

MENOMINEE REGIONAL AIRPORT
2801 22nd Avenue
Menominee, MI 49858
906-863-8408

Note: Quorum of the Menominee County Board of Commissioners may be present. If you are an individual who needs special accommodations while attending the meeting, as required by the "Americans with Disabilities Act", please notify the Airport Manager's office at 906-863-8408 at least 6 hours prior to the meeting in order to make suitable arrangements. (TDD 800-649-3777)

Menominee Regional Airport Committee
2801 22nd Street
Menominee, MI 49858 ~ 906-863-8408
Tuesday ~ November 20, 2018 ~ 4:00 PM
Airport Conference Room

AMENDED AGENDA

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of the Agenda
- E. Approval of Previous Minutes: October 16th, 2018
- F. Public Comment (*Statements, not debate, limited to 5 minutes per person on agenda items only*)
- G. Presentations (*limited to twenty minutes*): None
- H. Business
 - Financial
 - 1. Month-End Budget Report Status
 - 2. Manager Report
 - a. Fuel Sales
 - b. Activity
 - Other Business
 - 1. **Action ~ A motion to approve and forward the termination of Great Lakes Exploration (Tom Quigley) hangar #13 land lease agreement to the CB.**
 - 2. **Action ~ A motion to approve and forward the new land lease agreement for Alan Kozikowski #13 to the CB.**
 - 3. Update ~ Airport Website
 - 4. Discussion ~ Organizational Structure at the Airport
 - 5. Discussion ~ Civil Air Patrol Lease
- I. Public Comment (*Limited to 5 minutes*)
- J. Commissioner Comment
- K. Next meeting date ~ December 18th, 2018
- L. Adjourn

Menominee Regional Airport Committee

Steve Gromala, Chair, Gerald Piche, William Cech

Menominee County Board of Commissioners

*Gerald Piche, Chairman William Cech, Vice Chairman Steve Gromala Bernie Lang Larry Phelps Larry Schei
Charlie Meintz Jan Hafeman John Nelson*

Menominee Regional Airport Committee
Minutes of Meeting
October 16, 2018

*****DRAFT*****

The Menominee Regional Airport Committee met on October 16, 2018 at 4:00 PM at the Menominee Regional Airport, Conference Room.

- A. Call Meeting to order:** Com. Gromala called the meeting to order at 4:00 PM
- B. Pledge of Allegiance:** Recited by all
- C. Roll Call:** Coms. Gromala, Piche – present: Com. Cech – absent, excused
Also present were Jason Carviou, Jeff LaFleur and Doreen Averill
- D. Approval of Agenda:** Motion to approve agenda by Com. Piche, seconded by Com. Gromala. Motion carried – 2/0.
- E. Approval of Previous Minutes:** Motion to approve Previous Minutes from September 18th, 2018’s meeting made by Com. Piche, seconded by Com. Gromala. Motion carried – 2/0
- F. Public Comment:** None
- G. Presentations:** None
- H. Business**
 - Financial**
 - 1) Month-End Budget Report Status – **Jeff:** We’re doing ok. We’re holding our own. **Jason:** It looks like we’ll have a fair surplus at the end of the audit. Expenses were in line with what we were expecting. Revenues are up from what we budgeted.
 - 2) Manager’s Report ~
 - b) Fuel Sales: **Jeff:** Sales have been up and down. We trying to serve everyone that comes through the door. **Jason:** I was working with Kim – she was redoing our numbers in fuel sales - recalculating our profit – it was a little off so she was going through that – unfortunately, I forgot to print it out for you.
 - c) Activity: **Jeff:** There’s been activity coming and going – as long as we keep people smiling – do what it takes, we’re ahead of the game.

Other Business

- 1) Action ~ Recommend the approval of Tim Plutchak’s Private Tenant Land Lease Agreement (Hangar 15) to the CB made by Com. Piche, seconded by

- Com. Gromala – Motion carried 2/0
- 2) Action ~ Recommend the approval of the sale and wave our “right of first refusal” of Hangar 13 – Tom Quigley, Great Lakes Exploration to the CB made by Com. Piche, seconded by Com. Gromala – Motion carried 2/0
 - 3) Action ~ Recommend the approval of the termination of the current lease with Hangar #13 – Tom Quigley, Great Lakes Exploration; and recommend to offer a new land lease, with 10 yr. option, to potential buyer to the CB made by Com. Piche, seconded by Com. Gromala – Motion carried 2/0
 - 4) Discussion ~ Access Cards to the Airport: **Jason:** Just a discussion and update on the new access cards. The new lease agreements have been signed now – for the most part. Those that haven’t signed, we took action, as directed by the CB, to terminate at the end of their initial terms. Most of the tenants have the new access cards. There are a few that do not. We will be mailing them out the new access cards in the next week or two to those few stragglers. Once we know they have been received, we will deactivate the old access cards. We don’t want to deny access to the airport to anyone that has a legitimate reason for being there. **Com. Gromala:** With these new cards, will we be able to tell who is coming and at what time and when they’re leaving, correct? **Jeff:** Correct. Coming in, not leaving. I case something happens, we’ll know who’s out on the field and what time they arrived.
 - 5) Discussion ~ Airport Brochure & Webpage: **Jason:** We’ll start with the brochure. I’ll turn it over to Doreen to explain what was done. **Doreen:** First, all the pictures and set-up is just temporary. Any changes that you feel need to be done can easily be done. *An explanation of the brochure set-up and format was presented to the committee for discussion.* **Jason:** I think it’s a good first draft. I’d like to see hotels and restaurants listed in there and would like to possibly see a map of the airport on the back page of the brochure. **Com. Gromala:** I would like to see the city-wide “Yellow Bike” program included by the services – by the courtesy van. **Jason:** Yeah, like I said, it’s a good first draft and we’ll continue to work with it in the next few months. Now, as far as the website, I did more research and was finally able to get in touch with my contact regarding web design. To design and build the stand alone airport website it would cost a one-time fee of \$1500 - \$1700, \$500/yr. hosting fee and a fee of \$25 for a domain. If we decide to have them do the County’s website along with the Airport website, they would cut the hosting fee to \$400/yr. In discussing the County’s website, they gave me pricing to update it that is **under** \$5000. The company we use now – the cost to update would be \$8000, plus hosting fee.
 - 6) Discussion ~ Update on the Civil Air Patrol Hangar: **Jason:** I finally received information for the WI Wing chapter of CAP. They want to keep the hanger and are willing to work with us on the lease term. They also want to keep the current \$1.00 yearly rental fee. Those were the only two issues that they had a problem with in the new leases. My recommendation would be to write the lease for a 25 year term. This would keep in line with the original lease signed in 1993 for a 50 year term. As far as the rental fee, we can write a clause into the lease stating that in order to keep the nominal yearly fee (\$1.00/yr.,

\$25.00/yr. or whatever price), CAP would have to have the ability to maintain the capability to provide “in-kind” services (search and rescue, radio communications, disaster relief services, etc.). CAP would also have to provide a yearly report showing said services we done. If CAP is unable to provide these services, the lease would then be terminated. These two items should satisfy the FAA, as far as grant assurances. CAP does not have a problem with the rest of the clauses that need to be added to their lease to cover our grant assurances with the FAA (like the discrimination clause, right to first refusal, etc.).

