



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

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

AGENDA
REGULAR MEETING
MAY 21, 2015 AT 8:30 A.M.

.....

** NOTE TO ALL PUBLIC ATTENDEES:*

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

Salute to Flag - Pledge of Allegiance.

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

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

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

VII. OLD BUSINESS: None

VIII. NEW BUSINESS:

- a. Discussion and Consideration of a Space Use Permit for Florida Biplanes at TIX
- b. Discussion and Consideration of an Amendment to the Lease for Space Coast Jet Center at TIX
- c. Discussion and Consideration of Rocket Crafters' Office Space at TIX

**NEXT REGULARLY SCHEDULED AUTHORITY MEETING IS TENTATIVELY SCHEDULED FOR
JUNE 18, 2015 AT 8:30 A.M.**
ADDITIONAL INFORMATION ON AGENDA ITEMS CAN BE OBTAINED BY CONTACTING 267-8780.

- d. Discussion and Consideration of an Amendment to the Lease for the Valiant Air Command at TIX
- e. Discussion and Consideration of a Lease for Building 13 at X21
- f. Discussion and Consideration of the Spaceport License Application Costs
- g. Discussion by Mr. Brian Russell or Mr. Aaron McDaniel of Recent Invoiced Costs by the Michael Baker Jr., Inc. and Contractors Regarding Current Projects

IX. INFORMATION SECTION:

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

X. AUTHORITY MEMBERS REPORT

XI. PUBLIC AND TENANTS REPORT

XII. ADJOURNMENT

Respectfully submitted,

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

Jerry Sansom
Chairman

TITUSVILLE – COCOA AIRPORT AUTHORITY

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

Call to Order

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

Approval of the Agenda

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

Appearances – None**Presentations – None****Consent Agenda****Item A – Approval of the Titusville-Cocoa Airport Authority Minutes:****1. March 19, 2015 – Regular Meeting****Item B – A Resolution to Adopt Written Policies and Procedures to Monitor the Requirements of the Loan**

Ms. Patch made a motion to approve the Consent Agenda as presented. Mr. Stalrit seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Old Business – None**New Business****Item A – Discussion & Consideration of the Proposed 2015 – 2016 Fiscal Year Budget**

Mr. Powell gave a brief overview of the item, explained the process and walked the Board through the budget.

Mr. Stalrit asked how the appraisals worked into the budget. Mr. Powell gave a brief explanation. Mr. Sansom asked if the budget reflected a realistic projection. Mr. Powell stated that it did. Discussion continued.

Mr. Stalrit made a motion to approve the budget. Dr. Niazi seconded. Mr. Sansom called the question. There were no objections. Motion passed.

Item B – Discussion & Consideration of a Lease for Building 13 at Arthur Dunn Airpark

Mr. Powell gave an overview of the item, stating that it was a unique lease for a t-hangar with a commercial style lease, which was overlooked by Staff for renewal. Mr. Powell stated that the lease had a twenty year term as opposed to a twenty, with two five year terms as most of the other commercial leases had, and that there was no language in the lease alluding to the tenant requirement to notify the Airport Authority of renewal in advance of the term end. Mr. Powell explained that once Staff was aware, an appraisal was conducted, which made the rent come out to \$781.25 monthly. Mr. Powell stated that he spoke with the current tenant and the tenant expressed that they were not comfortable with that amount but would be willing to pay a 20% increase, with the understanding that they would maintain the building.

Mr. Pickles stated that there was a conflict of interest with Ms. Patch, the tenant of the building, and that she could influence the Board, but could not vote. Discussion continued.

Ms. Patch stated that she understood that when her lease came due after twenty years that there was no option for renewal and that the hangar did not belong to her. Ms. Patch stated that every year her rental rate was subject to CPI just like everyone else, and that she had increased the value of the lot. Ms. Patch added that the appraised rate would be a 120% increase which was not feasible for her, but she would be amenable to something more reasonable. Ms. Patch added that nothing was intentional.

Mr. Pickles stated that he wanted to make the Board aware that ethics complaints had been filed regarding this lease.

Mr. Stalrit asked if the proposal was for the lease to continue on a month to month basis. Ms. Patch answered that it would, just like the t-hangars. Mr. Stalrit asked what type of maintenance the hangar required. Mr. Powell stated that ongoing maintenance is usually needed for the doors, tracks, cables and a multitude of things due to the corrosive environment and years of use.

Mr. Carswell discussed a situation at the Merritt Island Airport with condo-hangars which were turned over to the Airport Authority and the rental rates had to be changed, and asked Mr. Powell if this was a similar situation. Mr. Powell gave a brief explanation. Mr. Carswell asked how much the Airport Authority could get for Ms. Patch's hangar if someone else rented it. Mr. Powell stated they would attempt to get the appraised fair market value. Mr. Sansom asked if it could be rented as a commercial facility. Mr. Powell stated that it would be something the Board would have to approve. Discussion continued.

Mr. Zonka stated that he would not support the request and asked if Staff had a recommendation. Mr. Powell stated that Staff did not have a recommendation that two alternatives had been presented. Mr. Sansom stated that the counter to the appraised rate was an offer from the tenant. Mr. Zonka stated that he felt it would set a precedent for all t-hangar tenants to negotiate their rent by maintain their hangar. Discussion continued.

Mr. Pickles recommended that the Board make specific findings as to why the Airport Authority was deviating from the fair market value proposal, because that there was a concern regarding grant assurances. Mr. Pickles stated that if it was a unique situation, the Board should define that and put it into record. Mr. Pickles recommended making a subjective across the board standard or make specific findings as to why this situation was different from everybody else.

Ms. Patch stated that hers was a different situation because she was the only one at all three airports that paid to have her hangar built. Ms. Patch also stated that she wasn't a commercial tenant and her maintenance has been expensive. Discussion continued.

Dr. Hosley stated that the Airport Authority needed a zero based review on processes, because it needed to be clear and clean. Dr. Hosley stated that it was a unique situation, but needed to be stated very clearly. Mr. Stalrit suggested asking the tenant for terms that indicated tenant responsibility.

Mr. Pickles stated that a typical tenant would do maintenance on a month to month basis, and cautioned the Board to consider a longer term lease for maintenance. Mr. Pickles stated that the terms needed to be clearly spelled out. Mr. Powell stated that it made sense to have a longer term lease. Discussion continued.

Mr. Sansom stated that he agreed with Staff and the attorney that the Board not take any action and bring it back after negotiations. Mr. Sansom recommended deferring the item until the next meeting. The Board concurred.

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

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

Mr. Russell presented Invoice Number 903235 in the amount of \$26,650.12 from Michael Baker International and Pay Request Number 6 in the amount of \$211,516.58 from GLF, which were for the East Apron Rehabilitation Project at Space Coast Regional Airport.

Mr. Russell presented Invoice Number 903233 in the amount of \$1,004.60 from Michael Baker International and Pay Request Number 1 in the amount of \$31,020.33 from C & D Construction, which were for the East Side Hangar Project at Space Coast Regional Airport. Discussion continued.

Mr. Russell presented Invoice Number 903253 in the amount of \$24,645.23 from Michael Baker International, which was for the Spaceport Licensing at Space Coast Regional Airport.

Mr. Russell presented Invoice Number 903237 in the amount of \$5,775 from Michael Baker International, which was for the RSA Compliance & Shoreline Stabilization Project at the Merritt Island Airport.

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

Information Section

CEO Report

Mr. Powell reported that the annual Part 139 inspection by the FAA had taken place at the Space Coast Regional Airport and there were zero discrepancies. Mr. Powell thanked Staff for a job well done. Discussion continued.

Mr. Powell stated that Chief Terry Wooldridge, ARFF at Space Coast Regional Airport, had prepared a report on what he has been doing and wanted to present it to the Board. Mr. Sansom turned the floor over to Chief Wooldridge. Chief Wooldridge presented his report to the Board and stated that he would provide copies to the Board members. Mr. Sansom asked that he put the report on disc, rather than hard copies. Discussion continued.

Mr. Powell stated that a few months back Mr. Tony Yacono from the Merritt Island Airport, had decided to step back from his service to the Safety Committee, the BAA and the EAA. Mr. Powell stated that the Airport Authority wanted to present an award to Mr. Yacono for his years of service; however, Mr. Yacono was not able to attend the meeting so Mr. Don Stiver would accept the award on Mr. Yacono's behalf.

Mr. Powell concluded his report.

Attorney Report

Mr. Pickles reported that the contract for the mitigation parcel at the Merritt Island Airport for the RSA Compliance Project had finally been signed, and that Phase 1 had come back clean. Mr. Pickles stated that the contract was sent to the contractor on the project yesterday.

Mr. Pickles concluded his report.

Check Register & Budget to Actual

Mr. Powell stated that everything had been presented to the Board and would be happy to answer any questions..

Administration & Project Reports

Mr. Powell stated that the reports were provided and would answer any questions.

Authority Members Report

Dr. Niazi asked if the banner towing company at the Merritt Island Airport was paying less for their hangar than other tenants. Mr. Powell stated that they were paying for storage in a t-hangar at the same rate as everyone else, but also paying a land lease for their strip. Dr. Niazi stated that there had been a concern raised amongst the airport tenants that the banner towing company had not been paying the same as other tenants.

Mr. Zonka stated that he had some suggestions for the Airport Authority website that he had sent to Mr. Powell. Mr. Zonka stated that he would like to see full agendas, audio recordings of minutes and all financials on the website.

Dr. Hosley stated that congratulations were in order for Bristow Academy on an article in Florida Today. Dr. Hosley asked for an update on the Spaceport License. Discussion continued.

Mr. Stalrit stated that at the last meeting North American Surveillance Systems (NASS) at Space Coast Regional Airport had put in a request for approval to refinance and asked for an update on that. Mr. Powell stated that the new building was already going up and turned the floor over to Mr. Gary Gaudet of NASS to give an update. Mr. Gaudet briefed the Board on the progress.

Mr. Sansom stated that the Airport Authority and the area was on the edge of a couple of big projects that may come to pass and that there was a lot of interest to do things here. Mr. Sansom stated that in regards to the legislature, the federal government had thrown a wrench into the legislative budget, and it would not be resolved by the end of the legislative session, so they would have to come back for

a special session. Mr. Sansom stated that until it was resolved, all other projects under consideration would be up in the air and probably subject for renegotiation.

Public & Tenants Report

Mr. Don White from the Merritt Island Airport stated that the Young Eagles event on March 28th had 137 youngsters flying with them. Mr. White thanked the Board for their support. Mr. White asked if there was a new schedule for the RSA project. Mr. Powell turned the floor over to Mr. Aaron McDaniel from Michael Baker to explain. Mr. McDaniel stated that the signed contract was sent to the GC yesterday and there was 30 days, Notice to Proceed with 100 days to the start of construction. Mr. McDaniel stated that there would be a meeting with the tenants at the Merritt Island Airport. Discussion continued.

Adjournment

Mr. Sansom adjourned the meeting at 9:49 a.m.

JERRY SANSOM, CHAIRMAN

HARRY CARSWELL, SECRETARY



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

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

MEMORANDUM

TO: Members of the Airport Authority

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

DATE: May 21, 2015

ITEM DESCRIPTION - NEW BUSINESS ITEM A

Discussion and Consideration of a Space Use Permit for Florida Biplanes at TIX

BACKGROUND

Florida Biplanes, Inc. is currently in a lease at Merritt Island Airport operating a biplane site-seeing business. Florida Biplanes' business continues to grow and the organization wishes to expand.

Mr. Mark Grainger has expressed great interest in utilizing a Space Use Permit for a small area to the far northeast side of TIX, just inside the fence to explore the interest and marketability of having a biplane staged close to SR 405 offering sightseeing tours.

ISSUES

The area requested is relatively small with no permanent structures for a short duration to simply see if there is interest.

ALTERNATIVES

The Board could allow, not allow, or offer some modification to the terms of the Space Use for Florida Biplanes.

FISCAL IMPACT

The monthly amount would be \$134.17, plus any applicable taxes for at least six months.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the Space Use Permit to Florida Biplanes, Inc. and (2) authorize an Authority Officer or the Chief Executive Officer to execute the necessary documentation upon satisfactory review by legal counsel.

Member of: *American Association of Airport Executives
Florida Airport Managers Association
National Business Aviation Association
Southeast Airport Managers Association/Southeast Chapter of the American Association of Airport Executives
U.S. Contract Tower Association*

SPACE USE PERMIT

THE TITUSVILLE-COCOA AIRPORT AUTHORITY, hereinafter referred to as "Authority," by its execution hereof, hereby authorizes the following person or entity, hereinafter referred to as "Company" to conduct business and/or occupy space at Space Coast Regional Airport, hereinafter referred to as "the Airport," for the purpose or purposes and on the terms and conditions hereinafter stated.

1. **Company.** The name, address and telephone number of the Company hereunder are as follows:

Name: **FLORIDA BIPLANES, INC.**
Address: 475 Manor Drive, Hangar #5
Merritt Island, FL 32952

Contact: MARK GRAINGER, President
Telephone: 321-392-4125 Fax: _____
Email: mark@floridabiplanes.com Cell: 321-392-4122

Company Financial Billing Contact(s):

Name: Mark Grainger, President
Address: SAME AS ABOVE
Telephone: 321-392-4122 Fax: _____
E-mail: mark@floridabiplanes.com _____

Company – 24 Hour Emergency Contacts – minimum of 2 contacts required

Name & Title: Mark Grainger, President
Address: 141 St. Croix Avenue, Cocoa Beach FL 32931

Telephone: _____ Fax: _____
Pager: _____ Cell: 321-392-4122
Email: mark@floridabiplanes.com Other: _____

Name & Title: Michael Brady, Chief Mechanic
Address: 610 Andrix Street, Merritt Island, FL 32953 _____

Telephone: _____ Fax: _____
Pager: _____ Cell: 321-795-3112
Email: mike@fixandfly.com Other: _____

2. **Business to be Conducted.** Company is authorized to conduct the following business at the Airport:

Staging of a Biplane and/or Helicopter inside the fence at TIX for the purpose of high visibility display, promoting and facilitating sightseeing rides for customers

3. **Space/Area to be Occupied.** Company is authorized to use the space at Airport described in **Attachment A-1**, and depicted on **Exhibit "A"** as "Proposed Permit Area"

4. **Consideration-Space Rental.** In consideration for the rights granted hereunder by Authority, Company hereby agrees to pay to Authority monthly, in advance, on the first (1st) day of each calendar month during the term hereof, the sum shown in **Attachment A-2** plus any and all sales or use taxes due thereon.

All payments due hereunder shall be remitted to the Finance Manager, Titusville-Cocoa Airport Authority, 355 Golden Knights Blvd., Titusville, Florida, 32780; without demand, set-off or deduction.

In the event that the term of this Permit shall commence or end on any day other than the first and last day, respectively, of a calendar month such consideration due hereunder for a portion of such month shall be prorated on a per-diem basis, and the first payment shall be due on or before the effective date hereof.

5. **Term.** This Permit is effective, from the date of execution, to permit use or occupancy for a period of six (6) months, unless sooner terminated in accordance with the terms and provisions hereof. So long as Company is not in default, Company shall have the option to renew for one (1) additional six (6) month period. Notwithstanding the foregoing, however, either party hereto shall have the right to terminate this Permit prior to the date upon which it would otherwise expire by giving the other party at least ninety (90) days written notice of its intention to do so.

6. **Amount of Insurance Required.** Commercial general liability, automobile liability, and workers compensation and employer's liability insurance is required to be carried by Company under subparagraphs K(1) and K(2) hereof. The amounts of coverage are specified in **Attachment A-3**.

