# THIRD AMENDMENT TO THE AGREEMENT OF LEASE BETWEEN BROWARD COUNTY AND HOLLYWOOD AVIATION, LLC

This Third Amendment ("Third Amendment") to the Agreement (hereinafter defined) between Broward County, a political subdivision of the State of Florida ("County"), and Hollywood Aviation, LLC, a Florida limited liability company ("Lessee") (collectively, the "Parties"), is effective on the date this Third Amendment is fully executed by the Parties ("Effective Date").

#### RECITALS

- A. County and Hollywood Aviation, Inc., entered into an Agreement of Lease between Broward County and Hollywood Aviation, Inc., dated April 8, 1997, with respect to certain Premises at North Perry Airport, which was amended by a First Amendment, dated June 15, 2004, and further amended by a Second Amendment, dated June 8, 2010 (collectively, as amended, the "Agreement"). On June 13, 2017, the County consented to an assignment of the Agreement from Hollywood Aviation, Inc., to Hollywood Aviation, LLC. Hollywood Aviation, LLC, was assigned and has assumed all rights and obligations of the former Lessee, Hollywood Aviation, Inc., under the Agreement.
- B. Lessee has met the Minimum Capital Expenditure Requirements and completed all of the Improvements and the Additional Improvements required in the Agreement. Lessee has agreed to make certain Improvements and additional Capital Expenditures to the Premises in excess of that required in the Agreement ("Excess Improvements").
- C. The Termination Date of the Agreement was originally scheduled to be May 1, 2017. The Agreement was extended under the Second Amendment for an Extension Period of May 1, 2017, through April 30, 2022. In consideration of the Excess Improvements to be completed as required in this Third Amendment, the Parties desire to further extend the duration of the Agreement until April 30, 2027.

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

- 1. The foregoing recitations are true and correct and incorporated herein. Except as modified herein, all terms and conditions of the Agreement shall remain in full force and effect.
- 2. Amendments made to the Agreement by this Third Amendment are indicated by use of strikethroughs to indicate deletions and underlining to indicate additions (except with regard to titles that were underlined in the Agreement), unless otherwise indicated. Capitalized terms used in this Third Amendment and not otherwise defined in this Third Amendment shall have the meaning given to such terms in the Agreement.

3. Section 1(g) of this Agreement, defining "Capital Expenditure," is deleted and replaced in its entirety with the following (underlining omitted):

#### SECTION 1. DEFINITIONS

...

- (g) <u>Capital Expenditure(s)</u> is the actual costs paid for work done, services rendered, and materials furnished for the construction of Improvements at the Premises in accordance with Approved Plans and all the requirements herein.
- Section 3 of the Agreement is amended to read as follows:

The term of this Agreement shall commence on the Commencement Date and shall terminate on April 30, 2017 April 30, 2027 ("Termination Date"), unless sooner terminated as provided herein. Notwithstanding the foregoing, in the event Lessee does not fully complete construction of the Excess Improvements in accordance with Section 6 herein, or County has notified Lessee that the Excess Improvements have not been completed to County's satisfaction pursuant to Section 6.18, the term of this Agreement shall end on April 30, 2022, unless terminated earlier as provided in this Agreement.

5. All construction and refurbishment required by Lessee prior to Effective Date of this Third Amendment, including the Additional Improvements required pursuant to Amendment No. 2, has been completed to the satisfaction of County. Based on the foregoing, Section 6 of the Agreement is deleted and replaced in its entirety with the following (underlining omitted):

#### SECTION 6. CONSTRUCTION BY LESSEE

- 6.1 Lessee shall construct and complete all of the following construction and refurbishment ("Excess Improvements") no later than the last day of the sixth (6<sup>th</sup>) month following the Effective Date of the Third Amendment to this Agreement ("Third Amendment Completion Date"):
  - (a) Resurface transient ramp with new asphalt. The resurfacing shall include all of the area north of the maintenance hangar and exclude the area north of the above ground fuel tank.
  - (b) Install 6" deep pervious concrete pavement in the flight school tie-down parking area, and seal coat remaining pavement on the Premises.
- 6.2 <u>Minimum Capital Expenditure</u>. Lessee shall expend a minimum Capital Expenditure amount of Sixty-Five Thousand and No/100 Dollars (\$65,000) to complete the Excess Improvements required in Section 6.1, no later than the Third Amendment Completion Date. Only costs paid for the construction of the Excess Improvements specified in Section 6.1 that qualify as Capital Expenditures will count towards the minimum Capital Expenditure.

- 6.3 <u>Capital Expenditure</u>. Except as provided herein, in order to qualify as a Capital Expenditure to satisfy Lessee's Capital Expenditure obligations herein, Lessee must submit the proposed Capital Expenditure to the Aviation Department in advance for review and written approval. In order to qualify as minimum Capital Expenditures for the Improvements required in Section 6.1, expenses must have been incurred after the Effective Date of the Third Amendment of the Lease Agreement and shall be subject to the following:
  - (a) Limited to actual third-party costs without any markup.
  - (b) Payments made to independent contractors for surveying, engineering, or architectural design work shall qualify as Capital Expenditures, provided that the total of all such payments do not exceed ten percent (10%) of the total of all other sums included in the determination of the total minimum Capital Expenditure amount.
  - (c) Costs incurred by any Affiliate of Lessee shall not qualify as minimum Capital Expenditures unless specifically approved in writing by the Aviation Department, upon Lessee's separate written request, made before the cost is incurred. Such costs must also meet all requirements of this Section 6.3 to be considered for approval by the Aviation Department as Capital Expenditures. Any costs incurred by an Affiliate of Lessee before any Aviation Department approval shall not qualify as Capital Expenditures.
  - (d) Costs associated with acquisition or installation of any personalty, including without limitation, furnishings and trade fixtures or equipment not permanently affixed to the Premises, shall not qualify as Capital Expenditures unless specifically approved in writing by the Aviation Department, upon Lessee's separate written request, made prior to Lessee incurring the costs. Any costs incurred before Aviation Department approval shall not qualify as Capital Expenditures.
  - (e) Costs of interior decorations (other than standard Aviation Department approved finishes), special finishes, wall tile or other special wall finishes and coverings, construction photographs, special external and internal lighting, and signage shall not qualify as Capital Expenditures unless specifically approved in writing by the Aviation Department, upon the Lessee's separate written request, made prior to incurring such costs. Any costs incurred before Aviation Department approval shall not qualify as Capital Expenditures.
  - (f) Costs associated with any Improvements that are not specifically identified in Section 6.1 do not qualify as Capital Expenditures unless specifically approved in writing by the Aviation Department, upon Lessee's separate written request, prior to Lessee incurring the costs. Any costs incurred before Aviation Department approval shall not qualify as Capital Expenditures.

