or ask for some other alternative.

FISCAL IMPACT

The fiscal impact for the 7,171 sq.ft. facility at TIX is proposed for \$4,000.00 a month, or \$48,000.00 annually.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) agree to the proposed lease, and (2) authorize an Authority Officer or the Chief Executive Officer to execute the necessary documentation upon satisfactory review by legal counsel.



US Applied Physics Group

7065 Challenger Ave Titusville FL 32780 · www.usapg.net · sales@usapg.net

Space Coast Airport Authority

14 July 2015

355 Golden Knights Blvd

Titusville, FL 32780

Dear Mr. Powell,

This is a follow up on our discussion regarding the building at 6995 Tico Rd. We are interested in leasing the building for our new Veteran Owned Company, US Applied Physics Group Inc. (USAPG). The focus of USAPG is light emitting diode (LED) lighting systems. USAPG has developed a series of high bay and exterior LED light fixtures that have been evaluated by outside agencies to have significantly better performance than currently marketed light fixtures. We have applied for several patents and anticipate approval in Q3 2015. We are currently completing low volume production and will move to high volume production in the next 30 days.

The building at 6995 Tico Rd. is attractive because of it has sufficient room to accommodate our anticipated growth. We intend to use it for sales and product assembly.

We anticipate that USAPG will generate a minimum of five new jobs in the next sixth months. The average salary of the technicians will be a minimum of \$50,000.00.

USAPG is interested in an initial three year lease. As a startup company, we are prepared to offer \$4,000 per month for the lease. The building will require some upgrades (interior and exterior) to bring it up to commercial standards. These upgrades would be subject to Airport Authority approval. We would appreciate some offset of our expenses in that regard.

I am prepared to meet with you and the Airport Board to provide additional information.

Very Respectfully,



Richard J. McCourt

Vice President

DRAFT

TITUSVILLE-COCOA AIRPORT AUTHORITY



LEASE AGREEMENT

Space Coast Regional Airport

Titusville, Florida

Effective Date:

_____, 2015

Lessee:

US APPLIED PHYSICS GROUP, LLC

TABLE OF CONTENTS

TABLE OF CONTENTS	i
TITUSVILLE-COCOA AIRPORT AUTHORITY	1
LEASE AGREEMENT.....	1
ARTICLE I PREMISES AND PERMITTED USES	1
1.1 Demise of Premises.	1
1.2 Condition of Premises.	2
1.3 Construction of Improvements by Authority.....	2
1.4 Construction of Improvements by Lessee.....	2
1.5 Quiet Enjoyment.....	2
1.6 Permitted Uses.....	2
1.7 Signage.	3
1.8 Construction Term.....	3
1.9 Initial Term.	3
1.10 Option to Extend Term.....	3
ARTICLE II ANNUAL RENT.....	4
2.1 Annual Rent.....	4
2.2 Calculation of Annual Rent.	4
2.3 Calculation of Annual Rent during Extension Term(s).....	4
2.4 Delinquent Rent.....	4
ARTICLE III MAINTENANCE AND UTILITIES.....	5
3.1 Maintenance.....	5
3.2 Trash and Garbage.....	5
3.3 Utilities.	5
ARTICLE IV TAXES	5
4.1 Property Taxes and Assessments.....	5
4.2 Taxes.....	6
4.3 Payment of Sales Tax.	6
ARTICLE V INSURANCE	6
5.1 Hazard Insurance.	6
5.2 Liability Insurance.....	7
5.3 Certificates of Insurance.....	7
ARTICLE VI CASH DEPOSIT.....	7
6.1 Cash Deposit.....	7
ARTICLE VII ENVIRONMENTAL.....	7
7.1 Lessee's Environmental Obligations.....	7
ARTICLE VIII INDEMNIFICATION	8
8.1 Lessee Indemnification.....	8

TABLE OF CONTENTS (cont'd)

ARTICLE IX DESTRUCTION OF IMPROVEMENTS.....	9
9.1 Obligations of Lessee.	9
9.2 Insurance Proceeds.	9
ARTICLE X CONDEMNATION.....	10
10.1 Notice of Condemnation.....	10
10.2 Rights of Authority and Lessee.	10
10.3 Taking of Leasehold.....	10
10.4 Obligations of Lessee under Partial Taking.	10
10.5 Taking of Temporary Use of Premises and Improvements.....	10
10.6 Taking by Authority.	11
10.7 Deposit of Sums Payable on Taking.....	11
ARTICLE XI DEFAULT	11
11.1 Events of Default.	11
11.2 Remedies for Default.....	11
11.3 Advances By Authority.	13
11.4 Non-Waiver By Authority.....	13
ARTICLE XII MISCELLANEOUS.....	14
12.1 Additional Provisions.	14
12.2 Additional Reserved Rights of Authority.....	14
12.3 Leasehold Encumbrances.	14
12.4 Assignment and Subletting.....	16
12.5 Notice.....	17

TITUSVILLE-COCOA AIRPORT AUTHORITY LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made to be effective as of the ____ day of _____, 2014 (the "Effective Date"), among the **TITUSVILLE-COCOA AIRPORT AUTHORITY**, as governing body of the Titusville-Cocoa Airport Authority, a special taxing district existing under the laws of the State of Florida, whose mailing address is 355 Golden Knights Boulevard, Titusville, Florida 32780 ("**Authority**" or "**Lessor**"), and **US APPLIED PHYSICS GROUP, LLC**, a Florida limited liability company, whose mailing address is 7065 Challenger Avenue, Titusville, FL 32780 ("**Lessee**").

WITNESSETH:

WHEREAS, LESSOR owns and operates airports known as Arthur Dunn Airpark, Space Coast Regional Airport, and Merritt Island Airport and said LESSOR is desirous of leasing to LESSEE certain premises hereinafter more fully described and located at Space Coast Regional Airport, together with the right to use and enjoy individually and in common with others the facilities referred to; and,

WHEREAS, LESSEE will engage in the business sales and manufacturing activities from said property in conformance with the established Rules and Regulations or those promulgated from time to time by the Authority and will use said property only for such purposes as specifically set forth;

NOW, THEREFORE, in consideration of the mutual agreements, covenants, and conditions herein contained, LESSOR does hereby lease, demise, grant and let to LESSEE, the following premises, more particularly described in **Exhibit "A"** attached hereto, upon the following terms and conditions, to-wit:

ARTICLE I PREMISES AND PERMITTED USES

1.1 Demise of Premises.

Subject to the terms and conditions set forth in this Lease, Authority hereby demises and leases to Lessee and Lessee hereby leases from Authority, the real property as is the following described facility on said Airport on the schedule attached hereto as Exhibit "A".

6995 Tico Road, Titusville, Florida 32780 (Building 60) located at Space Coast Regional Airport, comprising approximately 7,171 sq. ft, and land parcel comprising approximately 93,415 sq.ft., as shown on **Exhibit "A"**.

Lessee hereby leases the Premises subject to, and Lessee hereby agrees to comply with: (i) all applicable building codes, zoning regulations, and municipal, county, state and federal laws, ordinances and regulations governing or regulating the Premises or its uses, (ii) all covenants, easements and restrictions of record, (iii) "Rules, Regulations, and Minimum Standards Covering Airports Owned or Controlled by the Titusville-Cocoa Airport Authority" last revised November 19, 2002, as the same may be amended from time to time ("Minimum Standards"), and (iv) the Space Coast Regional Airport Master Plan dated January, 2007(the "Master Plan").

1.2 Condition of Premises.

Except as agreed to in Paragraph 1.3 herein, Lessee accepts the Premises "AS-IS". Lessee acknowledges that Authority has made no representations or warranties relating to the suitability of the Premises for any particular use, and unless otherwise expressly provided in this Lease, Authority shall have no obligation whatsoever to repair, maintain, renovate or otherwise incur any cost or expense with respect to the Premises. Lessee shall not permit any unlawful nuisance, waste or injury on the Premises. Lessee agrees to surrender the Premises upon the expiration of this Lease, or earlier termination hereof, in a condition substantially similar to the condition of the Premises on the Commencement Date, ordinary wear and tear excepted.

1.3 Construction of Improvements by Authority.

The Authority is not responsible for any construction of improvements.

1.4 Construction of Improvements by Lessee.

Lessee shall have sole responsibility for construction of the any Improvements within the Premises. Any construction by Lessee on the Premises shall be in accordance with local building codes and shall also be governed by **Exhibit "C"** hereto, which is incorporated herein by reference.

1.5 Quiet Enjoyment.

Authority agrees that, subject to Lessee's performance of the terms and conditions of this Lease, Lessee shall peaceably and quietly have, hold and enjoy the Premises in accordance with the terms and conditions of this Lease.

1.6 Permitted Uses.

Lessee shall be permitted to use the Premises for engaging in its business from said property in conformance with the established Rules and Regulations or those promulgated from time to time by the Authority and will use said property only for such purposes as specifically set forth and approved in advance by the Authority. Commercial activities that meet the Authority's Minimum Standards may be conducted on the Premises with a sublease agreement approved in advance by the Authority. We intend to do the following:

1. Assembly of lighting system
2. Sales of lighting systems
3. Sublet office space to North American Surveillance Systems
4. Sublet office and assembly space to other affiliated companies of NASS including Go2Weapons Inc. a licensed manufacturer of light weapons and accessories (discussed and approved by M. Powell).

1.7 Signage.

All signage on the Premises shall comply with the Minimum Standards and must be approved in writing by the Authority before being installed, such approval shall not be unreasonably withheld.

TERM OF LEASEHOLD

1.8 Construction Term.

None.

1.9 Initial Term.

The Initial Term of this Lease is defined as the period beginning on _____, 2015 ("Commencement Date") and shall run for a period of three (3) years.

1.10 Option to Extend Term.

Lessee shall have the option to extend the term of this Lease for two additional periods of ____ () years each (the "Extension Term"). Lessee shall have the option to extend each term by giving not less than thirty (30) days written notice of its intention prior to the end of each preceding term; provided, however, in order to be entitled to exercise this option, Lessee shall not have committed an Event of Default, which is continuing at the time of the exercise of the option or at the time of the extension of the Initial Term. The Initial Term and Extension Terms, if any, are collectively referred to as the "Term".

ARTICLE II

ANNUAL RENT

2.1 Annual Rent.

Lessee shall pay to the Authority annual rent for the Premises (hereinafter referred to as the "Annual Rent") for each twelve-(12) month period or portion thereof during the Initial Term and any Extension Term of this Lease, beginning with the Commencement Date, in the amount detailed below, which Annual Rent shall be payable on or before the first day of each calendar month (or partial calendar month) thereafter, in amounts equal to one-twelfth (1/12) of the Annual Rent then due, plus any sales or rent taxes due on that installment, in advance, in lawful money of the United States, without deduction or set-off, at the office of the Authority. Annual Rent for a partial month during the Term of this Lease shall be prorated based on the number of days in such month.

2.2 Calculation of Annual Rent.

The Annual Rent to be paid to the Authority for the period beginning with the Commencement Date shall be as follows:

Building 60 (includes parking and land area):

Rent payable as follows:

Annual Rent of \$48,000.00 payable in twelve (12) monthly installments of \$4,000.00 per month beginning _____, 2015, and except as increased pursuant to this Agreement, shall continue through the remainder of the Lease term.

Monthly installments shall be paid in advance on or before the first day of each and every month during the term of this Lease.

2.3 Calculation of Annual Rent during Extension Term(s).

Annual Rent increases based on the Consumer Price Index ("CPI") shall be applied annually throughout the Extension Term. The "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers, U.S. Average, All Items (1982-84=100) as compiled and published by the United States Department of Labor, Bureau of Labor Statistics, or any comparable successor index. The Annual Rent shall never be less than the Annual Rent applicable in the year prior to the scheduled increase.

2.4 Delinquent Rent.

Any installment of Annual Rent, Rent, or other amounts due from Lessee under this Lease, that is not received within ten (10) business days after it is due, shall bear interest from the date when the same was due until paid by Lessee at the interest rate of eighteen percent (18%) per annum.

ARTICLE III

MAINTENANCE AND UTILITIES

3.1 Maintenance.

During the entire Term of this Lease, Lessee shall, at its sole cost and expense, keep and maintain the Premises and Additional Premises, including, without limitation, the roof, exterior walls and foundation of any buildings, the electrical, HVAC, plumbing, septic, and security systems, fixtures, trade fixtures, machinery, furnishings, signage and all other portions of the Improvements, in good repair and working order (reasonable wear and tear excepted), and in a clean, neat, attractive, properly maintained and safe condition. All maintenance, repairs and replacements shall be of quality at least equal to the original in materials and workmanship. Lessee shall promptly repair, at its expense and in a manner reasonably acceptable to Authority, any damage to Authority's property or to the property of others caused by Lessee or its officers, employees, agents, contractors, subcontractors, licensees or invitees. The Authority shall have the right to enter the Premises at any reasonable time to determine whether or not Lessee is complying with its maintenance obligations hereunder.

3.2 Trash and Garbage.

During the entire Term of this Lease, Lessee shall be responsible for the storage, collection and removal from the Premises of all trash, garbage and other refuse resulting from Lessee's activities on the Premises. Lessee shall provide appropriate, covered, metal receptacles for trash, garbage and other refuse, will maintain the receptacles in an attractive, safe and sanitary manner, and will store receptacles in inconspicuous places on the Premises that are screened from public view in accordance with the Minimum Standards.

3.3 Utilities.

During the entire Term of this Lease, Lessee shall be responsible, at Lessee's sole cost and expense, for any necessary installation of and costs related to utility services within and to the Premises. Lessee agrees that Authority shall have no liability to Lessee arising out of any interruption of utility service to the Premises, unless such interruption was caused by the negligence of the Authority. For purposes of this Section 3.3, the acts of a third party shall not constitute acts within the control of Authority unless such acts were authorized by Authority.

ARTICLE IV

TAXES

4.1 Property Taxes and Assessments.

Lessee shall pay when due all taxes, assessments (including, without limitation, stormwater utility charges) and impact fees levied against or in connection with the Premises, its leasehold interest therein, and any Improvements thereto, and shall pay when due all taxes and assessments levied against Lessee's personal property located on the Premises or otherwise arising out of its operations on the Premises. In the event Lessee fails to pay such taxes and assessments when due, Lessee shall be obligated to pay all resulting interest and penalties on such delinquent taxes and assessments. If the Term of this Lease expires or is earlier terminated prior to the close of the tax

year for which any such tax is payable, or if the Term of this Lease commences on a date other than the first day of such tax year, Lessee shall be responsible for paying a percentage of the tax calculated by dividing the number of days that this Lease was in effect during such tax year by the total number of days that the Premises was leased to tenants (excluding any tenant engaging in a use of the Premises which results in the Premises being exempt from taxation) during such tax year. If this Lease is in effect for a period less than any entire period for which an assessment other than a tax is imposed, Lessee shall pay a percentage of the assessment calculated by dividing the number of days this Lease was in effect during that assessment period by the total number of days in the assessment period.

4.2 Taxes.

Lessee may exercise any rights provided by law to contest or pay under protest any taxes and shall not thereby be deemed in default under this Lease, provided that such contest or payment under protest does not result in the imposition of a lien for delinquent taxes on the Premises or any Improvements and Lessee promptly pays all taxes and assessments (and any interest and penalties with respect thereto) ultimately determined to be due. No provision of this Lease shall be construed as a release or waiver on the part of Authority of the right to assess, levy or collect any license, personal property, intangible, occupation or other tax which they, or either of them, may lawfully assess, levy or collect on the business or property of Lessee. Lessee's obligations under this Article shall survive the expiration or earlier termination of the term of this Lease.

4.3 Payment of Sales Tax.

Lessee shall be liable, at its sole cost and expense, for any sales, use or similar taxes with respect to all Annual Rent, Rent, and other payments made by Lessee in accordance with the provisions of this Lease. Lessee shall indemnify, defend and hold Authority completely harmless from and against any liability, including any interest and penalties, which might arise in connection with Lessee's failure to timely remit any such taxes.

ARTICLE V **INSURANCE**

5.1 Hazard Insurance.

Lessee shall, at its sole expense, obtain and maintain throughout the Term of this Lease, property insurance on and for all Improvements, equipment, furnishings and other personal property now or hereafter erected, installed or used at the Premises, on a replacement cost basis (without deduction for depreciation), for the benefit of Authority and Lessee as their interests may appear, with such coverages, in such form, and with such company or companies as Authority shall approve in writing, including coverage for damage by fire, the elements or other casualty with standard extended endorsements. Lessee, on behalf of itself and its insurance carriers, hereby waives any and all rights of recovery which it may have against Authority or any other party who it is required to indemnify in accordance with the provisions of Article VI below, for any loss of or damage to property it may suffer as a result of any fire or other peril insured under an insurance policy which it is required to obtain hereunder.

5.2 Liability Insurance.

Lessee shall, at its sole expense, obtain and maintain throughout the Term of this Lease, automobile liability insurance on all automobiles used in connection with its operations at the Premises and commercial general liability insurance protecting the Authority and Lessee (including, without limitation, all members of the governing board of Authority), officers, agents and employees of each, from and against any and all liabilities arising out of or relating to Lessee's Permitted Uses, or the conduct of its operations on the Premises, in the amount of not less than \$1,000,000 (or such greater amount as may be maintained by Lessee from time to time) per occurrence, with no self-insured retention or deductible amount, in such form, and with such company or companies as Authority shall approve in writing, which approval shall not be unreasonably withheld. Such insurance shall include contractual liability coverage for Lessee's covenants to indemnify the Authority and the other parties as required under this Lease and shall provide that it is primary insurance as respects any other valid and collectible insurance the Authority or any of the other additional insureds may possess, including any self-insured retention or deductible any of them may have, and that any other insurance carried by any of them shall be considered excess insurance only.

5.3 Certificates of Insurance.

Within thirty (30) days after the Commencement Date of this Lease, and within thirty (30) days after the expiration of any policy or policies provided by Lessee hereunder, Lessee shall furnish an original certificate of insurance to Authority evidencing such coverage, naming the Authority as an additional insured under the property insurance required under Section 5.1, and naming the Authority as an additional insured under the liability policies required under Section 5.2, and confirming that the policy or policies will not be canceled or modified nor the limits thereunder decreased without thirty (30) days' prior written notice thereof to Authority. Lessee shall also provide Authority with copies of endorsements and other evidence of the coverage set forth in the certificate of insurance as Authority reasonably may request. If Lessee fails to comply with the terms of this Section, Authority, shall have the right, but not the obligation, to cause insurance as referenced herein to be issued, and in such event Lessee shall pay the premium for such insurance upon Authority's demand. Authority shall have the right, exercisable on ninety (90) days' prior written notice to Lessee, to require Lessee, from time to time, to reasonably increase the monetary limits or coverages provided by such policy or policies.

ARTICLE VI

CASH DEPOSIT

6.1 Cash Deposit.

Lessee shall provide to Authority on the execution of this Agreement, a Cash Deposit. Such Cash Deposit shall be maintained by Lessee throughout the term of this Agreement in an amount equal to one (1) month of the Annual Rent, for a total Cash Deposit of Four Thousand (\$4,000.00) Dollars.

ARTICLE VII

ENVIRONMENTAL

7.1 Lessee's Environmental Obligations.

(a) Lessee shall comply with all "Environmental Laws", which are defined as all applicable federal, state and local statutes, laws, ordinances, regulations, administrative rulings, orders and requirements pertaining to the protection of the environment, including but not limited to, the Authority's rules and regulations, and including, but not limited to those regulating the use, storage, handling and disposal of any contaminant, toxic or hazardous waste, or any other substance the removal of which is required or the use of which is restricted, prohibited or penalized under any federal, state or local statute, law, ordinance, regulation, rule or judicial or administrative order with respect to environmental conditions, health, or safety, including, without limitation, asbestos or petroleum products ("Hazardous Substances"). Further, during the Term of this Lease, neither Lessee nor any agent or party acting at the direction or with the consent of Lessee shall use, store, handle or dispose of by any means any Hazardous Substances at the Premises, except that Lessee shall be entitled to use Hazardous Substances of the type and in the quantities typically used by companies performing similar aviation services in accordance with all applicable Environmental Laws. Notwithstanding any other provision hereof, Lessee does not undertake any obligation to remediate, or to take any other action with respect to any environmental condition not attributable to actions at the Premises (or elsewhere at the Airport) by Lessee, its officers, employees, agents, contractors, subcontractors, licensees or invitees.