- I. Public Comment: Terry Glimn, Escanaba:** Is it true that the Airport has a crew car of some sorts for transient pilots to use during a layover? **Com. Gromala:** Yes. **Terry:** Good, then I can fly in and maybe have some lunch in town instead of doing a turnaround flight back to Escanaba. **George Sporie:** As far as the Courtesy Car, it’s my understanding that it is only available if the Interim Airport Manager is here and if gives you the keys to use it. So I wouldn’t count on it being available after business hours or on weekends. Also, fuel sales for the year are about \$60,000.00 for the year – about 30% of what was budgeted. Why is this of no interest to the commissioners? It’s the single largest income source for the Airport and the numbers are way off. I’d like someone to figure it out! **Wayne Beyer:** I have a suggestion as far as the brochure, maybe you should see who would like to donate toward having the brochure printed. It seems like a reasonable thing and not very expensive.
- J. Commissioner Comment: Com. Gromala:** Also brought up possibilities of getting donations for printing the brochure. **Com. Piche:** I like Mr. Beyer’s comments. This would give us and idea of who cares enough about the Airport to donate towards its advertising. Also, gas sales – there is a big concern, here. We’ve been looking into it and are working on a solution. But there is concern, here. **Com. Gromala:** I think one of the problems were having with gas sales is the time lapse between the actual sale of fuel and when we receive payment from EPIC for that sale. We don’t receive payment from EPIC the same day the sale was made.
- K. Next Meeting:** November 20th, 2018
- L. Adjourn:** A motion made by Com. Piche, seconded by Com. Gromala. Motion carried 2/0 at 5:15pm

Fund 216 MENOMINEE REGIONAL AIRPORT

GL Number	Description	Balance
*** Assets ***		
216-000-001.00	CASH	323,782.74
216-000-001.01	CASH - AIRPORT	0.00
216-000-040.00	ACCOUNTS RECEIVABLE	0.00
216-000-101.00	FUEL INVENTORY	34,464.44
216-000-123.01	PREPAID INSURANCE	0.00
216-000-123.02	PREPAID LIABILITY INSURANCE	4,238.28
Total Assets		362,485.46
*** Liabilities ***		
216-000-200.00	ACCOUNTS PAYABLE	0.00
216-000-257.00	ACCRUED WAGES PAYABLE	0.00
216-585-228.00	SALES, USE AND WITHHOLDING TAXES	0.00
Total Liabilities		0.00
*** Fund Balance ***		
216-000-390.00	FUND BALANCE	252,542.96
216-000-393.03	DESIGNATED FUND BALANCE	0.00
Total Fund Balance		252,542.96
Beginning Fund Balance - 17-18		252,542.96
Net of Revenues VS Expenditures - 17-18		75,317.76
*17-18 End FB/18-19 Beg FB		327,860.72
Net of Revenues VS Expenditures - Current Year		34,624.74
Ending Fund Balance		362,485.46
Total Liabilities And Fund Balance		362,485.46

* Year Not Closed

GL NUMBER	DESCRIPTION	2018-19		2018-19		YTD BALANCE		ACTIVITY FOR		AVAILABLE	
		ORIGINAL BUDGET	AMENDED BUDGET	11/30/2018	NORM (ABNORM)	11/30/2018	NORM (ABNORM)	MONTH 11/30/18	INCR (DECR)	BALANCE	& BGD
											USED
Fund 216 - MENOMINEE REGIONAL AIRPORT											
Revenues											
Dept 000											
216-000-541.00	STATE PAYMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-000-631.03	GROUND POWER UNIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-000-633.00	LANDING FEES	7,500.00	7,500.00	310.00	0.00	7,190.00	0.00	0.00	7,190.00	4.13	0.00
216-000-633.01	RAMP/PARKING FEES	100.00	100.00	0.00	0.00	100.00	0.00	0.00	100.00	0.00	0.00
216-000-634.00	ENGINE PRE-HEAT	100.00	100.00	0.00	0.00	100.00	0.00	0.00	100.00	0.00	0.00
216-000-634.01	CARGO HANDLING FEE	500.00	500.00	0.00	0.00	500.00	0.00	0.00	500.00	0.00	0.00
216-000-634.02	AIRPORT DE-ICING	500.00	500.00	0.00	0.00	500.00	0.00	0.00	500.00	0.00	0.00
216-000-642.00	AVIATION FUEL/OIL - BUSINESS	60,000.00	60,000.00	0.00	0.00	60,000.00	0.00	0.00	60,000.00	0.00	0.00
216-000-642.01	AVIATION FUEL - CASH	250.00	250.00	0.00	0.00	250.00	0.00	0.00	250.00	0.00	0.00
216-000-642.02	AVIATION FUEL - CREDIT CARD	100,000.00	100,000.00	5,185.56	0.00	94,814.44	0.00	0.00	94,814.44	5.19	0.00
216-000-642.03	SODA MACHINE	100.00	100.00	0.00	0.00	100.00	0.00	0.00	100.00	0.00	0.00
216-000-642.04	Oil Sales - Credit Card	150.00	150.00	8.00	0.00	142.00	0.00	0.00	142.00	5.33	0.00
216-000-665.00	INTEREST EARNED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-000-670.00	RENT/HANGER LEASE	35,000.00	35,000.00	8,903.40	0.00	26,096.60	1,134.60	0.00	26,096.60	25.44	0.00
216-000-670.01	RAMP/ TIE DOWN FEE	100.00	100.00	0.00	0.00	100.00	0.00	0.00	100.00	0.00	0.00
216-000-672.00	AFTER HOUR FEES	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00	0.00	2,000.00	0.00	0.00
216-000-672.01	TERMINAL SIGN DISPLAY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-000-676.00	MISCELLANEOUS REVENUE	500.00	500.00	0.00	0.00	500.00	0.00	0.00	500.00	0.00	0.00
216-000-677.00	SALARY REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-000-699.00	TRANSFERS/APPROPRIATION	87,393.00	87,393.00	21,848.25	0.00	65,544.75	0.00	0.00	65,544.75	25.00	0.00
216-000-699.01	COUNTY APPROPRIATION - CAPITAL IMPROVEM	50,000.00	50,000.00	12,500.00	0.00	37,500.00	0.00	0.00	37,500.00	25.00	0.00
216-000-699.02	EQUITY TRANSFER FROM AIRPORT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-000-699.03	TRANSFER IN FROM FUND BALANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-000-699.04	TRANSFER IN FROM DESIGNATED	50,000.00	50,000.00	0.00	0.00	50,000.00	0.00	0.00	50,000.00	0.00	0.00
Total Dept 000 - NONE		394,193.00	394,193.00	48,755.21	0.00	345,437.79	1,134.60	0.00	345,437.79	12.37	0.00
TOTAL REVENUES											
TOTAL REVENUES		394,193.00	394,193.00	48,755.21	0.00	345,437.79	1,134.60	0.00	345,437.79	12.37	0.00
Expenditures											
Dept 585											
216-585-704.00	SALARIES	98,886.00	98,886.00	5,771.34	0.00	93,114.66	3,042.98	0.00	93,114.66	5.84	0.00
216-585-705.00	SALARIES -- PART TIME	26,130.00	26,130.00	644.82	0.00	25,485.18	0.00	0.00	25,485.18	2.47	0.00
216-585-706.00	OVERTIME	3,000.00	3,000.00	68.21	0.00	2,931.79	0.00	0.00	2,931.79	2.27	0.00
216-585-707.00	LONGEVITY	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00	0.00	1,000.00	0.00	0.00
216-585-712.00	HOSPITAL INSURANCE	34,716.00	34,716.00	2,505.80	0.00	32,210.20	0.00	0.00	32,210.20	7.22	0.00
216-585-713.00	LIFE INSURANCE	60.00	60.00	4.72	0.00	55.28	2.36	0.00	55.28	7.87	0.00
216-585-715.00	FICA-OASDI	7,275.00	7,275.00	272.35	0.00	7,002.65	103.28	0.00	7,002.65	3.74	0.00
216-585-715.01	FICA-MEDI	1,701.00	1,701.00	63.68	0.00	1,637.32	24.15	0.00	1,637.32	3.74	0.00
216-585-716.00	WORKMENS COMPENSATION	6,079.00	6,079.00	0.00	0.00	6,079.00	0.00	0.00	6,079.00	0.00	0.00
216-585-718.00	RETIREMENT	4,052.00	4,052.00	0.00	0.00	4,052.00	0.00	0.00	4,052.00	0.00	0.00
216-585-718.01	MERS UNFUNDED LIABILITY	5,952.00	5,952.00	1,011.00	0.00	4,941.00	496.00	0.00	4,941.00	16.99	0.00
216-585-727.00	OFFICE SUPPLIES	350.00	350.00	0.00	0.00	350.00	0.00	0.00	350.00	0.00	0.00
216-585-728.00	OFFICE EQUIPMENT	400.00	400.00	0.00	0.00	400.00	0.00	0.00	400.00	0.00	0.00
216-585-729.00	POSTAGE	250.00	250.00	37.17	0.00	212.83	0.00	0.00	212.83	14.87	0.00
216-585-729.01	MISCELLANEOUS PURCHASES	50.00	50.00	0.00	0.00	50.00	0.00	0.00	50.00	0.00	0.00
216-585-742.00	GAS, OIL ETC	3,000.00	3,000.00	36.50	0.00	2,963.50	36.50	0.00	2,963.50	1.22	0.00
216-585-743.00	AVIATION FUEL PURCHASES	85,000.00	85,000.00	0.00	0.00	85,000.00	0.00	0.00	85,000.00	0.00	0.00
216-585-743.01	CREDIT CARD PROCESSING FEES	3,000.00	3,000.00	180.97	0.00	2,819.03	0.00	0.00	2,819.03	6.03	0.00
216-585-744.00	EQUIPMENT FUEL PURCHASE	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00	0.00	2,500.00	0.00	0.00
216-585-745.00	UNIFORMS	500.00	500.00	0.00	0.00	500.00	0.00	0.00	500.00	0.00	0.00
216-585-755.01	OTHER OPERATING - JANITORIAL	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00	0.00	2,000.00	0.00	0.00
216-585-755.02	OTHER OPERATING - GENERAL	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00	0.00	1,500.00	0.00	0.00

