

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

Timothy V. Corrigan
District I

Douglas B. Monger
District II

M. Elizabeth Melton
District III

Commissioners' Daily COVID-19 Agenda

May 1, 2020

LIVE AUDIO WILL BE AVAILABLE BY CALLING 1 (669) 900-6833.

MEETING ID: 522 308 0487

PASSWORD: 522

The Routt County Board of County Commissioners or Board of Health may enter executive session pursuant to C.R.S. 24-6-402(4)(b) to receive legal advice related to specific legal questions concerning Routt County's COVID-19 response.

1. 10:30 A.M. CALL TO ORDER

2. WEEKLY UPDATE FROM EMERGENCY OPERATIONS DIRECTOR

David DeMorat, County Emergency Operations Director, will give a weekly update on the COVID-19 crisis to the Board of Commissioners.

3. COVID-19 WORK SESSION

The Commissioners will address critical items for regular county and emergency operations related to the COVID-19 pandemic. Action may be taken and direction to staff may be given in relation to any of these items.

4. COMMUNICATIONS CENTER / JASON NETTLES

ESINET GRANT AGREEMENT – CONTRACT EXTENSION

Consideration to approve the extension of the agreement and for the Chair to sign the extension document with the State of Colorado, Department of Regulatory Agencies.

Documents:

[BCC ACF 2020 COMMUNICATIONS ESINET REIMBURSEMENT GRANT-EXTENSION.PDF](#)
[CTGG1 SGAA 2020-2792 AMENDMENT 1.PDF](#)

5. HUMAN RESOURCES / KATHY NELSON

BI -WEEKLY PAY & ARREARS PAYROLL TRANSITION

Discussion and Direction on the Bi-weekly Pay & Arrears Payroll Transition

Documents:

[AGENDA ITEM -BI-WEEKLY AND ARREARS PAY TRANSITION.PDF](#)

COMPENSATION AND 2020 SALARY SURVEY DISCUSSION

Discussion and Direction on Employee Compensation and 2020 Compensation Survey.

Documents:

SUSPEND THE TUITION REIMBURSEMENT PROGRAM

Consideration to Approve Suspending the Routt County Tuition Reimbursement Program in 2020.

Documents:

[BCC FORM- TUITION.PDF](#)

6. YAMPA VALLEY REGIONAL AIRPORT / KEVIN BOOTH

ROUTT COUNTY AND ATLANTIC AVIATION LEASE AGREEMENT

Consideration for approval and authorization for the Chair to sign the Amended and Restated FBO Operations and Lease Agreement between Routt County and Atlantic Aviation-Steamboat-Hayden LLC.

Documents:

[BCC AGENDA FORM FOR ATLANTIC AVIATION LEASE AGREEMENT
27 APR 20.PDF](#)
[HDN - FBO OPERATIONS AND LEASE AGREEMENT FINAL AS OF 27
APR 20.PDF](#)
[GALAXY CONTRACT 2008 EXECUTION COPY.PDF](#)
[SIGNED GALAXY ASSIGNMENT OF LEASE TO ATLANTIC.PDF](#)
[FIRST AMENDMENT TO FBO LEASE 10 27 2011 SIGNED.PDF](#)
[SIGNED 2ND AMENDMENT TO FBO OPERATIONS AND LEASE
AGREEMENT 18 JAN 18.PDF](#)

7. PUBLIC COMMENT

Public Comment will be heard on any item except quasi-judicial land use items. County Commissioners will take public comment under consideration but will not make any decision or take action at this time.

1. DUE TO THE CURRENT PANDEMIC, THE COUNTY COMMISSIONERS REQUEST CITIZENS ATTEND THE MEETINGS VIA PHONE. Because public access to the Courthouse has been curtailed we request public comment be submitted in writing to bcc@co.routt.co.us. Public comments will be entered into the record. Please indicate in the subject line of your message that it is public comment and reference the agenda item to which it relates.

8. 1:00 P.M. MEETING ADJOURNED

LIVE AUDIO WILL BE AVAILABLE BY CALLING 1 (669) 900 6833.
MEETING ID: 522 308 0487
PASSWORD: 522

All programs, services and activities of Routt County are operated in compliance with the Americans with Disabilities Act. If you need a special accommodation as a result of a disability, please call the Commissioners Office at (970) 879-0108 to assure that we can meet your needs. Please notify us of your request as soon as possible prior to the scheduled event. Routt County uses the Relay Colorado service. Dial 711 or TDD (970) 870-5444.

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA COMMUNICATION FORM

ITEM DATE: May, 2020	ITEM TIME:
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FROM:	Jason Nettles
TODAY'S DATE:	April 28, 2020
AGENDA TITLE:	2020 Communications ESINet Reimbursement Grant Contract-Extension

CHECK ONE THAT APPLIES TO YOUR ITEM:
<input checked="" type="checkbox"/> X ACTION ITEM
<input type="checkbox"/> DIRECTION
<input type="checkbox"/> INFORMATION

I. DESCRIBE THE REQUEST OR ISSUE:

Consideration for the Board of County Commissioners to approve the extension of original agreement with the State of Colorado, Department of Regulatory Agencies. (Originally approved by the BCC on March 17, 2020).

II. RECOMMENDED ACTION:

Motion to approve the extension of the agreement and for the chair to sign the extension document with the State of Colorado, Department of Regulatory Agencies.

III. DESCRIBE FISCAL IMPACTS (VARIATION TO BUDGET):

PROPOSED REVENUE: N/A
PROPOSED EXPENDITURE: N/A
FUNDING SOURCE: N/A – Approved originally 3/17/2020

IV. IMPACTS OF A REGIONAL NATURE OR ON OTHER JURISDICTIONS (IDENTIFY ANY COMMUNICATIONS ON THIS ITEM):

N/A

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA COMMUNICATION FORM

V. BACKGROUND INFORMATION:
The previously approved Grant Agreement Contract (CTGG1 SGAA 2020-2792) expired on 7/30/2020. However, due to the COVID-19 pandemic, the State of Colorado - DORA decided that it would be best to extend the expiration date to account for any other unforeseen delays. This amendment extends the expiration date to 12/31/2021.
VI. LEGAL ISSUES:
The grant documentation and agreement was previously reviewed by the County Attorney.
VII. CONFLICTS OR ENVIRONMENTAL ISSUES:
None
VIII. SUMMARY AND OTHER OPTIONS:

1. PARTIES

This Amendment (the “Amendment”) to the Original Contract shown on the Signature and Cover Page for this Amendment (the “Contract”) is entered into by and between the Contractor, and the State.

2. TERMINOLOGY

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

3. AMENDMENT EFFECTIVE DATE AND TERM

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date, and shall have no obligation to pay Contractor for any Work performed or expense incurred under this Amendment either before or after of the Amendment term shown in **§3.B** of this Amendment.

B. Amendment Term

The Parties’ respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment, and shall terminate on the termination of the Contract.

4. MODIFICATIONS

The purpose of this amendment is to extend the expiration date of the contract CTGG1 SGAA 2020-2792 due to work stoppages and delays caused by the COVID-19 pandemic.

The Contract and all prior amendments thereto, if any, are modified as follows:

A. The Contract Initial Contract Expiration Date on the Contract’s Signature and Cover Page is hereby deleted and replaced with the Current Contract Expiration Date shown on the Signature and Cover Page for this Amendment.

B. All other Terms, Conditions and Pricing remain unchanged

5. LIMITS OF EFFECT AND ORDER OF PRECEDENCE

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments or other modifications to the Contract, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Contract, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract or any prior modification to the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Contract to the extent that this Amendment specifically modifies those Special Provisions.

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA COMMUNICATION FORM

ITEM DATE: May 1, 2020	ITEM TIME:
FROM:	Kathy Nelson, Human Resources Director
TODAY'S DATE:	April 28, 2020
AGENDA TITLE:	Bi-Weekly & Arrears Payroll Transition
CHECK ONE THAT APPLIES TO YOUR ITEM:	
<input type="checkbox"/> ACTION ITEM	
<input checked="" type="checkbox"/> DIRECTION	
<input type="checkbox"/> INFORMATION	
I. DESCRIBE THE REQUEST OR ISSUE:	
Bi-weekly Pay & Arrears Payroll Transition	
II. RECOMMENDED ACTION:	
Discussion and Direction on the Bi-weekly Pay & Arrears Payroll Transition	
III. DESCRIBE FISCAL IMPACTS (VARIATION TO BUDGET):	
PROPOSED REVENUE: Unknown	
PROPOSED EXPENDITURE: Unknown	
FUNDING SOURCE: Unknown	
IV. IMPACTS OF A REGIONAL NATURE OR ON OTHER JURISDICTIONS (IDENTIFY ANY COMMUNICATIONS ON THIS ITEM):	
NA	
V. BACKGROUND INFORMATION:	
<p>The bi-weekly & arrears payroll transition is scheduled for July 2021. The planning and implementation process is in progress and is scheduled to continue until we go live in 2021.</p> <p>Accounting and Human Resources has identified that there will be an adverse financial impact to both the County and the employee. Financial planning and budgeting will be required for all. In an effort to offer financial assistance to employees, Routt County has planned to offer short-term loans as well as allow staff to utilize 40 hours of their vacation time to offset a 10-day loss of pay due to moving from current to arrears; this loss will be recouped upon separation with the County.</p> <p>Because of the economic downturn from the COVID pandemic, carrying out this transition in July 2021 may pose a substantial financial hardship to both the County and the employees and it is recommended this project is delayed until the economy has stabilized.</p>	

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA COMMUNICATION FORM

VI. LEGAL ISSUES:

The County Attorneys and interim County Manager have reviewed this Resolution and their edits are included.

VII. CONFLICTS OR ENVIRONMENTAL ISSUES:

None

VIII. SUMMARY AND OTHER OPTIONS:

The Board can adopt this Resolution, make edits to it or deny it.

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA COMMUNICATION FORM

ITEM DATE: May 1, 2020		ITEM TIME:
FROM:	Kathy Nelson, Human Resources Director	
TODAY'S DATE:	April 28, 2020	
AGENDA TITLE:	Compensation Discussion	
CHECK ONE THAT APPLIES TO YOUR ITEM:		
<input type="checkbox"/> ACTION ITEM		
<input checked="" type="checkbox"/> DIRECTION		
<input type="checkbox"/> INFORMATION		
I. DESCRIBE THE REQUEST OR ISSUE:		
2020 Salary Survey & Compensation Discussion		
II. RECOMMENDED ACTION:		
Discussion and Direction on Employee Compensation and 2020 Compensation Survey		
III. DESCRIBE FISCAL IMPACTS (VARIATION TO BUDGET):		
PROPOSED REVENUE: Unknown		
PROPOSED EXPENDITURE: Unknown		
FUNDING SOURCE: Unknown		
IV. IMPACTS OF A REGIONAL NATURE OR ON OTHER JURISDICTIONS (IDENTIFY ANY COMMUNICATIONS ON THIS ITEM):		
NA		
V. BACKGROUND INFORMATION:		
Discussion on employee compensation and 2020 compensation survey.		
VI. LEGAL ISSUES:		
NA		
VII. CONFLICTS OR ENVIRONMENTAL ISSUES:		
None		
VIII. SUMMARY AND OTHER OPTIONS:		
NA		

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA COMMUNICATION FORM

ITEM DATE: May 1, 2020	ITEM TIME:
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FROM:	Kathy Nelson, Human Resources Generalist
TODAY'S DATE:	April 28, 2020
AGENDA TITLE:	Consideration to Approve Suspending the Routt County Tuition Reimbursement Program in 2020.

CHECK ONE THAT APPLIES TO YOUR ITEM:	
<input checked="" type="checkbox"/> ACTION ITEM	
<input type="checkbox"/> DIRECTION	
<input type="checkbox"/> INFORMATION	

I. DESCRIBE THE REQUEST OR ISSUE:
Request Approval to Suspend the Routt County Tuition Reimbursement Program in 2020.

II. RECOMMENDED ACTION:
Recommend Approval to Suspend the Routt County Tuition Reimbursement Program in 2020.

III. DESCRIBE FISCAL IMPACTS (VARIATION TO BUDGET):
PROPOSED REVENUE: NA
PROPOSED EXPENDITURE: \$4,000 annual savings to the 2020 budget.
FUNDING SOURCE: General Fund.

IV. IMPACTS OF A REGIONAL NATURE OR ON OTHER JURISDICTIONS (IDENTIFY ANY COMMUNICATIONS ON THIS ITEM):
None Known.

V. BACKGROUND INFORMATION:
<p>In 2015, the Tuition Reimbursement Program was approved by the BCC as a means of offering interested employees a chance to achieve a higher level of education, and support the County's professional workforce planning and development goals. This program has allowed Routt County to offer educational opportunities to staff that might otherwise not be available to them. To date the program has been used intermittently. We currently do not have anyone participating. In light of the current financial climate, and the need to reduce spending, I am recommending we suspend the program in 2020.</p>

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA COMMUNICATION FORM

VI. LEGAL ISSUES:

None known.

VII. CONFLICTS OR ENVIRONMENTAL ISSUES:

None known.

VIII. SUMMARY AND OTHER OPTIONS:

The Board has the option to approve the suspension of the program in 2020, extend the suspension of the program until further notice or deny the suspension of the program.

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA COMMUNICATION FORM

ITEM DATE: , 2020	ITEM TIME:
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FROM:	Kevin Booth
TODAY'S DATE:	April 27, 2020
AGENDA TITLE:	Routt County and Atlantic Aviation Lease Agreement

CHECK ONE THAT APPLIES TO YOUR ITEM:	
<input checked="" type="checkbox"/> X ACTION ITEM	
<input type="checkbox"/> DIRECTION	
<input type="checkbox"/> INFORMATION	

I. DESCRIBE THE REQUEST OR ISSUE:

Consideration for approval and authorization for the Chair to sign the Amended and Restated FBO Operations and Lease Agreement between Routt County and Atlantic Aviation-Steamboat-Hayden LLC. This agreement supersedes and replaces the Galaxy Aviation lease agreement previously assigned and assumed by Atlantic. This agreement consolidates all of Atlantic's leased and owned properties at YVRA under a single agreement; it incorporates all of the new FBO facilities completed in Nov 2019 and identifies future expansion and development areas adjacent to the new FBO facility leased under this agreement. The agreement is dated as of November 8, 2019 because this is the date Atlantic Aviation officially began operations of the new FBO and made payments in accordance with the draft agreement. Final legal reviews at Atlantic Aviation were concluded 21 Apr 20 with no further changes after Routt County Attorney's final review.

II. RECOMMENDED ACTION:

Approval and authorization for Commissioner Corrigan to sign the Amended and Restated FBO Operations and Lease Agreement between Routt County and Atlantic Aviation-Steamboat-Hayden LLC.

III. DESCRIBE FISCAL IMPACTS (VARIATION TO BUDGET):

PROPOSED REVENUE: new annual lease is \$158,863; previous annual lease was \$79,085

PROPOSED EXPENDITURE: NA

FUNDING SOURCE: NA

Revenue listed above is strictly lease payments based on updated SF rates and does not include the percentage of gross and fuel flowage fees paid by the FBO to YVRA; percentage of gross was not changed and only minor changes were made to fuel flowage fees in this new agreement.

IV. IMPACTS OF A REGIONAL NATURE OR ON OTHER JURISDICTIONS (IDENTIFY ANY COMMUNICATIONS ON THIS ITEM):

None expected

V. BACKGROUND INFORMATION:

Attachments include; the new Atlantic Aviation lease agreement; the previous lease agreement with Galaxy; the lease assignment from Galaxy to Atlantic and two recent amendments to the assigned lease agreement.

ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA COMMUNICATION FORM

VI. LEGAL ISSUES:
RC Attorney reviewed, edited and approved the lease agreement; no legal issues expected
VII. CONFLICTS OR ENVIRONMENTAL ISSUES:
None anticipated
VIII. SUMMARY AND OTHER OPTIONS:
NA

AMENDED AND RESTATED FBO OPERATIONS AND LEASE AGREEMENT

between

ROUTT COUNTY, COLORADO

and

ATLANTIC AVIATION-STEAMBOAT-HAYDEN LLC

Dated as of November 8, 2019

For Operations and Services at:
Yampa Valley Regional Airport (HDN)

AMENDED AND RESTATED FBO OPERATIONS AND LEASE AGREEMENT

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AMENDED AND RESTATED FBO OPERATIONS AND LEASE AGREEMENT

List of Exhibits

- Exhibit A Leasehold A = Phase 1 Parcel; 2019 FBO Facility Development
- Exhibit B Leasehold B = Hangar 6 & 7 (Bravo East & West), Apron and Taxiway B Connector
- Exhibit C Leasehold C = Fuel Farm Facility, Fixtures, and Fuel Truck Parking Area
- Exhibit D Leasehold D = Hangar #2, Hangar Access Area, and Vehicle Parking
- Exhibit E Leasehold E = Phase 2 Parcel; Future FBO Facility Development (Hangars)
- Exhibit F Leasehold F = Phase 3 Parcel; Future FBO Facility Development (Hangars, Apron & Parking Lots)
- Exhibit G Payments Schedule
- Exhibit H Access Gates to AOA
- Exhibit I Yampa Valley Regional Airport - Legal Description
- Exhibit J Landing Fees - Amounts and Guidelines Currently in Effect
- Exhibit K Future Development Areas
- Exhibit L County Apron Area

AMENDED AND RESTATED FBO OPERATIONS AND LEASE AGREEMENT

THIS **AMENDED AND RESTATED FBO OPERATIONS AND LEASE AGREEMENT**, dated as of [December XX, 2019] (this "Agreement"), is made and entered into by and between **ROUTT COUNTY, COLORADO**, acting by and through the Board of County Commissioners, and existing under and by virtue of the laws of the State of Colorado, hereinafter referred to as "County," and **ATLANTIC AVIATION-STEAMBOAT-HAYDEN LLC**, a Colorado limited liability company, hereinafter referred to as "Lessee."

This Agreement supersedes and replaces the **FBO OPERATIONS AND LEASE AGREEMENT** between **ROUTT COUNTY, COLORADO** and **GALAXY AVIATION OF STEAMBOAT-HAYDEN, LLC** dated August 26, 2008, as amended, assigned and assumed ("Original Agreement"). The **ASSIGNMENT AND ASSUMPTION OF LEASES** between **GALAXY AVIATION OF STEAMBOAT-HAYDEN, LLC** and **ATLANTIC AVIATION-STEAMBOAT-HAYDEN LLC** was effective as of April 30, 2014.

RECITALS:

WHEREAS, The COUNTY owns and operates the **YAMPA VALLEY REGIONAL AIRPORT**, located in **HAYDEN, ROUTT COUNTY, COLORADO**, (hereinafter called "Airport"); and

WHEREAS, COUNTY is desirous of leasing premises (hereinafter called "Premises") to LESSEE and LESSEE is desirous of leasing Premises from COUNTY, upon the terms and conditions herein contained, certain real property to be used by LESSEE for **FIXED BASED OPERATIONS**; and

WHEREAS, Premises will include real property, buildings and appurtenances as identified on Exhibits "A" through "F" attached; and

NOW THEREFORE, in consideration of the mutual promises hereinafter set forth, and for other good and valuable consideration the receipt and sufficiency of which are acknowledged by the parties, COUNTY and LESSEE agree as follows:

1. **AREA AND TERM OF LEASE.**

(A) **Leased Premises.** County, in consideration of the rents, covenants, agreements and conditions hereinafter reserved, made and entered into on the part of Lessee to be paid, performed and observed, has leased and does hereby demise, lease and let unto Lessee, and Lessee does hereby hire of and from County, in each case effective as November 8, 2019 ("Effective Date") whereby Lessee shall have occupied those buildings and parcels or tracts of land lying and being in Routt County, Colorado, and being part of the premises usually known and designated as the Yampa Valley Regional Airport (the "Airport"), and as further described in that certain legal description to be attached hereto as Exhibit I, as such legal description may be enlarged from time to time as a result of future surveys, said real property, buildings and

appurtenances being particularly bounded and described as follows (see Exhibits A - F attached hereto and made a part of this Agreement):

Leasehold A: Phase 1 Ground Lease - FBO Facility (Exhibit A) - **approx. 460,500 SF**

Leasehold B: Ground Lease – Bravo Hangars #6 & #7 (Exhibit B) - approx. 30,258 SF
Bravo Hangar Apron and connector to Taxilane B - approx. 40,150 SF
Total - approx. 70,408 SF

Leasehold C: Ground Lease - Fuel Farm & access area, fuel truck parking area - (Exhibit C)
Total - approx. 17,676 SF

Leasehold D: Building Lease - Hangar #2 (Exhibit D) - approx. 12,600 SF
Hangar #2 Access – approx. 7,625 SF
Total - approx. 20,225 SF

Leasehold E: Phase 2 Ground Lease - Future Hangars (Exhibit E) - **approx. 60,000 SF**

Leasehold F: Phase 3 Ground Lease - Future Hangars, Ramp & Parking Lots (Exhibit F)
Total - approx. 323,325 SF

Together with such portions of the Airport grounds and buildings as County may hereafter designate (all of the foregoing leaseholds plus future additional leaseholds agreed upon between Lessee and County, collectively, the "Leased Premises"). County shall provide to Lessee, within ninety (90) days (subject to any reasonable delay caused by inclement weather) after the date of this Agreement, a survey, in mutually agreeable form and substance ("Survey"), of each of Leaseholds A, B, C, D, E, F, copies of which shall be attached to each of the exhibits hereto depicting such leasehold.

(B) Term. With the exception of Leasehold D, this Agreement shall be for a term of thirty-nine (39) years (the "Base Term"), commencing on the Effective Date, and ending at midnight at the end of the day before the thirty-ninth (39th) anniversary of the Effective Date, upon the terms, conditions and stipulations set forth herein. The term for Leasehold D shall be for a term of five (5) years (the "Leasehold D Base Term"), commencing on the Effective Date, and ending at midnight at the end of the day before the fifth (5th) anniversary of the Effective Date, upon the terms, conditions and stipulations set forth herein.

(C) Extensions. The Base Term of this Agreement and the term for Leasehold D Base Term may be extended upon a mutual agreement between County and Lessee. Rent for the extended term will continue to be determined in accordance with this Agreement.

(D) Lessee's Option. During the first twenty (20) years of the Base Term, Lessee shall have the continuing, recurring option (the "Option"), from time to time, in each instance exercisable upon thirty (30) days' notice to County, to add all or any portion of the vacant parcels of land identified as Leasehold E - Phase 2 Parcel on Exhibit E, Leasehold F - Phase 3

Parcel on Exhibit F, and Future Development Areas on Exhibit K (as the same may be updated from time to time in accordance with Section 1 (A)) above, which upon the exercise of such Option, shall be subject to the terms and conditions of this Agreement.

2. USES/PURPOSES/LIMITATIONS.

In addition to the above described property and rights, County does hereby demise and let unto Lessee, and Lessee does hereby hire and take from County, the following non-exclusive rights and privileges on and in connection with the Airport, as more particularly set forth:

(A) Use of the Airport: The reasonable use by Lessee, its employees, passengers, guests, customers, patrons and invitees, in common with other duly authorized users, of the Airport and the appurtenances thereto, together with all other facilities, equipment, services and improvements which have been or may hereafter be, from time to time, provided at or in connection with the Airport for common or public use in connection with the Airport, including, but not limited to, the landing field and any extensions thereof or additions thereto, roadways, runways, aprons, taxiways, de-icing areas, sewage and water facilities, snow storage and drainage areas, flood lights, landing lights, beacons, control tower, signals, radio aids, and all other conveniences for flying, landing, taxiing, refueling and taking off.

(B) Specific Rights at the Airport: In addition to all other rights elsewhere granted in this Agreement, Lessee shall have the right, but not the obligation, to the reasonable use of the Airport for the following specific purposes, which uses may be licensed to or carried out by Lessee or any sublessee, licensee or third-party authorized by Lessee:

(1) The operation of an aviation business for the:

(a) sale (both new and used), repair, maintenance, storage and rental of aircraft and aircraft engines, parts and the sheltering of transient aircraft (for purposes of this Section 2.B.(1), "aircraft" being defined, for the purposes of this Agreement, as any vehicle or apparatus designed to move through the air without physical contact with the ground);

(b) sale of fuel and oil and deicing services for aircraft;

(c) sale of personal accessories (including, without limitation, hats, shirts, jackets, and other clothing) and aircraft equipment and parts and other similar and related goods and chattels, including all activities reasonably necessary to Lessee's operation hereunder;

(d) operation of a complete aircraft radio repair and maintenance service;

(e) provision of general aviation services to general aviation aircraft and commercial flight services to commercial aircraft servicing the Airport;

(f) landing, taking off, taxiing, loading, repairing, maintaining, washing, conditioning, servicing, parking or storing of aircraft or other related equipment; and

(g) training at the Airport of flight students and the giving of other instruction necessary for or related to the flying of aircraft; provided, however, that the operation of any flight or ground training school shall not at any time interfere or be permitted to interfere with the operation of the Airport by County or with the operation of the Airport in accordance with agreements or leases with others, or be permitted to constitute obstructions to others duly using the Airport and its facilities. The term "interfere" shall be that interpretation as defined by the Federal Aviation Administration (the "FAA").

All of the foregoing in this subsection being hereinafter referred to as a "Fixed Base Operation".

(2) The servicing by Lessee or its suppliers, at convenient locations, of aircraft, maintenance vehicles, motor vehicles, and other equipment by truck or otherwise, with fuel, oil, grease and any other fuel supplies reasonably required by Lessee.

(3) The maintenance, repair, and upgrade of the fuel farm storage facility (the "Fuel Farm").

(4) The loading and unloading of certain property at the Airport by such motor vehicles or other means of conveyance, including aircraft, as Lessee may reasonably require in the operation of its Fixed Base Operation.

(5) The purchase at the Airport of Lessee's requirements of gasoline, fuel, lubricating oil, grease and any other materials and supplies from any person or company of Lessee's choice, and the making of agreements with any person or company of Lessee's choice of work to be done for Lessee.

(6) The installation and operation of identifying signs on the Leased Premises, and on other portions of the Airport property; provided, however, that the location, general type and design thereof is approved in writing by County, such approval not to be unreasonably withheld, delayed or conditioned; and provided further, however, that such signage does not include billboards or other third party advertising (other than identification of any supplier, sublessee or licensee of Lessee).

(7) The purchase and installation, maintenance and operation of such radio, communications, meteorological and aerial navigation equipment and facilities, in, on or about the Leased Premises as may be reasonably necessary for Lessee's operation hereunder, as approved by the FAA or any other governmental authority, and for the use of private aircraft using the Airport facilities.

(8) The right to reasonable use, in common with others, of space for parking and servicing of aircraft, on such areas at the Airport as County may determine which will not interfere with the operation of, and the use of, such areas of other persons having legitimate business upon the Airport or interfere with the accustomed operation and maintaining of the Airport terminal building.

(9) All rights of access which may be reasonably required for ingress and egress to the Airport and the Leased Premises for Lessee, its employees, passengers, guests, patrons, invitees, suppliers of materials and furnishers of services, or their respective aircraft, equipment, vehicles, machinery and other property, along such routes as may be described by County, without charge to Lessee or to the said persons or property unless there is damage to person or property, and in such event, Lessee shall be liable for any damages occasioned thereby and indemnify and hold County harmless thereof, except to the extent of the negligence of County or any other lessee or user, or their respective employees, passengers, guests, patrons, invitees and suppliers, of the Airport. Lessee's access to the Leased Premises shall be subject to all security rules, regulations and requirements imposed by any of County, the FAA or the Transportation Security Administration (the "TSA"). Lessee shall have entrances and gates to the Aircraft Operations Area (the "AOA") and agrees to comply with, as a condition of this Agreement, the Airport Security Plan (ASP) as required by County in accordance with FAA regulations, Title 14 CFR Part 107, as the same may be amended from time to time, and TSA regulations, as the same may be amended from time to time, which agreement requires Lessee to control and regulate any doors, openings or entrances to the AOA. Lessee shall comply with all applicable regulations required by the federal Department of Homeland Security. Lessee understands that pursuant to FAA regulations, Title 14 CFR Part 107, the control of every point at an airport that provides access to the AOA is the direct responsibility of the airport operator unless a valid exclusive use agreement is in effect, and accordingly, this Agreement shall serve as such an exclusive use agreement and County does hereby assign Gates F and G, and Doors 4, 4A, 4B, 4C, 4D, 4E and 4F (collectively, and as they may be substituted or added to in accordance with this section, the "Gates"), as set forth in Exhibit H attached hereto, at the Airport to Lessee as access points for the exclusive use, control and supervision of Lessee, who shall be responsible for security at the Gates. The control of all access to the AOA through the Gates shall be the sole responsibility of Lessee. Lessee shall be solely responsible for the payment of any fines or penalties assessed against County as the airport operator for any violations of any FAA regulations pertaining to access to the AOA through the Gates. County shall not make any agreement with any third party permitting such third-party access to the AOA through any of the Gates without first giving Lessee thirty (30) days written notice of the intention to do so. Lessee shall have twenty (20) days after the date of such notice to give County written notice of its election to terminate its responsibility under this Agreement for the control and supervision of the security of any such Gate. Upon Lessee's vacating the portion of the Leased Premises containing the Gates in connection with its relocation to the New FBO Facility, Lessee shall no longer be responsible for controlling all access to the AOA through the Gates, and such responsibility shall revert back to County. Upon Lessee's relocation to the New FBO Facility, Lessee shall be granted or assigned substitute gates and doors in lieu of the Gates in order to provide access to the AOA for Lessee's customers and employees, for which Lessee shall have the exclusive use and control of, and shall be responsible for supervising access through.

