

FOOD AND BEVERAGE LEASE AND CONCESSION AGREEMENT

THIS LEASE AND CONCESSION AGREEMENT made and entered into this 18th day of MARCH, 2003, by and between the CITY OF PENSACOLA, a municipal corporation of the State of Florida, herein referred to as the "City" or "Lessor", and Varona Enterprises of Florida, Inc., a

() sole proprietorship
() limited partnership
() general partnership
(X) corporation authorized to do business in Florida
hereinafter referred to as "Lessee/Concessionaire".

Whereas this Food and Beverage Lease and Concession Agreement replaces that Concourse Food and Beverage Concession Agreement between the City of Pensacola and Varona Enterprises of Florida, Inc., dated May 10, 1995, and Amendments 1, 2, 3, and 4 thereto, and;

Whereas, in consideration of the proposal dated September 2002 submitted by Lessee/Concessionaire for the operation of the food and beverage concession at Pensacola Regional Airport, the City's acceptance of said proposal, and the mutual promises set forth below, the parties hereby agree as follows:

ARTICLE I
POSSESSORY INTEREST AND OPERATING PRIVILEGES

- A. Subject to the exceptions in paragraph C., below, the City grants to Lessee/Concessionaire the exclusive right, privilege and obligation during the term of this Lease and Concession Agreement to possess the Leased Premises described in Article III hereof and to operate and provide food and beverage services therein, pursuant to the Proposal submitted by Lessee/Concessionaire for the operation of the Food and Beverage Concession at Pensacola Regional Airport ("Airport") in accordance with the terms and conditions of the Lease and Concession Agreement.
- B. In addition to the rights set forth in paragraph in I.A., above, Lessee/Concessionaire is authorized to use its leased premises to provide in-flight catering services.
- C. Exceptions to the rights and privileges to operate the food and beverage service are as follows:
 - 1. Private lounge/VIP areas not open to the general public, requiring membership and guest privileges

2. In-flight catering
 3. Vending machines
 4. Pre-packaged snack items including, but not limited to, chips, nuts, candy, gum, ice cream, and/or health food shops.
- D. The City reserves the right to operate or provide under separate contract with others any or all of the above-mentioned exceptions to the food and beverage service provided by Lessee/Concessionaire. Lessee/Concessionaire is prohibited from having or operating any dispensing or vending machines, including without limitation, pay telephones, video games, or pay televisions unless such approval is provided in writing by the Airport Director. Such approval shall be negotiated separately from this Lease and Concession Agreement and all fees and payments shall be separate from those defined herein.
- E. For the period of time from the commencement of this agreement through September 30, 2007, Lessee/Concessionaire shall also be permitted to offer and sell the following items from the lease/concession areas:
1. Newspapers
 2. Periodicals
 3. Specialty pre-packaged food gifts not designed for immediate consumption on the premises.

After September 30, 2007, or, if prior to this date, Lessee/Concessionaire is no longer the Lessee/Concessionaire operating the Airport News and Gifts Concession, Lessee/Concessionaire will no longer be authorized to offer or sell these items from the Leased Premises and shall immediately cease doing so.

- F. Lessee/Concessionaire shall not use, nor permit others to use, its leased premises, and any improvements thereon, for any commercial or non-commercial purpose, other than the authorized purposes set forth in Paragraph I.A. and I.B., above, unless the City authorizes said additional use of the leased premises, in writing, in the future. Should Lessee/Concessionaire wish to perform or provide additional commercial or non-commercial services or activities from its leased premises, Lessee/Concessionaire shall make written application to the City requesting permission to provide such additional activity or service. If the

City determines that Lessee/Concessionaire is qualified to perform the additional activity or service, and that Lessee/Concessionaire's provision of said additional activity or service would be in the Airport's best interests, and if the City and Lessee/Concessionaire are able to negotiate and execute an addendum to this Lease and Concession Agreement, setting forth the terms and conditions by which Lessee/Concessionaire shall perform the additional activity or service, and the rental to be paid by Lessee/Concessionaire to the City for the privilege of performing said additional activity or service, then Lessee/Concessionaire shall be deemed authorized to perform said additional commercial or non-commercial activity or service from its leased premises.

ARTICLE II
PROPOSAL DOCUMENTS

All instructions, specification, statements accompanying the proposal, and the proposal itself, all of which do not conflict with the provisions contained herein shall be considered a part of this Agreement and Lessee/Concessionaire shall operate its food and beverage concession in accordance with, and subject to, all of the terms and conditions of this Lease and Concession Agreement and the Proposal Documents.

ARTICLE III
LEASED PREMISES

- A. The City hereby leases to Lessee/Concessionaire the exclusive right to possess and utilize the food and beverage concession facilities, located inside the Terminal Building. The square footage of the areas are:

Pre-Screening Lease/Concession Area	7,904 s.f.
Pre-Screening Storage Area	85 s.f.
Post-Screening Lease/Concession Area	1,351 s.f.
Post-Screening Storage Area	358 s.f.

The location of the facility referenced above is shown on the floor plans attached hereto as Exhibit A and incorporated herein by this reference.

ARTICLE IV
ITEMS TO BE SERVED

- A. The Lessee/Concessionaire agrees to use the Leased Premises solely for the sale of food and beverage products specified in the Proposal Documents.

- B. Lessee/Concessionaire may, from time to time, alter the food and beverage items specified in the Proposal Documents. Any actual or perceived denigration in the Lessee/Concessionaire's operation on the part of the City shall be conveyed to the Lessee/Concessionaire in writing. Lessee/Concessionaire shall reinstate products and/or upgrade specifications to the City's satisfaction within ten (10) days of notification.
- C. Food and beverage products shall be sold only at the initial prices set forth in the Proposal Documents. Any proposed price increases during the term of this agreement must be forwarded to the Airport Director for his review and approval prior to implementation. The Lessee/Concessionaire must provide information substantiating the proposed price increase. When reviewing a request to increase prices, the Airport Director shall take into account the information substantiating the increase, the amount of the proposed increase, and the amount of time elapsed between the increase request and either the commencement of the term of this agreement or any previously approved increases. The Airport Director shall not unreasonably deny such requests.
- D. Questions or complaints regarding the quality of service or products, whether raised by patrons or at the City's initiative or otherwise, may be submitted to Lessee/Concessionaire for its response. At the City's request, Lessee/Concessionaire shall meet with the Airport Director to review any complaints or concerns and to promptly correct any deficiencies.
- E. Lessee/Concessionaire shall serve high quality foods with adequate portions. All items purchased for Lessee/Concessionaire's operation must come from reliable sources. All foods, beverages and other items used in Lessee/Concessionaire's operation must be of first quality, wholesome and pure, and shall conform in all respects to federal, state and local food and other laws, orders and regulations. Failure on the part of Lessee/Concessionaire to promptly correct, modify, or rectify any deficiencies upon written notice from the Airport Director shall be cause for cancellation of this Agreement by the City pursuant to Article XVIII, Defaults and Remedies.

ARTICLE V
TERM

The term of this Food and Beverage Lease and Concession Agreement shall be for a period of eleven (11) years, commencing at midnight on April 1, 2003 and terminating at 11:59 P.M. on March 31, 2014, subject to earlier termination pursuant to the terms and conditions of this Agreement.

ARTICLE VI
CONCESSION FEES

A. As consideration for its possessory interest in the Leased Premises and for the right and privilege of operating a food and beverage concession therein, Lessee/Concessionaire shall pay to the City the greater of a minimum annual privilege fee or percentages of gross receipts as follows:

1. Percentages of annual gross receipts for the term of the Lease and Concession Agreement are:

Food and non-alcoholic beverages: 12%

Alcoholic beverages: 15%

Employee food and non-alcoholic beverages: 5%
(to be applied when comparable discounts are given to individuals employed at the Airport)

2. Percentages of monthly gross receipts for the term of the Lease and Concession Agreement are:

Airline catering: First \$65,000 6%

Airline catering: Over \$65,000 8%

3. The minimum annual privilege fees for the term of this Agreement are:

	First Year	\$66,950	
<i>1,800,000</i>	Second Year	\$225,000	<i>18,750</i>
	Third Year	\$240,500	<i>20,000</i>
	Fourth Year	\$265,000	<i>22,000</i>
	Fifth Year	\$275,000	<i>22,900</i>
	Sixth Year	\$285,000	<i>23,750</i>
		<i>228,000</i>	<i>2,280,000</i>

The minimum annual privilege fee for years seven through eleven shall be eighty percent (80%) of the total actual payment due the City for all operations of Lessee/Concessionaire during the

1,821,000

previous year of the Agreement.

For purposes of computing Lessee/Concessionaire's gross receipts for each year of this Lease and Concession Agreement, the Concession year shall be deemed to commence at midnight, April 1st, each year this Agreement is in effect, and shall be deemed to terminate at 11:59 P.M., March 31st of the following year.

- B. The term "gross receipts" or "gross revenues" with respect to sales at all locations shall include all charges or other fees charged by Lessee/Concessionaire on all sales made by Lessee/Concessionaire of food and beverages, including alcoholic beverages and in-flight catering, and all revenues of any kind and character derived from, arising out of, or payable on account of the business conducted by Lessee/Concessionaire or from the operations of Lessee/Concessionaire under this Agreement, whether for cash or credit and without any deduction for credit card discounts, and regardless of whether Lessee/Concessionaire ultimately collects the monies owed for said sales from the customer involved. Any gross receipts included in the formula for determining percentage rentals owed the City and determined by Lessee/Concessionaire at a later date to be uncollectible shall not offset future percentage fees or privilege fees owed the City. The term shall also include the value of food and beverages, including alcoholic beverages, when served or given by Lessee/Concessionaire to anyone without charge except as provided herein. The term shall not include any sales tax or excise tax stated separately and collected from the customer for remittance to the taxing authority, tips and gratuities, free or compensatory meals for employees of Lessee/Concessionaire, or any other charges on a reimbursable basis as mutually agreed upon by the Airport Director and Lessee/Concessionaire.