7. **Security Deposit.** The amount of the security deposit to be held subject to the provisions of Paragraph T hereof is shown in **Attachment A-4**.

8. **Utility and Service Charges.** Except as otherwise expressly shown on **Attachment A-5**, Company shall be responsible for all utility and service charges.

9. **Additional Terms and Conditions.** Company does hereby further agree to abide by all of the terms and conditions attached hereto. Special Terms and Conditions are shown in **Attachment A-6**.

10. **Amendments.** Amendments to this Permit may be made by a revision of Attachment A and executing a numbered and dated letter of amendment.

FLORIDA BIPLANES, INC.

TITUSVILLE-COCOA AIRPORT AUTHORITY



BY:
Mark Grainger, President
DATE: 05/14/15

BY: _____
Michael D. Powell, CM, ACE, CEO
DATE: _____

**ATTACHMENT A
SPACE USE PERMIT**

A-1. SPACE/AREA TO BE OCCUPIED.

<u>Location</u>	<u>S.F.</u>	<u>Rate P.S.F</u>	<u>Annual Rate</u> (Applicable sales tax not included)	<u>Monthly Rate</u> (Applicable sales tax not included)
Far Northeast Corner at TIX	7,000	\$23	\$1,610.00	\$134.17
		TOTAL	\$1,610.00	\$134.17

Exhibit "A" Attached – shaded area depicted as "Proposed Permit Area".

A-2. SPACE RENTAL CHARGE

ANNUAL: \$ 1,610.00 MONTHLY: \$ 134.17 Plus applicable sales tax

The Space Rental Charge is also the Minimum Monthly Charge when a Percentage of Receipts amount is specified in this Permit.

A-3. INSURANCE REQUIREMENTS

The minimum coverage required is:

- Automobile Liability **\$1,000,000**
- Commercial General Liability **\$1,000,000**
- Workers Compensation **As required by the laws of Florida.**
- Employer's Liability **\$100,000 each accident, \$500,000 disease-policy limit and \$100,000 disease-policy-each employee**

Evidence of current coverage is to be kept on file with the Authority

A-4. AMOUNT OF SECURITY DEPOSIT

One month security deposit in the amount of \$134.17

A-5. UTILITY & SERVICE CHARGES.

All utilities and service charges are the responsibility of the Company.

A-6. SPECIAL CONDITIONS - None.

TITUSVILLE-COCOA AIRPORT AUTHORITY

TERMS AND CONDITIONS OF SPACE USE PERMIT

A. **Maintenance of Assigned Space.** Company accepts the space, if any, assigned under Attachment A-1 hereof, hereinafter referred to as "Assigned Space," in its present condition, "as is," and Company shall be responsible for maintaining the Assigned Space in good, clean and attractive condition. Company shall promptly pay or reimburse Authority for the cost of any and all maintenance, replacement and repair which may be required to restore the Assigned Space and any of its fixtures, equipment and mechanical systems as a result of the neglect of, or loss or damage caused by, Company or any of its officers, employees, agents, invitees or licensees, or which otherwise results from Company's use or occupancy of the Assigned Space, reasonable use and wear excepted. Authority shall have the right, at any time and from time to time, to cause maintenance to be performed and repairs to be made in and to the Assigned Space and the fixtures, equipment and mechanical systems located therein, and the term of this Permit shall not be extended nor shall there be any abatement of the sums payable to Authority hereunder by reason thereof: Company shall promptly pay or reimburse Authority for the cost to Authority of any and all maintenance, replacement and repair which may be required to restore the Assigned Space and any of its fixtures, equipment and mechanical systems as a result of the neglect of, or loss or damage caused by, Company or any of its officers, employees, agents, invitees or licensees, or which otherwise results from Company's use or occupancy of the Assigned Space. The performance of maintenance and repair by the Authority shall in no event be construed as a waiver of the Company's duty to maintain and repair as herein provided. Unless Authority's written approval has been first obtained in each instance, Company shall not post any signs in the Assigned Space or at the Airport which are in public view, nor shall Company make any alterations, additions, decorations, improvements, or structural changes in or to the Assigned Space, or alter the point of supply of any utilities therein. Company shall not permit a work of visual art, as defined in 17 USC § 101, to be installed in the Assigned Space without providing Authority with a written waiver, in form acceptable to the Authority, of the artist's rights under the Visual Artists Rights Act of 1990, Pub. L. 101-650, and without obtaining the Authority's prior written approval.

B. **Company's Property.** Any and all property belonging to, or brought onto the & reported by, Company or any of its officers, employees, agents, invitees or licensees shall be at the sole risk of Company. Subject to Authority's right of approval as set forth in paragraph A hereof, Company may place and install trade fixtures and other personal property in the Assigned Space for use in connection with its operations hereunder, and the same shall be and remain the property of Company. Company shall, however, be responsible for the cost of repairing any damage to the Assigned Space or any other improvements of Authority which are caused by the removal of any such trade fixtures and personal property. Notwithstanding the foregoing, however, if Company shall at any time be in default hereunder, then Authority shall have the benefit of any statutory liens on Company's property located in the Assigned Space which are available to it under the laws of the State of Florida, and Company shall not remove or permit the removal of any or such property until all amounts secured by such liens have been paid and all other defaults under this Permit have been cured.

C. **Authority's Right to Enter.** Authority and its designated agents shall have the right to enter the Assigned Space at any reasonable time for inspection, maintenance, repair, attending to emergencies or any other reasonable purpose.

D. **Utilities.** Unless expressly provided otherwise herein, Company shall be responsible for obtaining and paying for all utilities (including, without limitation, electricity, water, sewer, and telephone) used or consumed in the Assigned Space.

E. **Access.** Company and its officers, employees, agents and invitees shall, subject to the reasonable rules and regulations of the Authority, have the right of ingress and egress to and from the Assigned Space.

F. **Taxes and Assessments.** Company shall pay, on or before the due date established therefore, all taxes, assessments (including, without limitation, storm water utility charges) and impact fees which are levied against or in connection with the Assigned Space, Company's interest therein and the property and improvements of Company for the term hereof or attributable to Company's activities at the Assigned Space or at the Airport. If the term of this Permit expires or is earlier terminated prior to the close of the tax year for which any such tax is payable, or if the term of this Permit commences on a date other than the first day of such tax year, Company shall be responsible for paying a percentage of the tax calculated by dividing the number of days that this Permit was in effect during such tax year by the total number of days that the Assigned Space was leased to tenants (excluding any tenant performing a governmental, municipal or public purpose or function or which uses the Assigned Space exclusively for literary, scientific, religious or charitable purposes) during such tax year. If this Permit is in effect for a period less than any entire period for which an assessment other than a tax is imposed, Company shall pay a percentage of the assessment calculated by dividing the number of days this Permit was in effect during that assessment period by the total number of days in the assessment period. Company's obligations under this Paragraph F shall survive the expiration or earlier termination of this Permit. Nothing contained herein shall be construed as a release or waiver on the part of the Authority, as a political subdivision of the State of Florida or the right to assess, levy or collect any license, personal, tangible, intangible, occupation or other tax, fee or assessment which may lawfully be imposed on the business or property of Company.

G. **Rules and Regulations.** Company covenants and agrees to observe and comply with all reasonable rules and regulations of Authority which now exist or may hereafter be promulgated from time to time governing conduct on and operations at the Airport and the use of its facilities. Company further covenants and agrees to observe and comply with any and all valid and applicable requirements of all duly-constituted public authorities and with all federal, state and local statutes, ordinances and regulations applicable to Company, the Assigned Space or the Airport. Company agrees to pay or reimburse Authority for any fines which may be assessed against Authority as a result of the violation by Company of any applicable security regulation at the Airport, which payment shall be made-by Company within fifteen (15) days from receipt of Authority's invoice for such amount and documentation showing that payment of such fine is Company's responsibility hereunder.

H. **Percentage Fees.** In the event that the consideration to be paid under Paragraph 4 hereof is based in whole or in part on a percentage of Company's "Gross Receipts," such term as used herein shall mean all amounts billed or received by Company or any agent of Company or sublessees from its business at the Airport, excluding only (i) the amount of all

credits and refunds to customers actually made by Company. (ii) the amount of any federal, state or municipal sales or other similar taxes separately stated to and paid by customers of Company now or hereafter levied and imposed and (iii) the proceeds from the sale of capital assets. If Company shows the percentage of Gross Receipts payable to Authority as a separate charge to Company's customers, then this separate charge must also be included in Company's Gross Receipts.

No deduction shall be made from Gross Receipts by reason of any credit loss sustained or financing discount that may be applicable by reason of the acceptance or use of credit cards or by reason of any other credit arrangements. If any charge customarily made by Company for goods or services is not assessed, charged or collected, irrespective of the reason therefore, then the amount of Company's customary charge therefore shall nevertheless be included in determining Gross Receipts. All computations in the determination of Gross Receipts shall be made in accordance with the terms of this Permit.

On or before the fifteenth (15th) day of each calendar month during the term hereof and of the calendar month immediately following the end of the term, Company shall deliver to Authority a statement signed by an officer of Company, in such form and with such detail as Authority may reasonably request, setting forth Company's Gross Receipts (as the same are hereinbefore defined) during the preceding calendar month, and separately identifying all receipts derived by Company during such month which have been excluded from the computation of Gross Receipts, together with payment of the Percentage Fees due by reason thereof.

Company shall maintain complete and accurate books and records as would normally be examined by an independent certified public accountant pursuant to generally accepted auditing standards, of all receipts with respect to its business at the Airport in a form consistent with generally accepted accounting principles. Such books and records of the Company shall contain itemized records of all amounts billed or received by the Company from its operations in the Assigned Space or otherwise hereunder. The Company shall supply to the Authority, within thirty (30) days of the Authority's request, the books and records required to be maintained hereby and any other financial or statistical reports or records that the Authority may reasonably request for the purpose of determining the accuracy of the Gross Receipts reported by the Company. In addition, the Company shall account for all revenues of any nature related to transactions in connection with this Permit entered into in the Assigned Space or otherwise hereunder in a manner which segregates in detail those transactions from other transactions of the Company and which supports the amounts reported to the Authority in the Company's monthly Gross Receipts reports prepared in accordance with Paragraph 4-b. In the event of any conflict between any provision of this Permit and generally accepted accounting principles or generally accepted auditing standards, the provisions of the Permit shall control even where this Permit references such principles or standards.

Such records may be in the form of (a) electronic media compatible with or convertible to format compatible with computers utilized by the Authority at its offices, (b) a computer run hard copy, or (c) legible microfiche or microfilm, together with access to a microfiche or microfilm reader. Records maintained by the Company in the form of electronic media shall be provided to the Authority in electronic read only form compatible with computers utilized by the Authority if requested in such form by the Authority. The Executive Director may require the Company to provide any other records the Executive Director

determines, in his or her opinion, are necessary to enable the Authority to perform an accurate audit of the Company's Gross Receipts hereunder. Such records shall be provided within thirty (30) days of the request thereof and, in the event that exclusions, deductions or allocations reducing Gross Receipts are not supported or substantiated by such records, all such amounts shall be deemed Gross Receipts for purposes of determining amounts payable to the Authority. All such original books and records shall upon reasonable notice from Authority be made available, either at the Assigned Space, if assigned, or at the offices of the Authority, for inspection, examination or audit by Authority through its duly authorized representatives at any time for up to three (3) years after the calendar year to which such books and records pertain; provided, however, that if prior to the expiration of such three (3) year period, any audit, review or investigation is commenced by the Authority, or any claim is made or litigation is commenced relating to this Permit by the Authority, such books and records shall continue to be maintained by Company, and Authority shall continue to have the right to inspect such books and records in the manner stated above, until the audit, claim or litigation is finally resolved (including the determination of any and all appeals or the expiration of time for an appeal). Any such inspection at the Assigned Space will be conducted during reasonable business hours and in such a manner and at such time as to not unduly interfere with the conduct of Company's business.

Should the Company not wish to make its original books and records available for inspection at the Airport, the Company shall have the option of having representatives of the Authority inspect the Company's books and records at a location where the Company maintains its records within forty five (45) days of Authority's request to inspect Company's books and records. Should the Company elect to have the inspection, examination or audit performed at a location outside the limits of Brevard County, the Company shall pay the Authority for travel expenses incurred in connection with such inspection, examination or audit in accordance with the Authority's adopted travel policies, from the auditor's duty station to the location at which the books and records are maintained for each day of travel and on-site work. After the inspection is complete, the Authority shall bill the Company for such travel expenses and the Company shall promptly pay such bill. Authority shall further have the right, upon reasonable written notice to Company, to cause an audit to be made of the books and records of Company and its assignees and agents which relate to its operations at the Airport to determine the correctness of the Percentage Fees paid by Company hereunder. Such audit may include, but is not limited to, a review of general, input, processing, and output controls of information systems, using read only access, for all computerized applications used to record financial transactions and information. The Company shall, if requested, freely lend its own assistance in making such inspection, examination, or audit, and, if such records are maintained in electronic and other machine-readable format, shall provide the Authority and/or its representative such assistance as may be required to allow complete access to such records. The Company also shall lend such assistance and support freely to the Authority as the Authority may reasonably request in the conduct of any inspection, examination or audit as the Authority deems necessary. If, as a result of such audit, it is established that Percentage Fees have been underpaid to Authority, Company shall forthwith, upon written demand from Authority, pay the difference to Authority, together with interest thereon at the rate of eighteen percent (18%) per annum from the date such amount or amounts should have been paid. Further, if such audit establishes that Company has understated and underpaid the total Percentage Fees due hereunder during the audit period by two percent (2%) or more, then the entire expense of such audit shall be borne by Company.

I. **Indemnification.** Company agrees to indemnify, defend and hold completely harmless the Authority, and its members (including, without limitation, members of the Authority's Board), officers, employees and agents of cache, from and against all liabilities (including, without limitation, liability under the Comprehensive Environmental Response, Compensation and Liability Act, 42 USC Section 9601, et seq., or any other federal, state or local environmental statute, ordinance regulation or rule), losses, suits, claims, demands, judgments, damages, fines, penalties, costs and expenses (including all costs for investigation and defense thereof, including, but not limited to, court costs, expert fees and reasonable attorneys' fees prior to institution of legal proceedings and at both trial and appellate levels), which may be incurred by, charge to or recovered from any of the foregoing (i) by reason or on account of damage to or destruction of any property of the Authority, or any property of, injury to or death of any person resulting from or arising out of the use, occupancy, or maintenance of the Assigned Space or any improvements thereto, of Company's operations thereon, or the acts or omissions of Company's officers, agents, employees, contractors, subcontractors, invitees or licensees. regardless of where the damage, destruction, injury or death occurred, unless such liability, loss, suit, claim, demand, judgment, damage, fine, penalty, cost or expense was proximately caused solely by Authority's negligence or by the joint negligence of Authority and any person other than Company or its officers, agents, employees, contractors, subcontractors, invitees or licensees, or (ii) arising out of the failure of Company to keep, observe or perform any of the covenants or agreements in this Permit to be kept, observed or performed by Company. The provisions of this Paragraph I shall survive the expiration of earlier termination of the term of this Permit with respect to any acts or omissions occurring during the term of this Permit.

The foregoing provisions of this Paragraph I are not intended and shall not be construed to limit in any manner whatsoever the protection or benefits to which Authority otherwise would be entitled as an additional insured under any liability insurance maintained or required to be maintained by Company under this Permit.

J. **Waiver of Damage.** Company hereby expressly waives and releases any cause of action or right of recovery for compensation for any and all loss or damage sustained by reason of any fire, defect, deficiency or impairments of any of the services in or to the Assigned Space or the Airport, including, but not limited to, electrical power, gas, telephone service, steam, heating, air conditioning, water supply, drainage or sewage systems, or from wires leading to or inside of any space or structure, or by reason of any loss resulting from the failure of any such system or facility unless such loss or damage is due to the negligence or willful misconduct of Authority or its officers, agents or employees.

