



**Airport Commission Regular Meeting
Charlotte-Monroe Executive Airport
Monroe City Hall – Conference Room
5:00 pm – April 11, 2022**

MEETING AGENDA

- | | |
|---|-----------------|
| 1. Call to Order and Welcome Guests | Keziah |
| 2. Minutes for Approval
<i>ACTION REQUESTED: Approval of February 14, 2022 Regular Meeting Minutes</i> | Keziah |
| 3. Department Report
a) Operations
b) Financial/Presentation of FY23 Budget
c) Project/Grant Status | Cevallos |
| 4. Request for Aircraft Awning – Ricardo Traven | Cevallos |
| 5. Approval Terminal Space Lease Agreement
 - the Hertz Corporation | Cevallos |
| 6. Adjourn | Keziah |
-

Next Meeting:
May 9, 2022
Monroe City Hall



**Monroe Airport Commission Regular Meeting
City Hall Conference Room
5:00 pm – February 14, 2022**

Chair: Mr. Lynn Keziah

Attending Members: Mr. David Dotson, Mr. Gary Wilfong, Mr. John Stephens, Mr. John Wiggins, Mr. Patrick Furr

Staff in Attendance: Mr. Peter Cevallos, Mrs. Carmen Crump, Mr. Brian Borne

Engineer of Record Attendee: Mr. Pat Turney

Guest: Mrs. Lisa Strickland,
City of Monroe Finance Director

1. Call to Order and Welcome Guests

Chairman Lynn Keziah called the meeting to order at 5:00 pm on February 14, 2022, welcoming the Commissioners and Staff in attendance.

2. Commission Business

a.) Appointment of Vice-Chair

Chair Lynn Keziah requested the Commission recommend Council appoint Mr. Gary Wilfong as Airport Commission Vice-Chair

Motion: Mr. John Stephens made the motion to recommend Council appoint Mr. Gary Wilfong as committee Vice-Chair

Second: Mr. Patrick Furr

Action: The motion to recommend Council appoint Mr. Gary Wilfong as Committee Vice-Chair passed unanimously with the following votes:

AYES: Mr. David Dotson, Mr. Gary Wilfong, Mr. John Stephens, Mr. John Wiggins, Mr. Patrick Furr

NAYS: None

b.) Meeting Change of Location

Mr. Peter Cevallos requested a permanent change of location for the Airport Commission meeting to be held in the City Hall conference room

Motion: Mr. Patrick Furr made the motion to approve the change of location to the City Hall conference room

Second: Mr. David Dotson

Action: The motion to approve the change of location passed unanimously with the following votes:

AYES: Mr. David Dotson, Mr. Gary Wilfong, Mr. John Stephens, Mr. John Wiggins, Mr. Patrick Furr

NAYS: None

3. **Minutes for Approval**

a.) Approval of the minutes for the October 11, 2021 meeting was requested.

Motion: Mr. David Dotson made the motion to approve the minutes of the October 11, 2021 meeting.

Second: Mr. Patrick Furr

Action: The motion to approve the minutes passed unanimously with the following votes:

AYES: Mr. David Dotson, Mr. Gary Wilfong, Mr. John Stephens, Mr. John Wiggins, Mr. Patrick Furr

NAYS: None

4. **Department Reports**

Presenter:

Mr. Peter Cevallos

a.) Operations

Summary:

Mr. Cevallos briefed the following for monthly operations: Mr. Cevallos stated that there are six (6) active Notice-to-Airmen (NOTAMs). One NOTAM is for the runway closure (NCDOT is providing crack-sealing maintenance on the runway and certain taxiways at no cost to the City). Another NOTAM is for the advisory on radio altimeter use being unreliable. This is a blanket advisory the FAA has issued to all airports in light of the

recent 5G rollout. There are four (4) “FDC” NOTAMs for adjustments being made to the Airport’s instrument approaches. Mr. Cevallos briefed that aircraft operations for January 2022 totaled 1,905 take-offs and 1,972 landings, with 730 departures and 773 arrivals. He stated that this is an average of 63 operations per day.

Under Aircraft Services, Mr. Cevallos briefed the following for statistics for January: 563 customers fueled, 677 were towed, and 282 were provided other services. Fuel totals for January are 35,748.8 gallons of fuel being dispensed with 11,581.8 being AVGAS and 24,167.0 Jet-A. Mr. Cevallos stated that the current fuel prices are \$5.45 for Self-Service AVGAS and \$6.00 for Full-Service AVGAS; for JET-A, prices are \$4.90 for Self-Service, and \$5.60 for Full-Service (an approximate 40¢ increase over previous month’s prices). Mr. Cevallos concluded his report briefing that the current occupancy is 68 tie-downs, 20 T-hangars, and 48 leasing hangar and office space; 135 transient customers overnighted in January 2022, with 20 being hangared.

a.) Financial

Summary:

Mr. Cevallos reported that the Year-to-Date budget report for January 2022 shows that the Airport revenues and expenditures trended slightly below forecast.

b.) Project/Grant Status

Summary:

Mr. Cevallos reported the following for the current airfield projects:

- Airport Layout Plan Update: The consultant (Talbert, Bright & Ellington) has submitted a provisional set of the plan to the Division of Aviation offices of the NC Department of Transportation for their review (this step is necessary as it commonly facilitates the plan’s final approval). The State has responded with very minor comments which have been corrected, and authorized the Airport Engineers (Talbert, Bright & Ellington) to transmit this provisional plan to the FAA. Once the Airport Engineers receive any comments from the FAA, then the plan will be formalized and ready for presentation and acceptance by the City.