(b) Upon reasonable notice to Lessee, the Authority may conduct or cause to be conducted through a third party that it selects, an environmental audit or other investigation of Lessee's operations to determine whether Lessee has breached its obligations under subparagraph (a) above. Lessee shall pay all costs associated with said investigation if such investigation shall disclose any such breach by Lessee.

(c) Within thirty (30) days prior to the expiration or termination of this Lease, Lessee shall commence a Phase I Environmental Assessment ("Phase I EA") in accordance with ASTM Standard ASTM E-1527, or such other commonly recognized standard as may be in effect at that time. If the Phase I EA reveals any areas of environmental concern that, in the Authority's reasonable discretion, warrant further investigation, Lessee shall commence an appropriate Phase II Environmental Assessment ("Phase II EA") including sampling and analysis of soil and groundwater necessary to determine whether or not contamination has occurred. Copies of the EAs shall be provided to the Authority upon completion and shall be certified to be for the benefit of the Authority by the environmental consultant performing the EA. Lessee shall promptly undertake and pursue diligently to completion any remedial measures indicated by the above-described environmental assessments.

(d) The provisions of this Section 6.1 shall survive the expiration or earlier termination of the term of this Agreement.

ARTICLE VIII

INDEMNIFICATION

8.1 Lessee Indemnification.

Lessee shall indemnify, defend and hold completely harmless Authority, from and against any and all liabilities (including, but not limited to, liability with respect to any Hazardous Substances and liability under the Comprehensive Environmental Response, Compensation and Liability Act, as it may be amended from time to time ("CERCLA"), and any other Environmental Law), losses, suits, claims, demands, judgments, fines, damages, penalties, costs and expenses (including all costs for investigation and defense thereof, including, but not limited to court costs, reasonable expert fees and reasonable attorneys' fees and costs, including fees and charges for the services of paralegals or other personnel working under the supervision of such attorneys ["Attorneys' Fees"]) which may be incurred by, charged to or recovered from any of the foregoing: (i) by reason or on account of damage to or destruction of any property of Authority, or any property of, injury to or death to any person resulting from or arising out of the use, occupancy or maintenance of the Premises or any Improvements, or the Lessee's operations thereon, or the acts or omissions of Lessee's officers, employees, agents, contractors, subcontractors, licensees or invitees, regardless of where the damage, destruction, injury or death occurred, except to the extent that such liability, loss, suit, claim, demand, judgment, fine, damage, penalty, cost or expense was proximately caused by the person to be indemnified hereunder, (ii) arising out of the failure of Lessee to keep, observe or perform any of the covenants or agreements in this Lease to be kept, observed or performed by Lessee, or (iii) imposed on or assessed against the Authority by reason of or arising out of any act or omission on the part of Lessee, any subtenant or any other person acting by, through or for Lessee or any subtenant of Lessee. Authority agrees to give Lessee reasonable notice of any suit or claim for which indemnification will be sought by it hereunder, to allow Lessee or its insurer to compromise and defend the same to the extent of its interest and to reasonably cooperate with the defense of any such suit or claim. In carrying out its obligations under this Section 7.1, Lessee shall use counsel reasonably acceptable to the Authority. The provisions of this Section shall survive the expiration or earlier termination of this Lease with respect to any acts or omissions occurring during the term of this Lease.

ARTICLE IX

DESTRUCTION OF IMPROVEMENTS

9.1 Obligations of Lessee.

In the event the Improvements are damaged or destroyed in whole or in part by fire or other casualty, Lessee shall give prompt written notice thereof to Authority, and Lessee, at its own expense, shall promptly repair, replace and rebuild the same, at least to the same extent as to the value and as nearly as practical to the character of the Improvements existing immediately prior to such time. Damage to the Improvements shall not cause an abatement of Lessee's obligation to pay Annual Rent to Authority or to make any other payments required to be made by Lessee under this Lease.

9.2 Insurance Proceeds.

Upon receipt by Lessee and the Authority of the proceeds of any property or builder's risk insurance policy or policies, Lessee and the Authority shall deposit same in an interest-bearing escrow account to pay for the cost of such repair, replacement and rebuilding. Lessee shall receive and hold such proceeds (and any interest earned thereon) in trust for such work, and Lessee shall distribute such proceeds (and any interest earned thereon during construction) solely to pay the cost of such work. If the amount of such insurance proceeds (together with the interest earned thereon) is insufficient to pay the costs of the necessary repair, replacement or rebuilding of such damaged Improvements, Lessee shall pay any additional sums required, and if the amount of such insurance proceeds (together with the interest earned thereon) is in excess of the costs thereof, the amount of such excess shall be retained by Lessee. Notwithstanding the language of this Section 8.2, in the event of total or partial destruction of the Premises, the parties will mutually evaluate a course of action that makes commercial sense regarding (i) insurance proceeds and (ii) whether or not this Lease should be terminated.

ARTICLE X **CONDEMNATION**

10.1 Notice of Condemnation.

The party receiving any notice in connection with any proceedings or negotiations with respect to an actual or potential condemnation proceeding (a "Taking") shall promptly give the other party notice of the receipt, contents and date of the notice received.

10.2 Rights of Authority and Lessee.

Authority and Lessee shall each have the right to represent its respective interests in each proceeding or negotiation with respect to a Taking. Authority and Lessee each agrees to execute and deliver to the other any instrument that may be required or which would facilitate the provisions of this Lease relating to the condemnation.

10.3 Taking of Leasehold.

Upon a Taking of the entire Premises, Lessee's interest in this Lease shall continue until the Taking is completed by deed, contract or final order of condemnation; unless otherwise specified by court order. If the Taking is of substantially all of the Premises, Lessee may, by notice to Authority within ninety (90) days after Lessee receives notice of the Taking, elect to treat the taking in accordance with the preceding sentence. If Lessee does not so notify Authority, this Lease shall remain in full force and effect covering the balance of the Premises not so taken, except that the Rent payable hereunder by Lessee shall be equitably adjusted (a "Partial Taking").

10.4 Obligations of Lessee under Partial Taking.

It is understood and agreed that all condemnation proceeds for any Partial Taking of the Premises shall be paid to Lessee to be held by it in trust and used for the repair and reconstruction of the Premises and replacement of the equipment, with any portion of such proceeds not needed

for such repair, reconstruction and replacement to be distributed in accordance with the terms of Section 10.6.

10.5 Taking of Temporary Use of Premises and Improvements.

Upon any Taking of the temporary use of all or any part of the Premises or Improvements, or both, neither the Term nor the Rent shall be reduced or affected in any way and Lessee shall be entitled to any award for the use or estate taken. If a result of the Taking is to necessitate expenditures for reconstruction of the Improvements to make them reasonably suitable for Lessee's continued use in connection with its operations under this Lease, after the termination of such Taking, Lessee shall perform such work in accordance with the provisions of the Lease. Upon the completion of the work and the discharge of the Premises and Improvements from all liens or claims arising therefrom, Lessee shall be entitled to any surplus and shall be liable for any deficiency.

10.6 Taking by Authority.

Upon any Taking by Authority, Authority and Lessee will either agree to the amount to be paid by Authority for such Taking, or in the absence of such agreement, the matter will be determined in accordance with the laws of the State of Florida.

10.7 Deposit of Sums Payable on Taking.

If Authority and Lessee are unable to agree on how all sums payable by a third party on the Taking are to be distributed and disbursed as between Authority and Lessee, then Authority and Lessee agree to take such action as shall reasonably be required to withdraw such sums from the registry of the Court and jointly deposit such sums in an interest bearing escrow account, and once agreement is reached between Authority and Lessee as to how such sums are to be distributed and disbursed (or the matter has been determined in accordance with the laws of the State of Florida), the interest earned on such sums shall be distributed between Authority and Lessee in the same proportion as the distribution of the principal amount of such sums.

ARTICLE XI **DEFAULT**

11.1 Events of Default.

The occurrence of any of the following shall constitute an event of default (an "Event of Default") by Lessee under this Lease: (i) the failure of Lessee to make any payment of Annual Rent, Rent, or any other payment required to be made by Lessee hereunder when due which failure is not remedied within ten (10) days following receipt of written notice from Authority; (ii) the failure of Lessee to keep, observe or perform any other material covenants or agreements herein, and the continued failure to observe or perform any such covenant or agreement after a period of thirty (30) days after written demand; (iii) commencement by or against the Lessee of an insolvency or bankruptcy proceeding, including, without limitation, a proceeding for liquidation, reorganization or for the readjustment of its indebtedness, or the insolvency of the Lessee, or an assignment or arrangement for the benefit of its creditors or the appointment of a receiver, trustee or custodian, provided, however, that any of the foregoing set forth in this subsection (iv) which

is commenced by a person other than Lessee shall not constitute an Event of Default if it is discharged within sixty (60) days following receipt of written notice from Authority; or (v) the placement of any lien upon the Premises or any Improvements (excluding liens for taxes which are not delinquent and Mortgages permitted hereunder) which is not discharged of record by payment or bond within thirty (30) days following receipt of written notice from Authority, or any levy under any such lien.

11.2 Remedies for Default.

Upon the occurrence of an Event of Default, the Authority may in its sole discretion pursue any of the following remedies, or such other remedies as may be available to the Authority at law or in equity:

(a) Authority may terminate the Lease and re-enter and repossess the Premises;
or

(b) Authority may, without terminating this Lease, terminate Lessee's right to possession of the Premises, retake possession of the Premises, and recover immediately from the Lessee damages calculated as follows:

(i) all unpaid Annual Rent and other payments due from Lessee that had been earned at the time of termination of Lessee's right to possession, together with,

(ii) the amount by which the unpaid Annual Rent and other payments due from Lessee earned after the date of termination of Lessee's right to possession of the Premises until the time of award exceeds the amount of the loss of Annual Rent and other payments due from Lessee that Lessee proves has been or could have reasonably been avoided, together with

(iii) the worth, at the time of the award, of the amount by which the unpaid Annual Rent and other payments due from Lessee for the balance of the Term after the time of award exceeds the amount of the loss of Annual Rent and other payments due from Lessee that Lessee proves could reasonably be avoided. (For purposes of this subparagraph (iii), the worth, at the time of award, of such amount shall be determined by discounting such amount in accordance with accepted financial practice to its present worth at a rate of interest of four percent (4%) per year.)

For purposes of the calculation of damages described above, and in subsection (c) below, payments other than Annual Rent due from Lessee after the termination of Lessee's right to possession of the Premises shall be based upon the average of such payments payable during the thirty-six (36) month period prior to the termination of possession (or, if shorter, the prior period of the Term of the Lease).

Upon entry of judgment for such damages, as described above, this Lease shall be deemed to be terminated; or

(c) Authority may, without terminating this Lease, terminate Lessee's right to possession of the Premises, retake possession of the Premises and re-let the Premises, or any part or parts thereof, for the account of Lessee, for a term which may, at Authority's option, be less than or exceed the period which would otherwise have constituted the balance of the Term of this Lease. In such event, Lessee shall pay to Authority any deficiency between the Annual Rent and other charges herein reserved and the net amount of the rents and other charges collected on account of any other lease of the Premises for each month of the period which would otherwise have constituted the balance of the Term of this Lease. Authority may recover such deficiency from Lessee at the time each payment becomes due under the Lease, or, at Authority's option, upon the expiration of the Term of this Lease.

Irrespective of the exercise of either of the above-referenced options, Authority shall have the right to recover all unpaid Annual Rent, Rent and other payments earned by Authority prior to the date of termination of possession or of the Lease, and all of Authority's costs, charges and expenses, including reasonable Attorneys' Fees, incurred in connection with the recovery of sums due under this Lease, or due to the breach of any covenant or agreement of Lessee contained in this Lease, including any costs and expenses of reletting the Premises, such as all necessary repairs and renovations, all brokerage fees and Attorneys' Fees. Authority will have the right at any time following an Event of Default to elect to terminate the Lease. No action taken by Authority pursuant to this Section 10.2 shall be deemed to terminate this Lease unless written notice of termination is given by Authority to Lessee.

The rights and remedies given to Authority by this Lease shall not be exclusive, and in addition thereto, Authority shall have such other rights and may pursue such other remedies as are provided by law or in equity. All such rights and remedies shall be deemed to be cumulative, and the exercise of one such right or remedy by Authority shall not impair its standing to exercise any other right or remedy.

Lessee hereby expressly waives any notices of default not specifically provided for herein, including, without limitation, the three (3) day notice provided for in Section 83.20, Florida Statutes, and all rights of redemption, if any, granted under present or future law in the event Lessee shall be evicted or dispossessed for any cause, or in the event Authority shall obtain possession of the Premises by virtue of the provisions of this Agreement or otherwise.

11.3 Advances By Authority.

If Authority has paid any sums of money or incurred any obligation or expense for which Lessee is obligated to pay or reimburse Authority, or if Authority is required or elects to do so because of the failure of Lessee to perform any of the terms or conditions of this Lease, then the same shall be deemed Rent and shall be paid to Authority in accordance with Article II herein.

11.4 Non-Waiver By Authority.

No waiver of any covenant or condition or of the breach of any covenant or condition of this Lease shall constitute a waiver of any subsequent breach of such covenant or condition or justify or authorize the non-observance on any other occasion of the same or of any other covenant

or condition hereof. The acceptance of Annual Rent, Rent or other payments from Lessee by Authority at any time when Lessee is in default under this Lease shall not be construed as a waiver of such default or of Authority's right to exercise any remedy arising out of such default, nor shall any waiver or indulgence granted by Authority to Lessee be taken as an estoppel against Authority, it being expressly understood that Authority may at any time thereafter, if such default continues, exercise any such remedy in the manner hereinbefore provided or as otherwise provided by law or in equity.

ARTICLE XII

MISCELLANEOUS

12.1 Additional Provisions.

The Parties hereby agree that this Lease shall be subject to the provisions of **Exhibit "D"** hereto, which is incorporated herein by reference.

12.2 Additional Reserved Rights of Authority.

Authority reserves the right to further develop, improve, repair and alter the Airport and all roadways, parking areas, facilities, landing areas and taxiways as it may reasonably see fit so long as Authority does not interfere with Lessee's quiet enjoyment of the Premises. Authority shall be free from any and all liability to Lessee for loss of business or damages of any nature whatsoever to Lessee occasioned by the making of such improvements, repairs, alterations and additions that do not interfere with Lessee's quiet enjoyment of the Premises. Authority reserves the right to establish such fees and charges for the use of the Airport by Lessee (excluding any additional charge for the use of the Premises) and all others similarly situated from time to time as Authority may deem advisable.

12.3 Leasehold Encumbrances.

(a) Mortgage Authorized

Lessee may encumber only its leasehold estate by the execution and delivery of a Mortgage. Authority will not subordinate its interest in the Premises or in this Lease to any Mortgage. The Mortgagee of any such Mortgage may deliver to Authority a written notice specifying (i) the amount of the obligation secured by the Mortgage and the date(s) of the maturity thereof; and (ii) the name and address of the Mortgagee.

After receipt of such notice, Authority shall serve such Mortgagee by certified or registered mail, at the latest address furnished by such Mortgagee, a copy of every notice of default or demand served by Authority upon Lessee under the terms and provisions of this Lease so long as such Mortgage is in effect. In the event of any assignment of a Mortgage or in the event of a change of address of the Mortgagee or of an assignee of such Mortgage, notice of the new name and address shall be provided to Authority.

(b) Mortgagee's Rights.

Upon receipt of a notice or demand in accordance with Section 11.3(a) above, Mortgagee shall have thirty (30) days after receipt of such notice within which, at Mortgagee's election, either: to cure the default if it can be cured by the payment or expenditure of money, to perform such other action as may be necessary to cure the default, or if the default is not a default in the payment or expenditure of money and is curable but cannot be cured within thirty (30) days, to commence performance within such thirty (30) day period and thereafter diligently prosecute the same to completion, in which event the default will be deemed to have been cured.

In the event it is necessary for Mortgagee to obtain possession of the Premises in order to cure a default, Mortgagee shall be deemed to have complied with the provisions of Section 11.3(b) above if it institutes foreclosure proceedings within such thirty (30) day period and completes such foreclosure proceedings or otherwise acquires Lessee's interest under this Lease with diligence and continuity and thereafter commences and diligently proceeds to cure such default; provided, however, that Mortgagee shall not be required to continue such possession or continue such foreclosure proceedings if the default which would have been the reason for serving a default notice shall be cured, and provided further, that nothing in this Section 11.3(b) shall preclude Authority from exercising any rights or remedies under this Lease with respect to any other default by the Lessee during any period of such forbearance.

(c) Additional Rights of Mortgagee.

In the event of foreclosure by any Mortgagee, and subject to compliance with the requirements of Section 11.4, the purchaser at the foreclosure sale or the Person acquiring Lessee's interest in lieu of foreclosure shall succeed to and be bound by all of Lessee's rights, interests, duties and obligations under this Lease.

In the event that a Mortgagee shall become the owner or holder of the Lessee's interest by foreclosure of its Mortgage or by assignment of this Lease in lieu of foreclosure or otherwise, the term "Lessee", as used in this Lease, means only the owner or holder of the Lessee's interest for the time being so that, in the event of a sale, assignment or other disposition of the Lessee's interest in this Lease by the Mortgagee, the Mortgagee shall be entirely freed and relieved of all covenants and obligations of the Lessee under this Lease arising after the date of such sale, assignment or other disposition, and it shall be deemed and construed, without further agreement between Authority and Mortgagee or between Authority, Mortgagee and the Mortgagee's purchaser or assignee at any such sale or upon assignment of Lessee's interest, that the purchaser or assignee of Lessee's interest has assumed and agreed to carry out any and all covenants and obligations of Lessee.

So long as the Lessee's interest in this Lease shall be mortgaged to a Mortgagee, the parties agree for the benefit of such Mortgagee that Authority shall not sell, grant or convey to the Lessee all or any portion of the fee simple title to the Premises without the prior written consent of such Mortgagee. In the event of any such sale, grant or conveyance by Authority to the Lessee, Authority and the Lessee agree that no such sale, grant or

conveyance shall create a merger of this Lease into a fee simple title to the Premises. This subsection 11.3(c) shall not be construed to prevent a sale, grant or conveyance of the fee simple title to any Person, firm or corporation other than the Lessee, its successor, legal representatives and assigns.

In the event of the termination of this Lease or of any succeeding lease made pursuant to the provisions of this Section 11.3(c) prior to its stated expiration date, or in the event of the termination of Lessee's right to possession of the Premises as a result of an event of default by Lessee hereunder, Authority will enter into a new lease of the Premises with Mortgagee or, at the request of such Mortgagee, with a corporation which is wholly owned by such Mortgagee, for the remainder of the term effective on the date of such termination of this Lease (or termination of Lessee's right to possession of the Premises) at the Rent and upon the covenants, agreements, terms, provisions and limitations contained in this Lease, provided that such Mortgagee makes written request and executes, acknowledges and delivers to Authority such new lease within thirty (30) days from the date of such termination of this Lease (or termination of Lessee's right to possession of the Premises) and such written request and such new lease are accompanied by payment to Authority of all amounts then due to Authority, including Attorneys' Fees incurred by Authority in connection with any such default and termination as well as in connection with the execution and delivery of such new lease. In addition, immediately upon execution of such new lease, Authority shall execute, acknowledge and deliver to Mortgagee an assignment of all subleases covering the Premises which theretofore may have been assigned and transferred to Authority and all subleases under which subtenants shall be required to attorn to Authority pursuant to the terms and conditions of such subleases or this Lease. Such assignment by Authority shall be deemed to be without recourse as against Authority.

(d) Reference in this Lease to a Mortgagee shall be deemed to refer, where circumstances require, to any assignee of a Mortgagee; provided that such assignee shall forward to the Authority a duplicate original of the assignment of the Mortgage, together with a written notice setting forth the name and address of the assignee.