(10) The operation of airplane charter service for the transportation of persons and/or freight.

(11) The right to transport to and from the Airport area, by "limousine service" or otherwise, general aviation passengers and luggage and property, customers, crew, contractors, and other general aviation related people and property.

(12) The right to operate a satellite, branch or auxiliary office of any (or all) of the licensed on-airport automobile rental service operators at the Airport, as approved or authorized by the applicable automobile rental service operators and the Airport.

(13) The right to operate an air taxi service.

(14) The right of aerial application.

(15) The right of automobile fueling, washing, and minor repair services for Airport tenants.

(16) The right to provide catering service to aircraft.

(17) The storage and fueling of corporate aircraft owned, leased or exclusively controlled by any sub-tenant or licensee under separate written agreement with Lessee.

(18) Any other aeronautical services set forth in Part 3, Section (1) of the Airport's Minimum Standards for Commercial Aeronautical Activities dated March, 2004, as the same may be amended from time to time and as approved by the FAA (the "Minimum Standards").

It is understood and agreed by County and Lessee that Lessee shall not rent hangar space or other space on the Leased Premises to any person, firm or corporation, which is not used directly for aircraft or aviation purposes.

(C) Operations in Compliance: Lessee further agrees that it will conduct its operation in and upon the afore-described area at the Airport in strict compliance with the provisions contained in this Agreement and in compliance with rules and regulations of the Airport and FAA, as well as all other governmental agencies, and that it will transact its business in accordance with good-faith business practices and industry standards.

(D) Charges for Merchandise and Services: Lessee and all third parties permitted to sell merchandise or services on the Leased Premises pursuant to Section 2(B) may charge their respective customers and any passengers and crew (and any other third parties) utilizing any of Lessee's facilities and services (or purchasing any merchandise) entitled to be provided under this Agreement.

3. IMMEDIATE SERVICE TO BE PERFORMED.

Lessee covenants and agrees with County that as of the Effective Date, Lessee shall provide and have available for the use and benefit of the general public, during such hours and days as are set forth in the Airport's Minimum Standards (with "call-out" service available during the remainder of each day), the equipment, machinery and personnel necessary and required for Lessee to furnish the following:

(A) Aircraft Storage: Aircraft storage facilities in the hangar buildings and tie down area leased or owned by County.

(B) Fueling: Aircraft fuel required for general aviation, commercial aviation and air cargo purposes, and lubricant sales to aircraft.

(C) De-Icing: Glycol aircraft de-icing services for general aviation, commercial aviation and air cargo aircraft.

4. MAINTENANCE AND CONSTRUCTION.

(A) Lessee's Maintenance Obligations. Except as otherwise provided herein, Lessee shall maintain the Leased Premises at all times in a safe and neat condition in conformity with other buildings, improvements and landscaping in the general area, and shall not permit the accumulation of any trash, paper or debris on the Airport or the Leased Premises. Except for the ramp area located in Leaseholds C and D, Lessee shall repair all damage to the Leased Premises (ordinary wear and tear excepted), and shall maintain and repair all buildings, improvements and equipment thereon. Except to the extent set forth in Section 4 (B) for the ramp area located in Leaseholds C and D, Lessee shall be responsible for and perform all maintenance within the Leased Premises, including but not limited to:

- (1) Janitorial services;
- (2) Supply and replacement of light bulbs;
- (3) Clearing of stoppages in plumbing fixtures, drain line and septic system, in each case only with respect to such service lines that are contained within the Leased Premises;
- (4) Replacement of floor coverings;
- (5) Maintenance of all buildings and overhead doors;
- (6) Building interiors, including painting;
- (7) Repair or replacement of equipment and utility systems;

(8) Lessee shall be responsible for all snow removal on the Leased Premises, other than on the ramp area in Leasehold C and D;

(9) Lessee shall perform all maintenance and repair on Lessee-constructed structures, pavements and equipment, excluding pavements which comprise any public use areas of the aircraft apron in Leasehold C and D;

(10) Lessee shall advise County and obtain County's consent in writing before making changes involving structural changes to buildings or premises;

(11) Lessee is responsible for maintaining electric loads within the designed capacity of the system;

(12) Lessee shall provide and maintain hand fire extinguishers for the interior of all buildings contained in the Leased Premises;

(13) Lessee shall maintain all landscaping and grounds contained in the Leased Premises as originally approved and installed. Lessee, upon notice by County to Lessee, shall be required to perform whatever maintenance County reasonably deems necessary (excluding, however, any maintenance or repairs to the ramp area located in Leasehold C and D). If said maintenance is not undertaken by Lessee within thirty (30) days after receipt of written notice, then County shall have the right, but not the obligation, to enter upon the Leased Premises and perform the necessary maintenance, the cost of which shall be borne by Lessee.

(B) County's Maintenance Obligations. Subject to Section 45, County shall maintain and keep the ramp area located in Leasehold C and D in the Leased Premises in a good and safe state of repair. County may, where it deems necessary, repair pavements and utilities within the Leased Premises existing as of the Effective Date of this Agreement. During the Term, County shall, when reasonably and legally possible, operate, maintain and keep in good repair all of the Airport premises that is not under exclusive control of individual lessees, including, but not limited to, the commercial aviation terminal building (including all public and passenger space), vehicle parking area, and all roadways, runways, aprons, taxiways, taxilanes and all appurtenances, facilities, utilities and services now or hereafter connected with the foregoing, including, but not limited to, all field lighting and other appurtenances, facilities, and services the Airport has available. County shall, when reasonably possible, keep the Airport free from obstruction, including the clearing and removal of snow from all of the runways, taxiways, Leasehold C and D ramp areas and taxilanes, and commercial aircraft loading areas; however, the County shall not be responsible for removing snow from on or around general aviation aircraft. County shall maintain any areas of the aircraft ramp that may be constructed by Lessee outside of the Leased Premises which are intended to be designated as public use areas (if any). Maintenance shall include snow removal (as set forth in this Section 4(B) above), pavement repair and maintenance and foreign object debris sweeping and removal. Maintenance of Taxiway B shall be at the expense of County.

(C) Lessee Improvements.

(1) Permitted Improvements on the Leased Premises. Lessee may, at its sole expense, construct on the Leased Premises such buildings, structures, aircraft aprons, roadways, utility lines, additions and improvements as Lessee may desire in furtherance of the purposes set forth in Section 2, and shall install therein and thereon such equipment and facilities as Lessee may deem necessary or desirable; provided, however, that no building, structure, roadway, utility line, addition or improvement of any nature shall be made or installed by Lessee without the prior written consent of County, which consent shall not be unreasonably withheld, delayed or conditioned. Any Lessee-constructed additional ramp and/or hangar(s) shall be capable of accommodating "Group II" aircraft as described in the FAA Advisory Circular 150/5300-13, Airport Design, Airplane Design Group.

(2) Approval of Plans. If Lessee desires to construct improvements, prior to the preparation of detailed construction plans, specifications and architectural renderings of any such building, structure, roadway, utility line, addition or improvement, it shall submit plans showing the general site plan, design and character of improvements and their locations relative to the Leased Premises (including location of drainage, utilities and roadways) to County's Airport Director for approval (such approval not to be unreasonably withheld, delayed or conditioned). Lessee's plans shall meet all requirements/limitations imposed by the FAA for the type of development proposed. Lessee shall, prior to the installation or construction of any such building, roadway, structure, utility line, addition or improvement on the Leased Premises, first submit to County for approval (such approval not to be unreasonably withheld, delayed or conditioned), final detailed construction plans and specifications and architectural renderings prepared by registered architects and engineers, and that all construction will be in accordance with such plans and specifications and the current land use development criteria established by the Town of Hayden, Colorado, and all requirements/limitations imposed by the FAA.

(3) Extension of Utilities or Special Facilities. Lessee shall construct, at its expense, all necessary utility lines within the Leased Premises required for Lessee to connect to the line of existing service. Lessee shall construct within the Leased Premises, at its expense, any future connecting roadways to County Road 51A, as deemed necessary by Lessee and approved by the County.

(4) Cost of Construction and Alterations. Within sixty (60) days of completion of the construction of County approved improvements or alterations, Lessee shall present to County for examination and approval (such approval not to be unreasonably withheld, delayed or conditioned) a sworn statement of the Construction and/or Alteration Costs. "Construction and/or Alteration Costs," for the purposes of this Agreement, are hereby defined as all money paid for actual

demolition, construction or alteration, including architectural and engineering costs plus pertinent fees in connection therewith.

(5) As-Built Drawings. Within sixty (60) days following completion of the initial construction and any subsequent additions, alterations or improvements, Lessee shall present to County a complete set of reproducible drawings, including all amendments and changes issued during construction and including, but not limited to, specifications and shop drawings. In addition, Lessee shall provide County with the as- built drawings for the improvements in an electronic form reasonably acceptable to County.

(6) Hazard Lights. Lessee shall, at its expense, provide and maintain hazard lights on any structure erected by Lessee on the Leased Premises, if required by County or the FAA. Any hazard lights so required shall comply with the specifications and standards established for such installations by the FAA.

(7) Inspection of and Condition of Property. Lessee shall have the right from time to time, upon prior notice to County, to inspect (or have engineers and consultants inspect) the real property comprising any portion of the Phase 2 Parcel, the Phase 3 Parcel, or the Future Development Areas (reference Exhibits E, F and K respectively). If any environmental contamination, hazardous materials or similar environmental issues, including "unsuitable material," should be discovered, or if any portion of such real property shall be found to be unsuitable for the construction thereon permitted or required by this Agreement (any such contamination or other environmental issue, or any such unsuitable condition, a "Property Problem"), then Lessee shall notify County of such Property Problem and County shall have the option of either (a) deciding to remediate or rectify, at County's expense, the Property Problem, for which Lessee shall receive an extension of any deadline for its construction obligations, in an amount of time as is reasonably necessary to complete such remediation or rectification, or (b) deciding to not remediate or rectify the Property Problem if it cannot be done in a commercially reasonable manner; provided, however, that if County decides to not remediate or rectify the Property Problem, then County shall timely provide Lessee with comparable, reasonable substitute property with similar airside access, and Lessee shall receive an extension of any deadline for its construction obligations, in an amount of time as is reasonably necessary for (i) County to complete such timely provision to Lessee of such substitute property, and (ii) Lessee to adjust, adapt or change its construction plans to reflect the change to such substitute property. In the event Lessee is offered substitute property, such substitute property shall be subject to the same procedure for inspection and County's response to Property Problems as set forth herein.

5. OWNERSHIP OF IMPROVEMENTS; PERSONAL PROPERTY REMOVAL.

(A) Ownership. All buildings, fixtures, trade fixtures and other improvements which have been, or may be during the Term, purchased by or constructed by Lessee (or its predecessor in interest) shall remain the property of Lessee until the expiration of the Term, whereupon they shall revert to and become the property of County. All buildings and other improvements upon the Leased Premises installed by Lessee shall only be made with the approval and consent of County. Lessee shall not enter into any agreements whatsoever, or do or permit the doing of anything that would grant, constitute or impose any title to or lien upon such building or other improvements without prior consent and approval of County, except for mechanics and materialmen liens that will be discharged in the ordinary course of business.

(B) Removal. Lessee shall, by the expiration of the Term, surrender the Leased Premises, together with alterations, additions and improvements which may have been made upon the leased property, excepting movable personal property. The Leased Premises shall be in a broom-clean condition and all movable personal property shall be removed by Lessee by the expiration of the Term. All movable personal property not so removed shall be deemed abandoned by Lessee, whereupon Lessee shall be responsible for, and shall promptly reimburse County for, the reasonable costs incurred by County in removing such movable personal property.

6. COUNTY'S OPERATION OF THE AIRPORT.

(A) Safe Operation. County shall keep the Airport and its approaches free from obstruction and interference for the safe, convenient and proper use thereof by Lessee in common with all others entitled to the use thereof, and shall maintain and operate the Airport so as to entitle it to the approved rating by the FAA; and Lessee shall not do or permit the doing of anything tending to cause the Airport not to be entitled to such rating.

(B) Public Airport. County covenants and agrees that at all times it will operate and maintain the Airport facilities as a public airport consistent with and pursuant to the Sponsors Assurances given by County to the United States Government required under any federal regulation applicable to the ownership and operation of a public airport.

(C) Use of County Apron Area. If County shall determine, at any time (and from time to time) during the Term, that any portion of the County Apron Area may be used for any general aviation use, then Lessee shall have a right of first refusal on such portion whereby such portion shall be first offered to Lessee to include as part of the Leased Premises (at a fair market value rental rate, as determined in accordance with Section 10(B)) and governed in accordance with this Agreement. Lessee shall exercise such right of first refusal no later than six (6) months after Lessee's receipt of a notice from County that such portion is available for general aviation use.

7. UTILITIES/SERVICES.

(A) Utilities. Lessee shall provide, assume and pay for all security systems, lights, gas, electricity, water and other utilities used in any way on the Leased Premises, and shall pay

the costs or charges made therefore by the suppliers thereof promptly when due. Lessee shall have the right to connect to any and all storm and sanitary sewers and water and utility outlets at its own cost and expense (to the extent such right is capable of being provided by County, it being understood by Lessee that the right to so connect may be controlled by a third party not within the control of County, in which case County shall not object to, and shall recommend, to such third party that Lessee be permitted to so connect), and Lessee shall pay for any and all service charges incurred therefore; provided, however, that Lessee shall provide, at its expense, any extensions of such sewer, water and utility services that may be required within any part of the Leased Premises; provided further; however, that if Lessee is not permitted to connect to any sewer, water or utility service in connection with its construction capital improvement which it may undertake during the Term, then any deadline which may relate to such construction shall be extended until such time as Lessee is permitted to so connect.

(B) Security & Janitorial Services. It is understood and agreed that Lessee shall furnish and pay for all security services, janitorial services and supplies in respect to the Leased Premises.

(C) Garbage. Lessee shall provide for a complete and proper arrangement for the adequate sanitary handling and disposal, away from the Airport, of all trash, garbage and other refuse caused as a result of its use and occupancy of the Leased Premises. Lessee shall provide and use suitable covered metal receptacles for all such garbage, trash and other refuse. Piling of boxes, cartons, barrels, pallets, debris or similar items in an unattractive or unsafe manner, on or about the Leased Premises, shall not be permitted.

(D) Access Control Systems. County shall be responsible for repair and maintenance of the access control systems that control access to the Airport Operations Area (AOA) on the leased premises.

8. COMPLIANCE WITH LAWS.

(A) All Laws. Lessee shall at all times obey and promptly comply with all present and future laws and ordinances of the Federal Government, the State of Colorado, and any political subdivision thereof having jurisdiction of or respecting the condition of the Leased Premises and/or any business conducted thereon or in connection therewith, and all lawful orders, regulations or requirements of all governmental authorities or agencies which may have jurisdiction. Lessee shall not use the Leased Premises demised hereunder or permit the same to be used for any unlawful or immoral purpose or do in or upon or about said Leased Premises, or permit anything therein or thereon or thereabout, of anything that tends to create a nuisance; and Lessee further covenants at all times to obey and promptly comply with all lawful rules and regulations, including but not limited to the Stormwater Pollution and the Spill Prevention Control and Countermeasure Program (not in conflict with the provisions hereof) which may from time to time be promulgated by County or the general regulations of the Airport used by the public or other interested parties.

(B) CDOT & FAA Requirements. Lessee shall at all times obey and promptly comply with all Colorado Department of Transportation ("CDOT") and/or FAA Sponsor Grant Compliance and Assurance Requirements. In the event that the CDOT or FAA requires modification of this Agreement in order to comply with the Sponsor Grant Compliance and Assurance requirements, Lessee agrees, insofar as such modifications do not alter any substantive provisions, to modify this Agreement to comply with such requirements.

(C) Use of Airport & Leased Premises. The execution and delivery of this Agreement by County and its acceptance by Lessee is conditioned upon the right, which is hereby granted to Lessee, to use the Airport facilities in common with others authorized to do so, provided, however, that Lessee shall observe and comply with any and all requirements of the constituted public authorities and with all federal, state or local statutes, ordinances, regulations and standards applicable to Lessee for its use of the Leased Premises, including, but not limited to, rules and regulations and any applicable published Minimum Standards and Rules and Regulations promulgated from time to time by the Airport Director for the administration of the Airport.

(D) Affirmative Action. With respect to the Leased Premises, Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall, on the grounds of race, creed, color, national origin or sex, be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E; that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by that Subpart; and that it will require that its covered suborganizations (if any) provide assurance to Lessee that they similarly will undertake affirmative action programs, and that they will require assurances from their suborganizations (if any), as required by 14 CFR Part 152, Subpart E, to the same effect, to the extent that said requirements are applicable, as a matter of law, to Lessee.

(E) Compliance with Security Plan. Lessee shall comply with the rules and practices as set forth in the current Routt County Airport Security Plan, as amended from time to time. Any fines assessed against County by the FAA as a direct result of Lessee's failure to comply with the provisions of this paragraph or other intentional or negligent acts or omissions of Lessee's employees or agents will be paid promptly to County by Lessee.

(F) Statutory or Regulatory Changes. If any statutory or regulatory change occurs which provides for the screening of baggage or passengers on Lessee's leasehold or for any other change that is specifically related to Lessee's Fixed Base Operation, and any such change results in additional expense of County, then the portion of such additional expense attributable to Lessee's leasehold or Lessee's Fixed Base Operation shall be passed through to Lessee, on a *pro-rata* basis or such other equitable basis or proportion as they shall mutually agree.

9. PROTECTION CLAUSE

(A) Right of Flight in Airspace. County reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the

airspace above the surface of the real property hereinabove described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from or operating on the Airport.

(B) Restriction on Obstructions. Lessee expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the hereinabove described real property to such a height so as to comply with Federal Aviation Regulations, Part 77.

(C) No Hazard or Interference with Airport. Lessee expressly agrees for itself, its successors and assigns, to prevent any use of the hereinabove described real property that would interfere with or adversely affect the operation or maintenance of the Airport, or otherwise constitute a hazard.

10. RENT PAYMENT AND OTHER REMITTANCES; RIGHT TO AUDIT.

(A) Rent and Other Payments. In addition to applicable taxes, and any other payments otherwise described herein, Lessee agrees to pay to County, as and for rent for the use of the Leased Premises, the amounts provided in the payment schedule attached hereto as Exhibit G. Effective January 1, 2020, in addition to the leasehold specific rents set forth in such Exhibit G, Lessee shall also pay to County a fuel flowage fee of \$.10 for avgas and \$.10 for jet fuel, in each case per gallon of fuel sold by Lessee (the "Fuel Flowage Fee"), and seventy-five percent (75%) of the landing fees collected by Lessee (which Lessee shall collect in such amounts and according to such guidelines as are established by County from time to time (a current copy of which is attached hereto as Exhibit G) upon three (3) business days' notice to Lessee, from general aviation aircraft utilizing Lessee's services or leasehold), which said amounts shall be paid monthly in accordance with subsection (C) below. With each monthly payment, Lessee shall submit to County documentation of the total amount of gallons of fuel sold by Lessee for that month (including a description of the number of gallons of each category of fuel sold by Lessee). The rent, the Fuel Flowage Fee, the other amounts (including County's share of the landing fees) described on Exhibit G (such other amounts, collectively, the "Other Remittances") and any other sums which may be due from Lessee to County (such as may be due pursuant to Section 8(F)) (any and all such other sums, the "Other Charges") shall be payable as set forth in subsection (C) below.

(B) Annual Rent Adjustments. The amount of monthly base ground rental payments for Leaseholds A-F, and any other leasehold which may be subject to this Agreement in the future, shall be subject to adjustment on an annual basis. The annual adjustments shall be determined by the percentage increase in the most recently available annual average of the U.S. City Average Consumer Price Index ("CPI") for All Urban Consumers, as stated by the U.S. Department of Labor. Annual CPI base rental adjustments shall be made on each five (5) year anniversary date of this Agreement, when fair market value rental adjustments will be applied, as further described in this section. Within six (6) months prior to each five (5) year anniversary date of this Agreement during the Term, County shall engage (at its expense) for the conduct of a

fair market value real estate appraisal (which shall exclude the value of any improvements owned by Lessee) to be provided by an MAI certified real estate appraiser with experience in conducting airport ground lease appraisals for property similar in nature to the Leased Premises. The monthly base rental amount for the next succeeding year after each five (5) year anniversary date during the Term shall be subject to adjustment according to the results of such real estate appraisal. During the Term, monthly rental amounts shall not be lowered due to any adjustment specified in this section.

(C) Payment Due Dates. The rent for the Leased Premises shall be payable in advance on the first (1st) day of each month. The Fuel Flowage Fee and the Other Remittances and any Other Charges which may be due from Lessee to County shall be payable on the fifteenth (15th) day of each month with respect to the prior month or the applicable transactions occurring therein.

(D) Maintenance of Books and Records. Lessee shall maintain complete books and records reflecting every phase of its activities in connection with the Airport, which books and records have been approved, or are subject to the inspection, by County and/or its agents at reasonable times and upon reasonable notice, which shall be deemed to be at least forty-eight (48) hours prior to the inspection date.

(E) County's Audit Rights. County shall have the right to have the books and records of Lessee, and its assigns or sublessees, audited annually by a certified public accountant ("CPA") selected by County, upon reasonable notice to Lessee, and in the office of Lessee. Lessee shall not enter into any lease or agreement with any sublessee or assignee of the Leased Premises which does not expressly provide for such right of audit by County. The expense of any such audit shall be the responsibility of County. If the audit indicates an underpayment of rent by Lessee, then Lessee shall pay such underpayment to County within sixty (60) days of its receipt of the CPA's report, and if the amount of such underpayment is more than five percent (5%) of what the total payment should have been, then the cost of such audit shall be borne by Lessee. If the audit indicates an overpayment of rent by Lessee, then County shall refund such overpayment to Lessee within sixty (60) days of its receipt of the CPA's report.

Notwithstanding the foregoing, Lessee shall have the right to review and contest such report and the results of such audit, during which time any payment obligation of Lessee for understated rent shall be tolled. If Lessee contests such report and audit, and Lessee and County cannot reach an agreement as to the final results of such audit within sixty (60) days of Lessee's notice to County of its contesting such audit, then either Lessee or County may request mediation to settle the dispute, whereupon both parties shall act in good faith to resolve such dispute through such mediation for a period of thirty (30) days (and shall share the costs of such mediation equally (50% - 50%); provided, however, that if the dispute is not resolved in such thirty (30) day period, then either Lessee or County may pursue the matter through litigation in order to finally resolve such dispute; provided further, however, that any payment obligation resulting from such audit shall be tolled until such dispute is resolved, and it shall not be deemed a breach of this Agreement to pursue such dispute through litigation. It shall be a condition of any audit conducted pursuant to this Agreement that the CPA agree in writing with Lessee to (i)

keep confidential all of Lessee's books, records and other non-public information (such books, records and information, collectively, the "Confidential Data"), and (ii) perform such audit and communicate with County in such a manner so as to ensure that neither any Confidential Data nor any such communication containing any Confidential Data becomes publicly available.

(F) Method of Payment. On each payment date, payment of the aggregate amount due may be made either (1) by check, made out to "Yampa Valley Regional Airport" and delivered to the office of the Airport Director, Yampa Valley Regional Airport, P.O. Box 1060, Hayden, Colorado 81639, or (2) by wire transfer to an account specified by County by notice to Lessee.

(G) Interest on Late Payments. There shall be added to all sums due County and unpaid when due, as may be established by County, an interest charge of one percent (1%) of the principal sum due for each full calendar month of delinquency computed as simple interest. No interest shall be charged upon any account until payment is thirty (30) days overdue, but such interest, when assessed thereafter, shall be computed from the due date. The interest rate shall not exceed the maximum, non-usurious rate allowed by Colorado state law, as it may change from time to time.

(H) Adjustments to Fuel Flowage Fee. County may, effective upon each fifth (5th) anniversary of the Effective Date, adjust the amount of the Fuel Flowage Fee in accordance with this Section 10(H). County shall compile, from the most recent publicly available data obtainable from the American Association of Airport Executives (or any other publicly available and reliable source), the fuel flowage fees then imposed at not less than fifteen (15) airports most comparable to the Airport (such comparability to be determined based upon the extent to which an airport shares the following characteristics with the Airport: (i) regional location in the western and mid-western United States, (ii) metropolitan area size, (iii) airport type of general aviation airports (with or without regional airline service) and/or smaller commercial service airports, and (iv) overall strength of the local general aviation market). Upon the agreement of both County and Lessee regarding the airports chosen as comparable airports and the fee data obtained, the Fuel Flowage Fee shall then be adjusted to equal the median fuel flowage fee for such comparable airports. If County and Lessee are not able to reach such an agreement, then County may, at its expense, engage an experienced aviation consultant (having at least ten (10) years of experience) to perform a formal market review and comparison of the fuel flowage fees then imposed at not less than fifteen (15) airports most comparable to the Airport (such comparability to be determined based upon the characteristics set forth above). The parties shall share the costs of such aviation consultant equally (50% - 50%). The Fuel Flowage Fee shall then be adjusted to equal the median fuel flowage fee for such comparable airports.

11. TERMINATION BY LESSEE.

Lessee, in addition to any right of termination or any other right herein given, may terminate this Agreement by giving forty-five (45) days' written notice to County, given upon or after the happening of any one of the following events:

(A) No FAA Permission. Any failure or refusal by the FAA to permit Lessee or general aviation aircraft in general, to operate into, from or through the Airport.

(B) Breach by County. The breach by County of any of the covenants or agreements contained herein on its part to be kept and performed, and the failure of County to remedy such breach for a period of forty-five (45) days after receipt of written notice from Lessee of the existence of such breach.

(C) Inability to Operate. The inability of Lessee to use said Leased Premises and facilities continuing for a period longer than thirty (30) days, due to any law or order, rule or regulations of any appropriate governmental authority having jurisdiction over the Leased Premises or over the operation of the Airport, or due to war, earthquake, or other casualty; provided, however, that the negligence of Lessee is not the cause of such inability of Lessee to use such facilities and premises.

If County's operation of the Airport or Lessee's operations at the Airport should be impaired substantially by any action of the United States government, or any agency thereof, or the State of Colorado, or any agency thereof, then either party hereto shall have the right, upon written notice to the other, to a suspension of this Agreement and an abatement of a just proportion of the services and facilities (and associated rent) to be afforded hereunder, from the time of such notice until such restriction shall have been remedied and normal operations restored; provided, however, that if any such substantial impairment shall exist for a period of thirty (30) days or more, then Lessee, at its option, may terminate this Agreement and all rights, privileges, and responsibilities hereunder shall forthwith cease and terminate. County shall not be liable to Lessee for any damages suffered by Lessee arising out of any restrictions in Lessee's operations at the Airport unless said restrictions have been imposed as a direct result of negligence or misconduct on the part of County.

12. ABATEMENT OF RENT.

(A) Unusable. If any portion of the Leased Premises, or the Airport itself, shall become completely or substantially unusable by Lessee for its Fixed Base Operations for a period of more than thirty (30) days, whether for any of the causes enumerated in Section 11 above or otherwise, then the rent provided for hereunder shall be abated during such period.

(B) Restriction on Use. Notwithstanding subsection (A) above, if all or any part of the Leased Premises is restricted from use or damaged by events or occurrences not caused by the fault or neglect of Lessee (including, without limitation, any of the events described in Section 11) and Lessee's ability to use the damaged area is significantly affected, then the rent provided for hereunder shall be proportionately reduced to reflect both the time and extent of any deprivation suffered by Lessee, until such portion of the Leased Premises shall be repaired or reconstructed to the same extent as before the damage; provided, however, that Lessee (or County, if it is County's obligation under this Agreement to repair such portion of the Leased

Premises) exercises due diligence in repairing and reconstructing the same. This subsection shall not apply to any temporary closings of the Airport as a result of normal weather conditions, or closings for Airport-sponsored activities, such as air shows, which may require closing of the Airport for less than twenty-four (24) hours, or properly executed NOTAM closings for properly authorized purposes of the FAA or County.

13. NO WAIVER.

No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise of any other right or power.