PERIOD ENDING 11/30/2018

GL NUMBER	DESCRIPTION	2018-19		2018-19		YTD BALANCE		ACTIVITY FOR		AVAILABLE		% BDCGT USED
		ORIGINAL BUDGET	AMENDED BUDGET	11/30/2018	NORM (ABNORM)	11/30/2018	NORM (ABNORM)	MONTH 11/30/18	INCR (DECR)	BALANCE	(ABNORM)	
Fund 216 - MENOMINEE REGIONAL AIRPORT												
Expenditures												
216-585-755.03	LICENSES/PERMITS	500.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00	0.00	0.00
216-585-756.01	CONSTRUCTION SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-585-801.00	PROFESSIONAL/CONTRACTURAL SERVICES	2,500.00	2,500.00	209.47	209.47	209.47	184.51	0.00	0.00	2,290.53	8.38	0.00
216-585-801.01	AUDIT SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-585-831.00	LIABILITY INSURANCE	13,000.00	13,000.00	0.00	0.00	0.00	0.00	0.00	0.00	13,000.00	0.00	0.00
216-585-850.00	TELEPHONE/INTERNET	3,500.00	3,500.00	361.41	361.41	361.41	305.31	0.00	0.00	3,138.59	10.33	0.00
216-585-860.00	TRAVEL/CONFERENCES	520.00	520.00	0.00	0.00	0.00	0.00	0.00	0.00	520.00	0.00	0.00
216-585-901.00	ADVERTISING	500.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00	0.00	0.00
216-585-920.00	NATURAL GAS/HEATING	5,000.00	5,000.00	66.40	66.40	66.40	66.40	0.00	0.00	4,933.60	1.33	0.00
216-585-920.01	WATER	550.00	550.00	0.00	0.00	0.00	0.00	0.00	0.00	550.00	0.00	0.00
216-585-920.02	SEWER	650.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00	650.00	0.00	0.00
216-585-920.03	ELECTRIC	8,000.00	8,000.00	507.92	507.92	507.92	507.92	0.00	0.00	7,492.08	6.35	0.00
216-585-930.03	DO NOT USE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-585-955.00	AIRPORT SALES TAX	6,500.00	6,500.00	1,011.83	1,011.83	1,011.83	653.10	0.00	0.00	5,488.17	15.57	0.00
216-585-970.00	CAPITAL OUTLAY	50,000.00	50,000.00	0.00	0.00	0.00	1,300.00	0.00	0.00	48,700.00	2.60	0.00
216-585-970.01	CAPITAL OUTLAY - COURTESY VAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-585-970.02	FIRE CRASH BLDG EXPANSTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
216-585-981.00	EQUIPMENT MAINTENANCE/PARTS	5,000.00	5,000.00	76.88	76.88	76.88	0.00	0.00	0.00	4,923.12	1.54	0.00
216-585-981.01	AIRFIELD MAINTENANCE/REPAIRS	1,500.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	0.00	0.00
216-585-981.02	BUILDING MAINTENANCE/REPAIRS	1,500.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	0.00	0.00
216-585-984.00	NEW/REPLACEMENT EQUIPMENT	1,500.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	0.00	0.00
216-585-990.00	AIRPORT LOAN - PRINCIPAL	5,312.00	5,312.00	0.00	0.00	0.00	0.00	0.00	0.00	5,312.00	0.00	0.00
216-585-990.01	AIRPORT LOAN - INTEREST	760.00	760.00	0.00	0.00	0.00	0.00	0.00	0.00	760.00	0.00	0.00
Total Dept 585 - AIRPORT EXPENDITURE		394,193.00	394,193.00	14,130.47	14,130.47	14,130.47	6,722.51	0.00	0.00	380,062.53	3.58	0.00
TOTAL EXPENDITURES		394,193.00	394,193.00	14,130.47	14,130.47	14,130.47	6,722.51	0.00	0.00	380,062.53	3.58	0.00
Fund 216 - MENOMINEE REGIONAL AIRPORT:												
TOTAL REVENUES		394,193.00	394,193.00	48,755.21	48,755.21	48,755.21	1,134.60	0.00	0.00	345,437.79	12.37	0.00
TOTAL EXPENDITURES		394,193.00	394,193.00	14,130.47	14,130.47	14,130.47	6,722.51	0.00	0.00	380,062.53	3.58	0.00
NET OF REVENUES & EXPENDITURES		0.00	0.00	34,624.74	34,624.74	34,624.74	(5,587.91)	0.00	0.00	(34,624.74)	100.00	0.00