12.4 Assignment and Subletting.

(a) Lessee shall not at any time sublet or assign this Lease, in whole or in part, or assign any of its rights or obligations hereunder, without the prior approval of Authority, which approval may be granted or withheld by Authority in its sole discretion; except that Lessee may assign this Lease without prior approval (but upon prior written notice to Authority) to a corporate parent, affiliate, sister company, or subsidiary (collectively, an "Affiliate"), upon submitting proof of such affiliation satisfactory to Authority. No sublease or assignment shall release Lessee from any of its obligations under this Lease unless the Authority agrees to such release in writing in its sole discretion. Approvals required under this Paragraph shall be in writing and shall apply to any change in ownership of or power to vote a majority of the outstanding voting stock of Lessee from the owners of such stock or those controlling the power to vote such stock on the date of this Lease (except in the event Lessee is a corporation whose stock is publicly traded), or if Lessee is a limited or a general partnership or other entity, any transfer of an interest in the

partnership or other entity which results in a change in the control of such partnership or other entity. Any assignment or sublease, which is not in strict compliance with the terms and conditions of this Paragraph, shall be void ab initio and shall be of no force or effect whatsoever.

(b) Lessee agrees to reimburse the Authority for its Attorneys' Fees and costs actually incurred in determining whether to give its consent to any proposed sublease or assignment, whether or not such consent is given, and the negotiation and preparation of any documents with respect to such sublease or assignment.

12.5 Notice.

Any notice permitted or required to be given under the terms of this Lease shall be in writing, addressed to the party to whom it is directed, and sent either by (1) hand delivery, (2) United States certified or registered mail, postage prepaid, return receipt requested or (3) overnight delivery by a nationally recognized company, to the address shown below or to such other address as either party may from time to time designate by written notice in accordance with this Section:

To Authority: Michael D. Powell, CM, ACE, CEO
Titusville-Cocoa Airport Authority
355 Golden Knights Blvd.
Titusville, Florida 32780

With a copy to: Timothy F. Pickles, Esq.
Watson, Soileau, DeLeo, Burgett & Pickles, PA
3490 N US Highway 1
Cocoa, FL 32926

To Tenant: US Applied Physics Group, Inc.
Attn: James Hoffman, President
7065 Challenger Avenue
Titusville, FL 32780

Any such notice shall be deemed effective upon receipt.

IN WITNESS WHEREOF, the parties hereto by their duly authorized officers have caused this Lease to be executed in their names and their seals to be affixed hereto as of the day and year first above written.

WITNESSES:

Print Name: _____

Print Name: _____

WITNESSES:

Print Name: _____

Print Name: _____

LESSEE:

US APPLIED PHYSICS GROUP, LLC
A Florida limited liability company

By: _____
Printed Name: James Hoffman, Member

LESSOR:

TITUSVILLE-COCOA AIRPORT AUTHORITY

By: _____
Name: Michael D. Powell, C.M., ACE
As Its: Chief Executive Office

Approved as to Form and Legality this _____
day of _____, 2015

**WATSON, SOILEAU, DELEO, BURGETT &
PICKLES, PA**

By: _____
General Counsel / Titusville-Cocoa Airport Authority

EXHIBIT "A"
PREMISES

**6995 Tico Road, Titusville, FL 32780 – Building 60 – approximately 7,171 sq. ft,
together with Land Parcel and parking for a total of approximately 93,415 sq. ft.**

As shown on attached sketch. (NEED SKETCH)

EXHIBIT "B"
AUTHORITY IMPROVEMENTS

The Titusville - Cocoa Airport Authority shall not be responsible for any improvements.

EXHIBIT "C"
CONSTRUCTION OF IMPROVEMENTS BY LESSEE

Construction of improvements by the Lessee will be subject to approval by the Lessor. The cost of such improvements will be offset on a 50% (fifty percent) basis by reduction of a lease payments. The offset will not exceed \$50,000.00 (fifty thousand dollars).

EXHIBIT "D"

REQUIRED PROVISIONS

1. Authority's Reserved Rights. Authority reserves the right for itself and others to utilize and maintain any utility and drainage easements located on the Premises, and to run water, sewer, electrical, telephone, gas, drainage and other lines under or through the Premises and to grant necessary utility easements therefore, provided that in the exercise of such rights, Lessee's use of the Premises and any Improvements shall not be unreasonably impaired and any damage to the Premises or any Improvements caused by Authority as a result thereof shall be repaired without cost to Lessee.

2. Discrimination Not Permitted.

a) Lessee, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (i) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the Premises, any Improvements or the Airport under the provisions of this Lease; (ii) that in the construction of any Improvements on, over or under the Premises and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation, denied the benefits of, or otherwise be subject to discrimination; and (iii) that Lessee shall use the Premises and the Improvements in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted Programs of the Department of Transportation-effectuation of Title VI of the Civil Rights Acts of 1964, as the same may be amended. Likewise, Lessee shall comply with the laws of the State of Florida prohibiting discrimination because of race, color, religion, sex, national origin, age, handicap or marital status. Should the Lessee authorize another person, with Authority's prior written consent, to provide services or benefits upon the Premises or the Improvements, Lessee shall obtain from such person a written agreement pursuant to which such person shall, with respect to the services or benefits which it is authorized to provide, undertake for itself the obligations contained in this subsection. Lessee shall furnish the original or a true copy of such agreement to Authority.

b) Lessee will provide all information and reports required by said regulations, or by directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by Authority or the Federal Aviation Administration to be pertinent to ascertain whether there has been compliance with said regulations and directives. Where any information required of Lessee is in the exclusive possession of another who fails or refuses to furnish this information, Lessee shall so certify to Authority or the Federal Aviation Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.

c) In the event of a breach of any of the above non-discrimination covenants, Authority shall have the right to terminate this Lease and to re-enter and repossess said Premises and the Improvements, and hold the same as if this Lease had never been made or issued. The rights granted to Authority by the foregoing sentence shall not be effective until all applicable procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights, and the completion of any judicial review.

d) Further, Lessee assures Authority that no person shall be excluded on the grounds of race, creed, color, national origin or sex from participating in or receiving the services or benefits of any program or activity covered by Title 14, Code of Federal Regulations, Part 152, Subpart E, Federal Aviation Administration, Non-Discrimination in Airport Aid Program, and that it will be bound by and comply with all other applicable provisions of such Subpart E, as it may be amended. Lessee also assures Authority that it will require its covered sub-organizations to provide written assurances to the same effect and provide copies thereof to Authority.

e) Lessee further assures Authority that it will comply with pertinent statutes, Executive Orders, and such other rules as are promulgated to assure that no person shall on the grounds of race, creed, national origin, sex, age, handicap or marital status be excluded from participating in any activity conducted at or in connection with its operations at the Premises. Lessee also assures Authority that it will require its contractors and subtenants to provide assurances to the same effect and ensure that such assurances are included in contracts and subleases at all tiers which are entered into in connection with Lessee's operations at the Premises.

f) Authority may from time to time be required by the United States Government, or one or more of its agencies, to adopt additional or amended provisions, including nondiscrimination provisions concerning the use and operation of the Airport, and Lessee agrees that it will adopt such requirements as part of this Lease.

3. Federal Aviation Administration Requirements.

a) Authority reserves unto itself, and unto its successors and assigns for the use and benefit of the public, a right of flight for the passage of aircraft through the airspace above the surface of the Premises, together with the right to cause in the

airspace such noise as may be inherent in the operation of aircraft now known or hereafter used, and for navigation of or flight in the airspace, and use of the airspace for landing on, taking off or operating on the Airport.

b) Lessee expressly agrees, on behalf of itself and its successors and assigns:

to restrict the height of structures, vegetation and other Improvements on the Premises in compliance with the requirements of Federal Aviation Administration Regulations, 14 CFR Part 77. as they may be amended from time to time; and

to prevent any use of the Premises and any Improvements which would unreasonably interfere with or adversely affect the operation and maintenance of the Airport, or which would otherwise constitute a hazard at the Airport.

4. Right to Operate Aircraft at Airport. Nothing contained in this Lease shall give Lessee the right to operate a scheduled airline at the Airport. The right to operate aircraft at the Airport may be obtained by a qualified lessee from Authority by executing an Operating Agreement in the form prescribed by the Authority.

5. Member Protection. No recourse under or upon any obligation, covenant or agreement contained in this Lease, or any other agreement or document pertaining to the operations of Lessee hereunder, as such may from time to time be altered or amended in accordance with the provisions hereof, or under any judgment obtained against Authority, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise, under or independent of this Lease, shall be had against any member (including, without limitation, members of Authority's Board and members of Authority's citizens advisory committees), officer, employee or agent, as such, past, present and future, of Authority, either directly or through Authority or otherwise, for any claim arising out of this Lease or the operations conducted pursuant to it, or for any sum that may be due and unpaid by Authority. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any Authority member, officer, employee or agent, as such, to respond by reason of any act or omission on his or her part or otherwise for any claim arising out of this Lease or the operations conducted pursuant to it, or for the payment for or to Authority, or any receiver therefor or otherwise of any sum that may remain due and unpaid by Authority, is hereby expressly waived and released as a condition of and as consideration for the execution of this Lease.

6. Authority Rules and Regulations. Lessee shall observe and comply with all reasonable rules and regulations of Authority which now exist or may hereinafter be promulgated from time to time governing all matters relating to the Airport, including, without limitation, access, use, safety and conduct of operations at the Airport and the safe use of Airport facilities. Authority shall, at Lessee's written request, furnish a copy of all such rules and regulations, and any amendments thereto, to Lessee.

7. Authority Access to Premises. Lessee grants Authority and its authorized agents full and free access to the Premises and all Improvements located thereon at all reasonable times (upon reasonable prior notice, except in the event of an emergency) for the purposes of examining the same and seeing that all of the obligations of Lessee hereunder are being met and performed, and for exercising the Authority's rights under Paragraph 4.1 of the Lease, and shall permit them to enter any building or structure on the Premises at any time in the event of an emergency. Authority and its employees, licensees, invitees, agents, patrons and suppliers, and its tenants and their employees, licensees, invitees, agents, patrons and suppliers, shall have the right of vehicular and pedestrian access, ingress and egress over all non-restricted access streets at the Airport.

8. Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by Authority or Lessee or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between Authority and Lessee, it being expressly understood and agreed that neither the computation of Annual Rent, Rent nor any other provisions contained in this Lease nor any act or acts of the parties hereto shall be deemed to create any relationship between Authority and Lessee other than the relationship of landlord and tenant.

9. Rights of the Lessee.

a) The rights granted to Lessee under this Lease are not exclusive, except that Lessee shall have the exclusive use of the Premises for the Term of this Lease in accordance with the provisions of this Lease. The Authority expressly reserves the right to grant to third parties rights and privileges on other portions of the Airport that are identical, in whole or in part, to those granted to Lessee hereunder.

b) Lessee has the right and obligation to operate on the leased premises a Fixed Base Operator, such operation to include but not limited to:

1. Complete maintenance of aircraft
2. Annual aircraft inspections
3. Insurance repairs
4. Aircraft sales
5. Aircraft parts sales, new and used
6. 8 Hour per day mechanic services, 5 days per week
7. Fuel sales at least 10 hours per day, 7 days per week
8. Aircraft rental and leasing
9. Pilot Instruction and training
10. Sponsoring fly-ins
11. Courtesy transportation
12. Part 135 Charter Service

c) Lessee shall meet such requirements and standards as are prescribed by the Rules and Regulations and Minimum Standards promulgated by the Lessor from time to time relative to the foregoing services or functions. It is understood that Lessee is obligated to perform those services or functions required by the Minimum Standards of Aircraft Maintenance. The Lessee is expressly prohibited from performing any other aviation service or activity not directly relating to a Fixed Base Operation without further Lease modification and meeting the Airport Minimum Standards and/or fee and rental policies pertaining to the new aviation service or activity desired.

10. Miscellaneous Provisions.

a) The section headings contained in this Lease are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision of this Lease.

b) Except as otherwise provided herein, the provisions of this Lease shall bind and inure to the benefit of the successors and assigns of the parties hereto.

c) Time is expressed to be of the essence of this Lease.

d) In the event that any proceeding at law or in equity arises hereunder or in connection herewith (including any appellate proceeding or bankruptcy proceeding) the prevailing party shall be awarded costs, reasonable expert fees and reasonable Attorney's Fees incurred in connection therewith.

e) This Lease was made in, and shall be governed by and construed in accordance with the laws of, the State of Florida. If any covenant, condition or provision contained in this Lease is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other covenant, condition or provision herein contained.

f) This Lease, together with the exhibits attached hereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and any prior agreements, representations or statements heretofore made with respect to such subject matter, whether oral or written, and any contemporaneous oral agreements, representations or statements are merged herein. This Lease may be altered or amended only by written instrument executed by both parties hereto.

g) Words of gender used in this Lease shall be held and construed to include any other gender; and words in the singular shall be held to include the plural and vice versa unless the context otherwise requires.

h) Authority and Lessee represent and warrant to each other that they have dealt with no broker in connection with this Lease and the transactions contemplated hereby, and each agrees to indemnify and hold the other harmless in the event its representation and warranty contained herein is not true.

i) At the request of either party, the other shall with reasonable promptness deliver to the requesting party a written and acknowledged statement that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), that to the best of the responding party's knowledge, the requesting party is not in default under this Lease (or if the responding party has knowledge that the requesting party is in default, identifying the default), and providing such other information with respect to the Lease and the relationship between Authority and Lessee as may reasonably be requested.

j) **COMMUNICATIONS CONCERNING DISPUTED DEBTS.** ALL (A) COMMUNICATIONS CONCERNING DISPUTES ABOUT DEBTS THAT ARE OWED OR MAY BE OWED PURSUANT TO THIS AGREEMENT, AND (B) INSTRUMENTS IN LESS THAN THE FULL AMOUNT CLAIMED BY THE AUTHORITY AND TENDERED AS FULL SATISFACTION OF A DISPUTED DEBT OR OTHER AMOUNT OWED, SHALL BE SENT CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE FOLLOWING:

CHIEF EXECUTIVE OFFICER
TITUSVILLE-COCOA AIRPORT AUTHORITY
355 Golden Knights Boulevard
Titusville, Florida 32780

k) In accordance with Florida law, Lessee is hereby advised as follows:

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

11. Fire Protection System. Lessee shall, at its own cost and expense, maintain in good working order in each building on the Premises where the same is required by applicable fire and safety standards a fire protection system satisfying applicable requirements of NFPA, the local building code enforcement agency and any other applicable legal requirements, which Lessee shall cause to be certified as meeting all applicable fire and safety standards upon installation, and recertified at least annually thereafter, by a qualified fire protection system inspector with a copy of each such certification provided to Authority.

12. Airport Security. Lessee shall comply with all applicable regulations of the Federal Aviation Administration relating to airport security (including, at the Authority's request and without limitation, all such regulations applicable to the Authority with respect to the operation of the Premises) and shall control the Premises so as to prevent or deter unauthorized persons from obtaining access to that portion of the Airport consisting of cargo areas, airside buildings, aircraft aprons, ramps, taxiways and runways (the "Air Operations Area"). Any fines or other penalties incurred by the Authority as a result of Lessee's breach of this Paragraph shall be included in the indemnification provided to Authority pursuant to Paragraph 8.1 of the Lease.

13. Compliance with Stormwater Regulations.

a) Lessee acknowledges that the Airport is subject to federal stormwater regulations, 40 C.F.R. Part 122 (the "Regulations"), which are applicable to, among other activities, (i) certain industrial activity, including, without limitation, the operation of a vehicle maintenance shop (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication), equipment cleaning operations and deicing operations and (ii) certain construction activity at the Airport. Lessee also acknowledges that it is familiar with the Regulations and agrees to comply with the Regulations as they may be amended from time to time. Lessee further acknowledges that it has been advised that the Authority has complied with the Regulations by obtaining coverage under the Environmental Protection Agency's Stormwater Multi-Sector General Permit for Industrial Activities (the "Multi-Sector Permit"). Lessee may be able to become a co-permittee under such Multi-Sector Permit by filing separately in accordance with the provisions of the Regulations and the Multi-Sector Permit. Lessee shall provide to the Authority's Manager of Environmental Services copies of any such filings and such other information as the Executive Director may reasonably request with respect to Lessee's compliance with the Regulations. Lessee agrees to comply with such Multi-Sector Permit or any other permit obtained by Authority or Lessee in connection with the Regulations as they pertain to the Premises, and any modifications to or renewals thereof. Such permit will not cover construction activities as defined by the Regulations and will not eliminate the need to obtain permits from state or local agencies as applicable laws, ordinances or regulations may require.

b) If Lessee, or its authorized agents or representatives, engages in construction activity at the Airport, including, without limitation, clearing, grading, or excavation, Lessee shall determine whether the Regulations require a permit, and if so, Lessee shall obtain the permit, send a copy of the permit to the attention of the Authority's Executive Director, and comply with the permit conditions.

14. Americans with Disabilities Act. As used herein, "ADA" shall mean the Americans with Disabilities Act, P.L. 101-336, 104 Stat. 327 (1990), as amended from time to time, and the regulations promulgated thereunder. Lessee shall be responsible for any actions required to comply with ADA (including, without limitation, any actions required by the Authority to enable the Authority to meet its ADA obligations with respect to Lessee's operations) as a result of (i) any Improvements or modifications which it makes to the Premises, (ii) its particular use of the Premises and (iii) any changes to the ADA after the Effective Date. Any modification to the Premises, which Lessee is required to make under this Paragraph, shall be performed to the satisfaction of the Authority. In the event the Lessee shall fail to construct or modify any Improvements to the Premises as required under this Paragraph, the Authority shall have the right to enter the Premises and perform such modifications on the Lessee's behalf, without liability for any disruption to the Lessee's activities therein during the completion of or as a result of such modifications, and the cost of such modifications shall be invoiced to the Lessee and shall be promptly paid by the Lessee to the Authority as additional Rent hereunder.

15. Force Majeure. If either party hereto shall fail to timely perform any of its obligations under this Lease as a result of strikes, lockouts or labor disputes, inability to obtain labor or materials, government restrictions, fire or other casualty, adverse weather conditions not reasonably foreseeable at the location and time of year in question, by reason of war or other national emergency, acts of God or other causes beyond the reasonable control of the party obligated to perform, then such failure shall be excused and not constitute a default under this Lease by the party in question, but only to the extent and for the time occasioned by such event. In the event the rights and privileges hereunder are suspended, Annual Rent and Rent under this Lease shall not abate, and Lessee shall have the right to make any claim against any third party permitted by law and to receive any award paid with respect to such claim. In no event shall this provision excuse any failure by Lessee to pay Annual Rent or Rent or any other payment obligation hereunder. Nor shall this provision apply to any inability by Lessee to procure funds or obtain financing necessary to comply with Lessee's obligations under this Lease. In the event that the airport is closed for a period greater than ninety (90) consecutive days by reason of war or other national emergency, the Authority will assist Lessee, as allowable by applicable law, in obtaining compensation for the unamortized portion of any Improvements constructed by Lessee on the Premises from the authority taking such action. However, in no case shall the Authority be liable for any damages arising out of such an event.

16. Subordination.

a) This Agreement shall be subject to all restrictions of record affecting the Airport and the use thereof, all federal, state, county and city laws and regulations affecting the same, and shall be subject and subordinate to the provisions of any and all existing agreements between the Authority and third parties, including, but not limited to, those between the Authority and the United States of America, the State of Florida, or the County of Brevard, or their agencies, and to any future agreements between or among the foregoing relative to the operation or maintenance of the Airport, the execution of which may be required as a condition precedent to the expenditure of federal, state, county or city funds for the development of the Airport, or any part thereof. All provisions hereof shall be subordinate to the right of the United States to occupy or use the Airport, or any part thereof, during time of war or national emergency.

b) In the event the Federal Aviation Administration or its successors require modifications or changes in this Agreement as a condition precedent to the granting of its approval or to the obtaining of funds for the improvement of the Airport, Lessee hereby consents to any and all such modifications and changes as may be reasonably required.

c) Notwithstanding the foregoing provisions of this Paragraph, in the event any such restrictions, agreements or modifications to this Lease increase the Annual Rent payable hereunder or materially and adversely affect the ability of Lessee to use the Premises for the purposes permitted under this Lease, Lessee shall have the right to terminate this Lease by written notice to the Authority.