14. TERMINATION BY COUNTY.

(A) Cancellation. County may cancel this Agreement by giving Lessee written notice, upon or after the happening of any one (1) of the following events:

- (1) The filing by Lessee of a voluntary petition of bankruptcy;
- (2) The institution of proceedings in bankruptcy against Lessee and the adjudication of Lessee as a bankrupt pursuant to such proceedings;
- (3) The taking by a court of competent jurisdiction of Lessee and its assets pursuant to proceedings under the provisions of any Federal reorganization act and the failure for a six (6) month period of the court appointed trustee or receiver to otherwise comply with the terms of this Agreement;
- (4) The appointment of a receiver of Lessee's assets and the failure, for a six (6) month period, of the receiver to comply with the terms of this Agreement;
- (5) The abandonment by Lessee, for a period of thirty (30) days or more, of its conduct of business at the Airport. Abandonment shall be defined as conduct which is intentional, unequivocal, and inconsistent with the existence of this Agreement; or the relinquishment of the Leased Premises with the intent of not claiming rights or interests in the same; or
- (6) The default by Lessee in the performance of any covenant or agreement herein required to be performed by Lessee and the failure of Lessee to remedy such default for a period of thirty (30) days after receiving from County written notice to remedy the same (or, if such default is of such a nature that it is not reasonably capable of being cured within thirty (30) days, then the failure of Lessee to commence and diligently pursue the cure of such default); provided, however, that no notice of cancellation as above provided shall be of any force

and effect if Lessee shall have remedied the default prior to receipt of County's notice of cancellation.

15. COUNTY'S RIGHT OF SELF-HELP.

Lessee agrees that if a condition exists which Lessee is required under this Agreement to repair, and/or maintain and if Lessee fails to repair said condition within thirty (30) days after receipt of such notice from County of the existence thereof, or complete such repair within a reasonable time after notice in the event such repair cannot reasonably be completed within said thirty (30) days, then County shall have the right, but not the obligation, to make such repairs at the expense of Lessee. The terms and provisions of the foregoing sentence to the contrary notwithstanding, in the event such condition constitutes an imminent threat of injury to persons or damage to property, County shall exercise reasonable efforts to notify Lessee of such condition, but, in any event, County shall have the right, but not the obligation, to repair such condition at the expense of Lessee. Lessee shall reimburse County's reasonable out-of-pocket expenses for such repairs with the next payment of rent due and payable by Lessee to County and said amount shall be deemed rent.

16. USE AND IMPROVEMENTS OF EXISTING IMPROVEMENTS.

Lessee may, at its own cost and expense, (i) after having obtained the written consent of County, make such interior alterations, changes, improvements and re-arrangements in or upon any building owned by County on the Leased Premises, as may be necessary or desirable to the proper conduct of Lessee's business, and (ii) install or erect any furniture, fixtures and other appurtenances which Lessee may deem necessary or desirable, except that such installation shall not:

(A) No Impairment of County Contracts. Abridge or impair any existing contracts which County may now have with others or may hereafter enter into with others extending or replacing any substantially similar existing contracts;

(B) No Interference with Airport. Interfere with the operation of the Airport by County, or with the operation thereof, according to agreement, or leases with others;

(C) No Obstructions. Constitute obstructions to others duly using the Airport and its facilities; or

(D) No Change to Underwriter's Conditions. Change or modify adversely any conditions now imposed by County's underwriters. All buildings now upon the Leased Premises or which may be placed or constructed on the Leased Premises may be used by Lessee, and shall be surrendered by Lessee in as good condition as they are now, reasonable wear and tear by use thereof only being excepted.

17. STATUS OF LESSEE.

Lessee, under the terms of this Agreement, shall not be in control or possession of the Airport, except as to those portions as set forth in Exhibits A-F attached hereto and made a part hereof, and Lessee does not assume responsibility for the conduct or operation of the Airport or for the physical or other conditions of the portions thereof not included within the Leased Premises as set forth in this Agreement. Lessee is and shall be an independent contractor and operator, responsible to all parties for all of its acts and omissions, and County shall in no way be responsible therefore.

18. INSURANCE & INDEMNIFICATION.

(A) Lessee's Insurance. As a further condition of this Agreement, Lessee is to obtain, maintain during the Term, and pay for:

(1) liability insurance coverage on the entire Leased Premises; and

(2) property damage insurance on Leaseholds A-D, including fire and extended coverage (in an amount not less than one hundred percent (100%) of the replacement cost thereof), bodily injury and property damage coverage, hangar keepers liability, non-owned and for-hire liability, garage-keepers legal liability, , in each case in an amount not less than the amount specified in the Airport's Minimum Standards or, if not specified therein, in a commercially reasonable amount reasonably satisfactory to County. The fire and extended coverage insurance shall have a loss payable clause in favor of County (or, if required by any Mortgage Holder (as defined in Section 28), in favor of such Mortgage Holder). If developed in the future Leaseholds E-F will require damage insurance as described above for Leaseholds A-D.

(B) Insurance Requirements. All insurance coverages required to be maintained by Lessee shall be on terms, and with financially sound and reputable insurers, reasonably acceptable to County, shall be approved by County, shall (in the case of liability insurance) name County as an additional insured, and shall provide that such coverages shall not be cancelled except upon thirty (30) days advance written notice to County. Lessee shall furnish to County, if and whenever required by it, certificates or other evidences acceptable to County as to the insurance effected by Lessee and its renewal or continuation in force. In the event of loss or damage to the Leased Premises, Lessee agrees to repair such damage, as it may be limited to such amount as is collected from insurance proceeds.

(C) County's Insurance. County shall provide and maintain during the Term, at its expense, property damage insurance on Leasehold D, of the same types and in the same amounts as are specified in subsection (A)(2) above.

(D) Destruction of Lessee's Improvements. If the buildings, fixtures, or improvements thereon constructed or owned by Lessee on any part of the Leased Premises shall be totally destroyed or extensively damaged and Lessee shall elect not to restore the same to their previous

condition by providing written notice of such to County within thirty (30) days of the loss, then the real property containing such destroyed or extensively damaged building, fixture or improvement shall be excluded from the Leased Premises (and the rent therefore shall be abated since the date of such loss), and if such portion is more than seventy percent (70%) of the total area of the Leased Premises, then this Agreement may, at Lessee's option, be terminated by notice to County within four (4) months of the loss, effective as of a date not more than sixty (60) days from the date of such termination notice.

(E) No Subrogation. Neither County nor Lessee shall be liable to the other, nor to any insurer thereof, claiming by way of subrogation, for any claim with respect to any loss or damage to the extent that either party shall be reimbursed, or has the right to be reimbursed, out of the insurance carried by County or Lessee with respect to such loss or damage.

(F) Indemnification by Lessee. Lessee shall indemnify, defend and hold County harmless from any and all claims, injuries and damages arising out of Lessee's use or occupancy of the Leased Premises, except to the extent that such claims, injuries and damages arise from the negligent or intentional acts of County or its employees, agents and independent contractors. In the event that County receives notice of any such claim, injury or damage, County shall give Lessee prompt notice of such claim, injury or damage and shall cooperate with Lessee in the defense of such claim, injury or damage.

(G) Indemnification by County. County shall indemnify, defend and hold Lessee harmless from any and all claims, injuries and damages arising out of operation of the Airport outside of the Leased Premises, except to the extent that such claims, injuries and damages arise from the negligent or intentional acts of Lessee or its employees, agents and independent contractors. In the event that Lessee receives notice of any such claim, injury or damage, Lessee shall give County prompt notice of such claim, injury or damage and shall cooperate with County in the defense of such claim, injury or damage.

(H) NO CONSEQUENTIAL DAMAGES. THE PARTIES AGREE THAT UNDER NO CIRCUMSTANCES SHALL THE COUNTY OR LESSEE OR THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATED COMPANIES BE LIABLE TO THE OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES (INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF USE, LOST PROFITS OR DIMINUTION IN VALUE) WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE).

19. ENVIRONMENTAL STATUS.

(A) Compliance with Laws; Indemnification by Lessee. Lessee acknowledges that there are certain federal, state and local laws and regulations now in effect, and that additional laws may hereafter be enacted, relating to or affecting the use, storage, handling, and disposal of toxic or hazardous substances or other environmental contaminants or pollutants. Lessee hereby agrees to comply with all such laws and regulations and to indemnify County for any costs of

removal of any substance or remedial action required or incurred by County or by the federal, state or local governments, caused by the use, presence, or release of any such substance by Lessee in violation of law.

(B) CERCLA. County and Lessee agree that they will comply with the provisions of the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, 42 U.S. Code, Section 9601 et seq., especially with respect to the notification requirements respecting released substances.

(C) Remediation. If there exists any uncorrected violation by Lessee of an environmental law or any condition which requires, or may require, a cleanup, removal or other remedial action by Lessee under any environmental laws, and such cleanup, removal or other remedial action is not completed within ninety (90) days from the date of written notice from County to Lessee, then the same shall, at the option of County, constitute an event of default hereunder; provided, however, that in the event that Lessee has promptly commenced cleanup, removal or other remedial action and is, in the reasonable judgment of County, pursuing such action diligently, then, so long as Lessee, in County's reasonable judgment, continues to diligently pursue such action, then no event of default shall be deemed to exist with respect to the condition being corrected.

(D) Hazardous Materials.

(1) Other than those Hazardous Materials customarily used, stored, carried or sold by operators of a Fixed Base Operations business (such as fuel, glycol, oil, lubricants, cleaning fluids, paint and painting supplies, and waste products of any of the foregoing), Lessee shall not cause or knowingly permit any Hazardous Material to be brought upon, kept or used in or about the Leased Premises by Lessee, its agents, employees, contractors or invitees, without the prior written consent of County (which County shall not unreasonably withhold, delay or condition as long as Lessee demonstrates to County's reasonable satisfaction that such Hazardous Material is necessary or useful to Lessee's business and will be used, kept and stored in a manner that complies with all laws regulating any such Hazardous Material). If Lessee breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the Leased Premises caused or knowingly permitted by Lessee results in, during the Term, contamination of the Leased Premises or any adjoining property by such Hazardous Material, or if contamination of the Leased Premises or any adjoining property by Hazardous Material otherwise occurs which is caused by the use of the Leased Premises by Lessee while Lessee is in possession of the Leased Premises, then Lessee shall indemnify, defend and hold County harmless from any and all claims, judgments, damages, penalties, fines, costs liabilities or losses (including, without limitation, damages for the loss or restriction on use of rentable or usable space or of an amenity of the property damaged, and sums paid in settlement of claims, attorney fees, consultant fees and expert fees) which arise during or after the Term to the extent as a result of such contamination occurring during the Term. For the

avoidance of doubt, Lessee's duty to indemnify, defend and hold County harmless shall not extend to the extent of the negligence of County or any other lessee or user, or their respective employees, passengers, guests, patrons, invitees and suppliers, of the Airport who are not otherwise the employees, guests or invitees of Lessee. In no event shall Lessee be responsible in any way for contamination on the Leased Premises that is caused by contamination originating outside of the Leased Premises, except to the extent such contamination was caused by the gross negligence or willful misconduct of Lessee. The indemnification of County by Lessee hereunder includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material discharged during the Term and present in the soil or ground water on or under the Leased Premises or which has migrated from the Leased Premises to any adjoining property. Without limiting the foregoing, if the presence of any Hazardous Material on the Leased Premises caused or knowingly permitted by Lessee results in any contamination of the Leased Premises or any adjoining property, then Lessee shall promptly take all actions at its sole expense as are necessary to return the contaminated property to a commercially reasonable approximation of the condition existing prior to the introduction of Lessee's Hazardous Material to such property, as contemplated or deemed acceptable by state and federal testing limits or thresholds then in effect; provided, however, that County's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld, delayed or conditioned so long as such actions would not potentially have any material adverse effect on the property to be restored. County shall give to Lessee prompt and reasonable, detailed notice of any event, discovery, claim or action which may lead to a claim by County for indemnification by Lessee under this section, and Lessee shall have the right to investigate, compromise and defend the same.

(2) As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Colorado or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance that is (a) defined as a "hazardous substance" under appropriate state law provisions; (b) petroleum and petroleum products; (c) asbestos; (d) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1321); (e) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act (42 U.S.C. § 6903); (f) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601); or (g) defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks) (42 U.S.C. § 6991).

(E) Indemnification by County. County shall fully indemnify and save and hold harmless Lessee from and against all claims, penalties, actions and all expenses incidental to the investigation and defense thereof, including Lessee's reasonable testing and remediation expenses and litigation expenses and attorneys' fees, to the extent based on or arising out of damages or injuries to persons or their property, and resulting from any violation of any environmental laws occurring on, in, above or below Leaseholds A-F of the Leased Premises prior to or after the Term. Lessee shall give to County prompt and reasonable notice of any such claim or action, and County shall have the right to investigate, compromise and defend the same. If there is any such violation of environmental laws affecting any portion of any of Leaseholds A-F (any such portion, a "Contaminated Area"), then County shall either promptly remediate the resultant environmental condition in accordance with all applicable state and federal laws, guidelines and regulations, at County's expense, or promptly offer to Lessee alternative property to be leased under this Agreement with similar airside access in lieu of the Contaminated Area, which shall be acceptable to Lessee in its sole discretion ("Replacement Property"). If Lessor is unable to provide Lessee with an acceptable Replacement Property, Lessee may terminate this Agreement without any further liability. Rent on the Replacement Property shall be as negotiated between the parties in good faith, but in no event be more than the rent that was payable on the Contaminated Area, and shall be abated on the Replacement Property until such time as Lessee shall have recovered (through such abatement) its actual expenses of relocating or repositioning its property (including any structures) or operations from the Contaminated Area to such Replacement Property. To the extent Lessee is unable to conduct its business, or any portion thereof, due to a claim or action under this Section 19(E) for thirty (30) days or more, either at the Leased Premises or a Replacement Property, (i) rent shall abate in accordance with Section 12 above for the period Lessee is unable to conduct its business or any portion thereof; and (ii) rent shall abate to recover actual expenses of relocating or repositioning its property, as set forth in the previous sentence. Furthermore, if Lessee is prevented from conducting its business for more than thirty (30) days at either the Leased Premises or the Replacement Property, or if County is not reasonably capable of remediating the Contaminated Area or providing a Replacement Property within sixty (60) days, Lessee may terminate this Agreement upon forty-five (45) days' advance notice.

20. RIGHT OF COUNTY TO INSPECT THE LEASED PREMISES.

County, or its representatives, shall have the right to enter upon the Leased Premises at any reasonable hour for the purpose of examining the same, periodic inspection for fire protection, maintenance, to investigate compliance with the terms of this Agreement, or for any other lawful purpose.

21. OTHER RIGHTS RESERVED BY COUNTY.

In addition to all other rights reserved by County in and to the Leased Premises, County expressly reserves the right to:

(A) Further Development. Further develop or improve the landing area of the Airport as County deems proper, regardless of the desires and views of Lessee and without interference or hindrance.

(B) Maintenance. Maintain and keep in repair, but without obligation to Lessee, the landing area of the Airport and all publicly owned facilities of the Airport not included in this Agreement.

(C) Right of Passage. The right of ingress, and egress for County and its reasonable designees over the Leased Premises. The location of said ingress and egress area shall be reasonably designated by Lessee.

(D) Restrict Obstructions & Hazards. Take any action it considers necessary to protect the aerial or instrument approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which in the opinion of County would limit the usefulness of the Airport or constitute a hazard to aircraft.

22. RESTRICTION AGAINST ASSIGNMENT.

Lessee shall not assign this Agreement or any interest herein, nor underlet or sublet all or any part of the Leased Premises (except for the leasing of hangar space, office space and parking space for aircraft as is customary in the Fixed Base Operation business), rights, privileges or agreements, or allow the same to be used for any other purpose without the advance written consent of County, which shall not be unreasonably withheld, delayed or conditioned; provided, however, that Lessee may assign this Agreement to any purchaser of Lessee's Fixed Base Operation business and/or of all or substantially all of Lessee's assets, and such purchaser is, or is substantially owned by, an experienced operator of fixed base operations and/or has a net worth or creditworthiness equal to or greater than that of Lessee. No assignment or subletting of this Agreement shall release or relieve Lessee of its duties or liabilities arising under this Agreement prior to the effective date of such assignment or subletting, but such assignment or subletting shall release or relieve Lessee of any duties or liabilities arising under this Agreement after the effective date of such assignment or subletting. In the event of any assignment or subletting, County shall be authorized to deal with any assignee as fully and completely as if it was or had been the original Lessee hereunder without notice to Lessee. No consent by County to any assignment or subletting shall operate to constitute consent to any other or future assignment or subletting or operate as a waiver of the requirement of County's consent thereto. Lessee shall furnish County with a fully executed copy of any assignment or agreement subletting the Leased Premises, except it shall not be deemed to apply to any aircraft space leases, or rentals made by Lessee.

23. RESTRICTIONS AGAINST UNAUTHORIZED OR PROHIBITED USE.

(A) Use Only for Fixed Base Operation. Lessee shall not at any time use the Leased Premises or any part thereof for any purpose other than the Fixed Base Operation provided for

and described in, and such related activities as are expressly authorized or permitted by, this Agreement, without the advance written consent of County.

(B) Use in Accordance with Law. Lessee agrees not to use all or part of the Leased Premises for any use or purpose in violation of any applicable law, regulation or ordinance of the United States, the State of Colorado, Routt County, the Town of Hayden, or other lawful authority having jurisdiction over the Leased Premises.

(C) Use in Compliance with Minimum Standards. Leased Premises and improvements constructed on the Leased Premises by the Lessee cannot be used for the operation of a commercial enterprise without compliance with the Airport's published Minimum Standards. The conduct of commercial activities on Airport property is regulated by the Airport's Minimum Standards. Any provision of this Agreement which may exceed the standards set forth in the Minimum Standards shall supersede and preempt said standards.

(D) No Interference with Airport Operations. Lessee shall not block a taxiway, and shall not park any aircraft upon the Leased Premises in such a location as to interfere with Airport operations.

(E) Restriction on Aircraft Repairs. All aircraft and equipment repairs, except minor repairs (as defined within the definition of "Aircraft Maintenance" in the Minimum Standards), shall be performed inside a structure and not on the aircraft apron.

(F) Restriction on Storage. Lessee shall not store any non-aviation related vehicles or equipment (other than the temporary storage of vehicles operated by Lessee's customers or passengers or crew utilizing any of Lessee's services) on the Leased Premises without the express written consent of County.

24. PAYMENT OF TAXES.

(A) Taxes Paid by Lessee. During the Term, Lessee shall pay any and all taxes, assessments or levies of any and every kind and nature charged or assessed against or upon any items of personality, fixtures or improvements which may be part of or contained in the Leased Premises and which is owned by Lessee, when due and payable according to law, before any thereof become delinquent and before any interest attaches. Nothing herein contained shall prevent Lessee, at its sole cost and expense, from contesting the validity of taxes or assessments levied against said property; provided, however, that in the event Lessee makes any such contest of such taxes or assessments, upon demand by County, Lessee shall give to County adequate security against loss by reason of such contest. Lessee shall also be responsible for the "possessory interest" taxes that are currently levied upon Lessee's leasehold interest granted to Lessee pursuant to this Agreement in certain components of the Leased Premises.

(B) Taxes Paid by County. Lessee shall not be responsible for any taxes or special assessments or levies which may be levied or assessed upon or against any real property or any items of personality, fixtures or improvements which may be part of or contained in the Leased

Premises, and title to which is vested in County.

25. SUBORDINATION OF AGREEMENT.

This Agreement shall be inferior and subordinate to the provisions of any existing or future agreement between County and the United States or any of its agencies, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of future funds for the development of the Airport. During time of war and/or national emergency, County shall have the right to lease the landing area or any part thereof to the U.S. Government for military or national guard use, and, if any such lease is executed, then the provisions of this Agreement insofar as they are inconsistent with the provisions of such lease with the Government, shall be suspended, with the Term of this Agreement being extended by a period equal to the period of such suspension, and with rents and Other Charges required under this Agreement being abated and/or apportioned on a reasonable and equitable basis that reflects such suspended provisions of this Agreement.

26. REFERENCE TO FAA.

Whenever the term FAA is used in this Agreement, it shall be construed as referring to the Federal Aviation Administration created by the Federal Government under public law 85-726, Title I, Section 1001, August 23, 1958, 72 Stat. 737, as amended, or to such other agency or agencies of the Federal Government having from time to time similar jurisdiction over Lessee or its business, including but not limited to the Civil Aeronautics Board.

27. PROTECTION OF PUBLIC UNDER LEASE.

Lessee further covenants and agrees that it will, at all times during the continuance of the terms hereby demised and any renewals or extensions thereof, conduct, operate and maintain for the benefit of the public the fixed based operation provided for and described herein and all aspects, parts and services thereof available to the public, and that it will devote its best efforts in the accomplishment of such purposes, and that it will at all times make charges to patrons and customers for all merchandise and services furnished and rendered, but that it will refrain from imposing or levying exclusive or otherwise unreasonable fees or charges for any such services or merchandise.

28. MORTGAGE OF LEASEHOLD INTEREST.

Lessee shall have the right to encumber its leasehold interest in the Leased Premises with a first mortgage, a deed of trust, a security agreement, or other instrument (any of the foregoing, a "Leasehold Mortgage"). The term of the obligation secured by the Leasehold Mortgage shall not exceed the remainder of the Term of this Agreement. County does hereby subordinate any statutory landlord's lien that it may hereafter acquire (which subordination shall be self-operative) to the lien and operation of any Leasehold Mortgage. County shall execute any non-disturbance or subordination agreement as the holder of any Leasehold Mortgage (a "Mortgage")

Holder") may reasonably request from time to time. The Mortgage Holder's duties and rights are as follows:

(A) Mortgage Holder's Assumption of Lessee's Rights. The Mortgage Holder shall have the right, in case of default, to assume the rights and obligations of Lessee herein, with the further right to assign Lessee's interest to a third party, subject to approval of County, not to be unreasonably withheld, delayed or conditioned. The Mortgage Holder's obligations under this Agreement, as substituted lessee, shall cease upon assignment to a third party and approval by County.

(B) Notices to County. As a condition precedent to the exercise of the right granted to the Mortgage Holder by this Section, the Mortgage Holder shall notify County of all action taken by it in the event payments on the obligation underlying the Leasehold Mortgage shall become delinquent. The Mortgage Holder shall also notify County in writing of any change in the identity or address of the Mortgage Holder.

(C) Notices to Mortgage Holder. All notices required by Section 34 to be given by County to Lessee shall also be given to the Mortgage Holder at the same time and in the same manner. Upon receipt of such notice, the Mortgage Holder shall have the same rights as Lessee to correct any default.

29. LIEN FOR LESSEE IMPROVEMENTS.

If any person or corporation shall attempt to assert a mechanic's lien against the Leased Premises, then Lessee shall defend and hold County harmless from such claim, including the cost of defense, and shall discharge, bond or otherwise remove such mechanic's lien within sixty (60) days from Lessee's receipt of notice from County of the nature and existence of any such lien.; provided, however, that Lessee specifically reserves the right to contest such lien by the institution of appropriate legal proceedings or otherwise (without, however, obviating its obligation to discharge, bond, or otherwise remove said lien within such sixty (60) day period).

30. RESTRICTIONS AGAINST DISCRIMINATION.

(A) Use. Lessee, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration herefor, does hereby covenant and agree (1) that no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereof no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (3) that Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as

said regulations may be amended from time to time, to the extent that said requirements are applicable, as a matter of law, to Lessee.

(B) Provision of Services. With respect to the Leased Premises, Lessee agrees to furnish services on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, however, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

31. COVENANTS OF COUNTY.

County represents that it has the right to lease said property and appurtenances, rights, and privileges herein granted, and has full power and authority to enter into this Agreement in respect thereof; subject, however, to the terms, conditions, limitations and requirements contained in or arising out of any and all grant agreements, leases or other agreements heretofore made between County and any person, firm or legal entity, and the United States, or any agency, department, branch authority or other part or subsidiary thereof, and this Agreement is made subject thereto. County covenants that upon the payment by Lessee of the rents herein reserved and upon the full performance of and compliance with all the covenants and agreements by Lessee on its part to be performed and complied with hereunder, then subject only to the aforesaid matters and things, Lessee shall peaceably have and enjoy said Leased Premises, appurtenances, facilities, rights and privileges in accordance with the terms hereof.

32. HOLDOVER.

If Lessee shall continue to occupy the Leased Premises beyond the Term without County's written renewal thereof, then such holding over shall not constitute a renewal or extension of this Agreement, but shall create a tenancy from month to month which may be terminated at any time by County or Lessee by giving thirty (30) days written notice to the other party, and which shall be subject to all the other terms and conditions of this Agreement, and any amendment thereof. The monthly rent due during the holdover period shall be as specified in Section 10.

33. ATTORNEY'S FEES.

County and Lessee agree that each will be responsible for their own attorneys' fees, expenses and other litigation costs that may be incurred in the enforcement of this Agreement.

34. NOTICES.

All notices, demands and other official communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when personally delivered, when mailed by certified mail, return receipt requested, when sent by telecopy with confirmation of receipt received, or when delivered by overnight (or

next business day or two (2) business day) courier or delivery service with executed receipt, with all charges prepaid. Notices, demands and official communications shall, unless another address is specified in writing in accordance herewith, be sent to the address indicated below:

Notices to County:

Yampa Valley Regional Airport
P.O. Box 1060
Hayden, Colorado 81639
Attention: Airport Director
Phone No.: (970) 276-5004
Fax No.: (970) 276-5030

Notices to Lessee:

Atlantic Aviation-Steamboat-Hayden LLC
Yampa Valley Regional Airport
105 Tower Court
Hayden, Colorado 81639
Attention: General Manager
Phone No.: (877) 276-3743 or (970) 276-3743
Fax No.: (970) 276-3358

With a copy to:

Atlantic Aviation FBO Inc.
Corporate Headquarters
5201 Tennyson Pkwy, #150
Plano, TX 75024
Attention: General Counsel
Phone No.: (972) 905-2500
Fax No.:

35. ENTIRE AGREEMENT.

This Agreement and any exhibits referred to herein constitute the entire agreement among the parties concerning the use of the Leased Premises and the operation of the Business at the Airport. Lessee agrees that County has not made any statement, promise or agreement, or taken upon itself any engagements whatever, verbally or in writing, in conflict with the terms of this Agreement, or that in any way modifies, varies, alters, enlarges or invalidates any of its provisions, and that no obligations of County shall be implied in addition to the obligations herein expressed.

36. TIME IS OF THE ESSENCE.

Time is declared to be of the essence of this Agreement and each and every one of the provisions herein contained.

37. BINDING EFFECT.

This Agreement shall be binding upon and inure to the benefit of County and its successors and assigns. This Agreement shall be binding upon and inure to the benefit of Lessee and its successors and permitted assigns.

38. FORCE MAJEURE.

Notwithstanding anything else to the contrary contained in this Agreement, no party hereto shall be deemed in default with respect to any of the terms, covenants, conditions and provisions of this Agreement on such party's part to be performed if such party fails to timely perform same and such failure is due in whole or in part to any strike, lockout, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, inclement weather, unsuitable construction conditions, acts caused directly or indirectly by the other party hereto (or such other party's agents, employees or invitees), mechanical breakdown, repair, servicing or any other cause beyond the reasonable control of such party, and any time period or deadline to which such party is subject shall be extended to the extent reasonably necessary in order to resolve or remedy the cause of such failure.

39. HEADINGS AND CAPTIONS.

The section headings and captions in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections.

40. APPLICABLE LAW; VENUE; JURISDICTION.

This Agreement shall be construed by, and governed, enforced and interpreted in accordance with, the laws of the State of Colorado. The sole and exclusive venue for purposes of any litigation arising out of or related to this Agreement shall be the federal and state courts covering the 14th Judicial District of Colorado. County and Lessee consent to and agree to submit to the jurisdiction of any of such courts and agree to accept service of process to vest personal jurisdiction over them in any of such courts.

41. SEVERABILITY.

In the event any section, sentence, clause, phrase or provision of this Agreement shall be held or declared to be unconstitutional, invalid, inoperative, ineffective, inapplicable or void by any court of competent jurisdiction, such adjudication shall not affect the remaining sections, sentences, clauses, phrases or provisions of this Agreement; it is hereby declared to be of the

express intention of County and Lessee in executing this Agreement that any such invalid portion or portions of this Agreement did not induce its execution and that the parties hereto would have executed this Agreement without the inclusion of any such invalid portion or portions; and further, that such remaining sections, sentences, clauses, phrases and provisions shall nevertheless stand and continue to be effective.

42. COMPLIANCE WITH MINIMUM STANDARDS, AND RULES AND REGULATIONS.

Lessee shall comply with the Minimum Standards and Rules and Regulations to the extent applicable to Lessee's business as they are currently in effect and as they may be reasonably amended or restated from time to time by County; provided, however, that no economic or financial terms or provisions in the Minimum Standards and Rules and Regulations shall override or prevail over any term or provision of this Agreement. Neither Lessee nor this Agreement shall be subject to any future changes to any economic or financial terms or provisions of the Minimum Standards and Rules and Regulations. If there shall arise, at any time, any conflict between the terms of this Agreement and any standards, requirements or provisions set forth in the Minimum Standards and Rules and Regulations governing operational matters, then such terms of the Minimum Standards and Rules and Regulations shall prevail and be controlling for the duration of the Term.

