# FIXED BASE OPERATOR LEASE AND OPERATING AGREEMENT

**BETWEEN** 

**GARFIELD COUNTY** 

AND

VANTAGE AVIATION LLC

PARCEL A-2 PARCEL A-5 PARCEL A-6 FUEL FARM THIS FIXED BASE OPERATOR LEASE AND OPERATING AGREEMENT (this "Agreement") is entered into by and between THE BOARD OF COUNTY COMMISSIONERS OF GARFIELD COUNTY, as lessor (the "BOCC"), and VANTAGE AVIATION LLC, a Delaware limited liability company, as lessee (the "Lessee"), this \_\_\_\_ day of \_\_\_\_\_\_, 2025 (the "Effective Date"). BOCC and Lessee may each be referred to as a "Party" and collectively as the "Parties."

#### WITNESSETH:

WHEREAS, the BOCC owns and operates the Rifle Garfield County Airport (the "Airport") and has right, title, and interest in and to the real property and public facilities on the Airport and full power and authority to enter into this Agreement in respect thereof; and

WHEREAS, the Airport's Minimum Standards for Aeronautical Activities, as amended May 6, 2024 (the "*Minimum Standards*"), designates an entity that engages in the retail sale of aviation fuels, aircraft sales or rentals, flight instruction and training, air charter, air cargo, airframe and engine repair, avionics, and aircraft line services as a Fixed Base Operator ("*FBO*"); and

WHEREAS, the BOCC has approved the development plans (the "Development Plan") submitted by Lessee regarding the construction and operation of an aircraft hangar and associated apron, parking, and landscaping, as well as a new fuel farm facility (all as described in the approved Development Plans, approved on January 6, 2025 (Fuel Farm), and November 4, 2024 (A-2, A-5/A-6), hereinafter the, "Required Improvements"), and Lessee desires to lease land at the Airport for the purpose of constructing and operating the Required Improvements as an FBO; and

WHEREAS, the BOCC at a regularly scheduled meeting voted to authorize the leasehold rights and the license and privilege to conduct aeronautical activity on the Airport as an FBO, hereinafter conveyed and granted to **Lessee**, upon the terms and provisions stated; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth herein, the BOCC and Lessee agree as follows.

#### SECTION I LEASED PREMISES

The BOCC hereby leases unto **Lessee**, for the Term (defined below) and upon the rentals, fees, charges, and conditions hereinafter stated, the following parcels of land, identified by Airport parcel number, and depicted on the "A-2 Lease Boundary Exhibit, A-5 & A-6 Lease Boundary Exhibit, and Fuel Farm Lease Area Exhibit" attached to and incorporated herein by this reference as <u>Exhibit "A1-A3"</u> (collectively, the "**Leased Premises**"):

Parcel No.	Approximate Sq. Ft.
A-2	157,593 sq. ft.
A-5/A-6	218,485 sq. ft.
Fuel Farm Parcel	5,075 sq. ft.

It is agreed and understood that all water, gas, oil and mineral rights in and under the soil of the Leased Premises are expressly reserved to the BOCC.

### SECTION II TERM

- A. <u>Base Term.</u> The initial term of this Agreement shall be for a period of twenty (20) years, beginning on the Effective Date, and ending at 11:59 p.m. on the twentieth (20<sup>th</sup>) anniversary thereof (the "*Base Term*"). Throughout the Base Term and any Extension Term(s) (defined below) (jointly, the "*Term*"), Base Rent (defined below) shall be adjusted in accordance with the provisions of Section III.B. below.
- B. Option(s) to Extend. Provided that Lessee is not then in default under the terms of this Agreement, following notice and the expiration of all applicable cure periods, Lessee may extend the Base Term for up to two (2) ten-(10) year periods (each an "Extension Term") by prior written notice to the BOCC, subject to the provisions of Section VII.B. below. Written notice of Lessee's intent to enter into an Extension Term shall be delivered to the BOCC no less than six (6) months and no more than twelve (12) months prior to the expiration of the then-current Term.
- C. <u>Holdover</u>. If **Lessee** holds over after the expiration or earlier termination of this Agreement, **Lessee** shall be deemed to be a tenant-at-sufferance and shall be bound by all provisions of this Agreement. In such event, the Lessee shall be liable for the use and occupancy of the Leased Premises for each month in an amount equal to one hundred and fifty percent (150%) of the Base Rent in effect at the end of the Term. The foregoing provisions shall not serve as permission to **Lessee** to hold over nor serve to extend the Term. **Lessee** shall remain bound to comply with all provisions of this Agreement until **Lessee** vacates the Leased Premises in accordance with the terms of this Agreement. Lessee shall not be deemed to have held over under this Section II.C. as a result of Lessee's failure to repair or restore any element or condition of the Leased Premises prior to the end of the Term, provided Lessee has delivered vacant possession of the entire Leased Premises to BOCC and no longer occupies any portion of the Leased Premises. The provisions of this Section shall not operate as a waiver of any right of re-entry provided to the BOCC in this Agreement.

# SECTION III RENTS, FEES, AND CHARGES

A. <u>Ground Rent</u>. **Lessee** shall pay to the BOCC annual ground rent (the "*Base Rent*") of \$0.312581 per square foot, rounded to the nearest whole dollar. Based on the square footage of the Leased Premises, the initial annual Base Rent upon the Effective Date shall be One Hundred Nineteen Thousand One Hundred and Forty One Dollars (\$119,141.00).

#### B. Adjustment of Base Rent.

1. Annual Inflationary Adjustment. Each calendar year beginning January 1, 2026, through the expiration of the Term, the Base Rent shall be adjusted using the Consumer Price Index ("CPI"), using the percentage change between the prior two calendar years in the average of the "first half" and "second half" semi-annual averages of the CPI for All Urban Consumers, All Items, for Denver-Aurora-Lakewood, Colorado (base year 1982-84 = 100), as published for each

calendar year by the U.S. Department of Labor Bureau of Labor Statistics, Washington D.C., or a comparable successor index identified by the BOCC, ("CPI-U"), plus twenty-five (25) basis points.

- i) As an example, the adjustment of the Base Rent for calendar year 2025 (which adjusted amount is stated in Section III.A. above) was calculated as follows: the Base Rent for 2024 would have been \$0.304896 per square foot; the semi-annual averages of the CPI for calendar year 2023 was 320.300 and for calendar year 2024 was 327.572. The adjustment to the Base Rent for 2025 equals 327.572 divided by 320.300, which is 1.0227 or a percentage change of 2.27%. Adding the required twenty-five (25) basis points results in a percentage change in the Base Rent from 2024 to 2025 of 2.52%. The Base Rent for 2025 is \$0.304896 plus 2.52%, which equals \$0.312581.
- ii) The next adjusted payment shall be for calendar year 2026, beginning January 1, 2026, and shall be tied to the percentage change in the semi-annual averages of the CPI for calendar year 2025 from the semi-annual averages of the CPI for calendar year 2024 plus twenty-five (25) basis points. The second adjustment, effective January 1, 2027, shall be tied to the percentage change in the semi-annual averages of the CPI for calendar year 2026 from the semi-annual averages of the CPI for calendar year 2025 plus twenty-five (25) basis points, and so forth for each succeeding calendar year.
- 2. Notice of Adjustment. The BOCC shall calculate the adjustment of Base Rent as set forth in this Section III.B. as soon as practicable following its receipt of the necessary data and notify Lessee in writing of the adjustment, together with the BOCC's calculations thereof. Until receipt of notice of said rental adjustment, Lessee shall continue to pay Base Rent at the then-prevailing amount. The BOCC's adjustment of Base Rent shall be retroactive to the beginning of the calendar year and any additional Base Rent resulting from such adjustment shall be due to the BOCC within thirty (30) days of Lessee's receipt of the BOCC's written notice. In no case shall the Base Rent be adjusted downward during any adjustment.
- C. Other Fees and Charges. In addition to the Base Rent provided above and any and all other rents and charges set forth hereunder, Lessee shall pay as additional rent the following:
- 1. Fuel Flowage Fees. Lessee shall pay to the BOCC within ten (10) days after the end of each month a sum equal to then-current Fuel Flowage Fee, as set forth in the Airport Rules and Regulations, as amended on February 7, 2022 ("Airport Rules and Regulations"), multiplied by each gallon of aviation gasoline, jet fuel, or any other aircraft fuel ("Fuel") received by Lessee at the Airport during the preceding month, adjusted to 60 degrees Fahrenheit. Receipt of all Fuel shall be metered in a manner reasonably satisfactory to the BOCC (within general industry standards) and the BOCC shall have the right to examine the equipment used in connection with the receipt, storage, and dispensing of Fuel by Lessee. The BOCC reserves the right, upon thirty (30) days written notice from the BOCC to Lessee, to increase or decrease the Fuel Flowage Fee as the BOCC deems reasonable or necessary to recover costs associated with the operation or

development of the Airport, provided that any increase or decrease thereof shall be uniformly applied to all of the BOCC's similarly situated tenants on the Airport.

- 2. Other Fees and Charges. Lessee shall pay (or collect on the BOCC's behalf) those additional rates, fees, and charges detailed in Sections 1200 and 1201 of the Rules and Regulations and applicable to Lessee's FBO activities at the Airport. Notwithstanding the foregoing, the BOCC reserves the right to collect any fees imposed on Airport users, including without limitation landing fees or aircraft parking fees, directly from such users and discontinue Lessee's right or obligation to collect the same, in which case the BOCC shall not be liable to Lessee in any manner for the loss of any authorized administrative retainage of such fees, and Lessee shall not be in default hereunder for such users' failure to make such payments or BOCC's failure to collect the same.
- 3. Water/Sewer Tap Fees. Lessee shall be liable for all water and sewer tap fees and associated charges which may be assessed by the BOCC and/or the City of Rifle, as detailed in Section VIII, below. Lessee shall pay, directly to the City of Rifle, the then-existing tap fees, representing a water tap fee, sewer tap fee, tap, and water rights dedication fee(s), and related charges, applicable at the time of construction, for connection to the City of Rifle water and sewer systems.
- 4. Changes in Fees. Except for Base Rent, all fees and charges may be modified by action of the BOCC in amending the Airport Rules and Regulations in a public meeting. Formal amendment of this Agreement shall not be required to reduce, raise, or change such fees or implement additional fees, provided such fees are uniformly assessed against all similarly situated users of the Airport. The BOCC, through the Airport Director, shall discuss proposed changes in fees with Lessee. The Airport Director will provide Lessee with written notice of proposed changes in at least two (2) weeks prior to the BOCC meeting where fee changes are proposed.

