

MEMORANDUM

TO: **Real Estate & Transportation Committee**
Commissioner Mike Musick, Chairman
Commissioner Bill Read
Commissioner Chad McLeod

FROM: City Attorney's Office

DATE: November 6, 2023

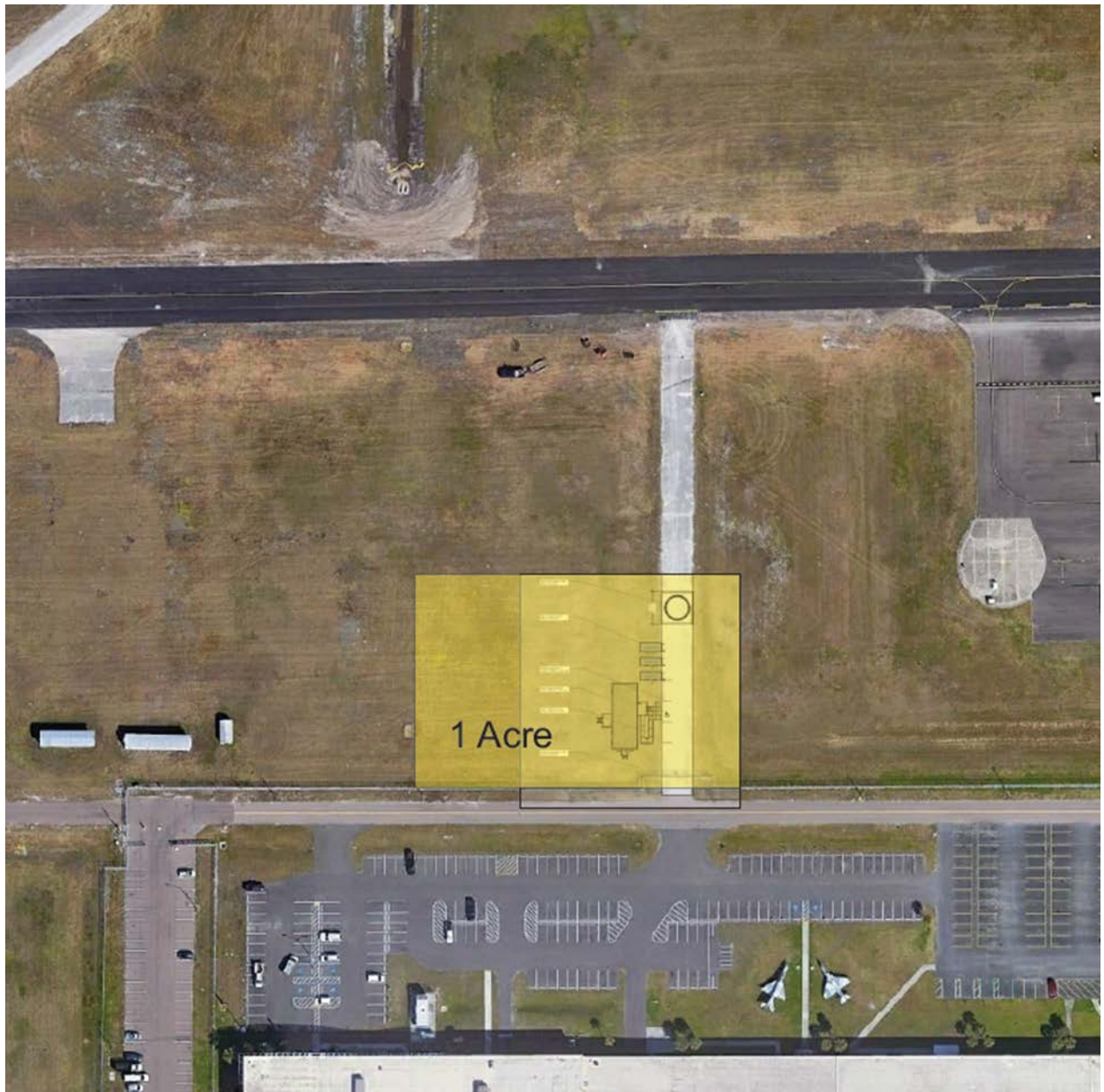
RE: **Land Lease Agreement with Med-Trans Corporation**

Attached hereto for your consideration is a proposed Land Lease Agreement with Med-Trans Corporation (Med-Trans). Med-Trans is seeking to develop an in-network patient transport aeromedical flight facility which will include a temporary office, ramp space, and vehicle parking on approximately one (1) acre located on the south side of the Airport off of Flightline Drive. During the term of this Agreement, Med-Trans will be conducting an in-depth market study with the intent to construct a permanent facility at the Airport in the future.

The Lease Agreement, subject to City Commission approval, is for a term of one (1) year, effective November 6, 2023, and contains two (2) additional one (1) year renewal options upon mutual written agreement of the parties. Either party may terminate the Lease upon sixty (60) days prior written notice. The rent commencement date in the Lease shall be the November 6, 2023. The annual base rent for the first year of the Lease is \$17,424.00 (\$0.40 per square foot annually) which is consistent with the price per square foot rates for other land leases at the Airport. The base rent does not include utilities or any applicable taxes, which Med-Trans will be required to pay in addition to its base rent. Base rent shall be subject to an increase at the expiration of each one (1) year period the Lease is in effect in an amount calculated by the percentile change in the Consumer Price Index, but not to exceed 8% in any year.

It is recommended that the City Commission approve the terms of the Lease Agreement with Med-Trans and authorize the appropriate City officials to finalize and execute all corresponding documents consistent with the above-specified terms.

LOCATION MAP



LAND LEASE AGREEMENT

THIS LAND LEASE AGREEMENT (“Lease”) dated this 6th day of November 2023 by and between the City of Lakeland, a Florida municipal corporation on behalf of its municipal airport, Lakeland Linder International Airport (hereinafter referred to as "Lessor"), whose address is 228 S. Massachusetts Avenue, Lakeland, Florida 33801 and Med-Trans Corporation, a North Dakota Corporation, authorized to conduct business in Florida (hereinafter referred to as "Lessee"), whose mailing address is 4400 State Highway, Suite 700, Lewisville, Texas 75056, which collectively shall be referred to as the “Parties”.

WHEREAS, Lessor desires to let and lease certain real aviation property located at Lakeland Linder International Airport in Polk County, Florida, more particularly described below for the purpose of developing a temporary aeromedical flight facility including offices, ramp space, and vehicle parking; and

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

WITNESSETH:

The Parties hereto do hereby mutually covenant, agree and promise as follows:

SECTION 1.