K. **Insurance Requirements.** Company shall, at its own cost and expense, purchase and maintain throughout the term of this Permit the following insurance:

(1) Automobile liability insurance (any auto, including owned autos, non-autos and hired autos), and Commercial general liability insurance (including, but not limited to Premises Operations, Products/Completed Operations, Contractual, Independent Contractors, Broad Form Property Damage and Personal Injury coverage, as applicable), protecting Company, the Titusville-Cocoa Airport Authority, and the members (including, without limitation, members of Authority Board), officers, agents and employees of each, all of whom shall be named as additional insured's, from and against any and all liabilities arising out of or relating to Company's use or occupancy of, or the conduct of its operations on, the Assigned Space and any improvements thereto, and on the Airport, in such form and with such

company or companies as the Authority may reasonably approve, with a combined single limit (or its equivalent) per occurrence of not less than the amount set forth in Paragraph 6 hereof, with a deductible reasonably acceptable to the Authority, with a waiver of any right of subrogation that the insurer may have against the Authority, with contractual liability coverage for Company's covenants to and indemnification of the Authority under this Permit, and with the insurance company obligated to use counsel reasonably acceptable to the Authority in carrying out its obligations to the Authority. This insurance shall provide that it is primary insurance as respects any other valid and collectible insurance Authority may possess, including any self-insured retention or deductible Authority may have, and that any other insurance Authority does possess shall be considered excess insurance only. This insurance shall also provide that it shall act for each insured and each additional insured as though a separate policy has been written for each; provided, however, that this provision shall not operate to increase the policy limits of the insurance; and

(2) Workers compensation insurance as required by the laws of Florida; provided, however, that Company may self-insure its workers compensation liability, if in compliance with Florida law. Employers Liability coverage is also required with limits of liability not less than \$500,000 each accident, \$500,000 disease policy limit and \$500,000 disease-each employee.

At least three (3) business days prior to the commencement of the term of this Permit and at least ten (10) days prior to the expiration of any policy or policies theretofore provided hereunder by Company, Company shall cause a certificate or certificates of insurance to be furnished to Authority evidencing all such coverage, and such certificate shall provide that the policy or policies will not be cancelled nor the limits thereunder be materially changed without first providing at least thirty (30) days' written notice thereof to Authority.

L. **Assignment and Subletting.** Company shall not assign this Permit or any of the rights granted to it hereunder or sublet the Assigned Space or any portion thereof without the prior express written consent of Authority in each instance, which may be granted or withheld in the Authority's sole discretion.

M. **Default.** In the event that Company shall fail to remit any payment due to Authority under Paragraph 4 hereof, or shall fail to submit any financial report required to be submitted in connection therewith, within five (5) days after the same shall become due, or in the event that Company or any of its officers, employees, agents, invitees or licensees violates any other term, covenant or condition of this Permit and such violation continues or reoccurs after Authority has given written notice thereof to Company, the Authority shall have the right to declare the entire balance of the consideration due to Authority under Paragraph 4 of this Permit due and payable forthwith; or Authority may elect to terminate this Permit and resume possession of the Assigned Space. thereafter using the same for its own purposes without having to account to Company therefore; or Authority may elect to retake possession of and relet the Assigned Space as agent for the Company, collecting and applying the proceeds first, toward the payment of all costs and expenses incurred in connection with such reletting, and next, toward the payment of any consideration and other charges due Authority under this Permit, in which event Company shall be responsible for paying any deficiency to Authority. In addition, Authority shall have any and all other rights or remedies available to it as a landlord under the applicable laws of the State of Florida by reason of any such default. Company hereby expressly waives any notice of default from Authority as a prerequisite to

surrender of possession of the Assigned Space, including, without limitation, the three-day notice provided for under Section 83.20, Florida Statutes.

N. **End of Term.** At the end of the term or upon the earlier termination of this Permit, Company shall deliver to Authority possession of the Assigned Space and all of the fixtures and equipment of Authority in their original condition in all respects, reasonable use and wear expected, and Company agrees to reimburse Authority for the cost of any alterations, replacement, repairs or cleaning required to restore the same to such condition; provided, however, in the event Company has caused any alterations or improvements to be made to the Assigned Space, including but not limited to the addition, relocation or removal of partitions and doorways (which such alterations or improvements shall be made at Company's cost and only with the prior express written approval of Authority in each instance), the Authority may elect, with respect to each such alteration or improvement, to accept it as it was at the time it was made or constructed, reasonable use and wear excepted, or to require the same to be restored to its original condition at Company's expense.

O. **Holding Over.** It is agreed that if Company, or any assignee or sublessee thereof, shall continue to occupy the Assigned Space after the termination of this Permit (including a termination under paragraph M hereto) without the prior written consent of Authority, then such tenancy shall be a tenancy-at-sufferance, the Authority shall be entitled to double the monthly rent specified in Paragraph 4 hereof; and acceptance by Authority of any sums after any such termination shall not constitute a renewal of this Permit or a consent to such occupancy, nor shall it waive Authority's right of re-entry or any other right available to it under the laws of Florida or the provisions of this Permit.

P. **Costs and Attorneys' Fees.** In the event that Authority elects to engage the services of an attorney to collect any sums due hereunder from Company, or in the event the Authority is the prevailing party in any action to enforce any provision of this Permit or in any other legal proceeding at law or in equity arising hereunder or in connection herewith, Company shall reimburse Authority for all reasonable costs, attorneys' fees and all other actual expenses incurred by the Authority in the defense and/or prosecution of such legal proceeding and in any appeals, including, but not limited to, fees and expenses for paralegals, investigators, legal support personnel and expert witnesses.

Q. **Notice.** Any notice permitted or required to be given to Company hereunder shall be in writing and delivered either by hand to the Assigned Space, by nationally recognized overnight courier service or by U.S. Certified Mail, Return Receipt Requested, postage prepaid, to the address contained in Paragraph 1 of this Permit or such other address as Company may, by written notice, direct from time to time. Any notice permitted or required to be given to Authority hereunder shall be in writing and delivered either by hand to the Office of the Executive Director, Titusville-Cocoa Airport Authority, Space Coast Regional Airport, Titusville, Florida, provided Company obtains a written acknowledgment of receipt therefore from Authority, by nationally recognized overnight courier service or by U.S. Certified Mail, Return Receipt Requested, postage prepaid, addressed as follows:

Titusville-Cocoa Airport Authority
Attention: Michael D. Powell, CM, ACE, Chief Executive Officer
355 Golden Knights Boulevard
Titusville, FL 32780

or such other address as Authority may request from time to time.

R. **Sums Paid by Authority.** If Authority has paid any sum or sums or has incurred any obligation or expense which Company has agreed to pay or reimburse Authority for, or if Authority is required or elects to pay any sum or sums or incurs any obligation or expense because of the failure, neglect or refusal of Company to perform or fulfill any of the terms or conditions of this Permit, then the same shall be deemed additional rent due hereunder and Company shall reimburse Authority therefore promptly upon demand.

S. **Interest on Sums Due Authority.** Any sums payable by Company to Authority under any provision of this Permit which are not paid when due shall bear interest at the rate of eighteen percent (18%) per annum from the date the same became due and payable until paid.

T. **Security Deposit.** In the event that a security deposit is required under Paragraph 7 hereof, Company shall deposit such sum with Authority upon execution of this Permit, and such sum shall be retained by Authority as security for the faithful performance of Company's obligation hereunder. Authority shall have the right, but not the obligation, to apply said security deposit to the payment of any sum due to Authority which has not been paid, including, but not limited to, reimbursement of any expenses incurred by Authority in curing any default of Company, or to the cost of restoring the Assigned Space or its furnishings, fixtures or equipment to their original condition, reasonable use and wear excepted. In the event that all or any portion of the security deposit is so applied, Company shall promptly upon demand by Authority remit to Authority the amount of cash required to restore the security deposit to its original sum, and Company's failure to do so within five (5) days after its receipt of such demand shall constitute a default under this Permit. If said deposit shall not have been applied for any of the foregoing purposes, it shall be returned to Company, without interest, within sixty (60) days after the end of the term of this Permit. The Authority will not pay interest on any security deposit.

U. **Brokerage Commissions.** Unless expressly provided otherwise herein, Company warrants that no real estate commission is payable by Authority to any person or entity in connection with this Permit, and Company does hereby agree to indemnify, defend and hold completely harmless Authority from and against any and all liabilities, costs and expenses (including all costs for investigation and defense thereof, including, but not limited to, court costs, expert fees and reasonable attorneys' fees prior to institution of legal proceedings and at both trial and appellate levels) incurred by Authority as a result of any claims therefore.

V. **Authority's Reserved Rights.**

(1) Authority reserves the right for itself and others to utilize and maintain existing utility easements over, under, across and through the Assigned Space, and to run water, electrical, telephone, gas, drainage and other lines over, under, across and through the Assigned Space and to grant necessary utility easements therefore.

(2) Authority reserves the right (a) to further develop, improve, repair and alter the Airport and all roadways, parking areas, terminal facilities, landing areas and taxiways as it may reasonably see fit, free from any and all liability to Company for loss of business or damages of any nature whatsoever to Company occasioned during the making of such

improvements, repairs, alterations and additions, including but not limited to any damages resulting from negligence of the Authority or its employees, agents or contractors, and (b) to establish such fees and charges for the use of the Airport by Company and all others as Authority may deem advisable.

(3) Company covenants and agrees that this Permit shall be subject and subordinate to the provisions of any existing or future agreement between Authority and the United States Government relative to the operation or maintenance of Airport, the execution of which has been or will be required as a condition precedent to the granting of federal Funds for the development or operation of Airport. In the event that the Federal Aviation Administration or its successors shall require any modifications to this Permit as a condition precedent to the granting of such federal funds, Company shall promptly consent in writing to such modifications.

W. Discrimination Not Permitted.

(1) Company, for itself, its successors in interest and its assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (a) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the Assigned Space or the Airport under the provisions of this Permit; (b) that in the construction of any improvements on, over or under the Assigned Space and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; and (c) that Company shall use the Assigned Space in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the Department of Transportation-effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

Likewise, Company shall comply with laws of the State of Florida prohibiting discrimination because of race, color, religion, sex, national origin, age, handicap or marital status. Should the Company authorize another person, with Authority's prior written consent, to provide services or benefits from the Assigned Space or at the Airport, Company shall obtain from such person a written agreement pursuant to which such person shall, with respect to the services or benefits which it is authorized to provide, undertake for itself the obligations contained in this paragraph. Company shall furnish the original or a true copy of such agreement to Authority. Authority may from time to time be required by the United States Government, or one or more of its agencies, to adopt additional or amended provisions, including non-discrimination provisions, concerning the use and operation of the Airport, and Company agrees that it will adopt any such requirement as a part of this Permit.

(2) If Company shall furnish any services to the public at the Airport, it shall furnish said services on a fair, equal and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable and not unjustly discriminatory prices for each unit of service, provided that Company shall be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers, if any.

(3) In the event of breach of any of the above nondiscrimination covenants, Authority shall have the right to terminate this Permit and to re-enter and repossess said Assigned Space, and hold the same as if this Permit had never been made or issued. The right granted to Authority by the foregoing sentence shall not be effective until applicable procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights.

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

(5) Company assures Authority that it will comply with pertinent statutes, Executive Orders, and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age or handicap be excluded from participating in any activity conducted in connection with its operations under this Permit. Company also assures Authority that it will require any contractors and sublessees (to the extent that such sublessees are allowed under other provisions of this Permit) to provide assurances to the same effect and ensure that such assurances are included in subcontracts at all tiers which are entered into in connection with Company's operations under this Permit.

X. Federal Aviation Administration Requirements.

(1) Company shall comply with all applicable regulations of the Federal Aviation Administration relating to Airport security and shall control the Assigned Space so as to prevent or deter unauthorized persons from obtaining access to the air operations area of the Airport.

(2) Authority reserves unto itself, and unto its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft through the airspace above the surface of the Assigned Space, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft now known or hereafter used, and for navigation of or flight in the said airspace, and use of said airspace for landing on, taking off from or operating on the Airport.

(3) Company expressly agrees, on behalf of itself and its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Assigned Space in compliance with the requirements of Federal Aviation Regulations, 14 CFR Part 77.

(4) Company agrees to require any lights in the Assigned Space to be constructed, focused or arranged in a manner that will prevent them from casting their beams in an upward direction so as to interfere with the vision of pilots in aircraft landing at or taking off from the Airport.

(5) Company expressly agrees, on behalf of itself and its successors and assigns, to prevent any use of the Assigned Space which would interfere with or adversely affect the operation or maintenance of the Airport, or which would otherwise constitute a hazard or nuisance at the Airport.

(6) Company agrees that it will not exercise or grant any right or privilege which would operate to prevent any person, firm or corporation operating aircraft on the Airport from performing any service (including, but not limited to maintenance and repair) on its own aircraft with its own employees that it may choose to perform.

(7) The Company agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement covered by 49 CFR, Part 23, Subpart F. The Company also agrees to include the above statements in any subsequent complementary aeronautical activity agreements that it enters into and to cause those businesses to similarly include the statements in further agreements.

Y. Foreign Trade Zone Requirements.

If the Assigned Space is located within the Foreign Trade Zone, Company further covenants and agrees that it will be bound by the provisions of Foreign Trade Zone No. 136, Tariff No. 1, and all changes and addenda thereto or reissues thereof, which such tariff is by reference made a part hereof.

Z. Hazardous Materials.

(1) **Definitions.** As used herein, the following terms shall have the meanings hereinafter set forth:

i. **"Environmental Laws"** shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Materials, whether now in effect or hereafter adopted.

ii. **"Hazardous Materials"** shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. **"Hazardous Material"** includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, also commonly known as the "Superfund" law, as amended (42 U.S.C. **Sections** 9601 et seq.) (**"CERCLA"**), or pursuant to Chapters 376 and 403, Florida Statutes; any "hazardous waste" listed pursuant to **Section** 403.72, Florida Statutes, or any waste which conforms to the criteria for hazardous material adopted by the Authority; any asbestos and asbestos containing materials; lead based paint; petroleum, including crude oil or any fraction thereof; natural gas or natural gas liquids; and any materials listed as a hazardous substance in the Authority's rules and regulations.

iii. **"Release"** when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or on any property.

(2) **Company's Agreement.** Company agrees that neither it nor its officers, agents, employees, contractors, subcontractors, sublessees, licensees or invitees shall cause any Hazardous Materials to be brought upon, kept, used, stored, generated or disposed of in, on or about the Airport, or transported to or from the Airport; provided that Company may use such substances as are customarily used in aviation so long as such use is in strict compliance with all applicable Environmental Laws and the Authority's rules and regulations.

(3) **Environmental Indemnity.** Company shall indemnify, defend and hold harmless the Authority from and against any and all loss, damage, cost or expense (including attorneys fees) arising during or after the term of this Permit as a result of or arising from (i) a breach by Company of its obligations contained in subparagraph Z(2) above, or (ii) any Release of Hazardous Materials from, in, or about the Airport caused by the act or omission of Company, its officers, agents, employees, contractors, subcontractors, sublessees, licensees or invitees.

(4) **Environmental Audit.** Upon reasonable notice to Company, the Authority may conduct or cause to be conducted through a third party that it selects, an environmental audit or other investigation of Company's operations to determine whether Company has breached its obligations under subparagraph Z(2) above. Company shall pay all costs associated with said investigation if such investigation shall disclose any such breach by Company.

