

**LICENSE AGREEMENT FOR USE OF AIRPORT PROPERTY
(CLOSED RUNWAY)**

THIS LICENSE AGREEMENT is made this _____ day of June, 2022, by and between **Hernando County**, a political subdivision of the State of Florida, whose address is 15470 Flight Path Drive, Brooksville, FL 34604 (“the County”), and Pem-Air Turbine Engine Services, LLC (“Pem-Air”), a Florida Limited Liability Company, whose mailing address is 5143 Broad Street, Brooksville, FL 34601, and the parties state:

RECITALS

WHEREAS, the County owns and operates the Brooksville-Tampa Bay Regional Airport (“the Airport”), a public-use general aviation facility located at 15800 Flight Path Drive, Brooksville, FL 34604; and,

WHEREAS, a permanently-closed runway is located on the west side of the Airport property; and,

WHEREAS, the permanently-closed runway is unusable for the landing, takeoff, or taxiing of aircraft; and,

WHEREAS, the Airport is subject to the requirements of various federal laws and regulations including, without limitation, the Surplus Property Act of 1944, as amended, the Federal Property and Administrative Services Act of 1949, as amended, and the rules and orders promulgated by the Federal Aviation Administration (the FAA); and,

WHEREAS, FAA Compliance Order No. 5190.6A, including but not limited to Chapter 4 thereof, require that surplus property airports (which includes the Airport herein) generate revenue, income or its functional equivalent to the airport; and,

WHEREAS, pursuant to a directive of Congress, as a surplus airport property, the Airport is subject to compliance review by the FAA and the United States Department of Transportation Inspector General Office; and,

WHEREAS, FAA Compliance regulations require that use of Surplus Airport Property be authorized by a written instrument providing for payment of fair, reasonable and non-discriminatory fees, rentals or other user charges; and,

WHEREAS, Pem-Air, an existing Airport tenant, is a certified global repair and refurbishment services provider of gas turbine engines, accessories, and related platform components; and,

WHEREAS, Pem-Air is desirous of using the closed runway for a three-year period for the purpose of parking aircraft that the company will be repairing or refurbishing; and,

WHEREAS, the County is willing to allow Pem-Air to use the closed runway under the following terms and conditions; and,

NOW THEREFORE, in consideration of the mutual covenants, terms and conditions, each promise to the other as follows:

1. INCORPORATION OF RECITALS AND EXHIBITS

The foregoing recitals are incorporated into this Agreement by reference. All references to "Exhibits" contained herein are references to exhibits attached hereto, the terms and conditions of which are made a part hereof for all purposes.

2. USE OF THE PREMISES

2.A. Pursuant to the terms and conditions set forth herein, the County hereby grants to Pem-Air, a non-exclusive license to use the property as depicted by yellow highlight on Exhibit "A" (the "Premises"). Except for the paved surface of the closed runway, there are no structures or other improvements located within the Premises. Pem-Air's use of the Premises shall be subject to all terms and conditions of Exhibit "B" hereto, entitled "Grant Assurance," Exhibit "C" hereto, entitled "Hazardous Materials," and Exhibit "D" hereto, entitled "Indemnity, Insurance, & Letter of Credit."

2.B. Pem-Air and those claiming through Pem-Air shall use the Premises solely for parking aircraft, outside parts storage, staging, aircraft maintenance, engine maintenance, aircraft disassembly, parts recycling, and limited aircraft fueling (collectively the "Permitted Uses"). No other use shall be permitted without the prior written consent of the Airport Manager.

2.C. Pem-Air shall not construct or erect any permanent structures of improvements on the Premises except as provided for herein.

2.D. Pem-Air may make non-permanent changes, alterations, additions, or improvements to or upon the Premises only as provided for herein. Pem-Air shall be permitted to erect a fence of its choosing at the location depicted on Exhibit "A" hereto. Prior to making any changes, alterations, additions or improvements to the Premises, Pem-Air will provide to the Airport Manager, in writing, all proposals and plans for alterations, improvements, changes or additions to the Premises. Pem-Air covenants and agrees to connection with any maintenance, repair work, erection, construction, improvements, addition or alteration of any authorized modifications, additions, or improvements to the Premises, to observe and comply with all present and future laws, ordinances, rules, regulations, and requirements of the United States of America, State of Florida, Hernando County and any and all governmental agencies. If the County so directs, Pem-Air shall promptly remove the additions, improvements, alterations, fixtures, and installations which were placed in, on, or upon the premises by Pem-Air, and repair any damage caused to the Premises by such removal.

2.E. Pem-Air shall comply with all present and future laws, ordinances, orders, rules, and regulations or zoning classifications of any lawful governmental authority, agency or other public or private regulatory authority having jurisdiction over the Premises or the operation thereof.