1.1 The Lessor, for and in consideration of the mutual promises, agreements, and covenants herein contained, does hereby lease, let, and rent unto the Lessee for its exclusive use, land consisting of approximately one (1) acre located in and comprising a part of the Lakeland Linder International Airport (hereinafter referred to as the “Airport”) as more particularly described in

Exhibit "A", attached hereto and made a part hereof (hereinafter referred to as the "Leased Premises" or "Premises").

1.2 The initial term of this Lease shall be for a period of one (1) year from November 6, 2023 (the "Effective Date") unless otherwise cancelled or terminated as set forth herein ("Initial Term"). Upon expiration of the Initial Term, Lessee shall have the option to extend the Lease for two (2) additional one (1) year renewal terms upon mutual written agreement of the parties and upon the same terms set forth in this Lease, provided Lessee is not in default, except that the Base Rent shall be adjusted in accordance with Sections 2.4 and 2.5 ("Renewal Term(s)"). Lessee shall provide notice of its intent to exercise any Renewal Term by providing written notice to Lessor no less than sixty (60) days prior to the expiration of the Initial Term or any Renewal Term.

1.3 Lessee and Lessor reserve the right to terminate this Lease Agreement for any reason at any time during the Initial Term or any Renewal Term of the Lease Agreement upon sixty (60) days prior written notice.

SECTION 2.

2.1. The rent commencement date shall be November 6, 2023. ("Rent Commencement Date"). Beginning on the Rent Commencement Date, the Lessee shall pay to the Lessor annual base rent for the Leased Premises an amount of Seventeen Thousand Four Hundred Twenty-Four Dollars and 00/100 (\$17,424.00) for the initial twelve (12) month period, paid in equal monthly installments of One Thousand Four Hundred Fifty-Two Dollars and 00/100 (\$1,452.00) ("Base Rent"). Thereafter, annual Base Rent shall be adjusted in accordance with Sections 2.4 and 2.5. No Base Rent shall be due prior to the Rent Commencement Date.

2.2 In addition to the payment of Base Rent the Lessee shall be responsible for the payment of all utilities and taxes, including but not limited to, electric; water; wastewater services;

storm water; and refuse collection for the Leased Premises. Lessee shall be responsible for payment for all utilities and taxes for the Leased Premises commencing on the Effective Date of the Lease Agreement. In addition, Lessee shall be responsible for paying ad valorem taxes to the Lessor as specifically set forth in Section 2.7.

2.3 Each monthly payment shall be paid, together with sales taxes, pass through expenses, and all other applicable taxes and charges ("Additional Rent"), in advance on or before the first day of each month. Late payments, which shall be any payment received more than fifteen (15) days after the due date, shall bear a late payment charge of five percent (5%) per month of the late payment for any month or any portion of any month until paid.

2.4 The Base Rent to be paid hereunder shall be subject to an increase at the expiration of each one (1) year period the Lease is in effect in the amount to be determined by the percentile change in the Consumer Price Index, All Urban Consumers, U.S. City Average, All Items, as published by the Bureau of Labor Statistics, United States Department of Labor (the "CPI-U"), using the Rent Commencement Date the base index for such determination.

2.5 The CPI-U for the month of the Rent Commencement Date is hereby established as the "Base Index". Thirty (30) days prior to the beginning of each one (1) year period of the Lease, the CPI-U shall be ascertained and the annual Base Rent to be paid during the next one (1) year period shall be adjusted by increasing the initial amount set forth herein by a percentage equal to the percentage of change in the CPI-U as compared with the Base Index, the maximum annual increase shall not exceed eight percent (8%). At no time will an adjustment be made in the event of a negative change in the CPI-U. In the event the CPI-U, or an equivalent or successor thereof, is not published at the time such adjustments are made, the amount of Base Rent shall be governed by Section 2.6,

provided that if the CPI-U subsequently becomes available, then the Lessor shall be entitled to receive, the greater of the percentage change in the CPI-U or the adjustment required under Section 2.6.

2.6 If at any time during the Initial Term or any Renewal Terms, the United States Department of Labor, Statistics, or its successor or equivalent, shall discontinue issuance of the CPI-U, the Parties agree to use other nationally recognized standard cost-of-living indices issued and published by the United States Government.

2.7 The Leased Premises may be subject to ad valorem property tax pursuant to the policy of the Polk County Tax Assessor's Office ("Tax Assessor"). The Lessee shall pay to Lessor any ad valorem taxes or other taxes assessed. The Lessor shall provide proof of the assessment as soon as is practical following receipt of the tax bill which shall then be payable by the Lessee on the date the next rental payment would be due. Subsequent to any such initial assessment, Lessor reserves the right to provide for periodic payments of the tax required by the Tax Assessor. Lessor will pass through to the Lessee any ad valorem or other taxes or any other governmental charges or special assessments levied after the Effective Date pertaining to the Leased Premises.

SECTION 3.

Upon the expiration or termination of the later of the Initial Term or any Renewal Term, any and all improvements, including structures upon the Premises, shall become the property of the Lessor if not removed by the Lessee within one hundred twenty (120) days after such expiration.

SECTION 4.

4.1. The Premises, and any improvements thereon, whether in existence or constructed in the future pursuant to the terms and conditions contained herein, shall be used for the, offices, parking, storage, and maintenance of aircraft, aviation operations including FAR Part 91 private

and FAR Part 135 charter, aviation related uses (both private and commercial), and office use for Lessee and Lessee's third party tenants as further required by all applicable building codes and regulations. The Premises shall be used exclusively for aeronautical purposes and shall not be used for purposes that are detrimental to aviation, which shall include, but may not be limited to, activities that generate excessive light, glare or electromagnetic interference on the Premises that might interfere with the operation of aircraft to, from, or at the airport. Any non-aeronautical use, including without limitation, residential use shall be prohibited on the Premises. For purposes of this Lease, "aeronautical use" shall have the same meaning as used by the Federal Aviation Administration in the Policy on Non-Aeronautical Use of Hangars, 81 Fed. Reg. 38906 (June 15, 2016).

