AMENDMENT NO. 5 TO THE LEASE AND OPERATING AGREEMENT BETWEEN THE CITY OF PENSACOLA AND BLUE AIR TRAINING LLC (f/k/a ECKO AIR LLC) AT THE PENSACOLA INTERNATIONAL AIRPORT

THIS AMENDMENT NO. 5 ("Amendment No. 5") to the Lease and Operating Agreement between the City of Pensacola and Blue Air Training LLC dated August 18, 2004 ("Original Agreement"), effective this ___ day of ____, 20___, is made by and between the City of Pensacola ("City"), a municipal corporation of the State of Florida with the business address of 222 W. Main Street, Pensacola, Florida and Blue Air Training LLC, a limited liability company with a business address of 11411 Southern Highlands Parkway, Suite 330, Las Vegas, Nevada 89141 ("Operator").

WITNESSETH:

- **WHEREAS**, the City owns, operates, and maintains the Pensacola International Airport "Airport") located in Escambia County, Florida; and
- **WHEREAS**, Amendment No. 1 to the Original Agreement dated March 16, 2005 amended the Original Agreement to increase the square footage of the Leased Premises, adjust the lease rental rate provision, modify the Insurance and Indemnification language, and modify the Surrender Upon Termination language; and
- **WHEREAS**, Amendment No. 2 to the Original Agreement dated July 25, 2005 amended the Original Agreement as amended to substitute Exhibit A annexed to the Amendment No. 2 for Exhibit A annexed to the Amendment No. 1 of the lease; and
- WHEREAS, Amendment No. 3 to the Original Agreement dated May 25, 2010 amended the Original Agreement as amended to memorialize the number of tie-down spaces identified in the square footage of the Leased Premises; and
- **WHEREAS**, Amendment No. 4 to the Original Agreement dated March 31, 2017 amended the Original Agreement to increase the square footage of the Leased Premises and adjust the lease rental rate provision; and
- **WHEREAS**, on May 14, 2019, ECKO Air, LLC assigned all of its rights, title, interest, and leasehold estate in, to, and under the lease to Blue Air Training LLC, and Blue Air Training LLC assumed the Lease and Operating Agreement; and
- **WHEREAS**, Operator desires, and City agrees, to decrease the square footage of the Leased Premises, redefine the approved use of the Leased Premises and adjust the lease rental rate provision in the Original Agreement as amended upon the terms and conditions hereinafter set forth to delete certain helicopter ramp parking spaces; and
- **WHEREAS**, Article XLIII of the Original Agreement provides the parties may amend the Original Agreement in writing executed by the parties.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, it is agreed that the Original Agreement as previously amended shall be further amended as follows:

1. Article I, Leased Premises, of the lease as previously amended is deleted and replaced in its entirety with the following provision:

The City hereby leases and demises to Operator, and Operator hereby hires and takes from the City, the tract(s) of land (herein referred to as the "Leased Premises"), in Escambia County, Florida, and any and all rights, privileges, easements and appurtenances now or hereafter belonging to said tract(s) of real property, subject, however, to all liens, easements, restrictions and other encumbrances of record, provided such matters do not prevent Operator from conducting its business on the Leased Premises as contemplated herein. These premises, more particularly shown on Exhibit A, encompass approximately 28,840 square feet of land for offices, hangars, and automobile parking, and 2,400 square feet of land in between the ramp and office/hangar facility strictly for the installation of below-ground wells and piping for a geothermal heating system. Additionally, the premises also include 5,328 square feet of ramp, which encompasses five of the existing tie-down spaces on the ramp.

The Leased Premises shall be taken by Operator in the AS IS condition, subject to all defects, latent and patent, and shall be improved, maintained and operated at Operator's sole cost and expense except as may otherwise be specifically provided in this Agreement. It is the express intention of the parties hereto that the Operator's improvements, use and occupancy of the Leased Premises, and all costs associated therewith, shall be and remain the financial obligation of the Operator.