AA. **Miscellaneous.**

(1) the paragraph headings contained in this Permit are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision hereof.

(2) Notwithstanding anything herein contained that may appear to be to the contrary, it is expressly understood and agreed that, except for Company's right to possession of the Assigned Space, the rights granted under this Permit are non-exclusive.

(3) Except as expressly prohibited herein, the provisions of this Permit shall bind and inure to the benefit of the successors and assigns of the parties hereto.

(4) Time is expressed to be of the essence of this Permit.

(5) This Permit shall be governed by and construed in accordance with the laws of the State of Florida. It is agreed that if any covenant, condition or provision contained herein is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other covenant, condition or provision herein contained.

(6) No recourse under or upon any obligation, covenant or agreement contained in this Permit, or any other agreement or document pertaining to the operations of Company hereunder, as such may from time to time be altered or amended in accordance with the provisions hereof, or under any judgment obtained against Authority, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise, under or independent of this Permit, shall be had against any member (including, without limitation, members of Authority's Board), officer, employee or agent, as

such, past, present and future, of Authority, either directly or through Authority or otherwise, for any claim arising out of this Permit or the operations conducted pursuant to it, or for any sum that may be due and unpaid by Authority. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any Authority member, officer, employee or agent, as such, to respond by reason of any act or omission on his or her part or otherwise for any claim arising out of this Permit or the operations conducted pursuant to it, or for the payment for or to Authority, or any receiver therefore or otherwise, or any sum that may remain due and unpaid by Authority, is hereby expressly waived and released as a condition of and as consideration for the execution of this Permit.

(7) Company represents and warrants to Authority that, to the best of its knowledge, except as may be disclosed in an Addendum hereto, no member, officer, employee or agent of Authority has any material interest, either directly or indirectly, in the business of Company to be conducted hereunder.

(8) This Permit constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and any representation or statements heretofore made with respect to such subject matter, whether oral or written, are merged herein. This Permit may be altered or amended only by written instrument executed by both parties hereto.

(9) As required by Florida law, Authority hereby includes the following notifications as part of this Permit:

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

PUBLIC ENTITY CRIMES. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of \$15,000 for a period of 36 months from the date of being placed on the convicted vendor list.

(10) Company hereby consents to the jurisdiction of the courts of the State of Florida and of the Federal District Court for the Middle District of Florida with respect to any action instituted by the Authority and arising against Company under this Permit, and waives any objection which Company may have at any time to the laying of venue of any such action brought in any such court, waives any claim that such action has been brought in an inconvenient forum and further waives the right to object, with respect to such action, that such court does not have any jurisdiction over Company. Company further irrevocably consents to the service of process by certified or registered mail (airmail if overseas) or the

equivalent (return receipt requested), or the service of process in any other manner permitted by law, in any action instituted by the Authority and arising against Company under this Permit.

IN WITNESS WHEREOF, the parties hereto have caused this Permit to be executed the day and year first above written.

TITUSVILLE-COCOA AIRPORT AUTHORITY

By: _____
Michael D. Powell, CM, ACE, CEO

FLORIDA BIPLANES, INC.

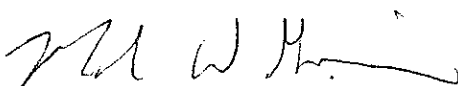
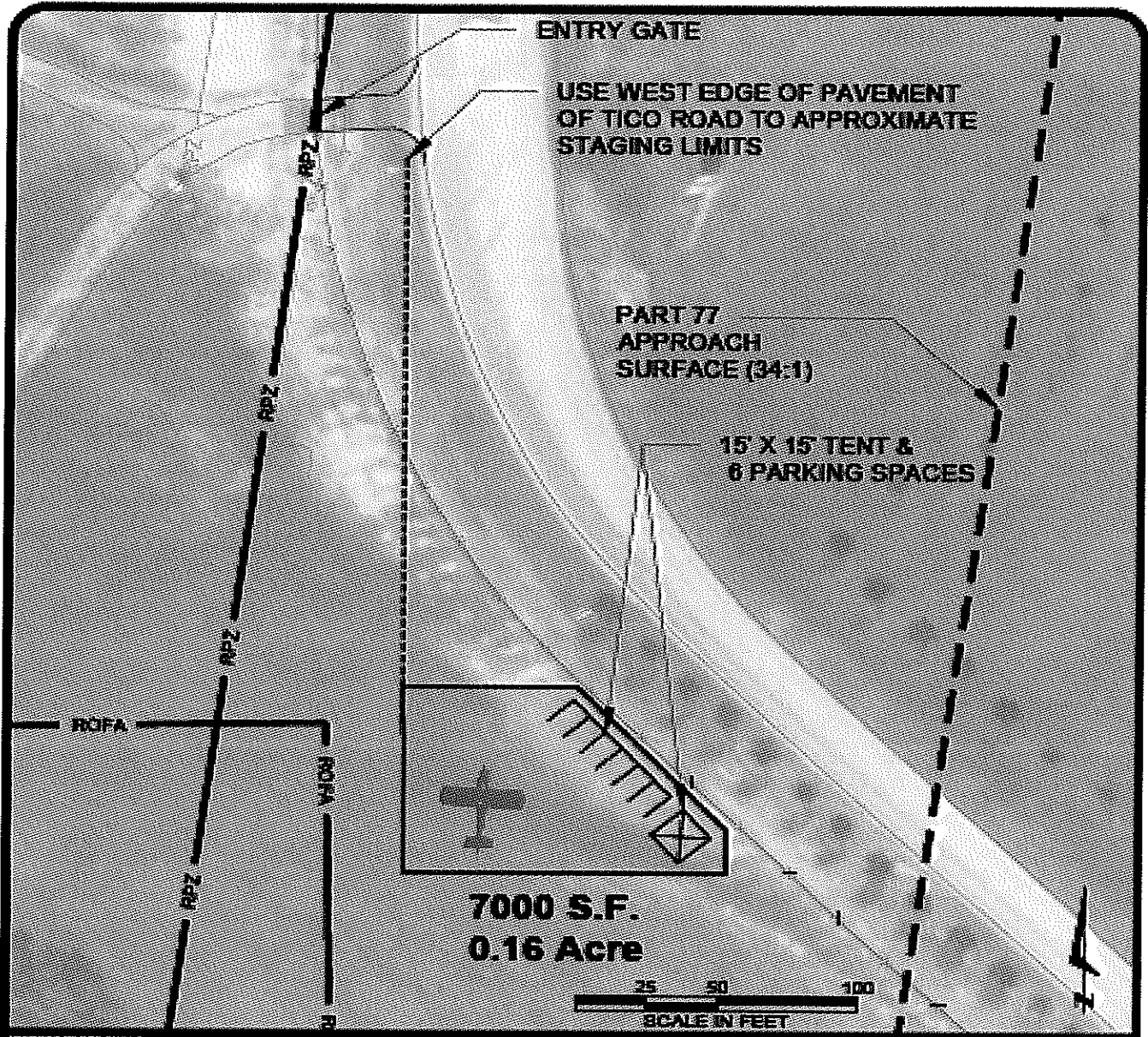
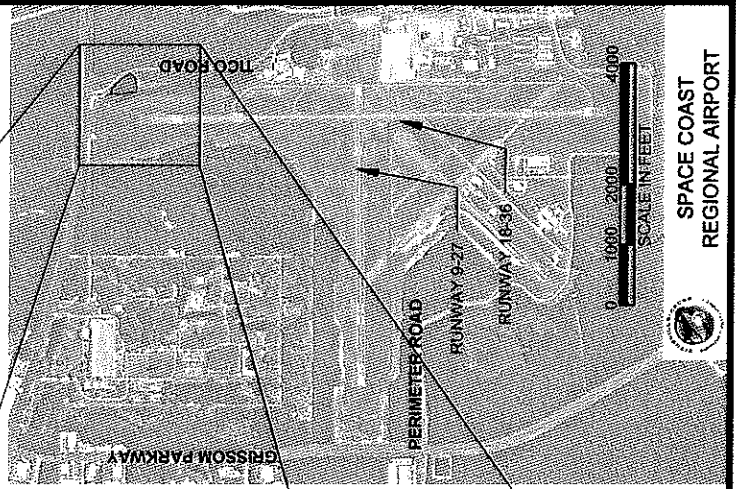
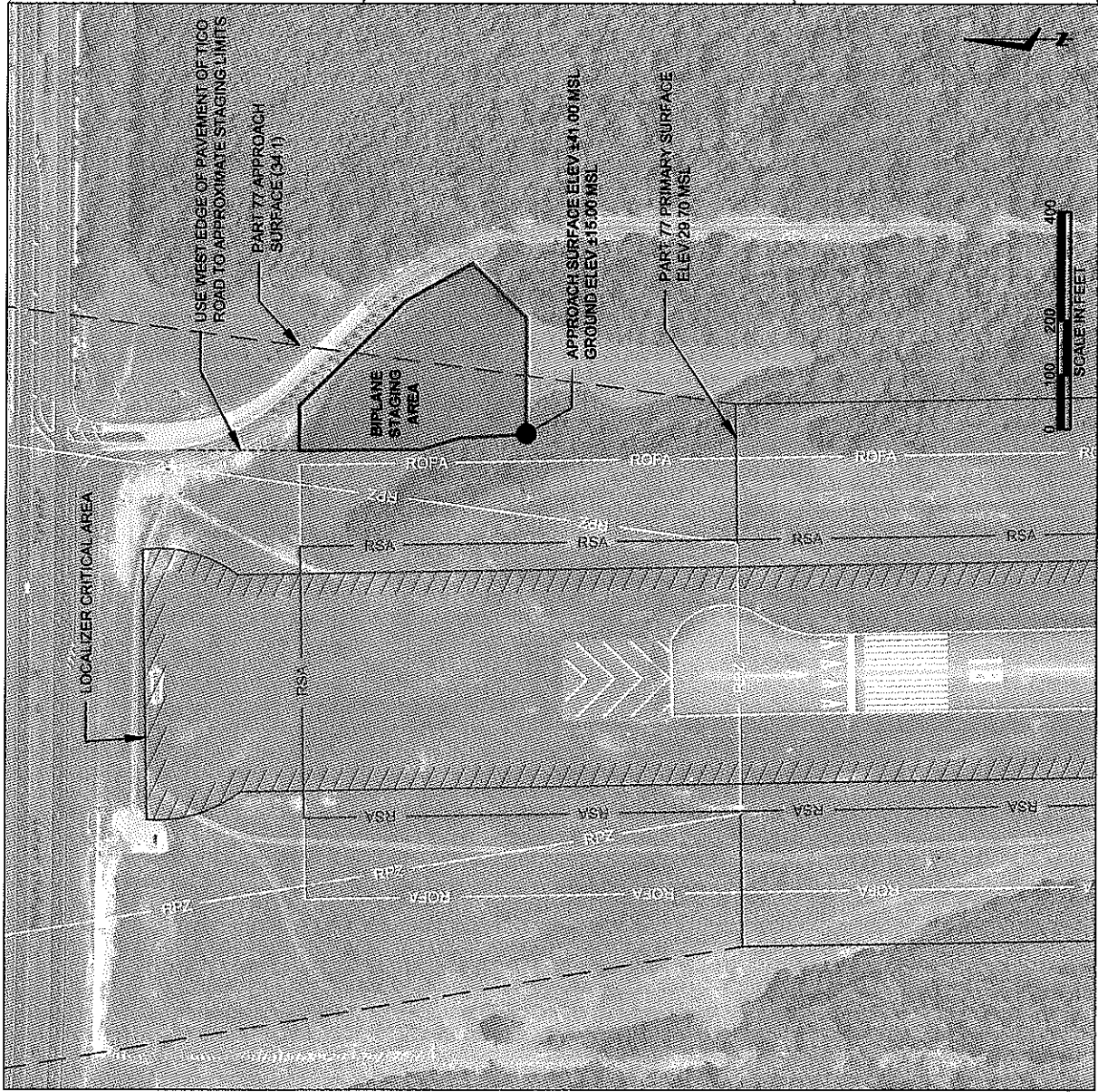

By: _____
Mark Grainger, President

EXHIBIT "A"
SPACE/AREA TO BE OCCUPIED



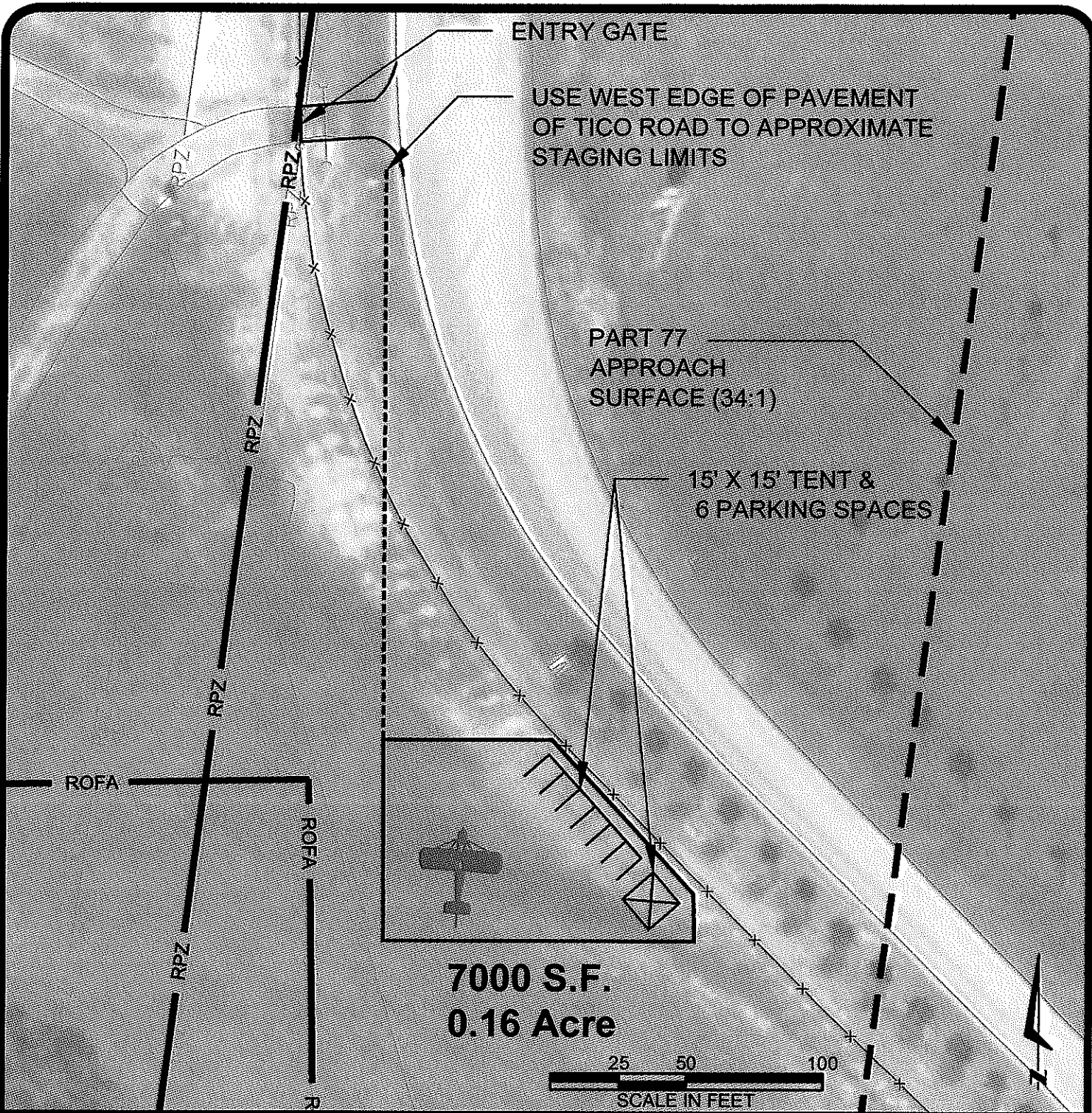
Michael Baker
INTERNATIONAL





SPACE COAST
REGIONAL AIRPORT





Michael Baker
INTERNATIONAL





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

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

MEMORANDUM

TO: Members of the Airport Authority

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

DATE: May 21, 2015

ITEM DESCRIPTION - NEW BUSINESS ITEM B

Discussion and Consideration of an Amendment to the Lease for Space Coast Jet Center at TIX

BACKGROUND

Space Coast Jet Center respectfully requests to amend their lease based on in part the condition of a very old building (Building 52) they deem no longer useable, the excess land they had, and the opportunity for more, expanded new apron on the west side at TIX.