All gross receipts shall be deemed to be received at the time of the determination of the amount due to Lessee/Concessionaire, not at the time of billing or payment, unless specifically authorized by the Airport Director.

- C. Lessee/Concessionaire shall pay its minimum annual privilege fee in twelve (12) equal monthly installments, with each equal monthly installment due, in advance, on or before the first day of the month for which it is due, for each month this Lease and

Concession Agreement is in effect. Said equal monthly installments shall be made payable to the "City of Pensacola" and forwarded to the Airport Director's office.

- D. Within thirty (30) days following the end of each month this Lease and Concession Agreement is in effect, Lessee/Concessionaire shall pay to the City the difference between its guaranteed minimum annual privilege fee set forth herein for the Concession year, and the percentages of its food and beverage sales and other services offered pursuant to this Agreement (including in-flight catering) for said month, if said percentage fees are greater than the guaranteed minimum annual privilege fee for said month.

Simultaneously with its payment of percentage fees for the last month of the Lease/Concession year, Lessee/Concessionaire shall furnish the City with a statement of the amount of gross receipts it enjoyed for the Lease/Concession year then ending, broken down by: (1) the sale of food and non-alcoholic beverages; (2) the sale of alcoholic beverages; (3) gross receipts from other business transactions that occurred from the Leased Premises, including Lessee/Concessionaire's in-flight catering, during said Lease/Concession year.

- E. Without waiving any other right of action available to the City in the event of default in payment of any and all fees, charges, or taxes hereunder, in the event any payments required under this agreement are not received when due, said payments shall accrue interest at the rate of one and one-half percent per month from the due date until receipt of payment. Any partial payments received for said indebtedness shall be applied first to accrued interest and then to principal.

ARTICLE VII BOOKS AND RECORDS/AUDITS

- A. Lessee/Concessionaire must maintain full and accurate books of account and records, in a form acceptable to the City, from which gross receipts, as defined herein, and the amount of percentage fees owed the City hereunder, can be determined, according to standard and accepted accounting practices. The books of account and records that Lessee/Concessionaire must maintain must include, but not be limited to, sales slips, cash register tapes, credit card invoices, monthly sales tax returns, sales and disbursement journals, general ledgers, bank statements, bank books, bank deposit

slips and annual federal income tax returns. In lieu of maintaining the books of account and records required herein, Lessee/Concessionaire may maintain computer records instead, provided that the City determines, in its sole discretion, in advance, that said computer records are a reasonably equivalent alternative to the maintenance of books and records otherwise required herein. These books and records shall be stored in Pensacola, Florida, for a period of at least five (5) years following the end of each annual period of this Lease and Concession Agreement and be made available to the City upon request.

- B. Each year of the concession term, Lessee/Concessionaire shall employ an independent Certified Public Accountant who shall furnish a written audit to the City stating that in his opinion the minimum annual privilege fee and the percentage fee paid to by Lessee/Concessionaire to the City during the preceding Lease/Concession year pursuant to this Lease and Concession Agreement were made in accordance with the terms of this Lease and Concession Agreement. Such statement shall also contain a list of the gross receipts as shown on the books and records of Lessee/Concessionaire which were used to compute the percentage fee made to the City during the period covered by the statement. This statement shall be done within sixty (60) days of the last day of the preceding Lease/Concession year, a copy of which shall be furnished to the City within five (5) calendar days of its completion.
- C. The City reserves the right to audit Lessee/Concessionaire's books and records of gross receipts at any time for the purpose of verifying gross receipts hereunder. If any audit shows percentage payments and other charges that should have been paid to the City by the Lessee/Concessionaire pursuant to the agreement were understated or underpaid for the annual period involved, Lessee/Concessionaire shall, within thirty (30) days notice of any such deficiency, pay to the City the full amount underpaid, plus one and one-half percent (1.5%) interest per month on said underpayment from the time said underpayment should have been paid to the time said underpayment is fully paid. In addition, if the amount of underpayment exceeds one percent of the total percentage payment that was owed by Lessee/Concessionaire to the City for the annual period involved, Lessee/Concessionaire, in addition to paying the City the underpayment owed, shall reimburse the City for the cost of the audit.

If any audit discloses overpayment of the percentage payments paid to the City by Lessee/Concessionaire, the City shall refund the amount of overpayment to Lessee/Concessionaire within thirty (30) days of said audit.

ARTICLE VIII
NOTICES OF PRICES

Lessee/Concessionaire shall provide the City with a statement of prices of goods and services provided on the Airport pursuant to Article I within fifteen (15) days of a written request for said prices by the City.

ARTICLE IX
PERFORMANCE SECURITY

- A. Prior to commencing operations at the Airport pursuant to this Agreement, Lessee/Concessionaire must post with the City, and Lessee/Concessionaire must thereafter continuously maintain for the entire term, performance security in the amount of \$100,000. Lessee/Concessionaire may put up cash, with said cash to be held by the City, a performance bond, or a letter of credit. The City will not pay interest on such cash deposit. Said performance security shall cover Lessee/Concessionaire's performance of all of its obligations under this Agreement for the entire term.

The performance bond or letter of credit, if provided by Lessee/Concessionaire, shall be in a form acceptable to the City. The surety company providing the bond or the lender providing the letter of credit shall be licensed to do business in Florida, and shall be otherwise acceptable to the City. Lessee/Concessionaire shall be responsible for paying all required bond premiums.

An annually renewable Performance Bond may be substituted by the Lessee/Concessionaire each year in lieu of providing a single Bond. Such Performance Bond shall not contain any exclusion or condition based on a time-period for the discovery of, and the making of a claim for any loss that is less than one year after the expiration date of such Performance Bond. In other words, the Performance Bond shall allow the City to make a claim under the Bond, for losses, which totally or partially occurred during the period of such Bond. Such extended claim discovery and/or claim reporting period shall be for a period of at least one year or longer after the expiration of such Bond. Such Bond

shall not contain any wording which would allow for the cancellation or reduction in coverage under the Bond, other than at the listed expiration date, provided that 30-days notice of such expiration is given to the City before termination of coverage at any such expiration date.

- B. The performance security shall be payable to the City in the event Lessee/Concessionaire defaults in any of its concession fees or other monetary obligations to the City hereunder, pursuant to Article XVIII, Defaults and Remedies, below.

ARTICLE X
INSURANCE AND INDEMNIFICATION

At all times during the term of this Lease and Concession Agreement Lessee/Concessionaire shall procure and maintain insurance of the types and to the limits specified.

The term City as used in this Article of the Lease and Concession Agreement is defined to mean the City of Pensacola itself, any subsidiaries or affiliates, elected and appointed officials, employees, volunteers, representatives and agents.

Insurance shall be issued by an insurer whose business reputation, financial stability and claims payment reputation is satisfactory to the City, for the protection of City only. All insurance coverages of Lessee/Concessionaire whether required or not, shall contain a Waiver of Subrogation clause, waiving subrogation against the City of Pensacola. Unless otherwise agreed, the amounts, form and type of insurance shall conform to the following minimum requirements:

A. WORKER'S COMPENSATION

Lessee/Concessionaire shall purchase and maintain Worker's Compensation Insurance Coverage for all Worker's Compensation obligations whether legally required or not. Additionally, the policy, or separately obtained policy, must include Employer's Liability Coverage of at least One Hundred Thousand Dollars (\$100,000) each person-accident, One Hundred Thousand Dollars (\$100,000) each person disease and Five Hundred Thousand Dollars (\$500,000) aggregate-disease.

B. COMMERCIAL GENERAL, AUTOMOBILE AND UMBRELLA LIABILITY COVERAGES

Lessee/Concessionaire shall purchase coverage on forms

no more restrictive than the latest editions of the Commercial General Liability and Business Auto policies filed by the Insurance Services Office. The City of Pensacola shall be an Additional Insured and such coverage shall be at least as broad as that provided to the Named Insured under the policy for the terms and conditions of this Lease and Concession Agreement. The City shall not be considered liable for premium payment, entitled to any premium return or dividend and shall not be considered a member of any mutual or reciprocal company. Minimum limits of One Million Dollars (\$1,000,000) per occurrence, and per accident, combined single limit for liability must be provided, with umbrella insurance coverage making up any difference between the policy limits of underlying policies coverage and the total amount of coverage required. Fire Legal Liability must be endorsed onto this policy with limits of at least \$150,000 per occurrence.

Lessee/Concessionaire and the City understand and agree that the minimum limits and the type of insurance herein required may become inadequate, and Lessee/Concessionaire agrees that it will increase such coverage or limits of liability to the type and limits desired by the City within ninety (90) days of receipt of written notice from the Airport Director, or other person designated by the City to give such notice.