Termination Agreement

This Termination Agreement is entered into this 1st day of November, 2018, by and between Menominee County (Lessor), and Great Lakes Exploration (Lessee), and terminates the May 29, 2018 Private Land Lease Agreement entered into between the Menominee County(Lessor) and Great Lakes Exploration (Lessee) for lease of real property located at the Menominee Regional Airport ("the Airport").

1. The parties agree to the following terms of termination:

1. The parties agree that the Private Tenant Land Lease Agreement entered into between the parties on May 29, 2018 for property described as Hangar #13, Parcel # 8811-000 is effectively terminated as of November 1, 2018. Upon this termination agreement taking effect, the Lessor and Lessee are released from their obligations under said Private Tenant Land Lease Agreement.

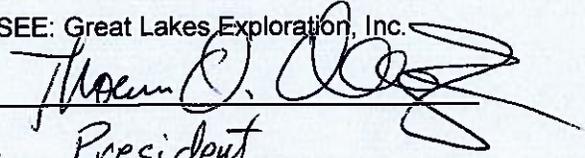
2. The Private Tenant Land Lease entered into on May 29, 2018 between the parties is terminated as of November 1, 2018.

LESSOR: Menominee County

By: _____
Gerald Piche, County Board Chair

Dated: _____

LESSEE: Great Lakes Exploration, Inc.

By: 

Title: President

Dated: Nov 16, 2018

Bill of Sale

Great Lakes Exploration, Inc. (the "Seller"), of 414 10th Avenue, Menominee, Michigan 49858, does hereby sell, assign and transfer to Alan Kozikowski, 2020 N. Lincoln Park West, Apt. 36A, Chicago, IL 60614, the following property:

Airport Hangar Building – Property Tax #8811-000

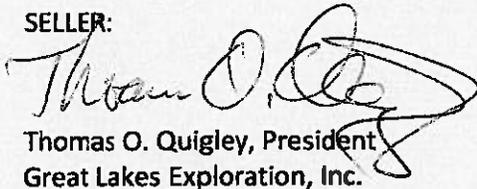
For a TOTAL AMOUNT of \$35,000

The above mentioned Seller warrants to the above mentioned Buyer that the Seller has a valid and marketable title and registration to the above described property and possesses full authority to sell and transfer the mentioned property, in addition the property that is being sold is free from all liens, liabilities, and adverse claims of any nature whatsoever. The item described above is sold in "as is" condition.

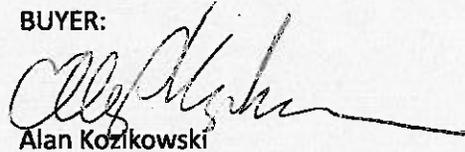
This contract shall be governed by the laws of the State of Michigan in Menominee County and any applicable Federal law.

This transfer is effective as of November 16, 2018.

SELLER:


Thomas O. Quigley, President
Great Lakes Exploration, Inc.

BUYER:


Alan Kozikowski

Property Transfer Affidavit

This form is issued under authority of P.A. 415 of 1994. Filing is mandatory.

This form must be filed whenever real estate or some types of personal property are transferred (even if you are not recording a deed). The completed Affidavit must be filed by the new owner with the assessor for the city or township where the property is located within 45 days of the transfer. The information on this form is NOT CONFIDENTIAL.

1. Street Address of Property 2801-22nd Street		2. County Menominee	3. Date of Transfer (or land contract signed) 6-5-2012
4. Location of Real Estate (Check appropriate field and enter name in the space below.) <input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village Menominee		5. Purchase Price of Real Estate \$35,000	
7. Property Identification Number (PIN). If you don't have a PIN, attach legal description. PIN. This number ranges from 10 to 25 digits. It usually includes hyphens and sometimes includes letters. It is on the property tax bill and on the assessment notice. Property #8811-000 Airport Hangar Building		6. Seller's (Transferor) Name Great Lakes Exploration, Inc.	
		8. Buyer's (Transferee) Name and Mailing Address Alan Kozikowski 2020 N. Lincoln Park West, Apt. 36A; Chicago, IL 60614	
		9. Buyer's (Transferee) Telephone Number 773-793-5866	

Items 10 - 15 are optional. However, by completing them you may avoid further correspondence.

10. Type of Transfer. <u>Transfers</u> include, but are not limited to, deeds, land contracts, transfers involving trusts or wills, certain long-term leases and business interest. See page 2 for list. <input type="checkbox"/> Land Contract <input type="checkbox"/> Lease <input type="checkbox"/> Deed <input checked="" type="checkbox"/> Other (specify) <u>Bill of Sale</u>			
11. Was property purchased from a financial institution? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	12. Is the transfer between related persons? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	13. Amount of Down Payment \$3,500	
14. If you financed the purchase, did you pay market rate of interest? <input type="checkbox"/> Yes <input type="checkbox"/> No		15. Amount Financed (Borrowed)	

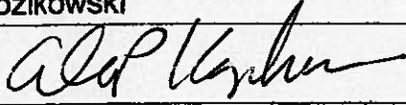
EXEMPTIONS

Certain types of transfers are exempt from uncapping. If you believe this transfer is exempt, indicate below the type of exemption you are claiming. If you claim an exemption, your assessor may request more information to support your claim.

