

**NOTICE OF A REGULAR MEETING OF
THE FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

PLEASE TAKE NOTICE that a regular meeting of the Friedman Memorial Airport Authority shall be held Tuesday, November 5, 2024 at 5:30 p.m. at the **Old Blaine County Courthouse Meeting Room** Hailey, Idaho.

This meeting is open to the public and attendees are able to attend in person or by web access. Web access instructions below:

Please join the meeting from your computer, tablet, or smartphone.

<https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting>

Meeting ID: 241 310 773 002

Meeting Passcode: TSKRDd

You can also dial in using your phone.

United States: 1 (208) 996-1013

Dial In Conference ID: 436 433 38#

The proposed Agenda for the meeting is as follows:

**AGENDA
November 5, 2024**

- I. APPROVE AGENDA – ACTION ITEM**
- II. PUBLIC COMMENT (10 Minutes Allotted)**
- III. FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:**
 - A. October 1, 2024, Regular Meeting – Motion to Approve – **Attachment #1 ACTION ITEM**
- IV. REPORTS**
 - A. Chair Report
 - B. Blaine County Report
 - C. City of Hailey Report
 - D. Fly Sun Valley Alliance Report
 - E. Staff Team Report
- V. AIRPORT STAFF BRIEF**
 - A. Noise Complaints in October
 - B. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data for September **Attachment #2 - #4**
 - C. Airport Commercial Flight Interruptions (unofficial)
 - D. Review Correspondence
 - 1. None
- VI. ACTION ITEMS (a vote may occur but is not required to be taken)**
 - A. NEW BUSINESS
 - 1. Consultant Selection for Engineering Services – Consideration of Selection **ACTION ITEM**
 - 2. Expressive Speech Policy – Consideration of Approval – **Attachment #5 ACTION ITEM**
 - B. CONTINUING BUSINESS
 - 1. Future Aeronautical Development RFP – Consideration of Lease Agreement Approval – **Attachment #6, #7, #8 ACTION ITEM**
- VII. UPDATES AND DISCUSSION**
 - A. NEW BUSINESS
 - 1. None
 - B. CONTINUING BUSINESS
 - 1. Miscellaneous
 - i. Independent Board Member Selection Process – Update and Discussion
 - 2. Construction and Capital Projects
 - i. None
 - ii. Airport Planning Projects
 - 1. None
- VIII. PUBLIC COMMENT**
- IX. ADJOURNMENT**

FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETINGS ARE OPEN TO ALL INTERESTED PARTIES. SHOULD YOU DESIRE TO ATTEND A BOARD MEETING AND NEED A REASONABLE ACCOMMODATION TO DO SO, PLEASE CONTACT THE AIRPORT MANAGER'S OFFICE AT LEAST ONE WEEK IN ADVANCE BY CALLING 208-788-4956 OR WRITING TO 1616 AIRPORT CIRCLE, HAILEY, IDAHO 83333.

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III. FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:

October 1, 2024, Regular Meeting – Motion to Approve – **Attachment #1 ACTION ITEM**

IV. REPORTS

A. Chair Report

This item is on the agenda to permit a Chair report if appropriate.

B. Blaine County Report

This item is on the agenda to permit a County report if appropriate.

C. City of Hailey Report

This item is on the agenda to permit a City report if appropriate.

D. Fly Sun Valley Alliance Report

This item is on the agenda to permit a report if appropriate.

E. Staff Team Report

This item is on the agenda to permit a Staff Team's report if appropriate.

V. AIRPORT STAFF BRIEF

A. Noise Complaints in October – None received as of October 31, 2024.

LOCATION	DATE	TIME	AIRCRAFT TYPE	INCIDENT	ACTION/RESPONSE

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B. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data - **Attachments #2 - #4**

Attachment #2 is Friedman Memorial Airport Profit & Loss Budget vs. Actual (unaudited)

Attachment #3 are ATCT Traffic Operations Record comparison by month for September.

Attachment #4 are Enplanements, Deplanements and Seat Occupancy data for September.

The following revenue and expense analysis is provided for Board information and review:

September 2024

Total Non-Federal Revenue	September, 2024	\$484,488
Total Non-Federal Revenue	September, 2023	\$1,808,938
Total Non-Federal Revenue	FY '24 thru September	\$9,155,395
Total Non-Federal Revenue	FY '23 thru September	\$10,885,062
Total Non-Federal Expenses	September, 2024	\$450,189
Total Non-Federal Expenses	September, 2023	\$351,574
Total Non-Federal Expenses	FY '24 thru September	\$4,698,962
Total Non-Federal Expenses	FY '23 thru September	\$4,534,068
Net Income excluding Federal Programs	FY '24 thru September	\$4,456,433
Net Income excluding Federal Programs	FY '23 thru September	\$6,350,994
Net Income to include Federal Programs	FY '24 thru September	\$2,780,347
Net Income to include Federal Programs	FY '23 thru September	\$3,550,772

C. Airport Commercial Inbound Flight Interruptions (unofficial):

AIRLINE	FLIGHT CANCELLATIONS	FLIGHT DIVERSIONS
	October 2024	October 2024
Alaska Airlines	0	0
Delta	0	0
United	0	1

D. Review Correspondence

1. None.

VI. ACTION ITEMS (a vote may occur but is not required to be taken)

A. NEW BUSINESS

1. Consultant Selection for Engineering Services – Consideration of Selection ACTION ITEM

As briefed to the Board at the August meeting, the current five-year engineering services selection period with Ardurra (formerly T-O Engineers) is nearing expiration. Per the Board's direction, Staff initiated the Request for Qualifications (RFQ) process to ensure compliance with FAA consultant selection requirements. A formal RFQ was published on September 9th with a deadline for submittals on Oct. 17th. The RFQ was posted on the airport's website, in the Mountain Express, and on the American Association of Airport Executives (AAAE) and Northwest Chapter – AAAE websites, all highly visible industry sources for posting RFQs. One Statement of Qualifications was received from Ardurra.

It is Staff's recommendation that the Board reselect Ardurra to provide engineering services the airport for a new five (5) year period.

ACTION REQUESTED: Motion to reselect Ardurra to provide engineering services at the airport for a new five (5) year period.

2. Expressive Speech Policy – Consideration of Approval – Attachment #5 ACTION ITEM

Many airport proprietors have found it prudent to have an established policy governing the First Amendment expressive activity on airport property. The Airport has recently gotten requests and realized that we did not have a formal written process. While the law allows Friedman Memorial Airport Authority to impose reasonable time, place and manner restrictions on expressive activity at the Airport, any policy must be 'content neutral,' meaning that the Airport Authority cannot regulate such activity based upon the content of the speech and it cannot absolutely prohibit such activities. Staff has prepared a draft policy regarding permits for expressive activities that balances First Amendment rights against the safety, security and operational issues that are inherent in operating the Airport. If adopted by the Board, the policy will set a clear process for seeking a permit, will provide a defined location for expressive activity and will set a timetable for anyone desiring to engage in First Amendment-protected activities. The draft policy is attached as **Attachment #5** for Board review and discussion.

ACTION REQUESTED: Motion to adopt the proposed Expressive Speech policy for the Airport.

B. Continuing Business

1. Future Aeronautical Development RFP – Consideration of Lease Agreement Approval – Attachment #6, #7, #8 ACTION ITEM

As the Board is aware, at the July 2 meeting, the Board accepted the recommendation of the Selection Committee and directed Staff to enter into negotiations with Clay Lacy Aviation for an FBO/Hangar Lease consistent with its Proposal. Since that time, Staff and legal counsel have been in active negotiations with Clay Lacy Aviation.

Attachment #6 includes an updated Staff report that provides a summary of the RFP process to date, including material terms of a draft lease agreement.

Attachment #7 includes the proposed draft lease agreement to be discussed and

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considered for approval by the Board.

While included as an action item on this agenda, final action on lease approval may occur at this meeting or later, based on the Board's discussions and stated desires at this meeting.

For background, a copy of the full RFP and other supporting documents can be found on the airport website.

Attachment #8 includes Public Comments received since the October 1, 2024, meeting and up to publication of this month's packet.

ACTION: Motion to approve the proposed draft Airport Lease Agreement between FMAA and Clay Lacy and authorize the Chair to sign based on final legal review.

VII. UPDATES AND DISCUSSION

A. NEW BUSINESS

1. None

B. CONTINUING BUSINESS

1. Miscellaneous

- i. Independent Board Member Selection Process – Update and Discussion

The solicitation for statements of interest and resumes from interested applicants for the Independent Board Member position has been posted since the third week of September. To date, 11 submittals have been received.

The current Independent Board Member term expires at the end of this coming December. Legal counsel and Staff are seeking the Board's direction related to the applicant review and interview process at this meeting.

2. Construction and Capital Projects

- i. None

3. Airport Planning Projects

- i. None

VIII. PUBLIC COMMENT

IX. ADJOURNMENT

**MINUTES OF A REGULAR MEETING
OF THE
FRIEDMAN MEMORIAL AIRPORT AUTHORITY
October 1, 2024
5:30 P.M.**

IN ATTENDANCE:

BOARD MEMBERS:

Board Chair – Martha Burke, Vice-Chair Muffy Davis, Secretary – Angenie McCleary, Board Members – Jacob Greenberg, John Strauss, Sam Linnet, Treasurer – Ron Fairfax

FRIEDMAN MEMORIAL AIRPORT STAFF:

Airport Director – Chris Pomeroy, Deputy Director, Finance & Administration – Brian Blackburn, Deputy Director, Operations and Maintenance – Timothy Burke, Administrative Coordinator II – Janice Hicks, Business Operations Coordinator – Ashley Cook.

CONSULTANTS:

Nathan Culvala- Adurra

AIRPORT LEGAL COUNSEL:

Lawson Laski Clark PLLC – Jim Laski

CALL TO ORDER: The meeting was called to order at 5:30 p.m. by Board Chair Burke

I. APPROVE AGENDA

A motion to approve the agenda as presented.

MOTION: *Made by Secretary McCleary to approve the agenda as presented. Seconded by Vice-Chair Davis.
Strauss, Linnet, Greenberg, Secretary McCleary, Vice-Chair Davis, and Chair Burke all voted in favor Absent and not voting – Board Member Mollineaux.*

**MOTION PASSED
1:52**

II. PUBLIC COMMENT

None.

2:36

III. APPROVE FMAA MEETING MINUTES

A. September 3, 2024 Regular Meeting – Motion to Approve – **Attachment #1 ACTION ITEM**

MOTION: *Made by Board Member Greenberg to approve the minutes as presented. Seconded by Secretary McCleary.
Strauss, Linnet, Secretary McCleary, Vice-Chair Davis, and Chair Burke all voted in favor. Absent and not voting – Board Member Mollineaux.*

**MOTION PASSED
2:57**

IV. REPORTS

A. Chair Report

Board Chair Burke apologized for not going to the Meet the Fleet event; she thanked the staff for their hard work and hopes it continues to grow.

B. Blaine County Report

No report given.

C. City of Hailey Report

No report given.

D. Fly Sun Valley Report

Carol Waller, from Sun Valley Alliance, reported the new winter flight schedule has been released. She stated that the schedule is strong with a 14% increase in seats.

E. Airport Team Reports (see Power Point Presentation)

Deputy Director of Operations and Maintenance, Tim Burke, expressed his appreciation for the community compliments and the participating agencies involved in the Meet the Fleet event. He announced snow training started and will continue through the month of October.

Deputy Director of Finance & Administration, Brian Blackburn, announced that we are in the process of closing out Fiscal Year 2024 and getting 2025 dialed in to get prepared for the annual audit in November.

Airport Director Pomeroy reported that operations, take-off, and landings are down 6.8% from September 2023 which leaves us down 2.9% year to date this year versus last. Passenger Enplanements were up 10% this year over last and 11.4% year to date versus 2023.

18:51

V. AIRPORT STAFF BRIEF

A. No Noise Complaints in September.

B. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data **(See Attachment #2-#4)**

C. Airport Commercial Flight Interruptions (unofficial)

D. Review Correspondence

VI. ACTION ITEMS

A. NEW BUSINESS

1. None.

B. CONTINUING BUSINESS

1. None.

VII. UPDATES AND DISCUSSION

A. NEW BUSINESS

1. None.

B. CONTINUING BUSINESS

1. Miscellaneous

- i. Future Aeronautical Development RFP – Update

Airport Director Pomeroy reported negotiations with Clay Lacy are still ongoing and progressing. Attorney Jim Laski reported that they hope to have a draft of agreement by the November Board Meeting.

17:40

2. Construction and Capital Projects

- i. None

3. Airport Planning Projects

- i. None

VIII. PUBLIC COMMENT

None.

20:29

IX. ADJOURNMENT (5:50pm)

October 1, 2024, Regular Meeting of the Friedman Memorial Airport Authority was adjourned at 5:50p.m.