- (g) Payments to consultants shall be limited to those consultants performing surveying, engineering, or architectural design work, subject to the limitations established in subsection (b) above. Services provided by consultants such as, but not limited to, lawyers and accountants shall not qualify as Capital Expenditures.
- (h) Costs of financing, interest expenses, administration, supervisory, overhead, and internal costs of Lessee, or any Affiliates of Lessee shall not qualify as Capital Expenditures.
- (i) Costs incurred by an Approved Leasehold Mortgagee will qualify as Capital Expenditures if the costs would otherwise qualify as Capital Expenditures if incurred by Lessee.
- 6.4 <u>Capital Expenditure Report</u>. Upon request by the Aviation Department (not more than once each Lease Year), Lessee shall provide the Aviation Department with a report of the total Capital Expenditures that have been incurred as of the date of the report ("Capital Expenditure Report").
- Obligations Before Construction. Before starting construction, installation, or refurbishment of any Improvement on the Premises, Lessee shall submit to the Aviation Department for its written authorization, a site plan and complete plans and specifications of the contemplated construction or refurbishment and shall record or cause to be recorded in the Official Records of Broward County, Florida, a notice of commencement in compliance with the requirements of Chapter 713, Florida Statutes. The plans and specifications shall be certified by an architect or engineer licensed to practice in Florida and shall consist of the following: (a) working drawings; (b) technical specifications; (c) bid documents, if applicable; (d) schedule for accomplishing Improvements; (e) schedule of finishes and graphics; (f) list of furnishings, fixtures and equipment; (g) certified estimate of the design, development, and construction costs; and (h) such other information as may be required by the Aviation Department. If any addition, alteration, modification, or replacement is made without Aviation Department approval, upon notice in writing, Lessee shall remove same or, at the sole option of the Aviation Department, cause same to be changed to the Aviation Department's satisfaction. If Lessee fails to comply with the notice, the Aviation Department may affect the removal or change, and Lessee shall pay the cost thereof to County within fifteen (15) days after County's written demand.
- 6.6 Approved Plans. In addition to the Aviation Department's approval, Lessee shall obtain all required approvals from all other agencies having jurisdiction over the construction, installation, or refurbishment of any Improvements, including but not limited to departments, divisions, or offices of the County, local governments, the State of Florida, and the federal government. Lessee shall provide any and all documentation and information necessary in order to obtain approval from the FAA. All improvements shall conform to, and be consistent with, all applicable provisions of the Americans with Disabilities Act of 1990. No work may be performed on the Premises except pursuant to

Approved Plans. All construction, Improvements, signs, equipment, and landscaping shall be made in accordance with the requirements set forth in this Agreement and shall conform to the standard requirements of the Aviation Department that are applicable to tenants of the Airport. All of the plans and specifications shall be in sufficient detail to reasonably permit the Aviation Department to determine whether the facilities will be consistent with this Agreement and the standards of the Aviation Department. No material changes shall be made to any Approved Plans without the Aviation Department's prior written approval, which will not be unreasonably withheld or delayed. Any change that requires the issuance of a building permit or modifies an existing building permit is a material change.

- 6.7 <u>Identification of Utilities on Plans</u>. All plans and specifications, including, without limitation, "as-built" plans provided under Section 6.16 below shall identify the purpose of utilities and any conduits by generic reference only (e.g., "phone conduit," "telecommunications conduit," or "power conduit"), and shall not identify any utility or conduit ducts for cable, telecommunications, electric service, and the like, by any specific company name.
- Cost to Remove, Replace, and Relocate Utilities and Navigational Aids. During any construction or refurbishment undertaken by Lessee, Lessee shall pay all costs associated with any removal, replacement, relocation, and protection of all utilities and navigational aids, including but not limited to, water, wastewater disposal, sewer, telephone, electric, airfield lighting system, conduit ducts for cable, telecommunications, and electric service, and navigational aids, whether such are located at the Premises or on adjacent property. All underground conduits installed at the Premises, including without limitation cable, electric, and telecommunications, are leasehold Improvements. Lessee shall install all such conduits at Lessee's expense and shall ensure the conduits are free of all liens, claims, and encumbrances, including any claims of any utilities provider. Lessee shall not, or attempt to, grant, agree to, or sign any easements with any utility provider with respect to the Premises or any other portion of the Airport property.
- Aviation Department reserves the right to require that all construction, installation, or refurbishment of any Improvements on the Premises or any development within the Airport be consistent with the overall Airport system architecture and the Master Plan, as well as reasonable standards of safety and quality. All construction, installation, or refurbishment of any Improvements, equipment, interior design, and decor constructed or installed at the Premises shall comply, as determined solely by the County, with Airport system architecture, Master Plan, reasonable standards of safety and quality, and Applicable Laws. The Aviation Department's consent to any plans, specifications, or designs is not a representation or warranty as to such compliance, and the responsibility for compliance shall at all times remain with Lessee. The Aviation Department may refuse to grant consent to construction, installation, or refurbishment of any Improvements on the Premises if, in its sole opinion, the proposed facilities as shown on the plans and

specifications will not satisfy the provisions of this Agreement, comply with Applicable Laws, or for any other reason whatsoever, in its sole discretion.