C. COMMERCIAL GENERAL LIABILITY

Commercial General Liability coverage must be provided, including bodily injury and property damage liability for premises, operations, products and completed operations, independent contractors, liquor liability, and property damage resulting from underground or collapse exposures (u, c). Broad Form Commercial General Liability coverage, or its equivalent, shall provide at least broad form contractual liability applicable to this specific Lease and Concession Agreement and personal injury liability. The coverage shall be written on an occurrence-type basis.

D. BUSINESS AUTO POLICY

Business Auto Policy coverage must be provided, including bodily injury and property damage arising out of operation, maintenance, or use of owned, non-owned and hired automobiles and employee non-ownership use.

E. UMBRELLA LIABILITY INSURANCE

Umbrella Liability Insurance coverage shall not be more restrictive than the underlying insurance policy coverages. The coverage shall be written on an occurrence-type basis.

F. PROPERTY INSURANCE

Lessee/Concessionaire shall maintain in force at all times, property insurance coverage which insures any improvements, equipment and fixtures constructed in or upon the Leased Premises against fire, extended coverage and standard Insurance Services Office (ISO) defined "Special Perils" of physical damage. The City of Pensacola shall be a Loss Payee on such policy with coverage afforded to the City which is at least as broad as that provided to Lessee/Concessionaire/Named Insured under the policy for the terms and conditions of such policy. The amount of coverage will be 100% of the replacement cost of such improvements, equipment and fixtures. The policy will not contain a deductible feature which exceeds five percent (5%) of replacement cost of such improvements, equipment and fixtures. Such policy will contain a "Waiver of Subrogation" endorsement in favor of the City. Lessee/Concessionaire agrees to apply any payment made as a result of any insurable loss, to the repair or replacement of such improvements, equipment and fixtures. In the event that the insurance funds are greater than amount required to repair or replace, with like kind and quality, the excess funds shall be retained by Lessee/Concessionaire. Such funds will be expended on such repair or replacement within a reasonable period of time. A period of more than twelve (12) months shall be deemed as an unreasonable period of time. If such funds are not expended as required, such funds will be turned over to the City of Pensacola for the use and benefit of the City.

G. LIQUOR LIABILITY

Liquor Liability Insurance shall be provided. Minimum limits of \$1,000,000 per occurrence must be provided with the City named as an additional insured. The coverage shall be provided via a policy which is at least equal to the Liquor liability Protection policy, Form 8550, 10/86 Edition, of the St. Paul Surplus Lines Insurance Company, as respects the protection afforded to the City.

When alcoholic beverages are to be furnished, sold, or consumed at the Leased Premises, the Lessee/Concessionaire shall not furnish, or sell to or permit its employees, servants, subcontractors, or agents to furnish or sell alcoholic beverages to, or to allow such alcoholic beverages to be consumed by any person who is not of lawful drinking age and shall take reasonable actions necessary to avoid serving any person habitually addicted to the use of any or all alcoholic beverages, or any person who is, or who would reasonably be expected to be intoxicated. Further, the Lessee/Concessionaire shall comply whether legally required to do so or not, with Florida Statute 561.705, "Responsible Vendor Qualifications".

H. CERTIFICATES OF INSURANCE

Required insurance shall be documented in the Certificates of Insurance which provide that the City of Pensacola shall be notified at least thirty (30) days in advance of cancellation, non-renewal or adverse change or restriction in coverage. The City of Pensacola shall be named in each Certificate as an Additional Insured and this Agreement shall be listed. If required by the City, Lessee/Concessionaire shall furnish copies of Lessee/Concessionaire's insurance policies, forms, endorsements, jackets and items forming a part of, or relating to such policies. Certificates shall be on the "Certificates of Insurance" form equal to, as determined by the City, an ACORD 25. Any wording in a Certificate which would make notification of cancellation, adverse change, or restriction in coverage to the City an option shall be deleted or crossed out by the insurance carrier or the insurance carrier's agent or employee. Lessee/Concessionaire shall replace any canceled, adversely changed, restricted or non-renewed policies with new policies acceptable to the City and shall file with the City Certificates of Insurance under the new policies prior to the effective date of such cancellation, adverse change, or restriction. If any policy is not timely replaced, in a manner acceptable to the City, Lessee/Concessionaire shall, upon instructions of the City, cease all operations under the Lease and Concession Agreement until directed by the City, in writing, to resume operations.

I. INSURANCE OF LESSEE/CONCESSIONAIRE PRIMARY

Lessee/Concessionaire required coverage shall be considered primary, and all other insurance shall be

considered as excess, over and above Lessee/Concessionaire's coverage. Lessee/Concessionaire's policy of coverage will be considered primary as it relates to all provisions of the Lease and Concession Agreement.

J. LOSS CONTROL AND SAFETY

Lessee/Concessionaire shall retain control over its employees, agents, servants and subcontractors, as well as control over its invitees, and its activities on and about the subject premises and the manner in which such activities shall be undertaken and to that end, Lessee/Concessionaire shall not be deemed to be an agent of the City. Precaution shall be exercised at all times by Lessee/Concessionaire for the protection of all persons, including employees and property. Lessee/Concessionaire shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.

K. HOLD HARMLESS

Lessee/Concessionaire shall hold harmless the City of Pensacola, its subsidiaries or affiliates, elected and appointed officials, employees, volunteers, representatives and agents from any and all claims, suits, actions, damages, liability and expense in connection with loss of life, bodily or personal injury, or property damage including loss of use thereof, directly or indirectly caused by, resulting from, arising out of, or occurring in connection with this Lease and Concession Agreement, whether occasioned wholly, or in part, by negligence of Lessee/Concessionaire.

Lessee/Concessionaire's obligation shall not be limited by, or in any way to, any insurance coverage or by any provision in or exclusion or omission from any policy of insurance.

L. PAY ON BEHALF OF CITY

Lessee/Concessionaire agrees to pay on behalf of the City, as well as provide a legal defense for the City, both of which will be done only if and when requested by the City, for all claims as described in the Hold Harmless subparagraph. Such payment on behalf of the City shall be in addition to any and all other legal remedies available to the City and shall not be considered to be the City's exclusive remedy.

ARTICLE XI
IMPROVEMENTS

A. IMPROVEMENTS BY THE CITY

The City will provide the following:

1. The Leased Premises in its current configuration.
2. All partitions about the perimeter of the Leased Premises, all structural walls and supports, all structural roof construction, all structural floor construction and all exterior window walls designed about the perimeter of the Leased Premises.
3. All heating and air conditioning service, electrical service, water service, gas service and sewer service will be stubbed into the Leased Premises.

The City shall have the right to construct or install over, in, under, or through the Leased Premises new lines, pipes, mains, wires, conduits and equipment, provided, however, that such repair, alteration, replacement, or construction shall not unreasonably interfere with Lessee/Concessionaire's use of the Leased Premises. The City will repair any damage resulting from such activities.

B. IMPROVEMENTS BY LESSEE/CONCESSIONAIRE

Initial Improvements:

1. Upon commencement of this Agreement, Lessee/Concessionaire shall promptly construct and install, at its own expense, all improvements needed for the operation to be conducted. The design, review, and installation of said improvements shall be performed in compliance with the paragraph entitled "General Construction Requirements" below. Improvements shall be designed, constructed and installed in accordance with the improvements as contained in Lessee/Concessionaire's proposal.

Lessee/Concessionaire must submit final plans and specifications to the Airport Director for his review within 60 days of the date the City executes this Agreement. Upon receipt of the Airport Director's approval of the plans and

specifications, the Lessee/Concessionaire shall have Ten (10) months to complete the construction and be in operation.

Lessee/Concessionaire covenants and agrees that the minimum guaranteed level of investment for the initial improvements to the pre-screening lease/concession area shall not be less than \$101 per square foot.

2. Upon completion of the construction of the initial improvements, Lessee/Concessionaire must provide the City with:
 - (a) a certified statement from the construction contractor(s), architect(s) and engineer(s) specifying the total construction costs;
 - (b) a certification that the improvements have been constructed in accordance with the approved plans and specifications, and in strict compliance with all applicable building codes, laws, rules, ordinances and regulations;
 - (c) certified proof in writing that no mechanic's or materialman's liens exist on any or all of the improvements, equipment, furnishings or fixtures which could be used to foreclose on any of the above, by reason of any work or labor performed or materials furnished.

Refurbishment:

1. In the sixth year of the lease/concession term, the Lessee/Concessionaire shall design and construct, at its own expense, refurbishments to the Leased Premises. The design, review, and installation of said refurbishment shall be performed in compliance with the paragraph entitled "General Construction Requirements" below. The refurbishment shall be completed by the commencement of the following year.

The Lessee/Concessionaire covenants and agrees that the minimum guaranteed level of investment for the refurbishment to the pre-screening and post-screening lease/concession areas shall not be less than \$15 per square foot in year 2002 dollars.

2. Upon completion of the construction of each refurbishment, Lessee/Concessionaire must provide

the City with:

- (a) a certified statement from the construction contractor(s), architect(s) and engineer(s) specifying the total construction costs;
- (b) a certification that the improvements have been constructed in accordance with the approved plans and specifications, and in strict compliance with all applicable building codes, laws, rules, ordinances and regulations;
- (c) certified proof in writing that no mechanic's or materialman's liens exist on any or all of the improvements, equipment, furnishings or fixtures which could be used to foreclose on any of the above, by reason of any work or labor performed or materials furnished.