They basically wish to give back all area southeast of Taxilane Echo and take more apron in front of the existing FBO facilities.

ISSUES

No issues identified.

ALTERNATIVES

The Airport Authority Board could deny the requested Amendment, approve it, or ask for some modification.

FISCAL IMPACT

The fiscal impact to the Airport Authority is an overall increase to the Authority would be \$360.05 a month.

RECOMMENDED ACTION

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

THIRD AMENDMENT TO LEASE

This Amendment to Lease is entered into this 15th day of May, 2015, by and between TITUSVILLE-COCOA AIRPORT AUTHORITY ("Lessor") and SPACE COAST JET CENTER, INC. ("Lessee").

WITNESSETH:

WHEREAS, on the 12th day of August, 2004, DISCOVERY AVIATION SERVICES, INC., assigned to SPACE COAST JET CENTER, INC., all of its right, title and interest in and to that certain lease ("Lease") dated May 18, 1998, as amended, by and between TITUSVILLE-COCOA AIRPORT AUTHORITY and DISCOVERY AVIATION SERVICES, INC.;

WHEREAS, the parties executed an Amendment to Lease dated October 1, 2007, a copy of which is attached hereto as Exhibit "A" (the "First Amendment");

WHEREAS, the parties executed a Second Amendment to Lease as of May 1, 2013, a copy of which is attached hereto as Exhibit "B" (the "Second Amendment");

WHEREAS, pursuant to recent improvements in the lease area, including but not limited to additional ramp space known as the "West Side Apron Project," the leasehold areas held by SPACE COAST JET CENTER, INC., have been significantly changed as described on the attached Exhibit "C" and referenced herein as the "New Ramp Area";

WHEREAS, Lessor and Lessee desire to further amend the Lease to reflect these changes;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereby agree as follows:

1. Effective May 1, 2015, the entire leasehold area held by SPACE COAST JET CENTER, INC. under the above-referenced Lease, as amended, will be as follows

<u>Lease area</u>	<u>Square Footage</u>
Building 27	3,154
Outer Marker Parking	8,194 (defined as part of "Land")
"Other land" (in Area 1)	73,995 (defined as part of "Land")
Fuel Farm	4,647 (defined as part of "Land")
SCJC hangar	14,610 (defined as part of "Land")
Outer Marker Building	2,202 (defined as part of "Land")
New Ramp Area	<u>136,500</u>
Total:	243,302

2. Effective May 1, 2015, the annual rents due from the Lessee will be as follows:

<u>Lease area</u>	<u>Square Footage</u>	<u>Annual Rent</u>
Building 27	3,154	\$ 14,193.00
Outer Marker Parking	8,194	\$ 1,231.56
"Other land" (in Area 1)	73,995	\$11,121.45
Fuel Farm	4,647	\$ 698.44
SCJC hangar	14,610	\$ 2,195.88
Outer Marker Building	2,202	\$ 330.96
New Ramp Area	136,500	<u>\$38,296.44</u>
Total Annual Rent		\$68,067.73
Monthly Rent		\$ 5,672.31*

[*less \$500.00 rent credit through January 31, 2016 per "Second Amendment"]

3. Lessee hereby terminates its rights to Option Area "A" as identified in the original Lease dated May 18, 1998.

4. All other provisions of the Lease not modified herein shall remain in full force and effect.

IN WITNESS WHEREOF the undersigned parties have caused their seals and signatures to be affixed this _____ day of May, 2015.

Signed, sealed and delivered in our presence (Two witnesses required)

LESSOR:
TITUSVILLE-COCOA AIRPORT
AUTHORITY, a special district of the State
of Florida

X _____
Print Witness Name: _____

By: _____ (SEAL)
Michael D. Powell, CM, ACE
Chief Executive Officer

X _____
Print Witness Name: _____

LESSEE:
SPACE COAST JET CENTER, INC., a
Florida corporation

X Robyn M. Milton
Print Witness Name: Robyn M. Milton

By: Thomas E. Fotopulos (SEAL)
Thomas E. Fotopulos,
President

X GARY SARABIA
Print Witness Name: GARY SARABIA

ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me on this ____ day of _____, 2015, by Michael D. Powell, as Chief Executive Officer, of TITUSVILLE-COCA AIRPORT AUTHORITY, for and on behalf of the corporation, who is personally known to me or who produced _____ as identification and who did not take an oath.

Notary Public:

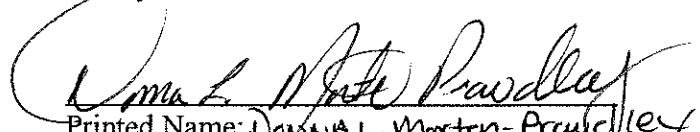
Printed Name:
My Commission Expires:
State of Florida at Large

ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me on this 14 day of May, 2015, by Thomas E. Fotopulos, as President of SPACE COAST JET CENTER, INC., for and on behalf of the corporation, who is personally known to me or who produced _____ as identification and who did not take an oath.

Notary Public:


Printed Name: Donna L. Morton-Prowdley
My Commission Expires: 16 February 2015
State of Florida at Large

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

By: _____
Timothy F. Pickles, Esq.
WATSON, SOILEAU, DeLEO,
BURGETT & PICKLES, P.A
General Counsel
Titusville-Cocoa Airport Authority

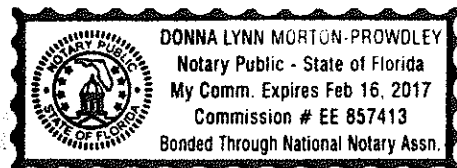


EXHIBIT "A"

AMENDMENT TO LEASE

This Amendment to Lease is entered into this 1st day of October, 2007, by and between TITUSVILLE - COCOA AIRPORT AUTHORITY ("Lessor") and SPACE COAST JET SERVICES, INC. ("Lessee");

WITNESSETH:

WHEREAS, on the 12th day of August, 2004, DISCOVERY AVIATION SERVICES, INC., assigned to SPACE COAST JET SERVICES, INC., all of its right, title and interest in and to that certain lease ("Lease") dated May 18, 1998, as amended; by and between TITUSVILLE-COCOA AIRPORT AUTHORITY and DISCOVERY AVIATION SERVICES, INC.;

WHEREAS, SPACE COAST JET SERVICES, INC. has expanded the sum of \$35,414.52 in improvements to the subject premises;

WHEREAS, TITUSVILLE-COCOA AIRPORT AUTHORITY recognizes same and has agreed to abate rent for SPACE COAST JET SERVICES, INC. in the above referenced amount over a period of five (5) years;

WHEREAS, LESSOR and LESSEE desire to amend the Lease dated May 18, 1998, as amended;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereby agree as follows:

1. The sum of \$35,414.52 will be credited as a rent abatement to SPACE COAST JET SERVICES, INC. The rent abatement shall be amortized over a period of five (5) years at 5% interest according to the attached schedule and the Lessee may deduct the monthly amount from its regular monthly payment.

2. The remainder of the rent due and owing under the Lease shall be payable to LESSOR.

3. All other provision of the Lease not modified herein shall remain in full force and effect.

IN WITNESS WHEREOF the undersigned parties have caused their seals and signatures to be affixed this 1st day of October, 2007.

Signed, sealed, and delivered
in our presence by the
LESSOR (TWO WITNESSES
REQUIRED):

X Kathy J. Rischke
Print Witness Name: Kathy J. Rischke

X Mary D. Jimenez
Print Witness Name: Mary D. Jimenez

X Dee Burdick
Print Witness Name: Dee Burdick

X Sandra Y. Al-Hakim
Print Witness Name: SYNDRA Y. AL-HAKIM

LESSOR:
TITUSVILLE-COCOA AIRPORT AUTHORITY

By: Michael D. Powell (SEAL)
Michael D. Powell
Executive Director

LESSEE:
SPACE COAST JET SERVICES, INC.

By: Heatham (SEAL)

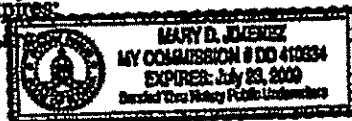
ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me on this 8 day of October, 2007, by Michael D. Powell, as Executive Director, of TITUSVILLE-COCOA AIRPORT AUTHORITY, for and on behalf of the corporation, who is personally known to me or who produced personally known as identification and who did not take an oath.

Notary Public:

Mary D. Jmaney
Printed Name: _____
My Commission Expires: _____
State of Florida at L _____



ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me on this 9 day of Oct, 2007, by Lee Burdick, as Notary Public of SPACE COAST JET SERVICES, INC., for and on behalf of the corporation, who is personally known to me or who produced _____ as identification and who did not take an oath.

Notary Public:

Lee Burdick
Printed Name: _____
My Commission Expires: _____
State of Florida at Large _____



Approved as to Form and Legality
this 23 day of October, 2007.

WATSON, SOLEAU, DeLEO,
BURGETT & PICKLES, P.A.

By: _____
General Counsel
Titusville-Cocoa Airport Authority

Addendum B to Lease

This addendum, dated May 18, 1998, to the lease between the Triunville-Cocoon Airport Authority and Discovery Aviation Services, Inc. dated May 18, 1998 is to add Building 27, ramp, and land as depicted on Exhibit "A".

The term of this Addendum shall be for a period of five (5) years and may be renewed for two (2) additional five (5) year terms, at the option of the Lessee, with the consent of the Lessor, upon written notice to the Lessor, written at least one hundred twenty (120) days before the expiration of the Lease. Rents and fees are subject to negotiations upon receipt by the Lessor of the written notice of the Lessee for renewal.

This Addendum raises the total monthly rental payment of the Lessee to \$3,150.37, plus applicable sales tax. The fuel storage and charter fees remain the same. In addition, the Lessee shall increase the deposit with the Authority by \$538.25.

Building-	3,120 x \$1.71 = \$5,335.20
Ramp- (50x95)	5,700 x \$0.125 = \$ 712.50
Land-	4,056 x \$0.10 = \$ 405.60
	\$6,453.30
	<u> 12</u>
	\$538.25/month

The rates and fees are subject to review at each renewal. The rental rates set forth herein are subject to annual adjustment at a rate established by the Lessor, but not to exceed the annual variation in the Consumer Price Index for the local area.

Lessee will maintain said building inside and out, including electrical, plumbing, septic tank, HVAC, and appliances thereto in an operable condition. Lessor will provide major maintenance and structural repairs, except as they are necessitated by misuse, neglect or carelessness of the Lessee in which event the Lessee shall be liable therefor.

All other terms and conditions of the above-referenced lease, and modifications, remain unchanged.

[Signature]
 WITNESS

[Signature]
 WITNESS

FOR THE LESSOR
 TRIUNVILLE COCOON AIRPORT AUTHORITY
 BY: [Signature]
 GREGORY A. POFF, CHAIRMAN
 ATTEST: [Signature]
 WILLIAM T. HAYDO, JR., A.A.R.
 EXECUTIVE DIRECTOR

[Signature]
 WITNESS

WITNESS _____

DATE: _____

FOR THE LESSEE
 DISCOVERY AVIATION SERVICES, INC.
 BY: [Signature]
 MARVIN FUEL
 ATTEST: _____

[Handwritten mark]

LEASE

DISCOVERY AVIATION SERVICES, INC.

THIS LEASE agreement made and entered into this 18th day of May 1998 by and between the TITUSVILLE-COCOA AIRPORT AUTHORITY, the governing body of the Titusville-Cocoa Airport District, a special taxing district existing by and under the laws of the State of Florida, hereinafter referred to as the "Lessor" and Discovery Aviation Services, Inc., hereinafter referred to as the "Lessee".

WITNESSETH:

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

WHEREAS, Lessee will engage in the business of operating Service Center Headquarters (Fixed Base Operator) from said property in conformance with the established Rules and Regulations or those promulgated from time to time by the Authority and will use said property only for such purposes as specifically set forth;

NOW, THEREFORE, for and in consideration of the rents, covenants, and agreements herein contained, Lessor does hereby lease, demise, grant and let to Lessee, the following premises, rights and easements on and to the Airport upon the following terms and conditions, to-wit:

1. LEASED PREMISES: Lessor does hereby grant, demise and lease unto Lessee 116,217 s.f. of land and 66,200 s.f. of ramp as depicted on Exhibit "A".

2. TERM AND RENEWAL: The term of this Lease shall be for a period of twenty (20) years with an option to renew, with the consent of the Lessor, for one ten (10) year term. At the end of the lease, ownership of all of the improvements, including all buildings and the fuel farm, revert to the Lessor. Said lease is subject to approval or disapproval by the FAA. If the FAA disapproves said lease, or does not act within one hundred and eighty (180) days from the commencement date, then this Lease will be void and of no further force and effect, and the parties will be released from any further Lease obligations.

EXHIBIT "B"

SECOND AMENDMENT TO LEASE

This Second Amendment to Lease is entered into as of the 1st day of May, 2013, by and between TITUSVILLE-COCOA AIRPORT AUTHORITY ("Lessor") and SPACE COAST JET CENTER, INC. ("Lessee");

WITNESSETH:

WHEREAS, on the 12th day of August, 2004, DISCOVERY AVIATION SERVICES, INC., assigned to SPACE COAST JET CENTER, INC., all of its right, title and interest in and to that certain lease dated May 18, 1998, as amended, by and between TITUSVILLE-COCOA AIRPORT AUTHORITY and DISCOVERY AVIATION SERVICES, INC. (the "Lease");

WHEREAS, Addendum B to the Lease added Building 27, ramp, and land, for a term through April 30, 2013;

WHEREAS, the parties executed an Amendment to Lease dated October 1, 2007 (the "First Amendment");

WHEREAS, Lessor and Lessee desire to further amend the Lease;

WHEREAS, Lessor and Lessee desire to extend the term of Addendum B for an additional five (5) years, through April 30, 2018;

WHEREAS, Lessee has spent the sum of Sixteen Thousand Dollars (\$16,000.00) in additional improvements to Building 27, as detailed in attached Exhibit 1;

WHEREAS, Lessor recognizes same and has agreed to abate rent for Lessee in the above-referenced amount, amortized over a period of thirty-two (32) months;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereby agree as follows:

1. The term of Addendum B of the Lease is hereby extended for an additional five (5) years, through April 30, 2018.
2. The sum of Sixteen Thousand Dollars (\$16,000.00) will be credited as a rent abatement to SPACE COAST JET CENTER, INC., in thirty-two (32) equal monthly credits of \$500.00 each, with no interest. Lessee may deduct the monthly amount from its regular monthly payment, beginning on June 1, 2013 and ending on January 31, 2016.
3. The remainder of the rent due and owing under the Lease shall be payable to Lessor, as set forth in the Lease.
4. All other terms and provisions of the Lease not modified herein shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned parties have caused their seals and signatures to be affixed this 23rd day of June, 2013.