2.F. Pem-Air shall not commit or permit any act to be committed in or about the Premises which results in any damage of the Premises, damages Airport property of hams others, or in any way constitutes a nuisance or interferes with the rights of other users of the Airport.

2.G. No fuel facilities of any description shall be installed at, adjacent to, or upon the Premises. No aircraft fueling shall occur on the Premises except in accordance with all applicable laws and regulations and only from County-authorized fueling facilities located elsewhere within the Airport. The only fueling permitted upon the Premises is aircraft fueling from a fuel truck that is authorized to dispense fuel at the Airport.

3. TERM OF LICENSE AGREEMENT

3.A. This license Agreement shall be effective upon the last date signed by Pem-Air and the County (the "Effective Date"). The term of the license for Pem-Air to use the Premises shall commence on the 1st day of July 2022, and shall end on June 30, 2027, at 11:59 p.m. (the "Anniversary Date"), unless terminated pursuant to Section 3.B. below.

3.B. Either party shall have the right to terminate this License Agreement, in whole or part, by providing the other party with no less than ninety (90) days prior written notice of its intent to terminate this License Agreement in its entirety or to partly terminate by reducing the amount of square feet covered under this License Agreement. In the event such termination option is exercised by the County, the County shall pay Pem-Air an amount equal to the value of that portion of the License Agreement term Pem-Air is unable to use the Premises (calculated using the License Fee paid in advance for that year as amortize over a 365-day period). A similar calculation shall be performed if the County reduces the amount of square feet covered under this License Agreement. If Pem-Air exercises such termination or modification option, the County shall retain all prepaid rent for that year. Following proper notice and termination of this License Agreement in its entirety, upon all License Fee and other obligations owed to the County having been paid and/or performed current by Pem-Air, and upon Pem-Air surrendering possession of the Premises to the County, then this License Agreement shall be deemed canceled and each party shall release the other from all claims, disputes, actions and appeals relating to or arising under this License Agreement (but excluding any claim, dispute, action or appeal premised or environmental contamination caused or contributed to by Pem-Air during its use or occupation of the Premises).

4. OPPORTUNITY TO INSPECT PREMISES

Pem-Air hereby acknowledges it has had adequate opportunity to inspect the Premises prior to its execution of this License Agreement. The County makes no warranty or representation to Pem-Air, and Pem-Air agrees that the County has made no representation respecting the physical condition of the Premises. Pem-Air's execution of this License Agreement shall be conclusive evidence against Pem-Air that the Premises were in good and satisfactory condition when possession was so taken.

5. ACCEPTANCE OF PREMISES "AS IS"

5.A. Pem-Air accepts the Premises "As Is". Pem-Air does hereby waive, and the County hereby disclaims all warranties of any type or kind of description, including, without limitation, those of fitness for a particular purpose, tenantability, habitability, or use.

5.B. Pem-Air acknowledges and agrees, that the Premises consists of portions of an unused runway, which runway is not presently maintained in a condition suitable for aircraft use, and that the runway may have or contain cracks, depressions, uneven surfaces, presence of rocks or other debris, or other conditions which may or may not create a hazard to vehicles operating thereon.

5.C. In addition to and not in lieu of the insurance and indemnity provisions herein, Pem-Air, for itself, its members, participants, employees, volunteers, guests, their heirs and assigns EXPRESSLY AGREES TO ASSUME ANY AND ALL RISK of property damage or personal injury, including serious personal injury or death, which may result in whole or in part arising from or related to Pem-Air's use of the Premises pursuant to this Agreement and shall hold the County, its officers, employees, and agents, harmless for any and all such damage and/or injury.

6. LICENSE FEES

6.A. As consideration for this License Agreement, Pem-Air shall pay annual license fees to the County pursuant to the schedule below:

<u>Time Period</u>	<u>Annual Fee</u>	<u>Monthly Fee</u>
Year 1	\$61,287.00	\$5,107.25
Year 2	\$63,125.61	\$5,260.47
Year 3	\$65,019.38	\$5,418.28
Year 4	\$66,969.96	\$5,580.83
Year 5	\$68,979.06	\$5,748.25

6.B. Pem-Air shall pay monthly license fee payments (1/12th of the annual license fee) in advance and without demand, on or before the first day of each month upon commencement of the term of this License Agreement. A ten percent (10%) penalty will be applied to all monthly license fee payments that are received after 5:00 p.m. on the tenth (10th) day of the month. Pem-Air shall be separately responsible for all applicable taxes, sales tax, late fees, special assessments, etc.