Additional Improvements:

1. During the term of this Agreement, Lessee/Concessionaire shall have the right to construct, at its own expense, improvements, alterations, or additions to the Leased Premises to facilitate and further the authorized usage of the Leased Premises, provided that Lessee/Concessionaire conforms with all conditions of this Article including:
 - (a) the proposed improvements and alterations are submitted to the City for its prior review;
 - (b) the City determines, in its sole discretion (which discretion shall be reasonably applied), that the proposed improvements and alterations will be consistent with the Airport's Master Plan, land use plan and architectural design and quality of construction in effect at the time of construction; and
 - (c) the improvements, alterations, and additions are to be constructed by qualified and licensed contractors and subcontractors.

General Construction Requirements:

1. Prior to the commencement of any construction activity, Lessee/Concessionaire shall submit detailed plans, specifications, and a construction time schedule for the improvements, to the City

for approval. The Airport Director shall either approve or disapprove the plans and/or specifications submitted by the Lessee/Concessionaire. Approval by the Airport Director of any plans and specifications refers only to the conformity of such plans and specifications to the general architectural and aesthetic plan for the area assigned to the Lessee/Concessionaire. Such plans are not approved for architectural or engineering design or compliance with applicable laws or codes and the City, acting through the Airport Director, by approving such plans and specifications, assumes no liability or responsibility hereof or for defect in any structure or improvement constructed according to such plans and specifications. The Airport Director reserves the right to reject any design submitted and shall state the reasons for such action. No changes or alterations shall be made to said plans and specifications after approval by the Airport Director.

2. Immediately upon receipt of the City's written approval of said plans, specifications, and construction time schedule, Lessee/Concessionaire shall proceed with construction of said improvements. Work shall not be performed at times other than shown on the construction time schedule without the prior approval of the Airport Director.
3. Lessee/Concessionaire shall construct all improvements and additions to the Leased Premises at its own expense. Although the City has the right to review proposed improvement plans, and veto the plans if the plans are inconsistent with the airport development plans or construction quality and design control, pursuant to the standards set forth above, if the City does not veto said improvement plans, and Lessee/Concessionaire thereafter constructs the improvements, the improvements shall be commissioned and constructed at Lessee/Concessionaire's sole initiative and behest, and nothing herein shall be construed as an authorization by City to Lessee/Concessionaire to construct the improvements, or as an agreement by City to be responsible for paying for the improvements, and neither the Leased Premises, nor the City's interest in said Leased Premises or any improvements constructed thereon, shall be

subjected to a mechanic's lien for any improvements constructed by Lessee/Concessionaire hereunder.

4. Where the cost of improvements exceed \$100,000, the City may require Lessee/Concessionaire to post a bond or other security acceptable to the City guaranteeing payment for construction of the improvements, as a condition precedent to the commencement of construction of the improvements.
5. Lessee/Concessionaire shall be responsible for assuring that all of the improvements, alterations and additions to the Leased Premises are constructed in accordance with applicable local, state and federal law. Lessee/Concessionaire shall reimburse the City for all costs and expenses, including attorney's fees, the City incurs:
 - (a) as a result of the fact that the improvements, additions, or alterations do not comply with local, state and federal law;
 - (b) in defending against, settling or satisfying any claims that the City is responsible for paying for improvements commissioned by Lessee/Concessionaire hereunder; or
 - (c) in defending against, settling or satisfying any mechanic's lien claims, asserted as a result of unpaid-for improvements commissioned by Lessee/Concessionaire hereunder.
6. Should Lessee/Concessionaire construct improvements, alterations, or additions without fulfilling its obligations hereunder, Lessee/Concessionaire shall remove said improvements, alterations, or additions if so directed by the City, and shall do so at its own expense and within the time limits specified.
7. The City shall, at any period during construction of Lessee/Concessionaire's improvements, alterations, or additions, have the right to inspect any or all construction work, workmanship, material and installation involved in, or incidental to, the construction or installation of the improvements, alterations, or additions, for conformance with the applicable standards set

forth in this Agreement, provided that such inspection shall not include internal work that is exclusively of an operations (non-structural) nature, and provided further that no such inspections shall be deemed to constitute consent to or approval of any such work.

8. Lessee/Concessionaire shall provide City with one complete set of "as-built" drawings for each improvement, alteration, or addition made to the Leased Premises during the term of this Agreement.
9. Title to all permanent leasehold improvements, alterations, or additions, as defined by Florida Law, will vest in the City upon termination or sooner expiration of this agreement, free and clear on any liens or encumbrances whatsoever.
10. Notwithstanding the above paragraph, title to all of the Lessee/Concessionaire's personal property shall at all times during the term of this Agreement remain with the Lessee/Concessionaire.
11. Lessee/Concessionaire shall not remove or demolish, in whole or in part, any improvements upon the Leased Premises without the prior written consent of the Airport Director.
12. Lessee/Concessionaire shall be responsible for making repairs at its sole expense for any damage (other than from normal wear and tear) resulting from the removal by Lessee/Concessionaire of its said furniture, trade fixtures, etc.

ARTICLE XII
UTILITIES, MAINTENANCE AND CUSTODIAL SERVICES

Utilities:

During the term of this agreement, the City shall provide, at its expense, the existing power, air conditioning, and heating up to the point where the said utilities enter the leased premises, but shall not be responsible for the distribution system within the leased premises. The Lessee/Concessionaire shall be responsible for the maintenance and repair of all utility lines and associated distribution systems within its leased premises.

The City reserves the right to invoice the Lessee/Concessionaire for utilities used by Lessee/Concessionaire. The Lessee/Concessionaire shall be solely responsible for the cost of telephone services for the leased premises and shall obtain a

separate account accordingly.

The City reserves the right to install, maintain, repair, replace, or remove and replace any utility lines located on the Leased Premises as necessary or appropriate, along with the right to enter the Leased Premises at all reasonable times in order to accomplish the foregoing, provided, however, that the City shall take reasonable precaution to avoid the disruption of the Lessee/Concessionaire's authorized activity.

Maintenance:

During the term of this agreement, the City shall provide, at its expense:

1. Structural repairs to the roof, floor, exterior walls and windows of the Terminal Building.
2. General maintenance and upkeep of the Terminal Building's interior common use area and external area. The City agrees to keep and maintain in reasonable condition all trunk water and sewer mains, supply mains and electrical power to the Leased Premises.

Should the City be required to make any repairs or improvements under the provisions contained herein, the City shall not be liable to Lessee/Concessionaire for any damage caused by disrepair of any kind until the City has had reasonable opportunity to perform repairs after being notified in writing of the need for same by Lessee/Concessionaire.

All maintenance, repair, or replacement relating to both the interior and exterior areas assigned for the food and beverage concession, including all equipment and furnishings therein, shall be the responsibility of the Lessee/Concessionaire, and Lessee/Concessionaire shall be required to keep the area in good operating condition and repair at all times. Items the Lessee/Concessionaire shall be required to maintain and make necessary repairs to shall include, but not be limited to; the interior windows, doors and entrances; storefronts; signs; show cases; floor coverings; interior walls and ceiling; the interior surface, the surfaces of interior columns exclusive of structural deficiencies; any columns erected by Lessee/Concessionaire; partitions and lighting within the Leased Premises and serving Lessee/Concessionaire.

Custodial:

During the term of this agreement, the City shall provide, at its expense:

1. Building exterior window cleaning.
2. Custodial services for the Terminal Building's internal common use areas.
3. Pest control services for the Terminal Building's internal common use areas.

Lessee/Concessionaire agrees to keep all of the Leased Premises in the Terminal Building, and areas outside the Terminal Building used in the course of its normal daily operations, in a neat, clean, safe, sanitary and orderly condition at all times; that it will keep such areas free at all times of all paper, rubbish and debris; and that Lessee/Concessionaire will deposit all trash and debris resulting from its operations in its Leased Premises in containers approved by the City. All trash dumpsters will be located in areas approved by the City.

Lessee/Concessionaire agrees to provide, at its own expense, such janitorial and cleaning services and supplies for the maintenance of its Leased Premises. Lessee/Concessionaire also agrees to keep and maintain the Leased Premises in a clean, neat and sanitary condition and attractive appearance.

Lessee/Concessionaire shall furnish, at its own expense, pest control services for the Leased Premises. Lessee/Concessionaire shall provide the Airport with a fully executed contract with a professional rodent and insect control service subcontractor within thirty (30) days of the start of each Lease and Concession Agreement year.

General:

Should Lessee/Concessionaire fail to maintain the Leased Premises in conformance with the terms and conditions of this article within a period of seven (7) days following written notice of such failure, the City reserves the right to take any action to cure said failure. Should the City take action to cure failures, the Lessee/Concessionaire shall pay to the City an amount equal to the City's cost for such actions plus a ten percent (10%) administrative charge.

ARTICLE XIII
VENDING MACHINES AND EXCLUSIVE CONCESSIONS

No amusement or vending machines or other machines operated by coins or tokens shall be installed or maintained in or upon the Leased Premises, or any improvements or additions thereon, except with the permission of the City; and the number, type, kind and locations thereof shall be solely in the discretion of the City. Lessee/Concessionaire shall not permit the installation of any

such machines, except by an entity authorized by the City or unless the City agrees to Lessee/Concessionaire or its subtenants installing their own machines for use by the employees and guests of Lessee/Concessionaire and its subtenants.

ARTICLE XIV
SIGNS

Lessee/Concessionaire agrees that no signs, logos, or advertising displays shall be painted on or erected in any manner upon the Leased Premises, or in or on any improvements or additions on the Leased Premises, without the prior written approval of the City, and said approval shall not be unreasonably withheld; and that signs identifying Lessee/Concessionaire shall conform to reasonable standards established by the City, with respect to type, size, design, condition and location.