Angenie McCleary, Secretary

** Additional resources/materials that should be reviewed with these meeting minutes include but are not limited to the Friedman Memorial Airport Authority Board Packet briefing, the PowerPoint presentation prepared for this meeting and any referenced attachments.*

2:12 PM

11/05/24

Friedman Memorial Airport Profit & Loss Budget vs. Actual (COMBINED '24)

Accrual Basis

	Oct '23 - Sep 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000-00 · AIRCARRIER				
4000-01 · Aircarrier - Lease Space	504,237.95	514,451.00	-10,213.05	98.0%
4000-02 · Aircarrier - Landing Fees	296,109.80	263,900.00	32,209.80	112.2%
4000-03 · Aircarrier - Gate Fees	0.00	0.00	0.00	0.0%
4000-04 · Aircarrier - Utility Fees	360.00	360.00	0.00	100.0%
4010-07 · Aircarrier - '14 PFC App	440,495.67	459,647.00	-19,151.33	95.8%
Total 4000-00 · AIRCARRIER	1,241,203.42	1,238,358.00	2,845.42	100.2%
4020-00 · TERMINAL AUTO PARKING REVENUE				
4020-01 · Automobile Parking - Terminal	961,206.00	674,400.00	286,806.00	142.5%
4020-02 · Automobile Parking - Passes	980.00	600.00	380.00	163.3%
Total 4020-00 · TERMINAL AUTO PARKING REVENUE	962,186.00	675,000.00	287,186.00	142.5%
4030-00 · AUTO RENTAL REVENUE				
4030-01 · Automobile Rental - Commission	788,505.67	899,000.00	-110,494.33	87.7%
4030-02 · Automobile Rental - Lease Space	34,369.92	29,000.00	5,369.92	118.5%
4030-03 · Automobile Rental - Auto Prkng	76,398.28	70,000.00	6,398.28	109.1%
4030-04 · Automobile Rental - Utilities	2,478.36	2,000.00	478.36	123.9%
4030-00 · AUTO RENTAL REVENUE - Other	3,156.70	0.00	3,156.70	100.0%
Total 4030-00 · AUTO RENTAL REVENUE	904,908.93	1,000,000.00	-95,091.07	90.5%
4040-00 · TERMINAL CONCESSION REVENUE				
4040-01 · Terminal Shops - Commission	51,213.41	43,950.00	7,263.41	116.5%
4040-03 · Terminal Shops - Utility Fees	2,478.39	2,000.00	478.39	123.9%
4040-10 · Advertising - Commission	61,013.40	45,000.00	16,013.40	135.6%
4040-11 · Vending Machines - Commission	6,732.08	7,350.00	-617.92	91.6%
4040-12 · Terminal ATM	600.00	600.00	0.00	100.0%
Total 4040-00 · TERMINAL CONCESSION REVENUE	122,037.28	98,900.00	23,137.28	123.4%
4050-00 · FBO REVENUE				
4050-01 · FBO - Lease Space	194,017.64	171,533.00	22,484.64	113.1%
4050-02 · FBO - Overnight Parking Fees	403,690.05	423,255.00	-19,564.95	95.4%
4050-03 · FBO - Landing Fees - Trans.	0.00	0.00	0.00	0.0%
4050-04 · FBO - Commission	64,906.24	34,512.00	30,394.24	188.1%
4050-07 · FBO - Miscellaneous	600.00	0.00	600.00	100.0%
Total 4050-00 · FBO REVENUE	663,213.93	629,300.00	33,913.93	105.4%
4060-00 · FUEL FLOWAGE REVENUE				
4060-01 · Fuel Flowage - FBO	507,407.94	446,600.00	60,807.94	113.6%
Total 4060-00 · FUEL FLOWAGE REVENUE	507,407.94	446,600.00	60,807.94	113.6%
4070-00 · TRANSIENT LANDING FEES REVENUE				
4070-01 · Landing Fees - Commercial	0.00	0.00	0.00	0.0%
4070-02 · Landing Fees - Non-Comm./Gov't	595,569.30	577,535.00	18,034.30	103.1%
Total 4070-00 · TRANSIENT LANDING FEES REVENUE	595,569.30	577,535.00	18,034.30	103.1%
4080-00 · HANGAR REVENUE				
4080-01 · Land Lease - Hangar	752,883.32	668,720.00	84,163.32	112.6%
4080-02 · Land Lease - Hangar/Trans. Fee	103,775.00	23,325.00	80,450.00	444.9%
4080-03 · Hangar/Utilities (E8,11,24)	880.41	0.00	880.41	100.0%
4080-05 · Land Lease - FMA Hangar Rentals	50,479.64	33,956.00	16,523.64	148.7%
Total 4080-00 · HANGAR REVENUE	908,018.37	726,001.00	182,017.37	125.1%
4090-00 · TIEDOWN PERMIT FEES REVENUE				
4090-01 · Tiedown Permit Fees (FMA)	33,386.00	37,000.00	-3,614.00	90.2%
Total 4090-00 · TIEDOWN PERMIT FEES REVENUE	33,386.00	37,000.00	-3,614.00	90.2%
4100-00 · CARGO CARRIERS REVENUE				
4100-02 · Cargo Carriers - Tiedown	3,312.00	5,500.00	-2,188.00	60.2%
Total 4100-00 · CARGO CARRIERS REVENUE	3,312.00	5,500.00	-2,188.00	60.2%
4110-00 · MISCELLANEOUS REVENUE				
4110-01 · Misc. Revenue	3,118.11	2,000.00	1,118.11	155.9%
4900-00 · GAIN/LOSS ON EQUIP. DISP.	13,047.84	0.00	13,047.84	100.0%
4110-00 · MISCELLANEOUS REVENUE - Other	0.00	0.00	0.00	0.0%
Total 4110-00 · MISCELLANEOUS REVENUE	16,165.95	2,000.00	14,165.95	808.3%
4120-00 · GROUND TRANSP. PERMIT REVENUE				
4120-01 · Ground Transportation Permit	23,600.00	24,000.00	-400.00	98.3%
4120-02 · GTSP - Trip Fee	5,300.00	5,000.00	300.00	106.0%
Total 4120-00 · GROUND TRANSP. PERMIT REVENUE	28,900.00	29,000.00	-100.00	99.7%
4400-00 · TSA/SECURITY				
4400-02 · Terminal Lease	30,574.12	42,425.00	-11,850.88	72.1%
4400-03 · Security Prox. Cards	43,360.00	33,540.00	9,820.00	129.3%
Total 4400-00 · TSA/SECURITY	73,934.12	75,965.00	-2,030.88	97.3%
4450-00 · RANCH REVENUE				
4450-01 · Ranch House Rent	7,200.00	7,200.00	0.00	100.0%
4450-02 · Ranch Lease	31,500.00	36,000.00	-4,500.00	87.5%
Total 4450-00 · RANCH REVENUE	38,700.00	43,200.00	-4,500.00	89.6%
4500-00 · IDAHO STATE GRANT PROGRAM REV.				
4500-23 · SUN-23	0.00	0.00	0.00	0.0%
4500-24 · SUN-24	1,000,000.00			
Total 4500-00 · IDAHO STATE GRANT PROGRAM REV.	1,000,000.00	0.00	1,000,000.00	100.0%
4520-00 · INTEREST REVENUE				
4520-01 · Interest Revenue - General	788,854.25	50,000.00	738,854.25	1,577.7%
4520-07 · Interest Revenue - '14 PFC	314.74	0.00	314.74	100.0%
4520-11 · Interest Revenue - Leases	35,016.10	0.00	35,016.10	100.0%
4520-12 · Interest Revenue - CFC	5,840.73	0.00	5,840.73	100.0%
Total 4520-00 · INTEREST REVENUE	830,025.82	50,000.00	780,025.82	1,660.1%

Friedman Memorial Airport Profit & Loss Budget vs. Actual (COMBINED '24)

Accrual Basis

	Oct '23 - Sep 24	Budget	\$ Over Budget	% of Budget
4600-00 · Relief Grants Oper.				
4600-01 · Coronavirus Relief Grants Oper.	2,242,141.34	3,686,743.00	-1,444,601.66	60.8%
4600-02 · CRRSA/ARPA Operational	0.00	0.00	0.00	0.0%
Total 4600-00 · Relief Grants Oper.	2,242,141.34	3,686,743.00	-1,444,601.66	60.8%
4749-00 · AIP '49 - Acq. SRE/Pavement Mai				
4749-01 · AIP '49 - Acq. SRE/Pavement Mai	0.00	0.00	0.00	0.0%
Total 4749-00 · AIP '49 - Acq. SRE/Pavement Mai	0.00	0.00	0.00	0.0%
4750-00 · Terminal Area Plan (TAP)				
4750-01 · Terminal Area Plan	0.00	0.00	0.00	0.0%
Total 4750-00 · Terminal Area Plan (TAP)	0.00	0.00	0.00	0.0%
4752-00 · CARES Act				
4752-01 · CARES Act	225,909.70	0.00	225,909.70	100.0%
Total 4752-00 · CARES Act	225,909.70	0.00	225,909.70	100.0%
4753-00 · AIP '53 - Rehabilitate Runway				
4753-01 · AIP '53 - Rehabilitate Runway	0.00	25,000.00	-25,000.00	0.0%
Total 4753-00 · AIP '53 - Rehabilitate Runway	0.00	25,000.00	-25,000.00	0.0%
4756-00 · AIP '56 - Rehab Runway Phase 2				
4756-01 · AIP '56 - Rehab Runway Phase 2	13,757.91	0.00	13,757.91	100.0%
Total 4756-00 · AIP '56 - Rehab Runway Phase 2	13,757.91	0.00	13,757.91	100.0%
4758-00 · AIP '58 - Rehab Runway Phase 3				
4758-01 · AIP '58 - Rehab Runway Phase 3	368,124.08	125,000.00	243,124.08	294.5%
Total 4758-00 · AIP '58 - Rehab Runway Phase 3	368,124.08	125,000.00	243,124.08	294.5%
4759-00 · AIP '59 - Acquire Land for Appr				
4759-01 · AIP '59 - Acquire Land for Appr	0.00	0.00	0.00	0.0%
Total 4759-00 · AIP '59 - Acquire Land for Appr	0.00	0.00	0.00	0.0%
4760-00 · AIP '60 - CARES Dev. Addendum				
4760-01 · AIP '60 - CARES Dev. Addendum	0.00	0.00	0.00	0.0%
Total 4760-00 · AIP '60 - CARES Dev. Addendum	0.00	0.00	0.00	0.0%
4761-00 · AIP '61 - Airfield Pavement Etc				
4761-01 · AIP '61 - Airfield Pavement Etc	271,397.18			
Total 4761-00 · AIP '61 - Airfield Pavement Etc	271,397.18			
4800-00 · Current Year AIP	0.00	2,345,068.00	-2,345,068.00	0.0%
4850-00 · CFC Pass-through Revenue	297,594.50	250,000.00	47,594.50	119.0%
Total Income	11,347,893.77	12,066,170.00	-718,276.23	94.0%
Gross Profit	11,347,893.77	12,066,170.00	-718,276.23	94.0%
Expense				
5000 · EXPENDITURES				
5000-00 · "A" EXPENSES				
5000-01 · Salaries - Airport Director	174,604.30	174,604.00	0.30	100.0%
5010-00 · Salaries - Deputy Director F&A	121,441.08	118,097.00	3,344.08	102.8%
5010-01 · Salaries - Admin Coordinator	68,108.34	71,400.00	-3,291.66	95.4%
5010-03 · Salaries - Sr Admin Coordinator	0.00	0.00	0.00	0.0%
5010-04 · Salaries - Business Ops Coord	69,573.82	75,000.00	-5,426.18	92.8%
5020-00 · Salaries - Deputy Director O&M	147,915.36	140,872.00	7,043.36	105.0%
5030-00 · Salaries - ARFF/OPS Specialist	589,677.87	579,488.00	10,189.87	101.8%
5030-01 · Salaries - Parking Specialists	93,595.38	120,120.00	-26,524.62	77.9%
5040-00 · Salaries - Security Manager	106,001.51	100,954.00	5,047.51	105.0%
5050-00 · Salaries- Seasonal- Snow Removal	47,589.58	76,000.00	-28,410.42	62.6%
5050-01 · Salaries - Seasonal - Arpt Host	3,912.00	5,000.00	-1,088.00	78.2%
5050-02 · Salaries - Merit Increase	54,520.01	118,127.00	-63,606.99	46.2%
5050-03 · Salaries - One-time Pay	3,000.00	5,000.00	-2,000.00	60.0%
5050-04 · Salaries - ARFF Coverage	1,186.90	9,600.00	-8,413.10	12.4%
5060-01 · Overtime - General	11,644.47	2,000.00	9,644.47	582.2%
5060-02 · Overtime - Snow Removal	8,385.78	45,000.00	-36,614.22	18.6%
5070-05 · Compensated Absenses Accrued	8,364.04	0.00	8,364.04	100.0%
5100-00 · Retirement	162,881.41	171,178.00	-8,296.59	95.2%
5110-00 · Social Security/Medicare	109,857.52	121,120.00	-11,262.48	90.7%
5120-00 · Life Insurance	1,027.92	2,000.00	-972.08	51.4%
5130-00 · Medical Insurance	244,486.10	282,000.00	-37,513.90	86.7%
5160-00 · Workman's Compensation	19,556.25	23,000.00	-3,443.75	85.0%
5170-00 · Unemployment Claims	0.00	0.00	0.00	0.0%
Total 5000-00 · "A" EXPENSES	2,047,329.64	2,240,560.00	-193,230.36	91.4%
6000 · "B" EXPENDITURES				
6000-0 · "B" EXPENSES - ADMINISTRATIVE				
6000-00 · TRAVEL EXPENSE				
6000-01 · Travel	42,688.21	40,000.00	2,688.21	106.7%
Total 6000-00 · TRAVEL EXPENSE	42,688.21	40,000.00	2,688.21	106.7%
6010-00 · SUPPLIES/EQUIPMENT EXPENSE				
6010-01 · Supplies/Equipment - Office	7,507.95	8,000.00	-492.05	93.8%
6010-02 · Supplies/Equipment - Parking	206.17	1,000.00	-793.83	20.6%
6010-03 · Supplies/Equipment - Computer	34,205.30	40,000.00	-5,794.70	85.5%
Total 6010-00 · SUPPLIES/EQUIPMENT EXPENSE	41,919.42	49,000.00	-7,080.58	85.5%
6020-00 · INSURANCE				
6020-01 · Insurance	86,828.00	64,000.00	22,828.00	135.7%
Total 6020-00 · INSURANCE	86,828.00	64,000.00	22,828.00	135.7%

Friedman Memorial Airport Profit & Loss Budget vs. Actual (COMBINED '24)