6.C. The acceptance by the County of any payment from Pem-Air in an amount less than that which is due shall in no way effect the County's rights under this License Agreement and shall in no way constitute an accord and satisfaction, waiver, or estoppel upon the County.

7. LIMITATION OF RIGHTS

This License Agreement creates a non-exclusive license only. Pem-Air does not and shall not at anytime claim any interest, estate, or leasehold of any land or extent whatsoever in the Premises by virtue of this License Agreement or Pem-Air's use of the Premises. The Premises is subject to conditions in any recorded and unrecorded restriction, conditions, limitations, and easements affecting the Premises.

8. RESERVATION OF THE COUNTY'S RIGHTS

8.A. Subject to the rights created herein, the County expressly reserve to itself, its successors, and its assigns, the right to use, or grants to others the right to use by virtue of additional licenses or easements, any and all portions of the area upon, above, or under the Premises, in the County's sole discretion, for any purpose whatsoever that is not inconsistent with the rights herein granted and so long as no portions of the area upon, above, or under the Premises is occupied by Pem-Air. The County reserves the right to reduce or otherwise adjust the area included in the Premises for the construction of Airport improvements so long as such reduction or adjustment does not infringe on that portion of the Premises occupied by Pem-Air. If the County reduces or adjusts the area included in the Premises, Pem-Air's license fees shall be reduced in proportion to the reduction in the total area of the Premises.

8.B. The County, acting through its Airport Manager or other duly authorized representative, shall also have the right to enter upon the Premises at any and all reasonable times during normal business hours throughout the term of the License Agreement for the purpose of inspecting the operation, sanitation, safety, maintenance, and use thereof, and to perform any repair or maintenance of the Premises, and to enter upon the Premises at any time to remedy any condition thereof in the event of an emergency.

9. NO PUBLIC RIGHTS CREATED

Nothing herein shall create or be construed to create any rights in and/or for the benefit of the general public in or to the Premises.

10 UTILITIES, CONNECTIONS, FEES AND SERVICES

Pem-Air shall pay for all water, gas, heat, electricity, light, power, sewer charges, fire protection fees, telephone service, and all other services and utilities supplied or provided to the Premises, if any. Pem-Air shall further pay for all connection charges and deposits in connection with such utility services.

11. VENUE; GOVERNING LAW; FEES & COSTS; JURY TRIAL WAIVER

Any dispute, claim or action relating to or arising under this License Agreement shall be brought solely in the Circuit Court in Hernando County, Florida. Venue shall be limited to Hernando County, Florida. This License Agreement shall be governed by Florida law. Each party hereto agrees to bear their own attorney fees and costs in the event of any dispute. To the extent permitted by law, the respective parties in this instrument agree to and do waive trial by jury in any action, proceeding, or counterclaim brought by either of the parties against the other on any matters whatsoever arising out of or in any way connected with this License Agreement, Pem-

Air's use of the Premises, or any claim of damage resulting from any act or omission of the parties or either of them in any way connected with this License Agreement or the Premises.

12. FORCE MAJEURE

In the event either party hereto shall be delayed, hindered or prevented from the performance of any act required hereunder, by reason of governmental restrictions, scarcity of labor or material, strikes, riots, war, acts of God, or any other reason beyond the reasonable control of the party delayed, hindered or prevented from performing the act, then the performance of such act shall be excused for the period of the delay, and the period for performance of any such act shall be extended for a period equivalent to the period of such delay.

13. NOTICES

All notices, consents, waivers, demands, requests, or other instruments required or permitted by this Agreement shall be deemed to have been sufficiently served if the same shall be in writing and placed in the United States mail, via certified mail or registered mail, return receipt requested, with proper postage prepaid and addressed to the other party hereto at the address shown on page 1 hereof.

14. ABSOLUTE PROHIBITION OF RECORDING OF AGREEMENT

This Agreement may not be recorded.

15. DESIGNATION OF AIRPORT MANAGER AS THE COUNTY'S AGENT

The County designates and Pem-Air agrees that the Manager of the Airport shall do and perform on behalf of the County all acts requiring the discretion of its agent hereunder, including at all reasonable times, the right to enter upon the Premises for the inspection of same.

16. ACKNOWLEDGMENT OF PREEXISTING LICENSE

Pem-Air acknowledges that its use of the Premises pursuant to this Agreement is subject to and subordinate to that certain license agreement, denominated as a "Hold Harmless Agreement," dated July 9, 2013, between Lessor and Duke Energy Florida, Inc. ("Duke Energy"), authorizing Duke Energy to utilize the Airport as a temporary staging area for its disaster response activities. Pem-Air agrees to temporarily relinquish the Premises or a portion thereof, if necessary, in order to facilitate Duke Energy's disaster response activities. If Pem-Air is required to relinquish the entirety of the Premises, Pem-Air's obligation to pay license fees to the County shall be suspended during the time of the relinquishment. If Pem-Air is required to relinquish

less than the entirety of the Premises, Pem-Air's license fees shall be reduced in proportion to the reduction in the total area of the Premises during the time of the relinquishment.