4.2 Lessor hereby consents to a leasehold mortgage of the Premises for Lessee to obtain financing for improvements ("Leasehold Mortgage"). In providing such consent, Lessor agrees to make certain certifications as to Lessee's standing under the Lease (e.g., payment of rent, lack of notice of violations, etc.) which are reasonable and customary in light of industry practices. Lessor also agrees that in the event any financial institution, lender or investor (collectively, a "Lender") shall, for the purpose of perfecting its security interest or in connection with a refinancing or securitization, reasonably request modifications to this Lease and/or execution of a ground lease estoppel agreement, Lessor shall labor in good faith to negotiate with such Lender to make such modifications and/or execute such ground lease estoppel agreement.

4.3 Copies of the plans for the construction of any improvements upon the Leased Premises, including the site plan therefore, are to be filed with the Lessor prior to the commencement of construction. The Lessor shall approve or disapprove, in writing, any such plans and/or specifications no later than thirty (30) days after receiving written construction

approval by the Federal Aviation Administration or other appropriate governmental authority. Lessor's approval shall not be unreasonably withheld. Any reasons for Lessor's disapproval shall be stated in writing and provided promptly to Lessee, and the Lessee shall have a reasonable period of time to revise the plans to be responsive to the Lessor's reasonable requests.

4.4 The Lessee shall be responsible for obtaining all necessary permits required to be issued by any and all government authorities including, but not limited to, local building authorities and the Southwest Florida Water Management District for all development on the Premises.

4.5 Lessee shall be responsible for all costs associated with developing the Premises, which includes, but may not be limited to, permits, grading, utilities, ramp, road connections, fencing and gate relocations, as well as storm water plans and connections.

4.6 All buildings, structures, and other improvements, including any machinery, equipment and other fixtures or personal property located on the Premises shall be the property of the Lessee, and the Lessor shall have no interest therein for the Initial Term of this Lease and any Renewal Terms thereto, except as provided herein or as may be provided by law. Lessee has no authority to obligate the Premises for the costs of any improvements and shall not permit any lien to be filed upon said Premises. Notwithstanding the foregoing sentence, pursuant to Section 4.3 of this Lease, Lessor hereby consents to a leasehold mortgage of the Premises by Lessee to Lessee's Lender, provided that in the event of foreclosure, the mortgagee shall agree to be bound to the obligations of Lessee as set forth in this Lease Agreement.

4.7 All improvements located on the Premises shall become property of the Lessor upon the expiration of this Lease and any renewals or extensions, subject to the Lessee's rights set forth below.

4.8 Lessee's Right Upon Termination. At the termination of this Lease and any subsequent renewals or extensions thereof and provided Lessee is not in default, then Lessee shall:

(a) Return the Leased Premises to Lessor clear of all-improvements except those improvements chosen by Lessee to remove, which may include buildings, improvements, foundations and footings which have been constructed by Lessee, its agents, employees, assigns or successors; provided, however, that Lessee shall have one hundred twenty (120) days after termination in which to remove all such improvements. In the event that demolition by Lessee exceeds the one hundred twenty (120) day period, Lessee shall pay rent at the then current rate for any excess days; and

(b) Transfer title to the improvements not removed by Lessee to Lessor in lieu of removal of the said improvements and Lessee hereby agrees to execute all appropriate documents to vest title to said improvements in Lessor free and clear of any and all liens and encumbrances.

SECTION 5.

The Lessee may sublet the Premises with the prior written approval of the Lessor, which approval shall not be unreasonably withheld. In reviewing a request by the Lessee to sublet, the Leased Premises, the Lessor will consider, *inter alia*, the permitted and intended uses of the Leased Premises for aviation purposes. If the Lessor approves the sublease or assignment of any portion of the Leased Premises, the Lessee shall remain liable for any and all obligations under this Lease, unless on the basis of reasonable evidence presented, that the sub-lessee or assignee has the requisite financial capacity, resources and business plan to satisfy any and all obligations hereunder. The requirement to obtain Lessor's reasonable approval applies, without limitation, to any assignment or sublease which would occur by operation of law; assignment or sublease to or by a trustee or receiver in any federal or state bankruptcy, receivership or other insolvency proceeding; and the sale, assignment or transfer of all or substantially all of Lessee's assets. Under no circumstances shall the

Lessee sublet or assign all or any portion of the Premises for a non-aeronautical use, including without limitation residential use or other uses not set forth in this Lease or approved by the Lessor.

SECTION 6.

6.1. No building or other structure may be constructed or placed upon the Premises without the prior written approval of the Lessor, which approval shall not be unreasonably withheld. Buildings, structures and other improvements made by the Lessee on the Premises shall be fully consistent with the currently approved Airport Layout Plan maintained by the Lessor and adhere to all local building codes and regulations.

6.2. The Lessee expressly agrees for itself, its successors and assigns, to restrict the height of structures and objects or natural growth determined by the Federal Aviation Administration to constitute an obstruction or hazard pursuant to 14 C.F.R. Part 77, as the same may be amended from time to time. The Lessee agrees to comply with the notification and review requirements of said regulations in the event any future structure or building is planned for the leased Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.

6.3. Lessee agrees to comply with all applicable codes, ordinances, statutes, or regulations of any governmental authority having jurisdiction in the design and construction of improvements made upon the Premises. Lessee shall provide Lessor with any as-built plans for any authorized improvements on said Premises.

6.4. The Lessor shall have the right to install all navigation aids at the Airport as may be identified on the current Airport Layout Plan (ALP) and any future ALP approved by the Federal Aviation Administration. The Lessor may furnish portions of the Airport to the Federal Government in connection with air traffic control and navigation facilities. No structure, sign, appurtenance,

projection, or modification shall be installed or kept in place by Lessee on the Premises without the prior reasonable written approval from the Lessor and any applicable federal, state, county, or other governmental agency.

SECTION 7.

7.1. Lessee shall pay, defend, indemnify and save harmless the Lessor, its agents, guests, invitees and employees from all suits, actions, claims, demands, damages, losses and other reasonable expenses, including reasonable attorney's fees, and costs of every kind and description to which the Lessor, its agents, guests, invitees or employees may be subjected to by reason of injury to persons or death or property damage, resulting from the negligence or willful misconduct of the Lessee, its agents or employees, arising from and/or in connection with this Lease or any operations necessary and incidental to the occupancy, maintenance, repair or improvement by the Lessee of the Premises.

7.2. The Lessee shall defend, indemnify and save harmless the Lessor, its agents, guests, invitees or employees, against any claim or liability, including reasonable attorney's fees, arising from or based upon the violation of any federal, state, county or city law, by-law, ordinance, or regulation by such Lessee, its agents, trainees, invitees, servants or employees.