	Oct '23 - Sep 24	Budget	\$ Over Budget	% of Budget
6030-00 · UTILITIES				
6030-01 · Utilities - Gas/Terminal	14,580.00	23,000.00	-8,420.00	63.4%
6030-02 · Utilities - Gas/AOB & Cold Stor	7,851.00	8,200.00	-349.00	95.7%
6030-03 · Utilities - Elect/Runway&PAPI	5,944.15	5,200.00	744.15	114.3%
6030-04 · Utilities - Elec./AOB & Cold St	10,242.66	11,100.00	-857.34	92.3%
6030-05 · Utilities - Electric/Terminal	60,763.50	75,000.00	-14,236.50	81.0%
6030-06 · Utilities - Telephone	26,048.09	18,750.00	7,298.09	138.9%
6030-07 · Utilities - Water	16,914.92	11,000.00	5,914.92	153.8%
6030-08 · Utilities - Garbage Removal	17,450.23	14,500.00	2,950.23	120.3%
6030-09 · Utilities - Sewer	10,165.14	5,500.00	4,665.14	184.8%
6030-11 · Utilities - Electric/Tower	6,716.24	7,000.00	-283.76	95.9%
6030-12 · Utilities - Elec./Brdfrd.Hghl	534.53	1,200.00	-665.47	44.5%
6030-13 · Utilities - Elec. Exit Booth	1,214.44	2,200.00	-985.56	55.2%
6030-15 · Utilities - Elec/AWOS	3,425.91	3,800.00	-374.09	90.2%
6030-16 · Utilities - Elec. Wind Cone	252.48	100.00	152.48	252.5%
6030-17 · Utilities - Elec./Gas- Hangar	5,987.23	7,000.00	-1,012.77	85.5%
6030-18 · Utilities - Lubricant Wst. Dspl	0.00	300.00	-300.00	0.0%
6030-20 · Utilities - Ranch	72,186.43	35,000.00	37,186.43	206.2%
Total 6030-00 · UTILITIES	260,276.95	228,850.00	31,426.95	113.7%
6040-00 · SERVICE PROVIDER				
6040-01 · Service Provider - General	12.10	0.00	12.10	100.0%
6040-02 · Service Provider - Term. Serv.	6,048.82	7,000.00	-951.18	86.4%
6040-03 · Service Provider - AOB Services	48,629.87	66,000.00	-17,370.13	73.7%
6040-04 · Service Provider-Ops./Airfield	11,436.91	20,000.00	-8,563.09	57.2%
6040-13 · Service Provider-Parking Lot	87,087.09	56,500.00	30,587.09	154.1%
Total 6040-00 · SERVICE PROVIDER	153,214.79	149,500.00	3,714.79	102.5%
6050-00 · PROFESSIONAL SERVICES				
6050-01 · Professional Services - Legal	275,068.15	100,000.00	175,068.15	275.1%
6050-02 · Professional Serv. - Audit/Fina	125,544.41	127,000.00	-1,455.59	98.9%
6050-03 · Professional Services - Engine	64,637.52	36,500.00	28,137.52	177.1%
6050-04 · Professional Services - HR	14,270.25	15,000.00	-729.75	95.1%
6050-05 · Professional Services - Gen.	17,448.09	25,000.00	-7,551.91	69.8%
6050-10 · Prof. Svcs.-IT/Comp. Support	156,420.00	170,000.00	-13,580.00	92.0%
6050-12 · Prof. Serv. - Planning Air Serv.	0.00	8,000.00	-8,000.00	0.0%
6050-13 · Prof. Serv.-Website Hosting	805.00	1,200.00	-395.00	67.1%
6050-15 · Prof. Serv.-Web Maint-Outreach	9,015.72	30,000.00	-20,984.28	30.1%
6050-17 · Prof. Serv. - Airspace Consult.	37,299.00	35,000.00	2,299.00	106.6%
6050-18 · Prof. Services - Approach Maint	0.00	35,000.00	-35,000.00	0.0%
6050-19 · Prof. Serv.-ATCT Relocation	10,560.00	30,000.00	-19,440.00	35.2%
6050-20 · Prof Services - New Approach	0.00	0.00	0.00	0.0%
6050-21 · Professional Services - Other	11,167.60	35,000.00	-23,832.40	31.9%
Total 6050-00 · PROFESSIONAL SERVICES	722,235.74	647,700.00	74,535.74	111.5%
6060-00 · MAINTENANCE-OFFICE EQUIPMENT				
6060-01 · Maint.-Office Equip./Gen.	0.00	0.00	0.00	0.0%
6060-04 · Maintenance - Copier	1,369.71	2,000.00	-630.29	68.5%
6060-05 · Maintenance - Phone	1,336.00	1,287.00	49.00	103.8%
Total 6060-00 · MAINTENANCE-OFFICE EQUIPMENT	2,705.71	3,287.00	-581.29	82.3%
6070-00 · RENT/LEASE OFFICE EQUIPMENT				
6070-02 · Rent/Lease - Postage Meter	13.12	1,500.00	-1,486.88	0.9%
Total 6070-00 · RENT/LEASE OFFICE EQUIPMENT	13.12	1,500.00	-1,486.88	0.9%
6080-00 · DUES/MEMBERSHIPS				
6080-01 · Dues/Memberships	9,807.94	6,200.00	3,607.94	158.2%
6080-04 · Publications	0.00	0.00	0.00	0.0%
6080-07 · Cove Canal Assoc Dues - Ranch	0.00	3,200.00	-3,200.00	0.0%
Total 6080-00 · DUES/MEMBERSHIPS	9,807.94	9,400.00	407.94	104.3%
6090-00 · POSTAGE				
6090-01 · Postage/Courier Service	1,109.00	1,000.00	109.00	110.9%
Total 6090-00 · POSTAGE	1,109.00	1,000.00	109.00	110.9%
6100-00 · EDUCATION/TRAINING				
6100-01 · Education/Training - Admin.	3,649.00	10,000.00	-6,351.00	36.5%
6100-02 · Education/Training - OPS	12,047.47	14,000.00	-1,952.53	86.1%
6100-03 · Education/Training - ARFF	11,370.96	20,000.00	-8,629.04	56.8%
6100-04 · Ed/Train. - ARFF Trienn. Drill	0.00	0.00	0.00	0.0%
6100-06 · Education - Security	630.00	3,000.00	-2,370.00	21.0%
6100-08 · Education/Training - HFD	0.00	0.00	0.00	0.0%
Total 6100-00 · EDUCATION/TRAINING	27,697.43	47,000.00	-19,302.57	58.9%
6101-00 · PUBLIC OUTREACH/ADS/COMMUNICATI				
6101-01 · Advertising/Social Media/Sponso	23,810.74	35,000.00	-11,189.26	68.0%
6101-02 · Public Outr/Comm - Noise Abatem	0.00	500.00	-500.00	0.0%
6101-03 · Public Outr/Comm - SAAC	12,872.63	10,000.00	2,872.63	128.7%
6101-00 · PUBLIC OUTREACH/ADS/COMMUNICATI - Other	3,470.00			
Total 6101-00 · PUBLIC OUTREACH/ADS/COMMUNICATI	40,153.37	45,500.00	-5,346.63	88.2%
6110-00 · CONTRACTS				
6110-02 · Contracts - FMAA	82,229.01	84,000.00	-1,770.99	97.9%
6110-16 · Contracts - Prkg Mngt Fee/Ops	12,102.76	50,000.00	-37,897.24	24.2%
6110-17 · Contracts - Landing Fee Equip.	16,472.86	16,800.00	-327.14	98.1%
6110-18 · Contracts - Vector Commissions	74,327.90	90,000.00	-15,672.10	82.6%
Total 6110-00 · CONTRACTS	185,132.53	240,800.00	-55,667.47	76.9%
6130-00 · MISCELLANEOUS EXPENSES				
6130-01 · Misc. - General	13,961.81	15,000.00	-1,038.19	93.1%
6140-00 · Bank Fees	60.00	0.00	60.00	100.0%
6140-01 · Merchant Fees	578.49	600.00	-21.51	96.4%
6150-03 · Interest expense - leases	2,082.62	0.00	2,082.62	100.0%
Total 6130-00 · MISCELLANEOUS EXPENSES	16,682.92	15,600.00	1,082.92	106.9%
Total 6000-0 · "B" EXPENSES - ADMINISTRATIVE	1,590,465.13	1,543,137.00	47,328.13	103.1%

Friedman Memorial Airport

Profit & Loss Budget vs. Actual (COMBINED '24)

	Oct '23 - Sep 24	Budget	\$ Over Budget	% of Budget
6001 - "B" EXPENSES - OPERATIONAL				
6500-00 · SUPPLIES/EQUIPMENT-OPERATIONS				
6500-01 · Supplies/Equipment - General	2,667.93	13,500.00	-10,832.07	19.8%
6500-02 · Supplies/Equipment - Tools	16,625.13	20,000.00	-3,374.87	83.1%
6500-03 · Supplies/Equipment-ClothingOps	3,494.87	4,000.00	-505.13	87.4%
6500-04 · Supplies/Equipment - Janitorial	41,365.43	30,000.00	11,365.43	137.9%
6500-07 · Supplies/Equipment-ClothingPark	567.79	2,000.00	-1,432.21	28.4%
Total 6500-00 · SUPPLIES/EQUIPMENT-OPERATIONS	64,721.15	69,500.00	-4,778.85	93.1%
6505-00 · EQUIP/VEHICLE - LEASE/RENTAL				
6505-01 · Eq./Vehi Lease/Rental - General	0.00	90,000.00	-90,000.00	0.0%
Total 6505-00 · EQUIP/VEHICLE - LEASE/RENTAL	0.00	90,000.00	-90,000.00	0.0%
6510-00 · FUEL/LUBRICANTS				
6510-02 · Fuel	36,781.70	75,000.00	-38,218.30	49.0%
6510-03 · Lubricants	4,123.48	10,000.00	-5,876.52	41.2%
Total 6510-00 · FUEL/LUBRICANTS	40,905.18	85,000.00	-44,094.82	48.1%
6520-00 · VEHICLES/MAINTENANCE				
6520-01 · R/M Equipment - General	30,941.95	75,000.00	-44,058.05	41.3%
6520-06 · R/M Equip. - '85 Ford Dump	0.00	6,000.00	-6,000.00	0.0%
6520-08 · R/M Equip. - '96 Tiger Tractor	0.00	1,000.00	-1,000.00	0.0%
6520-17 · R/M Equip. '01 Case 921 Ldr.	605.54	1,500.00	-894.46	40.4%
6520-20 · R/M Equip. - '02 Kodiak Blower	269.85	1,500.00	-1,230.15	18.0%
6520-25 · R/M Equip. - '04 Batts De-Ice	0.00	1,000.00	-1,000.00	0.0%
6520-28 · R/M Equip.-'06 Case 621 Loader	473.39	1,500.00	-1,026.61	31.6%
6520-29 · R/M Equip.- '10 Waus Broom/Plow	0.00	1,500.00	-1,500.00	0.0%
6520-30 · R/M Equip.-'05 Ford F-350	191.94	1,500.00	-1,308.06	12.8%
6520-31 · R/M Equip. -'10 Oshkosh Blower	0.00	9,000.00	-9,000.00	0.0%
6520-32 · R/M Equip. - '09 Mini Truck	102.24	1,000.00	-897.76	10.2%
6520-34 · R/M Equip. - '12 Case 921F Load	14.76	1,500.00	-1,485.24	1.0%
6520-35 · R/M Equip. - '14 Ford Explorer	0.00	0.00	0.00	0.0%
6520-36 · R/M Equip. - '10 Toyota Forklif	124.44	1,000.00	-875.56	12.4%
6520-37 · R/M Equip. - '15 Tool Cat	3,452.63	5,000.00	-1,547.37	69.1%
6520-38 · R/M Equip. - '15 Wausau Broom	15,109.27	6,000.00	9,109.27	251.8%
6520-39 · R/M Equip. - Boss Spreader	0.00	250.00	-250.00	0.0%
6520-40 · R/M Equip. - '17 Ford-350 Super	2,237.75	1,500.00	737.75	149.2%
6520-41 · R/M Equip. - '17 Kodiak Blower	0.00	1,500.00	-1,500.00	0.0%
6520-43 · R/M Equip. - '18 279D Skid St.	557.18	1,500.00	-942.82	37.1%
6520-44 · R/M Equip. - '18 Cat 972M Ldr	818.72	1,500.00	-681.28	54.6%
6520-45 · R/M Equip. - '19 Oshkosh Broom	0.00	6,000.00	-6,000.00	0.0%
6520-46 · R/M Equip. - '20 Chev. 1500 PU	5,128.13	1,500.00	3,628.13	341.9%
6520-47 · R/M Equip. - '19 Cat 972M Ldr	1,316.75	1,500.00	-183.25	87.8%
6520-48 · R/M Equip.-'18 New Holland Trac	0.00	1,500.00	-1,500.00	0.0%
6520-49 · R/M Equip. - '21 MB Combo	8,017.40	15,000.00	-6,982.60	53.4%
6520-50 · R/M Equip. - '22 MB Combo	11,672.55	15,000.00	-3,327.45	77.8%
6520-51 · R/M Equip. - '22 MB Deice Truck	3,098.58	5,000.00	-1,901.42	62.0%
6520-52 · R/M Equip. - '22 MB4 Blower	4,239.30	5,000.00	-760.70	84.8%
6520-53 · R/M Equip. - '22 F-350	2,085.39	1,500.00	585.39	139.0%
6520-54 · R/M Equip. - '23 Expedition	0.00	1,500.00	-1,500.00	0.0%
6520-55 · R/M Equip. - '23 Ford Maverick	66.30	1,500.00	-1,433.70	4.4%
6520-56 · R/M Equip. - '99 Econoline Van	0.00	5,000.00	-5,000.00	0.0%
6520-57 · R/M Equip. - '24 F-350	11,581.11	5,000.00	6,581.11	231.6%
6520-58 · R/M Equip. - '23 972 Loader	3,422.27	0.00	3,422.27	100.0%
6520-59 · R/M Equip. - '23 NorstarTrailer	0.00	0.00	0.00	0.0%
6520-60 · R/M Equip. - '24 MB5 Combo	5,000.00	0.00	5,000.00	100.0%
6520-61 · R/M Equip. - '17 MT6 Trackless	2,265.18	0.00	2,265.18	100.0%
6520-62 · R/M Equip - '24 299 TrackLoader	474.55	0.00	474.55	100.0%
6520-00 · VEHICLES/MAINTENANCE - Other	2,025.62			
Total 6520-00 · VEHICLES/MAINTENANCE	115,292.79	185,250.00	-69,957.21	62.2%
6530-00 · ARFF MAINTENANCE				
6530-01 · ARFF Maint. Gen/Supplies	30,995.17	10,000.00	20,995.17	310.0%
6530-03 · ARFF Maint. - '87 Oshkosh	0.00	0.00	0.00	0.0%
6530-04 · ARFF Maint. - Radios	8,661.99	10,000.00	-1,338.01	86.6%
6530-05 · ARFF Maint. - '03 E-One	0.00	2,500.00	-2,500.00	0.0%
6530-06 · ARFF Maint. - '20 Oshkosh Strik	1,298.70	2,500.00	-1,201.30	51.9%
6530-08 · ARFF Maint. - '24 Oshkosh Strik	10,958.36			
Total 6530-00 · ARFF MAINTENANCE	51,914.22	25,000.00	26,914.22	207.7%
6540-00 · REPAIRS/MAINTENANCE - BUILDING				
6540-01 · R/M Bldg. - General	2,073.97	1,500.00	573.97	138.3%
6540-02 · R/M Bldg. - Terminal	157,572.85	112,000.00	45,572.85	140.7%
6540-03 · R/M Bldg. - Terminal Concession	455.16	6,000.00	-5,544.84	7.6%
6540-04 · R/M Bldg. - Cold Storage	486.86	1,500.00	-1,013.14	32.5%
6540-05 · R/M Bldg. - AOB/SHOP	96,258.04	40,200.00	56,058.04	239.4%
6540-06 · R/M Bldg. - Hangars	2,653.13	5,000.00	-2,346.87	53.1%
6540-07 · R/M Bldg. - Tower	24,488.14	10,000.00	14,488.14	244.9%
6540-08 · R/M Bldg. - Parking Booth	0.00	0.00	0.00	0.0%
6540-10 · R/M Bldg. - Ranch	4,174.84	15,000.00	-10,825.16	27.8%
6540-00 · REPAIRS/MAINTENANCE - BUILDING - Other	3,934.00			
Total 6540-00 · REPAIRS/MAINTENANCE - BUILDING	292,096.99	191,200.00	100,896.99	152.8%
6550-00 · REPAIRS/MAINTENANCE - AIRSIDE				
6550-01 · R/M - General	19,851.93	8,000.00	11,851.93	248.1%
6550-02 · R/M - Airfield/Runway	19,794.58	40,000.00	-20,205.42	49.5%
6550-03 · R/M - Airfield/Runway - Deice	104,734.08	120,000.00	-15,265.92	87.3%
6550-04 · R/M - Lights	15,602.54	25,000.00	-9,397.46	62.4%
Total 6550-00 · REPAIRS/MAINTENANCE - AIRSIDE	159,983.13	193,000.00	-33,016.87	82.9%
6551-00 · REPAIRS/MAINTENANCE - LANDSIDE				
6551-01 · R/M - General	18,562.04	1,000.00	17,562.04	1,856.2%
6551-02 · R/M - Parking Lot	19,313.13	15,000.00	4,313.13	128.9%
6551-03 · R/M - Landscaping	7,198.00	15,000.00	-7,802.00	48.0%
6551-04 · R/M - Ranch	81,375.23	100,000.00	-18,624.77	81.4%
Total 6551-00 · REPAIRS/MAINTENANCE - LANDSIDE	126,448.40	131,000.00	-4,551.60	96.5%