Earlier this month the State asked for an update to the project listings the City has in their system. Since the Airport Master Plan is yet to be ratified in its final form, the following projects are shown as the critical items that the City would seek funding for:

1	Strengthen Runway to Interim 80,000 DW and Fillet Widening	\$ 5,819,350.00
2	Rehabilitate And Strengthen Taxiway A, from Taxiway A-5 to End-of-Runway 23, to 80,000 DW	\$ 4,302,910.00
3	Relocate, Rehabilitate, and Strengthen Taxiway A, from Taxiway A-1 to Taxiway A-3, to 80,000 DW	\$ 7,149,471.00
4	New Air Traffic Control Tower and Access Road	\$ 4,792,000.00
5	East Partial Parallel Taxiway	\$ 3,232,000.00
6	Terminal Building Expansion	<u>\$ 1,900,000.00</u>
TOTAL		\$27,195,731.00

- **Quonset Hangar Reactivation:** Mr. Cevallos reported that the first floor renovations are pending final inspections, and the second floor work is on-going. He anticipates for work completion within the next 30 days.
- **Runway 05/23 Obstruction Removal Project:** Mr. Cevallos stated that the project is at 90% designed and will be submitted to NCDOT for review. Describing the project scope, Mr. Cevallos explained that both ends of the runway are being addressed, with the first phase being the Runway 05 end, then transitioning to the Runway 23 end. Mr. Cevallos also stated that in this scope of work, fencing will be added to identify the complete property line of the Airport, which actually extends to Old Monroe Road, and that once this new fence line is established, the project will have the removal of the interior fence line that currently exists off the north end.
- **The Rehab of Aprons D, E, F:** Mr. Cevallos stated that the project is at 90% designed and will be submitted to NCDOT for review, pending the final determination of project

phasing. Mr. Cevallos presented a diagram demonstrating the phasing of the project to include the three ramps, and described how the project will be conducted with minimal impact to the Airport operations.

5. General Discussion: Service Hangar Initiative

Summary:

A general discussion was held on the probability of moving forward the Service Hangar Initiative. Mr. Cevallos stated there has been no new update provided to the initiative to construct a service hangar at the Airport. Mr. Cevallos reviewed the minimum size building requirement for a successful service hangar should be no less than a 16,000 square foot hangar bay to adequately support a maintenance operation on multiple aircraft simultaneously, from small aircraft to large corporate jets. He added that the proposed structure should include adequate square footage for a maintenance office, shops and parts storage (good target – at least 2,000 square feet).

Mr. Cevallos stated this initiative has to be ranked against other Airport needs. The average age of a number of the Airport hangars is over 30 years old, and there is deferred maintenance and capital intensive improvements to the existing airport facilities that could cost as much as \$1M. Other priority investments are needed for the Airport's future development growth including capital expenditure for site improvements in other parts of the Airport property, as there is a lack of "pad-ready" hangar sites ready for leasing; or a control tower that would support additional corporate jet traffic, and finally further required local match of grant funding for continued improvements to the airfield system (pavements/lights).

With grant funding being very limited and having certain requirements (the State would require safety & capacity requirements are met before economic development projects are supported), there is no direct public funding "avenue" for hangar construction. Mr. Cevallos stated that the public/private partnership is one type of partnership that should be further explored as it invites more outside interest in the development of the Airport; there are other examples that have been brought to the staff's attention, and each one has its risks

and rewards. Current economic climate makes it very conducive for out investors to look at partnerships that can advance the Airport growth; the key is to ensure the City's interests are best served and protected.

Discussion followed between the Airport Commission members on the funding priorities for the Airport, valuing the need for a service hangar but also trying to address the other necessary capital expenditures.

6. Adjourn

The Chair declared the meeting adjourned at 6:30 pm.

MONTHLY AIRPORT OPERATIONS REPORT

MONTH OF MARCH 2022

AIRFIELD STATUS

AIRFIELD CONDITION = **GREEN**

CURRENT NOTAMS 1 Aerodrome: Radio Altimeter unreliable (**5G related**)
3 FDCs: associated with arrival and departure procedures