7.3 It is the intention of the Parties that Lessor shall be responsible for any environmental contamination contained on the Premises leased by the Lessee prior to the Effective Date of this Lease. Lessee shall be responsible for any environmental contamination that occurs on the Effective Date of this Lease or thereafter if due to activities occurring on the Premises after Lessee takes possession.

7.4. The Lessee covenants and agrees to comply with all provisions of the Insurance Requirements, attached hereto as **Exhibit "B"** and incorporated by reference herein, and Insurance requirements defined in the Airport's Minimum Standards, attached hereto as **Exhibit "B1"** and

incorporated by reference herein, as they may be amended from time to time. The amounts of insurance coverage set forth in **Exhibit "B"** are set in contemplation of Lessee's use of the Leased Premises as defined in Section 4 herein. In the event of any change, alteration or expansion of the use of the Leased Premises, the minimum limits of such coverage shall be subject to reasonable adjustments by the Lessor to reflect any increase in risk or exposure.

7.5 Each policy required pursuant to **Exhibit "B"** and **Exhibit "B1"** shall name the Lessor, "City of Lakeland", as an additional insured and carry a provision that it will not be canceled without thirty (30) days prior written notice to the Lessor, to the extent permitted under state law and regulation. The Lessee shall provide to the Lessor evidence satisfactory to the Lessor demonstrating that the required insurance will be in effect as of the Effective Date and remains in effect throughout any term hereof. The Lessee shall cause to be inserted in any policy or policies of insurance acquired by the Lessee with regard to this Lease a so-called "waiver of subrogation" clause. The Lessee hereby waives, releases and discharges the Lessor, its agents and employees from all claims whatsoever arising out of loss, claim, expense or damage to or destruction covered by the Lessee's insurance arising out of this Lease notwithstanding that such loss, claim, expense or damage may have been caused by Lessor, its agents or employees, and Lessee agrees to seek compensation only through its insurance coverage in the event of such loss.

7.6. During the term of this Lease and any extension or renewal hereof, the Lessee shall keep each building constructed upon the leased land insured against fire or other casualty by a reputable insurance company doing business in the State of Florida, in an amount not less than one hundred percent (100%) of replacement cost and the cost of demolition and the removal of debris as reasonably established from time to time by the Lessor. In the event of any damage to Lessee's improvements, Lessee shall forthwith remove resulting debris and repair or rebuild the damaged or

destroyed structures or other improvements to the condition in which such structures and improvements existed prior to such casualty, or to such other condition as the Parties may agree, and return such structures and improvements to working order, whether or not any insurance proceeds shall be awarded to Lessee as a result of such damage or destruction. In either case the Lessee shall be responsible for removing resulting debris and restore the leased Premises to a neat and presentable condition.

SECTION 8.

The Lessor reserves the right for the Airport Director (“Director”) or his/her duly authorized representative to enter the Leased Premises during normal business hours for the purpose of performing such inspections considered necessary by the Director, including without limitation compliance with the terms of this Lease, the Airport Minimum Standards and the Airport Rules and Regulations, Lessee does hereby consent to such entry and waive any right to require a warrant for such inspection, provided that such entry and inspections shall not interfere with the Lessee's operations or the conduct of its business. The Lessee, after written notice, shall promptly correct any condition which is a hazard to life or property. The Lessee agrees that the transportation, storage, management and use of any explosives, gasoline or other highly flammable materials, in, on or about the Leased Premises shall be in strict compliance with the Airport Minimum Standards, Airport Rules and Regulations and any other standards or compliance requirements imposed by any governmental agency with jurisdiction.

SECTION 9.

9.1. The Lessee shall, at its expense, perform all maintenance and repairs associated with the Leased Premises in a timely and prompt fashion including the painting of the exterior of the facility or structure so as to maintain a neat and orderly condition.

9.2. The Lessee shall, at its expense, maintain the Leased Premises, including any structures thereon, in a neat and orderly condition at all times. The Lessee shall maintain the grounds and exterior signage of the building so as to present a neat and attractive exterior appearance at all times during any term of this Lease.

9.3 The Lessee shall not have the authority to make any modifications or alterations to the Leased Premises without prior written consent of the Airport Director, which shall not be unreasonably withheld. The primary consideration in the approval process shall be the best interest of the Airport and the public.

9.4 The Lessee shall be responsible for removing trash from the Leased Premises to an area at a designated location agreed to by the Lessor for collection by the municipal sanitation service and shall remove trash on not less than a weekly basis.

SECTION 10.

Should the Lessee default in the payment of the rent or the performance of any of the promises, covenants or agreements herein made, the Lessor may, at its option, if such default continues after giving the Lessee fifteen (15) days written notice in the case of a default in the payment of the rent and thirty (30) days' written notice in the case of any other default, declare all future payments hereunder immediately due and payable. The Lessor may, at its option, draw upon a deposit hereunder in full or partial satisfaction of the Lessee's failure to pay the rent or other fees required hereunder. The Lessor shall have a lien upon any and all buildings and other property of the Lessee located upon the Premises at the time of default for any amount due the Lessor by the Lessee. If Lessee's default requires for its cure a period longer than that allocated in this Section, the Lessee shall not be in default if, in Lessor's sole opinion the Lessee proceeds diligently to effectuate the cure and same is accomplished within a reasonable period of time.

SECTION 11.

Upon the occurrence of an event of default, as set forth in Section 10, Lessor may at its option exercise any one or more of the following remedies:

(a) The Lessor may terminate this Lease by giving to the Lessee written notice of Lessor's intention to do so, in which event the term of this Lease shall end and all right, title and interest of the Lessee hereunder shall expire on the date stated in such notice, which shall not be less than five (5) days after the date of the notice by the Lessor of its intention to so terminate; or

(b) The Lessor may terminate the right of the Lessee to possession of the Premises or any portion thereof by giving written notice to the Lessee that the Lessee's right of possession shall end on the date stated in such notice, which shall not be less than five (5) days after the date of the notice by the Lessor of its intention to so terminate the right of possession; or

(c) The Lessor may enforce the provisions of this Lease and may enforce and protect the right of the Lessor hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any other appropriate legal or equitable remedy.

(d) If the Lessor exercises either of the remedies provided for in sub-paragraphs (a) or (b), the Lessor may then or at any time re-enter the Premises in accordance with Florida law.