43. QUIET ENJOYMENT.

Lessee, upon paying the rent set forth in this Agreement, and observing and keeping all covenants, agreements and conditions of this Agreement on its part to be kept, shall quietly have and enjoy the Leased Premises during the Term of this Agreement without hindrance or molestation by anyone claiming by or through County, subject, however, to the exceptions, reservations and conditions of this Agreement and of record.

44. TERMINATION OF PRIOR AGREEMENTS.

On the Effective Date, the Original Agreement is automatically terminated. County hereby represents and warrants to Lessee that there are no agreements, contracts, or understandings with any third party which might in any way contradict, invalidate, or not permit compliance by County with, any term or provision of this Agreement.

45. COLORADO TABOR REQUIREMENTS.

Nothing in this Agreement shall be construed to be a multiple-fiscal year direct or indirect debt or other financial obligation of County under the provisions of Article X, Section 20 of the Colorado Constitution. All expenditures or other financial obligations of County under this Agreement shall be subject to annual appropriation of such amounts by the Board of County Commissioners of County. County shall be obligated to dutifully request and expend sincere, best efforts to obtain, on an annual basis for each fiscal year, the appropriate annual appropriation of sufficient funds in order to enable it to perform its obligations under this

Agreement for such fiscal year. If sufficient appropriation for any obligation of County under this Agreement is not obtained in an amount sufficient for County to perform such obligation, then County shall promptly notify Lessee of such shortfall. County's obligations under this section are a material provision of this Agreement.

46. LESSEE'S REMEDIES (TABOR-BLOCKED COUNTY OBLIGATIONS).

If County shall be unable to perform any of its obligations under this Agreement because of the restrictions set forth in Section 45 above (a "Blocked Obligation"), then Lessee shall be entitled to select one or more (or a combination) of the following options:

(A) Perform. Lessee shall be entitled to perform County's Blocked Obligation itself and offset the cost and expense of such performance against Lessee's future payments of rent, fuel flowage fees, and any other sums which may be due from Lessee to County under this Agreement; or

(B) Defer. Lessee shall be entitled to toll, delay or defer any of its obligations which customarily, reasonably, or pursuant to the terms of this Agreement, depend upon or require the prior or contemporaneous performance of such County Blocked Obligation, until such time as County is able to perform such Blocked Obligation; or

(C) Divert Funds. Lessee shall be able to divert its future payments of rent, fuel flowage fees, and any other sums which may be due from Lessee to County under this Agreement into an interest-bearing trust account set up for the benefit of County but for which the funds contained therein shall be reserved solely for the funding of County's Blocked Obligation, and pursuant to the terms of such trust account, at such time as the funds in such trust account shall be reasonably sufficient to fully fund the performance of the Blocked Obligation, then Lessee may withdraw such funds in order to fund the performance of the Blocked Obligation.

47. AMENDMENT.

This Agreement may not be amended, changed, modified, supplemented or revoked except by an express written document executed by both County and Lessee.

48. COUNTERPARTS.

This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument. Executed copies of this Agreement may be delivered by telecopier, but any party may require the subsequent delivery of originals in addition thereto, which requirement shall not affect the effectiveness of the delivery by telecopier.

(Remainder of Page Intentionally Left Blank- Signature Page Follows)

IN WITNESS WHEREOF, County has caused this Agreement to be executed in its name by its undersigned official, and its seal to be hereunto affixed, attested by its undersigned officials, and Lessee has caused this Agreement to be executed in its name by the undersigned, in each case as of the day and year first above written.

COUNTY SEAL BELOW:

ROUTT COUNTY, COLORADO

By: _____

Name: Timothy V. Corrigan

Title: Chair, Board of County Commissioners

Attest: _____

Name: Kim Bonner

Title: Clerk and Recorder

**ATLANTIC AVIATION-
STEAMBOAT-HAYDEN LLC**

By: _____

Name: Louis T. Pepper

Title: Chief Executive Officer

EXHIBIT B

to the

FBO Operations and Lease Agreement

(Dated 30 Nov 2019)

Leasehold B = Hangars #6 & #7, Apron and Taxiway B Connector



EXHIBIT C

to the

FBO Operations and Lease Agreement

(Dated 30 Nov 2019)

Leasehold C = Fuel Farm, Fixtures, and Fuel Truck Parking Area



EXHIBIT D

to the

FBO Operations and Lease Agreement

(Dated 30 Nov 2019)

Leasehold D = Hangar #2 with Hangar Access Area and Vehicle Parking



EXHIBIT G
to the
FBO Operations and Lease Agreement
(Dated 30 Nov 2019)
Payments Schedule

Leasehold Rates:

<u>Unimproved land:</u>	\$0.20 per SF per year
<u>Unimproved land w/first right of refusal¹:</u>	\$0.02 per SF per year
<u>Improved land (paved parking lot):</u>	\$0.25 per SF per year
<u>Improved land (paved ramp/apron):</u>	\$0.40 per SF per year
<u>Buildings (Hangar 2):</u>	\$3.00 per SF per year

<u>Leaseholds:</u>	<u>Rate</u>	<u>SF</u>	<u>Aggregate Amount Due</u>
Leasehold A (FBO Facilities built in 2019):	\$0.20	460,500	\$92,100.00
Leasehold B (Bravo Hangars 6 & 7): Hangars, apron and taxilane connector	\$0.20	70,408	\$14,081.60
Leasehold C:			
Fuel Farm Facility and Fixtures	\$0.20	15,276	\$3,055.20
Fuel Truck Parking	\$0.40	2,400	\$960.00
Leasehold D (Hangar #2):			
Hangar	\$3.00	12,600	\$37,800.00
Hangar Access Area	\$0.40	7,625	\$3,050.00
Paved Parking Lot	\$0.25	600	\$150.00
Leasehold E (Phase 2) Future FBO Hangars	\$0.02	60,000	\$1,200.00
Leasehold F (Phase 3): Future FBO Hangars, Apron & Parking Lots	\$0.02	323,325	\$6,466.50
Total Annual Rent:			\$158,863.30

Other Remittances to County:

- Fuel Flowage Fee: \$.10 per gallon sold
- Landing Fees: Seventy-Five percent (75%) of landing fees collected from general aviation aircraft as set forth in Section 10(A)
- Gross Receipts Fee: Five percent (5%) of total gross receipts, excluding fuel sales and landing fees and into-plane fees payable by others

¹ Lease of unimproved land with first right of refusal provides Lessee a minimum of one hundred and eighty (180) days to provide County with proof of planned development of the leasehold during the next year's construction period (Apr-Oct) before County may terminate the Lessee's leasehold.

EXHIBIT H
to the
FBO Operations and Lease Agreement
(Dated 30 Nov 2019)
Access Gates to AOA

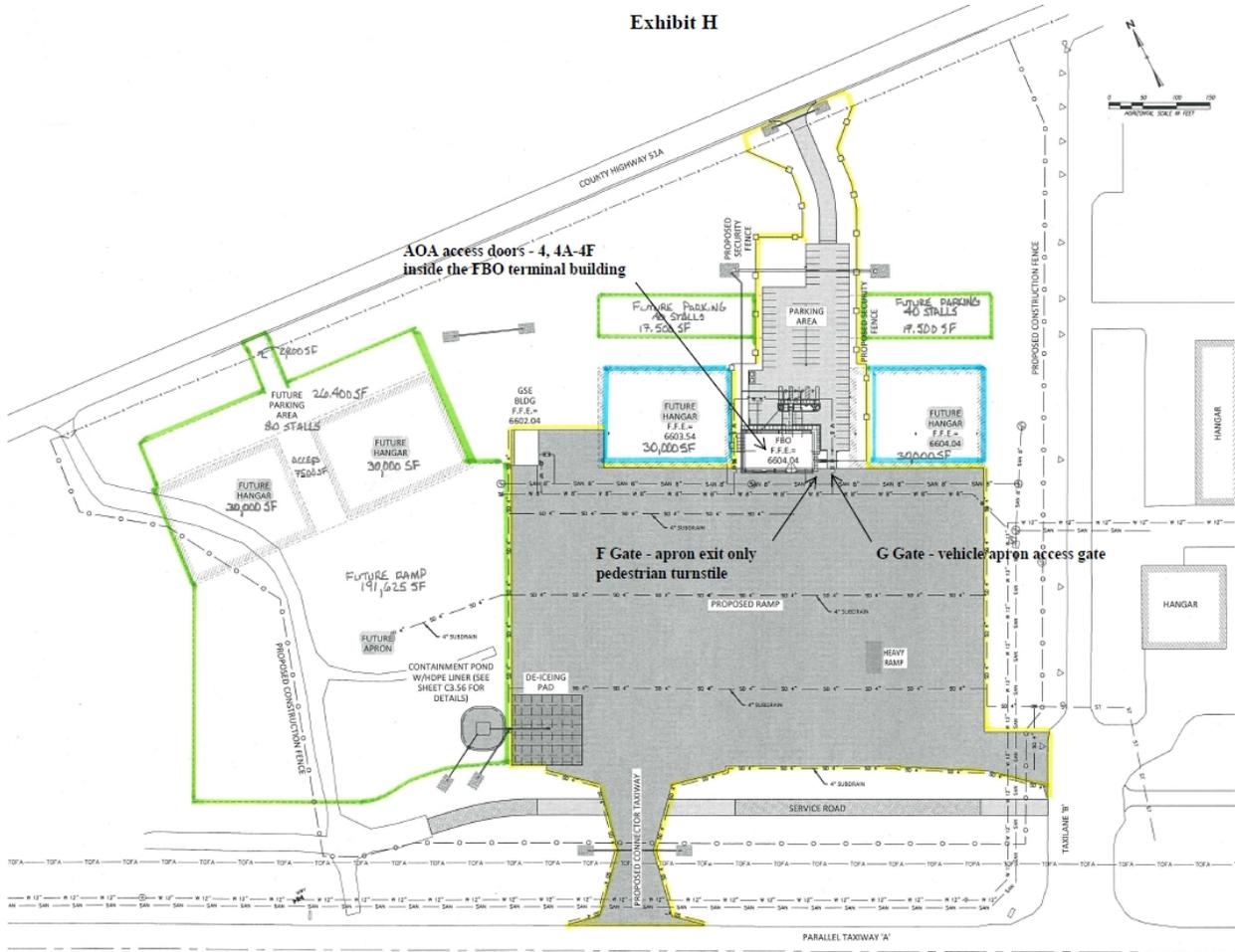


EXHIBIT I

to the

FBO Operations and Lease Agreement

(Dated 30 Nov 2019)

Yampa Valley Regional Airport – Legal Description

(to be attached promptly after completion of the Post- Closing Survey)

EXHIBIT J

to the

FBO Operations and Lease Agreement

(Dated 30 Nov 2019)

Landing Fees

This Exhibit J shall be effective on January 1, 2020. The Landing Fee will be assessed on, and shall be paid by, non-scheduled FAR Part 135 (air taxi, charter and/or commuter) operators and all FAR Part 91 operators using the airport, a rate or charge on all arrivals of aircraft equal to \$4.28 per one thousand (1,000) pounds of maximum allowable gross landing weight for all aircraft weighing 12,500 pounds or more of maximum allowable gross landing weight.

The foregoing notwithstanding, Lessee shall not collect landing fees with respect to landings of the following aircraft: (i) aircraft owned or leased and operated by the United States or any state or local governmental agency or entity; (ii) any aircraft which, at the time of the landing, was engaged in a search and rescue or air ambulance operation so long as the search and rescue agency or air ambulance operator provides to County, through the Lessee, a certificate certifying that the agency or operator will not be reimbursed or paid for the flight; and (iii) aircraft owned or leased by a "Base Customer" so long as those aircraft are usually located in hangars at the Airport or at tie downs at the Airport owned by Lessee.

Base Customer shall mean an aircraft owners or lessees who either lease or own hangars located at the Airport or pay rent for a tie down at the Airport which tie down is owned or leased by Lessee.

The Airport Director may waive landing fees for specific situations which he deems reasonable and prudent from a business or operational perspective. Such waivers shall be reported to the County Manager immediately in writing.

These rates and charges may be changed periodically per Section 10 of this contract.

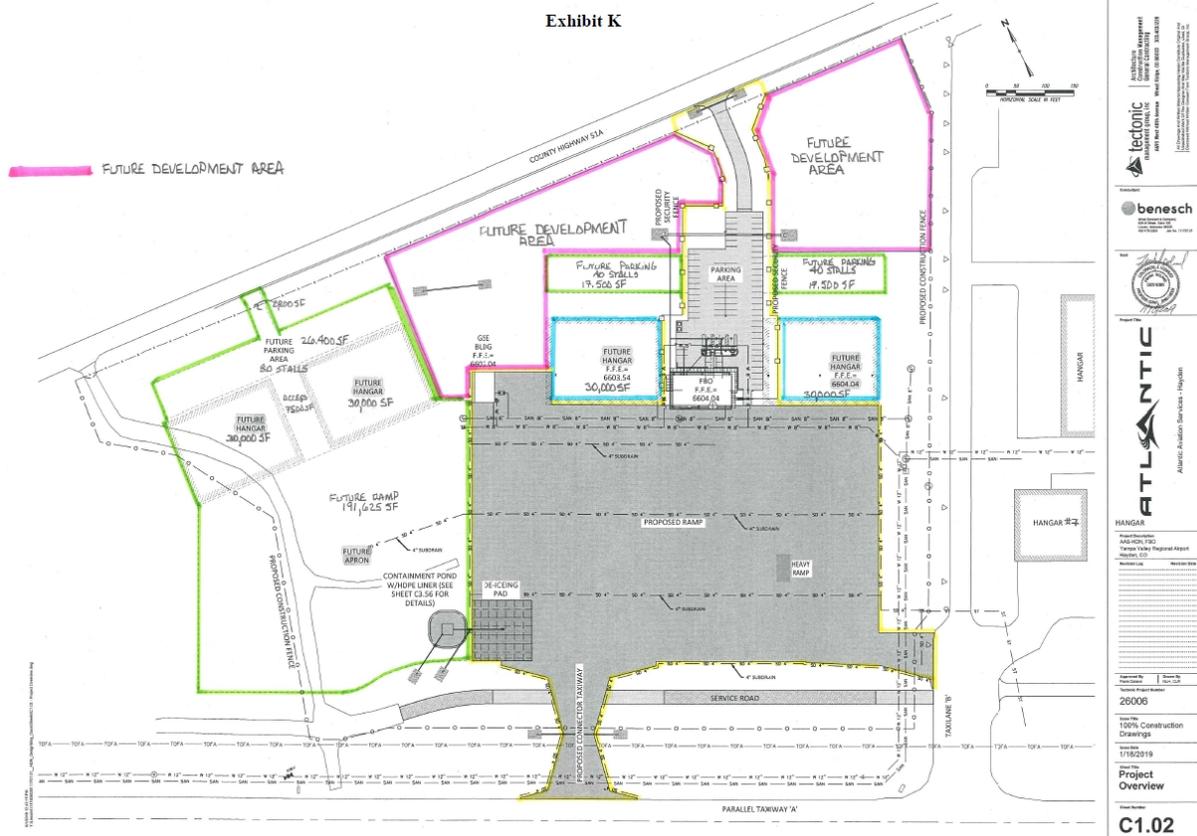
EXHIBIT K

to the

FBO Operations and Lease Agreement

(dated as of December XX, 2019)

Future Development Areas



tectonic
 CONSULTING ENGINEERS
 4001 North 44th Avenue, Suite 100
 Aurora, CO 80017
 Phone: 303.733.8800
 Fax: 303.733.8801
 www.tectonic-engineers.com

benesch
 CONSULTING ENGINEERS
 1000 North 17th Avenue, Suite 100
 Aurora, CO 80017
 Phone: 303.733.8800
 Fax: 303.733.8801
 www.benesch.com

ATLANTIC
 ATLANTIC Aviation Services - Hangars

HANGAR
 Project No. 150
 100% Construction Drawings
 1/18/2019

25006
 100% Construction Drawings
 1/18/2019
 Project Overview

C1.02

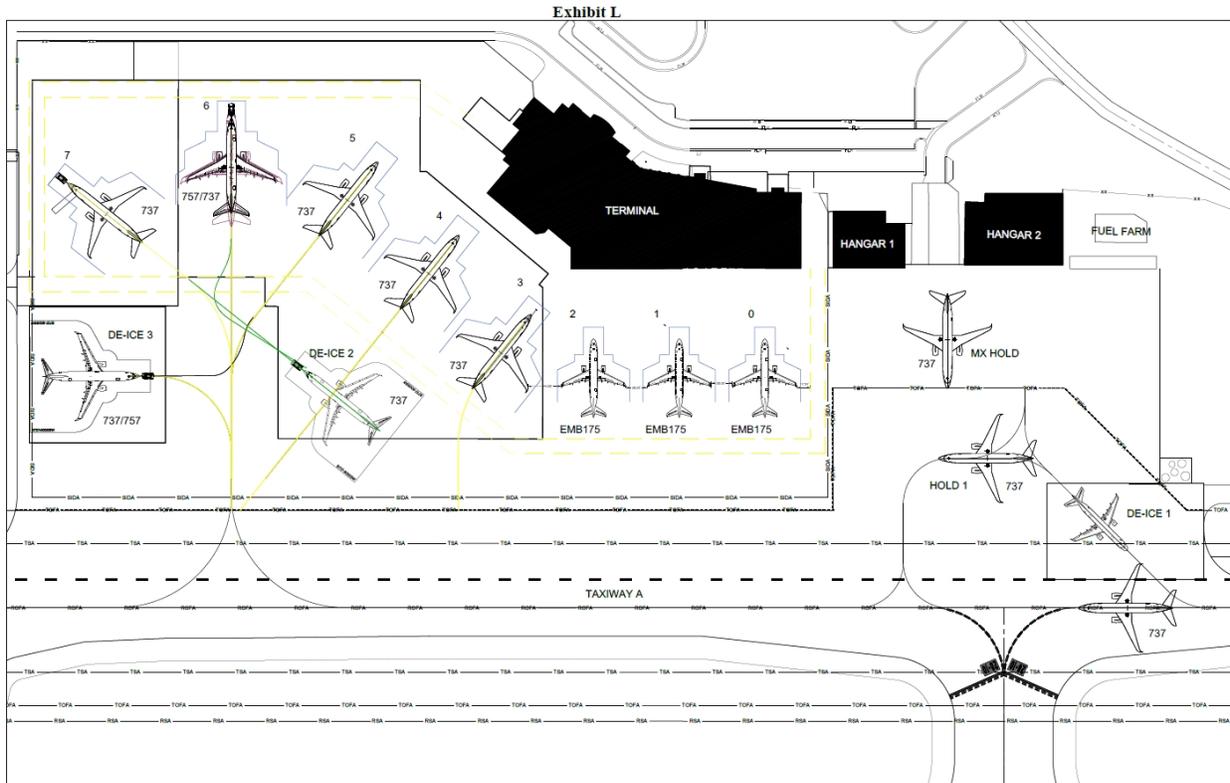
EXHIBIT L

to the

FBO Operations and Lease Agreement

(dated as of December XX, 2019)

County Apron Area



FBO OPERATIONS AND LEASE AGREEMENT

between

ROUTT COUNTY, COLORADO

and

GALAXY AVIATION OF STEAMBOAT-HAYDEN, LLC

Dated as of August 26, 2008

For Operations and Services at:

Yampa Valley Regional Airport (HDN)

FBO OPERATIONS AND LEASE AGREEMENT

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FBO OPERATIONS AND LEASE AGREEMENT

List of Exhibits

- Exhibit A Leasehold A = Ground Lease Space
- Exhibit B Leasehold B = County Improvements (FBO Terminal Building & Hangar #1)
- Exhibit C Leasehold C-1 = Hangar #2
and
Leasehold C-2 = Fuel Farm Facility & Fixtures
- Exhibit D Leasehold D = Phase 1 Parcel (New Ramp)
- Exhibit E Leasehold E = Phase 2 Parcel (New FBO Facility)
- Exhibit F Leasehold F-1 = Phase 3 Parcel (Current)
and
Leasehold F-2 = Addition to Phase 3 Parcel (After Projected Relocation of RCR 51A)
- Exhibit G Payments Schedule
- Exhibit H Access Gates to AOA
- Exhibit I Fuel Farm Access Road
- Exhibit J Yampa Valley Regional Airport – Legal Description
- Exhibit K Landing Fees - Amounts and Guidelines Currently in Effect
- Exhibit L County Ramp Area
(to Revert to County Upon the New Ramp Rent Commencement Date)

FBO OPERATIONS AND LEASE AGREEMENT

THIS **FBO OPERATIONS AND LEASE AGREEMENT**, dated as of August 26, 2008 (this "Agreement"), is made and entered into by and between **ROUTT COUNTY, COLORADO**, acting by and through the Board of County Commissioners, and existing under and by virtue of the laws of the State of Colorado, hereinafter referred to as "County," and **GALAXY AVIATION OF STEAMBOAT-HAYDEN, LLC**, a Colorado limited liability company, hereinafter referred to as "Lessee."

WITNESSETH:

WHEREAS, County is the owner of that certain airport known as the Yampa Valley Regional Airport located in Hayden, Routt County, Colorado.

WHEREAS, Lessee is, contemporaneously with or shortly after the execution and delivery of this Agreement, consummating the acquisition of the business of, and all or substantially all of the assets of, Spectrum Jet Center, Inc. ("Spectrum"), which has operated a fixed base operation (the "Business") at the Yampa Valley Regional Airport (the "Acquisition").

WHEREAS, County is desirous of Lessee consummating the Acquisition and continuing the Business, and as an inducement to Lessee is entering into this Agreement and, simultaneously herewith, is, effective as of the Effective Date (as defined in Section 1(A) below), either (a) terminating that certain Amended Ground Lease dated May 23, 1988, as it has been amended from time to time, between County and Spectrum (the "Existing Ground Lease"), and that certain YVRA Fixed Base Operations and Hangar Lease Contract dated September 8, 1986, as it has been amended from time to time, between County and Spectrum (the "Existing FBO Agreement"), or (b) consenting to the assignment by Spectrum, on the Effective Date, of both the Existing Ground Lease and the Existing FBO Agreement to Lessee and the simultaneous termination of such agreements and the simultaneous effectiveness of this Agreement.

For and in consideration of the rents, covenants and agreements hereinafter reserved, made and entered into, and further, in consideration that there be no default in the payment of the rentals, covenants and conditions, it is agreed by and between the parties hereto as follows:

1. **AREA AND TERM OF LEASE.**

(A) Leased Premises. County, in consideration of the rents, covenants, agreements and conditions hereinafter reserved, made and entered into on the part of Lessee to be paid, performed and observed, has leased and does hereby demise, lease and let unto Lessee, and Lessee does hereby hire of and from County, in each case effective as of the closing date of the Acquisition, whereby Lessee shall have purchased the Business from Spectrum (the "Effective Date"), those buildings and parcels or tracts of land lying and being in Routt County, Colorado, and being part of the premises usually known and designated as the Yampa Valley Regional Airport (and as further described in that certain legal description to be attached hereto as Exhibit J promptly after completion of the Post-Closing Survey (as defined below in this

*Sept 19, 2008
per John
Merrills
e-mail
at back of
this contract*

Section 1(A)), as such legal description may be enlarged from time to time as a result of future surveys) (the "Airport"), said real property, buildings and appurtenances being particularly bounded and described as follows (see Exhibits A – F attached hereto and made a part of this Agreement):

Leasehold A: Ground Lease Space (Exhibit A) – approx. 182,221 sq. ft.

Consisting of:	Hangar #2 ground area –	approx. 12,600 sq. ft.
	Fuel Farm area & access area –	approx. 15,276 sq. ft.
	Ramp area –	approx. 139,750 sq. ft.
	Parking areas (2) (paved) –	approx. 4,200 sq. ft.
	Parking area (1) (dirt) –	<u>approx. 10,395 sq. ft.</u>
	Total:	approx. 182,221 sq. ft.

Leasehold B: County Improvements (Exhibit B) – appr. 7,500 sq. ft.

Consisting of: FBO Terminal Bldg. & Hangar #1 – approx. 7,500 sq. ft.

Leasehold C-1: Hangar #2¹ (Exhibit C) – appr. 12,600 sq. ft.

Leasehold C-2: Fuel Farm Facility & Fixtures² (Exhibit C) – appr. 15,276 sq. ft.

Leasehold D: Phase 1 Parcel – New Ramp (Exhibit D) – appr. 92,500 sq. ft.

Leasehold E: Phase 2 Parcel – New FBO Facility (Exhibit E) – appr. 267,500 sq. ft.

Leasehold F-1: Phase 3 Parcel (Exhibit F) – appr. 664,800 sq. ft.

Leasehold F-2: Addition to Phase 3 Parcel (Exhibit F) – appr. 226,800 sq. ft.

Together with such portions of the Airport grounds and buildings as County may hereafter designate (all of the foregoing leaseholds (but only such portion of Leasehold F-1 as may have been added by Lessee pursuant to its Option (as defined in Section 1(F)), from time to time) and other property, collectively, the "Leased Premises"). County shall provide to Lessee, within ninety (90) days (subject to any reasonable delay caused by inclement weather) after the date of this Agreement, a survey, in mutually agreeable form and substance (the "Post-Closing Survey"), of each of Leaseholds A, B, C-1, C-2, D, E, F-1 & F-2, copies of which shall be attached to each of the exhibits hereto depicting such leasehold.

If the projected future relocation of RCR 51A occurs and the Airport property is expanded (whether in a single event or in multiple events), then the Phase 3 Parcel (as currently designated by Leasehold F-1) shall automatically be enlarged until it incorporates Leasehold F-2 as set forth in Exhibit F, to the extent that (and effective as of the date that) County, as owner of the Airport, is in control of such additional property and capable of supplying such additional property to Lessee. If such expansion occurs in stages, or if for any other reason the newly

¹ Lessee owned improvements only – underlying ground is part of Leasehold A.

² Lessee owned improvements only – underlying ground is part of Leasehold A.

expanded Phase 3 Parcel does not yet fully incorporate Leasehold F-2 as set forth in Exhibit F, then Exhibit F shall be amended to adjust the border between Leaseholds F-1 and F-2 to reflect the newly expanded Phase 3 Parcel (and Section 1(A) and Exhibit G shall also be amended to reflect the changes in square footage of Leaseholds F-1 and F-2), with a copy of any survey thereof attached thereto.

(B) Term. This Agreement shall be for a term of thirty-five (35) years (the "Base Term"), commencing on the Effective Date, and ending at midnight at the end of the day before the thirty-fifth (35th) anniversary of the Effective Date, upon the terms, conditions and stipulations set forth herein.

(C) Extensions. The Base Term of this Agreement shall automatically be extended, without any action required on the part of either party hereto, upon:

(1) the timely completion (subject to, and allowing for, any delay as may be permitted by this Agreement, including, without limitation, Section 38 and Section 46) of Lessee's construction of the New Ramp (as defined in Section 4(C)(1)(a)), as set forth in Section 4(C)(1)(a), for an additional period of five (5) years, commencing at the start of the thirty-fifth (35th) anniversary of the Effective Date, and ending at midnight at the end of the day before the fortieth (40th) anniversary of the Effective Date (the "First Extended Term");

(2) the timely completion (subject to, and allowing for, any delay as may be permitted by this Agreement, including, without limitation, Section 38 and Section 46) of Lessee's relocation of its Fixed Base Operation as set forth in Section 4(C)(1)(b), for an additional period of five (5) years, commencing at the start of the fortieth (40th) anniversary of the Effective Date, and ending at midnight at the end of the day before the forty-fifth (45th) anniversary of the Effective Date (the "Second Extended Term"); and

(3) the expenditure, prior to the end of the Base Term, of Two Million Dollars (\$2,000,000) on improvements (whether the construction of new improvements or the maintenance, repair or upgrade of existing improvements) within the Leased Premises (excluding, however, funds spent as part of the construction of the New Ramp or the New FBO Facility), for an additional period of five (5) years, commencing at the start of the forty-fifth (45th) anniversary of the Effective Date, and ending at midnight at the end of the day before the fiftieth (50th) anniversary of the Effective Date (the "Third Extended Term;" and collectively with the First Extended Term and the Second Extended Term, the "Extended Term;" and such Base Term, whether or not extended by the First Extended Term, the Second Extended Term or the Third Extended Term (or by any other agreement between the parties hereto), the "Term").

(D) Extension Terms and Conditions. The Extended Term shall be upon the terms, covenants and conditions as set forth in this Agreement, with the monthly rent payable as provided in Section 10 of this Agreement entitled, "Payment of Rent, Commissions and Right to Audit."