17. Public Entity Crimes Law. The Lessee acknowledges the following notice:

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of \$25,000 for a period of 36 months from the date of being placed on the convicted vendor list.

18. Tax Exempt Status of Authority Revenue Bonds. Lessee agrees to comply promptly with any applicable provisions of any federal tax statute, and all regulations or other binding authority promulgated or decided thereunder, as required to permit the Authority's capital expansion projects to be planned and constructed by Authority with revenue bonds the interest on which is generally exempted from federal income taxation, other than any applicable individual or corporate alternative minimum taxes (and other than during any period while such revenue bonds are held by a "substantial user" of the projects financed by those revenue bonds or a "related person" to a "substantial user"), including, without limitation, the execution by Lessee and delivery to Authority of an election not to claim depreciation or any investment credit with respect to any portion of such capital expansion projects or any other portion of the Airport System in the form attached hereto as Exhibit "F" simultaneously with the execution of this Lease. Such exhibit shall be deemed to be part of this Lease and shall be binding upon Lessee, its successors and assigns.

19. Visual Arts. Lessee shall not permit a work of visual art, as defined in 17 USC § 101, to be installed in the Premises without providing Authority with a written waiver, in form acceptable to the Authority, of the artist's rights under the Visual Artists Rights Act of 1990, Pub. L. 101-650, and without obtaining the Authority's prior written approval.



TIX → SPACE COAST REGIONAL AIRPORT
COI → MERRITT ISLAND AIRPORT
X2I → ARTHUR DUNN AIRPARK

355 Golden Knights Blvd. → Titusville, Florida 32780 → 321.267.8780 → fax: 321.383.4284 → email: admins@flairport.com

MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael D. Powell, C.M., ACE
Chief Executive Officer

DATE: August 20, 2015

ITEM DESCRIPTION - NEW BUSINESS ITEM B

Discussion and Consideration of a Commercial Lease at X21

BACKGROUND

The appraisal for the facility at X21 came in at \$3.75sq.ft. for a 2,500 sq.ft. facility, or \$9,375.00 annual, or \$781.25 a month. The commercial operator at X21, Skydive Space Center, has proposed to lease the building at X21 for \$700.00 a month, or \$8,400.00 annually, plus any applicable taxes.

ALTERNATIVES

The Airport Authority Board could approve the lease, disapprove, or ask for some other alternative.

FISCAL IMPACT

The fiscal impact for the 2,500 sq.ft. facility at X21 is proposed for \$700.00 a month, or \$8,400.00 annually.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) agree to the proposed lease, and (2) authorize an Authority Officer or the Chief Executive Officer to execute the necessary documentation upon satisfactory review by legal counsel.

TITUSVILLE-COCOA AIRPORT AUTHORITY



LEASE AGREEMENT

Space Coast Regional Airport

Titusville, Florida

Effective Date:

September 1, 2015

Lessee:

SKYDIVE SPACE CENTER

TABLE OF CONTENTS

TABLE OF CONTENTS	i
TITUSVILLE-COCOA AIRPORT AUTHORITY.....	1
LEASE AGREEMENT	1
ARTICLE I PREMISES AND PERMITTED USES	1
1.1 Demise of Premises.....	1
1.2 Condition of Premises.....	2
1.3 Construction of Improvements by Authority.....	2
1.4 Construction of Improvements by Lessee.....	2
1.5 Quiet Enjoyment.....	2
1.6 Permitted Uses.....	2
1.7 Signage.....	3
1.8 Construction Term.....	3
1.9 Initial Term.....	3
ARTICLE II ANNUAL RENT.....	3
2.1 Annual Rent.....	3
2.2 Calculation of Annual Rent.....	3
2.3 Delinquent Rent.....	3
ARTICLE III MAINTENANCE AND UTILITIES.....	4
3.1 Maintenance.....	4
3.2 Trash and Garbage.....	4
3.3 Utilities.....	4
ARTICLE IV TAXES.....	4
4.1 Property Taxes and Assessments.....	4
4.2 Taxes.....	5
4.3 Payment of Sales Tax.....	5
ARTICLE V INSURANCE.....	5
5.1 Hazard Insurance.....	5
5.2 Liability Insurance.....	6
5.3 Certificates of Insurance.....	6
ARTICLE VI CASH DEPOSIT.....	6
6.1 Cash Deposit.....	6
ARTICLE VII ENVIRONMENTAL.....	7
7.1 Lessee's Environmental Obligations.....	7
ARTICLE VIII INDEMNIFICATION	8
8.1 Lessee Indemnification.....	8

TABLE OF CONTENTS (cont'd)

ARTICLE IX DESTRUCTION OF IMPROVEMENTS	8
9.1 Obligations of Lessee.....	8
9.2 Insurance Proceeds.....	9
ARTICLE X CONDEMNATION	9
10.1 Notice of Condemnation.....	9
10.2 Rights of Authority and Lessee.....	9
10.3 Taking of Leasehold	9
10.4 Obligations of Lessee under Partial Taking.....	10
10.5 Taking of Temporary Use of Premises and Improvements.	10
10.6 Taking by Authority.....	10
10.7 Deposit of Sums Payable on Taking.....	10
ARTICLE XI DEFAULT.....	10
11.1 Events of Default.	10
11.2 Remedies for Default.	11
11.3 Advances By Authority.....	12
11.4 Non-Waiver By Authority.	13
ARTICLE XII MISCELLANEOUS	13
12.1 Additional Provisions.....	13
12.2 Additional Reserved Rights of Authority.	13
12.3 Leasehold Encumbrances.....	14
12.4 Assignment and Subletting.	15
12.5 Notice.....	16

TITUSVILLE-COCOA AIRPORT AUTHORITY LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made to be effective as of the 1st day of September, 2015 (the "Effective Date"), among the TITUSVILLE-COCOA AIRPORT AUTHORITY, as governing body of the Titusville-Cocoa Airport Authority, a special taxing district existing under the laws of the State of Florida, whose mailing address is 355 Golden Knights Boulevard, Titusville, Florida 32780 ("**Authority**" or "**Lessor**"), and SKYDIVE SPACE CENTER, whose mailing address is 476 North Williams Avenue, Titusville, FL 32780 ("**Lessee**").

W I T N E S S E T H:

WHEREAS, LESSOR owns and operates airports known as Arthur Dunn Airpark, Space Coast Regional Airport, and Merritt Island Airport and said LESSOR is desirous of leasing to LESSEE certain premises hereinafter more fully described and located at Space Coast Regional Airport, together with the right to use and enjoy individually and in common with others the facilities referred to; and,

WHEREAS, LESSEE will engage in the business of Aviation related activities from said property in conformance with the established Rules and Regulations or those promulgated from time to time by the Authority and will use said property only for such purposes as specifically set forth;

NOW, THEREFORE, in consideration of the mutual agreements, covenants, and conditions herein contained, LESSOR does hereby lease, demise, grant and let to LESSEE, the following premises, more particularly described in **Exhibit "A"** attached hereto, upon the following terms and conditions, to-wit:

ARTICLE I PREMISES AND PERMITTED USES

1.1 Demise of Premises.

Subject to the terms and conditions set forth in this Lease, Authority hereby demises and leases to Lessee and Lessee hereby leases from Authority, the real property as is the following described facility on said Airport on the schedule attached hereto as Exhibit "A".

Building 13, Arthur Dunn Airport, Titusville, FL, consisting of a 50' x 50' (2500 sq. ft.) pre-engineered airplane storage hangar located at Arthur Dunn Airport, as shown on **Exhibit "A"**.

Lessee hereby leases the Premises subject to, and Lessee hereby agrees to comply with: (i) all applicable building codes, zoning regulations, and municipal, county, state and federal laws, ordinances and regulations governing or regulating the Premises or its uses, (ii) all covenants, easements and restrictions of record, and (iii) "Rules, Regulations, and Minimum Standards Covering Airports Owned or Controlled by the Titusville-Cocoa Airport Authority" last revised November 19, 2002, as the same may be amended from time to time ("Minimum Standards").

1.2 Condition of Premises.

Except as agreed to in Paragraph 1.3 herein, Lessee accepts the Premises "AS-IS". Lessee acknowledges that Authority has made no representations or warranties relating to the suitability of the Premises for any particular use, and unless otherwise expressly provided in this Lease, Authority shall have no obligation whatsoever to repair, maintain, renovate or otherwise incur any cost or expense with respect to the Premises. Lessee shall not permit any unlawful nuisance, waste or injury on the Premises. Lessee agrees to surrender the Premises upon the expiration of this Lease, or earlier termination hereof, in a condition substantially similar to the condition of the Premises on the Commencement Date, ordinary wear and tear excepted.

1.3 Construction of Improvements by Authority.

The Authority is not responsible for any construction of improvements.

1.4 Construction of Improvements by Lessee.

Lessee shall have sole responsibility for construction of the any Improvements within the Premises. Any construction by Lessee on the Premises shall be in accordance with local building codes and shall also be governed by **Exhibit "C"** hereto, which is incorporated herein by reference.

1.5 Quiet Enjoyment.

Authority agrees that, subject to Lessee's performance of the terms and conditions of this Lease, Lessee shall peaceably and quietly have, hold and enjoy the Premises in accordance with the terms and conditions of this Lease.

1.6 Permitted Uses.

Lessee shall be permitted to use the Premises for storage of aircraft and aircraft related activities in conformance with the established Rules and Regulations or those promulgated from time to time by the Authority and will use said property only for such purposes as specifically set forth and approved in advance by the Authority. Commercial activities that meet the Authority's Minimum Standards may be conducted on the Premises with a sublease agreement approved in advance by the Authority.

1.7 Signage.

All signage on the Premises shall comply with the Minimum Standards and must be approved in writing by the Authority before being installed, such approval shall not be unreasonably withheld.

TERM OF LEASEHOLD

1.8 Construction Term.

None.

1.9 Initial Term.

The Initial Term of this Lease is defined as the period beginning on September 1, 2015, ("Commencement Date") and shall run for a period of five (5) years, up to and including August 31, 2020, unless sooner terminated in accordance with the terms and provisions hereof.

ARTICLE II
ANNUAL RENT

2.1 Annual Rent.

Lessee shall pay to the Authority annual rent for the Premises (hereinafter referred to as the "Annual Rent") for each twelve-(12) month period or portion thereof during the Initial Term and any Extension Term of this Lease, beginning with the Commencement Date, in the amount detailed below, which Annual Rent shall be payable on or before the first day of each calendar month (or partial calendar month) thereafter, in amounts equal to one-twelfth (1/12) of the Annual Rent then due, plus any sales or rent taxes due on that installment, in advance, in lawful money of the United States, without deduction or set-off, at the office of the Authority. Annual Rent for a partial month during the Term of this Lease shall be prorated based on the number of days in such month.

2.2 Calculation of Annual Rent.

The Annual Rent to be paid to the Authority for the period beginning with the Commencement Date shall be as follows:

First year's Annual rent of \$8,400.00 payable as follows:

The annual rental will be paid in twelve (12) equal monthly installments of Seven Hundred Dollars (\$700.00), however, annual rent increases based on the Consumer Price Index ("CPI") shall be applied annually throughout the term. Said monthly installment shall be paid in advance on or before the first day of each and every month during the term of this Lease.

2.3 Delinquent Rent.

Any installment of Annual Rent or other amounts due from Lessee under this Lease, that is not received within ten (10) business days after it is due, shall bear interest from the date when the same was due until paid by Lessee at the interest rate of eighteen percent (18%) per annum.

ARTICLE III **MAINTENANCE AND UTILITIES**

3.1 Maintenance.

During the entire Term of this Lease, Lessee shall, at its sole cost and expense, keep and maintain the Premises and Additional Premises, including, without limitation, the roof, exterior walls and foundation of any buildings, the electrical, HVAC, plumbing, septic, and security systems, fixtures, trade fixtures, machinery, furnishings, signage and all other portions of the Improvements, in good repair and working order (reasonable wear and tear excepted), and in a clean, neat, attractive, properly maintained and safe condition. All maintenance, repairs and replacements shall be of quality at least equal to the original in materials and workmanship. Lessee shall promptly repair, at its expense and in a manner reasonably acceptable to Authority, any damage to Authority's property or to the property of others caused by Lessee or its officers, employees, agents, contractors, subcontractors, licensees or invitees. The Authority shall have the right to enter the Premises at any reasonable time to determine whether or not Lessee is complying with its maintenance obligations hereunder.

3.2 Trash and Garbage.

During the entire Term of this Lease, Lessee shall be responsible for the storage, collection and removal from the Premises of all trash, garbage and other refuse resulting from Lessee's activities on the Premises. Lessee shall provide appropriate, covered, metal receptacles for trash, garbage and other refuse, will maintain the receptacles in an attractive, safe and sanitary manner, and will store receptacles in inconspicuous places on the Premises that are screened from public view in accordance with the Minimum Standards.

3.3 Utilities.

During the entire Term of this Lease, Lessee shall be responsible, at Lessee's sole cost and expense, for any necessary installation of and costs related to utility services within and to the Premises. Lessee agrees that Authority shall have no liability to Lessee arising out of any interruption of utility service to the Premises, unless such interruption was caused by the negligence of the Authority. For purposes of this Section 3.3, the acts of a third party shall not constitute acts within the control of Authority unless such acts were authorized by Authority.

ARTICLE IV **TAXES**

4.1 Property Taxes and Assessments.

Lessee shall pay when due all taxes, assessments (including, without limitation, stormwater utility charges) and impact fees levied against or in connection with the Premises, its leasehold interest therein, and any Improvements thereto, and shall pay when due all taxes and

assessments levied against Lessee's personal property located on the Premises or otherwise arising out of its operations on the Premises. In the event Lessee fails to pay such taxes and assessments when due, Lessee shall be obligated to pay all resulting interest and penalties on such delinquent taxes and assessments. If the Term of this Lease expires or is earlier terminated prior to the close of the tax year for which any such tax is payable, or if the Term of this Lease commences on a date other than the first day of such tax year, Lessee shall be responsible for paying a percentage of the tax calculated by dividing the number of days that this Lease was in effect during such tax year by the total number of days that the Premises was leased to tenants (excluding any tenant engaging in a use of the Premises which results in the Premises being exempt from taxation) during such tax year. If this Lease is in effect for a period less than any entire period for which an assessment other than a tax is imposed, Lessee shall pay a percentage of the assessment calculated by dividing the number of days this Lease was in effect during that assessment period by the total number of days in the assessment period.

4.2 Taxes.

Lessee may exercise any rights provided by law to contest or pay under protest any taxes and shall not thereby be deemed in default under this Lease, provided that such contest or payment under protest does not result in the imposition of a lien for delinquent taxes on the Premises or any Improvements and Lessee promptly pays all taxes and assessments (and any interest and penalties with respect thereto) ultimately determined to be due. No provision of this Lease shall be construed as a release or waiver on the part of Authority of the right to assess, levy or collect any license, personal property, intangible, occupation or other tax which they, or either of them, may lawfully assess, levy or collect on the business or property of Lessee. Lessee's obligations under this Article shall survive the expiration or earlier termination of the term of this Lease.

4.3 Payment of Sales Tax.

Lessee shall be liable, at its sole cost and expense, for any sales, use or similar taxes with respect to all Annual Rent, Rent, and other payments made by Lessee in accordance with the provisions of this Lease. Lessee shall indemnify, defend and hold Authority completely harmless from and against any liability, including any interest and penalties, which might arise in connection with Lessee's failure to timely remit any such taxes.

ARTICLE V **INSURANCE**

5.1 Hazard Insurance.

Lessee shall, at its sole expense, obtain and maintain throughout the Term of this Lease, property insurance on and for all Improvements, equipment, furnishings and other personal property now or hereafter erected, installed or used at the Premises, on a replacement cost basis (without deduction for depreciation), for the benefit of Authority and Lessee as their interests may appear, with such coverages, in such form, and with such company or companies as Authority shall approve in writing, including coverage for damage by fire, the elements or other casualty with standard extended endorsements. Lessee, on behalf of itself and its insurance

carriers, hereby waives any and all rights of recovery which it may have against Authority or any other party who it is required to indemnify in accordance with the provisions of Article VI below, for any loss of or damage to property it may suffer as a result of any fire or other peril insured under an insurance policy which it is required to obtain hereunder.

5.2 Liability Insurance.

Lessee shall, at its sole expense, obtain and maintain throughout the Term of this Lease, automobile liability insurance on all automobiles used in connection with its operations at the Premises and commercial general liability insurance protecting the Authority and Lessee (including, without limitation, all members of the governing board of Authority), officers, agents and employees of each, from and against any and all liabilities arising out of or relating to Lessee's Permitted Uses, or the conduct of its operations on the Premises, in the amount of not less than \$1,000,000 (or such greater amount as may be maintained by Lessee from time to time) per occurrence, with no self-insured retention or deductible amount, in such form, and with such company or companies as Authority shall approve in writing, which approval shall not be unreasonably withheld. Such insurance shall include contractual liability coverage for Lessee's covenants to indemnify the Authority and the other parties as required under this Lease and shall provide that it is primary insurance as respects any other valid and collectible insurance the Authority or any of the other additional insureds may possess, including any self-insured retention or deductible any of them may have, and that any other insurance carried by any of them shall be considered excess insurance only.

5.3 Certificates of Insurance.

Within thirty (30) days after the Commencement Date of this Lease, and within thirty (30) days after the expiration of any policy or policies provided by Lessee hereunder, Lessee shall furnish an original certificate of insurance to Authority evidencing such coverage, naming the Authority as an additional insured under the property insurance required under Section 5.1, and naming the Authority as an additional insured under the liability policies required under Section 5.2, and confirming that the policy or policies will not be canceled or modified nor the limits thereunder decreased without thirty (30) days' prior written notice thereof to Authority. Lessee shall also provide Authority with copies of endorsements and other evidence of the coverage set forth in the certificate of insurance as Authority reasonably may request. If Lessee fails to comply with the terms of this Section, Authority, shall have the right, but not the obligation, to cause insurance as referenced herein to be issued, and in such event Lessee shall pay the premium for such insurance upon Authority's demand. Authority shall have the right, exercisable on ninety (90) days' prior written notice to Lessee, to require Lessee, from time to time, to reasonably increase the monetary limits or coverages provided by such policy or policies.

ARTICLE VI **CASH DEPOSIT**

6.1 Cash Deposit.

Lessee shall provide to Authority on the execution of this Agreement, a Cash Deposit. Such Cash Deposit shall be maintained by Lessee throughout the term of this Agreement in an amount equal to one (1) months of the Annual Rent (the amount of the Cash Deposit shall be rounded to the nearest One Thousand Dollars (\$1,000.00)), for a total Cash Deposit of Seven Hundred (\$700.00) Dollars.

ARTICLE VII **ENVIRONMENTAL**

7.1 Lessee's Environmental Obligations.

(a) Lessee shall comply with all "Environmental Laws", which are defined as all applicable federal, state and local statutes, laws, ordinances, regulations, administrative rulings, orders and requirements pertaining to the protection of the environment, including but not limited to, the Authority's rules and regulations, and including, but not limited to those regulating the use, storage, handling and disposal of any contaminant, toxic or hazardous waste, or any other substance the removal of which is required or the use of which is restricted, prohibited or penalized under any federal, state or local statute, law, ordinance, regulation, rule or judicial or administrative order with respect to environmental conditions, health, or safety, including, without limitation, asbestos or petroleum products ("Hazardous Substances"). Further, during the Term of this Lease, neither Lessee nor any agent or party acting at the direction or with the consent of Lessee shall use, store, handle or dispose of by any means any Hazardous Substances at the Premises, except that Lessee shall be entitled to use Hazardous Substances of the type and in the quantities typically used by companies performing similar aviation services in accordance with all applicable Environmental Laws. Notwithstanding any other provision hereof, Lessee does not undertake any obligation to remediate, or to take any other action with respect to any environmental condition not attributable to actions at the Premises (or elsewhere at the Airport) by Lessee, its officers, employees, agents, contractors, subcontractors, licensees or invitees.