#### D. Payment Dates.

- 1. *Initial Base Rent*. Base Rent shall be prorated through the end of the calendar year starting the day after this Agreement is approved by the BOCC in a public meeting and shall be payable by **Lessee** upon the execution of this Agreement.
- 2. Subsequent Years. Beginning on the first full calendar year following the execution of this Agreement, the Base Rent shall be payable in advance in semi-annual installments on January 1 and July 1 of each calendar year of the Term, subject to the adjustment described in Section III.B., above.
- 3. Except as otherwise provided in the Airport Rules and Regulations and Minimum Standards, all fees and charges other than Base Rent shall be due monthly, without invoice or demand, on or before the 10th day of each calendar month and shall be accompanied by an activity report, in a form acceptable to the Airport Director, providing all information upon which such fees and charges due for the prior month's activities are calculated (e.g., Fuel gallonage delivered), together with such supporting documentation as the Airport Director may require.

E. <u>Place of Payment</u>. All payments due and payable under this Agreement shall be payable to the order of the Garfield County Treasurer and delivered to:

Treasurer
Garfield County
109 8<sup>th</sup> Street, Suite 204
POB 1069
Glenwood Springs, CO 81601

F. <u>Delinquent Payments</u>. The BOCC reserves the right to charge, and Lessee agrees to pay, interest and a late fee, reasonably related to the administrative cost of processing late payments, as such interest and fee may be instituted by the BOCC and changed from time to time, in accordance with the Local Government Delinquency Charges statute §29-1-1101, et seq., C.R.S., as amended, and other applicable law then in effect.

# SECTION IV REQUIRED IMPROVEMENTS

- A. <u>As-Is.</u> Lessee accepts the Leased Premises "as is" in the condition existing upon the Effective Date. Lessee's acceptance of the Leased Premises shall be conclusive evidence that its condition is satisfactory to the Lessee for the Lessee's intended purposes. The BOCC makes no representation or warranty respecting the condition of the Leased Premises or its suitability for construction of the Required Improvements.
- B. Permits and Approvals. Lessee shall, at its sole cost and expense, diligently apply for and undertake commercially reasonable efforts to obtain all approvals required for the construction of the Required Improvements, including zoning, building, land development, environmental and other related licenses, permits, and approvals from any federal, state, or local governmental entity having jurisdiction over the development of the Leased Premises and the Required Improvements (the "Approvals") within eighteen (18) months following the Effective Date, subject to BOCC Delay (as defined below) and any Force Majeure Event (as defined in Section XXVIII). The date on which the last of such Approvals is obtained is referred to herein as the "Final Permit Date."
- C. Required Improvements. Lessee shall, at its sole cost and expense, substantially complete the construction and installation of the Required Improvements, in compliance with the approved Development Plan and Section VI hereof, within thirty-six (36) months from the Final Permit Date (the "Completion Deadline"), subject to Section IV.D, BOCC Delay and any Force Majeure Event. Such construction shall be subject to all applicable easements and restrictions, if any, and any and all other covenants, terms, and conditions specified, or expressly provided for, in this Agreement. As used herein, "BOCC Delay" means a delay in Lessee's performance of an obligation required by this Agreement that results directly or indirectly from any of the following: (i) delays by the BOCC in responding to Lessee's request for approval, consents, permits, or other matters for which the BOCC approval or action is required under this Agreement or applicable laws, Minimum Standards, or Airport Rules and Regulations, which delays either extend beyond the time (if any) required thereunder for response or that is unreasonable; (ii) any delays in the

responses or approvals required by Garfield County Community Development Department under Section VI of this Agreement; and (iii) the negligence or willful misconduct of the BOCC, its agents, employees, or invitees. Lessee shall be entitled to an extension of one (1) day for each day that a BOCC Delay is reasonably determined to exist. Lessee shall give notice to BOCC of any Force Majeure Event or BOCC Delay promptly following the occurrence thereof.

- D. <u>Failure to Complete</u>. If Lessee is diligently and in good faith pursuing completion of construction of the Required Improvements and is unable to meet the Completion Deadline (as may be extended for BOCC Delay or a Force Majeure Event in accordance with the provisions of Section IV.C. above), the BOCC may approve an extension of time for **Lessee** to complete the construction of the Required Improvements, such approval not to be unreasonably withheld, conditioned, or delayed, provided that **Lessee** submits a written request to the BOCC for such an extension not less than sixty (60) days prior to the expiration of Completion Deadline.
- E. Removal of Temporary Construction Materials. Lessee shall not leave on the Leased Premises, after the Completion Deadline (or approved extension thereof), any container, office trailer, contractor's shed, lean-to, shelter, or other structures, construction materials, equipment (including heavy equipment), or parts used during the construction period, nor shall any temporary office trailer, cargo container, or like structures or enclosures be erected, installed, or placed on the Leased Premises for the remaining Term, or any portion thereof, without the prior written approval of the BOCC.
- F. Minimum Investment in Required Improvements. Lessee shall invest the sum of not less than Eight Million Dollars (\$8,000,000.00) for constructing the Required Improvements, and shall submit upon the substantial completion thereof an itemized statement of all hard and soft costs related thereto. This requirement to report said costs shall also apply to any and all subsequent renovations, additions, or alterations made thereto and Lessee's itemized cost statement shall be due and delivered to the BOCC no later than thirty (30) days after completion of such subsequent renovations, additions, or alterations. Failure by Lessee to observe the requirements of this Section IV.F. within the time limit for the initial upgrade, improvement, and construction provided above, which failure continues for fifteen (15) business days after BOCC provides written notice thereof, shall constitute a violation of this Agreement.
- Reconstruction of BOCC Improvements. Lessee acknowledges that the Required Improvements on the Fuel Farm Parcel require the relocation of the BOCC's existing pole barn. As additional consideration, Lessee agrees to demolish the existing pole barn and construct a new pole barn, in accordance with Section VI hereof and at Lessee's sole expense, to the specifications prescribed by the BOCC and at a location approved in writing by the BOCC, prior to commencing any construction of the Required Improvements on the Fuel Farm Parcel; provided, however, that Lessee shall have no obligation to construct the pole barn to a specification that would cause the value of the pole barn to exceed One Hundred Fifty Thousand Dollars (\$150,000.00) (excluding soft costs). Lessee shall itemize its costs for the construction of the pole barn pursuant to Section VI.A.2, and shall be entitled to a credit in that amount by which such itemized costs exceed Twenty Five Thousand Dollars (\$25,000.00) (such difference, the "Rent Credit"), to be applied only against future Base Rent due. The BOCC reserves the right to provide the Rent Credit over a period of years, provided that such period shall not exceed five (5) years from the date of the pole

barn's substantial completion. Title to the reconstructed pole barn will vest immediately in the BOCC upon substantial completion thereof.

# SECTION V USES AND OPERATIONS

- Use of Leased Premises and Compliance with all Laws and Regulations. As is A. more specifically set forth in this Section V, Lessee shall use the Leased Premises only for the operation of an FBO, as defined by and subject to all requirements set forth in the Airport Rules and Regulations and Minimum Standards, as each may be amended from time to time, and any ancillary and related uses thereto; provided, however, that that portion of the Leased Premises identified as the Fuel Farm Parcel shall be used only for the delivery, storage, and removal of fuel and lubricants associated with Lessee's FBO operations and any ancillary uses related thereto but for no other purpose. Lessee shall comply at all times, at Lessee's sole cost, with any and all laws and regulations (as amended or otherwise modified from time to time) that are applicable to Lessee's business and Lessee's use, occupancy, or operations at the Leased Premises or the Airport (the "Laws and Regulations"), which include, but are not limited to, all laws, statutes, ordinances, regulations, rules, orders, writs, judgments, decrees, injunctions, directives, rulings, guidelines, standards, codes, policies, common law, and other pronouncements of any kind having the effect of law that may be applicable at any time during the term of this Agreement including, but not limited to, the Airport Rules and Regulations, master plans and zoning codes, and all Laws and Regulations pertaining to the environment (the "Environmental Laws"); any and all plans and programs developed in compliance with such requirements (including, but not limited to, any Airport Security Plan); and all lawful, reasonable, and nondiscriminatory Airport policies and other requirements. Upon a written request by the BOCC, Lessee will verify, within a reasonable time frame, its compliance with any Laws and Regulation.
- B. <u>Incorporation of Minimum Standards</u>. Lessee shall conduct its business in strict accordance with the Minimum Standards in effect on the Effective Date of this Agreement. If the Minimum Standards are amended or revised, the Lessee shall comply with the amended or revised standards so long as the new or amended Minimum Standards are applied to all similarly situated businesses on the Airport; provided, however, that if the BOCC increases the size requirements for the facilities or fuel farms and such increased standards exceed the size of the Required Improvements, Lessee's facilities shall be deemed compliant provided that they comply with the Minimum Standards in effect on the Effective Date of this Agreement. The BOCC shall discuss proposed changes to the Minimum Standards with Lessee. The BOCC may amend the Minimum Standards at any time upon ten (10) business days' prior written notice to Lessee.
- C. <u>Specific Obligations of Lessee Related to Fixed Base Operations.</u> Lessee has the specific obligation to provide the minimum services of an FBO at the Airport, as defined by, and meeting all requirements stated in, the Minimum Standards, as they may be amended from time to time, unless expressly exempted by the BOCC in writing (the "Required Services").

#### D. Fuel Farm Facility.

1. Lessee shall construct on the Fuel Farm Parcel a new fuel farm facility (the "Fuel Farm Facility"). Lessee shall pay for the costs of maintenance, repair, and upkeep of the Fuel

Farm Facility. Lessee will conduct its operations of the Fuel Farm Facility in such a manner as will meet all applicable Laws and Regulations, including, but not limited to, Environmental Laws.