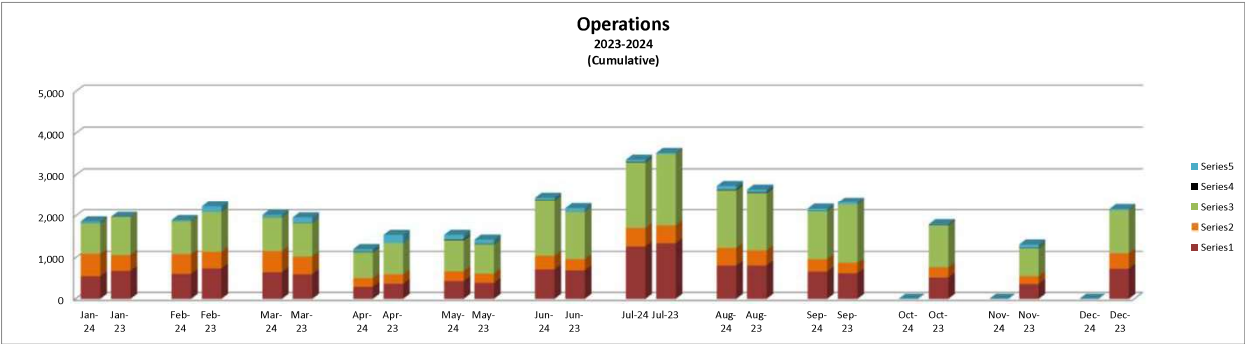
Friedman Memorial Airport

Profit & Loss Budget vs. Actual (COMBINED '24)

	Oct '23 - Sep 24	Budget	\$ Over Budget	% of Budget
6560-00 · SECURITY EXPENSE				
6560-01 · Security - General	5,453.79	10,500.00	-5,046.21	51.9%
6560-02 · Security - Law Enf. Offi. (LEO)	2,546.60	8,000.00	-5,453.40	31.8%
6560-03 · Security - Subscription Licens.	54,101.79	60,000.00	-5,898.21	90.2%
6560-04 · Security - Perim./Access/CCTV	25,250.43	25,500.00	-249.57	99.0%
6560-05 · Security - Professional Serv.	5,000.00	19,000.00	-14,000.00	26.3%
6560-06 · Security - Prof. Services/IT	0.00	0.00	0.00	0.0%
Total 6560-00 · SECURITY EXPENSE	92,352.61	123,000.00	-30,647.39	75.1%
6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU				
6570-01 · R/M Aeronautical Equip - NDB/DME	8,516.80	10,000.00	-1,483.20	85.2%
6570-02 · R/M Aeronautical Equip. - Tower	15,174.50	8,000.00	7,174.50	189.7%
6570-04 · R/M Aeron. Equip. - AWOS/ATIS	8,516.80	8,500.00	16.80	100.2%
Total 6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU	32,208.10	26,500.00	5,708.10	121.5%
Total 6001 · "B" EXPENSES - OPERATIONAL	975,922.57	1,119,450.00	-143,527.43	87.2%
Total 6000 · "B" EXPENDITURES	2,566,387.70	2,662,587.00	-96,199.30	96.4%
7000 · "C" EXPENSES				
7001-00 · CAPITAL EXPENDITURES				
7001-01 · Land	0.00	0.00	0.00	0.0%
7001-02 · Buildings and Improvements	0.00	694,740.00	-694,740.00	0.0%
7001-03 · Airfield & General Improvements	0.00	0.00	0.00	0.0%
7001-04 · Office Equipment	0.00	26,000.00	-26,000.00	0.0%
7001-05 · Maintenance Equipment /Vehicle	0.00	1,915,000.00	-1,915,000.00	0.0%
7001-06 · Assessments/Plans/Studies	0.00	1,060,000.00	-1,060,000.00	0.0%
7001-09 · Security Equipment	0.00	35,000.00	-35,000.00	0.0%
7001-10 · SRE Aquisition Non-AIP	0.00	1,100,000.00	-1,100,000.00	0.0%
7001-12 · Network Equipment	0.00	50,000.00	-50,000.00	0.0%
7001-99 · CONTINGENCY	0.00	1,000,000.00	-1,000,000.00	0.0%
Total 7001-00 · CAPITAL EXPENDITURES	0.00	5,880,740.00	-5,880,740.00	0.0%
7549-00 · AIP '49 - SRE Aqu., Pavement Ma				
7549-01 · AIP '49 - Eligible	0.00	0.00	0.00	0.0%
Total 7549-00 · AIP '49 - SRE Aqu., Pavement Ma	0.00	0.00	0.00	0.0%
7553-00 · AIP '53 - Rehab RW, TW & Apron				
7553-01 · AIP '53 - Eligible	0.00	0.00	0.00	0.0%
Total 7553-00 · AIP '53 - Rehab RW, TW & Apron	0.00	0.00	0.00	0.0%
7556-00 · AIP '56 - Rehab Runway Phase 2				
7556-01 · AIP '56 - Eligible	0.00	0.00	0.00	0.0%
Total 7556-00 · AIP '56 - Rehab Runway Phase 2	0.00	0.00	0.00	0.0%
7558-00 · AIP '58 - Rehab Runway Phase 3				
7558-01 · AIP '58 - Eligible	0.00	0.00	0.00	0.0%
Total 7558-00 · AIP '58 - Rehab Runway Phase 3	0.00	0.00	0.00	0.0%
7559-00 · AIP '59 - Acquire Land				
7559-01 · AIP '59 - Eligible	0.00	0.00	0.00	0.0%
Total 7559-00 · AIP '59 - Acquire Land	0.00	0.00	0.00	0.0%
7560-00 · AIP '60 - Development Addendum				
7560-01 · AIP '60 - Eligible	0.00	0.00	0.00	0.0%
Total 7560-00 · AIP '60 - Development Addendum	0.00	0.00	0.00	0.0%
7561-00 · AIP '61 - Airfield Pavement Etc				
7561-01 · AIP '61 - Airfield Pavement Etc	0.00			
Total 7561-00 · AIP '61 - Airfield Pavement Etc	0.00			
8500-00 · Capital Imp. Program (CIP)				
8501-00 · CIP - General				
8501-01 · General	0.00	150,000.00	-150,000.00	0.0%
Total 8501-00 · CIP - General	0.00	150,000.00	-150,000.00	0.0%
Total 8500-00 · Capital Imp. Program (CIP)	0.00	150,000.00	-150,000.00	0.0%
Total 7000 · "C" EXPENSES	0.00	6,030,740.00	-6,030,740.00	0.0%
Total 5000 · EXPENDITURES	4,613,717.34	10,933,887.00	-6,320,169.66	42.2%
9999-00 · Depreciation	3,484,793.58	0.00	3,484,793.58	100.0%
9999-01 · Amortization	106,698.09	0.00	106,698.09	100.0%
9999-02 · Donation of assets	0.00	0.00	0.00	0.0%
9999-10 · IMPAIRMENT LOSS	46,068.39			
Total Expense	8,251,277.40	10,933,887.00	-2,682,609.60	75.5%
Net Ordinary Income	3,096,616.37	1,132,283.00	1,964,333.37	273.5%
Net Income	3,096,616.37	1,132,283.00	1,964,333.37	273.5%

Friedman Memorial Airport
September 2024

ATCT Traffic Operations Record																								
Month	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
January	3,622	3,893	3,912	2,600	3,028	2,787	4,547	2,520	2,070	2,379	2,408	2,098	2,454	2,128	2,249	1,842	1,665	2,019	2,172	1,987	2,001	2,250	1,986	1,875
February	4,027	4,498	3,073	3,122	3,789	3,597	3,548	2,857	2,244	2,647	2,117	2,205	2,612	1,417	2,268	2,533	1,629	1,914	1,187	2,253	2,185	2,362	2,237	1,905
March	4,952	5,126	3,086	4,097	3,618	2,918	4,677	3,097	2,145	2,709	1,813	1,921	2,753	1,924	2,023	1,917	1,895	1,860	2,016	1,480	2,512	2,376	1,971	2,031
April	2,494	3,649	2,213	2,840	2,462	2,047	2,581	2,113	1,724	1,735	1,604	1,513	1,509	1,210	1,337	1,380	1,426	1,257	1,116	616	1,590	748	1,551	1,211
May	3,905	4,184	2,654	3,282	2,729	2,134	1,579	2,293	2,280	1,891	1,533	1,693	1,852	555	668	1,501	1,802	1,442	1,174	1,127	1,894	779	1,437	1,552
June	4,787	5,039	4,737	4,438	3,674	3,656	5,181	3,334	2,503	3,019	2,898	2,761	3,203	2,164	2,387	2,475	2,502	2,552	2,292	2,069	2,931	2,580	2,193	2,464
July	6,359	8,796	6,117	5,910	5,424	5,931	7,398	4,704	4,551	5,005	5,004	4,810	5,345	4,345	4,159	4,562	4,573	5,033	4,266	3,356	4,005	3,965	3,535	3,374
August	6,479	6,917	5,513	5,707	5,722	6,087	8,196	4,570	4,488	4,705	4,326	3,823	4,644	3,114	2,932	3,719	3,873	3,175	3,260	2,859	3,289	3,286	2,659	2,746
September	3,871	4,636	4,162	4,124	4,609	3,760	4,311	2,696	3,376	3,128	3,359	2,396	2,403	2,237	2,292	2,379	2,036	2,224	2,235	2,692	2,884	2,408	2,341	2,181
Totals	50,858	55,897	44,739	45,032	43,607	43,002	50,712	33,836	31,699	32,350	30,555	28,269	32,140	23,307	24,815	26,716	26,692	26,571	24,577	24,067	29,102	26,211	19,910	19,339

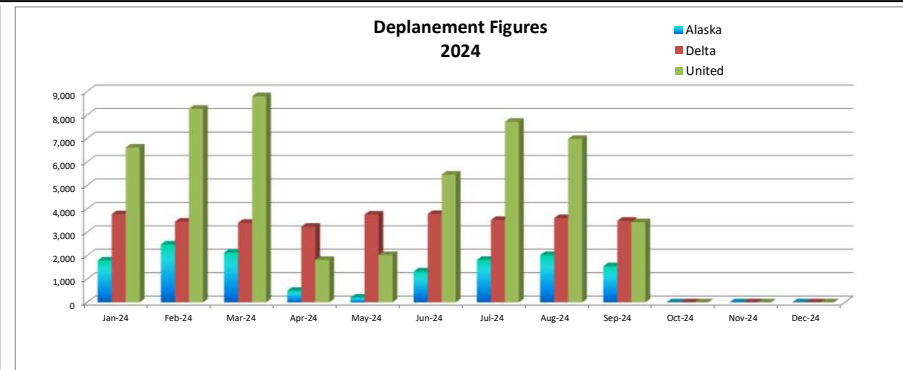
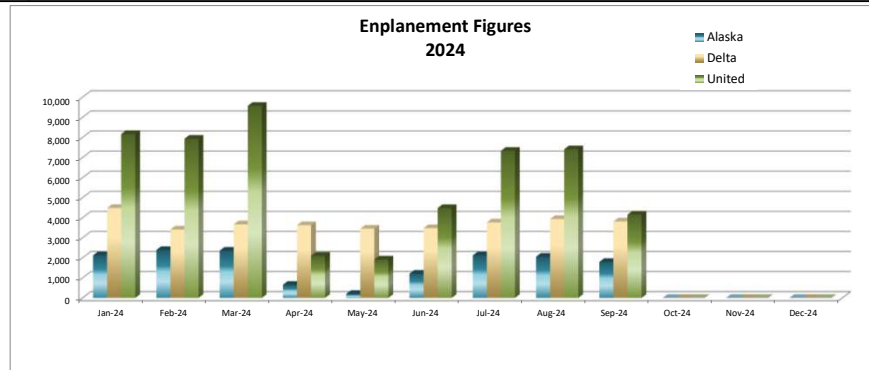


ATCT Operations Change (September 2024 vs. September 2023)			
	2024	2023	% Change
Air Taxi	645	606	6.4%
Air Carrier	322	252	27.8%
General Aviation	1,151	1,425	-19.2%
Military	3	2	50.0%
Civil	60	56	7.1%
Total	2,181	2,341	-6.8%
YTD Total	19,339	19,910	-2.9%