- 6.10 <u>Construction of Approved Facilities and Improvements</u>. Upon approval of plans, specifications, and schedules by the Aviation Department and receipt of all other necessary approvals, Lessee shall immediately begin construction, installation, or refurbishment, as applicable, of the Improvements. Lessee shall perform any work that impacts portions of the Airport, other than the Premises, within schedules approved in writing in advance by the Aviation Department.
- 6.11 <u>Periodically Scheduled Meetings</u>. Upon request by the Aviation Department, Lessee, its architect/engineer, and contractor shall meet with the Aviation Department in periodically scheduled meetings to assess the current status of construction, installation, or refurbishment, as applicable, of the approved Improvements and the completion thereof.
- Ownership of Leasehold Improvements. All fixtures, structures, facilities, hangars, pavements, and other Improvements and any additions and alterations made or located upon the Premises (except trade fixtures, equipment and personalty that are not permanently affixed to the Premises, the Aircraft Fuel Farm Facility and its appurtenances) are leasehold Improvements, and title thereto shall vest with County upon the expiration or earlier termination of this Agreement. Any addition, fixture, or other Improvement that is nailed, bolted, stapled, or otherwise affixed to the Premises and is not readily removable as a trade fixture or item of equipment is a leasehold Improvement. If the removal of any personalty, trade fixture, or equipment causes damage to the Premises, Lessee shall repair such damage and restore the Premises to the condition in which it existed before the damage occurred.
- 6.13 <u>Certified Statements</u>. Within one hundred twenty (120) days following the Third Amendment Completion Date and also at such other times as shall be requested by the Aviation Department, Lessee shall provide the following to the Aviation Department:
  - (1) A certified statement from the construction contractor(s) specifying the total construction cost and stating that the Improvements are free and clear of all liens, claims, or encumbrances by any material suppliers, subcontractors, or laborers; and
  - (2) A certified statement from the architect or engineer stating the total architect's or engineer's fees and that the Improvements have been constructed in accordance with the Approved Plans and in compliance with all Applicable Laws; and
  - (3) Any back-up documentation and releases of lien as required by the Aviation Department.

- Schedule of Capital Expenditure Costs for Improvements. Within one hundred twenty (120) days after the Third Amendment Completion Date, and also at any other time requested by the Aviation Department, Lessee, at its sole cost and expense, shall provide to the Aviation Department a schedule of all costs it proposes to be considered by the Aviation Department as minimum additional Capital Expenditures. The schedule shall show by line item, detailed information as to each cost, including but not limited to, description, payee, and date of payment. The schedule of Capital Expenditures shall be accompanied by an independent auditor's report ("Independent Auditor's Report"). The Independent Auditor's Report shall be based on an audit of the costs in the schedule, shall be conducted by a CPA in accordance with generally accepted accounting principles and standards, and shall contain a statement as to whether the Capital Expenditure amounts set forth in the schedule meet the requirements of this Agreement. The Independent Auditor's Report must clearly indicate any items on the schedule that do not qualify as Capital Expenditures. Lessee shall document to the satisfaction of the CPA and the Aviation Department, that the monies were expended, that they are true and correct, and how they are eligible to be included in the Capital Expenditure amount.
- 6.15 Liens, Claims, and Encumbrances. Lessee shall not do, nor permit to be done, anything that shall result in the imposition of any liens, claims, or encumbrances on the Premises, or portion thereof, or the Improvements. If any lien or notice of lien shall be filed against the Premises, or portion thereof, or the Improvements, Lessee shall cause the same to be discharged of record by payment, deposit, bond, or order of a court of competent jurisdiction within thirty (30) days after notice of the filing thereof. Lessee shall not be deemed to be County's agent so as to confer upon any contractor or subcontractor providing labor or materials to the Premises or Improvements a mechanic's lien upon County's estate under the provisions of Chapter 713, Florida Statutes. The provisions of this section shall not apply to any leasehold mortgage to which the County has consented as provided in Section 18 or any purchase money security interest in any movable trade fixtures of Lessee installed at the Premises. County's interest in this Agreement shall not be subordinate to any leasehold mortgage or any claim, lien, or encumbrance affecting Lessee's interests in this Agreement.

All of Lessee's assets that are brought onto the Premises and used in connection with its business conducted on the Premises shall be subject to County's landlord lien on such assets as provided by applicable Florida law.

6.16 Reporting of Issuance of Certificate of Occupancy ("CO") and "As-Built" Plans. Lessee shall report the issuance of COs to the Aviation Department and forward a copy of each CO issued for any Improvements within ten (10) days after the issuance of same. Additionally, within ninety (90) days after the CO Date or Completion Date for any Improvements, and also at such other times as requested by the Aviation Department, Lessee, at its sole expense, shall provide the Aviation Department with a complete set of "as-built" plans and specifications in a format that meets the Aviation Department's electronic media submittal standards. If based on the nature of the Improvement a CO

was not required, Lessee shall submit to the Aviation Department evidence that all applicable permits have been closed.

- 6.17 <u>County Does Not Acquire Title to Aircraft Fuel Farm Facility</u>. Notwithstanding any provision of this Agreement giving County title to Improvements located on the Premises, County shall not acquire title to any part of any Aircraft Fuel Farm Facility at any time whatsoever. Lessee must ensure that any Aircraft Fuel Farm Facility located at the Premises is completely removed from the Premises upon the expiration or early termination of this Agreement or upon any termination of any construction or lease agreement with respect to the Aircraft Fuel Farm Facility. The removal of the Aircraft Fuel Farm Facility shall be performed in accordance with Applicable Laws.
  - (a) In the event Lessee fails to remove the Aircraft Fuel Farm Facility from the Premises on or before the expiration or early termination of this Agreement, Lessee shall be considered to be holding over pursuant the requirements of Section 35(b). In addition, if Lessee fails to remove the Aircraft Fuel Farm Facility within sixty (60) days after the expiration or early termination of this Agreement, in addition to all remedies available hereunder and at law or in equity, County may remove, or cause to be removed, the Aircraft Fuel Farm Facility and Lessee shall be liable for all expenses and charges (whether direct or indirect) incurred by County in effectuating such removal (including any storage charges) that are in any way connected to the Aircraft Fuel Farm Facility, including interest thereon, from the date the expense was incurred until the date paid to County. In contracting for any such removal, County shall be entitled to dispose of the Aircraft Fuel Farm Facility in any way it sees fit, including without limitation, demolition of such facility, providing salvage rights to the contractor, providing for the storage, or through public auction.
  - (b) Lessee shall provide County with documentation satisfactory to County to evidence that the Aircraft Fuel Farm Facility has been removed in accordance with Applicable Laws, including such backup documentation as County may reasonably request.
  - (c) The provisions of this Section 6.17 shall survive the expiration or early termination of this Agreement.
- 6.18 <u>Satisfactory Completion Notice</u>. Upon completion of all of the Excess Improvements detailed in Section 6.1 in accordance with the Approved Plans and upon satisfaction of the requirements set forth in Section 6 on or before the Third Amendment Completion Date, County shall issue a written notice of satisfactory completion. In the event the Improvements and the requirements contained in Section 6 are not completed to the satisfaction of County on or before the Third Amendment Completion Date, County shall issue a written notice indicating its determination of unsatisfactory completion and the term of this Agreement shall end on April 30, 2022 (or earlier, as provided herein).