ARTICLE XV
DAMAGE TO AIRPORT

- A. Lessee/Concessionaire shall be liable for any damage to its leased area and fixtures therein and to the Airport and to any improvements thereon caused by Lessee/Concessionaire, its partners, officers, agents, employees, invitees, contractors, subcontractors, assigns, subtenants, or anyone acting under its direction and control, ordinary wear and tear excepted. All repairs for which Lessee/Concessionaire is liable shall be made by Lessee/Concessionaire with due diligence and in a manner acceptable to the City unless the City determines that it is more appropriate for the City to make the repairs. In such a case, the City shall make the repairs at Lessee/Concessionaire's expense. All repairs for which Lessee/Concessionaire is liable and which are not undertaken after the City has given Lessee/Concessionaire notice to so do shall be performed by the City, in which event Lessee/Concessionaire shall reimburse the City for the cost thereof, plus a ten percent (10%) administrative charge, and said amount shall be due no later than the next percentage fee or minimum guarantee payment.
- B. The City shall not be liable to Lessee/Concessionaire, the Lessee/Concessionaire's employees, patrons, or vendors for any damage to their merchandise, trade fixtures, or personal property caused by water leakage from the roof, water lines, sprinkler, or heating and air conditioning equipment unless caused by the sole negligence of the City, its employees or agents.

ARTICLE XVI
REPAIRS

- A. In the event that structural or permanent portions of the Leased Premises shall be partially damaged by fire or other casualty, Lessee/Concessionaire shall give immediate notice thereof to the Airport Director and the same shall be repaired at the expense of the City unless fire or other casualty is the fault of Lessee/Concessionaire, its partners, officers, agents, employees, invitees, contractors, subcontractors, assigns, subtenants, or anyone acting under its direction and control in which case Lessee/Concessionaire shall be liable for expense of the repairs. In any event, the City shall proceed with the repairs without unreasonable delay unless the City determines that the damage is so extensive that repair or rebuilding is not feasible.

From the date of such casualty until the Leased Premises are repaired, monthly minimum privilege payments hereunder, but not the payment of the percentage of gross receipts, shall abate in such proportion as the part of the Leased Premises so destroyed or rendered untenable bears to the Leased Premises assigned, provided, however, that if a portion of the Leased Premises shall be so slightly damaged in any such casualty as not to be rendered unfit for occupancy, the monthly minimum privilege payments hereunder shall not cease or be abated during any repair period.

In the event that the damage to the Leased Premises should be so extensive as to render it untenable the monthly minimum privilege fee for such area shall cease until such time as it shall again be put in repair, but in the event of the Leased Premises being damaged by fire or other casualty to such an extent as to render it necessary in the sole discretion of the City not to rebuild the same then, at the option of the City and upon notice to Lessee/Concessionaire, this Lease and Concession Agreement as it applies to said Leased Premises shall cease and come to an end, and the privilege and percentage payments hereunder shall be apportioned and paid up to the date of such damage. If the City elects to rebuild said Leased Premises, the City shall notify Lessee/Concessionaire of such intention within thirty (30) days of the date of the notice of damage, otherwise the Agreement as it applies to said Leased Premises shall be deemed canceled and of no further force or effect.

- B. The City's obligations to rebuild or repair the Leased Premises under this Article XVI, Repairs, shall in any event be limited to restoring the Leased Premises to substantially the condition that existed prior to the commencement of construction of improvements Lessee/Concessionaire. Lessee/Concessionaire agrees that if the City elects to rebuild or repair as provided in this Article XVI, Repairs, then Lessee/Concessionaire will proceed with reasonable diligence and, at its sole cost and expense, rebuild, repair and restore its signs, fixtures, furnishings, equipment, improvements and other items provided or installed by Lessee/Concessionaire, in or about the Leased Premises, in a manner and to a condition at least equal to that which existed prior to its damage or destruction.
- C. Prior to making any repairs other than to its own equipment, Lessee/Concessionaire shall discuss the same with the Airport Director to determine whether the City shall make repairs to the Leased Premises using City's personnel and charging Lessee/Concessionaire its standard rates for such service, including overhead, and including all costs for materials. Should the City elect not to perform the repairs to the Leased Premises then all work performed by Lessee/Concessionaire must be inspected and approved by the Airport Director or his designated representative.
- D. All repairs performed by Lessee/Concessionaire, or on its behalf by an authorized contractor, shall be of first class quality in both materials and workmanship. All repairs, and the use of an independent contractor shall be made in conformity with the rules and regulations prescribed from time to time by federal, state, or local authorities having jurisdiction over the work in the Leased Premises.

ARTICLE XVII
TAXES AND ASSESSMENTS

- A. Lessee/Concessionaire shall pay all property taxes; personal property taxes; all sales and other taxes measured by or related to the rental payment hereunder; all license fees; and any and all other taxes, charges, imposts, or levies of any nature, whether general or special, which may, at any time, be in any way imposed by local, state, or federal authorities other than the City, or that become a lien upon Lessee/Concessionaire, the City, or the Leased Premises, by reason of this

Agreement or Lessee/Concessionaire's activities in, or improvements upon, the Leased Premises pursuant to this Agreement. Lessee/Concessionaire shall have the right, by giving written notice to City of its intention to do so, to resort to any available legal or administrative proceeding to contest or obtain the review of any such tax, charge, or assessment at any time before such tax, charge, or assessment becomes delinquent. At Lessee/Concessionaire's request, the City may join in such proceedings. The expenses of such proceeding, including all of the City's costs and attorney's fees incurred in protecting its own interests in such proceeding and in assisting Lessee/Concessionaire in such proceeding, shall be paid by Lessee/Concessionaire irrespective of whether the City participates in such proceeding.

- B. In accordance with Florida law, every person who rents or leases any real property or who grants a license to use, occupy, or enter upon any real property is exercising a taxable privilege. The tax shall be added to the sales price or rental and the amount of the tax shall be separately states as Florida tax on any charge tickets, sales slips, invoices, or other tangible evidence of sale or rental.

- C. In consideration of the Lessee/Concessionaire's use of the leased premises, the City has determined that the taxable annual rental amount for the area for year one of the lease and concession agreement shall be \$33,475. For all subsequent years of the lease and concession agreement, the taxable annual rental amount shall be \$115,000. The taxable annual rental amount will be divided into twelve equal monthly rental amounts. The taxable monthly rental amount will be multiplied by the current State and Local sales tax percentage to determine monthly taxes due. Anything over and above \$33,475 in year one and \$115,000 in all subsequent years is considered a non-taxable privilege fee.

ARTICLE XVIII
DEFAULT AND REMEDIES

- A. The following shall constitute defaults by Lessee/Concessionaire:
 - 1. The failure to pay guaranteed minimum annual privilege fees, percentage fees, or any other monies owed under this Lease and Concession Agreement, or under any other agreement between the City and Lessee/Concessionaire, when due, and

the failure to cure said default within a period of thirty (30) days following written notice of said default.

2. Any other failure by Lessee/Concessionaire to perform any covenant or obligation required by this Lease and Concession Agreement, the proposal documents, or by any other agreement between the City and Lessee/Concessionaire, and the failure to cure said default within a period of thirty (30) days following written notice of said default.
3. Lessee/Concessionaire undertakes any other commercial or non-commercial service or activity not specifically permitted under this agreement.
4. If during the term of this Lease and Concession Agreement Lessee/Concessionaire shall:
 - (a) Apply for, or consent to the appointment of a receiver, trustee, or liquidator of all or a substantial part of its interests;
 - (b) File a voluntary petition in bankruptcy, or admit in writing its inability to pay its debts as they come due;
 - (c) Make a general assignment for the benefit of creditors;
 - (d) File a petition or an answer seeking reorganization or arrangement with creditors or to take advantage of an insolvency law;
 - (e) File an answer admitting the material allegations of a petition filed against any said assignee or sublessee in any bankruptcy, reorganization or insolvency proceedings; or if during the term of this Lease and Concession Agreement an order, judgment, or decree shall be entered by any court of competent jurisdiction, on the application of a creditor, adjudicating Lessee/Concessionaire bankrupt or insolvent, or approving a petition seeking a reorganization of Lessee/Concessionaire, and such order, judgment, or decree shall continue unstayed and in effect for any period of ninety (90) consecutive days.
5. Abandonment of Lessee/Concessionaire's operations,

which shall be defined as Lessee/Concessionaire's failure to conduct regular and continuing operations at the Airport in accordance with the requirements of this Agreement for one (1) month.