**Friedman Memorial Airport
September 2024**

2024 Enplanements																		
Date	Alaska Airlines					Delta Airlines					United Airlines					Total Enp.	Prior Year Total Enp.	Total % Change
	Revenue	Non-Revenue	Total	Prior Year Month	Total % Change	Revenue	Non-Revenue	Total	Prior Year Month	Total % Change	Revenue	Non-Revenue	Total	Prior Year Month	Total % Change			
Jan-24	2,055	72	2,127	2,316	-8.2%	4,383	105	4,488	3,825	17.3%	8,041	126	8,167	5,919	38.0%	14,782	12,060	22.6%
Feb-24	2,332	61	2,393	2,029	17.9%	3,299	117	3,416	3,399	0.5%	7,802	132	7,934	6,814	16.4%	13,743	12,242	12.3%
Mar-24	2,259	100	2,359	2,334	1.1%	3,588	84	3,672	3,786	-3.0%	9,465	105	9,570	7,413	29.1%	15,601	13,533	15.3%
Apr-24	624	33	657	1,213	-45.8%	3,536	92	3,628	3,611	0.5%	2,045	57	2,102	1,411	49.0%	6,387	6,235	2.4%
May-24	185	15	200	833	-76.0%	3,343	112	3,455	3,433	0.6%	1,843	76	1,919	1,094	75.4%	5,574	5,360	4.0%
Jun-24	1,169	41	1,210	1,606	-24.7%	3,420	61	3,481	3,694	-5.8%	4,378	105	4,483	2,925	53.3%	9,174	8,225	11.5%
Jul-24	2,062	59	2,121	2,018	5.1%	3,728	38	3,766	5,049	-25.4%	7,229	103	7,332	5,556	32.0%	13,219	12,623	4.7%
Aug-24	1,995	62	2,057	2,045	0.6%	3,901	35	3,936	4,125	-4.6%	7,291	120	7,411	6,019	23.1%	13,404	12,189	10.0%
Sep-24	1,744	53	1,797	783	129.5%	3,759	58	3,817	3,927	-2.8%	4,046	108	4,154	3,260	27.4%	9,768	7,970	22.6%
Totals	14,425	496	14,921	15,177	-1.7%	32,957	702	33,659	34,849	-3.4%	52,140	932	53,072	40,411	31.3%	101,652	90,437	12.4%
Legend for Chart:																		

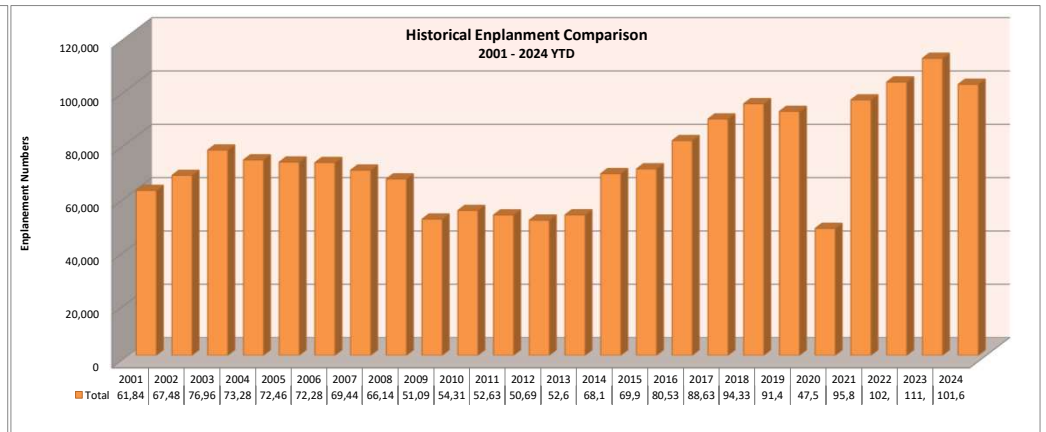
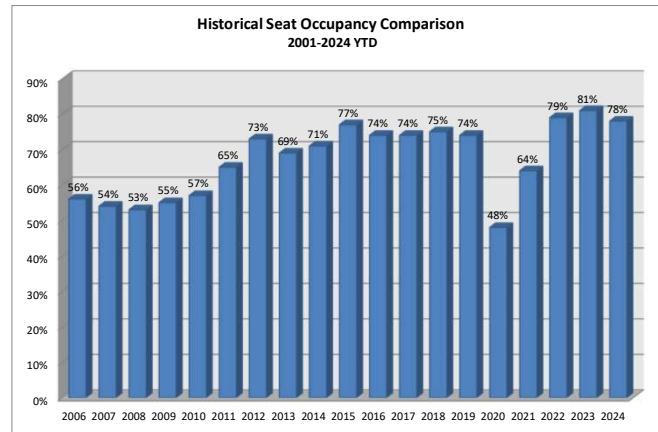
2024 Deplanements																		
Date	Alaska Airlines					Delta Airlines					United Airlines					Total Dep.	Prior Year Total Dep.	Total % Change
	Revenue	Non-Revenue	Total	Prior Year Month	Total % Change	Revenue	Non-Revenue	Total	Prior Year Month	Total % Change	Revenue	Non-Revenue	Total	Prior Year Month	Total % Change			
Jan-24	1,724	64	1,788	1,923	-7.0%	3,673	93	3,766	3,330	13.1%	6,477	132	6,609	5,020	31.7%	12,163	10,273	18.4%
Feb-24	2,381	90	2,471	2,128	16.1%	3,343	104	3,447	3,445	0.1%	8,135	123	8,258	7,151	15.5%	14,176	12,724	11.4%
Mar-24	2,030	96	2,126	2,185	-2.7%	3,299	101	3,400	3,412	-0.4%	8,653	144	8,797	6,642	32.4%	14,323	12,239	17.0%
Apr-24	476	18	494	1,016	100.0%	3,132	98	3,230	3,010	7.3%	1,756	57	1,813	1,143	58.6%	5,537	5,169	7.1%
May-24	188	16	204	825	-75.3%	3,670	84	3,754	3,750	0.1%	1,935	87	2,022	1,256	61.0%	5,980	5,831	2.6%
Jun-24	1,248	70	1,318	1,811	-27.2%	3,722	55	3,777	3,840	-1.6%	5,364	92	5,456	3,662	49.0%	10,551	9,313	13.3%
Jul-24	1,757	56	1,813	1,880	-3.6%	3,484	36	3,520	4,824	-27.0%	7,631	74	7,705	5,959	29.3%	13,038	12,663	3.0%
Aug-24	1,973	46	2,019	1,908	5.8%	3,553	46	3,599	3,743	-3.8%	6,855	120	6,975	5,798	20.3%	12,593	11,449	10.0%
Sep-24	1,492	53	1,545	650	137.7%	3,430	55	3,485	3,510	-0.7%	3,332	97	3,429	2,786	23.1%	8,459	6,946	21.8%
Totals	13,269	509	13,778	14,326	-3.8%	31,306	672	31,978	32,864	-2.7%	50,138	926	51,064	39,417	29.5%	96,820	86,607	11.8%
Legend for Chart:																		



**Friedman Memorial Airport
September 2024**

2024 Seat Occupancy																		
Date	Alaska Airlines				Delta Airlines				United Airlines				Seat Occupancy Totals			Seat Occupancy Totals Prior Year Comparison		
	Departure Flights	Seats Available*	Seats Occupied	Percent Occupied	Departure Flights	Seats Available*	Seats Occupied	Percent Occupied	Departure Flights	Seats Available*	Seats Occupied	Percent Occupied	Total Seats Available	Total Seats Occupied	Total Percent Occupied	% Change Total Seats Available	% Change Total Seats Occupied	Change in Load Factor %
Jan-24	40	3,040	2,127	70%	92	6,440	4,488	70%	167	11,696	8,167	70%	21,176	14,782	70%	53%	23%	-17%
Feb-24	41	3,116	2,393	77%	60	4,200	3,416	81%	158	11,066	7,934	72%	18,382	13,743	75%	23%	12%	-7%
Mar-24	39	2,964	2,359	80%	61	4,270	3,672	86%	163	11,416	9,570	84%	18,650	15,601	84%	17%	15%	-1%
Apr-24	14	1,064	657	62%	60	4,560	3,628	80%	39	2,730	2,102	77%	8,354	6,387	76%	6%	2%	-3%
May-24	4	304	200	66%	62	4,340	3,455	80%	46	3,220	1,919	60%	7,864	5,574	71%	1%	4%	2%
Jun-24	22	1,672	1,210	72%	60	4,206	3,481	83%	92	6,440	4,483	70%	12,318	9,174	74%	15%	12%	-3%
Jul-24	31	2,356	2,121	90%	62	4,340	3,766	87%	131	9,170	7,332	80%	15,866	13,219	83%	4%	5%	0%
Aug-24	31	2,356	2,057	87%	62	4,340	3,936	91%	133	9,310	7,411	80%	16,006	13,404	84%	18%	10%	-6%
Sep-24	30	2,280	1,797	79%	60	4,200	3,817	91%	75	5,250	4,154	79%	11,730	9,768	83%	30%	23%	-5%
Totals	252	19,152	14,921	78%	579	40,896	33,659	82%	1,004	70,298	53,072	75%	130,346	101,652	78%	20%	12%	-6%

Note: *Preliminary available seat calculations based on scheduled flights. Actual available seat calculations will be updated periodically when official DOT numbers are obtained.





**RULES REGULATING TIME, PLACE AND MANNER OF EXPRESSIVE ACTIVITIES,
LITERATURE DISTRIBUTION AND SOLICITATION IN UNSECURED AREAS OF
THE FRIEDMAN MEMORIAL AIRPORT**

Adopted by the Friedman Memorial Airport Authority

DATE:

PREAMBLE: This rule is intended to regulate the time, place and manner in which individuals and groups may exercise their constitutional rights to free speech at the Friedman Memorial Airport (the "Airport"), which is owned and operated by the Friedman Memorial Airport Authority (the "Authority"), so as to ensure that the security, operational efficiency and aesthetics of the Airport's terminal will not be impaired intolerably, directly or indirectly, by the use of the terminal for free speech purposes. This rule shall become effective immediately upon approval by the Authority.

SECTION ONE

The regulations set out herein are necessary for the accomplishment of the following purposes:

- (a) To ensure that persons seeking to exercise constitutional freedoms of expression can communicate effectively with users of the Airport;
- (b) To ensure protection of persons exercising free speech rights within the boundaries of the Airport;
- (c) To restrict such activities to unsecured areas of the Airport;
- (d) To protect persons using the Airport from harassment, intimidation, and unlawful conduct on the part of persons exercising free speech rights;
- (e) To ensure the free and orderly flow of pedestrian traffic through the Airport and to reduce congestion; and
- (f) To preserve and safeguard desirable aesthetic qualities and features of the Airport.

SECTION TWO - Definitions:

(a) "Expressive Activity" is defined as any protest, proselytization, propagandizement, or other communication or conveyance of an idea or ideas, or message or messages, to a general audience, the effect, propensity, or intent of which is to draw or attract a crowd or onlookers.

"Expressive Activity" does not include or refer to: communication or conveyance of an idea or ideas, or message or messages, that is incidental to the use of the Airport facilities, such as conversation, discussion or other form of contact, among and between travelers, persons employed at the Airport, and other persons who may be present at the Airport; symbolic attire such as political campaign buttons or T-shirts emblazoned with logos, phrases or statements; or any other casual use of the Airport that neither is intended to, nor has the affect or propensity of, attracting or drawing a crowd or onlookers.

(b) "Literature Distribution" is defined as the handing out or other dissemination of documents or other material containing or setting forth language or some other form of written or printed matter, symbols or images.

(c) "Solicitation" is defined as any request, whether spoken or communicated by conduct or some form of sign or message, for a donation, bequest or other form of grant of funds, money, negotiable instrument or other valuable asset, to the person making the request, or any person or group with whom the person making the request is affiliated or connected.

SECTION THREE

(a) Any person, group of persons, or organization desiring to engage in Expressive Activity, Literature Distribution or Solicitation shall first obtain a written permit from the Airport Director or his/her designee ("Airport Director"). To obtain such a permit, an applicant must submit a written application on a form prepared by and available from the Airport Director, setting forth the following information;

(1) the full name, mailing address and telephone number of the individual person or organization sponsoring, promoting or conducting the proposed activities;

(2) the number of persons proposed to be participating in the proposed activities;

(3) the subject matter of the proposed expressive activity, solicitation or literature dissemination (must describe the topic or subject of the proposed message or idea, but need not express the viewpoint that will be communicated or conveyed); and

(4) the dates and hours, the person, persons or organization requesting to conduct the proposed activities.

(b) Applicants shall submit their applications to the Airport Director a minimum of seven (7) calendar days prior to the date(s) of their proposed activities.

(c) Any person, group or organization granted a permit under this section shall upon arrival at the Airport on each day that it's the permit authorizes Expressive Activity,

Solicitation or Literature Distribution, give verbal notice to Airport Operations of his/her or its arrival at 208-720-5186.

(d) Permits issued pursuant to this section shall:

(1) limit Expressive Activity, Solicitation and the Literature Distribution of literature to the designated area (see Exhibit A, attached hereto and incorporated herein for a diagram of the area). This location may be moved at the discretion of the Airport Director to other areas in the Airport Terminal in the event of conditions as listed in Section 5, below, exist or to otherwise provide for the normal operation of the Airport;

(2) limit Expressive Activity, Solicitation and the Literature Distribution to the hours between 7:00 a.m. and 10:00 p.m.;

(3) prohibit the placement, affixation or other attachment of any matter, written, symbolic or graphic, to any Airport structure or facility;

(4) limit authorized activities to five (5) calendar days per permit period;

(5) be used solely for, and are hereby limited to the purpose set forth herein and are not transferable or assignable in whole or in part.

(e) Applicants may apply for additional permits as described in Section 3(a) for successive or additional periods of time beyond the five (5) calendar days limit.

(f) In the event that more than one applicant desires to use the designated area set forth in Exhibit A at the same or overlapping days, the Airport Director may schedule each applicant's use of an area so as to apportion equally the available time to each applicant unless applicants voluntarily agree on a division of time and space. At no time will more than one applicant be allowed to occupy a designated area.

(g) Permits will be issued based upon compliance with the provisions of this rule and at no time based upon the content of any Expressive Activity, Solicitation or Literature Distribution.

(h) The Airport Director may suspend or terminate a permit for violation of any provision of this rule.

SECTION FOUR

No sound or voice amplification device shall be used in connection with any expressive activity, solicitation, or dissemination of literature permitted under this Rule. No sign or electrical device may be connected to any Airport electric outlet.

SECTION FIVE

The Airport Director or their designee is empowered to wholly or partially restrict or suspend the activities authorized under permits issued pursuant to Section 3 in the event of emergencies that disrupt the normal operations or threaten the security of the general public, including, but not limited to, strikes affecting the operations of the Airport, aircraft, or traffic accidents, riots or civil unrest, power failures, or other emergency conditions or circumstances that disrupt the normal operations of the Airport.