6. Section 7 of the Agreement is deleted and replaced in its entirety with the following (underlining omitted):

# SECTION 7. CONSTRUCTION CONTRACTS, BONDS, INDEMNIFICATION AND INSURANCE REQUIREMENTS FOR CONTRACTORS

- 7.1 Construction Letter of Credit. In addition to the Security Deposit required in Section 34, Lessee shall provide County with a Letter of Credit as security for the construction requirements established in Section 6 (the "Letter of Credit," which term shall be deemed to include each replacement thereof). The Letter of Credit shall (a) be irrevocable, (b) be issued by a federally or state chartered bank (the "Issuer") reasonably acceptable to County, (c) be in the amount of the greater of (i) Six Thousand Five Hundred \$6,500.00 Dollars (i.e., 10% of Minimum Capital Expenditure Requirement) or (ii) ten percent (10%) of the total cost of the construction contract(s) for the Improvements described in Section 6, and be maintained with an undrawn balance of at least the amount required in this section, (d) have an expiration date no earlier than the last day of the then-current Lease Year, and (e) be in a form reasonably acceptable to County. The Letter of Credit shall provide that it may be drawn against, in whole or in part, in accordance with the procedures of this Section 7 by presentation to the Issuer of a sight draft, with no other requirements as a condition of drawing on the Letter of Credit. On or before one sixty (60) days prior to the expiration date of the Letter of Credit, Lessee shall provide County with reasonable evidence that Lessee has renewed the Letter of Credit for a period of no less than one (1) year from its then current expiration date in the amount indicated below. The Letter of Credit shall be deemed a parent guarantee.
  - (a) The Letter of Credit must provide coverage from the Effective Date of the Third Amendment of this Agreement and must be kept in full force until the Aviation Department provides a written consent to release the Letter of Credit. Any termination of the Letter of Credit without the Aviation Department's written consent to release Letter of Credit shall be a default of this Agreement. Lessee's failure to timely renew the Letter of Credit shall entitle County to draw down the full amount of such Letter of Credit.
  - (b) Unless otherwise expressly stated herein, County shall not draw on the Letter of Credit without first giving Lessee written notice of its intent to draw sums under the Letter of Credit together with an explanation of the amount sought to be drawn and the basis for such draw with reasonable supporting documentation. County may draw on the Letter of Credit (i) in the event that Lessee has failed to perform one or more of its obligations described in Section 7.1(d)(i); (ii) upon the occurrence of a bankruptcy event involving Lessee; or (iii) upon cancellation or nonrenewal of the Letter of Credit as required by this Section 7. If any deficiencies in performance claimed by County in the notice are not cured with thirty (30) days after such notice to County's reasonable satisfaction, the draw on the Letter of Credit may be immediately submitted by County. Notwithstanding the foregoing,

upon the occurrence of a bankruptcy petition involving Lessee, or upon cancellation or nonrenewal of the Letter of Credit as required in this Section 7.1, the draw on the Letter of Credit may be immediately submitted by County. Lessee hereby irrevocably directs the then Issuer of the Letter of Credit to honor any draw pursuant to this section immediately upon submission thereof by County. In the event that County draws on the Letter of Credit as authorized in this Section 7, Lessee shall replenish the funds drawn by County within three (3) days.

- (c) The Letter of Credit must provide coverage from the Effective Date of the Third Amendment to this Agreement and must be kept in full force and effect until satisfactory completion of the Construction required in Section 6.
- (d) The Parties acknowledge and agree that the Letter of Credit shall be security for the performance of the obligations under this Agreement set forth below:
  - (i) Performance of Excess Improvements and Capital Expenditure obligations.
- 7.2 In the alternative, Lessee may deliver to County, in lieu of the Letter of Credit, a security deposit in cash. Any cash security deposit shall be in the amount and subject to all the requirements of this Section 7. In the event that County draws down on the cash deposit as authorized in this Section 7, Lessee shall replenish the funds drawn by County within three (3) days. The security deposit shall not be returned to Lessee until Lessee has performed all of its obligations as set forth in Section 7.1(d)(i) above. County shall not owe or pay interest on the security deposit.
- 7.3 <u>Payment and Performance Bonds</u>. Within fifteen (15) days prior to commencement of any construction or repairs to any Improvements located on the Premises, Lessee, or its general contractor hired to perform construction or repairs to any facilities located on the Premises, shall furnish Performance and Payment Bonds as financial security in the forms attached hereto as **Exhibits D** and **E** respectively, and Broward County shall be named as a dual obligee on the Performance and Payment Bonds.
  - (a) Each Bond shall be in the amount of one hundred percent (100%) of the cost of the construction and repairs to any facilities located on the Premises and guarantee the completion and performance of the Improvements, as well as full payment of all suppliers, laborers, and subcontractors performing the construction or repairs to any facilities located on the Premises. Each Bond shall be with a surety company that is qualified pursuant to the terms set forth in this section.
  - (b) <u>Alternate Form of Security</u>. Lessee may furnish County an alternate form of security, which may be in the form of cash, money order, certified check,

cashier's check, or unconditional letter of credit, in the amount equal one hundred percent (100%) of the cost of the construction or repairs to the facilities located on the Premises, in lieu of providing Performance and Payment Bonds. Such alternate form of security shall be subject to the approval of County, and include all the same conditions as set forth in subsection (a) above.