- 2. Lessee shall operate the Fuel Farm Facility in accordance with the ATA Specification 103 requirements. Lessee will train its employees on proper and safe fuel dispensing procedures in accordance with industry standards.
- 3. Lessee agrees to develop, maintain, and implement a Spill Prevention, Control, and Countermeasure (SPCC) Plan as provided in 40 CFR § 112.3, et seq., which plan shall be subject to the reasonable prior approval of the BOCC. Upon the BOCC's reasonable written request, but not more than once annually, the BOCC, at its sole cost, shall have the right to audit Lessee's SPCC Plan during regular business hours; provided, the BOCC shall not unreasonably interfere with Lessee's business operations during such audit.
- 4. Lessee and the BOCC agree that with respect to the operation and management of the Fuel Farm Facility, Lessee shall maintain full control over the fueling operation throughout the Term, subject to the provisions of this Agreement and applicable Laws and Regulations.
- E. <u>Authorized Activities</u>. In addition to the Required Services, the Lessee may, but shall not be required to, provide any of the other services permitted in the Minimum Standards, subject to prior written approval of the BOCC, which approval shall not be unreasonably withheld, conditioned, or delayed (the "<u>Optional Services</u>" and together with the Required Services, the "Services").
- F. <u>Economic Non-Discrimination</u>. Lessee agrees (i) to furnish the Services on a reasonable and not unjustly discriminatory basis to all users of the Airport and (ii) to charge fair, reasonable, and not unjustly discriminatory prices for each product or Service it provides. Notwithstanding the foregoing, Lessee may establish a program of reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions, provided Lessee provides the BOCC with notice thereof and provided further that any such discounts, rebates or similar price reductions are not in contravention of the policies of the FAA and the BOCC. If a claim is filed with the BOCC that Services or prices are not being furnished on a fair, reasonable, and not unjustly discriminatory basis, then Lessee shall provide the BOCC with any information requested by the BOCC in writing to enable the BOCC to evaluate the current fee schedule.
- G. Prohibited Uses. Lessee agrees that the Lessee's use of the Leased Premises shall not include (i) any purpose other than that expressly authorized herein without obtaining a written amendment to this Agreement, (ii) any nuisance on the Leased Premises other than in the ordinary course of business operating an FBO in accordance with all Laws and Regulations, (iii) other than as caused by the commercially reasonable use of such systems, any interference with the effectiveness or accessibility of the utility, mechanical, electrical, drainage and sewer systems, fire-protection system and other systems installed or located on or in the Leased Premises, and (iv) any use in violation of the terms of this Agreement or any applicable Laws and Regulations having jurisdiction over the Premises, including without limitation, any order, directive, or policy of the FAA as it pertains to compliance with the BOCC's federal obligations (each a "Prohibited Use").

H. <u>Taxes and Fees.</u> After the Effective Date, the Lessee shall meet all expenses and make all payments directly related to its activities on the Leased Premises and the rights and privileges herein granted, including taxes, permit fees, license fees, and assessments lawfully levied or assessed upon the Leased Premises or property situated therein and thereon. Taxes, as used herein, shall include all real property taxes, personal property taxes, payroll taxes, and business taxes. Lessee may, however, at its sole expense and cost, contest any tax, fee, or assessment. In addition, the Lessee shall be responsible for all fees by other governmental agencies related to its building or construction of facilities used by it in providing the Services.

#### I. Hazardous Materials.

- 1. No Violation of Environmental Laws. Lessee shall not cause or permit any Hazardous Materials (as defined in Section XXIV.A. below) to be used, produced, stored, transported, brought upon, or released on, under, or about the Leased Premises or the Airport in violation of applicable Environmental Laws.
- 2. Response to Violations. Lessee agrees that in the event of a release or threat of release of any Hazardous Material by the Lessee or persons under its control at the Airport or by anyone upon the Leased Premises, Lessee shall provide the BOCC with prompt notice of the same. Lessee shall respond to any such release or threat of release in accordance with applicable Laws and Regulations. If the BOCC has reasonable cause to believe that any such release or threat of release has occurred, the BOCC may request, in writing, that Lessee conduct reasonable testing and analysis (using qualified independent experts acceptable to the BOCC) to show that Lessee is complying with applicable Environmental Laws. The BOCC may conduct the same at Lessee's expense if Lessee fails to respond in a reasonable manner. Lessee shall cease any or all of Lessee's activities as the BOCC determines necessary, in its reasonable discretion, in connection with any investigation, cure, or remediation. If Lessee violates any Environmental Laws at the Airport (whether due to the release of a Hazardous Material or otherwise), Lessee, at the Lessee's sole expense, shall have the following obligations, which shall survive any expiration or termination of this Agreement: (i) promptly remediate such violation in compliance with applicable Environmental Laws; (ii) submit to the BOCC a written remediation plan, and the BOCC reserves the right to approve such plan (which approval shall not be unreasonably withheld) and to review and inspect all work; (iii) work with the BOCC and other governmental authorities having jurisdiction in connection with any violation; and (iv) promptly provide the BOCC copies of all documents pertaining to any environmental concern that are not subject to the Lessee's attorneyclient privilege.
- 3. Obligations upon Termination and Authorized Transfers. Upon any expiration or termination of this Agreement or any change in possession of the Leased Premises authorized by the BOCC, Lessee shall demonstrate to the BOCC's reasonable satisfaction that, if applicable, Lessee has removed any Hazardous Materials used, produced, stored, transported, brought upon, or released on, under, or about the Leased Premises or the Airport by Lessee and is in compliance with applicable Environmental Laws. Such demonstration may include, but is not limited to, independent analysis and, if recommended by a Phase I Environmental Site Assessment, testing to the extent that facts and circumstances reasonably warrant analysis and testing, such as evidence of past violations or specific uses of the Leased Premises. If the site is contaminated during the

Lessee's possession as a result of Lessee's acts or omissions, Lessee shall bear all costs and responsibility for the required clean up, and shall hold the BOCC harmless therefrom; provided, however, that Lessee shall not be obligated to remediate any condition or contamination that Lessee demonstrates did not result from or arise out of Lessee's acts or omissions. Notwithstanding anything to the contrary, the obligations of this Section V.I. shall survive any termination of this Agreement.

- J. Protection of Airspace. Lessee shall not erect any structure or allow the growth of any plant or natural object that would constitute an obstruction to air navigation as defined in 14 CFR Part 77; nor shall Lessee conduct any activity on the Leased Premises that would interfere with or be a hazard to the flight of aircraft over the land or to and from the Airport or interfere with air navigation and communication facilities serving the Airport. Lessee shall, at its sole expense, provide and maintain obstruction marking or lighting of any structure on the Leased Premises if required by the BOCC or the FAA. Any obstruction marking or lighting required shall comply with the specifications and standards established for such installations by the BOCC or the FAA.
- K. <u>Compliance with Industry Standards.</u> Lessee shall comply with all industry standards which have been enacted or endorsed by any governing body or industry trade group which apply to operators that are similarly sized and situated; provided however, the BOCC and the Lessee may agree from time to time that specific provisions may not be required.
- L. <u>Non-Discrimination</u>. Lessee, its agents and employees shall not discriminate against any person or class of persons by reason of race, color, creed, or national origin in providing any services on the use of any of its facilities provided for the public, in any manner prohibited by the applicable regulations of the FAA. Furthermore, Lessee is solely and fully responsible for complying with the Americans with Disabilities Act, as amended from time to time, with respect to the Leased Premises and Lessee's activities at the Airport. Lessee acknowledges that the BOCC is required by the FAA under the terms of its Grant Assurances to include in this Agreement certain required contract provisions, included as **Exhibit B** hereto (the "Federal Clauses"). Lessee agrees to comply with the Federal Clauses and, where applicable, include the Federal Clauses in each of its subcontracts without limitation or alteration. Lessee acknowledges that a failure to comply with the Federal Clauses constitutes an event of default.

# SECTION VI CONSTRUCTION AND REMODELING PROCESS AND APPROVAL REQUIREMENTS

#### A. <u>Plans and Specifications.</u>

1. Preliminary Site Plan, Construction Plans. For any new construction on the Leased Premises, including the Required Improvements or construction of future external or internal remodeling of the Required Improvements, Lessee shall submit a preliminary site plan to the BOCC for review, which shall be approved within sixty (60) days after submission. Upon written approval of the site plan by the BOCC or its designee, including approval of location, Lessee shall submit construction plans and associated permit applications to the Garfield County Community Development Department. All construction, development, and remodeling of improvements shall

be built or installed in conformance with the Airport Rules and Regulations and Minimum Standards; County, State and Federal codes and requirements in effect at the time of construction, including without limitation, the building code and applicable fire codes; the Airport Layout Plan and Master Plan in existence at the time of such construction; and the Airport Director's Development Guidelines, Requirements and Application Procedures, dated April, 2004 and as amended 2018 ("Development Guidelines"). Plans and specifications approved for construction shall be prepared and certified by registered architects and/or engineers. Plans must be approved in advance of construction by the Garfield County Community Development Department, and drainage plans must be approved by the office of the Airport contract engineer or the BOCC's designated private engineer, as required by Section VI.D., below. Construction shall be in accordance with the plans so approved.

- 2. Record Drawings (As-Builts), Inventory of Costs, Structural Changes. Within thirty (30) days of issuance of a Certificate of Occupancy by the Garfield County Community Development Department, Lessee shall file with the Airport Director: (1) hard copies of "as-built" record drawings and specifications, showing in-place utilities and all other improvements; and (2) an itemization of actual costs of construction, certified by Lessee's professional engineer or construction contractor. In addition, the record drawings of, at a minimum, the exterior site and utilities shall be submitted in an electronic format reasonably acceptable to the BOCC. Structural changes to or replacement of any structure, or portion thereof, on the Leased Premises, shall not be made without advance approval by the BOCC or its authorized designee, which shall not be unreasonably withheld, conditioned, or delayed, and shall be followed by the filing of record drawings and an itemization of costs with the Airport Director, as required with initial construction. BOCC shall respond to any request for approval of such changes within sixty (60) days of request from Lessee.
- B. <u>Premises Improvements</u>. The color of any buildings or similar structures, constructed under terms of this Agreement, including the roof, shall be like the colors of the hangars or other similar buildings presently on the airport. No dirt or gravel surfaces are permitted inside buildings; appropriately rated concrete is the only acceptable surface. Building materials and colors shall be pre-approved by the BOCC, through the Airport Director or other authorized designee. The building floor shall be certified by **Lessee**'s professional engineer or construction contractor as based on the planned use of the surface and as consistent with accepted engineering standards and applicable FAA specifications and standards.
- C. <u>Concrete and/or Asphalt Apron</u>. Specifications, weight tolerances, designs, and dimensions of all paving of the staging/maneuvering and apron areas constructed by **Lessee**, shall be certified by **Lessee**'s professional engineer or construction contractor as based on the planned use of the surface and as consistent with accepted engineering standards and applicable FAA specifications and standards.
- D. <u>Drainage and Grading/Excavation Plan</u>. Drainage plans for excavation or grading and for improvements made by **Lessee** to the Leased Premises shall be consistent with the overall Airport drainage plan and Storm Water Management Plan. Drainage plans shall be submitted by **Lessee** to the Airport contract engineer or the BOCC's designated private engineer for review and

approval, prior to or at the same time as a building code grading/excavation permit or building permit application is submitted to the Garfield County Community Development Department.