SECTION SIX

No person or group may engage in Expressive Activity, Solicitation or Literature Distribution, as defined herein, unless they have obtained a permit in accordance with Section 3.

SECTION SEVEN

If any portion or section of this rule shall be declared unconstitutional by a judgment or decree or any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining portions or sections of this rule because these portions and sections would have been promulgated without the incorporation in this Rule of any such unconstitutional portion or segment.

DRAFT



RFP Process for FBO and Hangar Development

- ▶ Request For Proposals Process (Procurement Process per Idaho Code §67-2806A)
 - ▶ Started December 2022
 - ▶ On agenda every month since
 - ▶ Formal Request approved at Sept 2023 mtg
 - ▶ RFP Committee appointed
 - Chris Pomeroy – Airport Director
 - Muffy Davis – Blaine County Rep and airport VC
 - Jacob Greenberg – Hailey Rep
 - Brent Davis – financial consultant & former deputy director of finance
 - ▶ Technical advisors
 - Ron Fairfax (20-year board member and Board Treasurer)
 - Nathan Cuvala (Ardurra - engineering)
 - Brian Blackburn (staff/FBO experience)
 - Peter Kirsch (legal)
 - Jim Laski (legal)

The Committee convened a pre-submittal preparation meeting on October 25, 2023, at which time the Committee adopted a process for review of proposals and a target timeline for review of proposals and issuance of an award. At that time, the Committee adopted a rigid 'cone of silence' prohibiting communications between Committee members and prospective bidders on any matters concerning or even tangentially related to the procurement. The Cone remains in effect until final Lease is approved and awarded.

Proposals were due on January 31, 2024, in which four proposals were received (in alphabetical order):

1. Blaine County Aviation
2. Clay Lacy Aviation
3. Pacific Aviation Development et al.
4. Sky Harbour

After review, analysis and interviews, the Committee scored the proposals as follows:

FMAA RFP for Hangar Development/FBO: Average Scores of RFP Committee for Each Criteria							
Item	Criteria	Weighting Factor	Raw Score	Weighted Overall Score	Clay Lacy	Blaine County Aviation	Sky Harbour
1	Extent to which proposer commits to development that fits within the design aesthetic that characterizes the Wood River Valley and the natural environment; commits to incorporate sustainable construction and structures, be LEED compliant, reduce carbon footprint, utilize solar generation, and consider other sustainable practices as feasible.	6	(0-5)	(Max 30)	30	27.75	18.75
2	Quality, thoroughness and practicality of financial proposal; extent to which Authority financial contribution is contemplated.	6	(0-5)	(Max 30)	28.2	27	22.5
3	Proposer's financial responsibility and capability to construct the improvements and to initiate operations.	5	(0-5)	(Max 25)	23.125	21.25	21.25
4	Proposal demonstrates Proposer's commitment to the Valley's and Airport's community values including plans to comply with the voluntary noise abatement policies and procedures, and general contributions to the community: design of facilities is consistent with esthetic of the Airport.	5	(0-5)	(Max 25)	25	24.375	17.5
5	Consistency of proposed facilities and operations with the Airport's Minimum Standards and Rules and Regulations (as amended) and other Authority/City/County requirements.	4	(0-5)	(Max 20)	20	19	17
6	Proposer's key personnel experience with design, finance, construction, operation, maintenance and repair of commercial aeronautical facilities.	3	(0-5)	(Max 15)	13.875	12.375	12.75
Raw Scoring:		Score:		(Max 145)	140.2	131.75	109.75
5 – Outstanding							
4 – Very Good							
3 – Satisfactory							
2 – Barely Acceptable							
1 – Inadequate							
0 – Unacceptable							
4-Jun-24							

The chart sets forth the average scores of the Selection Committee for each criteria.

The Selection Committee unanimously scored Clay Lacy the highest, both collectively and for each criteria, with a total score of 140.2 out of a possible 145.

At the July 2 meeting, the Board accepted the recommendation of the Selection Committee and directed staff to enter into negotiations with Clay Lacy for an FBO/Hangar Lease consistent with its Proposal.

The Lease before the Board today for consideration is the result of those negotiations. An Executive Summary of Material Terms is as follows:

Executive Summary of Material Lease Terms: FMAA – Clay Lacy Lease (draft 10.31.24)

- **Identification of improvements – Exhibit D**
 - Initial Improvements – to meet minimum standards
 - 150,000 SF ramp space
 - 39,000 SF Buildings (Hangars/FBO)
 - 92,000 Gallon Fuel Farm
 - Planned Improvements
 - 130,000 SF additional ramp space
 - 95,000 SF additions buildings (FBO/Hangars)
 - FMAA/City of Hailey Design Review to review/approve final plans and specs (§ 5.10)
- **Timing of improvements – Section 5.02**
 - Development Period
 - 2 years from DOE to start construction
 - 4 years from DOE to complete Initial Improvements (minimum standards)
 - 5 years from DOE to complete all Planned Improvements
- **Term of Lease - 2.02 & 2.03**
 - Development Period – Up to 4 Years from DOE (date of execution of lease)
 - Initial Term 20 years commences sooner of when open for business or 4 years from DOE
 - Up to three 10-year options based on investment (10 years for every \$2.5MM over Initial Improvements)
- **Rent - 3.01**
 - Development Period (years 1 - 4): 25% of full rate (approx. \$125k annual
 - Subject to CPI increase each year
 - Initial Term + \$1.10 sf (approx. \$500,000 annual)
 - Subject to CPI increase for each year going forward including extensions
 - 5% revenue share (percentage rent) on aircraft parking & hangar rental fees
 - 1% revenue share on gross sales on gross sales (Exhibit E)
 - Other revenues based on Rates and Charges Schedule
 - Landing fees
 - Fuel flowage

The Board Action, when appropriate; would be to vote to approve the Airport Lease Agreement between FMAA and Clay Lacy and authorize the Chair to sign.

Following approval, the Lease provides the opportunity for the FMAA to review and approve final design plans and such plans will also be subject to the City of Hailey Design Review Standards.

AIRPORT LEASE AGREEMENT

This Airport Lease Agreement is effective as of the DATE, by and between the **FRIEDMAN MEMORIAL AIRPORT AUTHORITY**, (hereinafter referred to as “**Lessor**”), and **CLA SUN REAL ESTATE HOLDINGS LLC**, a Delaware limited liability company (hereinafter referred to as “**Lessee**”).

WITNESSETH:

WHEREAS, the Lessor operates an Airport, designated as Friedman Memorial Airport, in the City of Hailey, Idaho, hereinafter called the “**Airport**”;

Whereas, in response to Request for Proposals issues by Lessor, Lessee’s proposal to construct a fixed base operation including hangar space dated January 31, 2024 (“**Proposal**”) was selected by Lessor;

WHEREAS, the Lessee wishes to construct and operate a commercial aeronautical service generally consistent with the Proposal and desires the privilege of using the Airport and its facilities upon the terms and conditions hereinafter set forth; and

WHEREAS, for the purpose of this Lease, an “**Affiliate**” of Lessee shall mean any Person (defined as a natural person, corporation, limited liability company, partnership, estate, trust, or other entity) that, directly or indirectly, is in control of, is controlled by or is under common Control with, the Lessee. “**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person. For the purpose of this Lease, all obligations of Lessee (to the extent applicable) shall also apply to Lessee Affiliates that are assignees, sublessees of, or in contract with Lessee or that are managers or operators of, or occupy, any portion of the Leased Premises.

NOW, THEREFORE, Lessor does hereby lease unto Lessee, and Lessee does hereby lease from Lessor, the Leased Premises, described in Paragraph 1.01 below, together with certain facilities, rights, licenses, services and privileges on and in connection with the Airport, and the parties agree as follows:

ARTICLE I.
LEASED PREMISES

1.01 Description. Lessor leases to Lessee, on the terms and conditions stated below, the Leased Premises as described with particularity in **Exhibit "A"** attached hereto and made a part hereof. The Leased Premises are comprised of Parcels **PARCEL NUMBERS** and as depicted on **Exhibit "B"** attached hereto and made a part hereof.

1.02 Use of Premises. Lessee shall use the Leased Premises as a Fixed Base Operator pursuant to and in accordance with the Amended Minimum Standards For Commercial Aeronautical Service Providers at The Friedman Memorial Airport as currently enacted or as they may be amended from time to time (hereafter "**Amended Minimum Standards**"), hereafter attached as **Exhibit "C."**

In addition, Lessee's use of the Leased Premises shall be subject to, and in accordance with, the laws, rules and regulations of the United States of America, State of Idaho, City of Hailey, Lessor and any other governmental bodies having jurisdiction over the Airport and/or the Leased Premises.

1.03 Excluded Uses. Lessee shall not engage in any of the following activities from or on the Leased Premises without the express written consent of Lessor:

- A. commercial automobile leasing, commercial taxi or commercial limousine services, except that Lessee may act as an agent of an existing service, provided that said service operates under a written agreement with Lessor;
- B. barber or valet services;
- C. restaurant, food or beverage services open to the public, however, Lessee may maintain a catering facility with a delicatessen for the exclusive use of its customers, which facility may provide catering for customer flights and may provide on-premises food service for customers (except beer, wine and alcoholic drinks) and shall not compete with any Airport

terminal food and beverage facilities and shall not advertise such services to Airport users other than its aviation customers;

D. sell or distribute alcoholic beverages, beer or wine; and

E. public parking, nor advertising or allowing Lessee's parking Lot to be available for public use and/or transporting users of Lessee's parking Lot to the Airport Terminal, however, lessee may provide parking for its clients and may charge for this service.

1.04 Condition of Premises. Lessee agrees to lease the above-described premises on an "as is" basis. Upon Lessee's commencement of construction activity of any type upon the Leased Premises, Lessee shall have been deemed to have approved the conditions of the Leased Premises.

ARTICLE II.

TERM

2.01 Development Period. The Development Period of this Lease shall commence on the date of this Lease and terminate on the date of the Initial Term Commencement Date, as defined in Paragraph 2.02, below. The construction of the facilities generally consistent with the Proposal and as identified in **Exhibit "D"** shall commence and proceed during the Development Period.

2.02 Initial Term. The Initial Term of this Lease shall be for a total of twenty (20) years and shall commence on the date that Lessee opens a building for business, as verified by written notice from Lessee, on the Leased Premises (the "**Initial Term Commencement Date**"), but in no event later than the date that is the fourth (4th) anniversary of date of this Lease, and shall terminate on the twentieth anniversary of the Initial Term Commencement Date, unless extended pursuant to Paragraph 2.03, below.

2.03 Extended Term(s). Provided Lessee is not in default beyond any applicable period to cure at any time between the exercise of this option and the expiration of the then current term, for every \$2,500,000.00 (two million, five hundred thousand dollars) of capital deployed in

excess of the Initial Improvements (as defined in Section 5.02 below), Lessee shall be entitled to one (1) ten (10) year Extension Term, up to three (3) ten (10) year Extension Terms (each, an “**Extension Term**”) in total, unless any such extension is found by the FAA to be in violation of the Lessor’s grant assurance obligations to the federal government. Notwithstanding the forgoing, at no time shall any combination of the Initial Term and any Extension Term(s) exceed fifty (50) years. Each Extension Term shall be exercised by Lessee by giving Lessor written notice not less than one (1) year, but not more than eighteen months, prior to the expiration of the then current Term.

2.04 Early Termination by Lessor. Notwithstanding the foregoing, in the event that Lessor determines, at its sole discretion, that the Airport will no longer be operated as a public airport, Lessor shall promptly notify Lessee, in writing, of such determination and this Lease shall terminate on the date which is not less than two (2) years from the date of delivery by Lessor of such notice. The rights of the parties upon such a termination shall be in accordance with Section 4.02, below.

ARTICLE III.

RENTAL

3.01 Rent.

(a) Rent for the Leased Premises during the Development Period. Rent for the entire Leased Premises during the Development Period shall be paid at an annual rate of Twenty Five Percent (25%) of the Rent amount due for the Initial Term on the Initial Term Commencement Date (i.e., \$31,21.75 per quarter) payable on a quarterly basis, in accordance with subsection (c), below, and adjusted annually in accordance with Section 3.02 below.

(b) Rent for the Initial Term. Commencing on the Initial Term Commencement Date, the Rent for the Initial Term shall be paid quarterly at the annual rate of \$1.10 per square foot of the Leased Premises (which consists of 453,024 sq. ft.) or **\$498,326.00**, for a total of **\$124,851.00** per quarter. Rent for any Extension Term(s), if exercised, shall be calculated by continuing the Rental Rate Adjustments in accordance with Section 3.02 below. If the Initial Term Commencement

Date occurs on date that is not the first day of the quarter, then the Rent amount for such quarter shall be prorated such that from the first day of the quarter to the Initial Commencement Date the Rent amount shall be the Development Period rent amount and for the period following the Initial Commencement Date to the end of such quarter the Rent amount shall be the Initial Term rent amount.

(c) Rent payments shall be payable on the first day of each quarter (January 1, April 1, July 1, and October 1) during the Term, subject to changes as provided in Paragraph 3.02, below. The first payment of rent shall be due on upon the execution of this Lease Agreement and shall be *pro rated* for the existing quarter.

(d) If the rent due is not received by Lessor within fifteen (15) days of the due date, then interest of eighteen percent (18%) per annum will be charged on the unpaid amount.

3.02 Rental Rate Adjustments. The annual rent for the following calendar year shall be adjusted in August of each year through the Term of this Lease, and for each successive Extension Term thereto, for inflation as set forth below. The computation of the adjustment of the annual rent shall be based upon the cost-of-living index as shown by the column in the "Consumer Price Index, All Items Index" for the Pacific Cities and United States City Average for all urban consumers, Class West-C, published monthly in the "Monthly Labor Review" of the United States Department of Labor, and as also found in the "Economic Indicators" published by the United States Government Printing office for the Joint Economic Committee by the Council of Economic Advisors, or if this Index is discontinued, a successor index. The basic index number shall be that index number as of the Initial Term Commencement Date. The sums set forth in Paragraph 3.01, above, shall be increased annually by the percentage increase shown by the index at August of each year as compared to the basic index as set forth above. The first adjustment shall be made for the year commencing after the Initial Term Commencement Date. The annual rent shall not be increased by more than ten percent (10%) in any one year. In the event that the index number shall decrease in any year from the previous year's index number,

there shall be no adjustment for that year. Rent for the Extended Term, if applicable, shall be calculated in accordance with this provision.