Signed, sealed, and delivered
in our presence by the
LESSOR (Two Witnesses Required):

Deborah Marino
Signature

Printed Name:

DEBORAH MARINO

Kimberly J. Fische
Signature

Printed Name:

Kimberly J. Fische

LESSOR:
TITUSVILLE-COCOA AIRPORT AUTHORITY

By: Mark Reed

[SEAL]

LESSEE:
SPACE COAST JET CENTER, INC.

By: Patricia A. Ward

[SEAL]

Jennifer A. Martin
Signature

Printed Name:

Jennifer A. Martin

Kirstene S. Clark
Signature

Printed Name:

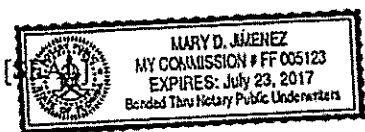
Kirstene S. Clark

ACKNOWLEDGEMENT

STATE OF FLORIDA
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me on this 29th day of June, 2013, by Michael Powell, as CEO of TITUSVILLE-COCOA AIRPORT AUTHORITY, for and on behalf of the corporation, who is personally known to me or who produced Kevin as identification, and who did take an oath.

Notary Public, State of Florida:



Mary D. Jimenez
Printed Name: Mary D. Jimenez
My Commission Expires: July 23, 2017

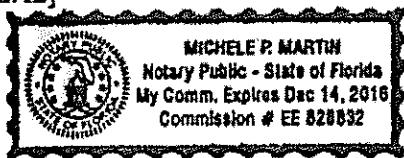
ACKNOWLEDGEMENT

STATE OF FLORIDA
COUNTY OF BREVARD

The foregoing instrument was acknowledged before me on this 31st day of May, 2013, by Patricia L. Ward, as Corporate Secretary of SPACE COAST JET CENTER, INC., for and on behalf of the corporation, who is personally known to me or and who did take an oath.

Notary Public, State of Florida:

[SEAL]



Michele P. Martin
Printed Name: Michele P. Martin
My Commission Expires: 14 Dec. 2016

Approved as to Form and Legality this 30th day of June, 2013

WATSON, SOILEAU, DELEO, BURGETT & PICKLES

By: _____
General Counsel
Titusville-Cocoa Airport Authority

Exhibit "1"
Improvements to 7000 Challenger Avenue

Date	Vendor	Description	Amount
04/04/2012	ALL IN ONE PAVERS	Pavers for Parking Lot	\$ 6,922.00
04/10/2012	SHERWIN - WILLIAMS CO.	Interior Paint	\$ 988.83
04/19/2012	FLOOR OPTIONS	Tile & carpet replacement	\$ 2,192.00
04/25/2012	SHERWIN - WILLIAMS CO.	Exterior Paint	\$ 329.61
05/02/2012	CYPRESS MULCH & SOD	Gravel for parking lot	\$ 673.10
05/04/2012	ALERION DOOR & GLASS	Doors for Interior	\$ 743.98
05/04/2012	LOWE'S	Countertops, sinks, cabinets	\$ 1,305.70
05/07/2012	SOD DEPOT	Sod for Exterior	\$ 729.39
05/10/2012	FOCAL POINT LANDSCAPE NURSERY & SUPPLIES,	Trees and Landscaping for Exterior	\$ 662.33
05/24/2012	A.B.C. AWNING & CANVAS CO., INC.	Fabrication and installation of Awning	\$ 1,430.00
Total			\$ 15,986.92

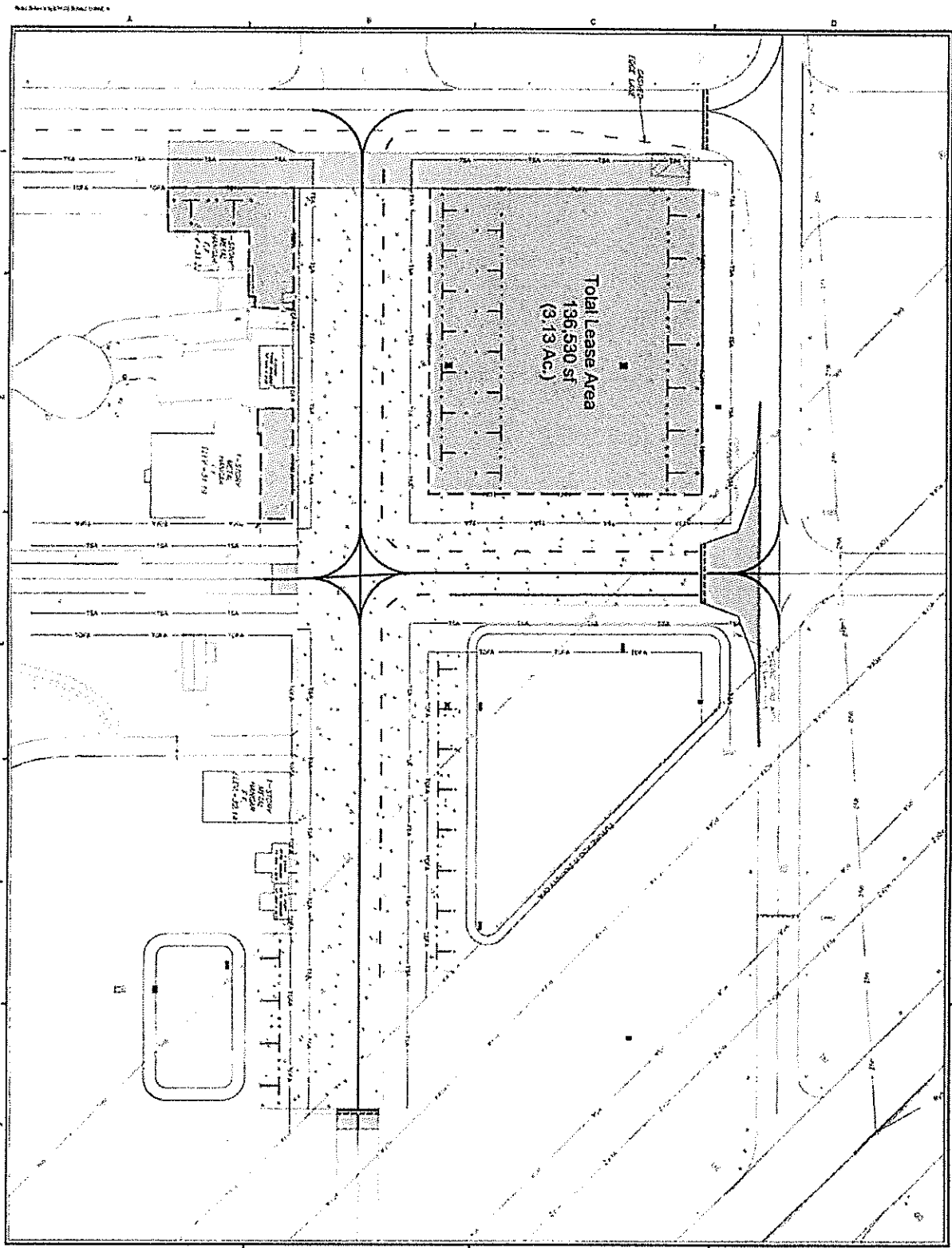


EXHIBIT 'C' TO THIRD AMENDMENT TO LEASE

<p>Baker</p> <p>MOBILE AVIATION, INC. 1001 W. WASHINGTON ST. SUITE 100 TAMPA, FL 33606 TEL: 813.834.1234</p>													
<p>Project: WEST APRON REHABILITATION</p> <p>Drawn: [Name]</p> <p>Scale: [Scale]</p> <p>Date: [Date]</p>													
<p>Revisions:</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Description</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>		No.	Description	Date									
No.	Description	Date											
<p>Scale: [Scale]</p> <p>Date: [Date]</p>													



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

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

MEMORANDUM

TO: Members of the Airport Authority

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

DATE: May 21, 2015

ITEM DESCRIPTION - NEW BUSINESS ITEM C

Discussion and Consideration of Rocket Crafters' Office Space at TIX

BACKGROUND

Rocket Crafters' last six month period of rent abatement has ended and the Board wished to revisit the support provided for what is now the use of two large offices in part of a wing in the admin building at TIX.

ISSUES

Staff recently met with Rocket Crafters to discuss moving forward. Rocket Crafters has been working to coordinate their rocket motor testing and has been looking at locations to accommodate that need. According to Rocket Crafters, they are looking to partner with other groups and possibly a university on a combined/shared space for rocket motor R&D and some testing, but still needs the two offices for a while longer.

ALTERNATIVES

The Authority Board could approve or disapprove of the extended partnership with Rocket Crafters for rent abatement for two offices at TIX.

FISCAL IMPACT

With the reduced area that Rocket Crafters has occupied for the last six months (down to two large offices), the monthly impact is just over \$900.00. If the Board supports sponsoring another six months it would be a total of \$5,600.00.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) Decide whether or not to support the continued rent abatement partnership with Rocket Craters, and (2) authorize an Authority Officer or the Chief Executive Officer to execute the necessary documentation upon satisfactory review by legal counsel.



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

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

MEMORANDUM

TO: Members of the Airport Authority

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

DATE: April 21, 2015

ITEM DESCRIPTION - NEW BUSINESS ITEM D

Discussion and Consideration of an Amendment to the Lease for the Valiant Air Command at TIX

BACKGROUND

The Valiant Air Command is respectfully asking for the Board's consideration an extension to their lease for ten more years taking it from 2028 to 2038 to allow them to refinance their loan(s) at a lower interest rate with TD Bank and be eligible for additional loans moving forward.

ISSUES

Staff is still working on the final details as to what language the bank wishes to see in the lease to allow the loan's approval.

ALTERNATIVES

The Board could approve or disapprove the request to extend the lease for ten years.

FISCAL IMPACT

Yet to be determined. Usually the VAC makes improvements to the property and we are unsure what may be done at this point.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the request to extend the VAC lease from 2028 to 2038, with the specific lease language coming back to the Board, and (2) authorize an Authority Officer or the Executive Director to execute the necessary documentation upon satisfactory review by legal counsel.



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

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

MEMORANDUM

TO: Members of the Airport Authority

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

DATE: May 21, 2015

ITEM DESCRIPTION - NEW BUSINESS ITEM E

Discussion and Consideration of a Lease for Building 13 at X21

BACKGROUND

Based on the evaluation in the supplement to the appraisal, Building 13 at X21 came in at the new rate \$3.75sq.ft. for a 2,500 sq.ft. facility, or \$9,375.00 annual, or \$781.25 a month. The current tenant has expressed that the new proposed rate is too high, especially since they are simply a hangar tenant (not commercial) and built the facility themselves, as well as paid all upkeep for over 20 years.

The current tenant proposes we use a lease for Building 13 more in line with all other hangar leases (not a commercial building style lease) since it is a box hangar, go month to month in line with other hangar leases, and agrees to a 20% increase over the current rate, and they will still be responsible for all maintenance.

The best figure on what the cost of maintenance of that facility was shared with staff was roughly \$1,000.00 a month, understanding sometimes there are high dollar items that need repair/replacement and sometimes there is nothing to very little.

To check on the interest in the facility, should it be vacated, staff checked with Mr. Greg Nardi, of Skydive Space Center, to which they shared they were not interested in the facility.

ALTERNATIVES

The Airport Authority Board could decide to implement the new figures, or offer another alternative.

FISCAL IMPACT

Based on the evaluation in the supplement to the appraisal, the new rate would be \$3.75sq.ft. for a 2,500 sq.ft. facility, or \$9,375.00 annual, or \$781.25 a month.

Based on the proposed counter, the rate would be the current rate of \$340.64 plus an additional \$68.13 a month for a total of \$4,899.12 annual, or \$408.26 a month.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) agree to the proposed counter terms from the tenant on a month to month basis to ensure continued income while staff works to market the facility to another possible tenant at the higher rate, and (2) authorize an Authority Officer or the Chief Executive Officer to execute the necessary documentation upon satisfactory review by legal counsel.



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

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

MEMORANDUM

TO: Members of the Airport Authority

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

DATE: May 21, 2015

ITEM DESCRIPTION - NEW BUSINESS ITEM F

Discussion and Consideration of the Spaceport License Application Costs

BACKGROUND

Based on additional requirements imposed by the FAA regarding spaceport license application process procedures, the length of time needed to complete the process has increased as well as the cost.

It is now required to send all information for the application through both the FAA commercial space offices as well as the aviation side of the house.

Our consultants and staff worked to try and minimize this impact to the time and costs.

Staff was successful in getting the kind consideration of both Space Florida and the EDC of Florida's Space Coast for funding support making us a stronger community asset and a more marketable economic engine for the area.

ISSUES

Having to send all details through two separate departments within the FAA has added several months to the process, but the application is still moving forward.

ALTERNATIVES

The Airport Authority Board could decide to approve or disapprove the Amendment

FISCAL IMPACT

The total fiscal impact for the additional work is \$86, 370.50, which should still be covered under our agreement with Space Florida for their very kind support of this effort.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve Amendment #3 covering additional costs associated with the spaceport license application process, and (2) authorize an Authority Officer or the Executive Director to execute the necessary documentation upon satisfactory review by legal counsel.

**AMENDMENT #3
 CONTRACT SUMMARY
 TITUSVILLE - COCOA AIRPORT AUTHORITY
 SPACE COAST REGIONAL AIRPORT
 SPACEPORT LICENSING AND ASSOCIATED IMPROVEMENTS**

Launch Site Operators License Application Preparation

Launch Site Operators License Application (RS&H)	\$ 273,500.00
Subconsultant Admin Fee (5%)	\$ 13,675.00
	\$ 287,175.00

Environmental Assessment Services

EA Preparation	\$ 157,797.00
EA Support (RS&H)	\$ 70,250.00
Subconsultant Admin Fee (5%)	\$ 3,512.50
	\$ 231,559.50

Spaceport Consulting Services

Spaceport Consulting (Spaceport Strategies, LLC)	\$ 30,600.00
Subconsultant Admin Fee (5%)	\$ 1,530.00
<i>**Subconsultant Not Used**</i>	\$ 32,130.00

ORIGINAL TOTAL CONTRACT AMOUNT **\$ 550,864.50**

TOTAL MINUS UNUSED SUB AMOUNT **\$ 518,734.50**

AMENDMENT #1 NOISE STUDY	\$ 16,820.00
--------------------------	--------------

AMENDMENT #2 ALP UPDATE (SPACEPORT ONLY)	\$ 12,720.00
--	--------------

AMENDMENT #3	
EA Preparation (LPA)	\$ 49,065.00
EA Support (RS&H)	\$ 19,250.00
Subconsultant Admin Fee (5%)	\$ 962.50
Sonic Boom Modeling (Blue Ridge sub to RS&H)	\$ 17,093.00
AMENDMENT #3 TOTAL	\$ 86,370.50

REVISED TOTAL CONTRACT AMOUNT **\$ 634,645.00**

Exhibit B : Manhour and Fee Estimate

TITUSVILLE - COCOA AIRPORT AUTHORITY
 SPACE COAST REGIONAL AIRPORT
 SPACEPORT LICENSING AND ASSOCIATED IMPROVEMENTS
 ENVIRONMENTAL ASSESSMENT SERVICES - ADDITIONAL SERVICES