(e) If the Lessor terminates the Lessee's right of possession pursuant to sub-paragraph (b), the Lessor may re-enter the Premises or any portion thereof and take possession of all or any portion of the real property, may move any portion of the

Lessee's property thereon which the Lessor elects so to do, and may sub-let or re-let the Premises or any part thereof from time to time for all or any part of the unexpired part of the then term hereof, or for a longer period, and the Lessor may collect the rents from re-letting or sub-letting and apply same, first to the payment of the rents payable hereunder and in the event that the proceeds from such re-letting or sub-letting are not sufficient to pay in full the foregoing, the Lessee shall remain and be liable therefore. Lessee reserves the right to remove any personal property which shall not include building or fixtures. The Lessee promises and agrees to pay the amount of any such deficiency and the Lessor may at any time sue and recover judgment for any such deficiency or deficiencies or draw upon any deposit provided by the Lessee or both.

SECTION 12.

No remedy herein conferred upon or reserved by the Lessor is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and so often as may be deemed expedient. In order to entitle the Lessor to exercise any remedy reserved to it in this Section, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

SECTION 13.

13.1. This Lease, and all provisions hereof, shall be subordinate to all the covenants and restrictions of the deeds under which the Lessor acquired the property known as the Lakeland Linder

International Airport from the United States of America, insofar as such covenants and restrictions remain in effect from time to time and after the date hereof, such deeds being identified as follows:

(a) Quitclaim Deed and Surrender of Lease dated September 26, 1947, between the United States of America and City of Lakeland, recorded in Deed Book 816, page 571, Public Records of Polk County, Florida; and

(b) Supplemental Quitclaim Deed dated April 20, 1948, between the United States of America and the City of Lakeland, recorded in Deed Book 832, page 311, Public Records of Polk County, Florida;

except however, any such covenants and restrictions may hereafter become ineffective or as shall have been or may hereafter be extinguished or released, whether by statute, rule or regulations, interpretation, judicial decision, or deed or other instrument, including but not limited to the release of the "National Emergency Use Provisions" by the Deed of Release dated December 17, 1959, recorded in Official Records Book 389, page 338, current public records of Polk County, Florida, and the extinguishment of the restrictions on use for industrial or manufacturing purposes by the Act of Congress on July 30, 1947 (61 Stat. 678).

13.2. This Lease shall be subordinate to the provisions of any existing or future agreement entered into between the Lessor and the United States of America for the improvement or operation and maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the planning, improvement or expansion of the Airport.

13.3 Should the Department of Transportation, Federal Aviation Administration or any successor department or agency issue an order determining that any provision herein is inconsistent with any covenant or restriction of the deeds under which the Lessor acquired the Airport, or the

provisions of any existing or future agreement entered into between the Lessor and the United States of America, the Parties shall amend this Lease as necessary to resolve the inconsistency. If the Parties cannot agree on the manner in which to resolve the inconsistency, the Lease may terminate upon mutual written agreement of the Parties or the Parties, upon mutual written agreement, may amend the Lease to resolve the inconsistency.

13.4. This Lease and all the provisions hereof shall be subject to whatever right the Government of the United States of America now has or in the future may have or acquire, affecting the control, operation, regulation and reacquisition of said Airport or the exclusive or nonexclusive use of the Airport by the United States of America during the time of war or national emergency.

SECTION 14.

Notwithstanding anything herein contained that may be or appear to the contrary, it is expressly understood and agreed that nothing herein shall be understood to confer an exclusive right upon the Lessee to conduct any aeronautical activity at the Airport in violation of 40 U.S.C. Section 40103(e) or 49 U.S.C. Section 47107(a)(4) or any grant assurance thereunder.

SECTION 15.

15.1. The Lessee, on behalf of itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, hereby covenants and agrees as a covenant running with the land that:

(a) no person on the grounds of race, color, creed, sex or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the facilities;

(b) in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, creed,

sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(c) the Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, entitled *Nondiscrimination in Federally-Assisted Programs of the Department of Transportation* - Effectuation of Title VI of the Civil Rights Act of 1964, and as such Regulations may be amended.

15.2. In the event of a breach of any of the above nondiscrimination covenants, the Lessor shall have the right to terminate the Lease and to re-enter and repossess the leased land and the facilities thereon, and hold the same as if the Lease had never been made or issued. This provision shall be subject to the procedures of Title 49, Code of Federal Regulations, Part 21, including exercise or expiration of appeal rights.

SECTION 16.

The Lessor reserves the right to take whatever actions necessary for the operation, maintenance, and improvement of the Airport and its appurtenances, without interference or hindrance, with appropriate consideration for the continuity and profitability of the Lessee's operations and the payment of the obligations to the Lessor herein. The Lessor may order the temporary closure of the Airport in the interest of safety or for other special events as approved by the Federal Aviation Administration. The Lessee agrees to abide by any such order issued by the Lessor. Lessor shall not be liable to the Lessee for monetary damages that may result from any temporary closure of the Airport.

SECTION 17.

The Lessor reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the leased land, together with the right to cause in the airspace such noise, fumes, dust and vibration as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the airspace for landing on, taking off from or operating on the Airport.

SECTION 18.

The Lessee, its officers, employees, guests, invitees and suppliers of materials and services, shall have the right of ingress and egress over public right-of-way to the Leased Premises for the purpose of permitting Lessee to enjoy the rights, uses, and privileges granted by the Lessor.

SECTION 19.

The Lessee covenants and agrees to promptly repair or remove any disabled vehicles located on the Premises or any joint use areas of the Airport.

SECTION 20.

The Lessee specifically covenants and agrees to observe and obey Lakeland Linder International Airport's Rules and Regulations and Minimum Standards, as the same may be amended from time to time, as adopted and promulgated by the Lessor for operation at the Airport. Lessee shall remain in full compliance with the Airport Rules and Regulations, as the same may be amended from time to time, any Notice to Air Missions issued by the Lessor and published by the Federal Aviation Administration, and any regulations or orders issued by the Federal Aviation Administration, including without limitation, 14 C.F.R. Part 91, as the same may be amended from time to time.

The Lessee specifically covenants and agrees to observe and obey all applicable federal laws on the subject of airport and aviation security, all applicable regulations and directives issued by the

Department of Homeland Security, Transportation Security Administration or any successor department or agency, and all ordinances and rules issued by the Lessor related to security, including without limitation rules issued in furtherance of the Lessor's security program. The Lessee further covenants and agrees to alter and improve the Premises as required to comply with any such law, regulation, directive, ordinance or rule.

SECTION 21.