- Transfer from one spouse to the other spouse
- Change in ownership solely to exclude or include a spouse
- Transfer between certain family members *(see page 2)
- Transfer of that portion of a property subject to a life lease or life estate (until the life lease or life estate expires)
- Transfer between certain family members of that portion of a property after the expiration or termination of a life estate or life lease retained by transferor ** (see page 2)
- Transfer to effect the foreclosure or forfeiture of real property
- Transfer by redemption from a tax sale
- Transfer into a trust where the settlor or the settlor's spouse conveys property to the trust and is also the sole beneficiary of the trust
- Transfer resulting from a court order unless the order specifies a monetary payment
- Transfer creating or ending a joint tenancy if at least one person is an original owner of the property (or his/her spouse)
- Transfer to establish or release a security interest (collateral)
- Transfer of real estate through normal public trading of stock
- Transfer between entities under common control or among members of an affiliated group
- Transfer resulting from transactions that qualify as a tax-free reorganization under Section 368 of the Internal Revenue Code.
- Transfer of qualified agricultural property when the property remains qualified agricultural property and affidavit has been filed.
- Transfer of qualified forest property when the property remains qualified forest property and affidavit has been filed.
- Transfer of land with qualified conservation easement (land only - not improvements)
- Other, specify: _____

CERTIFICATION

I certify that the information above is true and complete to the best of my knowledge.

Printed Name Alan Kozikowski		Date 11/16/2018
Signature 		E-mail Address ALANKOZIKOWSKI@gmail.com
Name and title, if signer is other than the owner	Daytime Phone Number 773-793-5866	

Menominee Regional Airport
PRIVATE TENANT LAND LEASE

THIS AGREEMENT, made and entered into this 1st day of November, 2018, by and between MENOMINEE COUNTY, of Menominee, Michigan, a governmental entity existing by and under the authority of the laws of the State of Michigan, hereinafter referred to as the Lessor, and ALAN KOZIKOWSKI, hereinafter referred to as the Lessee.

WHEREAS, Menominee County (Lessor) is the owner of the Menominee Regional Airport, and Lessor is desirous of leasing to Lessee certain premises located on the Airport property, together with the right to use and enjoy individually and in common with others the facilities referred to; and

WHEREAS, Lessee desires to lease the premises from Lessor; and

WHEREAS, the purpose of this lease is to provide Lessee with land space sufficient to construct or maintain a hangar facility, together with sufficient area surrounding such a facility for maintenance thereof, and for the parking of vehicles used to transport Lessee and guests to and from the hangar for the purpose of using, maintaining and constructing the aircraft stored in the hangar; and

NOW, THEREFORE, for and in consideration of the rents and covenants of this Lease, Lessee leases from the Lessor the following premises, rights and easements on and to the Airport on the following terms and conditions:

1. **Property Description.** Hangar # 13 (2,000 sq. feet)
(See Airport Layout Map - Attachment A)
2. **Building Construction.** Lessee shall have the right to erect, maintain, and alter office and administration buildings, shops, radio antennae, and other improvements to the described premises, providing the structures conform to Michigan Building Code requirements and any local ordinance now or hereafter in effect. All plans for building or improvements shall be reviewed and approved in writing by the Lessor prior to construction. In the event of new construction on land not already occupied by a hangar, unless construction of a facility has been commenced within thirty (30) days from the date of this lease, this lease shall be considered void and of no effect.
3. **Term.** The term of this Lease shall be for a period of ten (10) years, commencing on November 1, 2018, and expiring on November 1, 2028. At the end of the initial ten (10) year term, this lease may be renewed for an additional ten (10) year term, if mutually agreed upon by both parties, in writing, and thirty (30) days or more before the expiration of the initial term.
4. **Rents.** In consideration of the foregoing, the Lessee agrees to pay to the Lessor an annual rental at the rate of **twenty cents** (\$0.20) per square foot, excluding the square foot area of ingress and egress road and apron area. The rental shall be paid in advance each year, and Lessor shall charge all Lessees of comparable Airport lands the same rental rate in compliance with FAA requirements. Commencing on the first (1st) day of January in the year following the commencement of this Lease, and every year on January 1 thereafter during the term of this Lease, the annual rate of rent shall be increased by the annual Consumer Price Index, defined as to the amount obtained by dividing the initial rental price per square foot per annum by the Detroit-Ann Arbor, All Items Consumer Price Index figure which is the most recently published one immediately preceding the commencement date of this Lease, and multiplying the quotient thereof by the Consumer Price Index, Detroit-Ann Arbor, All Items, which is the most recent one published immediately before the effective date of the rent adjustment which is being computed.

It is expressly understood that the rent will be increased in accordance with changes in the Consumer Price Index once every year during the term of this Agreement, and any extension(s).

5. Insurance.

- a) Lessee agrees to deposit with Lessor a policy of comprehensive premises liability insurance. Such policy shall be issued by a company licensed to do business in Michigan and shall be an amount of not less than \$500,000.00, with Lessor as a named additional insured under the policy.
- b) The policy of insurance shall be approved by Lessor as to legal form before it is filed, and shall contain a provision that the same may not be cancelled before the expiration of its term except upon 30 days written notice to Lessor.
- c) The cancellation or other termination of any insurance policy issued in compliance with this section shall automatically terminate this Lease, unless another policy has been filed and approved pursuant to this section and shall be in effect at the time of such cancellation or termination.

6. Lessee Rights. Lessee shall have the right:

- a) In common with others so authorized, to use common areas of the Airport, including runways, taxiways, aprons, roadways, floodlight, landing lights, signals and other conveniences for take-off, flying and landing aircraft.
- b) To the non-exclusive use, in common with others, of the Airport parking areas, appurtenances and improvements thereon, but this shall not restrict the right of Lessor to charge visitors a fee for the use of such areas.
- c) Of access to and from the leased premises, limited to streets, driveways or sidewalks designated for such purposes by Lessor, and which rights shall extend to Lessee's passengers, guests, and invitees.

Notwithstanding anything herein to the contrary, it is expressly understood and agreed that the rights granted under this Lease are non-exclusive, and Lessor reserves the right to grant similar privileges to another lessee or other lessees on other parts of the Airport.

7. Maintenance of Buildings. Lessee will maintain the structures occupied by Lessee in good order, and make minor repairs as are necessary. In the event of fire, or any other casualty, the Lessee of any such structure so affected shall either repair or replace the building, or restore the leased area to its original condition; such action must be accomplished within 120 days of the date the damage occurred. Upon petition by Lessee, Lessor may grant an extension of time if it appears such extension is warranted.

8. Maintenance of Property. Lessee shall keep its hangar and grounds surrounding the leased premises in a reasonably neat, clean, and aesthetically pleasing condition at all times. Lessee shall provide for the adequate and sanitary handling and disposal, away from the Airport, of all trash, waste, and other materials, including, but not limited to, used oil, solvents, and other waste. Lessee agrees to keep the leased premises free from unnecessary accumulation of waste or other debris or combustible materials. Fuel, other flammables, explosives, or other potentially hazardous materials may not be stored in any hangars. All non-airworthy aircraft not in an enclosed structure shall be removed from the airport on thirty (30) days written notice from Lessor at Lessee's expense unless a waiver is requested and granted by Lessor for insurance purpose. Aircraft with visible accident damage shall be placed in an enclosed structure or removed from the airport within 48 hours of release by the accident investigation team.

9. Right to Inspect. Lessor reserves the right to enter upon the leased premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this Lease.