- E. <u>Soils, Revegetation and Weed Management Plan.</u> Lessee, at or before the time of submission of construction plans to the Garfield County Community Development Department, shall submit to the Garfield County Vegetation Management Department, a soil, weed management and revegetation plan, consistent with the requirements of the Garfield County Weed Management Plan 2016, as amended.
- F. <u>Lighting</u>. Any illumination of the Leased Premises or the hangar or other improvements shall be installed and maintained by **Lessee**, according to criteria established by the BOCC in Airport Rules and Regulations and Minimum Standards; and, specifically, such lighting shall not be a hazard to aircraft.
- G. <u>Signage</u>. Upon the written approval of the BOCC, through the Airport Director or other authorized designee, **Lessee** may install and maintain on the Leased Premises one or more signs constructed and installed consistent with the Garfield County "Sign Code", fire code, the Development Guidelines and, if applicable, the building code. Lessee shall be obligated to install and maintain one (1) sign stating the Airport building number only, which sign shall be visible and legible from the closest Airport access road.

### SECTION VII MAINTENANCE AND SECURITY

- A. <u>Maintenance</u>. All improvements on the Leased Premises shall be maintained by Lessee at its own expense. Lessee shall maintain, protect, and preserve the Leased Premises and the improvements in a safe, neat, and attractive condition and in good and serviceable repair. Lessee shall be responsible for ongoing weed management on Leased Premises. The hangar shall be flashed and treated with a weather resistant finish, on a reasonable maintenance schedule, and all windows and pedestrian and aircraft doors shall be secure and operable. Lessee shall repair all damage to the Leased Premises caused by its operations; and/or by its employees, guests, contractors, agents, representatives, invitees, tenants, and permittees.
- B. Repair and Maintenance "Punch List". The BOCC may, at its sole expense, conduct a facility assessment of the Leased Premises within sixty (60) days of receiving Lessee's written notice of intent to enter into an Extension Term under Section II.B. Following such assessment, the BOCC shall advise Lessee that no repair or maintenance is needed or shall provide Lessee with a punch list of repair and maintenance items to be completed on the Required Improvements at Lessee's sole expense. Lessee shall complete the repair and maintenance to the reasonable satisfaction of the BOCC within a reasonable time period, but prior to the commencement of the requested Extension Term, as the BOCC may agree; provided that if Lessee is proceeding with necessary diligence to complete the punch list, Lessee may request up to an additional sixty (60) days. It is specifically understood by the BOCC and Lessee that the repair and maintenance required by the BOCC, evidenced by the punch list, shall be for the purpose of protecting, preserving, and maintaining the Required Improvements in their original state, reasonable wear and tear, casualty and/or condemnation excepted, and not for new construction.

Examples of such punch list items include, but are not limited to, secure and operable windows, pedestrian doors, and hangar doors; asphalt and concrete surfaces, and all facility systems, maintained to applicable CDOT standards; and exterior metal walls, flashed and finished in a rust-free, weather-resistant manner. Without limiting the generality of Section XVI, "Inspection", the BOCC and Lessee agree that the BOCC, through a designated employee or contractor, may inspect the Required Improvements with Lessee to develop the punch list.

- C. <u>Snow Removal</u>. The BOCC shall be responsible for snow removal service on the airfield and on public roads and taxiways serving the Leased Premises. Snow removal on the Leased Premises, including removal from the private vehicle parking area, aircraft entrance apron and private aircraft taxi lane, shall be the responsibility of **Lessee**. **Lessee** may inventory snow on areas outside of the Leased Premises only with the specific written approval of the Airport Director, which approval may be modified, suspended or revoked at any time without prior notice to **Lessee**; provided, however, that Lessee shall not place snow in any Airport Object Free Zone.
- D. <u>Security</u>. Security of the Leased Premises shall be the responsibility of Lessee. Nothing in this Agreement shall be construed to impose security obligations upon the BOCC. Subject to the terms of this Agreement, unless caused by the gross negligence or willful misconduct of the BOCC, the BOCC shall not be liable for any loss or damages suffered by Lessee from Lessee's use and occupancy of and operation upon the Leased Premises.

#### SECTION VIII UTILITIES

#### A. Utility Availability and Responsibility

- 1. Electricity and Gas. Connection to electricity and gas lines is available in the proximity of the Leased Premises. Lessee shall be responsible for construction of the connectors and service lines necessary, and for the payment of all expenses and service charges, to extend electricity and gas to the Leased Premises and for good and workmanlike repair of any road cuts necessitated by the extension of the utilities.
- 2. Water and Sewage. Access to the City of Rifle water and sewer systems is available in proximity of the Leased Premises. Lessee shall have the same responsibilities for extension of water and sewer service to new construction as stated above, regarding extension of electricity and gas. Lessee shall install a water meter, approved as to size and type by the Airport Director and consistent with City of Rifle standards, during construction of the hangar.
- 3. *Industrial Waste*. **Lessee** specifically agrees that the City of Rifle sewage system shall not be used for collection of and or the disposal of industrial waste and shall install a pretreatment trap/device and an underground holding tank for collection of such waste.
- 4. Rubbish. Lessee shall be responsible for the collection, temporary storage, and proper removal of all waste and rubbish from the Leased Premises, including within each hangar unit or other facilities. Lessee shall engage a properly certified waste removal service for adequate collection and off-site disposal of rubbish. Trash bins shall have secured lids and any trash bin

that is overflowing shall have its contents properly removed within two calendar days of identification. Trash bins are for the exclusive use of Lessee and not for public use.

- 5. Telephone/Internet. Telephone/Internet hook-ups are available on the Airport. Lessee shall have the same responsibility for construction of the connectors and service lines necessary to extend telephone and fiber service as stated in Section VIII.A.l., above, regarding extension of electricity and gas.
- 6. Nonexclusive Access Rights for Installation. With respect to electricity, gas, water, waste, telephone, and fiber the BOCC hereby grants Lessee nonexclusive rights over and across the BOCC's property, along reasonably convenient and direct routes approved by the BOCC, to provide utility services to the Leased Premises.
- B. <u>Monthly Service Charges</u>. Lessee shall be liable for all set up fees, monthly service charges, and any other fees charged by utility providers.
- C. <u>Agreements Affecting Airport Utilities</u>. It is specifically understood by the Parties that the availability and provision of the utilities described in this Section VIII may be subject to that certain Intergovernmental Agreement between the City of Rifle and Garfield County dated May 19, 2010 (the "<u>IGA</u>"), to which this Agreement is all respects subordinate. In the event of a conflict between this Agreement and the IGA or the Rifle Municipal Code, the provisions of the IGA or the Rifle Municipal Code shall control.

# SECTION IX APPURTENANT RIGHTS

Lessee shall have the rights of ingress to and egress from the Leased Premises, for Lessee and Lessee's authorized based-aircraft owners/lessees, tenants/permittees, employees, guests, contractors, agents, representatives, and invitees, by reasonable and adequate routes of travel designated from time to time by the BOCC. Lessee shall also have, for its use and in common with others to whom similar rights are granted, the use of the public Airport facilities, such as runways, taxiways, taxi lanes, ramps, aprons, and the public automobile parking area.

# SECTION X NO MORTGAGE OF LEASEHOLD INTERESTS

Lessee shall not have the right to assign, pledge, or otherwise encumber its leasehold interest as security for construction financing or any other purpose; provided, however, that the foregoing provision shall not be construed to prohibit Lessee from engaging in other financing which does not encumber the leasehold interest herein.

# SECTION XI LIENS, SECURITY AND CONSTRUCTION NOTICE

A. <u>Liens</u>. In the event any individual or entity asserts a mechanics', materialmen, or other type of lien against the Leased Premises, **Lessee** shall hold the BOCC harmless from such claim, including the cost of defense, and shall provide the BOCC with a Release of Lien or a

Release of Verified Statement of Claim, as appropriate, recorded in the Office of the Garfield County Clerk and Recorder.