(b) Upon reasonable notice to Lessee, the Authority may conduct or cause to be conducted through a third party that it selects, an environmental audit or other investigation of Lessee's operations to determine whether Lessee has breached its obligations under subparagraph (a) above. Lessee shall pay all costs associated with said investigation if such investigation shall disclose any such breach by Lessee.

(c) Within thirty (30) days prior to the expiration or termination of this Lease, Lessee shall commence a Phase I Environmental Assessment ("Phase I EA") in accordance with ASTM Standard ASTM E-1527, or such other commonly recognized standard as may be in effect at that time. If the Phase I EA reveals any areas of environmental concern that, in the Authority's reasonable discretion, warrant further investigation, Lessee shall commence an appropriate Phase II Environmental Assessment ("Phase II EA") including sampling and analysis of soil and

groundwater necessary to determine whether or not contamination has occurred. Copies of the EAs shall be provided to the Authority upon completion and shall be certified to be for the benefit of the Authority by the environmental consultant performing the EA. Lessee shall promptly undertake and pursue diligently to completion any remedial measures indicated by the above-described environmental assessments.

(d) The provisions of this Section 6.1 shall survive the expiration or earlier termination of the term of this Agreement.

ARTICLE VIII

INDEMNIFICATION

8.1 Lessee Indemnification.

Lessee shall indemnify, defend and hold completely harmless Authority, from and against any and all liabilities (including, but not limited to, liability with respect to any Hazardous Substances and liability under the Comprehensive Environmental Response, Compensation and Liability Act, as it may be amended from time to time ("CERCLA"), and any other Environmental Law), losses, suits, claims, demands, judgments, fines, damages, penalties, costs and expenses (including all costs for investigation and defense thereof, including, but not limited to court costs, reasonable expert fees and reasonable attorneys' fees and costs, including fees and charges for the services of paralegals or other personnel working under the supervision of such attorneys ["Attorneys' Fees"]) which may be incurred by, charged to or recovered from any of the foregoing: (i) by reason or on account of damage to or destruction of any property of Authority, or any property of, injury to or death to any person resulting from or arising out of the use, occupancy or maintenance of the Premises or any Improvements, or the Lessee's operations thereon, or the acts or omissions of Lessee's officers, employees, agents, contractors, subcontractors, licensees or invitees, regardless of where the damage, destruction, injury or death occurred, except to the extent that such liability, loss, suit, claim, demand, judgment, fine, damage, penalty, cost or expense was proximately caused by the person to be indemnified hereunder, (ii) arising out of the failure of Lessee to keep, observe or perform any of the covenants or agreements in this Lease to be kept, observed or performed by Lessee, or (iii) imposed on or assessed against the Authority by reason of or arising out of any act or omission on the part of Lessee, any subtenant or any other person acting by, through or for Lessee or any subtenant of Lessee. Authority agrees to give Lessee reasonable notice of any suit or claim for which indemnification will be sought by it hereunder, to allow Lessee or its insurer to compromise and defend the same to the extent of its interest and to reasonably cooperate with the defense of any such suit or claim. In carrying out its obligations under this Section 7.1, Lessee shall use counsel reasonably acceptable to the Authority. The provisions of this Section shall survive the expiration or earlier termination of this Lease with respect to any acts or omissions occurring during the term of this Lease.

ARTICLE IX

DESTRUCTION OF IMPROVEMENTS

9.1 Obligations of Lessee.

In the event the Improvements are damaged or destroyed in whole or in part by fire or other casualty, Lessee shall give prompt written notice thereof to Authority, and Lessee, at its own expense, shall promptly repair, replace and rebuild the same, at least to the same extent as to the value and as nearly as practical to the character of the Improvements existing immediately prior to such time. Damage to the Improvements shall not cause an abatement of Lessee's obligation to pay Annual Rent to Authority or to make any other payments required to be made by Lessee under this Lease.

9.2 Insurance Proceeds.

Upon receipt by Lessee and the Authority of the proceeds of any property or builder's risk insurance policy or policies, Lessee and the Authority shall deposit same in an interest-bearing escrow account to pay for the cost of such repair, replacement and rebuilding. Lessee shall receive and hold such proceeds (and any interest earned thereon) in trust for such work, and Lessee shall distribute such proceeds (and any interest earned thereon during construction) solely to pay the cost of such work. If the amount of such insurance proceeds (together with the interest earned thereon) is insufficient to pay the costs of the necessary repair, replacement or rebuilding of such damaged Improvements, Lessee shall pay any additional sums required, and if the amount of such insurance proceeds (together with the interest earned thereon) is in excess of the costs thereof, the amount of such excess shall be retained by Lessee. Notwithstanding the language of this Section 8.2, in the event of total or partial destruction of the Premises, the parties will mutually evaluate a course of action that makes commercial sense regarding (i) insurance proceeds and (ii) whether or not this Lease should be terminated.

ARTICLE X

CONDEMNATION

10.1 Notice of Condemnation.

The party receiving any notice in connection with any proceedings or negotiations with respect to an actual or potential condemnation proceeding (a "Taking") shall promptly give the other party notice of the receipt, contents and date of the notice received.

10.2 Rights of Authority and Lessee.

Authority and Lessee shall each have the right to represent its respective interests in each proceeding or negotiation with respect to a Taking. Authority and Lessee each agrees to execute and deliver to the other any instrument that may be required or which would facilitate the provisions of this Lease relating to the condemnation.

10.3 Taking of Leasehold.

Upon a Taking of the entire Premises, Lessee's interest in this Lease shall continue until the Taking is completed by deed, contract or final order of condemnation; unless otherwise specified by court order. If the Taking is of substantially all of the Premises, Lessee may, by notice to Authority within ninety (90) days after Lessee receives notice of the Taking, elect to treat the taking in accordance with the preceding sentence. If Lessee does not so notify Authority, this Lease shall remain in full force and effect covering the balance of the Premises not so taken, except that the Rent payable hereunder by Lessee shall be equitably adjusted (a "Partial Taking").

10.4 Obligations of Lessee under Partial Taking.

It is understood and agreed that all condemnation proceeds for any Partial Taking of the Premises shall be paid to Lessee to be held by it in trust and used for the repair and reconstruction of the Premises and replacement of the equipment, with any portion of such proceeds not needed for such repair, reconstruction and replacement to be distributed in accordance with the terms of Section 10.6.

10.5 Taking of Temporary Use of Premises and Improvements.

Upon any Taking of the temporary use of all or any part of the Premises or Improvements, or both, neither the Term nor the Rent shall be reduced or affected in any way and Lessee shall be entitled to any award for the use or estate taken. If a result of the Taking is to necessitate expenditures for reconstruction of the Improvements to make them reasonably suitable for Lessee's continued use in connection with its operations under this Lease, after the termination of such Taking, Lessee shall perform such work in accordance with the provisions of the Lease. Upon the completion of the work and the discharge of the Premises and Improvements from all liens or claims arising therefrom, Lessee shall be entitled to any surplus and shall be liable for any deficiency.

10.6 Taking by Authority.

Upon any Taking by Authority, Authority and Lessee will either agree to the amount to be paid by Authority for such Taking, or in the absence of such agreement, the matter will be determined in accordance with the laws of the State of Florida.

10.7 Deposit of Sums Payable on Taking.

If Authority and Lessee are unable to agree on how all sums payable by a third party on the Taking are to be distributed and disbursed as between Authority and Lessee, then Authority and Lessee agree to take such action as shall reasonably be required to withdraw such sums from the registry of the Court and jointly deposit such sums in an interest bearing escrow account, and once agreement is reached between Authority and Lessee as to how such sums are to be distributed and disbursed (or the matter has been determined in accordance with the laws of the State of Florida), the interest earned on such sums shall be distributed between Authority and Lessee in the same proportion as the distribution of the principal amount of such sums.

ARTICLE XI

DEFAULT

11.1 Events of Default.

The occurrence of any of the following shall constitute an event of default (an "Event of Default") by Lessee under this Lease: (i) the failure of Lessee to make any payment of Annual Rent, Rent, or any other payment required to be made by Lessee hereunder when due which failure is not remedied within ten (10) days following receipt of written notice from Authority; (ii) the failure of Lessee to keep, observe or perform any other material covenants or agreements herein, and the continued failure to observe or perform any such covenant or agreement after a period of thirty (30) days after written demand; (iii) commencement by or against the Lessee of an insolvency or bankruptcy proceeding, including, without limitation, a proceeding for liquidation, reorganization or for the readjustment of its indebtedness, or the insolvency of the Lessee, or an assignment or arrangement for the benefit of its creditors or the appointment of a receiver, trustee or custodian, provided, however, that any of the foregoing set forth in this subsection (iv) which is commenced by a person other than Lessee shall not constitute an Event of Default if it is discharged within sixty (60) days following receipt of written notice from Authority; or (v) the placement of any lien upon the Premises or any Improvements (excluding liens for taxes which are not delinquent and Mortgages permitted hereunder) which is not discharged of record by payment or bond within thirty (30) days following receipt of written notice from Authority, or any levy under any such lien.

11.2 Remedies for Default.

Upon the occurrence of an Event of Default, the Authority may in its sole discretion pursue any of the following remedies, or such other remedies as may be available to the Authority at law or in equity:

(a) Authority may terminate the Lease and re-enter and repossess the Premises; or

(b) Authority may, without terminating this Lease, terminate Lessee's right to possession of the Premises, retake possession of the Premises, and recover immediately from the Lessee damages calculated as follows:

(i) all unpaid Annual Rent and other payments due from Lessee that had been earned at the time of termination of Lessee's right to possession, together with,

(ii) the amount by which the unpaid Annual Rent and other payments due from Lessee earned after the date of termination of Lessee's right to possession of the Premises until the time of award exceeds the amount of the loss of Annual Rent and other payments due from Lessee that Lessee proves has been or could have reasonably been avoided, together with

(iii) the worth, at the time of the award, of the amount by which the unpaid Annual Rent and other payments due from Lessee for the balance of the

Term after the time of award exceeds the amount of the loss of Annual Rent and other payments due from Lessee that Lessee proves could reasonably be avoided. (For purposes of this subparagraph (iii), the worth, at the time of award, of such amount shall be determined by discounting such amount in accordance with accepted financial practice to its present worth at a rate of interest of four percent (4%) per year.)

For purposes of the calculation of damages described above, and in subsection (c) below, payments other than Annual Rent due from Lessee after the termination of Lessee's right to possession of the Premises shall be based upon the average of such payments payable during the thirty-six (36) month period prior to the termination of possession (or, if shorter, the prior period of the Term of the Lease).

Upon entry of judgment for such damages, as described above, this Lease shall be deemed to be terminated; or

(c) Authority may, without terminating this Lease, terminate Lessee's right to possession of the Premises, retake possession of the Premises and re-let the Premises, or any part or parts thereof, for the account of Lessee, for a term which may, at Authority's option, be less than or exceed the period which would otherwise have constituted the balance of the Term of this Lease. In such event, Lessee shall pay to Authority any deficiency between the Annual Rent and other charges herein reserved and the net amount of the rents and other charges collected on account of any other lease of the Premises for each month of the period which would otherwise have constituted the balance of the Term of this Lease. Authority may recover such deficiency from Lessee at the time each payment becomes due under the Lease, or, at Authority's option, upon the expiration of the Term of this Lease.

Irrespective of the exercise of either of the above-referenced options, Authority shall have the right to recover all unpaid Annual Rent, Rent and other payments earned by Authority prior to the date of termination of possession or of the Lease, and all of Authority's costs, charges and expenses, including reasonable Attorneys' Fees, incurred in connection with the recovery of sums due under this Lease, or due to the breach of any covenant or agreement of Lessee contained in this Lease, including any costs and expenses of reletting the Premises, such as all necessary repairs and renovations, all brokerage fees and Attorneys' Fees. Authority will have the right at any time following an Event of Default to elect to terminate the Lease. No action taken by Authority pursuant to this Section 10.2 shall be deemed to terminate this Lease unless written notice of termination is given by Authority to Lessee.

The rights and remedies given to Authority by this Lease shall not be exclusive, and in addition thereto, Authority shall have such other rights and may pursue such other remedies as are provided by law or in equity. All such rights and remedies shall be deemed to be cumulative, and the exercise of one such right or remedy by Authority shall not impair its standing to exercise any other right or remedy.

Lessee hereby expressly waives any notices of default not specifically provided for herein, including, without limitation, the three (3) day notice provided for in Section 83.20,

Florida Statutes, and all rights of redemption, if any, granted under present or future law in the event Lessee shall be evicted or dispossessed for any cause, or in the event Authority shall obtain possession of the Premises by virtue of the provisions of this Agreement or otherwise.

11.3 Advances By Authority.

If Authority has paid any sums of money or incurred any obligation or expense for which Lessee is obligated to pay or reimburse Authority, or if Authority is required or elects to do so because of the failure of Lessee to perform any of the terms or conditions of this Lease, then the same shall be deemed Rent and shall be paid to Authority in accordance with Article II herein.

11.4 Non-Waiver By Authority.

No waiver of any covenant or condition or of the breach of any covenant or condition of this Lease shall constitute a waiver of any subsequent breach of such covenant or condition or justify or authorize the non-observance on any other occasion of the same or of any other covenant or condition hereof. The acceptance of Annual Rent, Rent or other payments from Lessee by Authority at any time when Lessee is in default under this Lease shall not be construed as a waiver of such default or of Authority's right to exercise any remedy arising out of such default, nor shall any waiver or indulgence granted by Authority to Lessee be taken as an estoppel against Authority, it being expressly understood that Authority may at any time thereafter, if such default continues, exercise any such remedy in the manner hereinbefore provided or as otherwise provided by law or in equity.

ARTICLE XII
MISCELLANEOUS

12.1 Additional Provisions.

The Parties hereby agree that this Lease shall be subject to the provisions of **Exhibit "D"** hereto, which is incorporated herein by reference.

12.2 Additional Reserved Rights of Authority.

Authority reserves the right to further develop, improve, repair and alter the Airport and all roadways, parking areas, facilities, landing areas and taxiways as it may reasonably see fit so long as Authority does not interfere with Lessee's quiet enjoyment of the Premises. Authority shall be free from any and all liability to Lessee for loss of business or damages of any nature whatsoever to Lessee occasioned by the making of such improvements, repairs, alterations and additions that do not interfere with Lessee's quiet enjoyment of the Premises. Authority reserves the right to establish such fees and charges for the use of the Airport by Lessee (excluding any additional charge for the use of the Premises) and all others similarly situated from time to time as Authority may deem advisable.

12.3 Leasehold Encumbrances.

(a) Mortgage Authorized

Lessee may encumber only its leasehold estate by the execution and delivery of a Mortgage. Authority will not subordinate its interest in the Premises or in this Lease to any Mortgage. The Mortgagee of any such Mortgage may deliver to Authority a written notice specifying (i) the amount of the obligation secured by the Mortgage and the date(s) of the maturity thereof; and (ii) the name and address of the Mortgagee.

After receipt of such notice, Authority shall serve such Mortgagee by certified or registered mail, at the latest address furnished by such Mortgagee, a copy of every notice of default or demand served by Authority upon Lessee under the terms and provisions of this Lease so long as such Mortgage is in effect. In the event of any assignment of a Mortgage or in the event of a change of address of the Mortgagee or of an assignee of such Mortgage, notice of the new name and address shall be provided to Authority.

(b) Mortgagee's Rights.

Upon receipt of a notice or demand in accordance with Section 11.3(a) above, Mortgagee shall have thirty (30) days after receipt of such notice within which, at Mortgagee's election, either: to cure the default if it can be cured by the payment or expenditure of money, to perform such other action as may be necessary to cure the default, or if the default is not a default in the payment or expenditure of money and is curable but cannot be cured within thirty (30) days, to commence performance within such thirty (30) day period and thereafter diligently prosecute the same to completion, in which event the default will be deemed to have been cured.

In the event it is necessary for Mortgagee to obtain possession of the Premises in order to cure a default, Mortgagee shall be deemed to have complied with the provisions of Section 11.3(b) above if it institutes foreclosure proceedings within such thirty (30) day period and completes such foreclosure proceedings or otherwise acquires Lessee's interest under this Lease with diligence and continuity and thereafter commences and diligently proceeds to cure such default; provided, however, that Mortgagee shall not be required to continue such possession or continue such foreclosure proceedings if the default which would have been the reason for serving a default notice shall be cured, and provided further, that nothing in this Section 11.3(b) shall preclude Authority from exercising any rights or remedies under this Lease with respect to any other default by the Lessee during any period of such forbearance.

(c) Additional Rights of Mortgagee.

In the event of foreclosure by any Mortgagee, and subject to compliance with the requirements of Section 11.4, the purchaser at the foreclosure sale or the Person acquiring Lessee's interest in lieu of foreclosure shall succeed to and be bound by all of Lessee's rights, interests, duties and obligations under this Lease.

In the event that a Mortgagee shall become the owner or holder of the Lessee's interest by foreclosure of its Mortgage or by assignment of this Lease in lieu of foreclosure or otherwise, the term "Lessee", as used in this Lease, means only the owner or holder of the Lessee's interest for the time being so that, in the event of a sale, assignment or other disposition of the Lessee's interest in this Lease by the Mortgagee, the Mortgagee shall be entirely freed and relieved of all covenants and obligations of the Lessee under this Lease arising after the date of such sale, assignment or other disposition, and it shall be deemed and construed, without further agreement between Authority and Mortgagee or between Authority, Mortgagee and the Mortgagee's purchaser or assignee at any such sale or upon assignment of Lessee's interest, that the purchaser or assignee of Lessee's interest has assumed and agreed to carry out any and all covenants and obligations of Lessee.

So long as the Lessee's interest in this Lease shall be mortgaged to a Mortgagee, the parties agree for the benefit of such Mortgagee that Authority shall not sell, grant or convey to the Lessee all or any portion of the fee simple title to the Premises without the prior written consent of such Mortgagee. In the event of any such sale, grant or conveyance by Authority to the Lessee, Authority and the Lessee agree that no such sale, grant or conveyance shall create a merger of this Lease into a fee simple title to the Premises. This subsection 11.3(c) shall not be construed to prevent a sale, grant or conveyance of the fee simple title to any Person, firm or corporation other than the Lessee, its successor, legal representatives and assigns.

In the event of the termination of this Lease or of any succeeding lease made pursuant to the provisions of this Section 11.3(c) prior to its stated expiration date, or in the event of the termination of Lessee's right to possession of the Premises as a result of an event of default by Lessee hereunder, Authority will enter into a new lease of the Premises with Mortgagee or, at the request of such Mortgagee, with a corporation which is wholly owned by such Mortgagee, for the remainder of the term effective on the date of such termination of this Lease (or termination of Lessee's right to possession of the Premises) at the Rent and upon the covenants, agreements, terms, provisions and limitations contained in this Lease, provided that such Mortgagee makes written request and executes, acknowledges and delivers to Authority such new lease within thirty (30) days from the date of such termination of this Lease (or termination of Lessee's right to possession of the Premises) and such written request and such new lease are accompanied by payment to Authority of all amounts then due to Authority, including Attorneys' Fees incurred by Authority in connection with any such default and termination as well as in connection with the execution and delivery of such new lease. In addition, immediately upon execution of such new lease, Authority shall execute, acknowledge and deliver to Mortgagee an assignment of all subleases covering the Premises which theretofore may have been assigned and transferred to Authority and all subleases under which subtenants shall be required to attorn to Authority pursuant to the terms and conditions of such subleases or this Lease. Such assignment by Authority shall be deemed to be without recourse as against Authority.

(d) Reference in this Lease to a Mortgagee shall be deemed to refer, where circumstances require, to any assignee of a Mortgagee; provided that such assignee shall

forward to the Authority a duplicate original of the assignment of the Mortgage, together with a written notice setting forth the name and address of the assignee.