- (c) County will only accept Payment and Performance Bonds from a surety company that has twice the minimum surplus and capital required by the Florida Insurance Code at the time of the construction or repair, is otherwise in compliance with the provisions of the Florida Insurance Code, and holds a currently valid certificate of authority issued by the United States Department of the Treasury under Sections 9304 to 9308 of Title 31 of the United States Code. Lessee shall provide a certificate and affidavit in a form provided by County certifying to the satisfaction of the requirements provided in this subsection (c).
- 7.4 <u>Construction Contract Provisions</u>. Lessee shall include substantially the following provisions in all contracts it enters into with any contractors in connection with construction or repairs to any facilities located on the Premises:

"Contractor shall indemnify and hold harmless County, its officers and employees, from liabilities, damages, losses, and costs, including, but not limited to reasonable attorneys' fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of contractor or other persons employed or utilized by contractor in the performance of this Agreement. These provisions shall survive the expiration or any other termination of this Agreement. To the extent considered necessary by Lessee and County, any sums due Contractor under this Agreement may be retained by Lessee until all of Lessee and County's claims for indemnification under this Agreement have been settled or otherwise resolved, and any amount withheld shall not be subject to payment of interest by Lessee."

#### 7.5 Insurance Requirements for Construction Contracts.

(a) Lessee shall, at all times during the term of this Agreement (unless otherwise provided) require that all contractors and subcontractors working on the Premises or for Lessee in relation to the Premises obtain and maintain insurance coverages for the work and project. Unless otherwise agreed to in writing by County and Lessee, said coverages shall include, but not be limited to, general liability, automobile, workers' compensation, builder's risk, and environmental/pollution. Said insurance coverages shall be in accordance with the terms and conditions required by this section. Such policy or policies shall be issued by companies authorized to do business in the State of Florida that have a registered agent in Broward County, Florida upon whom service of process may be made.

- (b) Lessee shall include insurance requirements in compliance with this section in all agreements it enters into with contractors and subcontractors performing work at the Premises, and Lessee shall provide County (prior to commencement of any Improvements and no later than the pre-construction meeting held by the Aviation Department with Lessee) with certificates of insurance evidencing the contractor's compliance with the requirements of this section.
- (c) Such policies shall be issued by companies authorized to do business in the State of Florida, with a minimum AM Best financial rating of A-. Coverage shall be afforded on a form no more restrictive than the latest edition of the respective Insurance Services Office policy. Contractors and subcontractors shall specifically protect County by naming Broward County as an additional insured/loss payee under the primary and non-contributory General Liability Policy, Business Automobile Liability, Excess Liability, Builder's Risk, and any Property or Environmental Insurance policies. The official title of the certificate holder is Broward County. This official title shall be used in all insurance documentation. Contractor's and subcontractor's certificate of insurance shall be in a form that is satisfactory to County's Risk Manager or Risk Management Division.
- (d) Coverage is not to cease and is to remain in force until all performance required of contractor and subcontractor is completed. All policies must be endorsed to provide County with at least thirty (30) days' notice of cancellation and/or restriction. If any of the insurance coverages will expire prior to the completion of the work, copies of renewal policies shall be furnished to County at least thirty (30) days prior to the date of their expiration. Any insurance coverage that is written on a "claims made" basis must remain in force for two (2) years after the termination of this Agreement.
- (e) Not less than ten (10) days prior to commencement of any construction or repairs to any Improvements at the Premises, Lessee shall provide to County certificates of insurance evidencing the insurance coverage as specified above. The required certificates of insurance shall not only name the types of coverage provided, but also shall refer specifically to this Agreement with the type of insurance that is being furnished, and shall state that such insurance is as required by this Agreement. If the initial insurance expires prior to the completion of the Improvements, renewal certificates of insurance shall be furnished at least thirty (30) days prior to the date of expiration. Insurance shall not be canceled, modified, or restricted, without at least thirty (30) days prior written notice to County, and must be endorsed to provide same. The aforesaid insurance may be reviewed from time to time by County and may be adjusted if County determines that an adjustment would better protect County's interest. If County notifies Lessee, in writing at any time, that the insurance represented in a policy or

certificate delivered to County does not conform to the provisions hereof for any other reason, Lessee shall cure such defect within fifteen (15) days after notice.

- 7.6 <u>Provision of Documents</u>. Lessee shall provide the Aviation Department with certificates of insurance, policies of insurance, and any other documentation required by this Section 7.
- 7. Section 12 of the Agreement is deleted and replaced in its entirety with the following (underlining omitted):

#### **SECTION 12. INSURANCE REQUIREMENTS**

- 12.1 Lessee shall, at a minimum, provide, pay for, and maintain in force at all times during the term of this Agreement, the insurance coverages set forth in **Exhibit F**, in accordance with the terms and conditions required by this section. If services are required of Lessee pursuant to this Agreement subsequent to the expiration of the Agreement, Lessee shall provide, pay for, and maintain in force such insurance coverages until County determines all services required of Lessee have been completed. Such policy or policies shall be issued by companies authorized to do business in the State of Florida with a minimum AM Best financial rating of A-, and that maintain a registered agent in Broward County, Florida upon whom service of process may be made.
- 12.2 Lessee shall specifically protect County by naming Broward County as an additional insured/loss payee under the primary and non-contributory General Liability Policy, Business Automobile Liability, Excess Liability, and any Property or Environmental Insurance policies. All retentions, deductibles, and exclusions must be declared in writing and approved in writing by County. Lessee shall be solely responsible to pay all deductibles or retentions. If Lessee maintains broader coverage or higher limits than the minimums shown in **Exhibit F**, County shall be entitled to any such broader coverage and the higher limits maintained by Lessee.
- 12.3 Lessee shall provide written notice to County of any cancellation or restriction of insurance at least thirty (30) days prior to the date of expiration, or ten (10) days prior to the date of expiration for cancellation due to non-payment, and shall concurrently provide County with a copy of its updated Certificates of Insurance. Upon request by County, Lessee shall provide a copy of any policy required by this section within fourteen (14) days of a written request to Lessee, either by inspection of the policy at Broward County Aviation Department or by providing a copy of the policy. Any insurance coverage that is written on a "claims made" basis must remain in force for two (2) years after the termination or expiration of this Agreement. Commercial General Liability Insurance shall be written on an "occurrence" basis only.
- 12.4 County may modify the insurance coverages required under this section at any time as County determines necessary to protect County's interest. In such event, County shall notify Lessee of the modified requirements, and Lessee shall provide an updated

Certificate of Insurance evidencing such modified coverages within thirty (30) days after County's notice of the modification to the requirements.