(E) Rent for Extended Term. Payment of all additional rent and other charges required to be made by Lessee, as provided in this Agreement for the Base Term, shall continue to be made during the Extended Term. Any termination of this Agreement during the Base Term or during the Extended Term shall terminate all rights of extension hereunder.

(F) Lessee's Option. During the first twenty (20) years of the Base Term, Lessee shall have the continuing, recurring option (the "Option"), from time to time, in each instance exercisable upon thirty (30) days notice to County, to add all or any portion of the approximately eight hundred ninety-one thousand six hundred (891,600) sq. ft. vacant parcel of land collectively set forth as Leaseholds F-1 and F-2 on Exhibit F (as the same may be updated from time to time in accordance with Section 1(A)) attached hereto (the "Phase 3 Parcel"), upon the same terms and conditions as the Phase 1 Parcel and the Phase 2 Parcel.

2. USES/PURPOSES/LIMITATIONS.

In addition to the above described property and rights, County does hereby demise and let unto Lessee, and Lessee does hereby hire and take from County, the following non-exclusive rights and privileges on and in connection with the Airport, as more particularly set forth:

(A) Use of the Airport: The reasonable use by Lessee, its employees, passengers, guests, customers, patrons and invitees, in common with other duly authorized users, of the Airport and the appurtenances thereto, together with all other facilities, equipment, services and improvements which have been or may hereafter be, from time to time, provided at or in connection with the Airport for common or public use in connection with the Airport, including, but not limited to, the landing field and any extensions thereof or additions thereto, roadways, runways, aprons, taxiways, de-icing areas, sewage and water facilities, snow storage and drainage areas, flood lights, landing lights, beacons, control tower, signals, radio aids, and all other conveniences for flying, landing, taxiing, refueling and taking off.

(B) Specific Rights at the Airport: In addition to all other rights elsewhere granted in this Agreement, Lessee or any sublessee thereof shall have the right, but not the obligation, to the reasonable use of the Airport for the following specific purposes:

- (1) The operation of an aviation business for the:
 - (a) sale (both new and used), repair, maintenance, storage and rental of aircraft and aircraft engines, and the sheltering of transient aircraft;
 - (b) sale of fuel and oil and deicing services for aircraft ("aircraft" being defined, for the purposes of this Agreement, as any vehicle or apparatus designed to move through the air without physical contact with the ground);
 - (c) sale of aircraft equipment and accessories (including, without limitation, hats, shirts, jackets, and other clothing) and parts and other similar and related goods and chattels, including all activities reasonably necessary to Lessee's operation hereunder;

(d) operation of a complete aircraft radio repair and maintenance service;

(e) provision of commercial flight services to commercial aircraft servicing the Airport;

(f) landing, taking off, taxiing, loading, repairing, maintaining, conditioning, servicing, parking or storing of aircraft or other related equipment; and

(g) training at the Airport of flight students and the giving of other instruction necessary for or related to the flying of aircraft; provided, however, that the operation of any flight or ground training school shall not at any time interfere or be permitted to interfere with the operation of the Airport by County or with the operation of the Airport in accordance with agreements or leases with others, or be permitted to constitute obstructions to others duly using the Airport and its facilities. The term "interfere" shall be that interpretation as defined by the Federal Aviation Administration (the "F.A.A.").

All of the foregoing in this subsection being hereinafter referred to as a "Fixed Base Operation".

(2) The servicing by Lessee or its suppliers, at convenient locations, of aircraft, motor vehicles, and other equipment by truck or otherwise, with gasoline, oil, grease and any other fuel or other supplies reasonably required by Lessee.

(3) The maintenance, repair, and upgrade of the fuel farm storage facility (the "Fuel Farm").

(4) The loading and unloading of certain property at the Airport by such motor vehicles or other means of conveyance, including aircraft, as Lessee may reasonably require in the operation of its Fixed Base Operation.

(5) The purchase at the Airport of Lessee's requirements of gasoline, fuel, lubricating oil, grease and any other materials and supplies from any person or company of Lessee's choice, and the making of agreements with any person or company of Lessee's choice of work to be done for Lessee.

(6) The installation and operation of identifying signs on the Leased Premises, and on other portions of the Airport property; provided, however, that the location, general type and design thereof is approved in writing by County, such approval not to be unreasonably withheld, delayed or conditioned; and provided further, however, that such signage does not include billboards or other third party advertising (other than identification of any supplier or sublessee of Lessee).

(7) The purchase and installation, maintenance and operation of such radio, communications, meteorological and aerial navigation equipment and facilities, in, on or about the Leased Premises as may be reasonably necessary for Lessee's operation

hereunder, as approved by the F.A.A., or any other governmental authority, and for the use of private aircraft using the Airport facilities.

(8) The right to reasonable use, in common with others, parking and servicing of aircraft, on such areas at the Airport as County may determine which will not interfere with the operation of, and the use of, such areas of other persons having legitimate business upon the Airport or interfere with the accustomed operation and maintaining of the Airport terminal building.

(9) All rights of access which may be reasonably required for ingress and egress to the Airport and the Leased Premises for Lessee, its employees, passengers, guests, patrons, invitees, suppliers of materials and furnishers of service, its or their aircraft, equipment, vehicles, machinery and other property, along such routes as may be described by County, without charge to Lessee or to the said persons or property unless there is damage to person or property, and in such event, Lessee shall be liable for any damages occasioned thereby and indemnify and hold County harmless thereof. Lessee's access to the Leased Premises shall be subject to all security rules, regulations and requirements imposed by any of County, the F.A.A. or the Transportation Security Administration (the "TSA"). Lessee shall have entrances and gates to the Aircraft Operations Area (the "AOA") and agrees to execute, as a condition of this Agreement, an Airport Security Agreement as required by County in accordance with FAA regulations, Title 14 CFR Part 107, as the same may be amended from time to time, and TSA regulations, as the same may be amended from time to time, which agreement requires Lessee to control and regulate any doors, openings or entrances to the AOA. Lessee shall comply with all applicable regulations required by the federal Department of Homeland Security. Lessee understands that pursuant to FAA regulations, Title 14 CFR Part 107, the control of every point at an airport that provides access to the AOA is the direct responsibility of the airport operator unless a valid exclusive use agreement is in effect, and accordingly, this Agreement shall serve as such an exclusive use agreement and County does hereby assign Gate 5 and Doors 4, 4A, 4B, 4C, 4D, 4E and 4F (collectively, and as they may be substituted or added to in accordance with this section, the "Gates"), as set forth in Exhibit H attached hereto, at the Airport to Lessee as access points for the exclusive use, control and supervision of Lessee, who shall be responsible for security at the Gates. The control of all access to the AOA through the Gates shall be the sole responsibility of Lessee. Lessee shall be solely responsible for the payment of any fines or penalties assessed against County as the airport operator for any violations of any F.A.A. regulations pertaining to access to the AOA through the Gates. County shall not make any agreement with any third party permitting such third party access to the AOA through any of the Gates without first giving Lessee thirty (30) days written notice of the intention to do so. Lessee shall have twenty (20) days after the date of such notice to give County written notice of its election to terminate its responsibility under this Agreement for the control and supervision of the security of any such Gate. Upon Lessee's vacating the portion of the Leased Premises containing the Gates in connection with its relocation to the New FBO Facility, Lessee shall no longer be responsible for controlling all access to the AOA through the Gates, and such responsibility shall revert back to County. Upon Lessee's relocation to the New FBO Facility, Lessee shall be granted or assigned substitute gates and doors in lieu of the Gates in order to provide

access to the AOA for Lessee's customers and employees, for which Lessee shall have the exclusive use and control of, and shall be responsible for supervising access through.

(10) The operation of airplane charter service for the transportation of persons and/or freight.

(11) The right to transport to and from the Airport area, by "limousine service" or otherwise, general aviation passengers and luggage and property, customers, crew, contractors, and other general aviation related people and property;

(12) The right to operate a satellite, branch or auxiliary office of any (or all) of the three (3) licensed automobile rental service operators at the Airport, as approved or authorized by the applicable automobile rental service operators.

(13) The right to operate an air taxi service.

(14) The right of aerial application.

(15) The right of automobile fueling, washing, and minor repair services for Airport tenants.

(16) The right to provide catering service to transient aircraft.

(17) Any other aeronautical services set forth in Part 3, Section (1) of the Airport's Minimum Standards for Commercial Aeronautical Activities dated March, 2004, as the same may be amended from time to time and as approved by the F.A.A. (the "Minimum Standards").

It is understood and agreed by County and Lessee that Lessee shall not rent hangar space or other space on the aforescribed Leased Premises to any person, firm or corporation, which is not used directly for aircraft or aviation purposes.

(C) Operations in Compliance: Lessee further agrees that it will conduct its operation in and upon the afore-described area at the Airport in strict compliance with the provisions contained in this Agreement and in compliance with rules and regulations of the F.A.A., as well as all other governmental agencies, and that it will transact its business in such a manner as will develop and maintain the good will and active interest of those enjoying the use of the Airport, and who have or may have occasion to use said facilities or to come into relations with the Airport.

(D) Charges for Merchandise and Services: Lessee may charge its customers and any passengers and crew (and any other third parties) utilizing any of Lessee's facilities or services (or purchasing any merchandise) which Lessee is entitled to provide under this Agreement.

3. IMMEDIATE SERVICE TO BE PERFORMED.

Lessee covenants and agrees with County that as of the Effective Date, Lessee shall provide and have available for the use and benefit of the general public, during such hours and

days as are set forth in the Airport's Minimum Standards (with "call-out" service available during the remainder of each day), the equipment, machinery and personnel necessary and required for Lessee to furnish the following:

(A) Aircraft Storage: Aircraft storage facilities in the hangar buildings and tie down area leased or owned by County.

(B) Fueling: Aircraft fuel required for general aviation, commercial aviation and air cargo purposes, and lubricant sales to aircraft.

(C) De-Icing: Glycol aircraft de-icing services for general aviation, commercial aviation and air cargo aircraft.

4. **MAINTENANCE AND CONSTRUCTION.**

(A) Lessee's Maintenance Obligations. Lessee shall maintain the Leased Premises at all times in a safe, neat and attractive condition in conformity with other buildings, improvements and landscaping in the general area, and shall not permit the accumulation of any trash, paper or debris on the Airport or the Leased Premises. Except for the ramp area located in Leasehold A, Lessee shall repair all damage to the Leased Premises (ordinary wear and tear excepted), and shall maintain and repair all buildings, improvements and equipment thereon. Except to the extent set forth in Section 4(B) for the ramp area located in Leasehold A, Lessee shall be responsible for and perform all maintenance within the Leased Premises, including but not limited to:

- (1) Janitorial services;
- (2) Supply and replacement of light bulbs;
- (3) Cleaning of stoppages in plumbing fixtures, drain line and septic system, in each case only with respect to such service lines that are contained within the Leased Premises;
- (4) Replacement of floor covering;
- (5) Maintenance of all building and overhead doors;
- (6) Building interior, including painting;
- (7) Repair or replacement of equipment and utility systems;
- (8) Lessee shall be responsible for all snow removal on the Leased Premises, other than on the ramp area;
- (9) Lessee shall perform all maintenance and repair on Lessee-constructed structures, pavements and equipment, excluding pavements which comprise any public use areas of the aircraft apron;

(10) Lessee shall advise County and obtain County's consent in writing before making changes involving structural changes to buildings or premises;

(11) Lessee is responsible for maintaining electric loads within the designed capacity of the system;

(12) Lessee shall provide and maintain hand fire extinguishers for the interior of all buildings contained in the Leased Premises;

(13) Lessee shall maintain all landscaping and grounds contained in the Leased Premises as originally approved and installed.

Lessee, upon notice by County to Lessee, shall be required to perform whatever maintenance County reasonably deems necessary (excluding, however, any maintenance or repairs to the ramp area located in Leasehold A). If said maintenance is not undertaken by Lessee within thirty (30) days after receipt of written notice, then County shall have the right, but not the obligation, to enter upon the Leased Premises and perform the necessary maintenance, the cost of which shall be borne by Lessee.

(B) County's Maintenance Obligations. Subject to Section 45, County shall maintain and keep the ramp area located in Leasehold A in the Leased Premises in a good and safe state of repair. County may, where it deems necessary, repair pavements and utilities within the Leased Premises existing as of the Effective Date of this Agreement. During the Term, County shall, when reasonably and legally possible, operate, maintain and keep in good repair so much of the Airport premises as is not under exclusive control of individual lessee's, including, but not limited to, the commercial aviation terminal building (including all public and passenger space), vehicle parking area, and all roadways, runways, aprons and taxi-ways, and all appurtenances, facilities, utilities and services now or hereafter connected with the foregoing, including, but not limited to, all field lighting and other appurtenances, facilities, and services the Airport has available. County shall, when reasonably possible, keep the Airport free from obstruction, including the clearing and removal of snow from all of the runways, taxi-ways, ramp areas and taxi-lanes (including those within the Leased Premises), and loading areas; provided, however, that County shall not be responsible for removing snow from on or around general aviation aircraft, which snow shall be pushed into the taxi-lanes by Lessee, whereupon County shall remove such snow from the taxi-lanes. County shall maintain the Fuel Farm Access Road (as defined in Section 4(D) and as set forth on Exhibit I attached hereto), and any areas of the aircraft ramp that may be constructed by Lessee outside of the Leased Premises which are intended to be designated as public use areas (if any). Maintenance shall include snow removal (as set forth in this Section 4(B) above), pavement repair and maintenance and foreign object debris sweeping and removal. Maintenance of Taxiway B shall be at the expense of County.

(C) Lessee's Construction Obligations. Lessee shall, at its sole expense:

(1) Requirements for Improvements on the Leased Premises.

(a) New Ramp. Lessee shall, at its sole expense, construct on the Leased Premises such buildings, structures, aircraft aprons, roadways, utility lines, additions and improvements as Lessee may desire in furtherance of the

purposes set forth in Section 2, and shall install therein and thereon such equipment and facilities as Lessee may deem necessary or desirable; provided, however, that no building, structure, roadway, utility line, addition or improvement of any nature shall be made or installed by Lessee without the prior written consent of County, which consent shall not be unreasonably withheld, delayed or conditioned. Lessee shall be obligated to construct, at its expense, additional ramp area (the "New Ramp") (which shall be capable of accommodating "Group II" aircraft (as described in the F.A.A. Advisory Circular 150/5300-13, Airport Design, Airplane Design Group), and which shall include a portion thereof constructed in such a manner (which may be accomplished by, among other possible methods, construction of a "hard stand") that it shall be capable of parking one (1) aircraft with a gross landing weight of up to 110,000 pounds) on that portion of the Leased Premises indicated on Exhibit D attached hereto (such property, not to be less than 80,000 square feet, the "Phase 1 Parcel"). Subject to, and allowing for, any delay as may be permitted by this Agreement, including, without limitation, Section 38 and Section 46, construction of the New Ramp shall be substantially completed by the fourth (4th) anniversary of the Effective Date. Upon the New Ramp Rent Commencement Date (as defined in Section 10(A)), Lessee shall permit County to park aircraft on a portion of the ramp area located in Leasehold A, such portion (the "County Ramp Area") to be as set forth in Exhibit L attached hereto (and conspicuously marked on the ramp) and which shall revert to County at such time, whereupon the County Ramp Area shall be excluded from Leasehold A and thereafter Lessee shall no longer be required to pay any rent under Section 10 (or any other amounts as may be set forth in this Agreement) for the County Ramp Area.

(b) New FBO Facility. Lessee shall also be obligated to construct, and move to, at its expense, a new facility (which shall be of a quality that is normal and customary in the Fixed Base Operations industry and shall include a new terminal building (of not less than 4,000 square feet), additional ramp area (which shall be capable of accommodating "Group II" aircraft (as described in the F.A.A. Advisory Circular 150/5300-13, Airport Design, Airplane Design Group), and which shall include a portion thereof constructed in such a manner (which may be accomplished by, among other possible methods, construction of a "hard stand") that it shall be capable of parking one (1) aircraft with a gross landing weight of up to 110,000 pounds) and a new parking lot and entrance road connecting to the Airport access road for the use of Lessee's customers, employees, guests, and other invitees) for its Fixed Base Operations (collectively, the "New FBO Facility") on that portion of the Leased Premises indicated on Exhibit E attached hereto (such property, not to be less than 220,000 square feet, the "Phase 2 Parcel"). County acknowledges and agrees that so long as Lessee has access to at least 10,000 square feet of hangar space, that Lessee shall be deemed to be in compliance with the Airport's Minimum Standards with respect to required hangar space. Upon the completion of Lessee's relocation to the New FBO Facility, the existing facility (comprised of terminal space, hangar space, ramp space, automobile parking space, access roads or driveways, and other

accompanying or contiguous space, contained within Leaseholds A, B & C-1 but excluding, however, the Fuel Farm and, if so desired by Lessee, a small office in Hangar #2) that Lessee has vacated (the "Vacated Area") shall (i) revert to County, (ii) be removed from the Leased Premises (with Exhibit B and Exhibit C each being revised to reflect such removal as agreed upon by County and Lessee and attached hereto) with an accompanying reduction in rent and Other Charges as applicable to such Vacated Area, and (iii) thereafter be used by County (or any lessee thereof or any other third party) for any Airport-related purpose; provided, however, that whenever County should ever intend, at any time (and from time to time) during the Term, for any portion of the Vacated Area to be used for any general aviation use (which shall include, without limitation, any use specified in Section 2(B) and/or Section 3), then Lessee shall have a right of first refusal on such portion whereby such portion shall be first offered to Lessee to include as part of the Leased Premises (at a fair market value rental rate, as determined in accordance with Section 10(B)), such right of Lessee to be exercisable for a period of nine (9) months after Lessee's receipt of a notice from County that such portion is available for general aviation use. Subject to, and allowing for, any delay as may be permitted by this Agreement, including, without limitation, Section 38 and Section 46, construction of the New FBO Facility shall be substantially completed by the tenth (10th) anniversary of the Effective Date.

(2) Approval of Plans. Lessee shall, prior to the preparation of detailed construction plans, specifications and architectural renderings of any such building, structure, roadway, utility line, addition or improvement, submit plans showing the general site plan, design and character of improvements and their locations relative to the Leased Premises (including location of drainage, utilities and roadways) to County's airport manager for approval (such approval not to be unreasonably withheld, delayed or conditioned). Lessee's plans shall meet all requirements/limitations imposed by the F.A.A. for the type of development proposed. Lessee shall, prior to the installation or construction of any such building, roadway, structure, utility line, addition or improvement on the Leased Premises, first submit to County for approval (such approval not to be unreasonably withheld, delayed or conditioned), final detailed construction plans and specifications and architectural renderings prepared by registered architects and engineers, and that all construction will be in accordance with such plans and specifications and the current land use development criteria established by the Town of Hayden, Colorado, and all requirements/limitations imposed by the F.A.A.

(3) Extension of Utilities or Special Facilities. Lessee shall construct, at its expense, all necessary utility lines within the Leased Premises required for Lessee to connect to the line of existing service. Lessee shall construct within the Leased Premises, at its expense, the connecting roadways to County Road 51A, as it is located as of the date of this Agreement.

(4) Construction of Additional Improvements. At its own expense, Lessee has the right to request permission to construct additional improvements by complying with the requirements specified in Section 4(C)(2) above.

(5) Cost of Construction and Alterations. Within sixty (60) days of completion of the construction of County approved improvements or alterations, Lessee shall present to County for examination and approval (such approval not to be unreasonably withheld, delayed or conditioned) a sworn statement of the Construction and/or Alteration Costs. "Construction and/or Alteration Costs," for the purposes of this Agreement, are hereby defined as all money paid for actual demolition, construction or alteration, including architectural and engineering costs plus pertinent fees in connection therewith.

(6) As-Built Drawings. Within sixty (60) days following completion of the initial construction and any subsequent additions, alterations or improvements, Lessee shall present to County a complete set of reproducible drawings, including all amendments and changes issued during construction and including, but not limited to, specifications and shop drawings. In addition, Lessee shall provide County with the as-built drawings for the improvements in an electronic form reasonably acceptable to County.

(7) Hazard Lights. Lessee shall, at its expense, provide and maintain hazard lights on any structure erected by Lessee on the Leased Premises, if required by County or the F.A.A. Any hazard lights so required shall comply with the specifications and standards established for such installations by the F.A.A.

(8) Inspection of and Condition of Property. Lessee shall have the right from time to time, upon prior notice to County, to inspect (or have engineers and consultants inspect) the real property comprising any portion of the Phase 1 Parcel, the Phase 2 Parcel or the Phase 3 Parcel. If any environmental contamination, hazardous materials or similar environmental issues, including "unsuitable material," should be discovered, or if any portion of such real property shall be found to be unsuitable for the construction thereon permitted or required by this Agreement (any such contamination or other environmental issue, or any such unsuitable condition, a "Property Problem"), then Lessee shall notify County of such Property Problem and County shall have the option of either (a) deciding to remediate or rectify, at County's expense, the Property Problem, for which Lessee shall receive an extension of any deadline for its construction obligations, in an amount of time as is reasonably necessary to complete such remediation or rectification, or (b) deciding to not remediate or rectify the Property Problem if it cannot be done in a commercially reasonable manner; provided, however, that if County decides to not remediate or rectify the Property Problem, then County shall timely provide Lessee with comparable, reasonable substitute property with similar airside access, and Lessee shall receive an extension of any deadline for its construction obligations, in an amount of time as is reasonably necessary for (i) County to complete such timely provision to Lessee of such substitute property, and (ii) Lessee to adjust, adapt or change its construction plans to reflect the change to such substitute property.

(D) County's Construction Obligations. County shall, subject to Section 45, at its sole expense, build and complete, prior to Lessee's completion of the New FBO Facility, an access road from the New FBO Facility to the currently existing Fuel Farm (the "Fuel Farm Access Road"). County shall also build, subject to Section 45, at its sole expense, any extensions of

entranceways or access roads to the Leased Premises which may reasonably be necessary or advisable in the event that County relocates the Airport's main access road, Routt County Road 51A. If Routt County Road 51A is relocated prior to County's construction of the Fuel Farm Access Road, and County is not able to receive sufficient funding to construct the Fuel Farm Access Road as contemplated on Exhibit I, then County may use some or all of such section of Routt County Road 51A that is existing on the date of this Agreement and which is replaced with the relocated Routt County Road 51A (the "Old RCR 51A") as part of the Fuel Farm Access Road; provided, however, that (i) County shall construct connecting roads from the Old RCR 51A to both the Phase 2 Parcel and the Fuel Farm, (ii) the Old RCR 51A is designated a non-public road in order to allow Lessee to operate its fuel service vehicles on such road, and (iii) any remaining portion of the Old RCR 51A that is within Leasehold F-2 (as described in Exhibit F) (unless used by County as part of the Fuel Farm Access Road) shall be removed. County shall use its best efforts to include such construction projects in County's budget and in the FAA-approved Capital Improvement Plan for the Airport at the appropriate time in order to not negatively impact the ability of Lessee to timely complete the construction of the New FBO Facility or any of its other capital improvements planned for the Phase 1 Parcel, the Phase 2 Parcel, or the Phase 3 Parcel.

5. OWNERSHIP OF IMPROVEMENTS; PERSONAL PROPERTY REMOVAL.

(A) Ownership. All buildings, fixtures, trade fixtures and other improvements which have been, or may be during the Term, purchased by or constructed by Lessee (or its predecessor in interest) shall remain the property of Lessee until the expiration of the Term, whereupon they shall revert to and become the property of County; provided, however, that the improvements set forth in Leasehold C-1 (that building known as Hangar #2) shall revert to, and become the property of, County on August 14, 2018 (the "Reversion Date"); provided further, however, that if Lessee's relocation to the New FBO Facility is delayed because County is unable, pursuant to Section 38 or Section 45, to complete any of its obligations under this Agreement (such as County's construction obligations set forth in Section 4(D)) that are reasonably necessary to facilitate Lessee's relocation to the New FBO Facility, then the Reversion Date shall be postponed by such period of time as is equal to the period of such delay. All buildings and other improvements upon the Leased Premises installed by Lessee shall only be made with the approval and consent of County. Lessee shall not enter into any agreements whatsoever, or do or permit the doing of anything that would grant, constitute or impose any title to or lien upon such building or other improvements without prior consent and approval of County.

(B) Removal. Lessee shall, by the expiration of the Term, surrender the Leased Premises, broom-clean, together with alterations, additions and improvements which may have been made upon the leased property, excepting movable personal property. All movable personal property shall be removed by Lessee by the expiration of the Term and all movable personal property not so removed shall be deemed abandoned by Lessee, whereupon Lessee shall be responsible for, and shall promptly reimburse County for, the reasonable costs incurred by County in removing such movable personal property.

6. **COUNTY'S OPERATION OF THE AIRPORT.**

(A) Safe Operation. County shall keep the Airport and its approaches free from obstruction and interference, for the safe, convenient and proper use thereof by Lessee in common with all others entitled to the use thereof, and shall maintain and operate the Airport so as to entitle it to the approved rating by the F.A.A.; and Lessee shall not do or permit the doing of anything tending to cause the Airport not to be entitled to such rating.

(B) Public Airport. County covenants and agrees that at all times it will operate and maintain the Airport facilities as a public airport consistent with and pursuant to the Sponsors Assurances given by County to the United States Government required under any federal regulation applicable to the ownership and operation of a public airport.

(C) Use of Lessee's Vacated Area. As set forth in Section 4(C)(1)(b), whenever County should ever intend, at any time (and from time to time) during the Term, for any portion of the Vacated Area to be used for any general aviation use, then Lessee shall have a right of first refusal on such portion whereby such portion shall be first offered to Lessee to include as part of the Leased Premises (at a fair market value rental rate, as determined in accordance with Section 10(B)), such right of Lessee to be exercisable for a period of nine (9) months after Lessee's receipt of a notice from County that such portion is available for general aviation use.

7. **UTILITIES/SERVICES.**

(A) Utilities. Except as set forth in Section 7(D), Lessee shall provide, assume and pay for all security systems, lights, gas, electric current, water and other utilities used in any way on the Leased Premises, and shall pay the costs or charges made therefore by the suppliers thereof promptly when due. Lessee shall have the right to connect to any and all storm and sanitary sewers and water and utility outlets at its own cost and expense (to the extent such right is capable of being provided by County, it being understood by Lessee that the right to so connect may be controlled by a third party not within the control of County, in which case County shall not object to, and shall recommend, to such third party that Lessee be permitted to so connect), and Lessee shall pay for any and all service charges incurred therefore; provided, however, that Lessee shall provide, at its expense, any extensions of such sewer, water and utility services that may be required within any part of the Leased Premises; provided further; however, that if Lessee is not permitted to connect to any sewer, water or utility service in connection with its construction of the New FBO Facility or of any other capital improvement which it may undertake during the Term, then any deadline which may relate to such construction shall be extended until such time as Lessee is permitted to so connect.

(B) Security & Janitorial Services. It is understood and agreed that Lessee shall furnish and pay for all security services, janitorial services and supplies in respect to the Leased Premises.

(C) Garbage. Lessee shall pick up, and provide for, a complete and proper arrangement for the adequate sanitary handling and disposal, away from the Airport, of all trash, garbage and other refuse caused as a result of its use and occupancy of the Leased Premises. Lessee shall provide and use suitable covered metal receptacles for all such garbage, trash and

other refuse. Piling of boxes, cartons, barrels, pallets, debris or similar items in an unattractive or unsafe manner, on or about the Leased Premises, shall not be permitted.

(D) Extension of Utilities or Special Facilities. County shall, subject to Section 45, upon twelve (12) months notice from Lessee, provide, at its expense, for the provision of all such sewer, water and utility services up to the border of the Phase 1 Parcel, the Phase 2 Parcel and the Phase 3 Parcel.

8. COMPLIANCE WITH LAWS.

(A) All Laws. Lessee shall at all times obey and promptly comply with all present and future laws and ordinances of the Federal Government, the State of Colorado, and any political subdivision thereof having jurisdiction of or respecting the condition of the Leased Premises and/or any business conducted thereon or in connection therewith, and all lawful orders, regulations or requirements of all governmental authorities or agencies which may have jurisdiction. Lessee shall not use the Leased Premises demised hereunder or permit the same to be used for any unlawful or immoral purpose or do in or upon or about said Leased Premises, or permit anything therein or thereon or thereabout, of anything that tends to create a nuisance; and Lessee further covenants at all times to obey and promptly comply with all lawful rules and regulations, including but not limited to the Stormwater Pollution and the Spill Prevention Control and Countermeasure Program (not in conflict with the provisions hereof) which may from time to time be promulgated by County or the general regulations of the Airport used by the public or other interested parties.

(B) CDOT & F.A.A. Requirements. Lessee shall at all times obey and promptly comply with all Colorado Department of Transportation ("CDOT") and/or F.A.A. Sponsor Grant Compliance and Assurance Requirements. In the event that the CDOT or F.A.A. requires modification of this Agreement in order to comply with the Sponsor Grant Compliance and Assurance requirements, Lessee agrees, insofar as such modifications do not alter any substantive provisions, to modify this Agreement to comply with such requirements.