#### B. Security.

- 1. Performance and Payment Bonds. Prior to erecting the Required Improvements, Lessee shall deliver to the BOCC or its designee a Performance Bond and a Payment Bond with good and sufficient surety, in a form reasonably approved by the BOCC. The Performance Bond and the Payment Bond shall, each, be in a sum equal to the full contractual amount for the Required Improvements, certified by Lessee's construction contractor, or the full estimated cost of completion of the Required Improvements, certified by Lessee's professional engineer, including the drainage and excavation plan and the soils, revegetation and weed management plan required by Section VI above. Lessee's Performance and Payment Bonds shall be made by Lessee for the benefit of the BOCC, or, by Lessee's construction contractor(s) for the benefit of Lessee and the BOCC, as their interests may appear. The purpose of the Performance Bond is to provide a source of funds upon which the BOCC may draw to complete the Required Improvements if Lessee fails to complete the Required Improvements. The purpose of the separate Payment Bond is to secure payment of labor and material claims.
- 2. Substitute Security. The BOCC, at its sole option, may permit Lessee to substitute, in lieu of the Payment and Performance Bonds, a single irrevocable Letter of Credit ("LOC") or other form of security, with form and content reasonably acceptable to the BOCC, providing a source of funds upon which the BOCC may draw in order to complete the Required Improvements, if Lessee fails to complete the Required Improvements, and to pay valid labor and material claims for which adequate security is available. The BOCC does not hereby take responsibility for claims against Lessee.
  - i) Requirements for Letter of Credit. If approved by the BOCC for use as security, the LOC shall be in the face amount of the full contractual amount for the Required Improvements, certified by Lessee's construction contractor, or the full estimated cost of completion of the Required Improvements, certified by Lessee's professional engineer, including the drainage and excavation plan and the soils, revegetation and weed management plan required by Section VI above, plus a ten percent (10%) contingency. The LOC shall be issued by a state or national banking institution reasonably acceptable to the BOCC. If the institution issuing the LOC is not licensed in the State of Colorado and transacting business within the State of Colorado, the LOC shall be "confirmed" within the meaning of the Uniform Commercial Code, Letters of Credit, Section 4-5-101, et seq., C.R.S., as amended, by a bank that is licensed to do business in the State of Colorado, doing business in Colorado, and acceptable to the BOCC. The LOC shall state that presentation of drafts drawn under the LOC shall be at an office of the issuer or confirmer located in the State of Colorado or by facsimile.
  - ii) Security Expiration Date. The LOC or other approved security shall be valid for a minimum of six (6) months beyond the completion date for the improvements (in the case of the Required Improvements, as set forth in Section IV above). If the

completion date is extended by a written amendment to this Agreement, the time for the validity of the LOC or other security shall be similarly extended by **Lessee**. For each six (6) month extension, at the sole option of the BOCC, the face amount of the LOC or other security shall be subject to re-certification of the costs of completion, by **Lessee**'s professional engineer or construction contractor, and review by the BOCC for a possible increase in the face amount of the LOC to assure sufficiency of the amount of security to allow completion of the Required Improvements by the BOCC and payment of all claims.

- iii) Final Release. Said LOC or other form of security shall not be authorized for release in successive partial releases. Approval of one, final release of the LOC shall be requested by **Lessee** upon presentation to the BOCC of a certified statement of **Lessee**'s professional engineer or construction contractor that the project has been completed in accordance with contract standards; all labor, materials, supplies, and equipment invoices have been paid; and a certificate of occupancy has been issued by the Garfield County Community Development Department.
- 3. In lieu of Performance and Payments Bonds or an LOC required under this Section XI.B, Lessee may provide and the BOCC may accept:
  - i) A copy of each fixed price contract for construction of the improvement(s), executed by Lessee and a reputable contractor; and
  - ii) A copy of a "firm" construction loan commitment from a financial institution acceptable to the BOCC; and
  - iii) To the extent a difference exists between the contract price and the amount of the loan commitment, proof of the existence of a "good funds" escrow account with Lessee's lender, held in Lessee's name, in the amount of the difference, with the escrow contract requiring the funds in the account to be applied solely toward the completion of the Required Improvements, or other BOCC-approved improvement.
- 4. Landlord's Notice. Lessee and the BOCC recognize that the construction of the improvements by Lessee at the Airport is not secured as a "Public Works" project under the Colorado Contractor's Bonds Lien on Funds Statute, Section 38-26-101, et seq., C.R.S., as amended. The parties further acknowledge that the BOCC's fee interest in the Leased Premises cannot be attached by labor or materialmen to secure payment of money due for the provision of labor, materials, supplies, or equipment, under the Colorado Mechanic's Lien Law, Section 38-26-107, et seq., C.R.S., as amended. Therefore, the BOCC and Lessee agree to the posting of the Leased Premises when Lessee begins construction of the improvements or commences remodeling, or any other improvement authorized under terms of this Agreement. The posting shall be in a form consistent with the sample "Landlord's Notice" attached and incorporated herein by this reference as Exhibit C. Lessee shall locate the Landlord's Notice on a conspicuous location on the leased parcel, in an easily readable large format, and ensure that the posting remains in place until a certificate of occupancy has been issued by the Garfield County Community Development Department; all labor, materials, supplies and equipment invoices have been paid; and the

Performance and Payment Bonds have been released or the BOCC has approved final release of the LOC or other form of security, in accordance with Section XI.B.2(iii), above.

### SECTION XII INDEMNITY AND INSURANCE

#### A. Indemnification.

- 1. General. Lessee assumes the risk of loss or damage to the improvements; contents of the hangar; and aircraft, vehicles, and any other personal property, whether if from windstorm, fire, earthquake, snow, water run-off, vandalism or any other cause or causes whatsoever; subject to the insurance coverage that tenants/permittees are required to provide pursuant to use agreements. Lessee hereby agrees to indemnify, defend, and hold harmless the BOCC, its officers, employees, agents, and assigns ("BOCC Indemnified Parties") from and against third party losses, claims, or damages, including attorney's fees, court costs, and litigation expenses, arising out of the conduct of Lessee's Services or the use or occupancy of the Leased Premises and any Improvements thereon by Lessee or Lessee's employees, guests, contractors, agents, representatives, tenants, permittees or invitees; provided, however, that Lessee is not liable for those claims and damages resulting from the sole or gross negligence or willful misconduct of the BOCC Indemnified Parties. Upon the filing of a claim with the BOCC for damages for which Lessee herein agrees to indemnify and hold the BOCC or the BOCC Indemnified Parties harmless, the BOCC shall promptly notify Lessee in writing of such claim and, in the event that Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and on behalf of the BOCC Indemnified Parties, as applicable, with counsel reasonably acceptable to the BOCC.
- 2. Employees. Without limiting the generality of Section XII.A.1., above, and recognizing that commercial activities are allowed under this Agreement, it is expressly understood by the Parties that employees of **Lessee** and its guests, contractors, agents, representatives, tenants, permittees and invitees, including but not limited to **Lessee's** construction contractor(s) for improvements built under terms of this Agreement, are not employees of the BOCC for any purpose.

#### B. Insurance.

1. Types and Limits. Lessee shall furnish and maintain throughout the Term of this Agreement, at its own cost and expense, those policies of insurance and the minimum limits thereof required of an FBO, as set forth in the Minimum Standards. Lessee specifically understands and agrees that insurance coverage types and limits may be modified throughout the Term of this Agreement by amendment to the Minimum Standards, and Lessee agrees to comply with such modified insurance requirements upon notice to Lessee thereof. Lessee's contractors, subtenants, permittees, or others provided access to the Leased Premises by Lessee shall either be covered by Lessee's insurance coverage or required by Lessee to secure insurance coverage appropriate for their use or occupancy of the Leased Premises and to provide proof thereof to Lessee.

- 2. Aggregate Coverage Limits/Additional Insured/Certificates. If any aggregate limit is reduced below the required amount, because of claims made or paid during a policy period, Lessee shall immediately obtain additional insurance to restore the full aggregate limit and furnish a certificate or other document showing compliance with this provision. Insurance coverage shall be written with companies licensed to do business in Colorado, and the policy or policies shall be in a form reasonably satisfactory to the BOCC and properly filed with and approved by the Colorado Department of Insurance. Lessee shall demonstrate contractual liability coverage supporting the indemnity provision of this Agreement either through policy language or by waiver of exclusion. The BOCC and its officers, employees, agents and assigns shall be named as an additional insured to the extent of Lessee's indemnification obligations under this Agreement. The certificate shall provide that the insurance may not be materially changed, altered, or canceled by the insurer without first giving ten (10) days written notice by certified or registered U.S. mail, return receipt requested, to the BOCC at its address identified in Section XXI below. Certificate(s) of Insurance and appropriate endorsements, documenting the coverage required by this Agreement, shall be delivered to the BOCC on the initial and each policy renewal date at the address stated in Section XXI below. Builder's Insurance Certificate shall be delivered to the BOCC, through the Airport Director, prior to the start of construction on any construction by Lessee at the Airport.
- 3. Application of Insurance Proceeds. Lessee shall apply insurance proceeds, payable by reason of loss or damage to the Improvements, to the restoration of the improvements on the Leased Premises and the Leased Premises. In the event of damage due to an insurable cause and Lessee's application of proceeds to restoration, this Agreement shall continue in full force and effect.
- 4. Workers' Compensation. Lessee shall carry Workers' Compensation Insurance, specifically for this Agreement if and as required by Colorado law and regulation. Certificate(s) of Insurance documenting such coverage shall be delivered to the BOCC on the initial and each policy renewal date at the address stated in Section XXI below. The BOCC shall not be named as an additional insured. Consistent with the provisions of Section XII.A. above, the BOCC, its officers, agents or employees shall not be responsible for any claims or actions occasioned by Lessee failure to comply with the provisions of this Section XII.B.4. Further, during any construction on the Airport required or permitted by this Agreement, Lessee shall require proof from Lessee's general contractor documenting the contractor's Workers' Compensation coverage. Lessee shall also require the general contractor to provide proof from each subcontractor that the subcontractor is insured, as required by the Colorado Workers' Compensation Act, or shall require the general contractor to accept coverage responsibility for subcontractors without insurance or with inadequate Workers' Compensation coverage.

# SECTION XIII REMEDIES FOLLOWING DEFAULT

A. <u>Monetary Default</u>. In the event of breach by **Lessee** of its obligation to pay Base Rent or any other fees or charges required under this Agreement when due, the BOCC shall provide written notice to **Lessee** and **Lessee** shall be deemed to be in default as of the date the payment was due and not paid, unless such default is cured within twenty (20) calendar days of **Lessee**'s

receipt of the BOCC's written notice. The BOCC, without termination of this Agreement, may thereafter proceed in law or equity to seek injunctive relief, specific performance and/or damages (other than punitive damages) incurred because of **Lessee** default.

Said written notice to cure, identifying the breach and stating the date by which cure is required shall be delivered to **Lessee** in accordance with Section XXI below. If the identified breach is not cured by 5:00 p.m. on the cure date, or an extension thereof with regard to proof of insurance, the BOCC, at its option and with or without termination of this Agreement, may enter and repossess the Leased Premises and all Required Improvements. Such re-entry may be with or without process of law and shall be without liability for trespass or forcible entry and without prejudice to any other remedies to which the BOCC may be entitled. In such event, **Lessee** agrees to peaceably surrender the Leased Premises to the BOCC without further notice or demand.