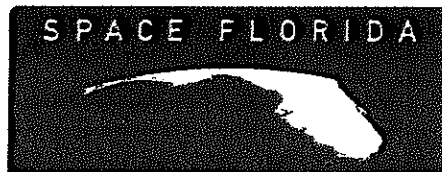
TASK	Project Manager	Senior Scientist	Scientist	GIS Specialist	Environmental Associate	Environmental Technical Assistant	Senior Planner	Project Planner	Planning CADD Designer	Project Engineer	Admin Assistant	Public Involvement Coordinator	Total
1. Purpose and Need													
1.1 Response to FAA's 1st set of comments		6	8	8									22
1.2 Response to FAA's 2nd set of comments		4	6	4									14
1.3 FAA web meeting to discuss and address comments		4											4
1. Purpose and Need Hours	0	14	14	12	0	0	0	0	0	0	0	0	40
1. Purpose and Need Fee	\$0	\$2,324	\$1,568	\$1,296	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,188
2. Alternatives Development and Analysis													
2.1 RLV Specifications and Requirements		8	48	8									64
2.2 Response to FAA's 1st set of comments		4	8	8									20
2.3 Response to FAA's 2nd set of comments		4	4	4									12
2. Alternatives Development and Analysis Hours	0	16	60	20	0	0	0	0	0	0	0	0	96
2. Alternatives Development and Analysis Fee	\$0	\$2,656	\$6,720	\$2,160	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,536
3. Preliminary Draft EA													
3.1 FAA Web Meeting on 1st set of comments		6											
3.2 Response to first set of comments		8	40	16							4		68
3.3 FAA Web Meeting on 2nd set of comments		6											6
3.4 Response to FAA's 2nd set of comments		6	20	8							4		38
3. Preliminary Draft EA Hours	0	26	60	24	0	0	0	0	0	0	8	0	118
3. Preliminary Draft EA Fee	\$0	\$4,316	\$6,720	\$2,592	\$0	\$0	\$0	\$0	\$0	\$0	\$408	\$0	\$14,036
4. Final EA													
4.1 FAA Web Meeting on 2nd set of comments		4											4
4.2 Response to FAA's 2nd set of comments		4	8	2							4		18
4. Final EA Hours	0	8	8	2	0	0	0	0	0	0	4	0	22
4. Final EA Fee	\$0	\$1,328	\$896	\$216	\$0	\$0	\$0	\$0	\$0	\$0	\$204	\$0	\$2,644
5. Project Management													
5.1 Project Team Meetings		18											18
5.2 Subconsultant Coordination		8											8
5.3 Space Florida Coordination		16											16
5.4 Client Coordination		40									4		44
5. Project Management Hours	82	0	0	0	0	0	0	0	0	0	4	0	86
5. Project Management Fee	\$14,432	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$204	\$0	\$14,636
Project Labor Totals													
Total Estimated Hours:	82	64	142	58	0	0	0	0	0	0	16	0	362
Total Estimated Labor Costs :	\$14,432	\$10,624	\$15,904	\$6,264	\$0	\$0	\$0	\$0	\$0	\$0	\$616	\$0	\$48,040
Expenses													
Total All Expenses													\$1,025
Total Amount													\$49,065



Continuing Consultant/ A/E Services
Design Services (A/E 235)

PROJECT PROPOSAL 03
Spaceport Launch Site Operators Application Preparation and
Assistance with the Environmental Assessment (Phase 2) – Additional Services

BUDGET (DETAIL)								
SCOPE / TASK TITLE	Project Officer	Project Manager	Senior A/E	Planner	A/E	Technician	Admin Assist	TOTAL
BASIC SERVICES (LUMP SUM)								
Task 1: Concept Y RLV Noise Analysis								
Concept Y RLV Noise Analysis		4	10		8	4		26
TOTAL HOURS	0	4	10	0	8	4	0	26
RATE	\$200.00	\$175.00	\$150.00	\$115.00	\$115.00	\$85.00	\$70.00	
TOTAL BURDENED LABOR @	\$ -	\$ 700	\$ 1,500	\$ -	\$ 920	\$ 340	\$ -	\$3,460
OTHER DIRECT NON-SALARY COSTS	TOTAL ODC's							\$0
Total Proposed Fee for: Task 1								\$3,460
Task 2: Responses to Comments, Public Meeting, and EA Modifications								
Task 2.1 Comments on Pre-Draft EA		12	12			4		28
Task 2.2 Responses to Agency/Public Comments on the Draft EA		2	2					4
Task 2.3 Comments on the Pre-Final EA		8	8					16
TOTAL HOURS	0	22	22	0	0	4	0	48
RATE	\$200.00	\$175.00	\$150.00	\$115.00	\$115.00	\$85.00	\$70.00	
TOTAL DIRECT LABOR \$	\$ -	\$ 3,850	\$ 3,300	\$ -	\$ -	\$ 340	\$ -	\$7,490
OTHER DIRECT NON-SALARY COSTS	TOTAL ODC's							\$0
Total Proposed Fee for: Task 2								\$7,490
Task 3: Public Hearing								
Public Hearing		4	4					8
TOTAL HOURS	0	4	4	0	0	0	0	8
RATE	\$200.00	\$175.00	\$150.00	\$115.00	\$115.00	\$85.00	\$70.00	
TOTAL DIRECT LABOR \$	\$ -	\$ 700	\$ 600	\$ -	\$ -	\$ -	\$ -	\$1,300
OTHER DIRECT NON-SALARY COSTS	TOTAL ODC's							\$0
TRAVEL	Airfare @ Car @ Lodging @ Per Diem @							
	# People	# Days		\$75	\$50			
Public Hearing	1	0.5		\$75	\$25			\$100
Total Proposed Fee for: Task 3								\$1,400
Task 4: Update Airport Certification Manual (ACM)								
Update Airport Certification Manual (ACM)		8	10					18
TOTAL HOURS	0	8	10	0	0	0	0	18
RATE	\$200.00	\$175.00	\$150.00	\$115.00	\$115.00	\$85.00	\$70.00	
TOTAL DIRECT LABOR \$	\$ -	\$ 1,400	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$2,900
OTHER DIRECT NON-SALARY COSTS	TOTAL ODC's							\$0
Total Proposed Fee for: Task 4								\$2,900
Task 5: Project Management								
Project Management		2	12	10				24
TOTAL HOURS	2	12	10	0	0	0	0	24
RATE	\$200.00	\$175.00	\$150.00	\$115.00	\$115.00	\$85.00	\$70.00	
TOTAL DIRECT LABOR \$	\$ 400	\$ 2,100	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$4,000
OTHER DIRECT NON-SALARY COSTS	TOTAL ODC's							\$0
Total Proposed Fee for: Task 5								\$4,000
TOTAL PROPOSED FEE FOR: BASIC SERVICES (LUMP SUM)								\$19,250
SPECIAL SERVICES (LUMP SUM)								
Blue Ridge Research Consulting Inc (BRRC)								\$ 17,093
TOTAL PROPOSED FEE FOR:								\$ 36,343



April 3, 2013

Michael D. Powell, CEO
Titusville-Cocoa Airport Authority
355 Golden Knights Blvd.
Titusville, FL 32780

Re: Cost sharing in FAA Spaceport Designation

Dear Mike,

Space Florida has been reviewing your request to consider providing assistance to the Authority in its pursuit of an FAA spaceport site operator's license. Part of the challenge we face is to align that assistance within our statewide responsibility to the Spaceport Systems Plan, which has been in development for the last two years. Our challenge is further exacerbated by the unusually tight budget situation we face during this fiscal year.

I want to ensure that you and the Authority are fully informed as to our commitment, to minimize confusion and risk in your planning requirements. Space Florida agrees to assist your effort to fund the study work necessary to pursue a Spaceport license, and we will provide funding support to a level constituting approximately 50% of the cost of the license (up to \$275,000), with the Authority assuming responsibility for the other half. As our funds will be tight again next year, we have, on your behalf, approached the Economic Development Commission of Florida's Space Coast (EDC) to support a part of our contribution to your effort, if they are able.

In the interest of assuring you are best able to allocate resources appropriately, I wanted to keep you apprised of how we anticipate this process occurring at Space Florida. As you know, Space Florida currently has a number of previous commitments with ongoing projects, and also due to the fact we are paid by the Department of Economic Opportunity quarterly in arrears, we may be constrained to providing financial assistance at the conclusion of the first quarter of the new fiscal year. While this is not ideal as an operations and business recruitment entity, it is very much how Florida statutes have structured our compensation for multiple years. Within our cash flow constraints, we will do our best to support your planned study schedule.

Again, Space Florida looks forward to working with you in this endeavor.

Should you have any questions please feel free to contact myself, or Dale Ketcham.

Best Regards,

Frank A. DiBello
President & CEO

sf 13-357-cs-fd

SPACE FLORIDA

September 17, 2013

**AGREEMENT NO.: 14-033
BETWEEN
SPACE FLORIDA
and
THE TITUSVILLE-COCOA AIRPORT AUTHORITY**

This **AGREEMENT** is entered into on September 17 2013, (the "Effective Date") by **SPACE FLORIDA** ("SF"), an independent special district, a body politic and corporate, and a subdivision of the State of Florida, whose principal place of business is 505 Odyssey Way, Suite 300, Exploration Park, FL 32953, and **THE TITUSVILLE-COCOA AIRPORT AUTHORITY**, the governing authority of the Titusville-Cocoa Airport District, a dependent special district created by the State of Florida, ("TCAA"), whose principal place of business is 355 Golden Knights Blvd., Titusville, FL 32780.

WHEREAS, Section 331.302 of the Florida Statutes created SF to foster the growth and development of a sustainable and world-leading aerospace industry in the State of Florida.

WHEREAS, SF is charged with promoting aerospace business development by facilitating business financing, spaceport operations, research and development, workforce development, and innovative education programs.

WHEREAS, subsection 331.3051(7)(d) of the Florida Statutes provides that SF has a duty to carry out its responsibilities for spaceport operations by promoting and facilitating launch activities within the state by supporting and assisting commercial launch operators in completing and submitting required documentation and gaining approvals and authorization from the required federal agencies for launching from Florida.

WHEREAS, TCAA is pursuing a Federal Aviation Authority (FAA) Spaceport Site Operators License (hereinafter referred to as the "Spaceport License") which pursuit is estimated to cost \$550,864 (the "License Expenses").

WHEREAS, pursuant to Chapter 2003-361, Laws of Florida, TCAA has the authority to enter into contracts and to accept grants of money for airport facilities in order to carry out and perform its duties.

WHEREAS, on April 3, 2013, SF sent a letter of support to TCAA (attached hereto as **Attachment A**) offering to provide funding support to TCAA for up to a maximum of 50% (\$275,000.00) of the License Expenses and stating that SF had approached the Economic Development Commission of Florida's Space Coast (the "EDC") to support a part of SF's financial contribution to the License Expenses.

WHEREAS, on August 21, 2013, TCAA entered into a Funding and Performance Agreement with the EDC, under which the EDC has agreed to provide TCAA up to a maximum of 25% (\$137,716.00) of the License Expenses (the "EDC Funds").

WHEREAS, because of the EDC Funds, SF now desires to be reimbursed for a portion of the funding to be provided by SF under this Agreement.

September 17, 2013

WHEREAS, TCAA will not receive the funding from the EDC until, at a minimum, 60 days after TCAA has completed its pursuit of the Spaceport License.

WHEREAS, because of the timing constraints of the EDC's support, SF will provide funding support to TCAA up to a maximum of 50% of the License Expenses as outlined in this Agreement, and TCAA will, in turn, reimburse SF up to \$137,716.00 after TCAA receives the funding from the EDC.

WHEREAS, SF now desires to enter into an Agreement with TCAA to describe the terms and conditions under which SF will provide funding support to TCAA for the License Expenses associated with pursuing the Spaceport License.

NOW, THEREFORE, the parties agree as follows:

1. The Spaceport License. The purpose of this Agreement is for SF to provide financial support to TCAA towards the License Expenses in TCAA's pursuit of a Spaceport License. The financial support to be provided under this Agreement is for costs related to TCAA's application processes associated with obtaining a Spaceport License (the "Project").
2. SF's Commitments. SF agrees to provide funding pursuant to the terms of this Agreement for the Project in an amount of up to two-hundred and seventy-five thousand dollars (\$275,000.00) (the "Funds") to be utilized solely for the Project. SF will reimburse TCAA fifty percent (50%) of an approved invoice for those invoices paid by TCAA, which reflect appropriate expenses directly associated with the Project. SF staff will review the invoices submitted by TCAA and determine whether the invoices support the Project. Any costs of the Project in excess of the amount of the Funds shall be the responsibility of TCAA. All invoices submitted by TCAA and approved by SF shall be paid by SF on a net thirty-day schedule.
3. SF Board of Director Approval Required. Until the date that SF's Board of Directors approves this Agreement, SF will pay only up to \$100,000.00 of the Funds to TCAA. If SF's Board of Directors do not approve this Agreement, SF will have no further obligations under this Agreement to TCAA.
4. TCAA's Commitments.
 - a. TCAA agrees to use the Funds solely for the Project. Invoices submitted by TCAA will be accompanied by such supporting documentation as is reasonably necessary to demonstrate that TCAA has incurred and paid the costs which are attributable to the Project.
 - b. If SF's Board of Directors approves this Agreement, TCAA shall reimburse SF for a portion of the Funds that SF paid to TCAA in an amount up to, but not to exceed, the amount of EDC Funds that TCAA receives from the EDC under the Funding and Performance Agreement. Such reimbursement shall be made by TCAA to SF within thirty days of TCAA's receipt of the funds from the EDC.

September 17, 2013

5. TCAA's Reporting Requirements. TCAA shall submit a summary report with each invoice to SF in a form acceptable to SF. The report shall include a narrative account of what was accomplished with the Funds, including a description of progress made towards achieving the Project goals and assurance that the Project activities have been conducted in conformance with the terms of this Agreement.
6. Term. This Agreement shall expire one year from the Effective Date. Unless this Agreement is otherwise extended in writing by both parties, no Funds will be paid by SF to TCAA after the expiration or termination of this Agreement.
7. Termination. SF may terminate this Agreement upon ten days written notice to TCAA.
8. Availability of Funds. All payments to be made by SF under this Agreement are subject to the availability of appropriated funds by the Legislature of the State of Florida. SF shall immediately notify TCAA should funds become unavailable.
9. Public Records.
 - a. SF, subject to the provisions of Section 288.075, Section 331.326, Chapter 119 of the Florida Statutes, and applicable federal law, must permit public access to all non-confidential, non-proprietary or non-International Traffic in Arms Regulation (ITAR) controlled documents or other materials prepared, developed or received by it in connection with the performance of the obligations under this Agreement.
 - b. This Agreement may be unilaterally cancelled for refusal by either party to allow public access to all documents, papers, letters, or other such materials subject to the provisions of Chapter 119 of the Florida Statutes and made or received in conjunction with this Agreement, other than those specified as confidential or exempt information.
 - c. To the extent TCAA is acting on behalf of SF as provided under Subsection 119.011(2) of the Florida Statutes, TCAA shall:
 - i. Keep and maintain public records that ordinarily and necessarily would be required by SF in order to perform the services under this Agreement;
 - ii. Provide the public with access to public records on the same terms and conditions that SF would provide the records and at a cost that does not exceed the cost provided in Chapter 119 of the Florida Statutes or otherwise provided by law;
 - iii. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.

September 17, 2013

- iv. Meet all requirements for retaining public records and transfer, at no cost, to SF, all public records in possession of TCAA upon expiration, or termination, of this Agreement and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to SF in a format that is compatible with the information technology systems of SF.

10. Reserved.

11. Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Agreement shall not be affected thereby and shall remain enforceable to the greatest extent permitted by law.