(C) Use of Airport & Leased Premises. The execution and delivery of this Agreement by County and its acceptance by Lessee is conditioned upon the right, which is hereby granted to Lessee, to use the Airport facilities in common with others authorized to do so, provided, however, that Lessee shall observe and comply with any and all requirements of the constituted public authorities and with all federal, state or local statutes, ordinances, regulations and standards applicable to Lessee for its use of the Leased Premises, including, but not limited to, rules and regulations and any applicable published Minimum Standards promulgated from time to time by the airport manager for the administration of the Airport.

(D) Affirmative Action. With respect to the Leased Premises, Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall, on the grounds of race, creed, color, national origin or sex, be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E; that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by that Subpart; and that it will require that its covered suborganizations (if any) provide assurance to Lessee that they similarly

will undertake affirmative action programs, and that they will require assurances from their suborganizations (if any), as required by 14 CFR Part 152, Subpart E, to the same effect, to the extent that said requirements are applicable, as a matter of law, to Lessee.

(E) Compliance with Security Plan. Lessee shall comply with the rules and practices as set forth in the current Routt County Airport Security Plan, as amended from time to time. Any fines assessed against County by the F.A.A. as a result of Lessee's failure to comply with the provisions of this paragraph or other intentional or negligent acts or omissions of Lessee's employees or agents will be paid promptly to County by Lessee.

(F) Statutory or Regulatory Changes. If any statutory or regulatory change occurs which provides for the screening of baggage or passengers on Lessee's leasehold or for any other change that is specifically related to Lessee's Fixed Base Operation, and any such change results in additional expense of County, then the portion of such additional expense attributable to Lessee's leasehold or Lessee's Fixed Base Operation shall be passed through to Lessee, on a *pro-rata* basis or such other equitable basis or proportion as they shall mutually agree.

9. **PROTECTION CLAUSE.**

(A) Right of Flight in Airspace. County reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the real property hereinafter described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from or operating on the Airport.

(B) Restriction on Obstructions. Lessee expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the hereinabove described real property to such a height so as to comply with Federal Aviation Regulations, Part 77.

(C) No Hazard or Interference with Airport. Lessee expressly agrees for itself, its successors and assigns, to prevent any use of the hereinabove described real property that would interfere with or adversely affect the operation or maintenance of the Airport, or otherwise constitute a hazard.

10. **PAYMENT OF RENT AND OTHER REMITTANCES; RIGHT TO AUDIT.**

(A) Rent and Other Payments. In addition to applicable taxes, and any other payments otherwise described herein, Lessee agrees to pay to County, as and for rent for the use of the Leased Premises, the amounts provided in the payment schedule attached hereto as Exhibit G. In addition to the leasehold specific rents set forth in such Exhibit G, Lessee shall also pay to County a fuel flowage fee of \$.08 for avgas and \$.08 for jet fuel, in each case per gallon of fuel sold by Lessee (the "Fuel Flowage Fee"), and seventy-five percent (75%) of the landing fees collected by Lessee (which Lessee shall collect, in such amounts and according to such guidelines as are established by County from time to time (a current copy of which is attached hereto as Exhibit K) upon three (3) business days notice to Lessee, from general

aviation aircraft utilizing Lessee's services or leasehold), which said amounts shall be paid monthly in accordance with subsection (C) below. With each monthly payment, Lessee shall submit to County documentation of the total amount of gallons of fuel sold by Lessee for that month (including a description of the number of gallons of each category of fuel sold by Lessee). The leasehold rent, the Fuel Flowage Fee, the other amounts (including County's share of the landing fees) described on Exhibit G (such other amounts, collectively, the "Other Remittances") and any other sums which may be due from Lessee to County (such as may be due pursuant to Section 8(F)) (any and all such other sums, the "Other Charges") shall be payable as set forth in subsection (C) below. Notwithstanding anything else contained in this Agreement, rent shall not become due on (1) the Phase 1 Parcel until the completion of construction of the New Ramp and the successful inspection and/or certification by the appropriate authorities of the New Ramp being available for use (the "New Ramp Rent Commencement Date"), (2) the Phase 2 Parcel until the completion of construction of the New FBO Facility and the successful inspection and/or certification by the appropriate authorities of the New FBO Facility being available for the operation of Lessee's Fixed Base Operation (the "New FBO Facility Rent Commencement Date"), and (3) any portion of the Phase 3 Parcel for which Lessee has exercised its Option until the completion of construction of the improvements being constructed on such portion and the successful inspection and/or certification by the appropriate authorities of such improvements being available for use by Lessee.

(B) Annual Rent Adjustments. The amount of monthly base ground rental payments for Leasehold A, Leasehold D, Leasehold E and Leasehold F shall be subject to adjustment on an annual basis. The annual adjustments shall be determined by the percentage increase in the most recently available annual average of the U.S. City Average Consumer Price Index ("CPI") for All Urban Consumers, as stated by the U.S. Department of Labor. Annual CPI base rental adjustments shall be applied to years between each five (5) year anniversary date of this Agreement, when fair market value rental adjustments will be applied, as further described in this section. Within six (6) months prior to each five (5) year anniversary date of this Agreement during the Term, County shall engage (at its expense) for the conduct of a fair market value real estate appraisal (which shall exclude the value of any improvements owned by Lessee) to be provided by an MAI certified real estate appraiser with experience in conducting airport ground lease appraisals for property similar in nature to the Leased Premises. The monthly base rental amount for the next succeeding year after each five (5) year anniversary date during the Term shall be subject to adjustment according to the results of such real estate appraisal. During the Term, monthly rental amounts shall not be lowered due to any adjustment specified in this section.

(C) Payment Due Dates. The rent for the Leased Premises shall be payable in advance on the first (1st) day of each month. The Fuel Flowage Fee and the Other Remittances and any Other Charges which may be due from Lessee to County shall be payable on the fifteenth (15th) day of each month with respect to the prior month or the applicable transactions occurring therein.

(D) Maintenance of Books and Records. Lessee shall maintain complete books and records reflecting every phase of its activities in connection with the Airport, which books and records have been approved, or are subject to the inspection, by County and/or its agents at reasonable times and upon reasonable notice.

(E) County's Audit Rights. County shall have the right to have the books and records of Lessee, and its assigns or sub-lessees, audited annually by a certified public accountant ("CPA") selected by County, upon reasonable notice to Lessee, and in the office of Lessee. Lessee shall not enter into any lease or agreement with any sub-lessee or assignee of the Leased Premises which does not expressly provide for such right of audit by County. The expense of any such audit shall be the responsibility of County. If the audit indicates an underpayment of rent by Lessee, then Lessee shall pay such underpayment to County within sixty (60) days of its receipt of the CPA's report, and if the amount of such underpayment is more than five percent (5%) of what the total payment should have been, then the cost of such audit shall be borne by Lessee. If the audit indicates an overpayment of rent by Lessee, then County shall refund such overpayment to Lessee within sixty (60) days of its receipt of the CPA's report. Notwithstanding the foregoing, Lessee shall have the right to review and contest such report and the results of such audit, during which time any payment obligation of Lessee for understated rent shall be tolled. If Lessee contests such report and audit, and Lessee and County cannot reach an agreement as to the final results of such audit within sixty (60) days of Lessee's notice to County of its contesting such audit, then either Lessee or County may request mediation to settle the dispute, whereupon both parties shall act in good faith to resolve such dispute through such mediation for a period of thirty (30) days (and shall share the costs of such mediation equally (50% - 50%); provided, however, that if the dispute is not resolved in such thirty (30) day period, then either Lessee or County may pursue the matter through litigation in order to finally resolve such dispute; provided further, however, that any payment obligation resulting from such audit shall be tolled until such dispute is resolved, and it shall not be deemed a breach of this Agreement to pursue such dispute through litigation. It shall be a condition of any audit conducted pursuant to this Agreement that the CPA agree in writing with Lessee to (i) keep confidential all of Lessee's books, records and other non-public information (such books, records and information, collectively, the "Confidential Data"), and (ii) perform such audit and communicate with County in such a manner so as to ensure that neither any Confidential Data nor any such communication containing any Confidential Data becomes publicly available.

(F) Method of Payment. On each payment date, payment of the aggregate amount due may be made either (1) by check, made out to "Yampa Valley Regional Airport" and delivered to the office of the Airport Manager, Yampa Valley Regional Airport, P.O. Box 1060, Hayden, Colorado 81639, or (2) by wire transfer to an account specified by County by notice to Lessee.

(G) Interest on Late Payments. There shall be added to all sums due County and unpaid when due, as may be established by County, an interest charge of one percent (1%) of the principal sum due for each full calendar month of delinquency computed as simple interest. No interest shall be charged upon any account until payment is thirty (30) days overdue, but such interest, when assessed thereafter, shall be computed from the due date. The interest rate shall not exceed the maximum, non-usurious rate allowed by Colorado state law, as it may change from time to time.

(H) Adjustments to Fuel Flowage Fee. County may, effective upon each tenth (10th) anniversary of the Effective Date, adjust the amount of the Fuel Flowage Fee in accordance with this Section 10(H). County shall compile, from the most recent publicly available data obtainable from the American Association of Airport Executives (or any other publicly available

and reliable source), the fuel flowage fees then imposed at not less than fifteen (15) airports most comparable to the Airport (such comparability to be determined based upon the extent to which an airport shares the following characteristics with the Airport: (i) regional location in the western and mid-western United States, (ii) metropolitan area size, (iii) airport type of general aviation airports (with or without regional airline service) and/or smaller commercial service airports, and (iv) overall strength of the local general aviation market). Upon the agreement of both County and Lessee regarding the airports chosen as comparable airports and the fee data obtained, the Fuel Flowage Fee shall then be adjusted to equal the median fuel flowage fee for such comparable airports. If County and Lessee are not able to reach such an agreement, then County may, at its expense, engage an experienced aviation consultant (having at least ten (10) years of experience) to perform a formal market review and comparison of the fuel flowage fees then imposed at not less than fifteen (15) airports most comparable to the Airport (such comparability to be determined based upon the characteristics set forth above). The Fuel Flowage Fee shall then be adjusted to equal the median fuel flowage fee for such comparable airports.

11. TERMINATION BY LESSEE.

Lessee, in addition to any right of termination or any other right herein given, may terminate this Agreement by giving forty-five (45) days' written notice to County, given upon or after the happening of any one of the following events:

(A) No F.A.A. Permission. Any failure or refusal by the F.A.A. to permit Lessee to operate into, from or through the Airport, such aircraft as Lessee may reasonably require with its operations hereunder.

(B) Breach by County. The breach by County of any of the covenants or agreements contained herein on its part to be kept and performed, and the failure of County to remedy such breach for a period of forty-five (45) days after receipt of written notice from Lessee of the existence of such breach.

(C) Inability to Operate. The inability of Lessee to use said Leased Premises and facilities continuing for a period longer than thirty (30) days, due to any law or order, rule or regulations of any appropriate governmental authority having jurisdiction over the Leased Premises or over the operation of the Airport, or due to war, earthquake, or other casualty; provided, however, that the negligence of Lessee is not the cause of such inability of Lessee to use such facilities and premises.

If County's operation of the Airport or Lessee's operations at the Airport should be impaired substantially by any action of the United States government, or any agency thereof, or the State of Colorado, or any agency thereof, then either party hereto shall have the right, upon written notice to the other, to a suspension of this Agreement and an abatement of a just proportion of the services and facilities (and associated rent) to be afforded hereunder, from the time of such notice until such restriction shall have been remedied and normal operations restored; provided, however, that if any such substantial impairment shall exist for a period of thirty (30) days or more, then Lessee, at its option, may terminate this Agreement and all rights, privileges, and responsibilities hereunder shall forthwith cease and terminate. County shall not

be liable to Lessee for any damages suffered by Lessee arising out of any restrictions in Lessee's operations at the Airport unless said restrictions have been imposed as a direct result of negligence or misconduct on the part of County.

12. **ABATEMENT OF RENT.**

(A) Unusable. If any portion of the Leased Premises, or the Airport itself, shall become completely or substantially unusable by Lessee for its Fixed Base Operations for a period of more than thirty (30) days, whether for any of the causes enumerated in Section 11 above or otherwise, then the rental provided for hereunder shall be abated during such period.

(B) Restriction on Use. Notwithstanding subsection (A) above, if all or any part of the Leased Premises is restricted from use or damaged by events or occurrences not caused by the fault or neglect of Lessee (including, without limitation, any of the events described in Section 11) and Lessee's ability to use the damaged area is significantly affected, then the rental provided for hereunder shall be proportionately reduced to reflect both the time and extent of any deprivation suffered by Lessee, until such portion of the Leased Premises shall be repaired or reconstructed to the same extent as before the damage; provided, however, that Lessee (or County, if it is County's obligation under this Agreement to repair such portion of the Leased Premises) exercises due diligence in repairing and reconstructing the same. This subsection shall not apply to any temporary closings of the Airport as a result of normal weather conditions, or closings for Airport-sponsored activities, such as air shows, which may require closing of the Airport for less than twenty-four (24) hours, or properly executed NOTAM closings for properly authorized purposes of the F.A.A. or County.

13. **NO WAIVER.**

No failure or delay on the part of any party hereto in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise of any other right or power.

14. **TERMINATION BY COUNTY.**

(A) County may cancel this Agreement by giving Lessee written notice, upon or after the happening of any one (1) of the following events:

- (1) The filing by Lessee of a voluntary petition of bankruptcy;
- (2) The institution of proceedings in bankruptcy against Lessee and the adjudication of Lessee as a bankrupt pursuant to such proceedings;
- (3) The taking by a court of competent jurisdiction of Lessee and its assets pursuant to proceedings under the provisions of any Federal reorganization act and the failure for a six (6) month period of the court appointed trustee or receiver to otherwise comply with the terms of this Agreement;

(4) The appointment of a receiver of Lessee's assets and the failure, for a six (6) month period, of the receiver to comply with the terms of this Agreement;

(5) The abandonment by Lessee, for a period of thirty (30) days or more, of its conduct of business at the Airport. Abandonment shall be defined as conduct which is intentional, unequivocal, and inconsistent with the existence of this Agreement; or the relinquishment of the Leased Premises with the intent of not claiming rights or interests in the same; or

(6) The default by Lessee in the performance of any covenant or agreement herein required to be performed by Lessee and the failure of Lessee to remedy such default for a period of thirty (30) days after receiving from County written notice to remedy the same (or, if such default is of such a nature that it is not reasonably capable of being cured within thirty (30) days, then the failure of Lessee to commence and diligently pursue the cure of such default); provided, however, that no notice of cancellation as above provided shall be of any force and effect if Lessee shall have remedied the default prior to receipt of County's notice of cancellation.

15. **COUNTY'S RIGHT OF SELF-HELP.**

Lessee agrees that if a condition exists which Lessee is required under this Agreement to repair, and/or maintain and if Lessee fails to repair said condition within thirty (30) days after receipt of such notice of the existence thereof, or complete such repair within a reasonable time after notice in the event such repair cannot reasonably be completed within said thirty (30) days, then County shall have the right, but not the obligation, to make such repairs at the expense of Lessee. The terms and provisions of the foregoing sentence to the contrary notwithstanding, in the event such condition constitutes an imminent threat of injury to persons or damage to property, County shall exercise reasonable efforts to notify Lessee of such condition, but, in any event, County shall have the right, but not the obligation, to repair such condition at the expense of Lessee. Lessee shall reimburse County with the next payment of rent due and payable by Lessee to County and said amount shall be deemed rent.

16. **USE AND IMPROVEMENTS OF EXISTING IMPROVEMENTS.**

Lessee may, at its own cost and expense, after having obtained the written consent of County, make such interior alterations, changes, improvements and re-arrangements in or upon any building owned by County on the Leased Premises, as may be necessary or desirable to the proper conduct of Lessee's business, and may install or erect any furniture, fixtures and other appurtenances which Lessee may deem necessary or desirable, except that such installation shall not:

(A) No Impairment of County Contracts. Abridge or impair any existing contracts which County may now have with others or may hereafter enter into with others extending or replacing any substantially similar existing contracts;

(B) No Interference with Airport. Interfere with the operation of the Airport by County, or with the operation thereof, according to agreement, or leases with others;

(C) No Obstructions. Constitute obstructions to others duly using the Airport and its facilities; or

(D) No Change to Underwriter's Conditions. Change or modify adversely any conditions now imposed by County's underwriters.

All buildings now upon the Leased Premises or which may be placed or constructed on the Leased Premises may be used by Lessee, and shall be surrendered by Lessee in as good condition as they are now, reasonable wear and tear by use thereof only being excepted.

17. **STATUS OF LESSEE.**

Lessee, under the terms of this Agreement, shall not be in control or possession of the Airport, except as to those portions as set forth in Exhibits A - F attached hereto and made a part hereof, and Lessee does not assume responsibility for the conduct or operation of the Airport or for the physical or other conditions of the portions thereof not included within the Leased Premises as set forth in this Agreement. Lessee is and shall be an independent contractor and operator, responsible to all parties for all of its acts and omissions, and County shall in no way be responsible therefore.

18. **INSURANCE & INDEMNIFICATION.**

(A) Lessee's Insurance. As a further condition of this Agreement, Lessee is to obtain, maintain during the Term, and pay for:

(1) liability insurance coverage on the entire Leased Premises; and

(2) property damage insurance on Leaseholds C-1, C-2, D, E and F, including fire and extended coverage (in an amount not less than one hundred percent (100%) of the replacement cost thereof), bodily injury and property damage coverage, hangar keepers liability, non-owned and for-hire liability, garage-keepers legal liability, plate glass coverage and burglary, in each case in an amount not less than the amount specified in the Airport's Minimum Standards or, if not specified therein, in a commercially reasonable amount reasonably satisfactory to County. The fire and extended coverage insurance shall have a loss payable clause in favor of County (or, if required by any Mortgage Holder (as defined in Section 28), in favor of such Mortgage Holder).

(B) Insurance Requirements. All insurance coverages required to be maintained by Lessee shall be on terms, and with financially sound and reputable insurers, reasonably acceptable to County, shall be approved by County, shall (in the case of liability insurance) name County as an additional insured, and shall provide that such coverages shall not be cancelled or materially modified except upon ten (10) days advance written notice to County. Lessee shall furnish to County, if and whenever required by it, certificates or other evidences acceptable to County as to the insurance effected by Lessee and its renewal or continuation in force. In the event of loss or damage to the Leased Premises, Lessee agrees to repair such damage, as it may be limited to such amount as is collected from insurance proceeds.

(C) County's Insurance. County shall provide and maintain during the Term, at its expense, property damage insurance on Leasehold B, of the same types and in the same amounts as are specified in subsection (A)(2) above.

(D) Destruction of Lessee's Improvements. If the buildings, fixtures, or improvements thereon constructed or owned by Lessee on any part of the Leased Premises shall be totally destroyed or extensively damaged and Lessee shall elect not to restore the same to their previous condition by providing written notice of such to County within thirty (30) days of the loss, then the real property containing such destroyed or extensively damaged building, fixture or improvement shall be excluded from the Leased Premises (and the rent therefore shall be abated since the date of such loss), and if such portion is more than seventy percent (70%) of the total area of the Leased Premises, then this Agreement may, at Lessee's option, be terminated by notice to County within four (4) months of the loss, effective as of a date not more than sixty (60) days from the date of such termination notice.

(E) No Subrogation. Neither County nor Lessee shall be liable to the other, nor to any insurer thereof, claiming by way of subrogation, for any claim with respect to any loss or damage to the extent that either party shall be reimbursed, or has the right to be reimbursed, out of the insurance carried by County or Lessee with respect to such loss or damage.

(F) Indemnification by Lessee. Lessee shall indemnify, defend and hold County harmless from any and all claims, injuries and damages arising out of Lessee's use or occupancy of the Leased Premises, except to the extent that such claims, injuries and damages arise from the negligent or intentional acts of County or its employees, agents and independent contractors. In the event that County receives notice of any such claim, injury or damage, County shall give Lessee prompt notice of such claim, injury or damage and shall cooperate with Lessee in the defense of such claim, injury or damage.

19. ENVIRONMENTAL STATUS.

(A) Compliance with Laws; Indemnification by Lessee. Lessee acknowledges that there are certain Federal, State and local laws and regulations now in effect, and that additional laws may hereafter be enacted, relating to or affecting the use, storage, handling, and disposal of toxic or hazardous substances or other environmental contaminants or pollutants. Lessee hereby agrees to comply with all such laws and regulations and to indemnify County for any costs of removal of any substance or remedial action required or incurred by County or by the Federal, State or local governments, caused by the use, presence, or release of any such substance by Lessee in violation of law.

(B) CERCLA. County and Lessee agree that they will comply with the provisions of the Comprehensive Environmental Response Compensation and Liability Act of 1980, as Amended, 42 U.S. Code, Section 9601 et seq., especially with respect to the notification requirements respecting released substances.

(C) Remediation. If in the opinion of County, there exists any uncorrected violation by Lessee of an environmental law or any condition which requires, or may require, a cleanup, removal or other remedial action by Lessee under any environmental laws, and such cleanup,

removal or other remedial action is not completed within ninety (90) days from the date of written notice from County to Lessee, then the same shall, at the option of County, constitute an event of default hereunder; provided, however, that in the event that Lessee has promptly commenced cleanup, removal or other remedial action and is, in the reasonable judgment of County, pursuing such action diligently, then, so long as Lessee, in County's reasonable judgment, continues to diligently pursue such action, then no event of default shall be deemed to exist with respect to the condition being corrected.

(D) Hazardous Materials.

(1) Other than those Hazardous Materials customarily used, stored, carried or sold by operators of a Fixed Base Operations business (such as fuel, glycol, oil, lubricants, cleaning fluids, paint and painting supplies, and waste products of any of the foregoing), Lessee shall not cause or knowingly permit any Hazardous Material to be brought upon, kept or used in or about the Leased Premises by Lessee, its agents, employees, contractors or invitees, without the prior written consent of County (which County shall not unreasonably withhold, delay or condition as long as Lessee demonstrates to County's reasonable satisfaction that such Hazardous Material is necessary or useful to Lessee's business and will be used, kept and stored in a manner that complies with all laws regulating any such Hazardous Material). If Lessee breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the Leased Premises caused or knowingly permitted by Lessee results in, during the Term, contamination of the Leased Premises or any adjoining property by such Hazardous Material, or if contamination of the Leased Premises or any adjoining property by Hazardous Material otherwise occurs which is caused by the use of the Leased Premises by Lessee while Lessee is in possession of the Leased Premises, then Lessee shall indemnify, defend and hold County harmless from any and all claims, judgments, damages, penalties, fines, costs liabilities or losses (including, without limitation, damages for the loss or restriction on use of rentable or usable space or of any amenity of the property damaged, and sums paid in settlement of claims, attorney fees, consultant fees and expert fees) which arise during or after the Term as a result of such contamination occurring during the Term. This indemnification of County by Lessee includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material discharged during the Term and present in the soil or ground water on or under the Leased Premises or which has migrated from the Leased Premises to any adjoining property. Without limiting the foregoing, if the presence of any Hazardous Material on the Leased Premises caused or knowingly permitted by Lessee results in any contamination of the Leased Premises or any adjoining property, then Lessee shall promptly take all actions at its sole expense as are necessary to return the contaminated property to a commercially reasonable approximation of the condition existing prior to the introduction of Lessee's Hazardous Material to such property, as contemplated or deemed acceptable by state and federal testing limits or thresholds then in effect; provided, however, that County's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld, delayed or conditioned so long as such actions would not potentially have any material adverse effect on the property to be

restored. County shall give to Lessee prompt and reasonable, detailed notice of any event, discovery, claim or action which may lead to a claim by County for indemnification by Lessee under this section, and Lessee shall have the right to investigate, compromise and defend the same.

(2) As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Colorado or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance that is (a) defined as a "hazardous substance" under appropriate state law provisions; (b) petroleum and petroleum products; (c) asbestos; (d) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1321); (e) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act (42 U.S.C. § 6903); (f) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601); or (g) defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks) (42 U.S.C. § 6991).

(E) Indemnification by County. County shall fully indemnify and save and hold harmless Lessee from and against all claims, penalties, actions and all expenses incidental to the investigation and defense thereof, including Lessee's reasonable testing and remediation expenses and litigation expenses and attorneys' fees, to the extent based on or arising out of damages or injuries to persons or their property, and resulting from any violation of any environmental laws occurring on, in, above or below Leasehold D, Leasehold E, or Leasehold F of the Leased Premises prior to or after the Term. Lessee shall give to County prompt and reasonable notice of any such claim or action, and County shall have the right to investigate, compromise and defend the same. If there is any such violation of environmental laws affecting any portion of any of Leasehold D, Leasehold E or Leasehold F (any such portion, a "Contaminated Area"), then County shall either promptly remediate the resultant environmental condition in accordance with all applicable state and federal laws, guidelines and regulations, at County's expense, or promptly provide to Lessee replacement leased property under this Agreement with similar airside access in lieu of the Contaminated Area. Rent on such replacement property shall be no more than the rent that was payable on the Contaminated Area, and shall be abated on the replacement property until such time as Lessee shall have recovered (through such abatement) its actual expenses of relocating or repositioning its property (including any structures) or operations from the Contaminated Area to such replacement property.

20. **RIGHT OF COUNTY TO INSPECT THE LEASED PREMISES.**

County, or its representatives, shall have the right to enter upon the Leased Premises at any reasonable hour for the purpose of examining the same, periodic inspection for fire protection, maintenance, to investigate compliance with the terms of this Agreement, or for any other lawful purpose.

21. **OTHER RIGHTS RESERVED BY COUNTY.**

In addition to all other rights reserved by County in and to the Leased Premises, County expressly reserves the right to:

(A) Further Development. Further develop or improve the landing area of the Airport as County deems proper, regardless of the desires and views of Lessee and without interference or hindrance.

(B) Maintenance. Maintain and keep in repair, but without obligation to Lessee, the landing area of the Airport and all publicly owned facilities of the Airport not included in this Agreement.

(C) Right of Passage. The right of ingress, and egress for County and its reasonable designees over the Leased Premises. The location of said ingress and egress area shall be reasonably designated by Lessee.

(D) Restrict Obstructions & Hazards. Take any action it considers necessary to protect the aerial or instrument approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which in the opinion of County would limit the usefulness of the Airport or constitute a hazard to aircraft.

22. **RESTRICTION AGAINST ASSIGNMENT.**

Lessee shall not assign this Agreement or any interest herein, nor underlet or sublet all or any part of the Leased Premises (except for the leasing of hangar space, office space and parking space for aircraft as is customary in the Fixed Base Operation business), rights, privileges or agreements, or allow the same to be used for any other purpose without the advance written consent of County, which shall not be unreasonably withheld, delayed or conditioned; provided, however, that Lessee may assign this Agreement to any purchaser of Lessee's Fixed Base Operation business and/or of all or substantially all of Lessee's assets, and such purchaser is, or is substantially owned by, an experienced operator of fixed base operations and has a net worth or creditworthiness equal to or greater than that of Lessee. No assignment or subletting of this Agreement shall release or relieve Lessee of its duties or liabilities arising under this Agreement prior to the effective date of such assignment or subletting, but such assignment or subletting shall release or relieve Lessee of any duties or liabilities arising under this Agreement after the effective date of such assignment or subletting. In the event of any assignment or subletting, County shall be authorized to deal with any assignee as fully and completely as if it was or had been the original Lessee hereunder without notice to Lessee. No consent by County to any assignment or subletting shall operate to constitute consent to any other or future assignment or subletting or operate as a waiver of the requirement of County's consent thereto. Lessee shall furnish County with a fully-executed copy of any assignment or agreement subletting the Leased Premises, except it shall not be deemed to apply to any aircraft space leases or rentals made by Lessee.

23. **RESTRICTIONS AGAINST UNAUTHORIZED OR PROHIBITED USE.**

(A) Use Only for Fixed Base Operation. Lessee shall not at any time use the Leased Premises or any part thereof for any purpose other than the Fixed Base Operation provided for and described in, and such related activities as are expressly authorized or permitted by, this Agreement, without the advance written consent of County.

(B) Use in Accordance with Law. Lessee agrees not to use all or part of the Leased Premises for any use or purpose in violation of any applicable law, regulation or ordinance of the United States, the State of Colorado, Routt County, the Town of Hayden, or other lawful authority having jurisdiction over the Leased Premises.

(C) Use in Compliance with Minimum Standards. Leased Premises and improvements constructed on the Leased Premises by the Lessee cannot be used for the operation of a commercial enterprise without compliance with the Airport's published Minimum Standards. The conduct of commercial activities on Airport property is regulated by the Airport's Minimum Standards. Any provision of this Agreement which may exceed the standards set forth in the Minimum Standards shall supercede and preempt said standards.