B. Non-Monetary Default or Abandonment. In the event of breach by Lessee of the performance of any of the conditions, covenants, agreements, or obligations hereunder, other than those described in Section XIII.A. above, or in the event of abandonment by Lessee of its operations on the Leased Premises, the BOCC shall provide written notice to Lessee and Lessee shall be deemed to be in default of this Agreement as of the date of the BOCC's notice unless the breach is cured within thirty (30) calendar days of Lessee's receipt of the BOCC's written notice; provided, however, that Lessee's cure period shall be three (3) business days in the event of a failure to maintain required insurance. For the purposes of the foregoing provision, Lessee shall be deemed to have abandoned the Leased Premises if it does not provide the Required Services at the Airport for a consecutive period of thirty (30) consecutive days, unless such failure is the result of a Force Majeure Event. The BOCC, without termination of this Agreement, may thereafter proceed in law or equity to seek injunctive relief, specific performance and/or damages incurred because of Lessee's default. In the event of any default hereunder by Lessee, other than abandonment, where Lessee is proceeding with necessary diligence to effectuate a remedy, Lessee shall be entitled to an extension of such minimum cure period for a reasonable period of time.

Said written notice to cure, identifying the breach and stating the date by which cure is required shall be delivered to **Lessee** in accordance with Section XXI below. If the identified breach is not cured by 5:00 p.m. on the cure date, or an extension thereof regarding a default other than abandonment, the BOCC, at its option and with or without termination of this Agreement, may enter and repossess the Leased Premises and all improvements. Such re-entry may be with or without process of law and shall be without liability for trespass or forcible entry and without prejudice to any other remedies to which the BOCC may be entitled. In such event, **Lessee** agrees to peaceably surrender the Leased Premises to the BOCC without further notice or demand.

C. Notice Period for Summary Proceedings. If the BOCC elects to retake possession of the Leased Premises from Lessee by summary judicial proceedings, demanding payment of rent and/or other fees and charges and/or proof of insurance and/or compliance with any other term of this Agreement or, in the alternative, surrender of possession of the Leased Premises, the parties recognize and agree that the applicable twenty-day or thirty-day notice/cure period, established in Sections XIII.A. and B., above, shall control. In such instance, for the purpose of §13-40-104, C.R.S., as amended, the default shall be deemed to have occurred at five o-clock p.m. on the twentieth or thirtieth day following receipt by Lessee of the BOCC's notice to cure (or the last day

of an extended minimum cure period), at which point in time, if **Lessee** is in possession of the Leased Premises, **Lessee** shall be holding over without permission of the BOCC and, at the BOCC's option, shall be subject to summary proceedings under the Colorado Forcible Entry and Detainer statutes, Section 13-40-104, et seq., C.R.S., as amended.

- D. <u>Waiver</u>. No failure to strictly enforce the terms of this Agreement shall be deemed a waiver by either party unless such waiver is in writing and executed by the party against whom enforcement of the waiver is sought. No waiver by either party of any failure of a party to comply with any term or condition of this Agreement shall be construed to be a waiver of any other failure by such party to comply with the same or any other term or condition of this Agreement.
- E. <u>Termination by the Lessee</u>. Lessee may terminate this Agreement if any of the following events have occurred: (a) permanent abandonment or closure of the Airport, (b) lawful assumption by the United States government or any authorized agency of the operation, control, use, or occupancy of the Airport; or (c) substantial condemnation or eminent domain which prevents or substantially impairs the conduct of the Lessee's activities on the Leased Premises.

# SECTION XIV SURRENDER OF POSSESSION AND TITLE TO IMPROVEMENTS

- A. <u>Surrender of Possession and Title to Improvements</u>. Upon expiration of the Term or earlier termination of this Agreement, **Lessee's** right to use and occupy the Leased Premises and all improvements thereon shall cease, and **Lessee** shall surrender the Leased Premises and its rights and privileges under the provisions of this Agreement to the BOCC. **Lessee** shall leave the Leased Premises and all improvements thereon in good and serviceable condition, except for normal wear and tear; remove all personal property; vacate the premises without unreasonable delay; and execute and deliver to the BOCC a document of conveyance transferring to the BOCC all right, title and interest to all improvements, free and clear of liens and encumbrances.
- B. <u>Abandonment/Noncompliance with Section XIV.A.</u> If **Lessee** abandons the Leased Premises and/or does not convey the improvements thereon as provided in Section XIV.A., title to all improvements then existing on the Leased Premises shall automatically pass to the BOCC, and the BOCC may, in its sole discretion:
  - a. Remove the improvements and regrade and reclaim the Leased Premises;
  - b. Operate on the Leased Premises;
  - c. Record a "Release of Leasehold Interest" in the Office of the Garfield County Clerk and Recorder, with or without execution by Lessee and with reference to Section IV of this Agreement. Lessee herein specifically agrees to the recording of such a release with or without execution by Lessee. The Leased Premises and the improvements may, thereafter, be used by the BOCC consistent with the BOCC's fee interest, including without limitation re-letting upon terms to be negotiated by the BOCC and any replacement private or commercial operator approved by the BOCC under the Minimum Standards.

C. <u>BOCC's Discretion</u>. Consistent with the BOCC's ownership of the fee interest in the Leased Premises and notwithstanding the provisions of Sections XIV.A. through B., above, the BOCC shall have full discretion to determine the needed use of the Leased Premises at the time of expiration of the Term; however, the BOCC's decision shall be guided by the Airport Master Plan then in effect and then-current Airport land use needs.

#### SECTION XV SUBORDINATION

This Agreement is subject and subordinate to the terms and conditions of any existing or future agreement entered into between the BOCC and the United States of America or the State of Colorado for the improvement or operation and maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the transfer of federal rights or property to the BOCC for airport purposes, or the expenditure of federal or state funds for the improvement or development of the Airport (the "Grant Assurances"). Lessee shall reasonably abide by the requirements of agreements entered into between the BOCC and the United States or the State of Colorado.

During war or other national emergency, the BOCC shall have the right to lease the Airport or any part thereof to the federal government. In such event, the provisions of this Agreement shall be suspended and a just and proportionate part of the payments due hereunder shall be abated. In the event possession of the Leased Premises and the improvements is assumed by the United States government or other authorized agency under emergency powers, the rent and other charges due under this Agreement shall abate and Lessee shall not be responsible for its covenants under this Agreement until possession by the United States of America terminates. In the further event that Lessee is reimbursed for the assumption of possession of the Leased Premises, then the rental provisions of this Agreement shall remain in effect, provided further, however, if the reimbursement is less than the rental amount herein required, then Lessee shall be required to pay to the BOCC only such amount of reimbursement as it shall receive from the United States or other authorized agency.

#### SECTION XVI INSPECTION

- A. <u>Inspection of Premises</u>. The BOCC or its designee shall have the right to enter the Leased Premises at any reasonable time and, except in the event of emergency, upon reasonable advance written notice, for the purpose of inspection in the exercise of its governmental or police powers and, specifically, to investigate compliance with the terms of this Agreement.
- B. <u>Inspection of Books</u>. Upon the BOCC's reasonable request, but not more than once annually, **Lessee** shall make its books of accounts relating to the rents, fees and charges identified in Section III above, available for inspection by the BOCC or its designated representative and open to audit by the BOCC or a cognizant auditor, provided that all such information shall be treated as confidential commercial records to the maximum extent permitted by Applicable Laws. Without limiting the generality of the foregoing, Lessee's accounts related to the storage use agreements and tenancies/subtenancies specifically associated with Lessee's hangaring operations,

allowed under provisions of Section XVII.B. shall be open for inspection and an annual audit. If audit by the BOCC reflects a discrepancy of more than seven percent (7%) in the reported fuel received at the Airport or more than seven percent (7%) in any other fees collected, unless the discrepancy resulted through no fault of Lessee, the entire cost of the audit shall be borne by Lessee, which amount shall not exceed \$5,000. In such event, Lessee shall be responsible for the entire cost of the audit (not to exceed \$5,000) and the payment to the BOCC of any unpaid fees or charges. In all cases, Lessee shall promptly remit any payments determined to be due to the BOCC as shown by such audit and BOCC shall promptly reimburse Lessee for any overpayments made by Lessee.

### SECTION XVII ASSIGNMENT, SUBLEASE AND CHANGES IN CONTROL

- A. <u>Consent Generally Required</u>. Except as provided in Section XVII.B., below and Section X above, Lessee shall not sublease the Leased Premises or assign this Agreement or any interest therein, nor grant an option for such a sublease or assignment, without the prior written consent of the BOCC, which consent shall not be unreasonably withheld, denied or delayed; provided, however, that it shall not be unreasonable for the BOCC to consider, among other things, whether: (i) Lessee is in default of its obligations under this Agreement; (ii) the proposed assignment would violate the applicable Laws and Regulations, including without limitation the Minimum Standards, Rules and Regulations, Grant Assurances, or other BOCC or FAA rules and policies; (iv) the proposed assignee has the experience and professional staff capable of operating the facilities and in accordance with the terms and conditions of this Agreement and the Minimum Standards; and (v) the proposed assignment would not be against the public interest. In any event, Lessee shall not convey an ownership interests in the Required Improvements or any portion thereof independently from assignment of this Agreement.
- B. <u>Aircraft Storage and Office Licenses</u>. Notwithstanding Section XVII.A., above, or any other provision of this Agreement to the contrary, Lessee shall be permitted without the consent of the BOCC to sublease or license hangar and/or office space within the Leased Premises; provided, however, that if any sublessee or licensee proposes to provide commercial aeronautical services which would require the BOCC's approval under the Minimum Standards, such sublessee or licensee must obtain the BOCC's approval, in accordance with the Minimum Standards, prior to Lessee making space available. In no event shall BOCC be liable to Lessee for any failure or delay in permitting a third-party to conduct commercial aeronautical activities.
- C. <u>Unauthorized Assignments</u>. Any attempted assignment, transfer, or subletting in violation of this Agreement shall be null and void and a default of this Agreement. No assignment, transfer, conveyance, or sublease by Lessee shall relieve Lessee of its primary responsibility for payment of rent and performance of all other obligations provided in this Agreement, without specific written consent by the BOCC to such relief. Any transfer of control of Lessee or Lessee's operations, whether by merger, consolidation, transfer of shares, or transfer of membership interests, shall constitute an assignment under this Section XVII. "Transfer of control" means the transfer of both (a) ownership of more than fifty percent (50%) of the outstanding voting securities of Lessee, and (b) the possession of power to direct or cause the direction of the management and

policies of Lessee, whether through the ownership of voting securities, by statute, by contract or otherwise.