2. Article II, Grant of Use, of the lease as previously amended is deleted and replaced in its entirety with the following provision:

The City hereby grants operator the exclusive right to the Leased Premises, and all of the improvements located thereon, to conduct on a non-exclusive basis, commercial aeronautical services/activities described as **Contracted Air Services** solely for the United States military in accordance with this Agreement and in accordance with the current Minimum Standards for Commercial Aeronautical Activities. The City further grants to Operator the rights of ingress and egress to and from the Leased Premises over Airport common use roadways, subject to any rules and regulations which may have been established or shall be established in the future by the City.

Operator shall not use, nor permit others to use, the Leased Premises and any improvements thereon, for any commercial or non-commercial purpose, other than the authorized purposes set forth above, nor shall Operator use the Leased Premises to store any material not required for the prosecution of the authorized

purposes. Should the Operator wish to perform any additional commercial aeronautical services from its leased premises, Operator shall make written application to the City requesting permission to provide such additional services. The City shall apply the criteria and standards embodied in the Minimum Standards for Commercial Aeronautical Activities as it may exist at the time or as it may have been replaced by another document outlining the minimum requirements to conduct commercial services at the Airport in determining whether to authorize Operator to perform such services. If the City determines that the Operator is qualified to perform the requested aeronautical services and if the Operator and City execute an addendum to the Lease setting forth the terms and conditions by which Operator shall perform the additional aeronautical services or activities, including any additional fees, the Operator shall be deemed authorized to perform said additional services or activities.

Notwithstanding anything herein contained that may be, or appear to be, to the contrary, it is expressly understood and agreed that the rights granted under this agreement are non-exclusive and the City herein reserves the right to grant similar privileges to another Operator or other Operators on other parts of the Airport.

3. Article VI, Rent & Fees, of the lease as previously amended is deleted and replaced in its entirety with the following provision:

In consideration of the rights and privileges herein granted, the Operator hereby covenants and agrees to pay the City upon commencement of this agreement a base ground rent, calculated on a square foot basis, of:

Lease Annual	Annual	Square		
Term	Rate	Footage	Rent	
Commencement Date - 2/28/05 3/1/05 - 12/31/06 1/1/07 - 12/31/11 1/1/12 - 12/31/16 1/1/17 - 12/31/21	\$0.12 \$0.12 \$0.136 \$0.30 \$0.3177	34,168 36,568 36,568 36,568 36,568		\$4,100.16 \$4,388.16 \$4,973.25 \$10,970.40 \$11,615.96
After 12/31/21		Adjusted rate as defined below		

Operator agrees to pay base ground rent due to the City, in advance on or before the tenth (10th) day of the month for which the rent is due. No invoice will be sent. Base ground rent for periods less than one month shall be prorated on a daily basis (365-day year). Operator shall be responsible for adding the applicable state and local sales tax to all base ground rental payments. Said payments shall clearly indicate what

amount of the total payment is for ground rent and what amount is for state and local sales tax.

Any fees required under this Agreement which are not received when due shall accrue interest at the rate of one and one-half percent (1.5%) per month from the due date until receipt of payment.

Adjustments to Base Ground Rent. Adjustments to the base ground rental rate will be made on October 1, 2021, and each five years thereafter, using the National Consumer Price Index for Urban consumers (CPI-U). The ground rental rate shall be increased or decreased by a percentage amount equal to the percentage increase or decrease in the CPI-U for the previous five years using May 1 and April 30 as the beginning and ending dates.