10. **Lease Transfer.** Lessee may not, at any time during the term of this lease, assign, hypothecate, or transfer this Lease or any interest herein, without the written consent of Lessor. Lessee shall have the right to lease that portion of buildings placed on the premises by Lessee which are not needed by Lessee in the operation of its business **with the written approval of Lessor**. All covenants and agreements herein contained shall be binding upon the parties hereto, their successors and assigns.
11. **Right of First Refusal.** Menominee County shall have the first right of refusal to match any offer to purchase any building located on the leased premises. Menominee County shall have 30 days from the date of receipt by the Menominee County Administrator of notification of a bona fide offer to purchase any building and/or structure located on the leased premises, in which to match the offer, including all of its terms. In the event that written notice to match the offer is not given by certified mail to Lessee's at its address of record within 30 days of receipt of notice of the offer by the Menominee County Administrator, Menominee County shall have waived its right to match the offer, and Lessee is free to accept the offer, subject to the provisions in Sec. 10 regarding Lease Transfer. The offer shall have no modifications and/or qualifications that are not revealed to Menominee County through notice to the Menominee County Administrator.
12. **Laws and Regulations.** Lessee agrees to observe and obey, during the term of this Lease, all laws, ordinances, rules and regulations promulgated and enforced by Lessor pertaining to the Airport, now or hereafter in effect. Lessee will observe all Federal, State, and local laws, including rules and regulations of Federal and State aeronautical authorities, or other boards and agencies.
13. **Hold Harmless.** Lessee agrees to hold Lessor free and harmless from loss from each and every claim and demand of whatever nature, made on behalf of or by any person or persons, for any wrongful, careless or negligent act or omission on the part of Lessee, its agents, servants and employees, and from all loss and damages by reason of such acts or omissions.
14. **Quiet Enjoyment.** So long as Lessee conducts its business in a fair, reasonable and workmanlike manner, Lessee shall peaceably have and enjoy the leased premises, and all the rights and privileges herein granted.
15. **Obstruction Lights.** Lessee agrees to install, maintain and operate any required obstruction lights on the tops of all buildings or structures to be placed on the leased premises.
16. **Title VI, Civil Rights Assurances.** The Lessee, for himself, his personal representatives, successors in interest, and assigns, agrees that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination; (3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination, in Federally Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as the Regulations may be amended.

In the event of breach of any of the above non-discrimination covenants, Lessor shall have the right to terminate the lease and to re-enter and repossess the land and the facilities thereon, and hold the same as if the Lease had never been made or issued.

17. **Affirmative Action.** Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered sub-organizations provide Assurances to the Lessor that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.
18. **Nondiscrimination.** Lessee and/or its sub-lessees, licensees, or assigns, as required by law, shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight or marital status. Tenant and/or its sub-lessees, licensees, or assigns shall adhere to all applicable federal, state and local laws, ordinances, rules and regulations prohibiting discrimination, including but not limited to, the following:
- A. The Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended.
 - B. The Michigan Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended.
 - C. Section 504 of the Federal Rehabilitation Act of 1973, P.L. 93-112, 87 Stat. 394, as amended, and regulations promulgated thereunder.
 - D. The Americans with Disabilities Act of 1990, P.L. 101-336, 104 Stat 328 (42 USC Sec. 12101 *et seq.*), as amended, and regulations promulgated thereunder.

Breach of this section shall be regarded as a material breach of this Lease, and in the event Lessee and/or its sub-lessees, licensees, or assigns is found not to be in compliance with this section, Lessor may terminate this Lease, effective as of the date of delivery of written notification to Lessee and/or its sub-lessees, licensees, or assigns.

19. **Taxes.** Lessee shall pay all taxes or assessments that may be levied against the personal property of the Lessee or the buildings which it may erect on lands leased exclusively to Lessee, as well as any real property taxes imposed on the lands leased exclusively to Lessee.
20. **Airport Development.** Lessor reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of the Lessee, and without interference or hindrance. If the development of the Airport requires the relocation of the Lessee, Lessor (1) agrees to provide a comparable location, and agrees to relocate all buildings or provide similar facilities for the Lessee at no cost to the Lessee; or (2) may terminate this lease upon thirty (30) days written notice to Lessee provided, however, that Lessor shall pay Lessee the then market value of the hangar constructed thereon as determined by two qualified appraisers, one of which shall be selected by the Lessor and one of which shall be selected by the Lessee. If the appraisers cannot agree upon a value of the hangar, then the Lessor and Lessee shall mutually appoint a third appraiser whose appraisal shall be binding on both parties.
21. **Lessor's Rights.** Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

22. **Airport Protection.** Lessor reserves unto itself, its successor and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the leased premises, together with the right to cause in that airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the airspace, and for use of the airspace for landing on, taking off from, or operating on the Airport. Lessee agrees for itself, its successors and assigns (a) to restrict the height of structures, objects of natural growth, and other obstructions on the leased premises to such a height so as to comply with Federal Aviation Regulations Part 77, and (b) to prevent any use of the leased premises which would interfere with or adversely affect the operation or maintenance of the Airport, or otherwise constitute an Airport hazard.
23. **Obstructions.** Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the Airport which, in the opinion of Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft. Lessee shall, upon approval by Lessor and prior to any construction of any nature within the boundaries of the Airport, prepare and submit to the Federal Aviation Administration, FAA Form 7460-1, "Notice of Proposed Construction or Alteration," as required by Federal Aviation Regulations Part 77.
24. **Subordination Provision.** This Lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States or the State of Michigan, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal or State funds for the development of the Airport. Furthermore, this Lease may be amended to include provisions required by those agreements with the United States or the State of Michigan.
25. **Default.**
- A. Notices.** Any notice required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given and shall be deemed to have been delivered, served and given upon receipt by the party to be notified or upon being placed in the United States mail, postage prepaid, by registered or certified mail, addressed to such party at the address provided for such party herein.

Any notices to Lessor shall be given to the Airport Manager or addressed to Menominee Regional Airport, 2801 22nd Street, Menominee, MI 49858.

Any notices to Lessee shall be addressed to: Alan Kozikowski, 2020
Lincoln Park West, Chicago IL 60614
Apt 36A

The addresses set forth above shall be effective for all notices to the respective parties until written notice of a change in address is given pursuant to the provisions hereof.

- B. Lessor's Remedies Upon Default.** All rights and remedies herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law.
- (a) All rent shall be paid without demand and without any set-off, counterclaim or deduction whatsoever. If Lessee fails to pay the rent as specified in this Lease within five (5) days of due date, Lessee shall be considered in default. If Lessee defaults in the payment of rent, and does not cure the default within twenty (20) days upon receipt of written demand for payment of the rent, or if Lessee defaults in the prompt and full performance of any other provisions of the agreement and does not cure the default within twenty (20) days upon receipt of written notice (unless the default involves a

hazardous condition, which shall be cured forthwith if reasonably possible), Lessor may terminate this Lease and shall be entitled to possession of the leased premises which are the subject of this Lease, and Lessor may pursue any or all other remedies as may be available to it under the Lease, with or without process of law, or in law or at equity for any such default, and Lessee shall be liable for any damages resulting from such default.