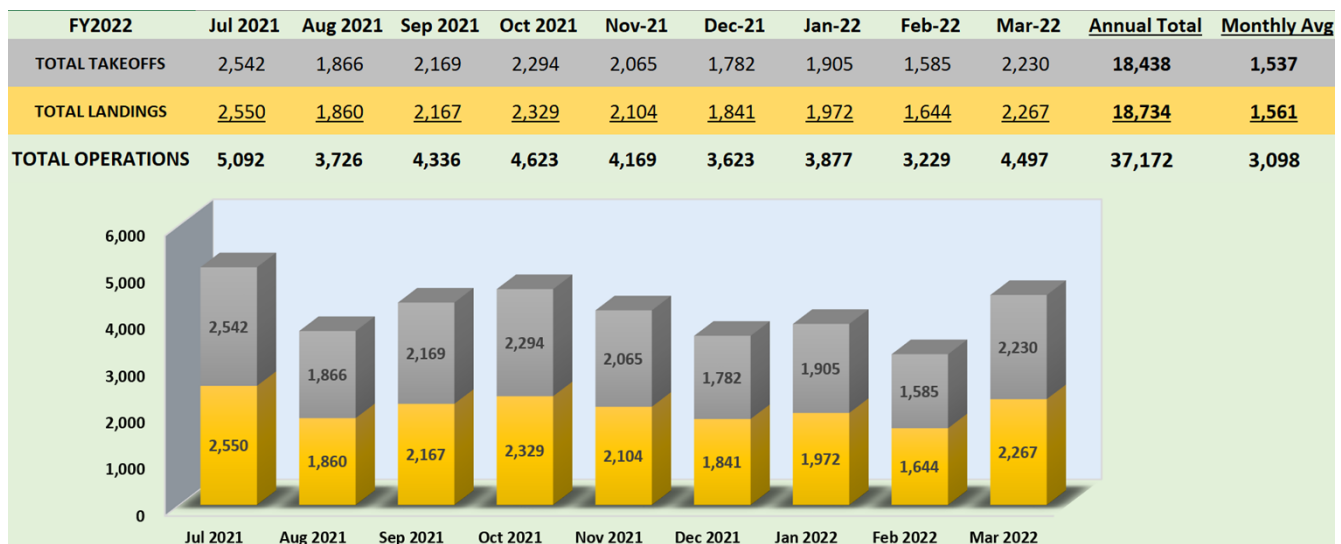
AIRCRAFT OPERATIONS

TAKEOFFS = 2,230

LANDINGS = 2,267

DEPARTURES = 793

ARRIVALS = 812



AIRCRAFT SERVICES

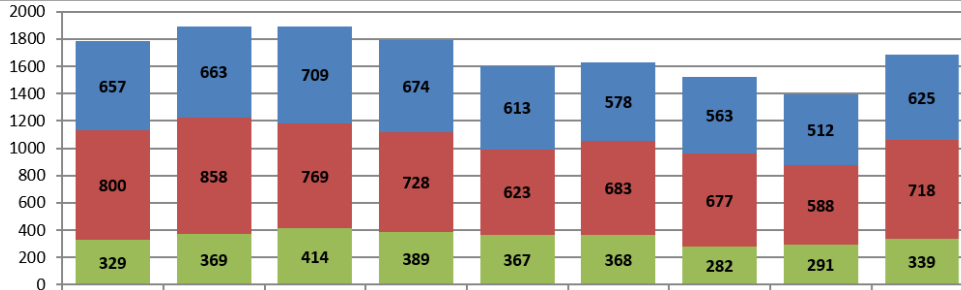
CUSTOMERS SERVED:

FUELED = 625

TOWED = 718

OTHER = 339

FY 2022	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	YR TOTALS	MNTH AVG
FUELING	657	663	709	674	613	578	563	512	625	5594	466
TOWING	800	858	769	728	623	683	677	588	718	6444	537
OTHER SERVICES *	329	369	414	389	367	368	282	291	339	3148	262



* = Other Services include aircraft parking, catering, rental cars, aircraft loading/unloading

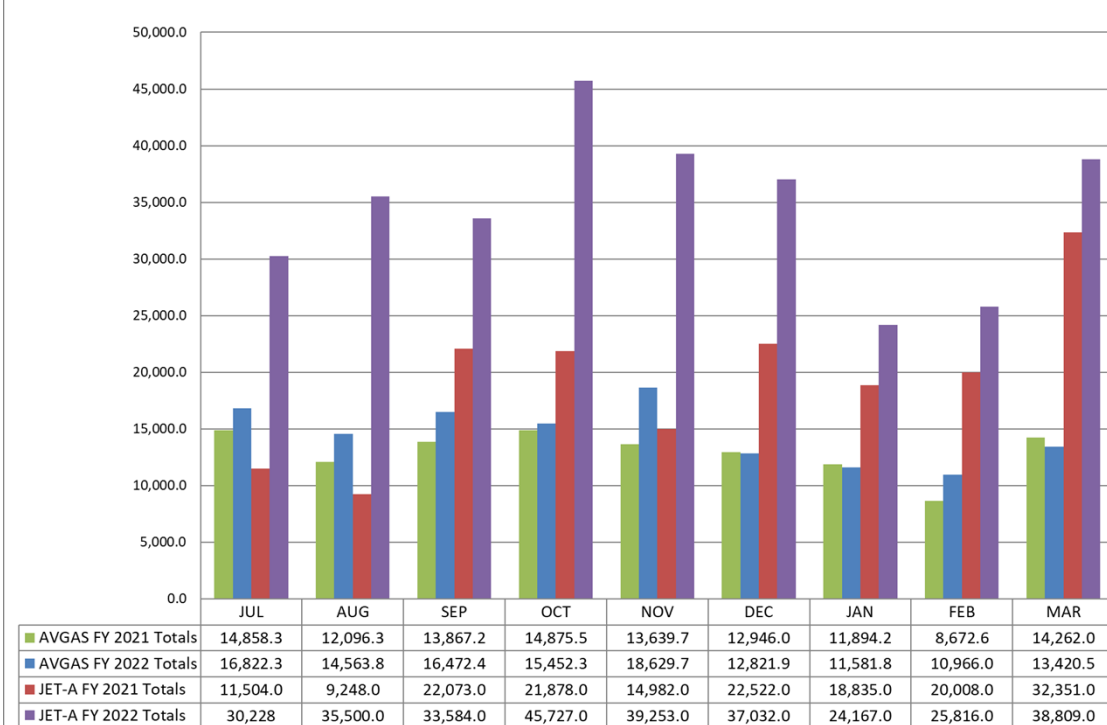
FUEL

DISPENSED: AVGAS = 13,420.5 GALS JET A = 38,809.0 GALS **TOTAL = 52,229.5 GALS**

ON HAND: AVGAS = 6,924 GALS JET A = 22,228 GALS* **TOTAL = 29,152 GALS**

CURRENT PRICE: AVGAS = \$6.10 SS JET A = \$5.40 SS
\$6.70 FS \$6.80 FS

AIRPORT FUEL DISPENSED - FY 2021 vs. FY 2022 COMPARISON



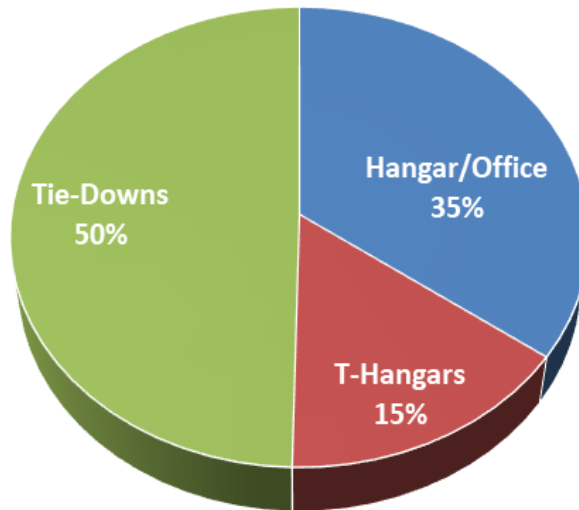
OCCUPANCY

BASED CUSTOMERS (LEASED SPACE):