The adjusted ground rent will thereafter go into effect in accordance with the following schedule:

First Adjustment - January 1, 2022 Second Adjustment - January 1, 2027 Third Adjustment - January 1, 2032

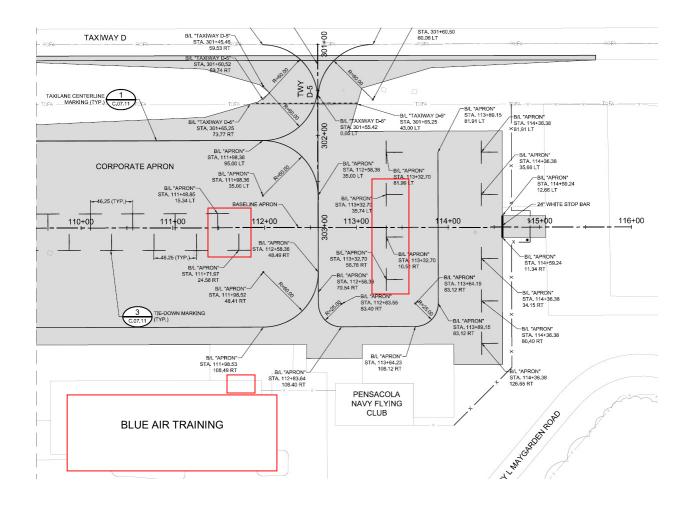
- 4. Exhibit A, Leased Premises, of the lease as previously amended is deleted and replaced in its entirety with Exhibit A, Leased Premises, Amendment No. 5, attached hereto and incorporated by this reference.
- 5. All other terms and conditions of the Original Agreement, as previously amended, and not further amended, hereby, shall remain in full force and effect.
- 6. This Amendment No. 5 to the Original Agreement as amended shall be effective upon date of execution.

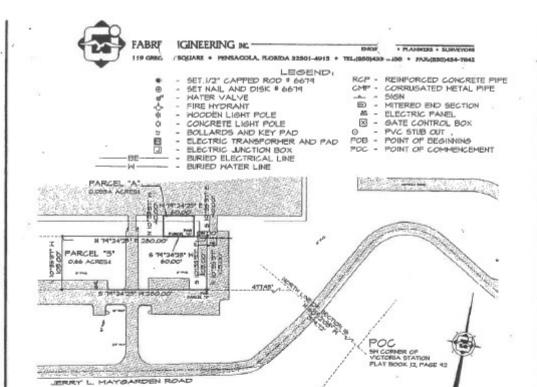
IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 5 to the Original Agreement as amended on the date first above written.

OPERATOR	CITY OF PENSACOLA, FLORIDA		
Blue Air Training LLC (Operator's Name)	Mayor, Grover C. Robinson, IV		
By			
Member	City Clerk, Ericka L. Burnett		
(Printed Member's Name)	Approved As To Substance:		
Ву:			
Member	Department Director/Division Head		
(Printed Member's Name	Legal as drawn:		
(SEAL)			

City Attorney

EXHIBIT A LEASED PREMISES AMENDMENT NO. 5





PARCEL A
COMMENCE AT THE SOUTHWEST CORNER OF VICTORIA STATION, A SUBDIVISION RECORDED IN
FLAT BOOK 12, PAGE 42 OF THE IDELL'C RECORDS OF ESCAMBIA COUNTY, FLORIDA, SAID POINT
BEINS ON THE NORTH LINE OF SECTION 16, TOWNSHIP I SOUTH, RANGE 24 MEST, THENCE GO
N 60'12'05' W ALONG SAID NORTH LINE 379.72 FEET; THENCE DEPARTING SAID NORTH LINE, GO
S 74'12'23' W 417.45 FEET; THENCE GO N 10"35'3T' W 10.00 FEET; THENCE 51 14'24'23' W
26.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE S 74"24'23' W 60.00
FEET, THENCE GO N 10"35'3T' W 40.00 FEET; THENCE SO N 19"24'23' E 60.00 FEET; THENCE SO
S 10"35'3T' E 40.00 FEET TO THE POINT OF BEGINNING. THE ABOVE DESCRIBED PARCEL OF LAND
CONTAINS APPROXIMATELY 0.0554 ACRES.