(D) No Interference with Airport Operations. Lessee shall not block a taxiway, and shall not park any aircraft upon the Leased Premises in such a location as to interfere with Airport operations.

(E) Restriction on Aircraft Repairs. All aircraft and equipment repairs, except minor repairs (as defined within the definition of "Aircraft Maintenance" in the Minimum Standards), shall be performed inside a structure and not on the aircraft apron.

(F) Restriction on Storage. Lessee shall not store any non-aviation related vehicles or equipment (other than the temporary storage of vehicles operated by Lessee's customers or passengers or crew utilizing any of Lessee's services) on the Leased Premises without the express written consent of County.

24. **PAYMENT OF TAXES.**

(A) Taxes Paid by Lessee. During the Term, Lessee shall pay any and all taxes, assessments or levies of any and every kind and nature charged or assessed against or upon any items of personalty, fixtures or improvements which may be part of or contained in the Leased Premises and which is owned by Lessee, each and ever when due and payable according to law, before any thereof become delinquent and before any interest attaches. Nothing herein contained shall prevent Lessee, at its sole cost and expense, from contesting the validity of taxes or assessments levied against said property; provided, however, that in the event Lessee makes any such contest of such taxes or assessments, upon demand by County, Lessee shall give to County adequate security against loss by reason of such contest. Lessee shall also be responsible for the "possessory interest" taxes that are currently levied upon Lessee's leasehold interest granted to Lessee pursuant to this Agreement in certain components of the Leased Premises.

(B) <Intentionally Omitted>.

(C) Taxes Paid by County. Lessee shall not be responsible for any taxes or special assessments or levies which may be levied or assessed upon or against any real property or any items of personalty, fixtures or improvements which may be part of or contained in the Leased Premises, and title to which is vested in County.

25. **SUBORDINATION OF AGREEMENT.**

This Agreement shall be inferior and subordinate to the provisions of any existing or future agreement between County and the United States or any of its agencies, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of future funds for the development of the Airport. During time of war and/or national emergency, County shall have the right to lease the landing area or any part thereof to the U.S. Government for military or national guard use, and, if any such lease is executed, then the provisions of this Agreement insofar as they are inconsistent with the provisions of such lease with the Government, shall be suspended, with the Term of this Agreement being extended by a period equal to the period of such suspension, and with rents and Other Charges required under this Agreement being abated and/or apportioned on a reasonable and equitable basis that reflects such suspended provisions of this Agreement.

26. **REFERENCE TO F.A.A.**

Whenever the term F.A.A. is used in this Agreement, it shall be construed as referring to the Federal Aviation Administration created by the Federal Government under public law 85-726, Title I, Section 1001, August 23, 1958, 72 Stat. 737, as amended, or to such other agency or agencies of the Federal Government having from time to time similar jurisdiction over Lessee or its business, including but not limited to the Civil Aeronautics Board.

27. **PROTECTION OF PUBLIC UNDER LEASE.**

Lessee further covenants and agrees that it will, at all times during the continuance of the terms hereby demised and any renewals or extensions thereof, conduct, operate and maintain for the benefit of the public the fixed based operation provided for and described herein and all aspects, parts and services thereof available to the public, and that it will devote its best efforts in the accomplishment of such purposes, and that it will at all times make charges to patrons and customers for all merchandise and services furnished and rendered, but that it will refrain from imposing or levying exclusive or otherwise unreasonable fees or charges for any such services or merchandise.

28. **MORTGAGE OF LEASEHOLD INTEREST.**

Lessee shall have the right to encumber its leasehold interest in the Leased Premises with a first mortgage, a deed of trust, a security agreement, or other instrument (any of the foregoing, a "Leasehold Mortgage"). The term of the obligation secured by the Leasehold Mortgage shall not exceed the remainder of the Term of this Agreement. County does hereby subordinate any statutory landlord's lien that it may hereafter acquire (which subordination shall be self-operative) to the lien and operation of any Leasehold Mortgage. County shall execute any non-disturbance or subordination agreement as the holder of any Leasehold Mortgage (a "Mortgage

Holder”) may reasonably request from time to time. The Mortgage Holder’s duties and rights are as follows:

(A) Mortgage Holder’s Assumption of Lessee’s Rights. The Mortgage Holder shall have the right, in case of default, to assume the rights and obligations of Lessee herein, with the further right to assign Lessee’s interest to a third party, subject to approval of County, not to be unreasonably withheld, delayed or conditioned. The Mortgage Holder’s obligations under this Agreement, as substituted lessee, shall cease upon assignment to a third party and approval by County.

(B) Notices to County. As a condition precedent to the exercise of the right granted to the Mortgage Holder by this Section, the Mortgage Holder shall notify County of all action taken by it in the event payments on the obligation underlying the Leasehold Mortgage shall become delinquent. The Mortgage Holder shall also notify County in writing of any change in the identity or address of the Mortgage Holder.

(C) Notices to Mortgage Holder. All notices required by Section 34 to be given by County to Lessee shall also be given to the Mortgage Holder at the same time and in the same manner. Upon receipt of such notice, the Mortgage Holder shall have the same rights as Lessee to correct any default.

29. **LIEN FOR LESSEE IMPROVEMENTS.**

If any person or corporation shall attempt to assert a mechanic’s lien against the Leased Premises, then Lessee shall defend and hold County harmless from such claim, including the cost of defense, and shall discharge, bond or otherwise remove such mechanic’s lien within sixty (60) days from Lessee’s receipt of notice from County of the nature and existence of any such lien; provided, however, that Lessee specifically reserves the right to contest such lien by the institution of appropriate legal proceedings or otherwise (without, however, obviating its obligation to discharge, bond, or otherwise remove said lien within such sixty (60) day period).

30. **RESTRICTIONS AGAINST DISCRIMINATION.**

(A) Use. Lessee, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration herefor, does hereby covenant and agree (1) that no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereof no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (3) that Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended from time to time, to the extent that said requirements are applicable, as a matter of law, to Lessee.

(B) Provision of Services. With respect to the Leased Premises, Lessee agrees to furnish services on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, however, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

31. COVENANTS OF COUNTY.

County represents that it has the right to lease said property and appurtenances, rights, and privileges herein granted, and has full power and authority to enter into this Agreement in respect thereof; subject, however, to the terms, conditions, limitations and requirements contained in or arising out of any and all grant agreements, leases or other agreements heretofore made between County and any person, firm or legal entity, and the United States, or any agency, department, branch authority or other part or subsidiary thereof, and this Agreement is made subject thereto. County covenants that upon the payment by Lessee of the rents herein reserved and upon the full performance of and compliance with all the covenants and agreements by Lessee on its part to be performed and complied with hereunder, then subject only to the aforesaid matters and things, Lessee shall peaceably have and enjoy said Leased Premises, appurtenances, facilities, rights and privileges in accordance with the terms hereof.

32. HOLDOVER.

If Lessee shall continue to occupy the Leased Premises beyond the Term without County's written renewal thereof, then such holding over shall not constitute a renewal or extension of this Agreement, but shall create a tenancy from month to month which may be terminated at any time by County or Lessee by giving thirty (30) days written notice to the other party, and which shall be subject to all the other terms and conditions of this Agreement, and any amendment thereof. The monthly rent due during the holdover period shall be one-third of the quarterly rent due, as specified in Section 10.

33. ATTORNEY'S FEES.

It is further understood that if either County or Lessee shall institute and prevail in any action or suit for the enforcement of any of their rights under this Agreement, then the substantially prevailing party shall recover from the other reasonable attorney's fees and expenses and other litigation costs on account thereof.

34. NOTICES.

All notices, demands and other official communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when personally delivered, when mailed by certified mail, return receipt requested, when sent by telecopy with confirmation of receipt received, or when delivered by overnight (or next business day or two (2) business day) courier or delivery service with executed receipt, with all charges prepaid. Notices, demands and official communications shall, unless another address is specified in writing in accordance herewith, be sent to the address indicated below:

Notices to County:

Yampa Valley Regional Airport
P.O. Box 1060
Hayden, Colorado 81639
Attention: Airport Manager
Phone No.: (970) 276-5004
Fax No.: (970) 276-5030

Notices to Lessee:

Galaxy Aviation of Steamboat-Hayden, LLC
Yampa Valley Regional Airport
11005 RCR 51A
Hayden, Colorado 81639
Attention: General Manager
Phone No.: (877) 276-3743 or (970) 276-3743
Fax No.: (970) 276-3358

With a copy to:

Galaxy Aviation of Steamboat-Hayden, LLC
Corporate Headquarters
2255 Glades Road, Suite 321-A
Boca Raton, Florida 33431-7383
Attention: General Counsel
Phone No.: (561) 416-0142, Ext. 184
Fax No.: (561) 367-8427

35. **ENTIRE AGREEMENT.**

This Agreement and any exhibits referred to herein constitute the entire agreement among the parties concerning the use of the Leased Premises and the operation of the Business at the Airport. Lessee agrees that County has not made any statement, promise or agreement, or taken upon itself any engagements whatever, verbally or in writing, in conflict with the terms of this Agreement, or that in any way modifies, varies, alters, enlarges or invalidates any of its provisions, and that no obligations of County shall be implied in addition to the obligations herein expressed.

36. **TIME IS OF THE ESSENCE.**

Time is declared to be of the essence of this Agreement and each and every one of the provisions herein contained.

37. **BINDING EFFECT.**

This Agreement shall be binding upon and inure to the benefit of County and its successors and assigns. This Agreement shall be binding upon and inure to the benefit of Lessee and its successors and permitted assigns.

38. **FORCE MAJEURE.**

Notwithstanding anything else to the contrary contained in this Agreement, no party hereto shall be deemed in default with respect to any of the terms, covenants, conditions and provisions of this Agreement on such party's part to be performed if such party fails to timely perform same and such failure is due in whole or in part to any strike, lockout, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, inclement weather, unsuitable construction conditions, acts caused directly or indirectly by the other party hereto (or such other party's agents, employees or invitees), mechanical breakdown, repair, servicing or any other cause beyond the reasonable control of such party, and any time period or deadline to which such party is subject shall be extended to the extent reasonably necessary in order to resolve or remedy the cause of such failure.

39. **HEADINGS AND CAPTIONS.**

The section headings and captions in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections.

40. **APPLICABLE LAW; VENUE; JURISDICTION.**

This Agreement shall be construed by, and governed, enforced and interpreted in accordance with, the laws of the State of Colorado. The sole and exclusive venue for purposes of any litigation arising out of or related to this Agreement shall be the federal and state courts covering the 14th Judicial District of Colorado. County and Lessee consent to and agree to submit to the jurisdiction of any of such courts and agree to accept service of process to vest personal jurisdiction over them in any of such courts.

41. **SEVERABILITY.**

In the event any section, sentence, clause, phrase or provision of this Agreement shall be held or declared to be unconstitutional, invalid, inoperative, ineffective, inapplicable or void by any court of competent jurisdiction, such adjudication shall not affect the remaining sections, sentences, clauses, phrases or provisions of this Agreement; it is hereby declared to be of the express intention of County and Lessee in executing this Agreement that any such invalid portion or portions of this Agreement did not induce its execution and that the parties hereto would have executed this Agreement without the inclusion of any such invalid portion or portions; and further, that such remaining sections, sentences, clauses, phrases and provisions shall nevertheless stand and continue to be effective.

42. **COMPLIANCE WITH MINIMUM STANDARDS.**

Lessee shall comply with the Minimum Standards as they are currently in effect and as they may be reasonably amended or restated from time to time by County; provided, however, that no economic or financial terms or provisions in the Minimum Standards shall override or prevail over any term or provision of this Agreement. Neither Lessee nor this Agreement shall be subject to any future changes to any economic or financial terms or provisions of the Minimum Standards. If there shall arise, at any time, any conflict between the terms of this Agreement and any standards, requirements or provisions set forth in the Minimum Standards governing operational matters, then such terms of the Minimum Standards shall prevail and be controlling for the duration of the Term.

43. **QUIET ENJOYMENT.**

Lessee, upon paying the rent set forth in this Agreement, and observing and keeping all covenants, agreements and conditions of this Agreement on its part to be kept, shall quietly have and enjoy the Leased Premises during the Term of this Agreement without hindrance or molestation by anyone claiming by or through County, subject, however, to the exceptions, reservations and conditions of this Agreement and of record.

44. **TERMINATION OF PRIOR AGREEMENTS.**

County hereby covenants that it is, simultaneously or contemporaneously with the execution and delivery of this Agreement, (A) either (1) terminating the Existing Ground Lease and the Existing FBO Agreement, or (2) consenting to the assignment by Spectrum, on the Effective Date, of both the Existing Ground Lease and the Existing FBO Agreement to Lessee and the simultaneous termination of such agreements and the simultaneous effectiveness of this Agreement, and (B) entering into termination agreements to terminate, effective as of the Effective Date, any other existing agreement, contract, or understanding that County may have with Spectrum. County hereby represents and warrants to Lessee that there are no agreements, contracts, or understandings with any third party which might in any way contradict, invalidate, or not permit compliance by County with, any term or provision of this Agreement.

45. **COLORADO TABOR REQUIREMENTS.**

Nothing in this Agreement shall be construed to be a multiple-fiscal year direct or indirect debt or other financial obligation of County under the provisions of Article X, Section 20 of the Colorado Constitution. All expenditures or other financial obligations of County under this Agreement shall be subject to annual appropriation of such amounts by the Board of County Commissioners of County. County shall be obligated to dutifully request and expend sincere, best efforts to obtain, on an annual basis for each fiscal year, the appropriate annual appropriation of sufficient funds in order to enable it to perform its obligations under this Agreement for such fiscal year. If sufficient appropriation for any obligation of County under this Agreement is not obtained in an amount sufficient for County to perform such obligation, then County shall promptly notify Lessee of such shortfall. County's obligations under this section are a material provision of this Agreement.

46. **LESSEE'S REMEDIES (TABOR-BLOCKED COUNTY OBLIGATIONS).**

If County shall be unable to perform any of its obligations under this Agreement because of the restrictions set forth in Section 45 above (a "Blocked Obligation"), then Lessee shall be entitled to select one or more (or a combination) of the following options:

(A) Perform. Lessee shall be entitled to perform County's Blocked Obligation itself and offset the cost and expense of such performance against Lessee's future payments of rent, fuel flowage fees, and any other sums which may be due from Lessee to County under this Agreement; or

(B) Defer. Lessee shall be entitled to toll, delay or defer any of its obligations which customarily, reasonably, or pursuant to the terms of this Agreement, depend upon or require the prior or contemporaneous performance of such County Blocked Obligation, until such time as County is able to perform such Blocked Obligation; or

(C) Divert Funds. Lessee shall be able to divert its future payments of rent, fuel flowage fees, and any other sums which may be due from Lessee to County under this Agreement into an interest-bearing trust account set up for the benefit of County but for which the funds contained therein shall be reserved solely for the funding of County's Blocked Obligation, and pursuant to the terms of such trust account, at such time as the funds in such trust account shall be reasonably sufficient to fully fund the performance of the Blocked Obligation, then Lessee may withdraw such funds in order to fund the performance of the Blocked Obligation.

47. **AMENDMENT.**

This Agreement may not be amended, changed, modified, supplemented or revoked except by an express written document executed by both County and Lessee.

48. **COUNTERPARTS.**

This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument. Executed copies of this Agreement may be delivered by telecopier, but any party may require the subsequent delivery of originals in addition thereto, which requirement shall not affect the effectiveness of the delivery by telecopier.

(Remainder of Page Intentionally Left Blank – Signature Page Follows)

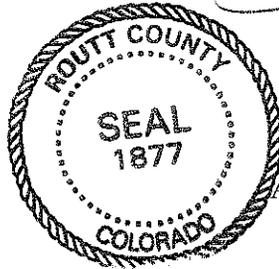
IN WITNESS WHEREOF, County has caused this Agreement to be executed in its name by its undersigned official, and its seal to be hereunto affixed, attested by its undersigned officials, and Lessee has caused this Agreement to be executed in its name by the undersigned, in each case as of the day and year first above written.

COUNTY SEAL BELOW:

ROUTT COUNTY, COLORADO

By: *Diane Mitsch Bush*

Name: Diane Mitsch Bush
Title: Chair, Bd. of County Commissioners



ATTEST: *Kay Weinland* *Brynn Drey*

Name: Kay Weinland
Title: Clerk and Recorder
Brynn Drey
Deputy Clerk

GALAXY AVIATION OF STEAMBOAT-HAYDEN, LLC

By: **GALAXY AVIATION OF STEAMBOAT-HAYDEN MANAGEMENT, LLC**

By: *Jonathan P. Miller*

Name: Jonathan P. Miller
Title: Manager

ATTEST: *Brett A. Greenberg*

Name: Brett A. Greenberg
Title: Manager

EXHIBIT A
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

Leasehold A = Ground Lease Space

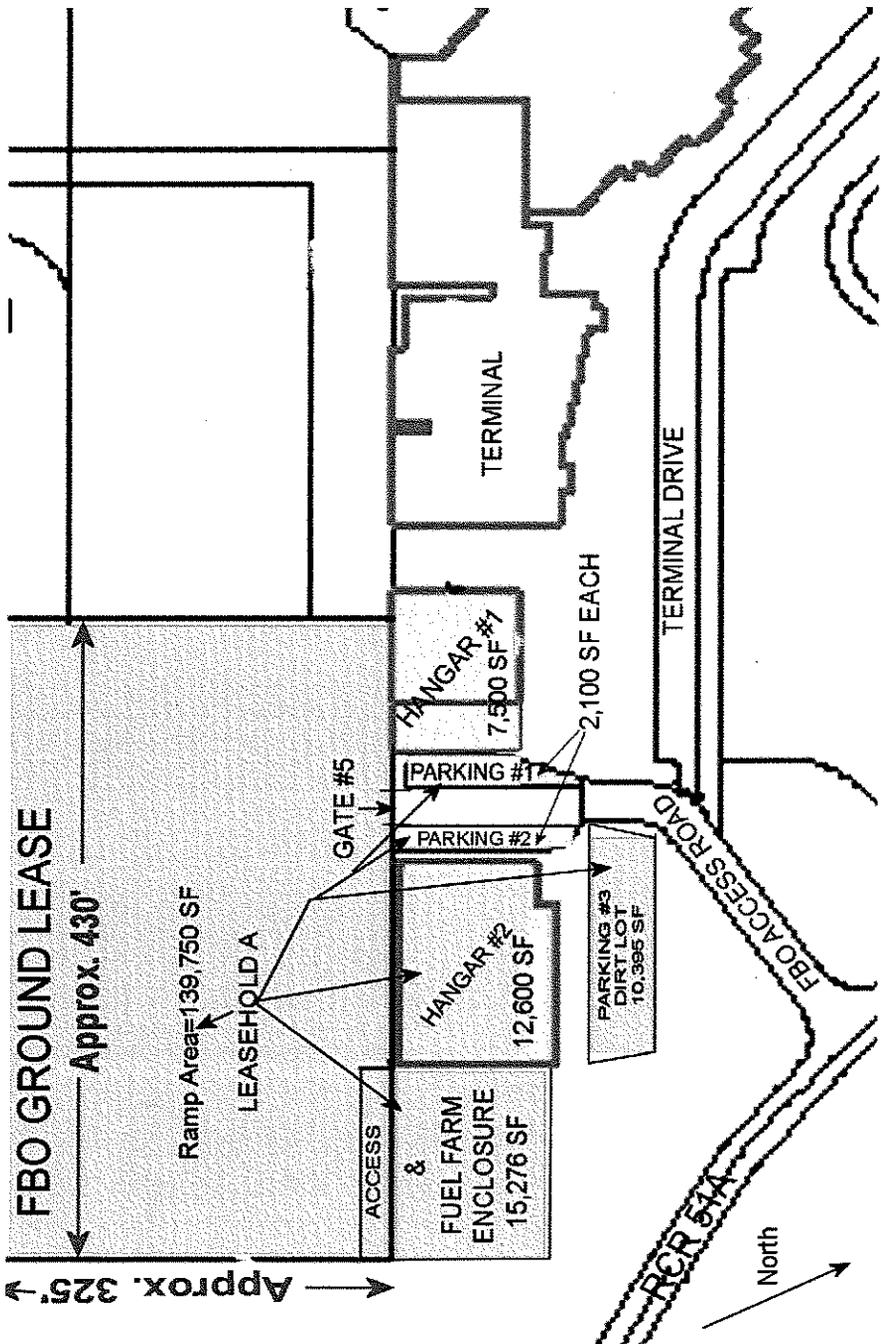


EXHIBIT B
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

Leasehold B = County Improvements
(FBO Terminal Building & Hangar #1)

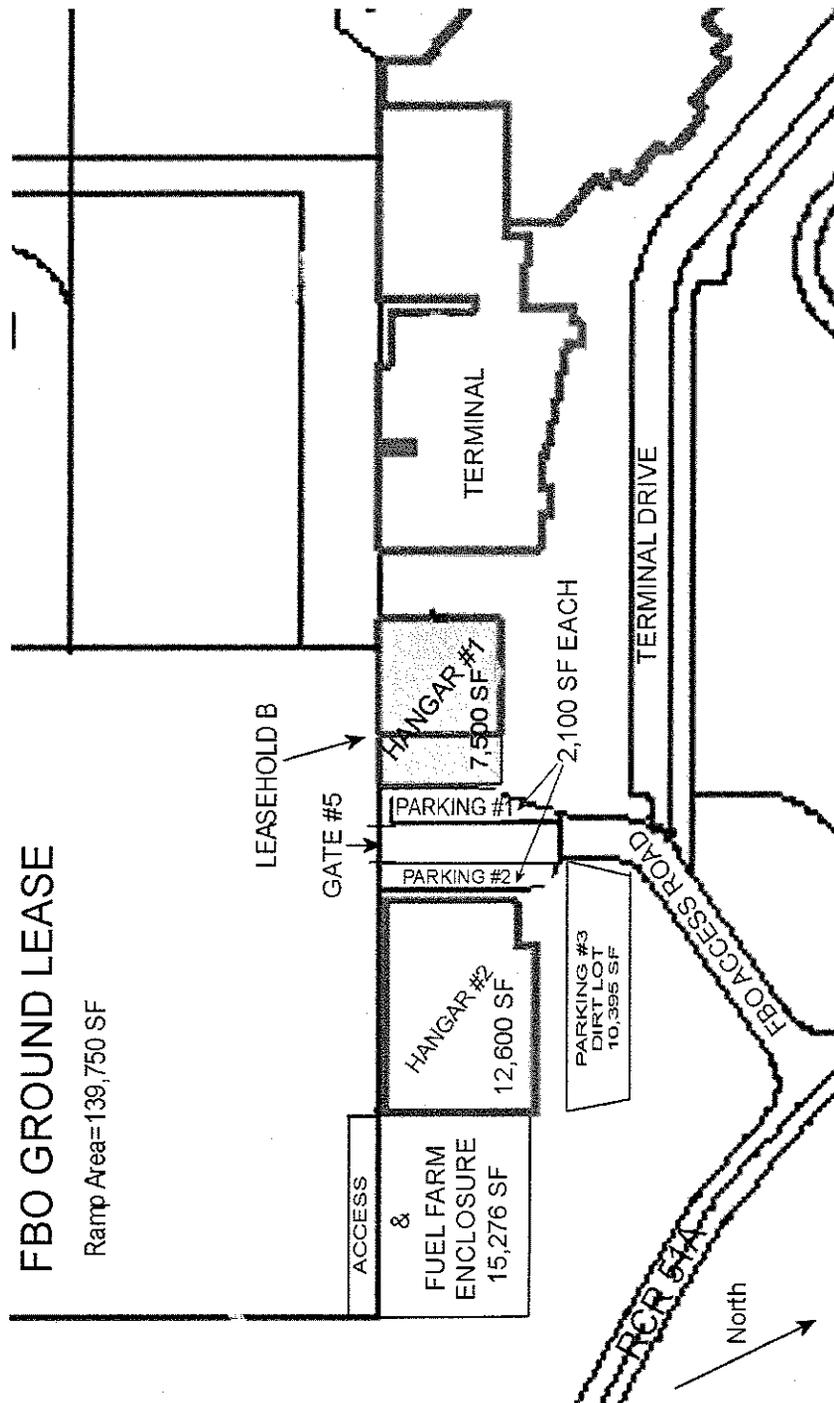


EXHIBIT C
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

Leasehold C-1 = Hangar #2

and

Leasehold C-2 = Fuel Farm Facility & Fixtures



EXHIBIT D
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

Leasehold D = Phase 1 Parcel (New Ramp)

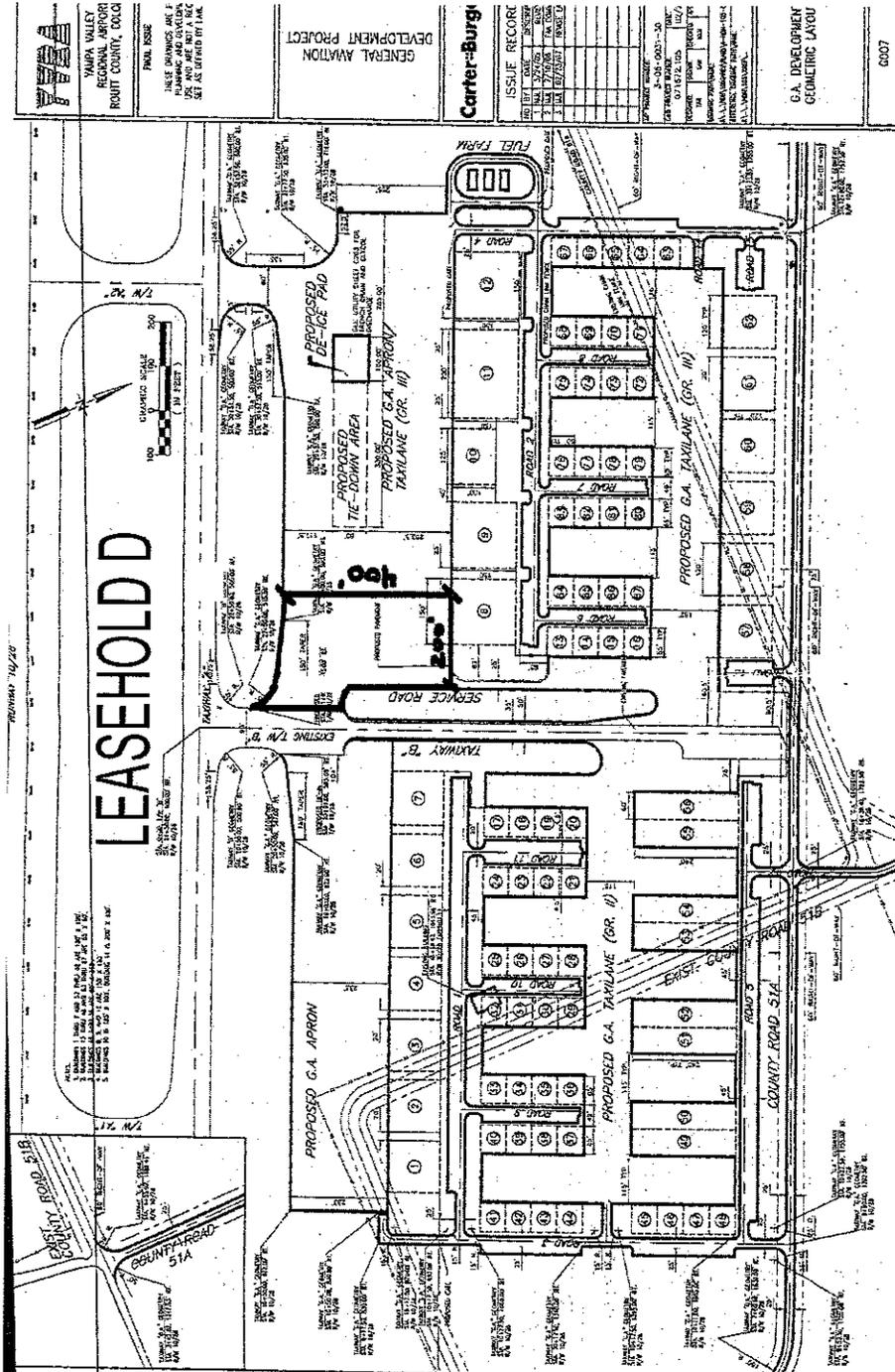


EXHIBIT F
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

Leasehold F-1 = Phase 3 Parcel (Current)
Leasehold F-2 = Future Addition to Phase 3 Parcel (After Projected Relocation of RCR 51A)