6. The management, ownership, or operation of the Lessee/Concessionaire should change to such an extent that it would not satisfactorily perform, then the City shall have the right to terminate this agreement.
- B. If Lessee/Concessionaire defaults, the City may utilize any one or more of the following remedies against Lessee/Concessionaire. These remedies shall be considered cumulative and not in the alternative:
1. The City may sue for specific performance;
 2. The City may sue for all damages incurred by the City, including incidental damages, consequential damages and attorney's fees;
 3. The City may utilize a portion of or all of the performance security provided by Lessee/Concessionaire to remedy the default and to reimburse the City for any damages, including attorney's fees and other expenses of collection that it may sustain. In such event, Lessee/Concessionaire shall not be permitted to resume operations under this Agreement until such time as it furnishes another performance security that satisfies the requirements of Article IX, Performance Security. However, this Agreement shall not be deemed terminated during said period, unless written notice of termination shall have been given and become effective in accordance with subparagraph XVIII.B.5, Defaults and Remedies, below. Lessee/Concessionaire shall be required to fulfill all of the terms and conditions of this Agreement, including the payment of guaranteed minimum rents arising during the time it takes to procure the performance security.
 4. Without terminating the Agreement by so doing, and without further notice to Lessee/Concessionaire, the City may enter the Leased Premises with or without the process of law, repossess the Leased Premises and all fixtures and improvements thereon, and remove Lessee/Concessionaire and any third parties who may be occupying or within the Leased Premises and all their respective personal

property, by using either such reasonable force as may be necessary, summary proceedings, ejectment, or any other means the City, in its sole discretion, deems appropriate, without being deemed guilty of any trespass, eviction, or forcible entry and detainer by so doing. In such case, City shall be obligated to attempt, in good faith, to negotiate the reletting of the Leased Premises, or any portion thereof, on behalf of Lessee/Concessionaire for such period of time and upon such terms and conditions as the City deems appropriate. City shall in no way be obligated under the terms of this subparagraph to relet the Leased Premises or any part thereof to any third party, or upon terms and conditions, that are not acceptable to the City, in its sole discretion, or which City, in its sole discretion, does not feel to be in the best interests of the City; nor shall the City be responsible for any failure by the sublessee or new tenant to pay rent or to perform any other condition due upon the reletting. Lessee/Concessionaire hereby expressly authorizes the City to make any reasonable repairs necessary to relet the Leased Premises on Lessee/Concessionaire's behalf. Assuming City attempts to relet the Leased Premises in good faith, whether or not City is able to relet the Leased Premises, Lessee/Concessionaire shall remain liable for the performance of all terms and conditions of the Agreement and the payment of all fees due under the Agreement for the remainder of the Leasehold term, although Lessee/Concessionaire shall receive credit for any rentals paid or conditions performed as a result of reletting. Lessee/Concessionaire shall also be responsible for reimbursing the City for all costs and expenses City incurs in reletting or attempting to relet the Leased Premises, including commission/broker fees and reasonable repair costs. Finally, if, as a result of such reletting, the City becomes entitled to receive excess rentals or other benefits over and above what the City would have been entitled to receive under this Agreement, City shall be entitled to retain all such surplus rentals and other benefits, and Lessee/Concessionaire shall have no rights or interests therein.

5. The City may terminate this Lease and Concession Agreement, and, at the option of the City, any other agreement in effect between the City and

Lessee/Concessionaire. The termination of these agreements, however, shall only be effective upon written notice of same provided by the City to Lessee/Concessionaire. In no event shall this Agreement be construed to be terminated unless and until such notice is provided. The termination may be effective immediately upon provision of said notice, or at any other time specified in the notice. If this Agreement is terminated, Lessee/Concessionaire shall continue to be liable for the performance of all terms and conditions, specifically including those contained in Article X, Insurance and Indemnification, above, and the payment of all fees due hereunder prior to the effective date of said termination, in addition to all damages, including attorney's fees and other expenses of collection, incurred by the City as a result of any default.

6. The City may utilize any other remedy provided by law or equity as a result of Lessee/Concessionaire's default(s).
7. In the event of a bankruptcy filing by or on behalf of Lessee/Concessionaire as debtor, the parties hereto agree that this Lease and Concession Agreement shall be construed to be a nonresidential lease of real property subject to treatment in accordance with 11 U.S.C., Section 365(d).

ARTICLE XIX INSPECTION

The City and its authorized officers, employees, agents, contractors, subcontractors and other representatives shall have the right to enter upon the Leased Premises for the following purposes:

- A. To inspect the Leased Premises to determine whether Lessee/Concessionaire has complied with and is complying with the terms and conditions of this Lease and Concession Agreement.
- B. To perform maintenance and make repairs in any case where Lessee/Concessionaire is obligated but has failed to do so.
- C. To perform any and all things that the Lessee/Concessionaire is obligated to and has failed after reasonable notice so to do.

- D. In the exercise of City's police powers.

ARTICLE XX
QUIET ENJOYMENT

The City represents that upon payment of fees when due and upon performance of all other conditions herein, Lessee/Concessionaire shall peaceably have, possess and enjoy the Leased Premises and uses herein granted without hindrance or disturbance from the City, subject to the City's audit, inspection, relocation and Airport Development rights discussed elsewhere herein.

ARTICLE XXI
NON-DISCRIMINATION

- A. Lessee/Concessionaire, for itself, its personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, color, religion, sex, national origin, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of the Leased Premises and any improvements thereon; (2) no person on the grounds of race, color, religion, sex, national origin, or disability shall be subjected to discrimination in the construction of any improvements on, over, or under the Leased Premises and the furnishing of services therein; and (3) Lessee/Concessionaire shall use the Leased 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, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.
- B. Lessee/Concessionaire shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT Lessee/Concessionaire may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar type of price reductions to volume purchasers.
- C. Lessee/Concessionaire shall make its accommodations and/or services available to the public on fair and

reasonable terms without unjust discrimination on the basis of race, creed, color, sex, age, national origin, or disability.

- D. Non-compliance with subparagraphs A, B, and C, above, after written finding, shall constitute a material breach thereof and in the event of such non-compliance the City shall have the right to terminate this Agreement and the estate hereby created without liability therefore or at the election of the City or the United States either or both said Governments shall have the right to judicially enforce said subparagraphs A, B, and C.
- E. Lessee/Concessionaire assures that it will undertake an affirmative action program as required by 14 C.F.R. Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, sex or disability be excluded from participating in any employment activities covered in 14 C.F.R. Part 152, Subpart E. Lessee/Concessionaire 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. Lessee/Concessionaire assures that it will require that its covered suborganizations provide assurances to Lessee/Concessionaire that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations as required by 14 C.F.R. Part 152, Subpart E, to the same effect.

ARTICLE XXII AUTHORIZATION

The City represents that it has the authority to enter into this Lease and Concession Agreement and grant the rights contained herein to Lessee/Concessionaire.

If Lessee/Concessionaire is a limited or general partnership, the undersigned warrants and represents that (1) he/she is a general partner or agent of said partnership; (2) his/her execution of this Agreement has been authorized by all of the general partners and is in the usual course of the partnership's business; and (3) by his/her execution of this Agreement, the partnership shall be deemed a signator to this Agreement in the same fashion as if all of the general partners of the partnership had executed this Agreement.

If Lessee/Concessionaire is a corporation, the undersigned warrants and represents that (1) he/she is an agent of the

corporation; (2) he/she is authorized to execute this Agreement on the corporation's behalf; and (3) the corporation shall be bound as a signator to this Agreement by his/her execution of it.

ARTICLE XXIII
WAIVER

Should Lessee/Concessionaire breach any of its obligations hereunder, the City nevertheless may thereafter accept from Lessee/Concessionaire any payment or payments due hereunder, and continue this Agreement in effect, without in any way waiving the City's right to exercise its default rights hereunder, or any other remedies provided by law, for said breach. In addition, any waiver by the City of any default, breach, or omission of Lessee/Concessionaire under this Agreement shall not be construed as a Waiver of any subsequent or different default, breach, or omission.

ARTICLE XXIV
NOTICES

All notices by either party to the other shall be made either by utilizing the registered or certified mail of the United States of America, postage prepaid, or by utilizing any other method of delivery requiring signature for receipt, and such notice shall be deemed to have been delivered and received on the date of such utilization. All notices to the City shall be mailed to:

Airport Director
Pensacola Regional Airport
2430 Airport Blvd., Suite 225
Pensacola, Florida 32504

All notices to Lessee/Concessionaire shall be mailed to:

Robert de Vardna, PRESIDENT
VARDNA ENTERPRISES OF FLORIDA, INC.
1175 COLLEGE BLVD
PENSACOLA FL 32504

The parties from time to time may designate in writing changes in the address stated.

ARTICLE XXV
RELATIONSHIP OF PARTIES

It is understood that the City is not in any way or for any purpose partner or joint venturer with, or agent of, Lessee/Concessionaire in the use of the Leased Premises.

ARTICLE XXVI
PARTIAL INVALIDITY

If any term or condition of this Agreement or the application thereof to any person or event shall to any extent be deemed invalid and unenforceable, the remainder of this Agreement and the application of such term, covenant, or condition to persons or events other than those to which it is held unenforceable shall not be affected and each term, covenant and condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

ARTICLE XXVII
SUCCESSORS

The provisions, covenants and conditions of this Agreement shall bind and inure to the benefit of the legal representatives, successors and assigns of each of the parties.

ARTICLE XXVIII
ASSIGNMENT

Lessee/Concessionaire shall not assign its interest herein without the written consent of the City. The City's consent shall not be unreasonably withheld. If an assignment is made, Lessee/Concessionaire/Assignor shall continue to be liable, jointly and severally, with the Assignee for the fulfillment of all terms and conditions arising under this Agreement subsequent to the assignment, unless the City specifically releases Lessee/Concessionaire/Assignor from said future liability, in writing. The release shall be effective only if made in writing. All subsequent assignors and assignees shall be subject to this Article as if they were the original Lessee/Concessionaire.

ARTICLE XXIX
SUBLEASE

Lessee/Concessionaire may not sublease all or any portion of the Leased Premises, or all or any portion of any improvements thereon, without first obtaining written approval of the City for the sublease. Any sublease must be in writing and be made subject to the terms and conditions of this Lease and Concession Agreement. In addition, before any sublease becomes effective the subtenant must make application to the Airport Director for the proposed service and the subtenant must execute an Agreement with the City, in a form and for a rental amount acceptable to the City, by which the subtenant is authorized to do business on the Airport.