17. PROTECTION AGAINST LIENS

Pem-Air shall keep the Premises free from any and all liens arising out of any work performed, materials furnished, or obligations incurred by Pem-Air. In the event that Pem-Air fails to discharge any such lien within fifteen (15) days following written notice and demand by the County for removal of such lien, the County, in addition to all remedies provided herein and by law or in equity, has the right but not the obligation to discharge the lien by means of bond or posting security. If the County acts to discharge or secure any lien caused by Pem-Air, then Pem-Air shall reimburse the County on demand, as additional rent, for all sums paid and all costs and expenses incurred by the County involving such lien together with interest on the total expenses and costs at the maximum rate allowed by law.

18. ACCESS

Access to the Premises will be by either the Runway Drive Gate or the Technology Drive Gate. No other access is authorized. Whenever Pem-Air uses one of the gates, Pem-Air shall insure that it is properly locked after opening. All signs and markings designating the route of access or traffic control signs shall be adhered to by Pem-Air. Failure to comply with this access provision will be sufficient cause for the County to immediately terminate this Agreement without having to provide ninety days prior notice to Pem-Air.

19. VEHICLES

All vehicles brought upon the Premises (by/for/with the consent of Pem-Air) shall have a rotating or flashing amber beacon operating from the highest point of said vehicle. Failure to comply with this provision will be sufficient cause for the County to immediately terminate this Agreement without having to provide ninety days prior notice to Pem-Air.

20. ABOLUTE PROHIBITION OF ASSIGNMENTS

Pem-Air may not assign, transfer, sub-license, mortgage, pledge or encumber this Agreement or the Premises, in whole or in part, without prior written permission of the County. This does not exclude third-party service agreements pertaining to all lawful business conducted by Pem-Air.

21. SUCCESSORS

This Agreement and the covenants and conditions contained herein shall be binding upon and inure to the benefit of the County and its successors and assigns and shall be binding upon Pem-Air and its successors and assigns.

22. ENTIRE AGREEMENT

This Agreement and the Exhibits hereto set forth the entire understanding between the County and Pem-Air concerning the subject matter of this Agreement and incorporate all prior negotiations and understandings, either oral or written. No alteration, amendment, change or addition to this Agreement shall be binding upon either party unless in writing and executed and delivered by both the County and Pem-Air.

23. SEVERABILITY

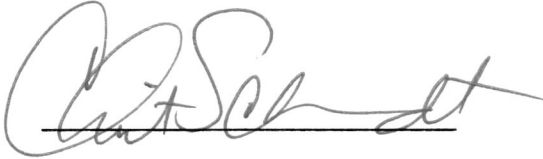
If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be declared invalid or deemed unenforceable by a court of competent jurisdiction or superseding law, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law notwithstanding the invalidity of any other term or provision hereof.

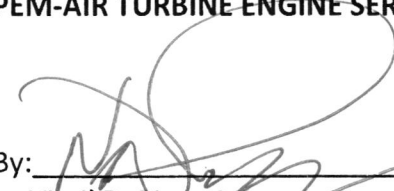
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IN WITNESS WHEREOF, the **Lessor** and the **Lessee** have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by their duly authorized officers.

WITNESS:

PEM-AIR TURBINE ENGINE SERVICES, LLC (LESSEE)



By: 
Virgil D. Pizer, Manager


Date

ATTEST:


**BOARD OF COUNTY COMMISSIONERS
HERNANDO COUNTY, FLORIDA (LESSOR)**

Douglas A. Chorvat, Jr., Clerk

By: _____
Steve Champion, Chairman

_____ Date

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:



County Attorney

STATE OF FLORIDA
COUNTY OF HERNANDO

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this 15th day of June, 2022, by Virgil D. Pizer as Manager of Pem-Air Turbine Engine Services, LLC who is personally known to me or who has produced _____ as identification.



Gina Grimmer

(Signature of person taking acknowledgment)
Gina Grimmer

(Name typed, printed or stamped)
Notary

(Title or rank)

STATE OF FLORIDA
COUNTY OF HERNANDO

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this _____ day of _____, 2022, by Steve Champion, as Chairman of the Hernando County Board of County Commissioners, who is personally known to me or who has produced _____ as identification.

(Signature of person taking acknowledgment)

(Name typed, printed or stamped)

(Title or rank)