21.1. The Lessor hereby designates the Airport Director as its official representative with the full power to represent the Lessor in all dealings with the Lessee in connection with this Lease or the Leased Premises, subject to approval by the Lakeland City Commission. The Lessee hereby designates Gary Boullion, as its official representative with the full power to represent the Lessee in all dealings with the Lessor in connection with this Lease or the Leased Premises. The Parties may designate by written notice other representatives from time to time, and such representatives may exercise those rights and duties of the Parties as may be necessary to effectuate the purposes of this Lease.

21.2. Notice to the Lessor shall be sufficient if either mailed by first class mail, postage prepaid, addressed to Airport Director, Lakeland Linder International Airport, City of Lakeland, 3900 Don Emerson Drive, Suite 210, Lakeland, Florida 33811, or delivered at such address, and notice to the Lessee named herein shall be sufficient if either mailed by first class mail, to Lessee at is 4400 State Highway, Suite 700, Lewisville, Texas 75056 or delivered at such address. Either party may change its address at which notice is to be mailed or delivered, by giving written notice of such change of address to the other party in the manner provided in this section.

SECTION 22.

This Lease shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns to the extent assignment and subletting are permitted. This Lease shall not confer any rights or remedies upon any third-party not a party to this Lease.

SECTION 23.

The Lessee shall be responsible for and pay any and all ad valorem property taxes or such other taxes which are assessed on the Premises or this Lease, all sales taxes and all utility charges. The Lessor will provide to the taxing authority whatever information is required so that the Lessee's taxable interests shall be separated from the Lessor's.

SECTION 24.

Should it become necessary for the Lessor to bring any action at law or equity to enforce or interpret this agreement or to remove the Lessee from the Leased Premises, the prevailing party shall be entitled to all costs, including reasonable attorney's fee at both trial and appellate levels.

SECTION 25.

This Lease shall be governed by and construed in accordance with the laws of the State of Florida. Venue and Jurisdiction for any action brought to enforce or interpret this Lease or to remove Lessee from the Premises shall be in the courts of Polk County, Florida.

SECTION 26.

The terms and provisions of this Lease, and each sentence and paragraph hereof, are severable, and if any such term or provision shall be held invalid or unenforceable, all other terms and provisions hereof shall continue in full force and effect.

SECTION 27.

This Lease and the Exhibits attached hereto contain the entire agreement of the Parties with respect to the subject matter of this Lease, and supersede all prior negotiations, agreements and understandings with respect thereto. This Lease may only be amended by a written document duly approved and executed by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be executed and their respective seals to be hereunto affixed, the day and year first above written.

LESSOR:

ATTEST:

CITY OF LAKELAND, FLORIDA
a municipal corporation

BY: _____
Kelly S. Koos
City Clerk

BY: _____
H. William Mutz
Mayor

(Seal)

APPROVED AS TO FORM AND CORRECTNESS

BY: _____
Palmer C. Davis
City Attorney

LESSEE:

MED-TRANS CORPORATION

By: _____
Eric Rohde

Signed in the presence of:

Witness for Med-Trans Corporation
Printed Name: _____

Witness for Med-Trans Corporation
Printed Name: _____

Exhibit "A"
DESCRIPTION OF PREMISES

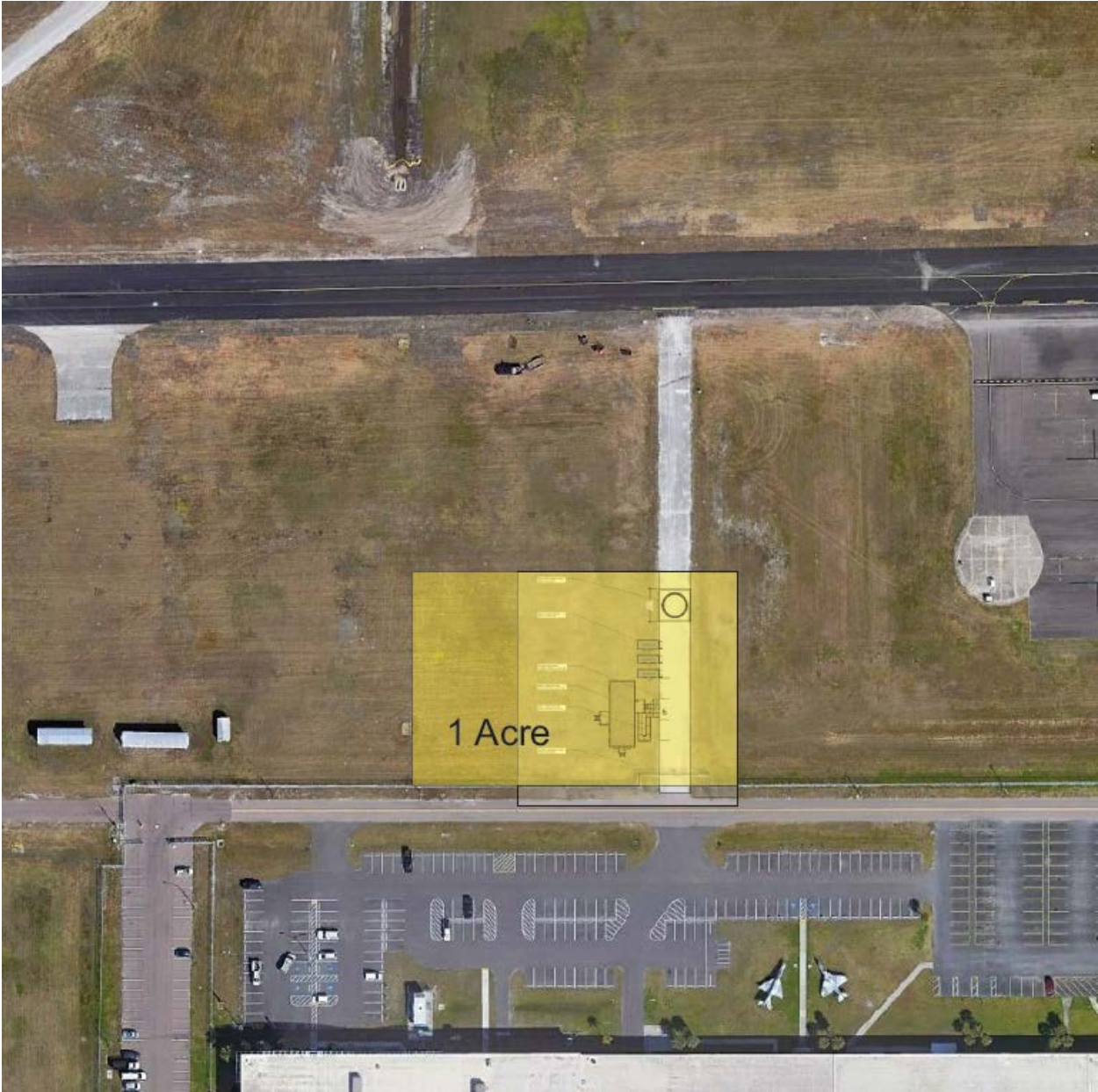


Exhibit "B"
INSURANCE REQUIREMENTS

STATEMENT OF PURPOSE

The City of Lakeland (the "City") from time to time enters into agreements, leases and other contracts with Other Parties (as hereinafter defined).