3.03 Additional Rent – Percentage. In addition to the foregoing, Lessee shall pay directly to the Lessor as Additional Rent for the commercial use of the Leased Premises, a sum equivalent to the stated percentage(s) of sales from only those Fixed Base Operation Services (“FBO Service”) of Lessee’s commercial operations originating at the Airport as defined in **Exhibit “E”**. In the event Lessee undertakes a new FBO Service during the Initial Term, or any Extension Term thereto, that is both consistent with Section 1.02 herein and approved by Lessor, the Parties shall work in good faith to add or delete such new FBO Service and its attendant percentage of Additional Rent by Amendment to **Exhibit “E”** within ninety (90) days following approval by Lessor of such new FBO Service.

3.04 Additional Rent for Signatory Landing Fees. Notwithstanding Paragraph 3.03, above, in the event Lessee conducts air taxi and/or air charter operations at the Airport, Lessee shall pay to Lessor Signatory Landing Fees as included in the then current Rates and Charges Schedule. Signatory Landing Fee rates will not apply to aircraft managed by Lessee or its Affiliates. Lessee managed aircraft will be subject to Transient Landing Fees per the Rates and Charges Schedule.

3.05 Other Fees. Nothing in this Lease shall exempt Lessee from the payment of other costs and fees as set forth on the Friedman Memorial Airport Rates and Charges Schedule, as may be updated from time to time, including but not limited to Aviation Fuel Flowage, Aircraft Landing and Aircraft Parking. Said fees shall be reported and paid on a monthly basis in a manner consistent with Additional Rent as set forth in Section 3.06, below.

3.06 Payment of Additional Rent. Beginning thirty days following the Initial Term Commencement Date, Additional Rent shall be due and payable to Lessor on or before the first (1st) day of the month of each and every month during the Term of this Lease, as the same may be extended pursuant to the terms hereof. Any Additional Rent not received within fifteen (15)

days of the due date shall bear interest at the rate of eighteen percent (18%) per annum. Lessee agrees to furnish, or cause to be furnished, to Lessor a detailed statement of gross sales from commercial operation for the preceding calendar month *on or before the fifteenth (15th) day of the following calendar month*. Such statements shall be signed by Lessee. Lessee shall keep full and accurate books and account records and other pertinent data of the gross sales (including the gross sales of any subtenant, licensee or concessionaire), and such books and records shall be kept for a period of two (2) years after the close of each calendar year. The receipt by Lessor of any statement or any payment of Additional Rent for any period shall not bind Lessor as to the correctness of the statement or payment. Within two (2) years of the receipt of such statement, Lessor, at any time, shall be entitled to an audit of gross sales, either by Lessor or by an accountant designated by Lessor. Such audit shall be limited to the determination of gross sales, and shall be conducted during normal business hours, at the Leased Premises. If it shall be determined as a result of such audit that there has been a deficiency in the payment of Additional Rent in excess of five percent (5%) for any month, the such deficiency, together with the full cost of the audit, shall become immediately due and payable by Lessee to Lessor with interest at the rate of eighteen percent (18%) per annum from the date when said payment should have been made. If, on the other hand, the audit determines that there has not been an overpayment of Additional Rent, Lessor shall pay the entire cost of the audit, and, if the audit shows that there has been an overpayment of Additional Rent, Lessor shall reimburse such amount to Lessee within thirty (30) days of the determination of such overpayment. Any information gained from such statements or inspections shall be confidential and shall not be disclosed other than to carry out the purposes hereof.

ARTICLE IV.

RIGHTS OF LESSEE

4.01 Use of Non-Exclusive Public Airport Facilities. Lessee shall have the right of non-exclusive use, in common with the other authorized users, of all public Airport facilities and improvements which are now or hereafter provided at said Airport. Such public Airport facilities

and improvements may be changed, altered or modified from time to time at the discretion of Lessor and Lessee hereby acknowledges and agrees that Lessor does not guarantee any level of aviation activity at the Friedman Memorial Airport and, in fact, Lessor may pass regulations in the future which may greatly lessen the amount of aviation activity at the Airport. In the event Lessor engages in any construction activities at the Airport, Lessor shall exert reasonable effort to avoid interference with Lessee's operations; however, Lessee agrees that Lessor shall have no liability to Lessee for inconvenience or loss of business which may be caused by such construction activity.

Lessee further agrees that its right to use said public facilities and improvements in common with others shall be subject to, and Lessee agrees to act in accordance with, the laws, rules and regulations of the United States of America, State of Idaho, City of Hailey, County of Blaine, the Friedman Memorial Airport Authority, the Federal Aviation Administration, the Transportation Security Administration, and other governmental entities now or in the future having jurisdiction over use and operations of Airport facilities and improvements.

4.02 Operation as Public Airport. Lessor covenants that at any time the Airport is subject to the sponsor's assurances given by the Authority to the United States government under the Airport and Airway Improvement Act of 1982, as the same may be amended from time to time, that it will operate and maintain the Airport as a public airport consistent with and pursuant to those assurances.

In the event that the Airport will no longer be operated as a public airport, as specified in the foregoing, Lessor shall promptly notify Lessee in writing, subject to the provisions of Section 2.04 herein, of such determination and Lessee may elect to proceed from one or a combination of the following, as deemed appropriate by Lessee:

(a) Lessee may give written notice to Lessor, at any time after receipt of Lessor's notice, that Lessee has elected to terminate this Lease, which notice shall specify the termination date, and upon such specified date, this Lease shall terminate and both parties shall thereupon

be released from any further obligations hereunder except for liabilities, actual or contingent, which arose prior to said date of termination.

(b) After receipt of Lessor's notice, Lessee may give written notice to Lessor that Lessee intends to continue with the Lease, and the parties shall meet and negotiate in good faith regarding a reduction in rent and/or revisions of other terms and conditions of this Lease, as may be deemed appropriate by the parties. If, despite such good faith negotiation, the parties are unable, within six (6) months of lessor's receipt of Lessee's notice, to reach agreement regarding the renegotiated terms and conditions of this Lease, Lessee may elect, at any time thereafter during the remaining Term of this Lease, to terminate this Lease by giving notice to Lessor that it has elected to terminate the Lease, which notice shall specify the termination date, and upon such specified date, this Lease shall terminate and both parties shall thereupon be released from any further obligations hereunder except for liabilities, actual or contingent, which arose prior to said date of termination.

(c) In the event that the federal Assurances are to be transferred to a new airport location, Lessor shall also notify lessee of such relocation, at the same time as it gives notice to lessee of the cessation of the operation of the Airport as a public airport, and Lessee shall have the right to relocate to the new airport location, upon terms and conditions of a new lease, to be negotiated, in good faith, between the parties within six (6) months after Lessee's receipt of Lessor's notice of such relocation. During such six (6) month period, Lessor agrees that it shall negotiate exclusively with Lessee with respect to a new lease at the relocation site. If, despite such good faith negotiations, the parties are unable, within such six (6) month period, to reach agreement regarding the terms and conditions of the relocation lease, Lessee may elect, at any time thereafter during the remaining Term of this Lease, to terminate this Lease by giving notice to Lessor that it has elected to terminate the Lease, which notice shall specify the termination date, and upon such specified date, this Lease shall terminate and both parties shall thereupon be released from any further obligations hereunder except for liabilities, actual or contingent, which arose prior to said date of termination.

(d) Notwithstanding anything to the contrary herein, Lessee shall be entitled to combine its options set forth above, to the effect that it may seek to establish a new site at the new relocated airport, and/or to continue its occupancy at the current Airport location, under the terms and conditions of negotiated or renegotiated leases, as the case may be, pursuant to the foregoing.

4.03 Use of Taxi Lane. As a result of FAA mandated changes to Airport circulation patterns, Lessee shall remove its aircraft from taxi lanes as quickly as possible to avoid obstructing the passage of other aircraft.

ARTICLE V.

OBLIGATIONS OF LESSEE

5.01 Construction of Facilities. Lessee agrees to commence and diligently proceed to completion all facilities included in **Exhibit "D"** consistent with approved plans and consistent with the timeframes set forth in Section 5.02, below.

5.02 Commitments Included in Exhibit "D". Construction of the "Initial Improvements," defined as only those improvements which meet the Amended Minimum Standards for the Airport in effect as of the Effective Date of this Lease, shall begin no later than the 1st day of the 24th month (the "Initial Improvements Construction Commencement Deadline") of the Lease, subject to extension for *force majeure*, and shall be substantially complete no later than the 48th month, subject to extension for *force majeure*. For the purposes of the preceding sentence, the "Substantial Completion of the Initial Improvements" shall be defined as having received final acceptance of all permits and/or a certificate of occupancy or an administrative Temporary Certificate of Occupancy for only the Initial Improvements. Any improvements that exceed the Initial Improvements as shown in **Exhibit "D"**, referred to as Planned Improvements, shall be completed no later than the 60th month following Lease Commencement, subject to extension for *force majeure*. The Initial Improvements and Planned Improvements are collectively, the "Improvements." Any extension to the foregoing dates as a

result of *force majeure* event shall commence upon written notice of the event to Lessor and shall last only as long as such event materially adversely impacts Lessee's construction schedule.

Notwithstanding the foregoing, Lessor and Lessee acknowledge that the construction of the Improvements described in **Exhibit "D"** are subject to certain contingencies, including but not limited to the relocation of the Airport's Automated Weather Observation System ("AWOS"), the relocation of which shall be completed at the Lessee's sole expense. Lessor agrees to work cooperatively and in good faith with Lessee to identify a suitable location for relocation of the AWOS, and/or a waiver from the Federal Aviation Administration ("FAA") of FAA Order JO 6560.20C to allow the construction of the Improvements. In the event the AWOS cannot be relocated or waiver from the FAA is unable to be obtained, Lessor agrees to work in good faith with Lessee to amend the Initial Improvements in **Exhibit "D"** to meet the Amended Minimum Standards in effect on the date hereof.

Notwithstanding the foregoing, in the event the buildable areas of the Premises, defined as areas unrestricted by both FAA Order JO 6560.20C and 14 CFR Part 77, do not allow for the construction of the Initial Improvements, Lessee shall have the option to terminate this Agreement without penalty on not less than thirty (30) days' notice. Lessee agrees to fully abide by in all material respects all commitments and covenants identified in the attached **Exhibit "D"** and incorporated into this Lease by this reference. Lessee's failure to conform and fully comply in all material respects with said commitments and covenants shall constitute a default under Paragraph 8.01.B. below.

5.03 Garbage and Waste Removal. Lessee agrees to cause to be removed promptly at its own expense from the Leased Premises all waste, including all petroleum products, garbage and rubbish and agrees not to deposit the same, except temporarily in connection with collection for removal, on any part of the Leased Premises, the drainage system or other property of the Lessor constituting the Airport.

5.04 Environmental Regulations. Lessee shall not use, or permit any tenant,

occupant or other party or entity to use the Leased Premises, or any part thereof, for the purpose of generating, treating, producing, storing, handling, transferring, processing, transporting, disposing or otherwise releasing "Hazardous Substances," as hereinafter defined, either on, in, from or about the Leased Premises which:

A. Creates or causes a contamination either on the Leased Premises or elsewhere required by any governmental authority to be removed, remedied or otherwise cleaned up under any applicable "Environmental Law," as defined below;

B. Creates any form of liability, civil or criminal, direct or indirect, due to such contamination; or

C. Is in contravention of any Environmental Laws. The terms "Environmental Law" and "Environmental Laws" as used in this Airport Lease Agreement include any and all current and future federal, state and local environmental laws, statutes, rules, regulations and ordinances, as the same shall be amended and modified from time to time, including but not limited to "common law", the Comprehensive Environmental Response, Compensation and Liability Act, as amended from time to time ("CERCLA"), the Resource Conservation and Recovery Act, as amended from time to time ("RCRA"), and the Toxic Substances Control Act, as amended from time to time ("TSCA"). The term "Hazardous Substances" as used in this Airport Lease Agreement includes any and all "Hazardous Substances" as defined in CERCLA, any and all "Hazardous Wastes" as defined in RCRA, any and all "Toxic Substances" as defined in TSCA, petroleum products, asbestos or asbestos containing materials, polychlorinated biphenyls ("PCB's"), radon gas, urea formaldehyde foam insulation ("UFFI") and any and all other hazardous substances, hazardous wastes, pollutants and contaminants regulated or controlled by any Environmental Law.

Lessee shall, in the event of any discharge, spill, injection, escape, emission, disposal, leak or any other release of hazardous substances on, in, under, onto or from the Leased Premises which is not authorized by a currently valid permit or other approval by the appropriate governmental agencies, promptly notify Lessor, the Environmental Protection Agency National

Response Center and the appropriate State Department of Environmental Resources, and shall take all steps necessary to promptly clean up such discharge, spill, injection, escape, emission, disposal, leak or any other release in accordance with the provisions of all applicable Environmental Laws, and shall receive a certification from the appropriate State Department of Environmental Resources or Federal Environmental Protection Agency, that the Leased Premises and any other property affected has been cleaned up to the satisfaction of those agencies.

Lessee shall and does hereby grant Lessor and Lessor's agents, employees, contractors and designees an irrevocable license (coupled with an interest) to enter the Leased Premises from time to time to:

- A.** Evaluate and monitor the Leased Premises for compliance with all Environmental Laws and the terms of this Airport Lease Agreement;
- B.** To evaluate the presence of hazardous substances; and
- C.** To perform appropriate tests and test borings, including taking soil and groundwater samples.

Lessee shall provide Lessor with all notices and other communications received from federal, state and local agencies and departments which enforce and administer the Environmental Laws. From time-to-time Lessee shall provide Lessor, upon request, any and all information requested by Lessor, concerning the use of the Leased Premises and Lessee's compliance with the Environmental Laws and the terms of this Airport Lease Agreement, including but not limited to, all licenses, permits and certificates and the books and records pertaining to the Leased Premises.

Lessor shall be under no obligation or duty to inspect for or discover any Hazardous Substances on the Property.

Lessee agrees that any materials or other items found in, on, under or around the Property which qualifies as Hazardous Substances, or are otherwise deemed unacceptable by Lessor, shall be immediately removed from the Property, at Lessee's sole cost and expense, in compliance with all applicable Environmental Laws. For the avoidance doubt, Lessor and Lessee

agrees and acknowledges that Lessee is responsible for any pre-existing conditions of the Leased Premises upon the effective date of this Agreement.

5.05 Snow Removal. Lessee hereby agrees to provide and be responsible for, at Lessee's cost, all snow removal on the Leased Premises. In addition, Lessee shall be solely responsible for the removal of any and all snow or water which accumulates around the Leased Premises. Under no circumstances shall said snow removal interfere with Airport operations. Lessee hereby expressly agrees to promptly notify and reimburse Lessor for any and all damage occasioned by the operation of Lessee's snow removal equipment. Lessee shall ensure that any contractor it engages for snow removal operations complies with all airport policies and procedures.