HGR/OFFICE* = 48

T-HGR = 20

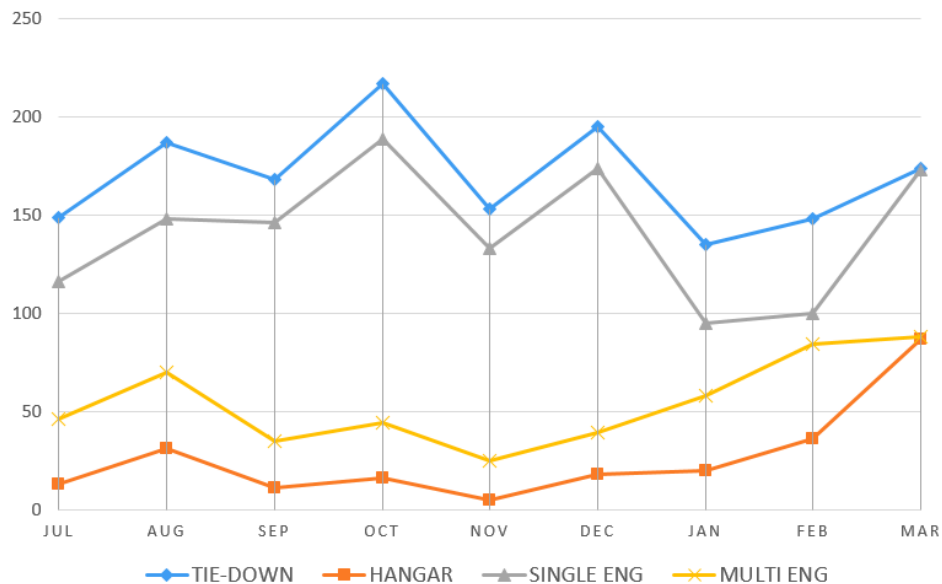
T/D = 70



* = Value includes both Bulk Hangar & total Hangar occupancy

TRANSIENTS OVERNIGHTING:

FY2022	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTALS	AVG
TIE-DOWN	149	187	168	217	153	195	135	148	174	1526	178
HANGAR	13	31	11	16	5	18	20	36	87	237	20
SINGLE ENG	116	148	146	189	133	174	95	100	173	1274	106
MULTI ENG	46	70	35	44	25	39	58	84	88	489	41



AIRPORT FY22 BUDGET REPORT - MARCH

FOR 2022 08

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
580 Airport Fund							
5801000 Airport Revenues							
00 No Department	-2,145,643	-2,145,643	-1,768,430.96	-197,011.60	.00	-377,212.04	82.4%
TOTAL Airport Revenues	-2,145,643	-2,145,643	-1,768,430.96	-197,011.60	.00	-377,212.04	82.4%
5808620 Airport-Operations							
86 Airport	2,409,266	2,426,970	1,802,693.89	203,427.07	55,450.21	568,825.90	76.6%
TOTAL Airport-Operations	2,409,266	2,426,970	1,802,693.89	203,427.07	55,450.21	568,825.90	76.6%
5808630 Airport-Customs Service							
86 Airport	86,190	92,931	28,136.17	2,270.22	2,809.99	61,984.84	33.3%
TOTAL Airport-Customs Service	86,190	92,931	28,136.17	2,270.22	2,809.99	61,984.84	33.3%
TOTAL Airport Fund	349,813	374,258	62,399.10	8,685.69	58,260.20	253,598.70	32.2%
TOTAL REVENUES	-2,145,643	-2,145,643	-1,768,430.96	-197,011.60	.00	-377,212.04	
TOTAL EXPENSES	2,495,456	2,519,901	1,830,830.06	205,697.29	58,260.20	630,810.74	
GRAND TOTAL	349,813	374,258	62,399.10	8,685.69	58,260.20	253,598.70	32.2%

** END OF REPORT - Generated by Peter Cevallos **



STAFF REPORT

TO: Monroe Airport Commission

VIA: Brian Borne, Interim City Manager

DATE: April 11, 2022

FROM: Peter Cevallos, Airport Manager

SUBJECT: Request to Install Fabric Hangar

SUMMARY STATEMENT

Proposal to install an aircraft awning has been submitted for Airport Commission consideration.

REVIEW

Mr. Ricardo Traven is a based customer that has a Swearingen SA-226T “Merlin” parked on the ramp. He has submitted a request to install a fabric hangar structure over his aircraft.

Currently, Mr. Traven’s aircraft is parked on the ramp by the vehicular gate adjacent to the Customs terminal. While the location where the aircraft is parked is not a formal designated parking spot, that area has been identified as the location where his aircraft regularly parks. The aircraft footprint takes up approximately 1,950 square feet of ramp, and his request seeks approximately 3,000 square feet of ramp to install this fabric hangar. Mr. Traven has secured a manufacturer that constructs fabric hangars of different dimensions and applications. The structure is certified by sealed engineering drawings that it is “hurricane” rated utilizing an anchoring system of 42-inch spiral anchors that screwed into the ground. Mr. Traven stated that the company, located in Charleston, has erected these pre-fab hangar structure in the NC, SC and GA region; specifically, at military bases in our area, at MCAS Cherry Point and Jacksonville NC.

Mr. Traven currently has a lease for the City to park his aircraft on the open ramp and is charged \$130, the rate for twin engine tie-down, because there is no specific spot that can correctly accommodate his aircraft, and there is no available hangar space. He’s asking for a 5-year lease at

the current lease rate he is charged. The area where he parks his aircraft is the area where transient aircraft park; further any rate determined for this lease would have to be uniquely calculated as there currently is no established rate for ramp space. The City will entertain long-term leases when there is substantial investment made, and this request is for a location that would only benefit Mr. Traven. This long-term lease request would also have to be advertised and taken to Council as it is longer than one year.