Such Agreements shall contain at a minimum risk management/insurance terms to protect the City's interests and to minimize its potential liabilities. Accordingly, the following minimum requirements shall apply:

CITY DEFINED

The term City (wherever it may appear) is defined to mean the City of Lakeland itself, its Commission, employees, volunteers, representatives and agents.

OTHER PARTY DEFINED

The term Other Party (wherever it may appear) is defined to mean the other person or entity which is the counter-party to the Agreement with the City and any of such Other Party's subsidiaries, affiliates, officers, employees, volunteers, representatives, agents, contractors and subcontractors.

LOSS CONTROL/SAFETY

Precaution shall be exercised at all times by the Other Party for the protection of all persons, including employees, and property. The Other Party shall comply with all laws, rules, regulations or ordinances related to safety and health, and shall make special effort to anticipate and detect hazardous conditions and shall take such precautionary and prompt action where loss control/safety measures should reasonably be expected.

The City may order work to be stopped at any time, without liability, if conditions exist that present immediate danger to persons or property. The Other Party acknowledges that such stoppage, or failure to stop, will not shift responsibility for any damages from the Other Party to the City.

INSURANCE - BASIC COVERAGES REQUIRED

The Other Party shall procure and maintain the following described insurance, except for coverage specifically waived by the City of Lakeland, on policies and with insurers acceptable to the City, and insurers with AM Best ratings of no less than A.

These insurance requirements shall in no way limit the liability of the Other Party. The City does not represent these minimum insurance requirements to be sufficient or adequate to protect the Other Party's interests or liabilities, but are merely minimums.

"Except for workers' compensation and professional liability, the Other Party's insurance policies shall be endorsed to name the City of Lakeland as **additional insured**. It is agreed that the Other Party's insurance shall be deemed primary and non-contributory with respect to any insurance or

self-insurance carried by The City of Lakeland for liability arising out of the operations of this agreement."

INSURANCE – BASIC COVERAGES REQUIRED (cont'd)

Except for worker's compensation, the Other Party waives its right of recovery against the City, to the extent permitted by its insurance policies.

The Other Party's deductibles/self-insured retentions shall be disclosed to the City and may be disapproved by the City. They shall be reduced or eliminated at the option of the City. The Other Party is responsible for the amount of any deductible or self-insured retention.

Insurance required of the Other Party or any other insurance of the Other Party shall be considered primary, and insurance of the City shall be considered excess, as may be applicable to claims which arise out of the Hold Harmless, Payment on Behalf of the City of Lakeland, Insurance, Certificates of Insurance and any Additional Insurance provisions of this agreement, contract, or lease.

Commercial General Liability: This insurance shall be an "occurrence" type policy written in comprehensive form and shall protect the Other Party and the additional insured against all claims arising from bodily injury, sickness, disease, or death of any person other than the Other Party's employees or damage to property of the City or others arising out of any act or omission of the Other Party or its agents, employees, or Subcontractors and to be inclusive of property damage resulting from explosion, collapse or underground (xcu) exposures. This policy shall also include protection against claims insured by usual personal injury liability coverage, and to insure the contractual liability assumed by the Other Party under the article entitled **INDEMNIFICATION**, and "**Products and Completed Operations**" coverage.

The Other Party is required to continue to purchase products and completed operations coverage for a minimum of three years beyond the City's acceptance of renovation or construction properties.

The liability limits shall not be less than:

| | |
|--|---|
| Bodily Injury and Property Damage | \$1,000,000 Single limit each occurrence |
|--|---|

Business Automobile Liability: Business Auto Liability coverage is to include bodily injury and property damage arising out of ownership, maintenance or use of any auto, including owned, non-owned and hired automobiles and employee non-ownership use.

The liability limits shall not be less than:

| | |
|--|---|
| Bodily Injury and Property Damage | \$500,000 Single limit each occurrence |
|--|---|

Workers' Compensation: Workers' Compensation coverage to apply for all employees for statutory limits and shall include employer's liability with a limit of \$100,000 each accident, \$500,000 disease policy limits, \$100,000 disease limit each employee. ("All States" endorsement

is required where applicable). If exempt from Worker's Compensation coverage, as defined in Florida Statue 440, the Other Party will provide a copy of State Workers' Compensation exemption.

All subcontractors shall be required to maintain Worker's Compensation.

Excess Liability: This insurance shall protect the Other Party and the additional insured against all claims in excess of the limits provided under the employer's liability, commercial automobile liability, and commercial general liability policies. The policy shall be an "occurrence" type policy and shall follow the form of the General and Automobile Liability.

The liability limits shall not be less than: \$2,000,000

The Other Party shall also purchase any other coverage required by law for the benefit of employees.

Aircraft Insurance: Tenant agrees to carry aircraft liability insurance coverage during the term hereof, with terms and company satisfactory to City for limits of not less than \$5,000,000 per occurrence.

Environmental Impairment Liability: The Other Party shall be responsible for purchasing and maintaining environmental impairment liability insurance. This insurance should cover the following types of environmental impairment: Sudden and Accidental, and Gradual.

The liability limits shall not be less than: \$1,000,000

EVIDENCE/CERTIFICATES OF INSURANCE

Required insurance shall be documented in Certificates of Insurance which provide that the City shall be notified at least 30 days in advance of cancellation, nonrenewable, or adverse change.

New Certificates of Insurance are to be provided to the City at least 15 days prior to coverage renewals.

If requested by the City, the Other Party shall furnish complete copies of the Other Party's insurance policies, forms and endorsements.

For Commercial General Liability coverage, the Other Party shall, at the option of the City, provide an indication of the amounts of claims payments or reserves chargeable to the aggregate amount of liability coverage.

Receipt of certificates or other documentation of insurance or policies or copies of policies by the City, or by any of its representatives, which indicate less coverage than required does not constitute a waiver of the Other Party's obligation to fulfill the insurance requirements herein.