D. <u>Terms and Conditions</u>. The terms and conditions of this Agreement shall be incorporated into any document effecting an assignment of this Agreement, and **Lessee** shall provide the BOCC a copy of the assignment document.

### SECTION XVIII QUIET ENJOYMENT

Upon payment of the rents, fees, and charges provided herein and upon observation of all covenants, warranties, agreements, and conditions of this Agreement, Lessee shall have the right to exclusive possession and enjoyment of the Leased Premises during the Term of this Agreement without hindrance or molestation by any person or persons lawfully claiming by, through or under, the BOCC, subject, however, to the terms of this Agreement. Lessee recognizes that fee simple title to the Leased Premises and all the Airport is vested in the BOCC. Lessee agrees that nothing herein shall give Lessee any ownership or option to own the Leased Premises or any portion of the Airport.

# SECTION XIX CONSTRUCTION INCONVENIENCES AND POSSIBLE RELOCATION

- A. <u>Construction by the BOCC</u>. Lessee recognizes that from time to time during the Term of this Agreement it may be necessary for the BOCC to engage in construction, expansion, relocation, maintenance, and repair in order that the Airport and its facilities may be suitable for the then existing volume and character of air traffic and flight activity. Such construction includes temporary runway and/or Airport closure. Such activity may inconvenience or interrupt Lessee operations and will require accommodation by Lessee; however, the BOCC shall make all reasonable efforts to minimize such inconvenience or interruption, including but not limited to allowing Lessee to operate from a temporary location and/or out of temporary facilities, if, in the sole judgment of the BOCC, such operations can be safely maintained during construction.
- B. <u>No Liability</u>. Lessee agrees that no liability shall attach to the BOCC, its officers, agents, employees, contractors, subcontractors, and representatives by reason of such inconvenience, interruption, relocation, or replacement. Lessee waives any right to claim damages for such, provided, however, that this waiver shall not be construed as a waiver of any claim for physical damage to the Improvements or the personal property of Lessee resulting from negligence or willful misconduct or the BOCC.

### SECTION XX BINDING UPON SUCCESSOR AND ASSIGNS

All the covenants, conditions, and agreements contained in this Agreement shall be binding upon and inure to the benefit of the respective parties as well as their successors in interest of any kind, including assigns.

### SECTION XXI NOTICE

Every notice or other communication required by this Agreement shall be delivered in writing to the addresses stated below unless a new address is provided by written notice of one party to the other. Such notice of a change of address or of the identity of the contact person shall not require formal amendment of this Agreement.

#### **BOCC:**

Board of County Commissioners of Garfield County Attn: Airport Director 0375 County Road 352, Building 2060 Rifle, CO 81650

cc:

GarCo Attorney's Office 108 8th Street, Suite 219 Glenwood Springs, CO 81601 Phone: (970) 945-9150 Fax: (970) 384-5005

#### Lessee:

228 Park Ave S., PMB 73997 New York, NY 10003

Principal or Primary Contact:

Name: Ryan Maxfield Phone: (317) 514-0280

Email: notices@vantageair.com

Secondary contact and equal partner of Lessee (IF ANY):

c/o Jadian Capital 4 Star Point, Suite 204 Stamford, CT 06902 Attention: Bryan LaPlant

Cell#

Email: Legal@jadiancapital.com

cc:

Barnes & Thornburg LLP 2029 Century Park East, Suite 300 Los Angeles, CA 90067 Attention: Ryan J. Barneastle, Esq.

Phone: 310-284-3880

E-mail: ryan.barncastle@btlaw.com

Delivery shall be made in person, by certified return receipt requested U.S. mail, or receipted delivery service.

# SECTION XXII PARTIAL INVALIDITY

To the extent that this Agreement may be executed and performance of the obligations of the parties may be accomplished within the intent of this Agreement, the terms hereof are severable. If any term or provision of this Agreement is declared invalid by a Court of competent jurisdiction or becomes inoperative for any other reason, then the invalidity or failure shall not affect the validity of any other term or provision of this Agreement.

# SECTION XXIII AMENDMENT

All amendments to this Agreement shall be made in writing executed with the same formality as this Agreement, except as detailed in Section XXI regarding change of notification information. No oral amendment shall be of any force or effect whatsoever.

# SECTION XXIV MATERIALS AND ENVIRONMENTAL ISSUES

A. <u>BOCC Representations and Responsibilities</u>. The BOCC has no actual notice of or knowledge of any form of environmental degradation to the Leased Premises; however, the BOCC makes no covenants or warranties, express or implied, regarding the lack of environmental degradation. Should the BOCC become aware of the possible presence on the Leased Premises of "Hazardous Material(s)", i.e., a substance(s) regulated by any governmental authority or agency having jurisdiction over environmental or health risks, materials handling, or wastes, including but not limited to, the State of Colorado, County of Garfield, Rifle Fire Protection District, United States Environmental Protection Agency, United States Department of Transportation, and Federal Aviation Administration, the BOCC shall inform **Lessee** and investigate such condition as soon as is reasonably possible.

Correction of such condition, if required by the authorized agency, shall be in accordance with pertinent statutory and regulatory law. Lessee shall not be responsible or liable for the cost of investigation or remediation of environmental degradation occurring prior to Lessee's occupancy of the Leased Premises. Lessee shall be liable for environmental degradation caused by its employees, contractors, subcontractors, agents, representatives, invitees, or assignees use and occupancy of and/or operations on the Leased Premises occurring after the effective date.

B. <u>Limitations on Use of Hazardous Materials</u>. Lessee shall not generate, use, handle, store, or dispose of Hazardous Materials on the Leased Premises (nor passively consent to) as defined in Section XXIV.A., above, unless such materials are generated, used, handled, stored, or disposed of consistently with the applicable laws, orders, rules, ordinances and regulations of the authorities and agencies described in Section XXIV.A., above. No use of the Leased Premises

which requires additional fire protection or environmental regulation, in addition to that required for the uses detailed in Section V above, shall be permitted without advance approval by the BOCC.

#### SECTION XXV ATTORNEY'S FEES

Should this Agreement become the subject of litigation to resolve a claim of default in performance by the BOCC or **Lessee**, the prevailing party, in addition to such other relief as may be granted, shall be entitled to reasonable attorney fees, expenses, and court costs. All rights concerning fees and costs shall survive termination of this Agreement.

### SECTION XXVI CONTROLLING LAW

This Agreement shall be governed by the laws of the State of Colorado and venue for all actions shall be in Garfield County, Colorado.

### SECTION XXVII RECORDING

Upon execution by the parties, this Agreement shall be recorded in the records of the Garfield County Clerk and Recorder.

### SECTION XXVIII FORCE MAJEURE

No act or event, whether foreseen or unforeseen, shall operate to excuse Lessee from the prompt payment of rent or any other amounts required to be paid under this Agreement. If the BOCC (or Lessee in connection with obligations other than payment obligations) is delayed or hindered in any performance under this Agreement by a Force Majeure Event, such performance shall be excused to the extent so delayed or hindered during the time when such force majeure event is in effect, and such performance shall promptly occur or resume thereafter at the expense of the Party so delayed or hindered. A "Force Majeure Event" is an act or event, whether foreseen or unforeseen, that prevents a Party in whole or in part from performing as provided in this Agreement, that is beyond the reasonable control of and not the fault of such Party, and that such Party has been unable to avoid or overcome by exercising due diligence, and may include, but is not limited to, acts of nature, epidemics, pandemics, public health emergencies, war, riots, strikes, accidents, fire, and changes in law. Lessee hereby releases the BOCC from any and all liability, whether in contract or tort (including strict liability and negligence) for any loss, damage or injury of any nature whatsoever sustained by Lessee, its employees, agents or invitees during the Term, including, but not limited to, loss, damage or injury to aircraft or other personal property of Lessee that may be located or stored in the Leased Premises, due to a Force Majeure Event.

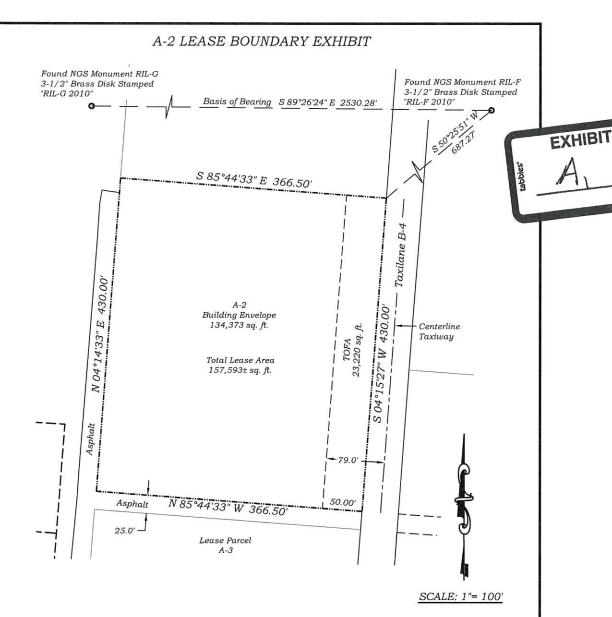
Signatures on following page

IN WITNESS WHEREOF, this Agreement is hereby executed as of the date first set forth above.

ATTEST:	BOCC: BOARD OF COUNTY COMMISSIONERS OF GARFIELD COUNTY, COLORADO
	Ву:
	Date:
	LESSEE:
	VANTAGE AVIATION LLC
	By:
	Name:
	Title:
	Date:

# $\underline{\mathbf{EXHIBIT}}$ $\underline{\mathbf{A}}$

# LEASED PREMISES



#### LEASE PARCEL A-2 DESCRIPTION

A LEASE PARCEL OF LAND BEING A PORTION OF THE RIFLE GARFIELD COUNTY AIRPORT, SITUATE IN THE SE1/4 SECTION 13, TOWNSHIP 6 SOUTH, RANGE 93 WEST OF THE 6TH P.M., COUNTY OF GARFIELD, STATE OF COLORADO. ALL BEARINGS HEREIN RELATIVE TO A BEARING OF S89°26'24"E BETWEEN NGS MONUMENT "RIL-G" AND NGS MONUMENT "RIL-F", SAID LEASE PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT SAID NGS MONUMENT "RIL-F"; THENCE  $550^\circ25^\circ51^\circ W$  687.27 FEET TO THE NORTHEAST CORNER OF SAID LEASE PARCEL, THE TRUE POINT OF BEGINNING; THENCE  $504^\circ15^\circ27^\circ W$  430.00 FEET; TO THE TRUE POINT OF BEGINNING. SAID LEASE PARCEL CONTAINING 157.593 SQUARE FEET, MORE OR LESS.