Accommodating such a structure such as this fabric hangar would offer an alternative solution for either other based aircraft, or as temporary cover for transient corporate aircraft during inclement weather. The drawback to having this structure is that it would limit the flexibility Airport staff is afforded to arrange aircraft parking during busy periods of daily operations.

RECOMMENDATION

Staff is requesting the Airport Commission provide further direction on the viability of authorizing this type of structure on the airfield.

Attachment(s):

- Traven Letter of Request

Peter Cevallos
3900 Paul J Helms Drive
Monroe, NC 28110
pcevallos@monroenc.org

Ricardo Traven
8011 Caliterra Dr
Mathews, NC 28104
rstraven@gmail.com

22 December 2021

Subject – Hangar availability and proposed temporary solution for Monroe Executive Airport (EQY)

Ref: 1. BigTop Manufacturing Custom Fabric Structures (Attached)
2. Conversation between Ricardo Traven and Peter Cevallos 20 December 2021
3. Proposed location for Fabric Hangar attached.

Dear Peter

I would like to propose a solution to the hangar shortage at EQY by purchasing my own BigTop fabric hangar for my Merlin turbo-prop aircraft, N50MG. I am currently employed as the Chief Test Pilot for Boeing aircraft on the 787 Charleston SC location. I live in Monroe and use EQY as my home-base for commuting to Charleston SC several times per week. I currently pay for ramp parking on a monthly basis located beside the FBO along the fence line. Prior to owning the Merlin I was the owner of a Cessna 421 and have been a frequent (almost daily) user of EQY for 6 years. I have a desperate need to park the aircraft under cover because of my employment and for the high value investment of the aircraft itself. By employment, I mean that I need to have the aircraft available on short notice year-round despite the weather conditions. Aircraft should never attempt take-off with snow, ice or even frost covering the wings or tail surfaces as it can lead to very unsafe handling conditions that effect the aerodynamics of the aircraft. There has been multiple occasion over the years including two this past-month alone where I was significantly delayed until after sunrise for heavy frost to melt from the aircraft. The high investment of the aircraft (approximately \$500,000) is another noteworthy reason to protect the aircraft year-round as the aircraft has expensive equipment that should not be subject to direct sunlight all day every day when not in use.

Previous Experience: I am a prior military test pilot who flew fighter jets for the US Navy and flew for the Air Force as well. I have extensive experiences at multiple military bases that use the BigTop fabric hangars for military aircraft. Several NC bases are notable examples. They are built of high-quality materials, look professional and are approved shelters for some of our most expensive and precious military aircraft, therefore, their use is proven and has been qualified to strict US Military standards. Moreover, they are portable, considered temporary structures and prefabricated for quick installation on existing ramp space.

Proposal: I propose that the county airport allow me to erect a BigTop temporary fabric aircraft hangar at my own expense. This would allow the county airport and others to view, study and essentially “beta-test” the concept of a temporary, movable structure to shelter my aircraft. The proposed size, as discussed with Peter Cevallos is 60x50 feet that represents a footprint slightly larger than the shadow of my aircraft. Consequently, the size of the building is essentially that same ramp area that I rent now. The BigTop structure has a top and sides but is NOT closed on the ends. This would provide a drive-through capability, meaning no burden on the linemen for any towing needs. It is essentially a sun/snow/rain shade. For this purpose, I request a long-term lease for my parking for 5 years at my current monthly rate. The BigTop hangar cost quoted is \$48,500 plus \$17,000 for the build for a total investment on my part of \$65,500. The cost of the structure includes three options that would be desirable to both parties:

1. Crane kit, allowing the structure to be easily moved via a crane.
2. NC state “engineering stamp” of approval for the structure and anchoring technique.
3. Open ends for drive-through ability (no towing need or burden on the linemen)

Future Possibilities: Based on the beta-test of my BigTop hangar structure and its success and lessons learned, the possibilities for future and larger hangars would be much easier to consider by the airport manager and the county based on this shared experience. My ultimate goal is to be a significant investor in a permanent structure when the airport is expanded in the future, but I have an immediate need to get my aircraft under cover or be forced to find other options elsewhere. Consequently, for me, time is of the essence that I be approved or denied this request.

Kindly submitted for your consideration.

Respectfully,

Ricardo Traven

Ricardo Traven





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2,500 sq. ft. per day

- Natural Light / Translucent Design = **Energy Savings**
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- **Full Customization with Endless Accessories** such as HVAC, Lighting, Big Ass Fans, etc.
- Comfortable working environment. Our structures are 15-20 degrees cooler in the summer and warmer in the winter - **Climate Controlled.**
- **Fabric is NFPA 701 Flame Retardant.** All Big Top Fabric is self-extinguishing when exposed to an open flame.



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sales@bigtopshelters.com

Aviation

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Fabric structures from **Big Top** make excellent hangars and sunshades for aircraft and can provide fixed-base operators (FBOs) with many benefits, including cost savings.

- Sunshades
- Hangars
- Terminals
- Maintenance facilities





STAFF REPORT

TO: Monroe Airport Commission

VIA: Brian Borne, Interim City Manager

DATE: April 11, 2022

FROM: Peter Cevallos, Airport Manager

SUBJECT: Approval of Terminal Space Lease Agreement with the Hertz Corporation

SUMMARY STATEMENT

Staff is requesting approval of the proposed Terminal space lease agreement with the Hertz Corporation.

REVIEW

The Airport has enjoyed a long standing relationship with the Hertz Corporation to provide car rentals for the Airport's customers, primarily the business executives that arrive and depart from our facility. Recently, staff has been approached by Hertz with an interest to further enhance their presence by having an on-site presence in the Airport terminal. As there is no available office space, staff is prepared to offer some space in the lobby where Hertz could install a free-standing kiosk/booth, at no cost to the City. Hertz has agreed to this concept and is prepared to pay for the space at the lease rate established in the Monroe Fees Schedule, \$12 per square foot, per year. They would man this booth at least 5 days a week, and possibly on weekends as well, depending on the amount of business. A two-year lease for this presence in the lobby has been drafted and signed by Hertz.