12.4 Assignment and Subletting.

(a) Lessee shall not at any time sublet or assign this Lease, in whole or in part, or assign any of its rights or obligations hereunder, without the prior approval of Authority, which approval may be granted or withheld by Authority in its sole discretion; except that Lessee may assign this Lease without prior approval (but upon prior written notice to Authority) to a corporate parent, affiliate, sister company, or subsidiary (collectively, an "Affiliate"), upon submitting proof of such affiliation satisfactory to Authority. No sublease or assignment shall release Lessee from any of its obligations under this Lease unless the Authority agrees to such release in writing in its sole discretion. Approvals required under this Paragraph shall be in writing and shall apply to any change in ownership of or power to vote a majority of the outstanding voting stock of Lessee from the owners of such stock or those controlling the power to vote such stock on the date of this Lease (except in the event Lessee is a corporation whose stock is publicly traded), or if Lessee is a limited or a general partnership or other entity, any transfer of an interest in the partnership or other entity which results in a change in the control of such partnership or other entity. Any assignment or sublease, which is not in strict compliance with the terms and conditions of this Paragraph, shall be void ab initio and shall be of no force or effect whatsoever.

(b) Lessee agrees to reimburse the Authority for its Attorneys' Fees and costs actually incurred in determining whether to give its consent to any proposed sublease or assignment, whether or not such consent is given, and the negotiation and preparation of any documents with respect to such sublease or assignment.

12.5 Notice.

Any notice permitted or required to be given under the terms of this Lease shall be in writing, addressed to the party to whom it is directed, and sent either by (1) hand delivery, (2) United States certified or registered mail, postage prepaid, return receipt requested or (3) overnight delivery by a nationally recognized company, to the address shown below or to such other address as either party may from time to time designate by written notice in accordance with this Section:

To Authority: Michael D. Powell, CM, ACE, CEO
Titusville-Cocoa Airport Authority
355 Golden Knights Blvd.
Titusville, Florida 32780

With a copy to: Timothy F. Pickles, Esq.
Watson, Soileau, DeLeo, Burgett & Pickles, PA
3490 N US Highway 1
Cocoa, FL 32926

To Tenant: Skydive Space Center
Mr. Greg Nardi, President
476 North Williams Avenue
Titusville, FL 32780

Any such notice shall be deemed effective upon receipt.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto by their duly authorized officers have caused this Lease to be executed in their names and their seals to be affixed hereto as of the day and year first above written.

WITNESSES:

Print Name: Patty Ward

Print Name: _____

WITNESSES:

Print Name: _____

Print Name: _____

LESSEE:

SKYDIVE SPACE CENTER, INC., a Florida corporation

By: Greg Ward

Printed Name: Greg Ward, President

LESSOR:

TITUSVILLE-COCOA AIRPORT AUTHORITY

By: _____

Name: Michael D. Powell, C.M., ACE

As Its: Chief Executive Office

Approved as to Form and Legality this _____ day of _____, 2015

WATSON, SOILEAU, DELEO, BURGETT & PICKLES, PA

By: _____

General Counsel / Titusville-Cocoa Airport Authority

EXHIBIT "A"
PREMISES

50' X 50' (2500 Sq. Ft.) HANGAR AND ACCESS RAMP ATTACHED, as shown on attached sketch.



Michael Baker
INTERNATIONAL



EXHIBIT "B"
AUTHORITY IMPROVEMENTS

The Titusville - Cocoa Airport Authority shall not be responsible for any improvements.

EXHIBIT "C"
CONSTRUCTION OF IMPROVEMENTS BY LESSEE

None.

EXHIBIT "D"
REQUIRED PROVISIONS

1. Authority's Reserved Rights. Authority reserves the right for itself and others to utilize and maintain any utility and drainage easements located on the Premises, and to run water, sewer, electrical, telephone, gas, drainage and other lines under or through the Premises and to grant necessary utility easements therefore, provided that in the exercise of such rights, Lessee's use of the Premises and any Improvements shall not be unreasonably impaired and any damage to the Premises or any Improvements caused by Authority as a result thereof shall be repaired without cost to Lessee.

2. Discrimination Not Permitted.

a) Lessee, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (i) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the Premises, any Improvements or the Airport under the provisions of this Lease; (ii) that in the construction of any Improvements on, over or under the Premises and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation, denied the benefits of, or otherwise be subject to discrimination; and (iii) that Lessee shall use the Premises and the Improvements in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted Programs of the Department of Transportation-effectuation of Title VI of the Civil Rights Acts of 1964, as the same may be amended. Likewise, Lessee shall comply with the laws of the State of Florida prohibiting discrimination because of race, color, religion, sex, national origin, age, handicap or marital status. Should the Lessee authorize another person, with Authority's prior written consent, to provide services or benefits upon the Premises or the Improvements, Lessee shall obtain from such person a written agreement pursuant to which such person shall, with respect to the services or benefits which it is authorized to provide, undertake for itself the obligations contained in this subsection. Lessee shall furnish the original or a true copy of such agreement to Authority.

b) Lessee will provide all information and reports required by said regulations, or by directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by Authority or the Federal Aviation Administration to be pertinent to ascertain whether there has been compliance with said regulations and directives. Where any information required of Lessee is in the exclusive possession of another who fails or refuses to furnish this information, Lessee shall so certify to Authority or the Federal Aviation Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.

c) In the event of a breach of any of the above non-discrimination covenants, Authority shall have the right to terminate this Lease and to re-enter and repossess said Premises and the Improvements, and hold the same as if this Lease had never been made or issued. The rights granted to Authority by the foregoing sentence shall not be effective until all applicable procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights, and the completion of any judicial review.

d) Further, Lessee assures Authority that no person shall be excluded on the grounds of race, creed, color, national origin or sex from participating in or receiving the services or benefits of any program or activity covered by Title 14, Code of Federal Regulations, Part 152, Subpart E, Federal Aviation Administration, Non-Discrimination in Airport Aid Program, and that it will be bound by and comply with all other applicable provisions of such Subpart E, as it may be amended. Lessee also assures Authority that it will require its covered suborganizations to provide written assurances to the same effect and provide copies thereof to Authority.

e) Lessee further assures Authority that it will comply with pertinent statutes, Executive Orders, and such other rules as are promulgated to assure that no person shall on the grounds of race, creed, national origin, sex, age, handicap or marital status be excluded from participating in any activity conducted at or in connection with its operations at the Premises. Lessee also assures Authority that it will require its contractors and subtenants to provide assurances to the same effect and ensure that such assurances are included in contracts and subleases at all tiers which are entered into in connection with Lessee's operations at the Premises.

f) Authority may from time to time be required by the United States Government, or one or more of its agencies, to adopt additional or amended provisions, including nondiscrimination provisions concerning the use and operation of the Airport, and Lessee agrees that it will adopt such requirements as part of this Lease.

3. Federal Aviation Administration Requirements.

a) Authority reserves unto itself, and unto its successors and assigns for the use and benefit of the public, a right of flight for the passage of aircraft through the airspace above the surface of the Premises, together with the right to cause in the

airspace such noise as may be inherent in the operation of aircraft now known or hereafter used, and for navigation of or flight in the airspace, and use of the airspace for landing on, taking off or operating on the Airport.

b) Lessee expressly agrees, on behalf of itself and its successors and assigns:

to restrict the height of structures, vegetation and other Improvements on the Premises in compliance with the requirements of Federal Aviation Administration Regulations, 14 CFR Part 77, as they may be amended from time to time; and

to prevent any use of the Premises and any Improvements which would unreasonably interfere with or adversely affect the operation and maintenance of the Airport, or which would otherwise constitute a hazard at the Airport.

4. Right to Operate Aircraft at Airport. Nothing contained in this Lease shall give Lessee the right to operate a scheduled airline at the Airport. The right to operate aircraft at the Airport may be obtained by a qualified lessee from Authority by executing an Operating Agreement in the form prescribed by the Authority.

5. Member Protection. No recourse under or upon any obligation, covenant or agreement contained in this Lease, or any other agreement or document pertaining to the operations of Lessee hereunder, as such may from time to time be altered or amended in accordance with the provisions hereof, or under any judgment obtained against Authority, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise, under or independent of this Lease, shall be had against any member (including, without limitation, members of Authority's Board and members of Authority's citizens advisory committees), officer, employee or agent, as such, past, present and future, of Authority, either directly or through Authority or otherwise, for any claim arising out of this Lease or the operations conducted pursuant to it, or for any sum that may be due and unpaid by Authority. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any Authority member, officer, employee or agent, as such, to respond by reason of any act or omission on his or her part or otherwise for any claim arising out of this Lease or the operations conducted pursuant to it, or for the payment for or to Authority, or any receiver therefor or otherwise of any sum that may remain due and unpaid by Authority, is hereby expressly waived and released as a condition of and as consideration for the execution of this Lease.

6. Authority Rules and Regulations. Lessee shall observe and comply with all reasonable rules and regulations of Authority which now exist or may hereinafter be promulgated from time to time governing all matters relating to the Airport, including, without limitation, access, use, safety and conduct of operations at the Airport and the safe use of Airport facilities. Authority shall, at Lessee's written request, furnish a copy of all such rules and regulations, and any amendments thereto, to Lessee.

7. Authority Access to Premises. Lessee grants Authority and its authorized agents full and free access to the Premises and all Improvements located thereon at all reasonable times (upon reasonable prior notice, except in the event of an emergency) for the purposes of examining the same and seeing that all of the obligations of Lessee hereunder are being met and performed, and for exercising the Authority's rights under Paragraph 4.1 of the Lease, and shall permit them to enter any building or structure on the Premises at any time in the event of an emergency. Authority and its employees, licensees, invitees, agents, patrons and suppliers, and its tenants and their employees, licensees, invitees, agents, patrons and suppliers, shall have the right of vehicular and pedestrian access, ingress and egress over all non-restricted access streets at the Airport.

8. Relationship of Parties. Nothing contained in this Lease shall be deemed or construed by Authority or Lessee or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between Authority and Lessee, it being expressly understood and agreed that neither the computation of Annual Rent, Rent nor any other provisions contained in this Lease nor any act or acts of the parties hereto shall be deemed to create any relationship between Authority and Lessee other than the relationship of landlord and tenant.

9. Rights of the Lessee.

a) The rights granted to Lessee under this Lease are not exclusive, except that Lessee shall have the exclusive use of the Premises for the Term of this Lease in accordance with the provisions of this Lease. The Authority expressly reserves the right to grant to third parties rights and privileges on other portions of the Airport that are identical, in whole or in part, to those granted to Lessee hereunder.

b) Lessee has the right and obligation to operate on the leased premises a Fixed Base Operator, such operation to include but not limited to:

1. Complete maintenance of aircraft
2. Annual aircraft inspections
3. Insurance repairs
4. Aircraft sales
5. Aircraft parts sales, new and used
6. 8 Hour per day mechanic services, 5 days per week
7. Fuel sales at least 10 hours per day, 7 days per week
8. Aircraft rental and leasing
9. Pilot Instruction and training
10. Sponsoring fly-ins
11. Courtesy transportation
12. Part 135 Charter Service

c) Lessee shall meet shall meet such requirements and standards as are prescribed by the Rules and Regulations and Minimum Standards promulgated by the Lessor from time to time relative to the foregoing services or functions. It is understood that Lessee is obligated to perform those services or functions required by the Minimum Standards of Aircraft Maintenance. The Lessee is expressly prohibited from performing any other aviation service or activity not directly relating to a Fixed Base Operation without further Lease modification and meeting the Airport Minimum Standards and/or fee and rental policies pertaining to the new aviation service or activity desired.

10. Miscellaneous Provisions.

a) The section headings contained in this Lease are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision of this Lease.

b) Except as otherwise provided herein, the provisions of this Lease shall bind and inure to the benefit of the successors and assigns of the parties hereto.

c) Time is expressed to be of the essence of this Lease.

d) In the event that any proceeding at law or in equity arises hereunder or in connection herewith (including any appellate proceeding or bankruptcy proceeding) the prevailing party shall be awarded costs, reasonable expert fees and reasonable Attorney's Fees incurred in connection therewith.

e) This Lease was made in, and shall be governed by and construed in accordance with the laws of, the State of Florida. If any covenant, condition or provision contained in this Lease is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other covenant, condition or provision herein contained.

f) This Lease, together with the exhibits attached hereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and any prior agreements, representations or statements heretofore made with respect to such subject matter, whether oral or written, and any contemporaneous oral agreements, representations or statements are merged herein. This Lease may be altered or amended only by written instrument executed by both parties hereto.

g) Words of gender used in this Lease shall be held and construed to include any other gender; and words in the singular shall be held to include the plural and vice versa unless the context otherwise requires.

h) Authority and Lessee represent and warrant to each other that they have dealt with no broker in connection with this Lease and the transactions contemplated hereby, and each agrees to indemnify and hold the other harmless in the event its representation and warranty contained herein is not true.

i) At the request of either party, the other shall with reasonable promptness deliver to the requesting party a written and acknowledged statement that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), that to the best of the responding party's knowledge, the requesting party is not in default under this Lease (or if the responding party has knowledge that the requesting party is in default, identifying the default), and providing such other information with respect to the Lease and the relationship between Authority and Lessee as may reasonably be requested.

j) COMMUNICATIONS CONCERNING DISPUTED DEBTS. ALL (A) COMMUNICATIONS CONCERNING DISPUTES ABOUT DEBTS THAT ARE OWED OR MAY BE OWED PURSUANT TO THIS AGREEMENT, AND (B) INSTRUMENTS IN LESS THAN THE FULL AMOUNT CLAIMED BY THE AUTHORITY AND TENDERED AS FULL SATISFACTION OF A DISPUTED DEBT OR OTHER AMOUNT OWED, SHALL BE SENT CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE FOLLOWING:

**CHIEF EXECUTIVE OFFICER
TITUSVILLE-COCOA AIRPORT AUTHORITY
355 Golden Knights Boulevard
Titusville, Florida 32780**

k) In accordance with Florida law, Lessee is hereby advised as follows:

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

11. Fire Protection System. Lessee shall, at its own cost and expense, maintain in good working order in each building on the Premises where the same is required by applicable fire and safety standards a fire protection system satisfying applicable requirements of NFPA, the local building code enforcement agency and any other applicable legal requirements, which Lessee shall cause to be certified as meeting all applicable fire and safety standards upon installation, and recertified at least annually thereafter, by a qualified fire protection system inspector with a copy of each such certification provided to Authority.

12. Airport Security. Lessee shall comply with all applicable regulations of the Federal Aviation Administration relating to airport security (including, at the Authority's request and without limitation, all such regulations applicable to the Authority with respect to the operation of the Premises) and shall control the Premises so as to prevent or deter unauthorized persons from obtaining access to that portion of the Airport consisting of cargo areas, airside buildings, aircraft aprons, ramps, taxiways and runways (the "Air Operations Area"). Any fines or other penalties incurred by the Authority as a result of Lessee's breach of this Paragraph shall be included in the indemnification provided to Authority pursuant to Paragraph 8.1 of the Lease.

13. Compliance with Stormwater Regulations.

a) Lessee acknowledges that the Airport is subject to federal stormwater regulations, 40 C.F.R. Part 122 (the "Regulations"), which are applicable to, among other activities, (i) certain industrial activity, including, without limitation, the operation of a vehicle maintenance shop (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication), equipment cleaning operations and deicing operations and (ii) certain construction activity at the Airport. Lessee also acknowledges that it is familiar with the Regulations and agrees to comply with the Regulations as they may be amended from time to time. Lessee further acknowledges that it has been advised that the Authority has complied with the Regulations by obtaining coverage under the Environmental Protection Agency's Stormwater Multi-Sector General Permit for Industrial Activities (the "Multi-Sector Permit"). Lessee may be able to become a co-permittee under such Multi-Sector Permit by filing separately in accordance with the provisions of the Regulations and the Multi-Sector Permit. Lessee shall provide to the Authority's Manager of Environmental Services copies of any such filings and such other information as the Executive Director may reasonably request with respect to Lessee's compliance with the Regulations. Lessee agrees to comply with such Multi-Sector Permit or any other permit obtained by Authority or Lessee in connection with the Regulations as they pertain to the Premises, and any modifications to or renewals thereof. Such permit will not cover construction activities as defined by the Regulations and will not eliminate the need to obtain permits from state or local agencies as applicable laws, ordinances or regulations may require.

b) If Lessee, or its authorized agents or representatives, engages in construction activity at the Airport, including, without limitation, clearing, grading, or excavation, Lessee shall determine whether the Regulations require a permit, and if so, Lessee shall obtain the permit, send a copy of the permit to the attention of the Authority's Executive Director, and comply with the permit conditions.

14. Americans with Disabilities Act. As used herein, "ADA" shall mean the Americans with Disabilities Act, P.L. 101-336, 104 Stat. 327 (1990), as amended from time to time, and the regulations promulgated thereunder. Lessee shall be responsible for any actions required to comply with ADA (including, without limitation, any actions required by the Authority to enable the Authority to meet its ADA obligations with respect to Lessee's operations) as a result of (i) any Improvements or modifications which it makes to the Premises, (ii) its particular use of the Premises and (iii) any changes to the ADA after the Effective Date. Any modification to the Premises, which Lessee is required to make under this Paragraph, shall be performed to the satisfaction of the Authority. In the event the Lessee shall fail to construct or modify any Improvements to the Premises as required under this Paragraph, the Authority shall have the right to enter the Premises and perform such modifications on the Lessee's behalf, without liability for any disruption to the Lessee's activities therein during the completion of or as a result of such modifications, and the cost of such modifications shall be invoiced to the Lessee and shall be promptly paid by the Lessee to the Authority as additional Rent hereunder.

15. Force Majeure. If either party hereto shall fail to timely perform any of its obligations under this Lease as a result of strikes, lockouts or labor disputes, inability to obtain labor or materials, government restrictions, fire or other casualty, adverse weather conditions not reasonably foreseeable at the location and time of year in question, by reason of war or other national emergency, acts of God or other causes beyond the reasonable control of the party obligated to perform, then such failure shall be excused and not constitute a default under this Lease by the party in question, but only to the extent and for the time occasioned by such event. In the event the rights and privileges hereunder are suspended, Annual Rent and Rent under this Lease shall not abate, and Lessee shall have the right to make any claim against any third party permitted by law and to receive any award paid with respect to such claim. In no event shall this provision excuse any failure by Lessee to pay Annual Rent or Rent or any other payment obligation hereunder. Nor shall this provision apply to any inability by Lessee to procure funds or obtain financing necessary to comply with Lessee's obligations under this Lease. In the event that the airport is closed for a period greater than ninety (90) consecutive days by reason of war or other national emergency, the Authority will assist Lessee, as allowable by applicable law, in obtaining compensation for the unamortized portion of any Improvements constructed by Lessee on the Premises from the authority taking such action. However, in no case shall the Authority be liable for any damages arising out of such an event.

16. Subordination.

a) This Agreement shall be subject to all restrictions of record affecting the Airport and the use thereof, all federal, state, county and city laws and regulations affecting the same, and shall be subject and subordinate to the provisions of any and all existing agreements between the Authority and third parties, including, but not limited to, those between the Authority and the United States of America, the State of Florida, or the County of Brevard, or their agencies, and to any future agreements between or among the foregoing relative to the operation or maintenance of the Airport, the execution of which may be required as a condition precedent to the expenditure of federal, state, county or city funds for the development of the Airport, or any part thereof. All provisions hereof shall be subordinate to the right of the United States to occupy or use the Airport, or any part thereof, during time of war or national emergency.

b) In the event the Federal Aviation Administration or its successors require modifications or changes in this Agreement as a condition precedent to the granting of its approval or to the obtaining of funds for the improvement of the Airport, Lessee hereby consents to any and all such modifications and changes as may be reasonably required.

c) Notwithstanding the foregoing provisions of this Paragraph, in the event any such restrictions, agreements or modifications to this Lease increase the Annual Rent payable hereunder or materially and adversely affect the ability of Lessee to use the Premises for the purposes permitted under this Lease, Lessee shall have the right to terminate this Lease by written notice to the Authority.

17. Public Entity Crimes Law. The Lessee acknowledges the following notice:

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of \$25,000 for a period of 36 months from the date of being placed on the convicted vendor list.