REVIEW

136 East Third Street
Rifle, Colorado 81650
Ph. (970) 625-1330
Fax (970) 625-2773

BOOKCLIFF
Survey Services, Inc.

DATE: JUNE 28, 2024

JOB NO: 24041

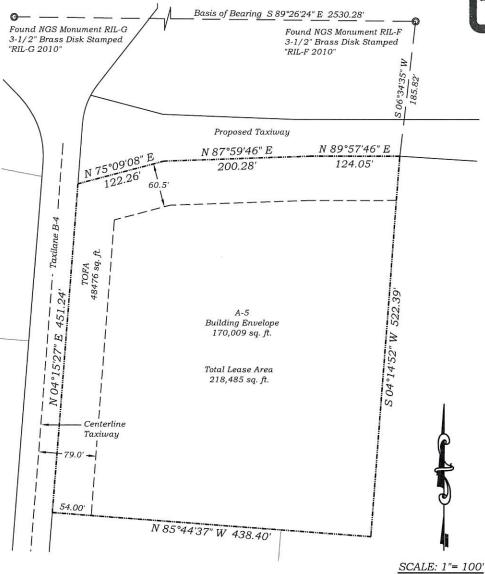
A-5 & A-6 LEASE BOUNDARY EXHIBIT

Basis of Bearing S 89°26′24″ E 2530.28′

Found NGS Monument RIL-G
3-1/2″ Brass Disk Stamped

Basis of Bearing S 89°26′24″ E 2530.28′

Found NGS Monument RIL-F
3-1/2″ Brass Disk Stamped



#### LEASE PARCEL A-5 & A-6 DESCRIPTION

A LEASE PARCEL OF LAND BEING A PORTION OF THE RIFLE GARFIELD COUNTY AIRPORT, SITUATE IN THE SE1/4 SECTION 13, TOWNSHIP 6 SOUTH, RANGE 93 WEST OF THE 6TH P.M., COUNTY OF GARFIELD, STATE OF COLORADO. ALL BEARINGS HEREIN RELATIVE TO A BEARING OF S89°26′24″E BETWEEN NGS MONUMENT "RIL-F", SAID LEASE PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT SAID NGS MONUMENT "RIL-F; THENCE S06°34'35"W 185.82 FEET TO THE NORTHEAST CORNER OF SAID LEASE PARCEL, THE TRUE POINT OF BEGINNING; THENCE S04°14'52"W 522.39 FEET; THENCE N85°44'37"W 438.40 FEET; THENCE N04°15'27"E 451.24 FEET; THENCE N75°09'08"E 122.26 FEET; THENCE N87°55'46"E 200.28 FEET; THENCE N89°57'46"E 124.05 FEET TO THE TRUE POINT OF BEGINNING. SAID LEASE PARCEL CONTAINING 218,485 SQUARE FEET, MORE OR LESS.

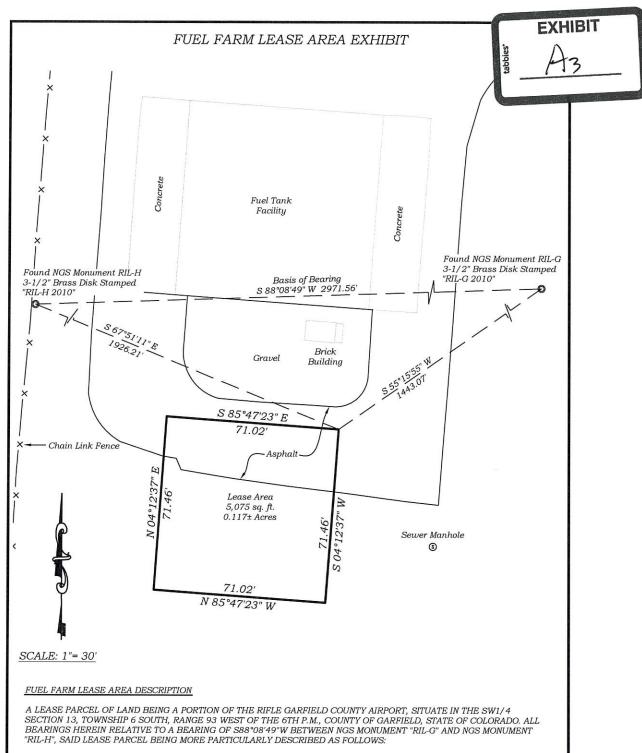
REVIEW

136 East Third Street
Rifle, Colorado 81650
Ph. (970) 625-1330
Fax (970) 625-2773

BOOKCLIFF
Survey Services, Inc.

DATE: JUNE 28, 2024

JOB NO: 24041



COMMENCING AT SAID NGS MONUMENT "RIL-G; THENCE S55°15'55"W 1443.07 FEET TO THE NORTHEAST CORNER OF SAID LEASE PARCEL, THE TRUE POINT OF BEGINNING; THENCE S04°12'37"W 71.46 FEET; THENCE N85°47'23"W 71.02 FEET; THENCE N04°12'37"E 71.46 FEET; THENCE S85°47'23"E 71.02 FEET TO THE TRUE POINT OF BEGINNING. SAID LEASE PARCEL CONTAINING 5,075 SQUARE FEET, MORE OR LESS.

REVIEW

136 East Third Street
Rifle, Colorado 81650
Ph. (970) 625-1330
Fax (970) 625-2773

BOOKCLIFF
Survey Services, Inc.

DATE: JANUARY 10, 2025

JOB NO: 24041

#### EXHIBIT B

#### FEDERALLY REQUIRED PROVISIONS

#### A. Interpretation

For the purposes of this Exhibit B only, the use of the word "Contractor" shall mean Lessee, the use of the words "Sponsor" and "Owner" shall mean BOCC and "FAA" shall mean the Federal Aviation Administration.

#### B. General Civil Rights Provisions.

In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964. If Contactor transfers its obligation to another, the transferee is obligated in the same manner as Contractor. The above provision obligates Contractor for the period during which the Leased Premises is owned, used or possessed by Contractor and the Airport remains obligated to the Federal Aviation Administration.

# C. Title VI Clauses for Transfer of Real Property Acquired or Improved Under the Activity, Facility, or Program.

The Contractor for itself and its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Agreement for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Contractor will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

# D. Title VI Clauses for Construction/Use/Access to Real Property Acquired Under the Activity, Facility or Program.

The Contractor for itself and its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to

discrimination, (3) that the Contractor will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Pertinent Nondiscrimination Acts and Authorities.

# E. Compliance with Nondiscrimination Requirements.

During the performance of this Agreement and to the extent applicable, Contractor, for itself, its assignees, and successors in interest agrees as follows:

- 1. Compliance with Regulations. Contractor will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.
  - a. Nondiscrimination. Contractor, with regard to the work performed by it during the agreement, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
  - **b.** Solicitations for Subcontracts, including Procurements of Materials and Equipment. In all solicitations, either by competitive bidding, or negotiation made by Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of Contractor's obligations under this Agreement and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
- 2. **Information and Reports.** Contractor will provide all reasonably requested information and reports required by the Title VI List of Pertinent Nondiscrimination Acts and Authorities and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City or the FAA to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish the information, Contractor will so certify to the City or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.
  - c. Sanctions for Noncompliance. In the event of a Contractor's noncompliance with the nondiscrimination provisions of this contract, the BOCC will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- i. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
- ii. Cancelling, terminating, or suspending a contract, in whole or in part.
- d. Incorporation of Provisions. Contractor will include the provisions of paragraphs (a) through (f) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Title VI List of Pertinent Nondiscrimination Acts and Authorities, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, Contractor may request the United States to enter into the litigation to protect the interests of the United States.

#### F. Title VI List of Pertinent Nondiscrimination Acts and Authorities.

During the performance of this Agreement, Contractor, for itself, its assignees, and successors in interest agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- 1. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 2. 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- 3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- 4. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- 5. The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);
- 6. Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- 7. The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms

"programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- 8. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- 9. The Federal Aviation Administration's Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- 10. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- 11. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, Contractor must take reasonable steps to ensure that LEP persons have meaningful access to United's programs (70 Fed. Reg. at 74087 to 74100);
- 12. Title IX of the Education Amendments of 1972, as amended, which prohibits Contractor from discriminating because of sex in education programs or activities (20 USC 1681 *et seq*).

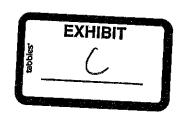
#### G. Equal Opportunity Clause.

During the performance of this contract, the Contractor agrees as follows:

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff, or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- **b.** The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive

- consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- c. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- d. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the Contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- e. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- f. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- g. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- h. The Contractor will include the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each

subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.



# LANDLORD'S NOTICE RIFLE GARFIELD COUNTY AIRPORT

To: WHOM IT MAY CONCERN, supplying labor, materials, supplies, machinery or equipment for improvement(s) to real property on the Airport
Re: THE "PROPERTY" specifically described on Exhibit(s), attached hereto and incorporated herein by this reference also known as "Lease Parcel"
YOU ARE HEREBY NOTIFIED: Garfield County, Colorado, through its Board of County Commissioners, is the owner of the Rifle Garfield County Airport.  (the "Lessee") is in possession of a portion of the publicly
owned Airport by way of a land lease and operating agreement between and the BOCC, but the Lessee has no other right or claim to
the Property.
You are notified, therefore, that the Board of County Commissioners of Garfield County is not responsible for any labor performed or skill, materials, supplies, machinery or equipment furnished or used in the erection, construction, alteration, removal, addition, repair or other improvement to Lease Parcel, or any part thereof. The Board of County Commissioners' interest in the Property shall not be subject to a lien for work that has been performed at the request of the Lessee or the Lessee's agents. The Property shall not be subject to any liens for such labor performed or skills, materials, supplies, machinery or equipment furnished.
Dated this day of, 20, at Garfield County, Colorado.
BOARD OF COUNTY COMMISSIONERS OF GARFIELD COUNTY, COLORADO
BySam Carver, Airport Director