As part of the negotiation, the FBO Concession Agreement has also been updated to coincide with the new lease terms. The new Concession Agreement will provide the City a concession fee equal to ten percent of the monthly net time and mileage charges generated by all the rentals that are conducted through the Airport.

RECOMMENDATION

Staff is requesting the Airport Commission recommend City Council approve the two-year lease agreement for Hertz to provide a booth in the terminal lobby, and authorize the City Manager to sign the agreement.

Attachment(s):

- Terminal Lease Agreement

STATE OF NORTH CAROLINA

UNION COUNTY

**CHARLOTTE-MONROE EXECUTIVE AIRPORT
TERMINAL SPACE LEASE AGREEMENT**

THIS LEASE AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2022, between the City of Monroe (hereinafter referred to as the "LESSOR"), and The Hertz Corporation having its principal place of business at 8501 Williams Road, Estero, FL 33928 (hereinafter referred to as the "LESSEE").

WHEREAS, the Lessor hereby leases to Lessee a portion of space in the Main Terminal at the Charlotte-Monroe Executive Airport. This space shall be used and occupied by Lessee solely for the general office purposes in the conduct of its car rental business in support of the Airport's customers.

WITNESSETH:

That, in consideration of the rental hereinafter set out and the obligation of Lessee to operate an aviation-related business on the subject premises and subject to the terms and conditions hereinafter set forth, said Lessor does hereby let and lease unto said Lessee and the said Lessee does hereby accept as Lessee of the said Lessor certain real property described herein with all improvements located thereon.

1. The Lessor hereby leases to Lessee, and Lessee accepts from the Lessor, a portion of space in the Main Airport Terminal, 3900 Paul J. Helms Dr., Monroe, NC 28110, consisting of the following:

A portion of floor space in the Waiting Lounge, measuring 8 feet wide by 7 feet deep and having 56 square feet in dimension, in the Charlotte-Monroe Executive Airport Terminal Building, hereinafter called "the Premises" as described on Exhibit A attached hereto and made a part hereof.

2. TERM. The term of this Agreement shall commence on the effective date **June 1, 2022** and be for **two (2) years**, unless terminated by either Lessee or Lessor with sixty (60) days prior written notice.
3. RENT. The Lessee shall pay to the Lessor as rental the amount per square foot set forth in the Fees Schedule by the City of Monroe, which is subject to review and as necessary, amended annually: **\$12.00 per sq. ft. per year = \$672 per year (\$56 per month)**. Rent shall be paid monthly in advance on or before the first day of each month. Notwithstanding the foregoing, Lessor acknowledges that Lessee may be delayed in making the Rent payments due within the first sixty (60) days after the full execution of this Agreement and Lessor agrees that any such delay shall not constitute an event of default under Section 17. Breach of Lease. Lessee shall pay all past due

Rent payments, along with associated late fees, that were payable during said 60-day period on or before the due date of the next rental payment coming due. The Lessor has the right to adjust the rental rate in accordance with the Fees Schedule, and will provide a 30-day notice of such adjustment.

4. If at any time Lessee fails to pay rent accruing to the Lessor and such amount totals thirty (30) days arrearages, then the parties agree that the Lessor, without any advance notice, may take possession of the leasehold in such a manner as Lessor may deem desirable, including but not limited to locking same until such time as all rentals and other applicable charges have been paid, and such costs of locking said leasehold and other applicable charges have been paid by Lessee. During any period of lockout, Lessor shall not be held liable in any manner for the safe keeping and condition of the lessee's personal property held within the leasehold. After sixty (60) days from the date when the Lessor takes possession of leasehold and all the property located within and sends notice thereof by certified mail, return receipt requested, to the address listed below under "NOTICE " or any subsequent address on file with the Lessor, the personal property may be sold for public auction. The remedy provided in this paragraph is in addition to and not in lieu of any other remedies which the Lessor may have by virtue of statute or otherwise. In any action or proceeding for the collection of any sums which become payable according to this Agreement, the Lessee agrees to pay the Lessor a reasonable sum for Lessor's expenses and attorney's fees, if Lessor is the prevailing party.
5. UTILITIES. This Agreement does not include utilities. Lessee shall be solely responsible for Lessee's telephone/data charges.
6. USE OF PREMISES. Lessee covenants that it will use the property for the operation of an aviation-related business and will use the property for no other purpose without the written consent of Lessor. Lessee acknowledges that the primary consideration to Lessor is its covenant to operate and conduct its aviation-related business on the leased premises. Lessee shall conform to all the requirements of applicable federal, state and local statutes, regulations, ordinances and policies, and shall comply in all respects with the rules and regulations duly adopted by the Lessor in Chapter 131 of the Monroe Code of Ordinances and any other policies applicable to all aircraft storage facilities and fueling at the Charlotte-Monroe Executive Airport. In addition, this Lease Agreement shall be governed by, and the Lessee expressly agrees to, the following:
 - a. If during the term of this Lease Agreement, the United States Government or any other governmental agency acquires possession of the premises herein leased by virtue of any laws now in effect or which may become effective during the term of this Lease Agreement, then this Lease Agreement shall terminate.
 - b. It is agreed and understood between the parties that during the term of this Lease Agreement or any renewal thereof, the Federal Aviation Agency (FAA) or any other Federal or State agency shall be permitted to enter said premises.
 - c. Lessee shall not enter into any transaction which would deprive the Lessor of any of the rights and powers necessary to perform all covenants of the Grant

- Agreements or other obligations under various type agreements or which would deprive Lessor of rights to terminate this Lease Agreement under the terms herein.
- d. The Lessee agrees in its operation and use of said airport, it will not, on the grounds of race, color, creed, age, handicap, sex or natural origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 15 of the Federal Aviation Regulations as amended or succeeded. The Lessor hereby reserves the right to take such action as the FAA may direct to enforce such covenant of nondiscrimination.