(b) In the event that Lessee's operations conducted on the leased premises are hazardous or disruptive to the business operations conducted by Lessor on the Airport to the extent that Lessor is unable to conduct its business on the Airport, Lessee shall have 30 days in which to cure such hazard or disruption to the satisfaction of Lessor. Lessee's failure to eliminate the hazard or disruption within 30 days shall be deemed a material breach of this Lease, and Lessor shall have the right to terminate this Lease on 30 days written notice.

(c) Upon any termination of this Lease, whether by lapse of time or otherwise, Lessee shall vacate the leased premises immediately, and have a period of one (1) year from such effective termination date to remove any building or buildings from the leased premises. Any building or buildings not removed within such time shall become the sole property of Lessor for and on behalf of the Menominee Regional Airport.

C. Interest. All amounts of money payable by Lessee to Lessor under this Lease, if not paid when due, shall bear interest from the date due until paid at the rate of 18% per annum.

D. Laws. The laws of the State of Michigan shall govern the validity, performance and enforcement of this Lease and any amendments.

E. Severability of Provisions. If any term, covenant or condition of this Lease or the application of any provision to any person or party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term, covenant or condition to persons, parties or circumstances other than those held invalid or unenforceable, shall not be affected, and each term, covenant or condition of this Lease shall be valid and be enforced to the maximum extent permitted by law.

F. Validity of Agreement. Except as modified above, this Lease shall remain in full force and effect and shall remain binding upon both Lessor and Lessee. This Lease constitutes the whole agreement of the parties, and shall in no way be conditioned, modified or supplemented except by a written agreement executed by both parties.

In Witness Whereof, the authorized representatives of the parties hereto have executed this instrument on the day and year first above written.

LESSOR: Menominee County

LESSEE: ALAN KOZIKOWSKI

By: _____
Gerald Piche, County Board Chair

By: Alan Kozikowski

Title: Owner

Dated: _____

Dated: 11/16/18

Menominee Regional Airport

REGISTRATION FORM

NAME: Alan Kozikowski

ADDRESS: 2020 N Lincoln Park West Apt 36A
Chicago IL 60614

PHONES: (HOME) 773 388 0416 (WORK) _____ (CELL) 773-793-5866

EMPLOYER NAME/PHONE: StarWise Therapeutics LLC

TYPE OF AVIATION REPAIR SERVICES: Private Public _____

IF PUBLIC, INDICATE THE NAME OF THE FBO WHO EMPLOYS YOU
_____ (must have an airport operating agreement and liability insurance, attached):

IF PRIVATE, INDICATE THE AIRCRAFT OWNER, Alan Kozikowski
HANGAR LOCATION, #13 AND TYPE OF AIRCRAFT,

Samba XXL INCLUDING "N" NUMBER: # N 906CZ

REGISTRANT'S VEHICLE INFORMATION: (indicate any and all vehicles that you may drive onto airport property while conducting aviation related services (use back of form if necessary))

1: VEHICLE TYPE MODEL COLOR GMC Canyon Truck, Red 4x4

VEHICLE YEAR 2017

REGISTERED OWNER Alan Kozikowski

2: VEHICLE TYPE MODEL COLOR Lexus SUV Silver

VEHICLE YEAR 2011

REGISTERED OWNER Kozikowski and Pat Haneline

3: VEHICLE TYPE MODEL COLOR

VEHICLE YEAR

REGISTERED OWNER

DATE OF APPLICATION: 11-16-19

APPROVED BY THE AIRPORT MANAGER: _____ on Date: _____

Menominee Regional Airport
PRIVATE TENANT LAND LEASE

THIS AGREEMENT, made and entered into this 1st day of January, 2019, by and between MENOMINEE COUNTY, of Menominee, Michigan, a governmental entity existing by and under the authority of the laws of the State of Michigan, hereinafter referred to as the Lessor, and the CIVIL AIR PATROL, a non-profit entity existing by and under the authority of the laws of the United States of America, hereinafter referred to as the Lessee.

WHEREAS, Menominee County (Lessor) is the owner of the Menominee Regional Airport, and Lessor is desirous of leasing to Lessee certain premises located on the Airport property, together with the right to use and enjoy individually and in common with others the facilities referred to; and

WHEREAS, Lessee desires to lease the premises from Lessor; and

WHEREAS, the purpose of this lease is to provide Lessee with land space sufficient to construct or maintain a hangar facility, together with sufficient area surrounding such a facility for maintenance thereof, and for the parking of vehicles used to transport Lessee and guests to and from the hangar for the purpose of using, maintaining and constructing the aircraft stored in the hangar; and

NOW, THEREFORE, for and in consideration of the rents and covenants of this Lease, Lessee leases from the Lessor the following premises, rights and easements on and to the Airport on the following terms and conditions:

1. **Property Description.** Hangar # 27
(See Airport Layout Map - Attachment A)

2. **Building Construction.** Lessee shall have the right to erect, maintain, and alter office and administration buildings, shops, radio antennae, and other improvements to the described premises, providing the structures conform to Michigan Building Code requirements and any local ordinance now or hereafter in effect. All plans for building or improvements shall be reviewed and approved in writing by the Lessor prior to construction. In the event of new construction on land not already occupied by a hangar, unless construction of a facility has been commenced within thirty (30) days from the date of this lease, this lease shall be considered void and of no effect.

3. **Term.** The term of this Lease shall be for a period of twenty-five (25) years, commencing on January 1, 2019, and expiring on January 1, 2044. This lease will terminate if at any time all of the following conditions are met:
 - a. The hangar is not occupied by an aircraft owned by the Civil Air Patrol.
 - b. The hangar is not occupied by equipment necessary for the Civil Air Patrol to provide emergency or disaster relief services. This includes radio equipment, search and rescue equipment, and medical equipment; however, equipment used for instruction, training, or display is not to be considered equipment necessary to emergency or disaster relief services.

This lease may also be terminated, at the discretion of the Lessor, if at any time the Tri-County Composite Squadron of the Civil Air Patrol ceases to exist. The Tri-County Composite Squadron will be considered to cease to exist if it has no membership or if it cannot provide the necessary in-kind emergency and disaster relief services, as described in section 5 of this agreement.