Exhibit "B-1" MINIMUM INSURANCE REQUIREMENTS



LAKELAND UNDER INTERNATIONAL AIRPORT
MINIMUM INSURANCE REQUIREMENTS

ADOPTED 2022-08-01

| Classification | Aircraft Liability | Premises (SL) Liability | Automobile Liability | Workers Compensation | Home / Vacators Liability | Fire (Leas) | Fire & Extended Coverage Full Replacement Value | Environmental Impairment Liability | Employers Liability | Umbrella / Excess Liability | Commercial General Liability | Remarks |
|--|---|-------------------------|----------------------|----------------------|---|-------------|---|------------------------------------|---------------------|---|------------------------------|--|
| Air Center (Part 121) | As determined by Risk Management | \$1,000,000 | \$200,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | |
| Air Charter (Part 135 or 360) | - | \$1,000,000 | \$200,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | |
| Passenger Capacity 01 - 04 | \$5,000,000 | | | | | | | | | | | |
| Passenger Capacity 05 - 09 | \$10,000,000 | | | | | | | | | | | |
| Passenger Capacity 10 - 49 | \$15,000,000 | | | | | | | | | | | |
| Passenger Capacity 50+ | As determined by Risk Management | | | | | | | | | | | |
| Air Cargo | \$5,000,000 | \$1,000,000 | \$200,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | |
| Flight Instruction | \$1,000,000 per occurrence/ \$100,000 per seat | \$1,000,000 | \$200,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | |
| Aircraft Rental | \$1,000,000 per occurrence/ \$100,000 per seat | \$1,000,000 | \$200,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | |
| Flying Clubs | \$1,000,000 per occurrence/ \$100,000 per seat | \$1,000,000 | \$200,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | |
| Specialized Flying Services* | \$1,000,000 per occurrence/ \$100,000 per seat | \$1,000,000 | \$200,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | |
| Aircraft Maintenance, Repair, & Overhaul (MRO) | - | \$1,000,000 | \$200,000 | Statutory | \$200,000 | \$100,000** | - | Statutory | - | - | - | Products & Completed Operations required - limits determined by Risk Management by aircraft type. |
| Aircraft Storage / Hanger / Tie-Down | \$1,000,000 | \$1,000,000 | - | Statutory | \$200,000*** | \$100,000** | - | Statutory | - | - | - | |
| Aircraft Sales | \$1,000,000 per occurrence/ \$100,000 per seat | \$1,000,000 | \$200,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | Product Liability required - limits determined by Risk Management. |
| Aircraft Painting Services | - | \$1,000,000 | \$200,000 | Statutory | \$200,000 | \$100,000** | \$1,000,000 | Statutory | - | - | - | |
| Concessionaire / Restaurants | - | \$1,000,000 | - | Statutory | - | \$100,000** | - | Statutory | - | - | - | Product Liability required - limits determined by Risk Management. If serving liquor, limits shall be \$2,000,000. |
| Rental Car Services | - | - | \$1,000,000 | Statutory | - | - | - | Statutory | - | - | - | |
| Ground Transportation Company | | | | | | | | | | | | |
| 01 - 04 Seats | - | \$1,000,000 | \$1,000,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | PUC - Motor Vehicle |
| 05 - 14 Seats | \$5,000,000 | | | | | | | | | | | |
| 15+ Seats | \$10,000,000 | | | | | | | | | | | |
| Parking / Valet | - | \$1,000,000 | \$1,000,000 | Statutory | - | \$100,000** | - | Statutory | - | - | - | Garage Keepers Liability required - limits determined by Risk Management. |
| Fixed Base Operator (FBO) | \$1,000,000 | \$2,000,000 | \$200,000 | Statutory | \$2,000,000 each occurrence/\$3,000,000 each aircraft | \$100,000** | - | Statutory | - | \$2,000,000 general aggregate/\$3,000,000 each occurrence | - | Aircraft liability and hull physical damage with respect of all aircraft owned, non-owned, leased and or operated by FBO for bodily injury (including death) and property damage and including passenger liability in a combined single limit of not less than identified. |
| Rotor-Wing Aircraft Liability | \$5,000,000 | | | | | | | | | | | |
| 01 - 04 Seats (Piston) Aircraft Liability | \$1,000,000 | | | | | | | | | | | |
| 04+ Seats (Piston) Aircraft Liability | \$5,000,000 | | | | | | | | | | | |
| 01 - 10 Seats (Turbine) Aircraft Liability | \$10,000,000 | | | | | | | | | | | |
| 11 - 19 Seats (Turbine) Aircraft Liability | \$25,000,000 | | | | | | | | | | | |
| 20 - 49 Seats (Turbine) Aircraft Liability | \$50,000,000 | | | | | | | | | | | |
| 50+ Seats (Turbine) Aircraft Liability | \$100,000,000 | | | | | | | | | | | |
| Commercial Fueling Operator (i.e. FBO) | | | | | | | | | | | | |
| Bulk Storage Facility | - | - | - | - | - | - | - | - | - | - | - | In addition to above classification, Combined Single Limit. |
| 500-1,000 gal. Mobile Dispensing Equipment | - | - | - | - | - | - | - | - | - | - | - | |
| 1,000+ gal. Mobile Dispensing Equipment | - | - | - | - | - | - | - | - | - | - | - | |
| Self-Fueling Operator | | | | | | | | | | | | |
| Bulk Storage Facility | - | - | - | - | - | - | - | - | - | - | - | In addition to above classification, Combined Single Limit. |
| 500-1,000 gal. Mobile Dispensing Equipment | - | - | - | - | - | - | - | - | - | - | - | |
| 1,000+ gal. Mobile Dispensing Equipment | - | - | - | - | - | - | - | - | - | - | - | |

*Defined as sightseeing tours, aerial photography, aerial survey, crop dusting, and aerial advertising etc....

** If the building is leased, limits shall be \$100,000. If the building is owned, limits shall be 90% of the full replacement value.

*** If storing a non-owned aircraft Hanger Keeper Liability is required.

NOTE: Special events and activities shall have limits as determined by Risk Management. Events must submit contracts 30 days prior to the start of the event for insurance minimums to be assigned.

NOTE: The City of Lakeland - Lakeland Under International Airport shall be listed as additional insured on all liability coverages and a waiver of subrogation in the City's favor provided on Workers' Compensation and Unemployment Insurance.

NOTE: a renewal certificate shall be issued 30 days prior to expiration of coverage.