The non-exclusive use of driveway and parking facilities will be provided in the Charlotte-Monroe Executive Airport as required by clients, staff and other necessary personnel connected with the activities to be carried out upon the Premises. The non-exclusive use of such other land and buildings adjoining the Premises as is required to enable ingress and egress from doors and other areas leading from and into the Premises will be provided.

7. **MAINTENANCE AND REPAIRS.** The Lessee shall keep the building and grounds in a neat and well-kept manner and be responsible for all routine repairs and maintenance to the demised premises as may be reasonably necessary to keep the same in proper, safe, sanitary, secure and useful condition unless such repairs are agreed to be made by the Lessor. The Lessee shall take reasonable precautions to prevent damage to the Leased Premises from fire or other causes, and to prevent bodily and personal injury.

The Lessee shall provide all routine janitorial services at its own expense. Provisions for contract janitorial service shall include workman's compensation insurance, general liability insurance and employee bonds.

At the end of the term of this Agreement or at the earlier termination thereof, Lessee agrees to return said premises peaceably and promptly in as good as condition as they were in at the beginning of the term (except for ordinary wear and tear), loss by fire or other hazard and depreciation from normal and reasonable usage excepted.

The Lessor shall be responsible for maintenance associated with the structural components of the buildings (such as roof and building shell). Additionally, the Lessor shall maintain the exterior of the building including painting and other related maintenance items. The Lessor shall also maintain landscaping around the buildings.

8. **CONFORMANCE TO STATUTES.** The Lessee shall comply with all applicable statutes and provisions relating to occupancy by a certain number of persons, building code provisions for kitchens, fire regulations, and provisions governing food preparation and handling and any other governmental rules and regulations and executive orders which are applicable.
9. **STAFFING AND EQUIPMENT.** The Lessee shall be responsible for all necessary staffing, programming and operations of the general office purposes in the conduct of its aviation-related business and shall provide all equipment necessary for program

operations. All equipment and furnishings owned by the Lessor shall be maintained and operated in a safe and sanitary condition.

10. **IMPROVEMENTS BY LESSEE.** It is understood and agreed that the Lessee shall not make any improvements to the demised premises whether in the form of alterations, additions or painting without the prior written approval of the Lessor, and that such improvements will be at the sole expense of the Lessee who will hold the Lessor harmless from any liability thereon unless said improvements are agreed to be made by the Lessor.
11. **INSURANCE.** Lessee shall maintain in full force and effect for the period covered by this Lease Agreement insurance coverage against bodily injury, personal injury, including death, property damage insurance, and product liability coverage, if applicable, with an insurance carrier satisfactory to the Lessor. All insurance required herein shall meet the following conditions at all times:
 - a. It must cover complete contractual liability and personal injury as well as bodily injury in an amount of not less than \$1,000,000 combined single limit.
 - b. Coverage shall contain a provision requiring the insurance carrier to give the Lessor thirty (30) days prior written notice of any cancellations of such insurance, or a reduction in coverage, or any other major change in such insurance.
 - c. Coverage must name the City of Monroe as additional insured for liability purposes.
 - d. Copies of policies and/or certificates of insurance shall be filed with the Lessor.
 - e. Any failure by Lessee to maintain the required insurance shall be deemed a material breach and sufficient cause for termination of this Lease Agreement by the Lessor.
12. **HOLD HARMLESS AGREEMENT.** Lessee hereby indemnifies, and shall protect and hold Lessor harmless from and against all liabilities, losses, claims, demands, costs, including attorney's fees, expenses, and judgments of any nature arising, or alleged to arise, from or in connection with the following, including claims by Lessee and by third parties: (a) any injury to, or the death of any person or loss or damage to property on or about the Premises or any adjoining property arising from or connected with the Lessee's use of the Premises during the term; (b) performance of any labor or services or the furnishing of any materials or other property in respect of the Premises or any part thereof by Lessee or at the Lessee's request; and (c) the storage or use of Hazardous Materials by Lessee, provided, however, nothing contained herein shall allow such storage or use by Lessee. "Hazardous Materials" shall mean hazardous wastes, hazardous substances, hazardous constituents, toxic substances or related materials, whether solids, liquids or gases, including but not limited to substances defined as "hazardous wastes," "hazardous substances," "toxic substances," "pollutants," "contaminants," "radioactive materials," or other similar designations in, or otherwise subject to regulation under, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 ("CERCLA"), 42 U.S.C. §§ 9601 et seq.; the Toxic Substance Control Act ("TSCA"), 15 U.S.C. §§ 2601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1802 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 9601 et seq.; the Clean Water Act ("CWA"),

33 U.S.C. §§ 1251 et seq.; the Safe Drinking Water Act, 42 U.S.C. §§ 300(f) et seq.; the Clean Air Act ("CAA"), 42 U.S.C. §§ 7401 et seq.; any law, rule, or regulation, federal, state or local, now or hereafter in existence, governing or relating to the creation, use, storage, sale, retention, or transportation of hazardous or toxic substances and wastes; and in the plans, rules, regulations or ordinances adopted, or other criteria and guidelines promulgated pursuant to the preceding laws or other similar laws, regulations, rule or ordinance now or hereafter in effect; and any other substances, constituents or wastes subject to environmental regulations under any applicable federal, state or local law, regulation or ordinance now or hereafter in effect. Lessee will be responsible for any legal costs suffered by the Lessor in defending any action, suit or proceeding brought against Lessor due to any such occurrence.