4. **Rents.** In consideration of the foregoing, the Lessee agrees to pay to the Lessor an annual rental of \$1.00 per year. The rent is to be paid prior to October 1 of each year. Furthermore, the Lessee agrees to provide in-kind services, as described in section 5 of this agreement, in exchange for a rental rate lower than fair-market value. Pursuant to Section 17.19 of FAA Order 5190.6B, the FAA permits reduced rental rates for military aeronautical units that provide a prime aeronautical role. The FAA has further recognized the Civil Air Patrol's search and rescue and disaster relief roles to meet this definition. However, if at any time the FAA or Michigan Department of Transportation determines that this reduced rent is a violation of grant assurances that Menominee County, as the airport sponsor, must adhere, the rent may be increased to the fair-market value rate as determined by the Lessor.
5. **In-Kind Services.** In exchange for a reduced rental rate, the Lessee agrees to provide the Lessor with search and rescue and disaster relief services. Upon request by the Lessor, the Lessee is to provide a report of the services it can provide, any non-emergency events that the Tri-County Composite Squadron has been a participant to since the last report, and the number of active members in the Tri-County Composite Squadron. If an emergency situation arises, the Lessor may call upon the Tri-County Composite Squadron to assist in any search and rescue or disaster relief efforts.
6. **Aircraft.** The Lessee agrees that the only aircraft permitted to be stored in the hangar is an aircraft owned by the Civil Air Patrol, unless another agreement is made between the Lessor and Lessee pursuant to section 12 of this agreement.
7. **Insurance.**
 - a) Lessee agrees to deposit with Lessor a policy of comprehensive premises liability insurance. Such policy shall be issued by a company licensed to do business in Michigan and shall be an amount of not less than \$500,000.00, with Lessor as a named additional insured under the policy.
 - b) The policy of insurance shall be approved by Lessor as to legal form before it is filed, and shall contain a provision that the same may not be cancelled before the expiration of its term except upon 30 days written notice to Lessor.
 - c) The cancellation or other termination of any insurance policy issued in compliance with this section shall automatically terminate this Lease, unless another policy has been filed and approved pursuant to this section and shall be in effect at the time of such cancellation or termination.
8. **Lessee Rights.** Lessee shall have the right:
 - a) In common with others so authorized, to use common areas of the Airport, including runways, taxiways, aprons, roadways, floodlight, landing lights, signals and other conveniences for take-off, flying and landing aircraft.
 - b) To the non-exclusive use, in common with others, of the Airport parking areas, appurtenances and improvements thereon, but this shall not restrict the right of Lessor to charge visitors a fee for the use of such areas.
 - c) Of access to and from the leased premises, limited to streets, driveways or sidewalks designated for such purposes by Lessor, and which rights shall extend to Lessee's passengers, guests, and invitees.

Notwithstanding anything herein to the contrary, it is expressly understood and agreed that the rights granted under this Lease are non-exclusive, and Lessor reserves the right to grant similar privileges to another lessee or other lessees on other parts of the Airport.

9. **Maintenance of Buildings.** Lessee will maintain the structures occupied by Lessee in good order, and make minor repairs as are necessary. In the event of fire, or any other casualty, the

Lessee of any such structure so affected shall either repair or replace the building, or restore the leased area to its original condition; such action must be accomplished within 120 days of the date the damage occurred. Upon petition by Lessee, Lessor may grant an extension of time if it appears such extension is warranted.

10. **Maintenance of Property.** Lessee shall keep its hangar and grounds surrounding the leased premises in a reasonably neat, clean, and aesthetically pleasing condition at all times. Lessee shall provide for the adequate and sanitary handling and disposal, away from the Airport, of all trash, waste, and other materials, including, but not limited to, used oil, solvents, and other waste. Lessee agrees to keep the leased premises free from unnecessary accumulation of waste or other debris or combustible materials. Fuel, other flammables, explosives, or other potentially hazardous materials may not be stored in any hangars. All non-airworthy aircraft not in an enclosed structure shall be removed from the airport on thirty (30) days written notice from Lessor at Lessee's expense unless a waiver is requested and granted by Lessor for insurance purpose. Aircraft with visible accident damage shall be placed in an enclosed structure or removed from the airport within 48 hours of release by the accident investigation team.
11. **Right to Inspect.** Lessor reserves the right to enter upon the leased premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this Lease.
12. **Lease Transfer.** Lessee may not, at any time during the term of this lease, assign, hypothecate, or transfer this Lease or any interest herein, without the written consent of Lessor. Lessee shall have the right to lease that portion of buildings placed on the premises by Lessee which are not needed by Lessee in the operation of its business **with the written approval of Lessor**. All covenants and agreements herein contained shall be binding upon the parties hereto, their successors and assigns.
13. **Right of First Refusal.** Menominee County shall have the first right of refusal to match any offer to purchase any building located on the leased premises. Menominee County shall have 30 days from the date of receipt by the Menominee County Administrator of notification of a bona fide offer to purchase any building and/or structure located on the leased premises, in which to match the offer, including all of its terms. In the event that written notice to match the offer is not given by certified mail to Lessee at its address of record within 30 days of receipt of notice of the offer by the Menominee County Administrator, Menominee County shall have waived its right to match the offer, and Lessee is free to accept the offer, subject to the provisions in Sec. 10 regarding Lease Transfer. The offer shall have no modifications and/or qualifications that are not revealed to Menominee County through notice to the Menominee County Administrator.
14. **Laws and Regulations.** Lessee agrees to observe and obey, during the term of this Lease, all laws, ordinances, rules and regulations promulgated and enforced by Lessor pertaining to the Airport, now or hereafter in effect. Lessee will observe all Federal, State, and local laws, including rules and regulations of Federal and State aeronautical authorities, or other boards and agencies.
15. **Hold Harmless.** Lessee agrees to hold Lessor free and harmless from loss from each and every claim and demand of whatever nature, made on behalf of or by any person or persons, for any wrongful, careless or negligent act or omission on the part of Lessee, its agents, servants and employees, and from all loss and damages by reason of such acts or omissions.
16. **Quiet Enjoyment.** So long as Lessee conducts its business in a fair, reasonable and workmanlike manner, Lessee shall peaceably have and enjoy the leased premises, and all the rights and privileges herein granted.

17. **Obstruction Lights.** Lessee agrees to install, maintain and operate any required obstruction lights on the tops of all buildings or structures to be placed on the leased premises.

18. **Title VI, Civil Rights Assurances.** The Lessee, for himself, his personal representatives, successors in interest, and assigns, agrees that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination; (3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination, in Federally Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as the Regulations may be amended.

In the event of breach of any of the above non-discrimination covenants, Lessor shall have the right to terminate the lease and to re-enter and repossess the land and the facilities thereon, and hold the same as if the Lease had never been made or issued.

19. **Affirmative Action.** Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered sub-organizations provide Assurances to the Lessor that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

20. **Nondiscrimination.** Lessee and/or its sub-lessees, licensees, or assigns, as required by law, shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight or marital status. Tenant and/or its sub-lessees, licensees, or assigns shall adhere to all applicable federal, state and local laws, ordinances, rules and regulations prohibiting discrimination, including but not limited to, the following:

A. The Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended.

B. The Michigan Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended.

C. Section 504 of the Federal Rehabilitation Act of 1973, P.L. 93-112, 87 Stat. 394, as amended, and regulations promulgated thereunder.

D. The Americans with Disabilities Act of 1990, P.L. 101-336, 104 Stat 328 (42 USC Sec. 12101 *et seq.*), as amended, and regulations promulgated thereunder.

Breach of this section shall be regarded as a material breach of this Lease, and in the event Lessee and/or its sub-lessees, licensees, or assigns is found not to be in compliance with this