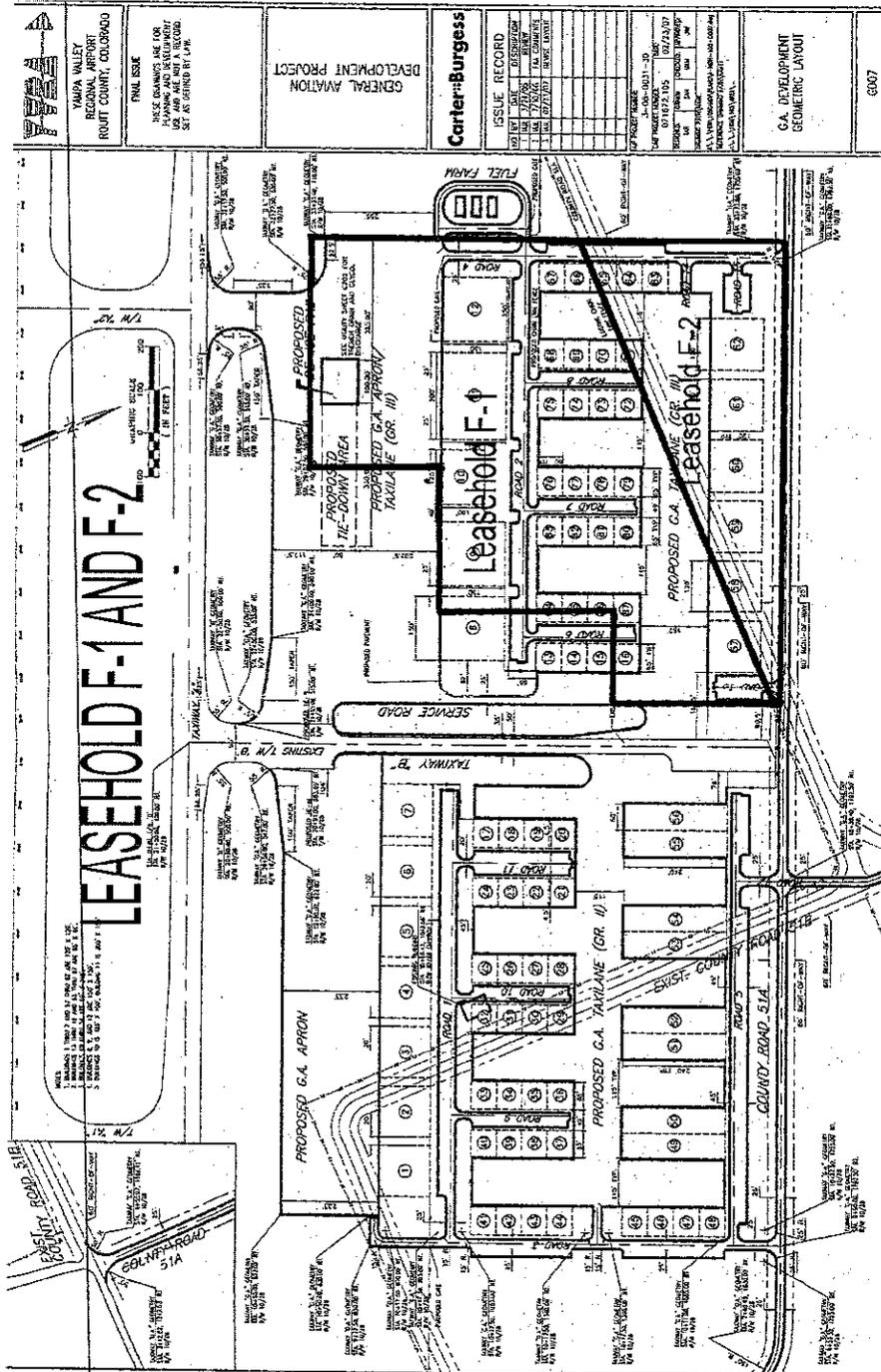


EXHIBIT G
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

Payment Schedule

Leasehold Rents:

Improved land: \$.26 per sq. ft. per year
Unimproved land: \$.15 per sq. ft. per year
Buildings: \$1.50 per sq. ft. per year

<u>Leasehold</u>	<u>Rate</u>	<u>Sq. Ft.</u>	<u>Aggregate Amount Due</u>
Leasehold A:			
Hangar #2 ground area ³	\$.15	12,600	\$157.50 per month
Fuel Farm area & access area	\$.15	15,276	\$190.95 per month
Ramp area	\$.26	139,750	\$3,027.92 per month
Parking areas (2) (paved)	\$.26	4,200	\$91.00 per month
Parking area (1) (dirt)	\$.15	10,395	\$129.94 per month
Leasehold B:	\$1.50	7,500	\$937.50 per month
Leasehold C-1 ⁴ :	\$1.50	12,600	\$1,575.00 per month
Leasehold C-2 ⁵ :	\$.00	15,276	\$0.00 per month
Leasehold D ⁶ :	\$.15	92,500	\$1,156.25 per month
Leasehold E ⁷ :	\$.15	267,500	\$3,343.75 per month
Leasehold F-1 ⁸ :	\$.15	664,800	\$8,310.00 per month
Leasehold F-2 ⁹ :	\$.15	226,800	\$2,835.00 per month

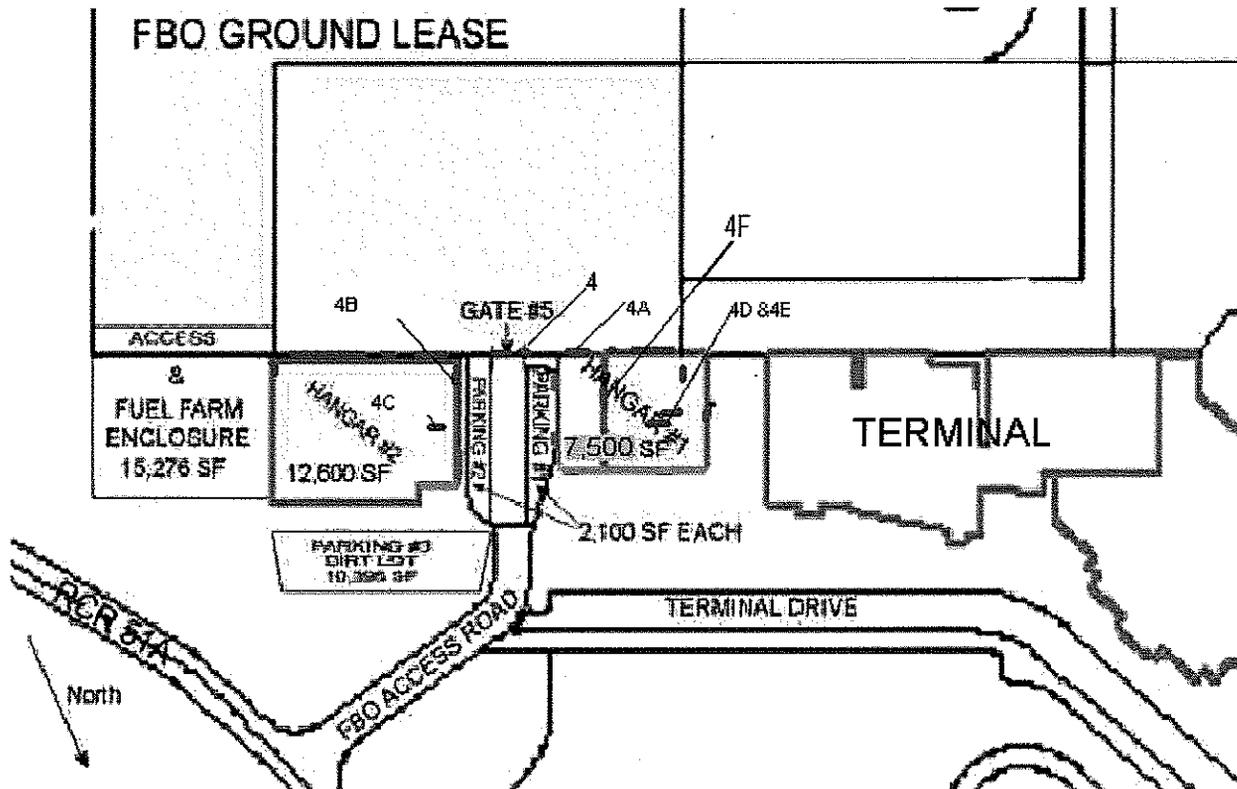
Other Remittances to County:

Fuel Flowage Fee: \$.08 per gallon sold
Landing Fees: Seventy-Five percent (75%) of landing fees collected from general aviation aircraft as set forth in Section 10(A)
Gross Receipts Fee: Five percent (5%) of total gross receipts, excluding fuel sales and landing fees and into-plane fees payable by others

³ Rent on this portion of this leasehold ends on the Reversion Date specified in Section 5(A), when it is replaced by the rent specified for Leasehold C-1.
⁴ Rent on this leasehold does not commence until the Reversion Date specified in Section 5(A).
⁵ Rent on this leasehold is paid on the ground only, as part of Leasehold A.
⁶ Rent on this leasehold does not commence until the date specified in Section 10(A).
⁷ Rent on this leasehold does not commence until the date specified in Section 10(A).
⁸ Rent on this leasehold does not commence until the date specified in Section 10(A).
⁹ Rent on this leasehold does not commence until it is incorporated into Leasehold F-1 and as specified in Section 10(A).

EXHIBIT H
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

Access Gates to AOA



- DOORS SJC USE AND MAINTAIN
- SECURITY DOORS
SJC ACCOUNTABLE
FOR AND YVRA
REGULATES UNDER
SECURITY PLAN

EXHIBIT I
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

Fuel Farm Access Road

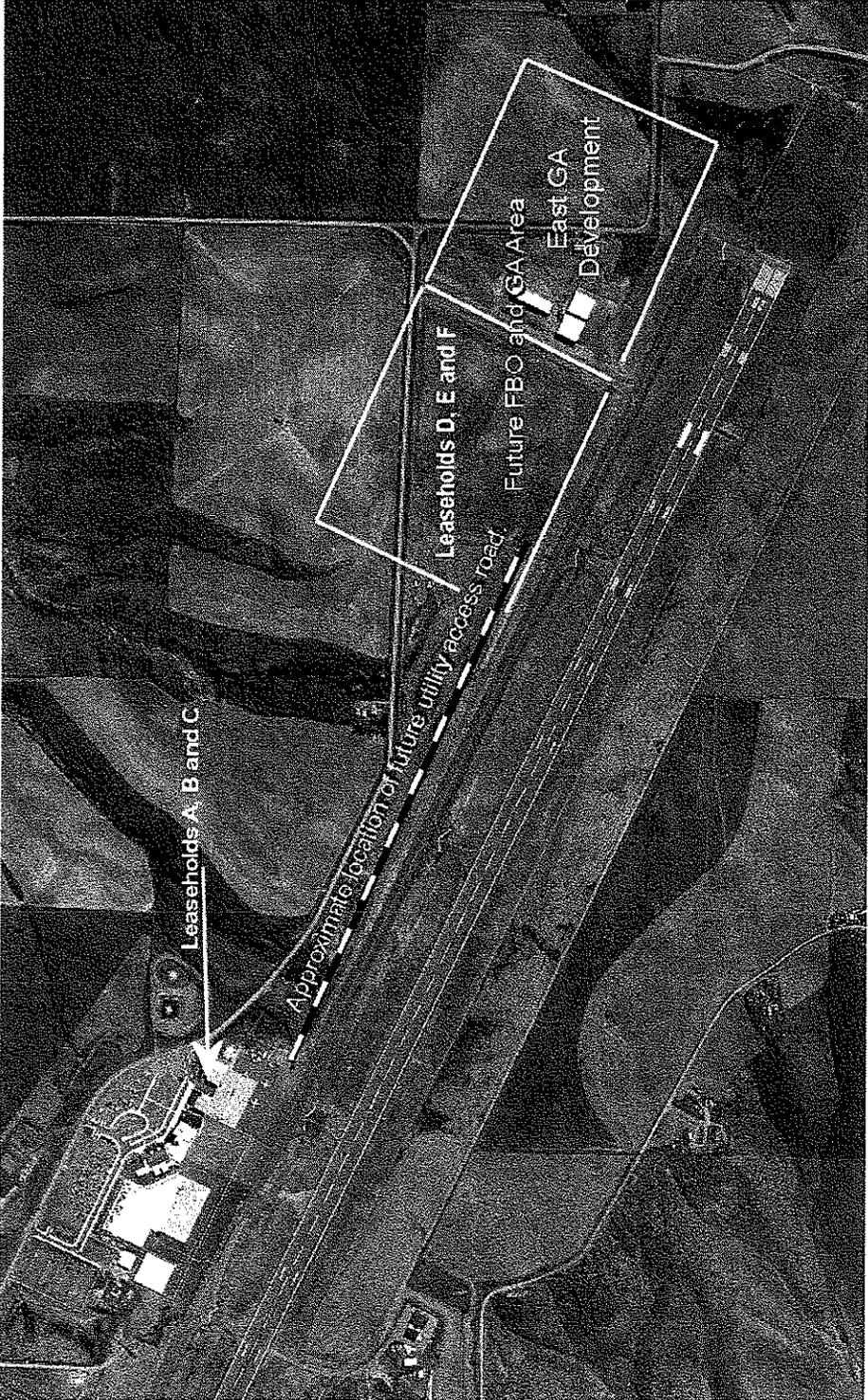


EXHIBIT J
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

Yampa Valley Regional Airport – Legal Description

(to be attached promptly after completion of the Post-Closing Survey)

EXHIBIT K
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

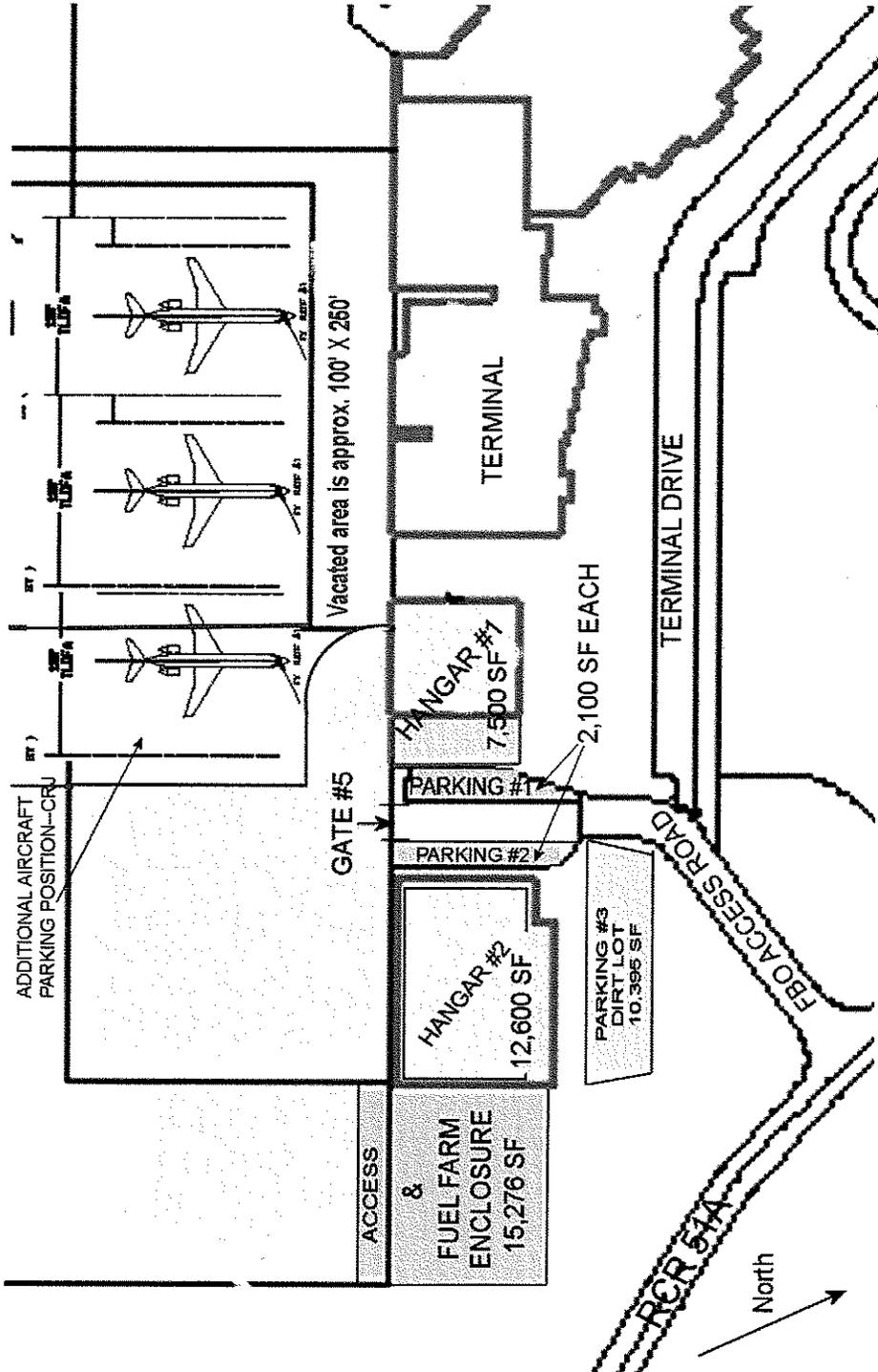
Landing Fees - Amounts and Guidelines Currently in Effect

The landing fee will be assessed on all aircraft weighing 10,000 lbs or more. This non-signatory rate is charged per 1,000 lbs and is assessed at 125% of the signatory airline rate. The non-signatory rate is currently \$4.74 per 1,000 lbs. The signatory landing rate is adjusted in October of each year based on Airport operational costs. Lessee is responsible for tracking General Aviation aircraft and recording collection of the landing fee where required.

Lessee will be informed of any changes to the non-signatory landing fee each October.

EXHIBIT L
to the
FBO Operations and Lease Agreement
(dated as of August 26, 2008)

County Ramp Area
(to Revert to County Upon the New Ramp Rent Commencement Date)



ASSIGNMENT AND ASSUMPTION OF LEASES

This ASSIGNMENT AND ASSUMPTION OF LEASES (this "Agreement"), effective as of April 30, 2014 (the "Effective Date"), is by and between GALAXY AVIATION OF STEAMBOAT-HAYDEN, LLC, a Colorado limited liability company ("Assignor"), and ATLANTIC AVIATION—STEAMBOAT-HAYDEN LLC, a Delaware limited liability company ("Assignee").

WHEREAS, Assignor and Atlantic Aviation FBO Inc., a Delaware corporation ("Atlantic FBO"), are parties to an Asset Purchase Agreement dated as of December 12, 2013 (the "Purchase Agreement"), pursuant to which, subject to the terms and conditions set forth therein, Atlantic FBO will purchase substantially all of the assets (and assume certain of the liabilities) of Assignor and certain affiliates of Assignor, including all of Assignor's right, title and interest in, under and to the Leases set forth in Section 2.1(b) of the Purchase Agreement (the "Assigned Leases");

WHEREAS, the Purchase Agreement permits Atlantic FBO to assign its rights and interest under the Purchase Agreement to one or more of its affiliates and designate one or more of its affiliates to perform its obligations under the Purchase Agreement;

WHEREAS, Assignee was created by Atlantic FBO to acquire Assignor's assets and accept assignment of, and assume, the Assigned Leases, subject to and in accordance with the terms and conditions of the Purchase Agreement; and

WHEREAS, simultaneously with the closing of the transactions contemplated by the Purchase Agreement, Assignor and Assignee mutually desire (a) that Assignor assigns all of its respective right, title and interest in, under and to the Assigned Leases to Assignee, and (b) that Assignee assumes all obligations under the Assigned Leases, all on the terms and conditions hereinafter set forth.

NOW, THEREFORE, the parties agree as follows:

1. Assignment and Assumption.

(a) Effective as of the Effective Date (provided that the transactions contemplated by the Purchase Agreement are actually consummated), Assignor hereby assigns, transfers and sets over unto Assignee all of Assignor's right, title and interest in, under and to the Assigned Leases. Assignor shall deliver possession of the premises described in such Assigned Leases to Assignee on the Effective Date.

(b) Assignee hereby accepts the foregoing assignment and hereby agrees to perform all of the terms and conditions of each such Assigned Lease to be performed on the part of Assignor and assumes all of the liabilities and obligations of Assignor under each such Assigned Lease, as amended hereby, arising or accruing on or after the Effective Date, including, without limitation, liability for the payment of rent and for the due performance of all the terms, covenants and conditions of the tenant pursuant to the applicable Assigned Lease as amended hereby.

3. Miscellaneous.

(a) Headings. The section headings used herein are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(b) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

(c) Further Assurances. Each of the parties hereto shall execute and deliver, at the reasonable request of the other party hereto, such additional documents, instruments, conveyances and assurances and take such further actions as such other party may reasonably request to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption of Leases as of the day and year first above written.

ASSIGNOR:

**GALAXY AVIATION OF
STEAMBOAT-HAYDEN, LLC, a
Colorado limited liability company**

By: _____

Name: **Martin F. Greenberg**
Title: **Chairman**

ASSIGNEE:

**ATLANTIC AVIATION—STEAMBOAT-
HAYDEN LLC, a Delaware limited liability
company**

By: _____

Name:
Title:

IN WITNESS WHEREOF, the parties have executed this Assignment and Assumption of Leases as of the day and year first above written.

ASSIGNOR:

**GALAXY AVIATION OF
STEAMBOAT-HAYDEN, LLC, a
Colorado limited liability company**

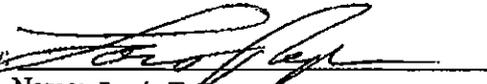
By: _____

Name:

Title:

ASSIGNEE:

**ATLANTIC AVIATION—STEAMBOAT-
HAYDEN LLC, a Delaware limited liability
company**

By:  _____

Name: Louis T. Pepper

Title: President and Chief Executive Officer

**First Amendment to FBO Operations
And Lease Agreement**

This First Amendment to FBO Operations and Lease Agreement (the "First Amendment") dated as of October 27, 2011, is between Galaxy Aviation of Steamboat-Hayden, LLC ("Lessee") and Routt County, Colorado ("County") acting by and through its Board of County Commissioners.

Recitals

- A. Lessee and County are the parties to a FBO Operations and Lease Agreement (the "FBO Agreement") dated as of August 26, 2008 pursuant to which Lessee operates a fixed base operation business at the Yampa Valley Regional Airport ("Airport").
- B. Section 4(C)(1)(a) of the FBO Agreement requires Lessee to construct the "New Ramp" (as defined in the FBO Agreement) and provides that, "Subject to, and allowing for, any delay as may be permitted by this Agreement, ... , construction of the New Ramp shall be substantially completed by the fourth (4th) anniversary of the Effective Date." The Effective Date is September 19, 2008.
- C. Lessee and County have agreed that it is appropriate to delay the construction of the New Ramp so that it coincides with the date for substantial completion of the "New FBO Facility" as that term is defined in the FBO Agreement.
- D. This First Amendment is intended to amend the FBO Agreement to change the date on which Lessee is required to accomplish substantial completion of the New Ramp.

Terms and Conditions

- 1. Section 4(C)(1)(a) of the FBO Agreement is hereby amended by deleting the third sentence of that section in its entirety and replacing it with the following:

Subject to, and allowing for, any delay as may be permitted by this Agreement, including, without limitation, Section 38 and Section 46, construction of the New Ramp shall be substantially completed by the earlier of (i) the substantial completion of the New FBO Facility or (ii) the date on which substantial completion of the New FBO Facility is required by Section 4(C)(1)(b) of this Agreement; provided, however, that substantial completion of the New Ramp shall be required at an earlier date which is 18 months after County gives Lessee written notice that such completion is required if County has determined, in the reasonable exercise of its judgment, that the County Ramp Areas which is to revert to County upon the New Ramp Rent Commencement Date is required for commercial airline operations.

2. This First Amendment shall be effective from and after November 1, 2011.
3. Except as so amended the FBO Agreement shall remain in full force and effect.



Routt County, Colorado

By: Diane Mitsch Bush, Chair
Board of County Commissioners

ATTEST:

By: Kay Weinland
Routt County Clerk and Recorder

Galaxy Aviation of Steamboat-Hayden, LLC

By: *President*
Mark Wenthouse

**Second Amendment to FBO Operations
And Lease Agreement**

This Second Amendment to FBO Operations and Lease Agreement (the "Second Amendment") dated as of January 18, 2018, is between Atlantic Aviation-Steamboat-Hayden LLC ("Lessee") and Routt County, Colorado ("County") acting by and through its Board of County Commissioners.

Recitals

- A. Lessee and County are the parties to a FBO Operations and Lease Agreement (the "FBO Agreement") dated as of August 26, 2008 and a First Amendment to FBO Operations and Lease Agreement dated as of October 27, 2011 pursuant to which Lessee operates a fixed base operation business at the Yampa Valley Regional Airport ("Airport").
- B. The First Amendment changed Section 4(C)(1)(a) of the FBO Agreement to authorize the Lessee to delay the construction of the "New Ramp" (as defined in the FBO Agreement) so that it coincides with the date for substantial completion of the "New FBO Facility" as that term is defined in the FBO Agreement.
- C. Section 4(C)(1)(b) of the FBO Agreement requires Lessee to construct the "New FBO Facility" (as defined in the FBO Agreement) and provides that, "Subject to, and allowing for, any delay as may be permitted by this Agreement, ... , construction of the New FBO Facility shall be substantially completed by the tenth (10th) anniversary of the Effective Date." The Effective Date is September 19, 2008.
- D. Lessee and County have agreed that it is appropriate to delay the construction of the "New FBO Facility" and the "New FBO Ramp" so that both will be substantially complete by October 31, 2019.
- E. Section 4(D) of the FBO Agreement states the "County shall, subject to Section 45, at its sole expense, build and complete, prior to Lessee's completion of the New FBO Facility, an access road from the New FBO Facility to the currently existing Fuel Farm (the "Fuel Farm Access Road")". In conjunction with the Airport's runway rehabilitation project in 2015 a Vehicle Service Road (VSR) was constructed that serves as the Fuel Farm Access Road referenced in Section 4(D) of the FBO Agreement. This access road extends from Taxiway B to the GA De-ice pad and is a gravel road which was constructed for access by light duty vehicles to reduce traffic on Taxiway A. Use of this roadway should be limited to vehicles under 10,000 lbs., limited during thaw or wet conditions, and not utilized by vehicles with low ground clearance.
- F. Lessee and County have agreed that there is no requirement to pave the Fuel Farm Access Road; if the road were modified to add additional millings and asphalt it would be adequate only for snow removal equipment and ARFF vehicles and

would not support the weight of Lessee's fuel trucks. Lessee's fuel trucks will transit from the New FBO Facility to the Fuel Farm via Taxiway A.

G. This Second Amendment is intended to:

- a. Amend the FBO Agreement to change the date on which Lessee is required to accomplish substantial completion of the New FBO Facility and New Ramp.
- b. Confirm that the County met the intent of the first sentence of Section 4(D) when 2015 construction of the VSR was completed and provided an access road from the New FBO Facility to the currently existing Fuel Farm. It also confirms there is no requirement to pave the VSR between the New FBO Facility and the currently existing Fuel Farm.

Terms and Conditions

1. Section 4(C)(1)(b) of the FBO Agreement is hereby amended by deleting the third sentence of that section in its entirety and replacing it with the following:

Subject to, and allowing for, any delay as may be permitted by this Agreement, including, without limitation, Section 38 and Section 46, construction of the New FBO Facility shall be substantially completed by October 31, 2019.

2. Section 4(D) of the FBO Agreement is hereby amended by adding the following after the first sentence:

In conjunction with the Airport's runway rehabilitation project in 2015 a Vehicle Service Road (VSR) was constructed that serves as the Fuel Farm Access Road. This access road extends from Taxiway B to the GA De-ice pad and is a gravel road which was constructed for access by light duty vehicles to reduce traffic on Taxiway A. Use of this roadway should be limited to vehicles under 10,000 lbs., limited during thaw or wet conditions, and not utilized by vehicles with low ground clearance.

3. This Second Amendment shall be effective from and after January 18, 2018.

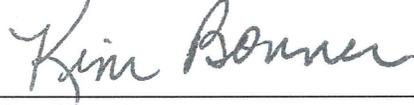
4. Except as so amended the FBO Agreement shall remain in full force and effect.



Routt County, Colorado

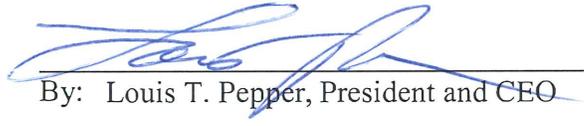

By: Doug Monger, Chair
Board of County Commissioners

ATTEST:


By: Kim Bonner
Routt County Clerk and Recorder

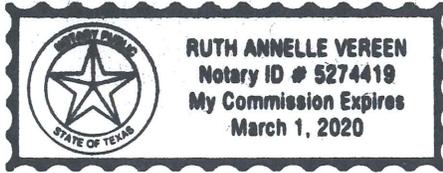
*by Jane daCosta
Deputy*

Atlantic Aviation-Steamboat-Hayden, LLC


By: Louis T. Pepper, President and CEO

Witness my hand and official seal.

My commission expires: March 1, 2020.



Ruth Annelle Vereen
Notary Public