13. **DAMAGE OR DESTRUCTION.** It is mutually covenanted and agreed that if, during the term of the Agreement, said Premises as they now exist shall be substantially destroyed by fire, windstorm, tornado, or other casualty, or are otherwise rendered permanently unusable at the discretion of the Lessor, then this Agreement, at the option of either party and upon ten days' notice in writing to the other party, shall cease and terminate and both parties shall be released from further obligation hereunder. If, however, during the term of this Agreement, the said premises as they now exist shall be only partly destroyed by fire, windstorm, tornado, or other casualty, or if the Lessor, at its sole discretion, considers the premises temporarily unusable, then the Lessor, at its discretion, may or may not repair the premises. Any repairs by the Lessor shall be made as speedily as possible at its own expense. If the Lessor considers the Premises usable, then the required rent shall not abate. If the Lessor considers the premises unusable, either from damage or destruction or otherwise, then the rent shall abate during the period required for repairs or until the Lessor considers the premises usable again.

Notwithstanding any other provision of this agreement, the Lessor shall only be responsible for repairing fire or other casualty damage to the extent of the proceeds payable from fire insurance policies in force at the time of the loss.

Damage to such an extent as to render forty percent or more of the floor space unusable for the purposes of the Lessee's operations shall be "a substantial destruction" within the meaning of this agreement, and damage which renders less than forty percent of floor space usable for the purposes of the Lessee's business, but which cannot be repaired within sixty days, shall likewise be deemed "a substantial destruction."

14. **WAIVER OF SUBROGATION.** The Lessor agrees to maintain fire, extended coverage, vandalism and malicious mischief insurance on the Leased Premises and on personal property of the Lessor contained therein to the extent of its full insurable value; the Lessee shall do the same with respect to its property located in or on the Leased Premises. The Lessor and Lessee hereby mutually release and discharge each other from all claims or liabilities arising from or caused by fire or other casualty covered by the above insurance on the Leased Premises.

15. **RIGHT OF INSPECTION.** The Lessor shall have, during the term of this Agreement, the right, upon reasonable notice (excepting emergencies), to enter upon the premises and inspect the same for any and all purposes, provided Lessor shall provide prior reasonable notice to Lessee and shall not unreasonably interfere with Lessee's business conducted on the premises
16. **PROHIBITION OF SUBLEASING.** This Agreement may not be assigned or the premises subleased without the written consent of the Lessor.
17. **BREACH OF LEASE.** The happening of any one or more of the following listed events shall constitute a breach of this Lease Agreement on the part of the Lessee:
- a. The failure of the Lessee to pay any rent or any other amount payable under this Lease Agreement when the same become due and payable.
 - b. The failure of the Lessee to perform any term or terms of this Lease Agreement and the failure of the Lessee to remedy such default within a period of 30 days after receipt of written notice to remedy such default.
 - c. The assignment by Lessee of any or all of the property or assets covered by this Lease Agreement except assignment to and among other commonly owned and affiliated entities of the Lessee, or the subleasing of any of the hangar space by the Lessee.
 - d. Failure of the Lessee to abide by Chapter 131 of the Monroe Code of Ordinances and any other duly adopted rules, regulations, or policies regulating the use of the Charlotte-Monroe Executive Airport including any duly promulgated rule, regulation, or policy of the FAA or other relevant federal or state agency.
 - e. The conduct of illegal activities on the Leased Premises.

Upon the happening of any event of default as defined in this Lease Agreement the Lessor may, at its option terminate this Lease Agreement and take possession of personal property of the Lessee from the leasehold. Exercise by Lessor of the right of termination set out herein shall not preclude Lessor from pursuing any other remedy available at law or equity.

18. **FORFEITURE FOR NONCOMPLIANCE.** It is expressly agreed that if Lessee shall neglect to do and perform any matter or thing herein agreed to be done and performed by it and shall remain in default thereof for a period of thirty (30) days after written notice from Lessor calling attention to such default, Lessor may declare this Agreement terminated and canceled and take possession of said premises without prejudice to any other legal remedy it may have on account of such default. Said notice may be given to the person at such time in charge of said premises or sent by registered mail to Lessee at the address in Section 19 or at any subsequent address on file with Lessor.

It is expressly agreed that if Lessee shall cease to use the property for the operation of its intended aviation business for a continuing, uninterrupted period of 180 days, Lessor may declare this Agreement terminated and cancelled and take possession of said premises without prejudice to any other legal remedy it may have on account of such default.

19. NOTICE. Any notice or other communication to Lessor shall be in writing, and addressed to:

City of Monroe
300 W. Crowell Street
Monroe, NC 28112
Attn: Airport Manager

And any notice or communication to Lessee shall be in writing and addressed to:

The Hertz Corporation
8501 Williams Road
Estero, Florida 33928
Attention: Real Estate Department

With a copy to: airports@hertz.com

or to such other respective address as either party may designate in accordance with the provision hereof and shall be delivered personally or deposited in the United States mail, registered or certified, return receipt requested, with proper postage and fees prepaid, or through a nationally-recognized express mail service.

20. E-VERIFY REQUIREMENT. Lessee shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes. Further, if Lessee utilizes a subcontractor, Lessee shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.
21. ENTIRE AGREEMENT. This instrument shall constitute the entire understanding between the parties, superseding any and all previous understandings oral or written pertaining to the subject matter contained herein.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed, the day and year first above written.

CITY OF MONROE, NC

BY: _____
Brian Borne, Interim City Manager

Attest:

Bridgette Robinson, City Clerk

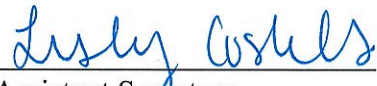
THE HERTZ CORPORATION:

BY: _____
Stephen A. Blum

TITLE: Senior Vice President,
Real Estate & Facilities

DATE: March 29, 2022

Attest:

_____
Assistant Secretary

**EXHIBIT A: HERTZ CORPORATION LEASE SPACE
CHARLOTTE-MONROE EXECUTIVE AIRPORT MAIN TERMINAL**