18. Tax Exempt Status of Authority Revenue Bonds. Lessee agrees to comply promptly with any applicable provisions of any federal tax statute, and all regulations or other binding authority promulgated or decided thereunder, as required to permit the Authority's capital expansion projects to be planned and constructed by Authority with revenue bonds the interest on which is generally exempted from federal income taxation, other than any applicable individual or corporate alternative minimum taxes (and other than during any period while such revenue bonds are held by a "substantial user" of the projects financed by those revenue bonds or a "related person" to a "substantial user"), including, without limitation, the execution by Lessee and delivery to Authority of an election not to claim depreciation or any investment credit with respect to any portion of such capital expansion projects or any other portion of the Airport System in the form attached hereto as Exhibit "F" simultaneously with the execution of this Lease. Such exhibit shall be deemed to be part of this Lease and shall be binding upon Lessee, its successors and assigns.

19. Visual Arts. Lessee shall not permit a work of visual art, as defined in 17 USC § 101, to be installed in the Premises without providing Authority with a written waiver, in form acceptable to the Authority, of the artist's rights under the Visual Artists Rights Act of 1990, Pub. L. 101-650, and without obtaining the Authority's prior written approval.



TIX → SPACE COAST REGIONAL AIRPORT
COI → MERRITT ISLAND AIRPORT
X2I → ARTHUR DUNN AIRPARK

355 Golden Knights Blvd. → Titusville, Florida 32780 → 321.267.8780 → fax: 321.383.4284 → email: admins@flairport.com

MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael D. Powell, C.M., ACE
Chief Executive Officer

DATE: August 20, 2015

ITEM DESCRIPTION - NEW BUSINESS ITEM C

Discussion by Mr. Brian Russell or Mr. Aaron McDaniel of Recent Invoiced Costs by the Michael Baker Jr., Inc. and Contractors Regarding Current Projects

BACKGROUND

The Michael Baker Jr., Inc. is currently conducting the engineering and oversight work for contractors on current projects.

The invoice review is to keep the Board informed and ensure we meet FDOT compliance requirements.

ISSUES

All projects are moving forward.

ALTERNATIVES

If anything regarding the numbers is unclear during the discussion, the Airport Authority Board may ask questions about the costs to ensure everyone is comfortable with the invoices as presented.

FISCAL IMPACT

The current Invoiced Costs for the invoices will be covered by Mr. Brian Russell or Mr. Aaron McDaniel, of Michael Baker Jr., Inc., in detail at the Board Meeting. The back-up documentation is provided for the Board's convenience of reference.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) Concur with approval of the invoiced costs by Michael Baker Jr., Inc. and (2) authorize an Authority Officer or the Chief Executive Officer to execute the necessary documentation upon satisfactory review by legal counsel.

Michael Baker INTERNATIONAL

MICHAEL BAKER JR., INC.

5200 Belfort Road
Concourse III, Suite 110
Jacksonville, FL 32256
(904) 380-2500
(803) 231-4062 Billing

JUNE 9, 2015

MR. MICHAEL D. POWELL, C.M., ACE
CEO
TITUSVILLE - COCOA AIRPORT AUTHORITY
355 GOLDEN KNIGHTS BOULEVARD
TITUSVILLE, FL 32780

REQUEST NO. 6
PROJECT NO. 143023

RE: EAST APRON REHABILITATION AND EXPANSION

INVOICE NO. 908726

FOR FEES BILLED THROUGH MAY 31, 2015				<u>INVOICED THIS PERIOD</u>		<u>INVOICED TO DATE</u>	
CV	\$277,490.00 NTE						
BASIC SERVICES							
CONSTRUCTION MANAGEMENT							
98% COMPLETE OF	\$68,120.00			\$36,415.48		\$66,756.60	
RPR INSPECTION SERVICES		<u>RATE</u>	<u>HRS.</u>		<u>HRS.</u>		
INSPECTOR NTE	\$143,550.00	\$110.00	474.00	\$52,140.00	1305.00	\$143,550.00	
RPR EXPENSES (T&M)							
		<u>RATE</u>	<u>UNITS</u>		<u>UNITS</u>		
MEALS (WEEK)	\$4,350.00	\$150.00	10.28	\$1,542.00	29.00	\$4,350.00	
VEHICLE (WEEK)	\$5,220.00	\$180.00	10.17	\$1,830.60	29.00	\$5,220.60	
LODGING (WEEK)	\$7,250.00	\$250.00	10.40	\$2,600.00	29.00	\$7,250.00	
	\$16,820.00			\$5,972.60		\$16,820.60	
SPECIAL SERVICES							
CONSTRUCTION TESTING							
71% COMPLETE OF	\$35,000.00			\$17,092.00		\$24,701.50	
ELECTRICAL CONSULTING SERVICES							
0% COMPLETE OF	\$8,500.00			\$0.00		\$0.00	
STORMWATER & UTILITY RELOCATION							
50% COMPLETE OF	\$5,500.00			\$0.00		\$2,750.00	
	\$49,000.00			\$17,092.00		\$27,451.50	
TOTAL EARNINGS				\$111,620.08		\$254,578.70	
AMOUNT DUE THIS INVOICE						\$111,620.08	

Statement of Accounts Receivable:

Invoice #	Date	0 - 30	31 - 60	61 - 90	91 - 120	121 +	Total AR
908726	6/9/15	\$111,620.08					\$111,620.08
Subtotal		\$111,620.08	\$0.00	\$0.00	\$0.00	\$0.00	\$111,620.08

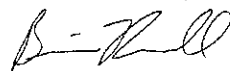
Electronic Payment:

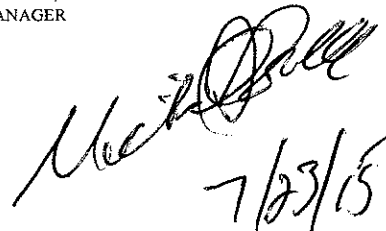
Citizens Bank
ABA: 036-076-150
Account No.: 6101710975
SWIFT: CTZIUS33

Mail Payment:

P O Box 536408
Pittsburgh, PA 15253-5906

RESPECTFULLY SUBMITTED,
MICHAEL BAKER JR., INC.


BRIAN C. RUSSELL, P.E.
PROJECT MANAGER



Michael Baker
INTERNATIONAL

MICHAEL BAKER INTERNATIONAL, INC.
5200 Belfort Road
Concourse III, Suite 110
Jacksonville, FL 32256
(904) 380-2500
(803) 231-4062 Billing

JULY 22, 2015

MR. MICHAEL D. POWELL, C.M., ACE
CEO
TITUSVILLE - COCOA AIRPORT AUTHORITY
355 GOLDEN KNIGHTS BOULEVARD
TITUSVILLE, FL 32780

REQUEST NO. 7 - FINAL ✓
PROJECT NO. 143023

RE: EAST APRON REHABILITATION AND EXPANSION ✓

INVOICE NO. 913099

FOR FEES BILLED THROUGH JUNE 30, 2015				<u>INVOICED</u> <u>THIS PERIOD</u>		<u>INVOICED</u> <u>TO DATE</u>
CV	\$277,490.00	NTE				
<u>BASIC SERVICES</u>						
CONSTRUCTION MANAGEMENT						
100% COMPLETE OF	\$68,120.00			\$1,363.40		\$68,120.00
RPR INSPECTION SERVICES						
INSPECTOR	NTE	\$143,550.00	<u>RATE</u>	<u>HRS.</u>	<u>HRS.</u>	
			\$110.00	0.00	1305.00	\$143,550.00
RPR EXPENSES (T&M)						
			<u>RATE</u>	<u>UNITS</u>	<u>UNITS</u>	
MEALS (WEEK)	\$4,350.00		\$150.00	0.00	29.00	\$4,350.00
VEHICLE (WEEK)	\$5,220.00		\$180.00	0.00	29.00	\$5,220.00
LODGING (WEEK)	\$7,250.00		\$250.00	0.00	29.00	\$7,250.00
	\$16,820.00			\$0.00		\$16,820.00
<u>SPECIAL SERVICES</u>						
CONSTRUCTION TESTING						
78% COMPLETE OF	\$35,000.00			\$2,730.00		\$27,431.50
ELECTRICAL CONSULTING SERVICES						
38% COMPLETE OF	\$8,500.00			\$3,200.00		\$3,200.00
STORMWATER & UTILITY RELOCATION						
100% COMPLETE OF	\$5,500.00			\$2,750.00		\$5,500.00
	\$49,000.00			\$8,680.00		\$36,131.50
TOTAL EARNINGS				\$10,043.40 ✓		\$264,622.10
AMOUNT DUE THIS INVOICE						\$10,043.40

Statement of Accounts Receivable:

Invoice #	Date	0 - 30	31 - 60	61 - 90	91 - 120	121 +	Total AR
908726	6/9/15		\$111,620.08				\$111,620.08
913099	7/22/15	\$10,043.40					\$10,043.40
Subtotal		\$10,043.40	\$111,620.08	\$0.00	\$0.00	\$0.00	\$121,663.48

Electronic Payment:
Citizens Bank
ABA: 036-076-150
Account No.: 6101710975
SWIFT: CTZIUS33

Mail Payment:
P O Box 536408
Pittsburgh, PA 15253-5906

RESPECTFULLY SUBMITTED,
MICHAEL BAKER INTERNATIONAL, INC.

Brian C. Russell, P.E.
PROJECT MANAGER

Brian C. Russell
Michael Powell
7/27/15

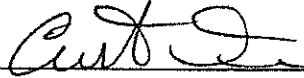

P.O. BOX 236577
COCOA, FLORIDA 32923-6577

TO: TITUSVILLE-COCOA AIRPORT AUTHORITY
355 GOLDEN KNIGHTS BLVD
TITUSVILLE, FL 32780

Introduction

3822

SALESPERSON	DATE OF INVOICE
390	8/14/2015
SHIP TO	
EAST SIDE AIRCRAFT HANGAR SPACE COAST REGIONAL AIRPORT 55 BRISTOW WAY TITUSVILLE, FLORIDA	

ACCOUNT NO.	DATE SHIPPED	SHIPPED VIA	COL	P.P.	F.O.B. POINT	TERMS	YOUR ORDER NUMBER
						NET 10 DAYS	
QUANTITY	DESCRIPTION					UNIT PRICE	AMOUNT
	<u>DRAW REQUEST # 5</u> ORIGINAL CONTRACT AMOUNT \$ 1,771,191.06 CHANGE ORDERS \$ - REVISED CONTRACT AMOUNT \$ 1,771,191.06 AMOUNT COMPLETED TO DATE -30.97% \$ 548,523.25 LESS RETAINAGE - 10 % \$ (54,852.33) \$ 493,670.92 LESS PREVIOUS REQUESTS \$ (323,030.93) TOTAL AMOUNT DUE AND PAYABLE THIS REQUEST CONTRACTOR'S SIGNATURE  						\$ 170,639.99
						TOTAL	

APPLICATION AND CERTIFICATE FOR PAYMENT

AIA DOCUMENT G703 (Instructions on reverse side)

PAGE 1 OF PAGES

TO OWNER:
Titusville-Cocoa Airport Authority
355 Golden Knights Blvd.
Titusville, FL 32780

PROJECT:
East Side Aircraft Hangar, Space Coast Regional Airport
55 Bristow Way, Titusville, Florida

FROM CONTRACTOR:
C & D Construction, Inc.
Post Office Box 236577
Cocoa, FL 32923-6577
CONTRACT FOR:

VIA ARCHITECT:
Michael Baker International
5200 Belfort Road, Suite 110
Jacksonville, FL 32256

APPLICATION NO: Five (5)
PERIOD TO: 8/5/2015
PURCHASE ORDER NO.:

Distribution to:

OWNER
ARCHITECT
CONTRACTOR

CONTRACT DATE: 2/19/2015

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703 is attached.

1. ORIGINAL CONTRACT SUM \$ 1,771,191.06
2. Net change by Change Orders \$ 0.00
3. CONTRACT SUM TO DATE (LINE 1+2) \$ 1,771,191.06
4. TOTAL COMPLETED & STORED TO DATE \$ 548,523.25
(Column G on G703)
5. RETAINAGE:
 - a. 10 % of Completed Work \$ 54,852.33
(Columns D + E on G703)
 - b. % of Stored Material \$
(Column F on G703)

Total Retainage (Line 5a + 5b or
Total in Column 1 of G703) \$ 54,852.33
6. TOTAL EARNED LESS RETAINAGE \$ 493,670.92
(Line 4 less Line 5 Total)
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT \$ 323,030.93
(Line 6 from prior Certificate)
8. CURRENT PAYMENT DUE \$ 170,639.99
9. BALANCE TO FINISH, INCLUDING RETAINAGE \$ 1,277,520.15
(Line 3 less Line 6)

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in	\$ -	
previous month by Owner		
Total approved this month	\$ -	
TOTALS	\$ -	\$ -
NET CHANGES by Change Order	\$ -	\$ -

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: C & D Construction, Inc.

BY: Curtis Deen Date: 8/14/2015

State of: FLORIDA

County of: BREVARD

Subscribed and sworn to before

me this 14th

day of

August, 2018



DEBORAH M.A. HOTTLE
MY COMMISSION # FF 139272
EXPIRES: September 29, 2018
Bonded Thru Budget Notary Services

Notary Public:

My Commission expires: 09/29/2018

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 170,639.99

(Attach explanation if amount certified differs from the amount applied for. Initial all figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT: Aaron McDaniel, P.E.

Florida Professional Engineer
No. 123456789
Exp. 12/31/2018

Date: 8/14/2015

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

Michael Deen
8/14/15

CONTINUATION SHEET

AIA DOCUMENT G703

(Instructions on reverse side)

PAGE OF 4 PAGES

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT,

containing contractor's signed Certification, is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column 1 on Contracts where variable retainage for line items may apply.

APPLICATION NO: Five (5)

APPLICATION DATE: 8/14/2015

PERIOD TO: 8/5/2015

A ITEM NO.	B DESCRIPTION OF WORK	C QTY	D UNIT PRICE	E UNIT	F SCHEDULED VALUE	G WORK COMPLETED		H MATERIALS PRESENTLY STORED (NOT IN D ORE)	I TOTAL COMPLETED AND STORED TO DATE (D + E + F)	J % (G + C)	K BALANCE TO FINISH (C - G)	L RETAINAGE (IF VARIABLE) RATE)
						FROM PREVIOUS APPLICATION (D+E)	THIS PERIOD					
1	General Conditions	1	\$ 128,902.00	LS	\$ 128,902.00	\$ 46,373.00	\$ -	\$ -	\$ 46,373.00	35.98%	\$ 82,529.00	\$ 4,637.30
2	Concrete	1	\$ 200,000.00	LS	\$ 200,000.00	\$ 70,000.00	\$ 130,000.00	\$ -	\$ 200,000.00	100.00%	\$ -	\$ 20,000.00
3	Concrete Masonry Unit	1	\$ 40,000.00	LS	\$ 40,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 40,000.00	\$ -
4	Insulation	1	\$ 20,000.00	LS	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 20,000.00	\$ -
5	Doors and Hardware	1	\$ 20,000.00	LS	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 20,000.00	\$ -
6	Glass	1	\$ 15,000.00	LS	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 15,000.00	\$ -
7	Paint	1	\$ 15,000.00	LS	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 15,000.00	\$ -
8	Specialties	1	\$ 4,000.00	LS	\$ 4,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 4,000.00	\$ -
9	Building	1	\$ 325,000.00	LS	\$ 325,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 325,000.00	\$ -
10	Building Erection	1	\$ 70,000.00	LS	\$ 70,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 70,000.00	\$ -
11	Hangar Door	1	\$ 100,000.00	LS	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 100,000.00	\$ -
12	HVAC	1	\$ 50,000.00	LS	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 50,000.00	\$ -
13	Fire Protection	1	\$ 150,000.00	LS	\$ 150,000.00	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	3.33%	\$ 145,000.00	\$ 500.00
14	Plumbing	1	\$ 50,000.00	LS	\$ 50,000.00	\$ 11,580.00	\$ 18,000.00	\$ -	\$ 29,580.00	59.16%	\$ 20,420.00	\$ 2,958.00
15	Electrical	1	\$ 110,000.00	LS	\$ 110,000.00	\$ 22,000.00	\$ 15,000.00	\$ -	\$ 37,000.00	33.64%	\$ 73,000.00	\$ 3,700.00
16	Mobilization	1	\$ 100,000.00	LS	\$ 100,000.00	\$ 50,000.00	\$ 25,000.00	\$ -	\$ 75,000.00	75.00%	\$ 25,000.00	\$ 7,500.00
17	As-Built Topographic Survey	1	\$ 11,000.00	LS	\$ 11,000.00	\$ 2,200.00	\$ -	\$ -	\$ 2,200.00	20.00%	\$ 8,800.00	\$ 220.00
18	Remove Existing Asphalt Pavement	700	\$ 5.00	SY	\$ 3,500.00	\$ 2,800.00	\$ -	\$ -	\$ 2,800.00	80.00%	\$ 700.00	\$ 280.00
19	Remove Existing Metal Fence	400	\$ 1.00	LF	\$ 400.00	\$ 360.00	\$ -	\$ -	\$ 360.00	90.00%	\$ 40.00	\$ 36.00
20	Remove Existing 6" CI Water Pipe	100	\$ 90.00	LF	\$ 9,000.00	\$ 9,000.00	\$ -	\$ -	\$ 9,000.00	100.00%	\$ -	\$ 900.00
21	Remove Existing Signs	7	\$ 50.00	EA	\$ 350.00	\$ 350.00	\$ -	\$ -	\$ 350.00	100.00%	\$ -	\$ 35.00
22	Erosion Control	1	\$ 3,000.00	LS	\$ 3,000.00	\$ 900.00	\$ -	\$ -	\$ 900.00	30.00%	\$ 2,100.00	\$ 90.00
23	Unclassified Excavation	600	\$ 15.00	CY	\$ 9,000.00	\$ 9,000.00	\$ -	\$ -	\$ 9,000.00	100.00%	\$ -	\$ 900.00
24	Subgrade Stabilization	850	\$ 8.00	SY	\$ 6,800.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 6,800.00	\$ -
25	Prepared Soil Layer	1,700	\$ 8.00	SY	\$ 13,600.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 13,600.00	\$ -
26	Optional Base Group IV	800	\$ 15.00	SY	\$ 12,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 12,000.00	\$ -
27	Bituminous Pavement Milling	30	\$ 180.00	SY	\$ 5,400.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 5,400.00	\$ -

CONTINUATION SHEET

AIA DOCUMENT G703

(Instructions on reverse side)

PAGE OF 4 PAGES

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing contractor's signed Certification, is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column 1 on Contracts where variable retainage for line items may apply.