PARCEL 3

PARCEL 3

COMMENCE AT THE SOUTHWEST CORNER OF VICTORIA STATION, A SUBDIVISION RECORDED IN PLAT BOOK 12, PAGE 92 OF THE PUBLIC RECORDS OF ESCAMBIA COUNTY, FLORIDA, SAID POINT BEING ON THE NORTH LINE OF SECTION 16, TOWNSHIP I SOUTH, RANGE 29 WEST; THENCE GO N 60°12/03" W ALONG SAID NORTH LINE 579.72 FEET, THENCE DEPARTING SAID NORTH LINE, 60 5 19°12/13" W 4071 95 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE 5 79°12/13" W 403.00 FEET; THENCE GO N 79°24/13" E 280.00 FEET; THENCE 60 5 10°35/51" E 105/00 FEET TO THE POINT OF BEGINNING. THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS APPROXIMATELY 0.66 ACRES CONTAINS APPROXIMATELY 0.66 ACRES.

- SURVEYORS' NOTES:

 1. THE BEARINGS SHOWN HEREON ARE BASED ON A GRID BEARING OF 5 "19"24"25" M ALONG THE SOUTH LINE OF THE SURVEYED PARCEL.

 2.NO TITLE SEARCH, TITLE OFINION, OR ABSTRACT MAS PERFORMED BY OR PROVIDED TO FABRE
- ENSINEERING, INC. FOR THE SUBJECT PROPERTY. THERE MAY BE DEEDS OF RECORDED TO PARKE DEEDS, EASEMENTS, RIGHTS OF MAY, BUILDING SETBACKS, RESTRICTIVE COVENANTS OR OTHER INSTRUMENTS WHICH COULD AFFECT THE SUBJECT PROPERTY.
- 3. THE LOCATION OF BURIED UTILITIES IS BASED ON FIELD MARKINGS BY THE UTILITY PROVIDER OR THEIR REPRESENTATIVE AND AIRPORT UTILITIES MAPS, NO CERTIFICATION IS GIVEN BY FABRE ENGINEERING, INC. TO THE ACCURACY OR COMPLETENESS OF THESE MARKINGS.

THIS DRAWING IS THE PROPERTY OF FABRE EMBREERING, INC. AND IS NOT TO BE REPRODUCED IN WHOLE OR PART, IT IS NOT TO BE USED ON ANY OTHER PROJECT AID IS TO BE RETURNED UPON RECUEST.

DESCRIPTION DRAWING

. A PORTION OF SECTION 16, TOWNSHIP I SOUTH, RANGE 29 HEST, ESCAMBIA COUNTY, FLORIDA

PREPARED FOR

MR, STEVE WALKER

HO.	DATE:	REVISIONS.
1	6/1/05	Added PARCEL A
SUR	VEYORS O	ERTIFICATE:

SURVEY ONS DESCRIPTION THE I CERTIFY THE IMPORMATION HEREON TO BE CORRECT, AND COMPLES INTH THE MINISH TECHNICAL BYANDARDS' FOR SURVEYING PER CAMPTER OBTION. SET PORTH BY THE FLORIDA BOARD OF PROFESSIONAL SURVEYORS AND MAPPERS PRESENT TO SECTION AT 2021 PLORIDA STATUTES, SUBJECT TO NOTES AND NOTATIONS SHOWN HEREON.

Danlli	Julia	JUNE & 2009		
WARE I PARKE PEN.		DATE		
PROPESSIONAL PLONIDA	SURVEYOR, LIKENSE NO.	9892, F.E.J. LB NO. 661		

SCALE I'-100' PILE ROBOTION DRAIN BY. JULY FISLD DATE: 6-5-05 DATE. UNLESS IT EEARS THE SIGHATURE AND THE ORIGINAL RAISED SCAL OF A FLORID A LICENSES SERVEYOR AND MAPTER THIS DRAINES, SICETURE 36 PLAT OR HAY IS FOR INFORMATIONAL PURPOSES CALLY AND IS NOT VALUE. 6-6-03 JOB MANDERS. 040001-08-00 CHECKED BY, FJF FIELD BOOK, APAG PAGE MJ.