ARTICLE XXX
COLLATERALIZATION RIGHTS

- A. Lessee/Concessionaire is hereby authorized to utilize as collateral any improvements or trade fixtures it constructs or installs on the Leased Premises, and any of its personal property used or stored on the Leased Premises.
- B. Lessee/Concessionaire shall not use as collateral this Lease and Concession Agreement itself, its operating rights under this Agreement, or its rights to occupy or use any improvements or fixtures it constructs or installs on its Leased Premises. If Lessee/Concessionaire assigns this Lease and Concession Agreement, or its operating rights under this Lease and Concession Agreement, or its right to occupy or use any improvements or fixtures it constructs or installs on its Leased Premises, to a third party as collateral for a loan Lessee/Concessionaire obtains from said third party, or to secure performance of Lessee/Concessionaire's obligations under an agreement with said third party, or for any other reason whatsoever, said assignment shall be deemed a material breach of this Agreement. Furthermore, said collateralization shall not be binding upon the City, and the assignee or lienor shall have no interest in the Lease and Concession Agreement, nor shall assignee or lienor enjoy any concession operating rights upon the Airport, or any right to possess, occupy or use any improvement or fixture upon the Airport, should Lessee/Concessionaire default in the payment of its loan, or performance of its agreement, with said third party.
- C. Should Lessee/Concessionaire encumber any improvements or trade fixtures it constructs or installs upon the Leased Premises, Lessee/Concessionaire shall be responsible for eliminating said lien or encumbrance, and holding the City harmless from said encumbrance, at the time said improvements and trade fixtures are conveyed to the City, following the expiration or sooner termination of this Lease and Concession Agreement, pursuant to Article XXXVI, Surrender Upon Termination, below.

ARTICLE XXXI
MINIMUM HOURS OF OPERATION

- A. The food and beverage concession shall be operated at such hours as to adequately provide a high level of

service to the public using the Terminal Building. Lessee/Concessionaire shall keep its operation open seven (7) days per week. The minimum hours the food and beverage service shall be operated are as follows:

Pre-screening lease/concession area: 4:00 am-10:00 pm

Post-screening lease/concession area: 4:15 am-8:00 pm

ARTICLE XXXII
OPERATIONAL STANDARDS

- A. The management, maintenance and operation of the Leased Premises shall at all times be under the supervision and direction of an active, qualified and competent manager who shall at all times be subject to the direction and control of Lessee/Concessionaire.
- B. The Manager shall be assigned a duty station in the Leased Premises where he shall be available during normal business hours. Lessee/Concessionaire further agrees to assign a qualified subordinate to be in charge of the Leased Premises, services and facilities and to be available in the Leased Premises in the absence of the Manager.
- C. Lessee/Concessionaire agrees to maintain adequate fidelity bonds on its employees who handle cash.
- D. Lessee/Concessionaire agrees that its employees shall be of sufficient number so as to properly conduct Lessee/Concessionaire's operation. All employees will be required to wear the appropriate approved uniform at all times when on duty. Lessee/Concessionaire agrees to ensure that the employees and uniforms are clean and neat.
- E. Lessee/Concessionaire shall at all times observe prudent cash handling procedures, and it shall immediately implement any new procedures, or revise any existing procedures, in such a manner as the City may, in its sole discretion, require from time to time, provided that the City gives written notice thereof to Lessee/Concessionaire.
- F. Lessee/Concessionaire shall provide catering services to the City at the request of the City and at mutually agreed upon charges.
- G. Lessee/Concessionaire shall be required to honor at least three (3) major credit cards and to accept

traveler's checks.

- H. Lessee/Concessionaire shall ensure that its employees conduct themselves in a professional and courteous manner at all times. The Lessee/Concessionaire's employees will be appropriately dressed at all times, and maintain a clean, neat, well-groomed appearance. The Lessee/Concessionaire will be obligated to control the actions of its employees and cooperate with the City in controlling any employee whose conduct the City feels is detrimental to the best interest of the Airport and public.

ARTICLE XXXIII
ATTORNEY'S FEES

In the event of a breach of this Lease and Concession Agreement, the breaching party shall pay to the non-breaching party all reasonable attorney's fees, costs and other expenses incurred by the non-breaching party in enforcing its rights as a result of said breach.

ARTICLE XXXIV
SUBSTITUTION OF PREMISES/LEASEHOLD CONDEMNATION RIGHTS

- A. Subject to subparagraph XXXIV.B, below, Lessee/Concessionaire understands and agrees that the City has the right to take all or any portion of the Leased Premises, and any additions, alterations, or improvements thereon, should the City, in its sole discretion, determine that said portion of the Leased Premises, and improvements thereon, are required for other Airport purposes. If such action is taken, the City shall substitute comparable areas within the Terminal Building, or any additions or extensions thereof, brought to the same level of improvement to the area taken. The City shall bear all expenses of bringing the substituted area to the same level of improvement as the area taken, and of moving Lessee/Concessionaire's improvements, equipment, furniture and fixtures to the substituted area. If any of Lessee/Concessionaire's improvements, equipment, furniture, or fixtures cannot be relocated, the City shall replace, at its own expense, such non-relocatable improvements and other property with comparable property in the substituted area, and the City shall be deemed the owner of the non-relocated improvements and other property, free and clear of all claims of any interest or title therein by Lessee/Concessionaire, or any mortgagee or other third party. It is the specific intent of this subparagraph that Lessee/Concessionaire

be placed, to the extent possible, in the same position it would have been had the City not substituted new premises for the Leased Premises, provided, however, that the City shall not be obligated to reimburse Lessee/Concessionaire for lost profits or revenues due to such substitution.

- B. Nothing in subparagraph XXXIV.A., above, shall be construed to adversely affect the City's rights to condemn Lessee/Concessionaire's leasehold rights and interests in the Leased Premises, and improvements thereon, should City, in its sole discretion, determine that it requires all or any portion of the Leased Premises, and improvements thereon, for other Airport purposes. The City may exercise its leasehold condemnation rights in lieu of the City's substitution rights set forth in subparagraph XXXIV.A., above. In the event the City proceeds by way of condemnation, subparagraph XXXIV.A. shall not apply, and Lessee/Concessionaire shall be entitled to compensation for its leasehold interests in that portion of the Leased Premises, and improvements thereon, so taken, in accordance with applicable Florida condemnation law.

ARTICLE XXXV
AIRPORT DEVELOPMENT RIGHTS

Subject to the provisions of Article XXXIV concerning Substitution of Premises/Leasehold Condemnation Rights, above, the City reserves the right to further develop or improve all areas within the Airport, including landing areas, as the City may determine, in its sole discretion, which discretion shall be reasonably applied, to be in the best interests of the Airport, regardless of the desires or views of Lessee/Concessionaire and without further interference or hindrance from Lessee/Concessionaire.

Except as may be required by this Agreement or any other agreement between the parties, the City reserves the right, but shall not be obligated to Lessee/Concessionaire, to keep and repair all areas, including landing areas, of the Airport.

This Agreement shall be subject and subordinate to the provisions and requirements of any existing or future agreement between the City and the United States, relative to the development, operation and maintenance of the Airport, subject to Lessee/Concessionaire's rights under Article XXXIV, Substitution of Premises, above.

ARTICLE XXXVI
SURRENDER UPON TERMINATION

- A. Upon the expiration or sooner termination of this Agreement, for any reason whatsoever, Lessee/Concessionaire shall peaceably surrender to the City possession of the Leased Premises, together with any improvements, fixtures, or personal property of the City located thereon, in as good a condition as the Leased Premises and improvements, fixtures and personal property of the City were at the time the Leased Premises were entered upon pursuant to this Agreement, or when such improvements, fixtures, or personal property are first provided to Lessee/Concessionaire by the City in the future, ordinary wear and tear excepted, without any compensation whatsoever, and free and clear of any claims or interests of Lessee/Concessionaire or of any mortgages or any other third party whose position was derived from or through Lessee/Concessionaire. If any of said improvements, alterations or fixtures are encumbered by a mortgage or lien at the time of expiration or sooner termination of this Agreement, Lessee/Concessionaire shall be responsible for eliminating said mortgage or lien and shall hold the City harmless therefrom.
- B. Upon expiration or sooner termination of the Agreement, Lessee/Concessionaire shall have sixty (60) days from such date of expiration or termination to remove from the Leased Premises all personal property, improvements and fixtures belonging to Lessee/Concessionaire. Following the exercise of its right to remove any improvement from the Leased Premises, Lessee/Concessionaire shall restore the Leased Premises upon which such removed improvements were located to as good a condition as the Leased Premises were initially provided to Lessee/Concessionaire by the City. Title to all personal property, fixtures and improvements not removed by Lessee/Concessionaire from the Leased Premises within sixty (60) days of the expiration or sooner termination of this Agreement shall be subject to the City taking ownership of such personal property, fixtures, or improvements without payment by the City to Lessee/Concessionaire of any compensation whatsoever, and said personal property, fixtures and improvements shall thereafter be owned by the City free and clear of any claim or interest by Lessee/Concessionaire or of any mortgagee or any third party whose position was derived from or through Lessee/Concessionaire. The City shall notify Lessee/Concessionaire of its decision to take ownership