12. Indemnification and Limitation of Liability.

- a. TCAA shall defend, indemnify, and hold harmless SF, its Officers, Directors, and employees to the fullest extent permitted by law from and against all claims, damages, losses, liens, and expenses, (including but not limited to fees and charges of attorneys or other professionals and court and arbitration or other dispute resolution costs) arising out of or resulting from (i) the performance of services under this Agreement by TCAA or any person or organization directly, or indirectly, employed by TCAA to perform or furnish any of the services for the related efforts or anyone for whose acts any of them may be liable; (ii) breach of the terms of this Agreement by TCAA or any person or organization directly, or indirectly, employed by TCAA to perform or furnish any of the services for the related efforts or anyone for whose acts any of them may be liable; (iii) violations of applicable law by any person or organization directly or indirectly employed by TCAA to perform or furnish any services for the related efforts under this Agreement or anyone for whose acts any of them may be liable; and (iv) disease or death of third parties (including SF employees and agents and those of TCAA), or damage to property to the extent attributable to the negligence or misconduct of TCAA or any person or organization directly, or indirectly, employed by TCAA to perform or furnish any of the services for the related efforts under this Agreement or anyone for whose acts any of them may be liable.
- b. SF's limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of SF beyond that provided in section 768.28, Florida Statutes. Nothing herein is intended as a waiver of SF's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not limited to, which might allow claims otherwise barred by sovereign immunity or operation of law. Furthermore, all of SF's obligations under this Agreement are limited to the payment of no more than the amount limitation per person and in the aggregate contained in section 768.28, Florida Statutes, even if the sovereign immunity limitations of that statute are not otherwise applicable to the matters as set forth herein.

September 17, 2013

- c. In no event shall SF be liable to TCAA for indirect, special, or consequential damages, including, but not limited to, loss of revenue, loss of profit, cost of capital, or loss of opportunity regardless of whether such liability arises out of contract, tort (including negligence), strict liability, or otherwise.
 - d. SF shall not assume any liability for the acts, omissions, or negligence of TCAA, its agents, servants, employees, or subcontractors.
13. Independent Contractor. TCAA is and shall remain an independent contractor and not an employee of SF. This Agreement shall not be construed as a teaming, joint venture or other such arrangement. Nothing in this Agreement shall grant to either party the right to make commitments of any kind for or on behalf of the other party without the prior written consent of the other party.
14. Amendments/Modifications. This Agreement may not be altered, modified, amended or changed in any manner, except pursuant to a written amendment executed and delivered by each of the parties. Additionally, any such modification, amendment or change shall be effective on the date of execution and delivery, or such later date as the parties may agree therein.
15. Agreement Manager. SF has appointed an agreement manager who is responsible for enforcing the performance of this Agreement's terms and conditions and shall serve as a liaison with TCAA. SF's agreement manager is Dale Ketcham, who's email is dketcham@spaceflorida.gov and telephone number is 321-730-5301 X-225.
16. Notices.
- a. For a notice, or other communication, under this Agreement to be valid, it must be in writing and signed by the sending party, and the sending party must use one of the following methods of delivery: (1) personal delivery; (2) registered or certified mail, in each case return receipt requested and postage prepaid; and (3) nationally recognized overnight courier, with all fees prepaid. Delivery via facsimile, or email, is also permitted provided it is followed by delivery via one of methods (1)-(3) above and any such delivery via facsimile or email shall not be deemed to have been received pursuant to Subsection 16.c. until such delivery pursuant to methods (1)-(3) above shall be deemed to have been received pursuant to Subsection 16.c.
 - b. For a notice, or other communication, under this Agreement to be valid, it must be addressed to the receiving party at the addresses listed below for the receiving party, or to any other address designated by the receiving party in a notice in accordance with this Section 16.

For Space Florida:

Contracts Compliance Manager, Desiree Mayfield
Primary Point of Contact, Dale Ketcham
Technical Point of Contact, Mark Bontrager
Space Florida

dmayfield@spaceflorida.gov
dketcham@spaceflorida.gov
mbontrager@spaceflorida.gov

September 17, 2013

505 Odyssey Way, Suite 300
Exploration Park, FL 32953
P: 321-730-5301
F: 321-730-5307

For TCAA:

Michael D. Powell, C.M., ACE - CEO
Titusville-Cocoa Airport Authority
355 Golden Knights Blvd.
Titusville, FL 32780

mpowell@flairport.com

P: 321- 267-8780
F:321-383-4284

- c. Subject to Subsection 16.d., a valid notice or other communication under this Agreement is effective when received by the receiving party. A notice, or other communication, is deemed to have been received as follows:
 - i. if it is delivered in person, or sent by registered or certified mail, or by nationally recognized overnight courier, upon receipt as indicated by the date on the signed receipt; and
 - ii. if the receiving party rejects or otherwise refuses to accept it, or if it cannot be delivered because of a change in address for which notice was not given, then upon that rejection, refusal, or inability to deliver.
- d. If a notice or other communication is received after 5:00 p.m. on a business day at the location specified in the address for the receiving party, or on a day that is not a business day, then the notice is deemed received at 9:00 a.m. on the next business day.
- e. Any notice requiring prompt action shall be contemporaneously sent by facsimile transmission or electronic mail.

17. Representations.

- a. TCAA has the necessary and required Federal and State authority to enter into this Agreement with SF.
- b. Neither this Agreement nor TCAA's performance of its obligations hereunder will place TCAA in breach of any other contract or obligation and will not violate the rights of any third party.

18. Audit and Contract Records.

September 17, 2013

- a. SF may, at any time, for purposes of monitoring TCAA's performance under this Agreement, review, audit, copy, examine and investigate in any reasonable manner, any records of TCAA which include, but are not limited to, independent audit working papers, books, documents, vouchers, bills, invoices, requests for payment, and other supporting documentation, (collectively "contract records") which according to generally accepted accounting principles, procedures and practices, sufficiently and properly reflect all costs expended in the performance of this Agreement. If SF requests access to or review of any such contract records and TCAA refuses such access or review, SF may terminate this Agreement.
 - b. To the extent applicable, TCAA shall comply with the audit requirements of Section 215.97 of the Florida Statutes and those found in **Attachment B**, Special Audit and Monitoring Requirements. TCAA shall include the audit and record keeping requirements provided for in this Section 18 and in **Attachment B**, in all subcontracts and for all sub-recipients of state funds according to Section 215.97 of the Florida Statutes. For purposes of this Agreement, "sub-recipient" shall be defined in accordance with Subsection 215.97(2)(x) of the Florida Statutes. The information from the Catalog of State Financial Assistance is as follows:
 - i. Funding Source -- State Economic Enhancement and Development Trust Fund;
 - ii. State Fiscal Year -- FY2013-14;
 - iii. CSFA Number -- 40.004;
 - iv. CSFA Title -- Space Florida; and
 - v. State Appropriation Category -- GAA 2230.
 - c. TCAA shall preserve all contract records for the entire term of this Agreement and for five years after the later of: (i) the date of submission of the final project report, or (ii) until all claims (if any) regarding the Agreement are resolved.
19. No Third-Party Beneficiaries. This Agreement does not, and is not intended, to confer any rights or remedies upon any person other than the parties.
20. Counterparts. The parties may sign this Agreement in several counterparts, each of which will be deemed an original but all of which together will constitute one instrument.
21. Facsimile Deemed as Original. Acceptance of this Agreement may be made by facsimile or electronic transmission. Receipt of the facsimile, or electronic, transmission shall for the purposes of this Agreement be deemed to be an original, including signatures.
22. Miscellaneous.
- a. TCAA shall not discriminate against any employee employed in the performance of this Agreement, or against any applicant for employment because of age, race, sex, creed, color, disability, national origin, or marital status.


September 17, 2013

- b. TCAA shall comply with all applicable Federal, State and local laws, rules and regulations.
- c. TCAA shall provide a harassment-free workplace, with any allegation of harassment given priority attention and action by management.
- d. TCAA shall provide a drug-free workplace with any allegation of substance abuse given priority attention and action by management.
- e. TCAA affirms that it is aware of the provisions of Subsection 287.133(2)(a) of the Florida Statutes, and that at no time has TCAA been convicted of a Public Entity Crime. TCAA agrees that it shall not violate such law and further acknowledges and agrees that any conviction during the term of this Agreement may result in termination of this Agreement by SF.
- f. TCAA affirms that it is aware of the provisions of Subsection 287.134(2)(a) of Florida Statutes, and that at no time has TCAA been placed on the Discriminatory Vendor List.
- g. SF shall consider the knowing employment of unauthorized aliens, as described in Section 274A(e) of the Immigration and Nationality Act (codified at 8 U.S.C. §1324a), by TCAA cause for termination of this Agreement.
- h. To the extent TCAA is performing economic development services or similar business assistance services on behalf of SF, TCAA shall coordinate with other components of state and local economic development systems and shall avoid duplication of existing state and local services and activities under this Agreement.
- i. This Agreement may not be assigned by either party without the prior written consent of the other.
- j. This Agreement shall be construed in accordance with the laws of the State of Florida. Any dispute arising out of or relating to this Agreement shall be subject to the exclusive venue of the United States District Court for the Middle District of Florida or the Eighteenth Judicial Circuit, in Brevard County, Florida.
- k. TCAA shall not use any funds received pursuant to this Agreement for lobbying the Florida Legislature, the judicial branch, or any state agency.
- l. This Agreement constitutes the entire agreement between the parties hereto and shall supersede all previous or contemporaneous statements, communications, or agreements, either oral or written, by or between the parties hereto with respect to the subject matter hereof, and is not intended to confer upon any person other than the parties any rights or remedies hereunder.

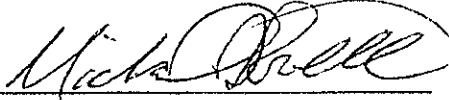
The parties are signing this Agreement as of the Effective Date.

September 17, 2013

Space Florida:

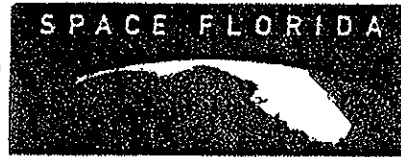
By: 
Name: Denise Swanson
Title: CFO/CAO

Titusville-Cocoa Airport Authority:

By: 
Name: Michael D. Powell
Title: CEO

September 17, 2013

ATTACHMENT A
SF Cost Sharing in FAA Spaceport Designation Letter



April 3, 2013

Michael D. Powell, CEO
Titusville-Cocoa Airport Authority
355 Golden Knights Blvd.
Titusville, FL 32780

Re: Cost sharing in FAA Spaceport Designation

Dear Mike,

Space Florida has been reviewing your request to consider providing assistance to the Authority in its pursuit of an FAA spaceport site operator's license. Part of the challenge we face is to align that assistance within our statewide responsibility to the Spaceport Systems Plan, which has been in development for the last two years. Our challenge is further exacerbated by the unusually tight budget situation we face during this fiscal year.

I want to ensure that you and the Authority are fully informed as to our commitment, to minimize confusion and risk in your planning requirements. Space Florida agrees to assist your effort to fund the study work necessary to pursue a Spaceport license, and we will provide funding support to a level constituting approximately 50% of the cost of the license (up to \$275,000), with the Authority assuming responsibility for the other half. As our funds will be tight again next year, we have, on your behalf, approached the Economic Development Commission of Florida's Space Coast (EDC) to support a part of our contribution to your effort, if they are able.

In the interest of assuring you are best able to allocate resources appropriately, I wanted to keep you apprised of how we anticipate this process occurring at Space Florida. As you know, Space Florida currently has a number of previous commitments with ongoing projects, and also due to the fact we are paid by the Department of Economic Opportunity quarterly in arrears, we may be constrained to providing financial assistance at the conclusion of the first quarter of the new fiscal year. While this is not ideal as an operations and business recruitment entity, it is very much how Florida statutes have structured our compensation for multiple years. Within our cash flow constraints, we will do our best to support your planned study schedule.

Again, Space Florida looks forward to working with you in this endeavor.

Should you have any questions please feel free to contact myself, or Dale Ketcham.

Best Regards,

Frank A. DiBello
President & CEO

sf 13-357-cs-fd

SPACE FLORIDA

September 17, 2013

ATTACHMENT B
Special Audit and Monitoring Requirements

The administration of funds awarded by SF to TCAA under this Agreement may be subject to audits and/or monitoring by SF, as described in this Attachment B.

MONITORING

In addition to reviews of audits conducted in accordance with OMB Circular A-133 and Section 215.97 of the Florida Statutes, as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by SF staff, limited scope audits as defined by OMB Circular A-133, as revised, and/or other procedures. By entering into this Agreement, TCAA agrees to comply and cooperate with any monitoring procedures and/or processes deemed appropriate by SF. In the event SF determines that a limited scope audit of TCAA is appropriate, TCAA agrees to comply with any additional instructions provided by SF staff to TCAA regarding such audit. TCAA further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

AUDITS

This part is applicable if TCAA is a nonstate entity as defined by Section 215.97(2), Florida Statutes.

1. In the event that TCAA expends a total amount of state financial assistance equal to, or in excess of, Five Hundred Thousand Dollars(\$500,000.00) in any fiscal year of TCAA, TCAA must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. In determining the state financial assistance expended in its fiscal year, TCAA shall consider all state financial assistance; including state financial assistance received from SF, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements. Section 18 of this Agreement provides the information from the Catalog of State Financial Assistance, including the standard state project number identifier, official title and description of the state project.
2. TCAA shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapter 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If TCAA expends less than Five Hundred Thousand Dollars (\$500,000.00) in state financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that TCAA

September 17, 2013

expends less than Five Hundred Thousand Dollars (\$500,000.00) in state financial assistance in its fiscal year and elects to have such an audit, the cost of the audit must be paid from TCAA's resources (i.e., the cost of such an audit must be paid from TCAA funds obtained from other than State entities).

4. TCAA must include the record keeping requirements found herein in sub-recipients' contracts and subcontracts entered into by TCAA for work required under terms of this Agreement. In the executed subcontract, TCAA shall provide each sub-recipient of state financial assistance the information needed by the sub-recipient to comply with the requirements of the Single Audit Act. Pursuant to Section 215.97(7), Florida Statutes, TCAA shall review and monitor sub-recipient audit reports and perform other procedures as specified in the agreement with the sub-recipient, which may include onsite visits. TCAA shall require sub-recipients, as a condition of receiving state financial assistance, to permit the independent auditor of recipient, the state awarding agency, the Chief Financial Officer, the Chief Inspector General, and the Auditor General access to the sub-recipient's records and independent auditor's working papers as necessary to comply with the requirements of the Single Audit Act.
5. For information regarding the Florida Single Audit Act, including the Florida Catalog of State Financial Assistance (CSFA), TCAA should access the website for the Florida Department of Financial Services located at <https://apps.fldfs.com/fsaa/> for assistance. In addition to the above website, the following websites may be accessed for additional information: The Florida Legislature's website <http://www.leg.state.fl.us/> and the Florida Auditor General's website <http://www.state.fl.us/audgen>.

REPORT SUBMISSION

1. Copies of financial reporting packages required by this Agreement shall be submitted by or on behalf of TCAA directly to each of the following:
 - A. SF at the following address:

Desiree Mayfield, Contract Compliance Manager
Space Florida
505 Odyssey Way, Suite 300
Exploration Park, FL 32953
 - B. The Auditor General's Office at the following address:

Auditor General's Office
Room 401, Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450
2. Any reports, management letter, or other information required to be submitted to SF pursuant to this Agreement shall be submitted timely in accordance with OMB Circular

September 17, 2013

A-133, Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

RECORD RETENTION

TCAA shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five years from the date the audit report is issued, and shall allow SF or its designee, CFO, or Auditor General access to such records upon request. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the five year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the five year period, whichever is later. TCAA shall ensure that audit working papers are made available to SF, the Department of Economic Opportunity's Division of Strategic Business Development, or its designee, CFO, or Auditor General upon request for a period of five years from the date the audit report is issued, unless extended in writing by SF.