- 12.5 <u>Subrogation</u>. Notwithstanding anything to the contrary in this Agreement, Lessee waives any right of recovery against County for any loss or damage to the extent the same is required to be covered by Lessee's insurance hereunder. Lessee shall obtain from its insurers a waiver of subrogation in favor of County in connection with any loss or damage covered by Lessee's insurance.
- 12.6 <u>Certificate Holder Address</u>. The certificate holder address shall read "Broward County, c/o Aviation Department, 320 Terminal Drive, Suite 200, Fort Lauderdale, Florida 33315" or such other address as may from time to time be required by County.
- 12.7 <u>Subcontractor Coverage</u>. Any subcontractor performing work for Lessee shall have Broward County listed as a certificate holder for all coverages and as an additional insured for its General Liability, Excess Liability, and Pollution coverages. Lessee shall require its subcontractors to provide all appropriate and necessary insurance coverages in their respective agreements.
- 12.8 The failure of County to demand evidence of the required insurance or to identify any deficiency in Lessee's coverage based on the evidence of insurance provided shall not be construed as a waiver by County. The insurance requirements required under this Agreement are minimum requirements, and shall in no way limit Lessee's liability arising out of the work performed or related activities.
- 12.9 The provisions of this Section 12 shall survive the expiration or earlier termination of this Agreement.
- 8. Section 14 of the Agreement is deleted and replaced in its entirety with the following (underlining omitted):

#### **SECTION 14. INDEMNITY**

Lessee shall at all times hereafter indemnify, hold harmless, and defend County and all of County's current, former, and future officers, agents, servants, and employees (collectively, "Indemnified Party") from and against any and all causes of action, demands, claims, losses, liabilities, and expenditures of any kind, including attorneys' fees, court costs, and expenses (collectively, a "Claim"), raised or asserted by any person or entity not a party to this Agreement, which Claim is caused or alleged to be caused, in whole or in part, by any intentional, reckless, or negligent act or omission of Lessee, its current or former officers, employees, agents, or servants, arising from, relating to, or in connection with this Agreement. In the event any Claim is brought against an Indemnified Party, Lessee shall, upon written notice from County, defend each Indemnified Party against each such Claim by counsel satisfactory to County or, at County's option, pay for an attorney selected by County Attorney to defend the Indemnified Party. The obligations

of this section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by the Aviation Department and the County Attorney, any sums due Lessee under this Agreement may be retained by County until all of County's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved. Any amount withheld shall not be subject to payment of interest by County.

9. Section 30 of the Agreement is deleted and replaced in its entirety with the following (underlining omitted):

#### SECTION 30. AIRPORT SECURITY

Airport Security Program and Aviation Regulations. Lessee shall observe all security requirements and other requirements of the FAA regulations applicable to Lessee, including but not limited to, all regulations of the United States Department of Transportation, the FAA and the Transportation Security Administration, and Lessee agrees to comply with County's Airport Security Program and the Air Operations Area (AOA) Vehicle Access Program, and any amendments thereto, and with such other rules and regulations as may be reasonably prescribed by County, including any regulations pertaining to emergency response training, and shall take such steps as may be necessary or directed by County to ensure that sublessees, contractors, subcontractors, employees, invitees, and guests of Lessee observe these requirements. Lessee shall be responsible for the care and maintenance of the Airport security barriers and devices as a permanent improvement to the Premises. All costs associated with the construction and repair of the security fence (excluding the County maintained perimeter fence), barriers, access control and monitoring system, including, but not limited to, gates, signs, or locks (keying and re-keying), that are installed now or in the future at the Premises shall be borne by Lessee. If required by the Aviation Department, Lessee shall conduct background checks of its employees in accordance with applicable Federal regulations. If, as a result of the acts or omissions of Lessee or sublessees, contractors, subcontractors, employees, invitees, and guests of Lessee, County incurs any fines and/or penalties imposed by any governmental agency, including without limitation, the United States Department of Transportation, the FAA, or the Transportation Security Administration, or any expense in enforcing any federal regulations, including without limitation, airport security regulations, or the rules or regulations of County, and/or any expense in enforcing County's Airport Security Program, then Lessee agrees to pay and/or reimburse to County all such costs and expenses, including all costs of administrative proceedings, court costs, and attorneys' fees and all costs incurred by County in enforcing this provision. Lessee's payment shall be due within fifteen (15) days of written demand by County. Lessee shall rectify, to the satisfaction of the applicable enforcement agency, any security deficiency or other deficiency as may be determined as such by County or the United States Department of Transportation, FAA, the Transportation Security Administration, or any other federal agency with jurisdiction. In the event Lessee fails to remedy any such deficiency, County may do so at the sole cost and expense of Lessee. Lessee shall pay County's costs within fifteen (15) days of written demand by County. County reserves the right to take whatever action it deems necessary, in its sole discretion, to rectify any security deficiency or other deficiency at Lessee's sole cost and expense.