APPLICATION NO: Five (5)
APPLICATION DATE: 8/14/2015
PERIOD TO: 8/5/2015

A ITEM NO.	B DESCRIPTION OF WORK	C QTY	D UNIT PRICE	E UNIT	F SCHEDULED VALUE		G WORK PREVIOUS APPLICATION (D+E)		H MATERIALS PRESENTLY STORED (NOT IN D O R E)		I TOTAL COMPLETED AND STORED TO DATE (D + E + F)		J % (G ÷ C)	K BALANCE TO FINISH (C - G)	L RETAINAGE (IF VARIABLE) RATE)
28	Type SP-12.5 Asphalt Surface Course	90	\$ 170.00	TON	\$ 15,300.00		\$ -		\$ -		\$ -		0.00%	\$ 15,300.00	-
29	Type "C" Inlet	3	\$ 3,000.00	EA	\$ 9,000.00		\$ 9,000.00		\$ -		\$ 9,000.00		100.00%	\$ -	\$ 900.00
30	Raise Top of Existing Inlet	1	\$ 1,400.00	EA	\$ 1,400.00		\$ 1,400.00		\$ -		\$ 1,400.00		100.00%	\$ -	\$ 140.00
31	6" PVC (Roof Drain Connections)	160	\$ 18.00	LF	\$ 2,880.00		\$ 540.00		\$ -		\$ 1,540.00		53.47%	\$ 1,340.00	\$ 154.00
32	12" Type S CPP	72	\$ 25.00	LF	\$ 1,800.00		\$ 1,800.00		\$ -		\$ 1,800.00		100.00%	\$ -	\$ 180.00
33	15" Type S CPP	156	\$ 26.00	LF	\$ 4,056.00		\$ 4,056.00		\$ -		\$ 4,056.00		100.00%	\$ -	\$ 405.60
34	Type F Concrete Curb & Gutter	315	\$ 17.00	LF	\$ 5,355.00		\$ -		\$ -		\$ -		0.00%	\$ 5,355.00	-
35	Concrete Sidewalk	140	\$ 28.00	SY	\$ 3,920.00		\$ -		\$ -		\$ -		0.00%	\$ 3,920.00	-
36	Sodding	1,700	\$ 2.25	SY	\$ 3,825.00		\$ -		\$ -		\$ -		0.00%	\$ 3,825.00	-
37	Stop Signs	2	\$ 225.00	EA	\$ 450.00		\$ -		\$ -		\$ -		0.00%	\$ 450.00	-
38	Handicap Parking Lot	1	\$ 225.00	EA	\$ 225.00		\$ -		\$ -		\$ -		0.00%	\$ 225.00	-
39	Non-Reflective Pavement Marking	150	\$ 6.00	SF	\$ 900.00		\$ -		\$ -		\$ -		0.00%	\$ 900.00	-
40	Thermoplastic Stop Bar Marking	50	\$ 25.00	SF	\$ 1,250.00		\$ -		\$ -		\$ -		0.00%	\$ 1,250.00	-
41	12" Fire Protection Line Connection (Incl. 12"x10" MJ Tee & Thrust Block)	1	\$ 5,000.00	LS	\$ 5,000.00		\$ 5,000.00		\$ -		\$ 5,000.00		100.00%	\$ -	\$ 500.00
42	12" Gate Valve	1	\$ 3,200.00	EA	\$ 3,200.00		\$ 3,200.00		\$ -		\$ 3,200.00		100.00%	\$ -	\$ 320.00
43	12" PVC Fire Line	40	\$ 150.00	LF	\$ 6,000.00		\$ 6,000.00		\$ -		\$ 6,000.00		100.00%	\$ -	\$ 600.00
44	10" Double Check Assembly	1	\$ 17,000.00	EA	\$ 17,000.00		\$ 17,000.00		\$ -		\$ 17,000.00		100.00%	\$ -	\$ 1,700.00
45	FDC, Complete in Place	1	\$ 5,000.00	EA	\$ 5,000.00		\$ 5,000.00		\$ -		\$ 5,000.00		100.00%	\$ -	\$ 500.00
46	2" PVC Connection to New Fire Line (Incl. Fg	10	\$ 250.00	LF	\$ 2,500.00		\$ 2,500.00		\$ -		\$ 2,500.00		100.00%	\$ -	\$ 250.00
47	1.5" Meter Assembly (Complete in Place)	1	\$ 1,600.00	EA	\$ 1,600.00		\$ 1,600.00		\$ -		\$ 1,600.00		100.00%	\$ -	\$ 160.00
48	1.5" Poly tubing	30	\$ 50.00	LF	\$ 1,500.00		\$ 1,500.00		\$ -		\$ 1,500.00		100.00%	\$ -	\$ 150.00
49	Relocate Existing Fire Hydrant & Valve Assy	1	\$ 6,500.00	EA	\$ 6,500.00		\$ 6,500.00		\$ -		\$ 6,500.00		100.00%	\$ -	\$ 650.00
50	Adjust Existing Water Valve	2	\$ 1,000.00	EA	\$ 2,000.00		\$ 2,000.00		\$ -		\$ 2,000.00		100.00%	\$ -	\$ 200.00
51	Oil-Water Separator (Lindsey 5000G)	1	\$ 36,188.06	EA	\$ 36,188.06		\$ 32,569.25		\$ -		\$ 32,569.25		90.00%	\$ 3,618.81	\$ 3,256.93
52	4" PVC Gravity Sewer Pipe	35	\$ 50.00	LF	\$ 1,750.00		\$ 1,750.00		\$ -		\$ 1,750.00		100.00%	\$ -	\$ 175.00

CONTINUATION SHEET

AIA DOCUMENT G703

(Instructions on reverse side) PAGE OF 4 PAGES

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT,

containing contractor's signed Certification, is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column 1 on Contracts where variable retainage for line items may apply.

APPLICATION NO: Five (5)

APPLICATION DATE: 8/14/2015

PERIOD TO: 8/5/2015

A ITEM NO.	B DESCRIPTION OF WORK	C QTY	D UNIT PRICE	E SCHEDULED VALUE	F WORK COMPLETED		G MATERIALS PRESENTLY STORED (NOT IN D O R E)	H TOTAL COMPLETED AND STORED TO DATE (D + E + F)	I % (G + C)	J BALANCE TO FINISH (C - G)	K RETAINAGE (IF VARIABLE) RATE)
					FROM PREVIOUS APPLICATION (D+E)	THIS PERIOD					
53	6" PVC Gravity Sewer Lateral	200	\$ 50.00	\$ 10,000.00	\$ 10,000.00	-	\$ -	\$ 10,000.00	100.00%	\$ -	\$ 1,000.00
54	Adjust Existing Sanitary Sewer Manhole	1	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	-	\$ -	\$ 1,500.00	100.00%	\$ -	\$ 150.00
55	Convert Single-Dumpster Trash Enclosure to Double Dumpster Trash Enclosure	1	\$ 2,000.00	\$ 2,000.00	\$ 400.00	600.00	\$ -	\$ 1,000.00	50.00%	\$ 1,000.00	\$ 100.00
56	Concrete Flume	2	\$ 300.00	\$ 600.00	\$ -	-	\$ -	\$ -	0.00%	\$ 600.00	\$ -
57	Concrete Wheel Stop	6	\$ 100.00	\$ 600.00	\$ -	-	\$ -	\$ -	0.00%	\$ 600.00	\$ -
58	Temporary Chain-Link Fence	350	\$ 10.00	\$ 3,500.00	\$ 3,500.00	-	\$ -	\$ -	100.00%	\$ -	\$ 350.00
59	Metal Fence	200	\$ 20.00	\$ 4,000.00	\$ -	-	\$ -	\$ -	0.00%	\$ 4,000.00	\$ -
60	LAG M45 Lavender Crape Myrtle-45 gal.	5	\$ 285.00	\$ 1,425.00	\$ -	-	\$ -	\$ -	0.00%	\$ 1,425.00	\$ -
61	LAG RED Red Crape Myrtle-30 gal.	11	\$ 200.00	\$ 2,200.00	\$ -	-	\$ -	\$ -	0.00%	\$ 2,200.00	\$ -
62	QUE C65 Cathedral Live Oak-65 gal.	1	\$ 1,000.00	\$ 1,000.00	\$ -	-	\$ -	\$ -	0.00%	\$ 1,000.00	\$ -
63	SAB REL Sabal Palm-Relocated-B & B	4	\$ 110.00	\$ 440.00	\$ -	-	\$ -	\$ -	0.00%	\$ 440.00	\$ -
64	SAB PAL Sabal Palm-B & B	27	\$ 200.00	\$ 5,400.00	\$ -	-	\$ -	\$ -	0.00%	\$ 5,400.00	\$ -
65	VIB SUS Sandankwa Viburnum-3 gal.	9	\$ 15.00	\$ 135.00	\$ -	-	\$ -	\$ -	0.00%	\$ 135.00	\$ -
66	IXO PE3 Dwarf Red Taiwan Ixora-3 gal.	108	\$ 15.00	\$ 1,620.00	\$ -	-	\$ -	\$ -	0.00%	\$ 1,620.00	\$ -
67	RHA IND Indian Hawthorn-3 gal.	256	\$ 15.00	\$ 3,840.00	\$ -	-	\$ -	\$ -	0.00%	\$ 3,840.00	\$ -
68	LJR BIG Big Blue Liriope-1 gal.	772	\$ 5.00	\$ 3,860.00	\$ -	-	\$ -	\$ -	0.00%	\$ 3,860.00	\$ -
69	MUL Mulch-SF	540	\$ 0.50	\$ 270.00	\$ -	-	\$ -	\$ -	0.00%	\$ 270.00	\$ -
70	Irrigation System (Incl. Well)	1	\$ 30,000.00	\$ 30,000.00	\$ -	-	\$ -	\$ -	0.00%	\$ 30,000.00	\$ -
71	One 1" Sch40 PVC Conduit (Hand Excavated Furnish & Install in Earth/Complete in Place)	250	\$ 6.40	\$ 1,600.00	\$ -	-	\$ -	\$ -	0.00%	\$ 1,600.00	\$ -
72	One 2" Sch40 PVC Conduit (Hand Excavated Furnish & Install in Earth/Complete in Place)	150	\$ 10.00	\$ 1,500.00	\$ -	-	\$ -	\$ -	0.00%	\$ 1,500.00	\$ -
73	One 3" Sch40 PVC Conduit (Hand Excavated Furnish & Install in Earth/Complete in Place)	400	\$ 8.75	\$ 3,500.00	\$ -	-	\$ -	\$ -	0.00%	\$ 3,500.00	\$ -

CONTINUATION SHEET

AIA DOCUMENT G703

(Instructions on reverse side) PAGE OF 4 PAGES

AIA Document G702, APPLICATION AND CERTIFICATE FOR PAYMENT, containing contractor's signed Certification, is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column 1 on Contracts where variable retainage for line items may apply.

APPLICATION NO: Five (5)

APPLICATION DATE: 8/14/2015

PERIOD TO: 8/5/2015

A	B	C	D	E	F	G	H	I				
ITEM NO.	DESCRIPTION OF WORK	QTY	UNIT PRICE	UNIT	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN DORE)	TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G ÷ C)	BALANCE TO FINISH (C - G)	RETAINAGE (IF VARIABLE) RATE)
						FROM PREVIOUS APPLICATION (D+E)	THIS PERIOD					
74	One 3" Sch40 PVC Conduit, Concrete Encased (Hand Excavated Furnish & Install in Earth/Complete in Place)	250	\$ 26.00	LF	\$ 6,500.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 6,500.00	\$ -
75	One 4" Sch40 PVC Conduit (Hand Excavated Furnish & Install in Earth/Complete in Place)	150	\$ 14.00	LF	\$ 2,100.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 2,100.00	\$ -
76	#10 XHHW Conductors (Furnish & Install in New Conduit System)	700	\$ 1.90	LF	\$ 1,330.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 1,330.00	\$ -
77	#4/0 XHHW Conductors (Furnish & Install in New Conduit System)	950	\$ 9.60	LF	\$ 9,120.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 9,120.00	\$ -
78	#300KCM XHHW Conductors (Furnish & Install in New Conduit System)	1,700	\$ 11.50	LF	\$ 19,550.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 19,550.00	\$ -
80	Core Drill Existing Pull Box in Earth & Connect to Conduit System (Complete)	1	\$ 1,350.00	EA	\$ 1,350.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 1,350.00	\$ -
81	New Single Luminaire, Concrete Pole & Pull Box Installed in Earth (Complete in Place)	2	\$ 4,600.00	EA	\$ 9,200.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 9,200.00	\$ -
82	Relocation of Existing Pull Box (Complete)	1	\$ 1,000.00	EA	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 1,000.00	\$ -
83	Removal of Existing A T & T Pull Box and Conduit Systems (Complete)	1	\$ 1,000.00	EA	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 1,000.00	\$ -
84	Removal of Existing Light Pole, Fixture & Pull Box (Complete)	1	\$ 500.00	EA	\$ 500.00	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 500.00	\$ -
85	Allowances - F P & L	1	\$ 30,000.00	EA	\$ 30,000.00	\$ 12,545.00	\$ -	\$ -	\$ 12,545.00	41.82%	\$ 17,455.00	\$ 1,254.50
	Totals				\$ 1,771,191.06	\$ 358,923.25	\$ 189,600.00	\$ -	\$ 548,523.25	30.97%	\$1,222,667.81	\$ 54,852.33

Michael Baker
INTERNATIONAL

MICHAEL BAKER INTERNATIONAL, INC.

5200 Belfort Road
Concourse III, Suite 110
Jacksonville, FL 32256
(904) 380-2500
(803) 231-3915 Billing

JULY 21, 2015

MR. MICHAEL D. POWELL, C.M., ACE
CEO
TITUSVILLE - COCOA AIRPORT AUTHORITY
355 GOLDEN KNIGHTS BOULEVARD
TITUSVILLE, FL 32780

REQUEST NO. 3
PROJECT NO. 146363
FM #433520-1

RE: RSA COMPLIANCE & SHORELINE STABILIZATION
RUNWAY 11-29 SAFETY AREA IMPROVEMENT

INVOICE NO. 913001

FOR FEES BILLED FROM JUNE 1, 2015 THROUGH JUNE 30, 2015

CV				<u>INVOICED</u> <u>THIS PERIOD</u>		<u>INVOICED</u> <u>TO DATE</u>	
\$701,498.00							
CONSTRUCTION MANAGEMENT							
15.39% COMPLETE OF \$145,022.00				\$11,262.45		\$22,312.81	
RPR INSPECTION-MERRITT ISLAND AIRPORT							
INSPECTOR	NTE	\$170,775.00	<u>RATE</u> \$115.00	<u>HRS.</u> 96.00	\$11,040.00 ✓	<u>HRS.</u> 28.00	\$14,260.00
RPR EXPENSES				<u>UNITS</u>		<u>UNITS</u>	
MEALS (WEEK)		\$4,950.00	\$150.00	2.00	\$300.00	0.00	\$300.00
VEHICLE (WEEK)		\$5,940.00	\$180.00	2.00	\$360.00	2.27	\$768.00
LODGING (WEEK)		\$8,250.00	\$250.00	2.00	\$500.00	0.00	\$500.00
		\$19,140.00			\$1,160.00 ✓		\$1,568.00
RPR INSPECTION-OFF-SITE MITIGATION AREA							
INSPECTOR	NTE	\$48,000.00 ✓	<u>RATE</u> \$100.00	<u>HRS.</u> 8	\$800.00 ✓	<u>HRS.</u> 0.00	\$800.00
RPR EXPENSES				<u>UNITS</u>		<u>UNITS</u>	
MEALS (WEEK)		\$1,800.00	\$150.00	0.40	\$60.00	0.00	\$60.00
VEHICLE (WEEK)		\$2,160.00	\$180.00	0.40	\$72.00	0.00	\$72.00
LODGING (WEEK)		\$3,000.00	\$250.00	0.40	\$100.00	0.00	\$100.00
		\$6,960.00			\$232.00 ✓		\$232.00
ENVIRONMENTAL CONSTRUCTION SERVICES							
13% COMPLETE OF \$33,852.00				\$2,449.46 ✓		\$4,417.61	
DERELICT VESSEL REMOVAL & SURVEY							
1.695% COMPLETE OF \$42,286.00				\$715.69 ✓		\$716.70	
CONSTRUCTION TESTING (SUB)							
0% COMPLETE OF \$40,000.00				\$0.00		\$0.00	
MITIGATION MONITORING & MITIGATION REPORTS							
0% COMPLETE OF \$195,463.00				\$0.00		\$0.00	
				\$3,165.15 ✓		\$5,134.31	
TOTAL EARNINGS				\$27,659.60 ✓		\$44,307.12	
AMOUNT DUE THIS INVOICE						\$27,659.60	

Electronic Payment:
Michael Baker International, Inc.
Citizens Bank
ABA: 036-076-150
Account No.: 6101710975
SWIFT: CTZIUS33

Mail Payment:
P O Box 536408
Pittsburgh, PA 15253-5906

Michael Powell
7/21/15

APPLICATION AND CERTIFICATION FOR PAYMENT

TO OWNER:

Titusville Cocoa Airport Authority
355 Golden Knights Blvd.
Titusville, Florida 32780

PROJECT: Environmental Mitigation
Property Improvements

FROM CONTRACTOR:

Sterling Enterprises, L.L.C.
PO Box 714
Lake Helen FL 32744

VIA ENGINEER:

Michael Baker International, Inc.
5200 Belfort Rd., Suite 110
Jacksonville, FL 32256

AIA DOCUMENT G702

PAGE ONE OF TWO PAGES

APPLICATION NO: 1
APPLICATION DATE: _____
PERIOD TO: _____
DISTRIBUTION TO:
☐ OWNER
☒ ENGINEER
☐ CONTRACTOR

PROJECT NOS: 137445
OWNER NO. 135986
ARCHITECT NO. _____
CONTRACTOR NO. _____
CONTRACT DATE: 04/15/15

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM \$ 350,963.92
2. Net change by Change Orders \$0.00
3. CONTRACT SUM TO DATE (Line 1 + 2) \$ 350,963.92
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703) \$ 24,562.50
5. RETAINAGE:
 - a. 10% of Completed Work \$ 2,456.25
 - (Cell G225 on G703)

CONTRACTOR: Sterling Enterprises

By:  Date: 8-3-15

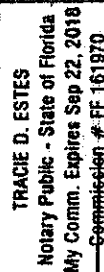
State of FLORIDA

County of Volusia

Subscribed and sworn to before me this 3rd day of Aug

Notary Public Tracie Estes

My Commission expires: 9-22-18



Total in Column I of G703)

6. TOTAL EARNED LESS RETAINAGE \$ 2,456.25
(Line 4 Less Line 5 Total) \$ 22,106.25

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)

8. CURRENT PAYMENT DUE \$ 22,106.25

9. BALANCE TO FINISH, INCLUDING RETAINAGE \$ 328,857.67
(Line 3 less Line 6)

AMOUNT CERTIFIED \$ 22,106.25

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$0.00	\$0.00
Total approved this Month	\$0.00	\$0.00
TOTALS	\$0.00	\$0.00
NET CHANGES by Change Order	\$0.00	

Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.

By: Aaron McDaniel, P.E. Date: 8/13/2015

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

AIA DOCUMENT G702 APPLICATION AND CERTIFICATION FOR PAYMENT 1992 EDITION AIA ©1992

Users may obtain validation of this document by requesting a completed AIA Document D401 - Certification of Document's Authenticity from the Licensee.

THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVE., N.W., WASHINGTON, DC 20006-5292

CONTRACTOR SHEET
AIA Document G712, APPLICATION AND CERTIFICATE FOR PAYMENT, containing
Contractor's signed Certification is attached.
Modifications below, amounts are stated to the nearest dollar.
Use Column 1 on Contracts where variable retainage for line items may apply

APPLICATION :
APPLICATION DATE :
PROJECT NO :
OWNER PROJECT NO :
CONTRACTOR PROJECT NO :

Item No.	Bid Ref. No.	Description of Work	Total Under Qty	U O M	Unit Cost	Scheduled Value	Previous		Work Completed This Period		Balance To Finish		Retainage
							Units	Amount	Units	Amount	Units	Amount	
D1000		Mobilization	1.00		24,450.00	24,450.00							
02000		Construction layout & Topo As Built	1.00		15,000.00	15,000.00	3.00	45,000.00	6,113.20		0.75	15,337.50	611.25
02001		Two 36" CMP Culverts & Flap Gates	1.00		158,128.80	158,128.80	3.00	474,386.40	3,750.00		0.00	11,250.00	375.00
P-158		Broken & Turbidity Control	1.00		13,900.00	13,900.00	2.00	27,800.00	0.00		1.00	158,128.30	0.00
T-472		Intel Eutic Plant Control	1.00		40000	40,000.00	3.00	120,000.00	0.00		1.00	13,000.00	0.00
02050		Electric Spools (2' Oak)	1.00		9,872.40	9,872.40	1.00	9,872.40	0.00		0.00	34,300.00	1,470.00
02060		Tree Plantings (Mangroves/Butternutwoods)	1.00		21,863.52	21,863.52	1.00	21,863.52	0.00		1.00	9,872.40	0.00
02060		Maintenance/Eutic Species Control - Yr 1	1.00		15,200.00	15,200.00	2.00	30,400.00	0.00		1.00	21,863.52	0.00
02060		Maintenance/Eutic Species Control - Yr 2	1.00		15,200.00	15,200.00	1.00	15,200.00	0.00		1.00	15,200.00	0.00
02060		Project Specific Aerial Photographs	6.00		1,225.00	7,350.00	1.00	1,225.00	0.00		0.00	7,350.00	0.00
02060		Allowance (Airport Use Visual)	1.00		20,000.00	20,000.00	1.00	20,000.00	0.00		1.00	20,000.00	0.00
							0.00		0.00		0.00	0.00	0.00
									0.00		0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0.00	0.00	0.00
											0		