or not to take ownership of said improvements, fixtures, or personal property within fifteen (15) days following the running of the sixty (60) days from the expiration or sooner termination of the Agreement and, should the City not take ownership of said improvements, fixtures, or personal property then Lessee/Concessionaire shall be responsible for the removal of said improvements, fixtures, or personal property. The City also shall be entitled to a reasonable rental from Lessee/Concessionaire for the use of the Leased Premises for Lessee/Concessionaire's personal property, fixtures and improvements until such time as Lessee/Concessionaire removes said personal property, fixtures and improvements from the Leased Premises. Furthermore, the City may remove Lessee/Concessionaire's fixtures or personal property and place them into storage on Lessee/Concessionaire's behalf and at Lessee/Concessionaire's cost and expense, until such time as Lessee/Concessionaire notifies the City in writing that it does not desire said fixtures and personal property, or upon the running of sixty (60) days from the expiration or sooner termination of the Agreement, whichever event occurs first. Furthermore, the City may cause to have removed from the Leased Premises any improvements remaining upon the running of the sixty (60) days from the expiration or sooner termination of the Agreement, whichever occurs first, at Lessee/Concessionaire's sole cost and expense. For purposes of this paragraph and the determination of or proration of a reasonable rental from Lessee/Concessionaire for the use of the Leased Premises, or any portion thereof, for Lessee/Concessionaire's improvements, fixtures and personal property thereon until such time as Lessee/Concessionaire removes the same or the City takes ownership of same, the City shall indicate to Lessee/Concessionaire the areas comprising the Leased Premises set forth in Article III above, upon which Lessee/Concessionaire's improvements, fixtures and personal property remain. After providing such notice Lessee/Concessionaire shall be liable for the adjusted ground rents in effect at that time for those tracts upon which its fixtures and personal property remain until the running of the sixty (60) days expiration or sooner termination of the Agreement, whichever occurs first, or until its improvements have been removed from the Leased Premises.

ARTICLE XXXVII
ABATEMENT OF MINIMUM GUARANTEE, FORCE MAJEURE

In the event of the happening of any of the following events, Lessee's/Concessionaire's obligation to pay City its guaranteed minimum annual privilege fee, but not its obligation to pay percentage of gross receipts, shall be suspended for the period of time the condition continues to exist:

- A. Any national, state, or local emergency significantly curtailing Lessee's/Concessionaire's ability to operate its food and beverage concession, including but not limited to strikes (but not airline strikes), walk-outs, or other industry related labor disputes, natural catastrophes such as hurricanes, tornadoes, or floods, acts of God, and acts of war; or

- B. If the number of civilian passengers enplaning at the Airport on scheduled airlines during a period of thirty (30) consecutive days or more shall be less than seventy percent (70%) of the number of such enplaning passengers during the same calendar period of time in the first year of the concession agreement. Said abatement of the minimum annual privilege fee shall continue until such time as the number of civilian passengers enplaning at the Airport on scheduled airlines during a period of thirty (30) consecutive days shall equal or exceed seventy percent (70%) of the number of such enplaning passengers during the same calendar period of time in the first year of the concession agreement. As used herein, "passengers enplaning" at the airport shall equal enplanement figures on U.S. certified airplanes, including charters, as reported to the City by the airlines and recorded by the City on landing fee reports.

ARTICLE XXXVIII
RENEWAL

Lessee/Concessionaire has no guaranteed or preferential right, as against other third parties, of reletting the Leased Premises following the termination of this Agreement. Should Lessee/Concessionaire wish to relet the Leased Premises following the termination of this Agreement, Lessee/Concessionaire shall submit an application for lease in accordance with Airport leasing rules and regulations in effect at that time. Lessee/Concessionaire's application will be reviewed by the City, along with all other applications, if any, in accordance with then applicable Airport leasing rules and regulations. Past and persistent breaches by Lessee/Concessionaire under this Agreement shall be sufficient cause for the City, in its sole discretion, to

refuse to relet the Leased Premises to Lessee/Concessionaire, regardless of whether said past breaches were cured by Lessee/Concessionaire.

ARTICLE XXXIX
GOVERNING LAW

This Agreement shall be interpreted in accordance with the laws of the State of Florida. Jurisdiction and venue for any proceedings arising out of this Agreement shall be in Escambia County, Florida.

ARTICLE XL
CONCESSION PARKING PRIVILEGES

Lessee/Concessionaire shall have the right to the use of reasonably adequate vehicular parking facilities for its employees at the Airport in common with other Terminal Building employees. Such facilities shall be located in an area designated by the Airport Director. The City reserves the right to assess a reasonable charge for such employee parking facilities. Such charge for Lessee/Concessionaire employee parking shall not exceed that which is charged to other commercial tenants in the Terminal Building.

ARTICLE XLI
COMPLIANCE WITH RULES AND REGULATIONS

It is expressly understood that the Lessee/Concessionaire agrees to conform to all Federal, State, or local laws and regulations, as well as all City of Pensacola Codes and Ordinances, all of which may apply to the services to be performed and that the City of Pensacola is to be held free and harmless from any act or failures by the Lessee/Concessionaire to do so.

The Lessee/Concessionaire shall obtain and maintain in force all licenses, permits and other certificates required by Federal, State, County, or Municipal authorities for its operation under the terms of this Agreement.

The Lessee/Concessionaire agrees to observe all security requirements of Transportation Security Administration 40 CFR 1542 (formerly Federal Aviation Regulations Part 107), and the Airport Security Program, as may be applicable, and as the same may, from time to time, be amended, and to take such steps as may be necessary or directed by the City to ensure that employees, invitees, agents and guests observe these requirements.

If the City incurs any fines and/or penalties imposed by Federal, State, County, or Municipal authorities as a result of the acts or omissions of Lessee/Concessionaire, its employees,

invitees, agents and guests, then Lessee/Concessionaire shall be responsible to pay or reimburse the City for all such costs and expenses.

ARTICLE XLII
DISADVANTAGED BUSINESS PARTICIPATION

Each and every year of the concession term, the Lessee/Concessionaire shall make good faith efforts as defined in Appendix B of 49 C.F.R. Part 23, Regulations of the Office of the Secretary of Transportation, as it now exists or may be amended in the future, to subcontract ten percent (10%) of the dollar value of the concession to small business concerns owned and controlled by socially and economically disadvantaged individuals (DBE). In the event that the Lessee/Concessionaire itself qualifies as a DBE, the concession goal shall be deemed to have been met.

Each year on the anniversary date of this agreement, Lessee/Concessionaire shall submit information concerning the DBEs that participate in this concession, to include the name and address of each DBE, a description of the work to be performed by each named firm and the dollar value of the contract. Should Lessee/Concessionaire fail to achieve the contract goal stated above, Lessee/Concessionaire shall provide documentation demonstrating that it made good faith efforts in attempting to do so.

ARTICLE XLIII
HOLDING OVER

If Lessee/Concessionaire remains in possession of the Leased Premises after the expiration of this Lease and Concession Agreement without any written renewal thereof, such holding over shall not be deemed as a renewal or extension of this Lease and Concession Agreement but shall create only a tenancy from month-to-month which may be terminated at any time by the City upon thirty (30) days written notice. Such holding over shall otherwise be upon the same terms and conditions as set forth in this Lease and Concession Agreement.

ARTICLE XLIV
HEADINGS

The headings contained in this Lease and Concession Agreement are inserted only as matter of convenience and for reference and do not define or limit the scope or intent of any provision of this Agreement and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction of said terms and provisions.

ARTICLE XLV
BOND RESOLUTION

This Agreement shall be subordinate to existing and future Airport Bond Resolutions and to agreements between the City and State and Federal agencies for grants-in-aid.

ARTICLE XLVI
ENTIRE AGREEMENT

This writing, together with all the attached Exhibits, constitutes the entire agreement of the parties. This Agreement supersedes all prior lease and/or concession agreements, if any, between the City and Lessee/Concessionaire, and no representations, warranties, inducements, or oral agreements that may have been previously made between the parties shall continue in effect unless stated herein. This Agreement shall not be modified except in writing, signed by the City and Lessee/Concessionaire.

IN WITNESS WHEREOF, the parties hereto have signed this instrument the day and year first above written.

Attest:

City of Pensacola, Florida, a
Municipal Corporation

Shirley F. White
City Clerk

By Thomas J. Bonfield
Thomas J. Bonfield, City
Manager

Attest:

Varona Enterprises of Florida,
Inc.
Name of Lessee/Concessionaire

Signature

By Robert de Varona

Title

Printed Name Robert de Varona

Audrey B. Adams
Signature

Title PRESIDENT

Patricia L. Murray
Signature

Approved As To Form:

Approved As To Content:

By Ray Lutz 3/18/03
City Attorney

By [Signature]
Airport Director

Exhibit A Terminal Building Second Level

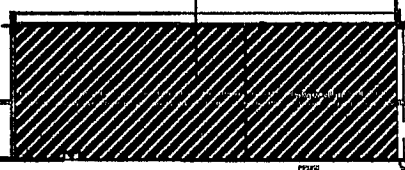
POST-SCREENING LEASE/
CONCESSION AREA

POST-SCREENING
STORAGE AREA

 Exclusive Use Space
Varona's Food/Beverage

PRE-SCREENING
STORAGE AREA

PRE-SCREENING LEASE/
CONCESSION AREA



OPEN TO
BELOW

0 11 1/2' 22' 33'
SCALE: 1" = 20'