- Operation of Vehicles on the AOA. Before Lessee shall permit any employee of Lessee or of any subconsultant/subcontractor or Sublessee to operate a motor vehicle of any kind or type on the AOA, Lessee shall ensure that all such vehicle operators possess current, valid, and appropriate Florida driver's licenses. In addition, any motor vehicles and equipment of Lessee or of any subconsultant/subcontractor or Sublessee operating on the AOA must have an appropriate vehicle identification permit issued by the Aviation Department (unless escorted by an Aviation Department approved escort), which identification must be displayed as required by the Aviation Department.
- 30.3 <u>Consent to Search/Inspection</u>. Lessee agrees that its vehicles, cargo, goods, and other personal property are subject to being inspected and searched when attempting to enter or leave and while on the AOA. Lessee and its subconsultant/subcontractors and Sublessees, shall not authorize any employee or other person to enter the AOA unless and until such employee or other person has executed a written consent-to-search/inspection form acceptable to the Aviation Department. The foregoing requirements are for the protection of users of the Airport and are intended to reduce incidents of cargo tampering, aircraft sabotage, thefts and other unlawful activities at the Airport. For this reason, persons not executing such consent-to-search/inspection form shall not be employed by Lessee or by any subconsultant/subcontractor or Sublessee at the Airport in any position requiring access to the AOA or allowed entry to the AOA by Lessee or by any subconsultant/subcontractors or Sublessee.
- 30.4 If any of Lessee's employees, or the employees of any of its subcontractors Sublessees, are required in the course of the work to be performed under this Agreement to access or otherwise be in contact with Sensitive Security Information ("SSI") as defined and construed under Federal law, Lessee shall require such individual to execute a SSI Non-Disclosure Agreement promulgated by the Aviation Department before that individual may have access to or contact with SSI.
- 30.5 The provisions of Section 30 shall survive the expiration or any other termination of this Agreement.
- 10. Lessee acknowledges that, through the Effective Date of this Third Amendment, it has no claims against the County with respect to any of the matters covered by the Agreement, as amended hereby, and it has no right of set-off or counterclaims against any of the amounts payable under the Agreement, as amended hereby.
- 11. In the event of any conflict or ambiguity between this Third Amendment and the Agreement, the Parties agree that this Third Amendment shall control.

- 12. Preparation of this Third Amendment has been a joint effort of the Parties and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the Parties than any other.
- 13. This Third Amendment may be executed in multiple originals, and may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
- 14. The Agreement, as amended herein, incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein, and the Parties agree that there are no commitments, agreements, or understandings concerning the subject matter hereof that are not contained in the Agreement or this Amendment. Accordingly, the Parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

| BROWARD COUNTY, through its BOARD OF (<br>its Mayor or Vice-Mayor, authorized to exe                  | nave made and executed this Third Amendr<br>COUNTY COMMISSIONERS, signing by and thr<br>ecute same by Board action on the do<br>AVIATION, LLC, signing by and thr<br>ecute same.  | ough<br>ay of |
|---|---|---------------|
| <u>C</u> (  | YTNUC   |               |
| ATTEST:   | BROWARD COUNTY, by and through its Board of County Commissioners  |               |
| Broward County Administrator, as ex officio Clerk of the Broward County Board of County Commissioners | By<br>Mayor<br>day of, 20   | _             |
|   | Approved as to form by Andrew J. Meyers Broward County Attorney Aviation Office 320 Terminal Drive, Suite 200 Fort Lauderdale, Florida 33315 Telephone: (954) 359-6100 Telecopier: (954) 359-1292 Sharon V.  Digitally signed by Sharon V. Thorsen Date: 2021.02.26 13:51:17-05'0 |               |
|   | Sharon V. Thorsen (Dat<br>Senior Assistant County Attorney  | :e)           |

SVT/ch Hollywood Aviation 3<sup>rd</sup> Amendment 02.02.2021 12/03/2020 80071.0082

# THIRD AMENDMENT TO THE AGREEMENT OF LEASE BETWEEN BROWARD COUNTY AND HOLLYWOOD AVIATION, LLC

### LESSEE

| Hollywood Aviation, LLC                        |   |
|--|---|
| Print Name: Antonio Fonseca  Title: Presiden T | 2/22/20   |
| 202_   |   |
|  |   |
|  | Print Name: Antonio Fonseca<br>Title: President |

Print Name:

### **EXHIBIT D - PERFORMANCE BOND**

| BY THIS BOND, We  |  | , as   | Principal, hereinafter  |
|---|--|--|---|
| called Contractor, and  |  | , as Su  | irety, are bound to   |
|   | _, as Obligee, (hereina<br>Dollars (\$   | ifter called "Lessee")   | ), in the amount of   |
| Contractor and Surety bin   |  |  |   |
| assigns, jointly and several  | lly.   |  |   |
| WHEREAS, Contractor has   |  |  |   |
| Contract Documents are  | by reference incorporate   | ed herein and made a   | part hereof, and may  |
| specifically include provision  | A1   |  | identified, and for the   |
| purposes of this Bond are   | nereatter reterred to as t   | ne Contract ;  |   |
| THE CONDITION OF THIS B   | OND is that if Contractor  | :  |   |
|   | ontract between Cont   | , the Contract be  | eing made a part of this  |
| Bond by reference, at the   | times and in the manner  | prescribed in the Cont   | ract; and,  |
| <ol> <li>Pays Lessee all loss<br/>appellate proceedings, th<br/>Contract; and,</li> </ol> | es, Liquidated Damages,<br>at Lessee sustains as a   | The state of the s |   |
| 3) Performs the guara<br>time specified in the Contr<br>AND EFFECT.                       |  |  |   |
| Whenever Contractor sha<br>Lessee having performed<br>default, or shall promptly:         | Lessee obligations there   |  |   |
| a) Complete the Documents; or   | ne Project in accordance v   | with the terms and con   | ditions of the Contract   |
| conditions of the C<br>responsible Bidder,<br>of the lowest respo<br>and make available   | d or bids for completing to<br>contract Documents, and<br>, or, if Lessee elects, upo<br>ensible Bidder, arrange fo<br>e as work progresses (e<br>ults under the Contract or | upon determination be<br>n determination by Les<br>r a contract between so<br>ven though there sho   | y Surety of the lowest<br>ssee and Surety jointly<br>uch Bidder and Lessee,<br>ould be a default or a |

paragraph) sufficient funds to pay the cost of completion less the balance of the Contract Price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the Contract Price," as used in this paragraph, shall mean the total amount payable by Lessee to Contractor under the Contract and any amendments thereto, less the amount properly paid by Lessee to Contractor.

No right of action shall accrue on this bond to or for the use of any person or corporation other than Lessee named herein and Broward County.

The Surety hereby waives notice of and agrees that any changes in or under the Contract Documents and compliance or noncompliance with any formalities connected with the Contract or the changes does not affect Surety's obligation under this Bond.

| Signed and sealed this day of | , 20                               |
|-------------------------------|------------------------------------|
| ATTEST:                       |                                    |
|                               | (Name of Contractor)               |
| Secretary                     | P                                  |
|                               | By<br>(Signature and Title)        |
| (CORPORATE SEAL)              |                                    |
|                               | (Type Name and Title Signed Above) |
| IN THE PRESENCE OF:           | SURETY:                            |
| Signature                     |                                    |
| Print Name                    | ByAgent and Attorney-in-Fact       |
|                               | Agent and Attorney-in-ract         |
| Signature                     |                                    |
| Print Name                    |                                    |

### DUAL/ADDITIONAL OBLIGEE RIDER

| THIS RIDER, executed simultaneously  |                                |                                       |                                  |
|--|--------------------------------|---------------------------------------|----------------------------------|
| Payment Bonds (Bond No   | ) executed on the              | day of                                | 20                               |
| between  |                                | (Contractor),                         | and                              |
| (+)  |                                | Surety, in                            | favor of                         |
| , (Lessee/Obligee  | e):                            |                                       |                                  |
| THAT THE AFORESAID BOND S  | HALL BE AND IT IS AMENDED A    | AS FOLLOWS:                           |                                  |
| <ol> <li>The name of the Brownamed Obligee.</li> </ol>   | vard County, shall be and is h | ereby added to t                      | he bond as a                     |
| County, performing Lessee's of aggregate liability of the Sure may appear, is limited to the p | ty under said bond, to Lessee  | t; provided, howe<br>and County, as t | ever, that the<br>heir interests |
| SIGNED, SEALED AND DATED T   | THIS DAY OF, 20_               | :                                     |                                  |
| SURETY   | CONTRACTOR                     |                                       |                                  |
| Ву   | Ву                             |                                       |                                  |
| Attorney-in-Fact   |                                |                                       |                                  |
| (Accompany this Rider with Attorney-   |                                |                                       |                                  |

to include the day of the Rider.)

#### **EXHIBIT E - PAYMENT BOND**

|  | '), located at, and   |                 |
|--|---|-----------------|
| located at                                   |   |                 |
|  | under the assigned Bond Number  | , are bound     |
|  | , as Obligee, hereinafter called Lessee, in the   |                 |
|  | Dollars (\$) for  | the payment     |
|  | us, idilitiv and severally.   |                 |
| WHEREAS, Contracto                           | ns, jointly and severally.  or has by written agreement entered into a Contract, Bid/ dated the day of, 20, w |                 |
| WHEREAS, Contracto                           |   | ith Lessee for  |
| which Contract Docu<br>for the purposes of t | or has by written agreement entered into a Contract, Bid/dated the, 20, w                                     | vith Lessee for |

THEN CONTRACTOR'S OBLIGATION SHALL BE VOID; OTHERWISE, IT SHALL REMAIN IN FULL FORCE AND EFFECT SUBJECT, HOWEVER, TO THE FOLLOWING CONDITIONS:

Contract;

- a) A claimant, except a laborer, who is not in privity with Contractor and who has not received payment for its labor, materials, or supplies shall, within forty-five (45) days after beginning to furnish labor, materials, or supplies for the prosecution of the work, serve notice to Contractor that it intends to look to the bond for protection.
- b) A claimant who is not in privity with Contractor and who has not received payment for its labor, materials, or supplies shall no earlier than 45 days, but within ninety (90) days after performance of the labor or after complete delivery of the materials or supplies, serve notice to Contractor and to the Surety, of the performance of the labor or delivery of the materials or supplies and of the nonpayment.
- c) No action for the labor, materials, or supplies may be instituted against Contractor or the Surety unless the notices stated under the preceding conditions a) and b) have been given.
- d) Any action under this Bond must be instituted in accordance with the Notice and Time Limitations provisions prescribed in Section 255.05(2), Florida Statutes.

The Surety hereby waives notice of and agrees that any changes in or under the Contract Documents and compliance or noncompliance with any formalities connected with the Contract or the changes does not affect the Surety's obligation under this Bond.

| Signed and sealed this day of | , 20                               |
|-------------------------------|------------------------------------|
| ATTEST:                       |                                    |
|                               | (Name of Contractor)               |
| Secretary                     |                                    |
|                               | Ву                                 |
| (CORRODATE SEAL)              | (Signature and Title)              |
| (CORPORATE SEAL)              |                                    |
|                               | (Type Name and Title Signed Above) |
| IN THE PRESENCE OF:           | SURETY:                            |
| Signature                     |                                    |
| Print Name                    | Ву                                 |
|                               | Agent and Attorney-in-Fact         |
| Signature                     |                                    |
| Print Name                    |                                    |

### **EXHIBIT F - INSURANCE REQUIREMENTS**

EXHIBIT F
Insurance Requirements for Hollywood Aviation FBO
d appropriate for informal resumence requirements for the project and will be required of the selected fire and

| Jury Damage Jury and Damage Injury Jury (each Damage                  | ## ## ## ## ## ## ## ## ## ## ## ## ##   | Aggregate                                      |
|---|--|--|
| Damage Jury and Damage ad Injury Jury (each Jury (each Damage         | \$ 1 mill  | \$ 2 mil                                       |
| Jury and<br>Damage<br>of Injury<br>Jury (each<br>Jury (each<br>Damage | \$ 1 mil   | \$ 2 mil                                       |
| Damage Injury Jury (each Jury (each Damage                            | \$ 1 mill  | \$ 2 mil                                       |
| Jury (each<br>Jury (each<br>)<br>Damage                               |  |  |
| Jury (each<br>)<br>Damage<br>Jury and                                 |  |  |
| Damage<br>Jury and  |  |  |
| jury and  |  |  |
|   |  |  |
| Damage<br>ed  | \$300 k landside  No vehicles used in the operation of business  |  |
| jury and<br>Damage<br>ed  | \$   | S  |
|   |  |  |
|   | \$2 mil  | \$2 mili                                       |
| TUTORY<br>sues only:  | "State exemption not accepted.   |  |
|   | (each accident)  | 500K MIN                                       |
| 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2                               | Damage id  TUTORY sues only:  at liability and ow Broward far when context. RLLRFP, as we certificate of | business Damage d  \$2 mill  FUTORY (ues only: |