5.06 Utility Connections. Lessee may contract for and make connections to public utility services as are available; however, said connections shall not extend off the Leased Premises unless Lessor has given prior written approval. Lessor shall grant appropriate easements at suitable locations for utility connections. Lessor and Lessee further agree to cooperate in good faith cooperatively toward creating an access location to west of the Leased Premises which may require appropriate easements, cost sharing measures and/or amendments to this Lease.

5.07 Fire Prevention. Lessee shall exercise due and reasonable care and caution to prevent and control fire on the premises and to that end shall comply throughout the Leased Premises with the rules and regulations as set forth by the city of Hailey's fire control officials.

5.08 Maintenance. Subject to Section 5.19 below, Lessee shall keep and maintain the Leased Premises, all improvements of any kind located thereon, in good and substantial repair and condition (ordinary wear and tear excepted), including the exterior condition thereof, and make all necessary repairs and alterations thereto. Lessee shall provide proper containers for trash and garbage and shall keep the Leased Premises free and clear of rubbish, debris and litter at all times. Lessor shall at all times during ordinary business hours have the right to enter upon and inspect the Leased Premises. Such inspection shall be made only at a mutually agreeable

time; provided, however, that Lessor shall have the right to enter upon the Leased Premises, at any time in the event of an emergency (defined as a circumstance which imposes a real and immediate risk of injury to a person or serious damage to property) it being understood that Lessor shall nevertheless advise Lessee of such emergency entry as soon as reasonably possible.

5.09 Encumbrances. Lessee shall not encumber the fee title of the Leased Premises by mortgage, pledge, lien or otherwise without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Lessee or any approved assignee or sublessee of Lessee, may place a mortgage or deed of trust on its leasehold interest (including any improvements constructed on the Leased Premises); provided, however, that such mortgage or deed of trust shall not encumber Lessor's fee title to the Leased Premises; provided further, that:

A. In the event Lessee is in default under this Lease, Lessor agrees to give written notice of such default to Lienholder under any such mortgage or deed of trust ("Lienholder"), whose name and address have been furnished to lessor by Lessee or Lienholder. Lessor shall not terminate this Lease, re-enter the leased Premises, or exercise any other remedy available at law which would affect Lessee's rights under this Lease, provided said Lienholder has cured said default within the time allowed to lessee for the same hereunder or within thirty (30) days after receipt of said notice of default by Lienholder, whichever is greater.

B. In the event Lessee fails to cure any such default and Lessor proposes to declare the Term of this Leases ended by reason of such default, Lessor, simultaneously with the sending of the notice of termination, shall send to Lienholder an offer to enter into a new lease with said Lienholder or its designee on the same terms and conditions as this lease, except that the Lessee shall be said Lienholder or its designee, the commencement date shall be the first day of the first calendar month following the date said Lienholder or its designee mails the new Lease to Lessor, and the termination date of the new lease shall be the expiration of the then remaining term (including any extension terms) of this Lease. The offer may be accepted by mailing within sixty (60) days of the date said offer was sent by Lessor, two (2) duly executed originals of the new

Lease to Lessor together with payment of, or evidence of the payment of, all sums due and unpaid under this Lease as of the date of notice referred to in Paragraph 5.09.A., above, and sums accrued through the commencement date of the new lease. Upon receipt of said new lease and said payment or evidence of payment, Lessor shall execute both originals of said new lease and return one (1) fully executed copy thereof to the new Lessee. Upon the commencement date of the new lease, this Lease shall terminate and be of no further force and effect.

C. Should said Lienholder or its designee acquire Lessee's leasehold interest in the Leased Premises through a foreclosure of such mortgage or deed of trust or any transfer in lieu thereof, said Lienholder or its designee shall have the right to attorn to Lessor, provided said Lienholder or its designee cures all defaults of Lessee under this Lease existing at the time of such attornment, which are within the power of said Lienholder or its designee and Lessor shall have the same rights and obligations toward one another which they would have had had this Lease been entered into with Lessor, as Lessor, and said Lienholder or its designee, as Lessee. Lessor agrees to execute any documents reasonably required by said Lienholder or its designee in connection with Lessor's obligations under this Paragraph 5.09.

D. With respect to a designee of Lienholder under Paragraph 5.09.B or 5.09.C., immediately above, the prior written consent of Lessor to such designee shall be required, which consent shall not be unreasonably withheld, so long as designee has (i) expertise (or engages a manager, operator or service provider with the requisite expertise) and financial ability comparable to that of Lessee's as of the date of this Lease, and (ii) the ability to provide (which may be through the engagement of a service provider, operator or manager) commercial aeronautical services (as referenced in Paragraph 1.02, above) comparable to that of Lessee's as of the date of this Lease. If any said Lienholder or its designee acquires Lessee's leasehold interest in the Leased Premises through a foreclosure of such mortgage or deed of trust or any transfer in lieu thereof, notwithstanding the terms of Section 9.01 hereof, such party shall have the one-time right to transfer its interest in this Lease (or the new lease, if applicable) to a third party purchaser, subject to the consent of Lessor, which consent shall not be unreasonably withheld,

so long as such third party purchaser has (i) expertise (or engages a manager, operator or service provider with the requisite expertise) and financial ability comparable to that of Lessee's as of the date of this Lease, and (ii) the ability to provide (which may be through the engagement of a service provider, operator or manager) commercial aeronautical services (as referenced in Paragraph 1.02, above) comparable to that of Lessee's as of the date of this Lease.

E. Notwithstanding that Lienholder may become Lessee under Paragraph 5.09.B., above, Lienholder may exercise the use permitted under Paragraph 1.02 if Lienholder, either itself or through an operator, has the ability to provide the commercial aeronautical services (as referenced in Paragraphs 1.02 and 5.09.D., above).

5.10 Lessor Approval of Plans and Specifications. No construction, improvements, alterations and/or remodels, including the erection or posting of signs or the installation of lights, shall be carried out by Lessee except in accordance with plans and specifications which have been approved in writing in advance by the Lessor, the Federal Aviation Administration and the City of Hailey, and which comply with the requirements of Blaine County Airport Commission Regulation No. 90-1, as amended from time to time. In addition, all exterior lighting shall comply with the City of Hailey's "Dark Sky" Ordinance. It is agreed that any improvements, new construction, alterations or remodeling undertaken on the Leased Premises shall be at no cost to the Lessor and the Lessor shall be held harmless from any costs incurred in providing such facilities. In addition to the foregoing, a condition precedent to any improvement, new construction, alteration or remodeling of the Leased Premises is the completion of the Airport Construction Alteration Application process and receipt of written approval from Lessor for the proposed work. Said application must be submitted at least fourteen (14) days in advance of the planned commencement date of any project.

Notwithstanding the foregoing, for any maintenance, alterations, or modifications to the Improvements ("**Modifications**") following receipt of Certificate of Occupancy which neither materially change the façade of the Improvements that is inconsistent with the character of the Improvements, alter the intended use of the Improvements or materially adversely impact other

tenants at the Airport or the Airport itself, Lessee shall be permitted to make such Modifications without the written approval of the Lessor.

5.11 Taxes. Lessee agrees to pay all lawful taxes and assessments which during the Term hereof or any extension may become a lien or which may be levied by the State, County, City or any other tax levying body upon the Leased Premises or upon any taxable interest by Lessee acquired in this Lease or any taxable possessory right which Lessee may have in or to the Leased Premises or facilities hereby leased or the improvements thereon by reason of its occupancy thereof as well as all taxes on all taxable property, real or personal, owned by Lessee in or about said Leased Premises. Upon making such payments, Lessee shall give to the Lessor a copy of the receipts and vouchers showing such payment. Upon any termination of tenancy, all personal property taxes then levied or then a lien on any of said property or taxable interest therein shall be paid in full without proration by Lessee forthwith or as soon as the statement thereof has been issued by the tax collector.

5.12 Utilities. Lessee shall promptly pay any charges for sewer, water, gas, electricity, telephone, and all other charges for utilities which may be furnished to the Leased Premises at Lessee's order or consent.

5.13 Liens. Lessee agree to pay, when due, all sums of money that become due for, or purporting to be due for any labor, services, materials, supplies, utilities, furnishings, machinery, or equipment which have been furnished or ordered with Lessee's consent to be furnished to or for the Lessee in, upon or about the Leased Premises, which may be secured by any mechanic's, materialmen's or other lien against the Leased Premises or Lessor's interest therein, and will cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due, provided that the Lessee may in good faith contest any mechanic's or other liens filed or established, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest.

5.14 Signs. Lessee shall not erect, install, operate or cause or permit to be erected, installed or operated upon the Leased Premises any sign, advertising device or communication structure without the prior written consent of Lessor, not to be unreasonably withheld, as to the size, construction, location and appearance of such sign, communication structure or advertising device and, if required by ordinance, the City of Hailey.

5.15 Title to Improvements. Lessee may install on the Leased Premises any trade fixtures and equipment Lessee deems desirable, and they shall remain Lessee's personal property. Lessee may remove any such trade fixtures and equipment at any time during the Term of this Lease, but shall repair any damage to structural portions of any buildings caused by removal of such trade fixtures and equipment. Fee title to all improvements located on the Leased Premises, together with all additions, alterations and improvements thereto, even though a part of the realty, shall be and remain in Lessee during the Term of this Lease. Upon termination of this Lease by the passage of time or otherwise, Lessor shall have the option to require Lessee to remove, at Lessee's expense, all structures, installations and improvements within sixty (60) days after the termination of the Lease. Lessor shall give Lessee written notice at least one (1) year prior to the termination of the Lease of its intent to either exercise or not exercise its option to require removal of such structures. In the event Lessor does not require such removal, title to all such structures, installations and improvements shall be vested in Lessor upon the expiration or sooner termination of this Lease.

5.16 Key Boxes. Lessee shall provide key boxes, as defined in the current fire codes adopted by the City of Hailey and shall provide keys for said key boxes to the City of Hailey Fire Department.

5.17 Taxiway. Lessee shall keep all runways, taxiways and ramps clear of any aircraft or other equipment and material associated with Lessee's use of the Leased Premises.

5.18 Special Events. During special events and periods of high aircraft activity, Lessee shall coordinate with Lessor, the Airport Director, and Airport Operations staff, to

maximize the use of space on the airfield, ensure safety, and provide for maximum operational flexibility.

5.19 Damage and Destruction.

A. If more than 25% of the Improvements constructed on the Leased Premises are damaged by fire or other casualty, such that they are not reasonably able to be repaired within one hundred twenty (120) days from after the casualty, Lessee, at its option, may: (a) terminate the Term of this Lease by written notice to the Lessor, in which event rent shall be abated as of the date of the fire or other casualty; or (b) to the extent insurance proceeds are available therefor, repair and reconstruct the Premises to substantially the same condition as existed immediately prior to such casualty loss.

B. If the Leased Premises are damaged by fire or other casualty to a lesser extent than specified in Paragraph A, above, Lessee shall promptly commence and diligently continue work through completion, the repair and reconstruction of the Premises to substantially the same condition as existed immediately prior to such casualty loss.

C. All casualty proceeds relating to the Improvements shall be the property of the Lessee. Notwithstanding the foregoing, in the event Lessee exercises its right to terminate the Lease as specified in Paragraph A, above, Lessor may require Lessee to remove the damaged Improvements and restore the Leased Premises to its original condition.

ARTICLE VI.

RIGHTS OF LESSOR

6.01 Payments by Lessor Recoverable from Lessee.

A. Lessor shall have the right during the Lease Term to pay any taxes, assessments, water, sewer or other charges on the Leased Premises and any reversionary interest therein remaining unpaid after the same have become due and payable; and the amount paid shall be so much additional rent due from Lessee at the next rent date after any such payment with interest thereon at the rate of eighteen percent (18%) per annum from the date of payment thereof by Lessor.

B. If Lessor, at its option, shall advance or pay any such taxes, assessments, water, sewer or other charges or pay, cancel and clear off any sales tax, liens or charges and claims on and against the Leased Premises or the reversionary interest therein, it shall not be obligatory on Lessor to inquire into the validity of any such taxes, assessments, water, sewer or other charge, or any such tax sale. Provided, however, that if Lessee shall be actively prosecuting its administrative or legal remedies in protest of any tax, assessment, water, sewer, or other charge, Lessor shall not have the right to pay or advance sums referable thereto until such remedies have been exhausted.

ARTICLE VII.

INDEMNITY AND INSURANCE

7.01 Indemnity. Lessee agrees to fully indemnify, save and hold harmless the City of Hailey, Blaine County, Lessor, their Board Members, officers, elected officials, agents or employees from and against all claims and actions and all expenses incidental to the investigation and defense thereof, based upon or arising out of damages or injuries to Lessee or to third persons or their property, caused by the fault or negligence in whole or in part of the Lessee, its agents, sublessees, contractors or employees in the use and occupancy of the Leased Premises, except to the extent caused by the grossly negligent or willful act or omission of the indemnified party, its tenants, subtenants, agents, contractors or employees. Provided that Lessor shall give to Lessee prompt and reasonable notice of any such claims or actions, Lessee shall have the right to investigate, compromise and defend the same, provided that such claim is not the result of the negligent or willful act or omission of the indemnified party, its tenants, subtenants, agents, contractors or employees.

Lessor agrees, to the extent allowed by law, to save and hold harmless Lessee from and against all claims and actions and all expenses incidental to the investigation and defense thereof, based upon or arising out of damages or injuries to Lessor or to third persons or their property, caused by the fault or negligence in whole or in part of Lessor, its agents, lessees, sublessees, contractors or employees in the use and occupancy of the Leased Premises, except to the extent

caused by the grossly negligent or willful act or omission of the Lessee, its agents, sublessees, contractors or employees.

7.02 Insurance. The Lessee shall, at its expense, procure and keep in force at all times during the Term of this Lease Agreement, insurance written by an insurer satisfactory to the Lessor, licensed to do business in Idaho, insuring the Lessee, the Lessor, Blaine County and the City of Hailey against all costs, loss, liability and expense on account of injury or death of a person or persons or damage to or destruction of property caused by or connected with the Lessee's use of the Airport in the amount of not less than:

General Liability	\$10,000,000.00 per accident
Property Damage	\$10,000,000.00 per accident.

The comprehensive general liability and property damage insurance shall name Lessee, and shall also name the Lessor, Blaine County and the City of Hailey as additional insureds and the Lessor shall be furnished with a Certificate to the effect that such insurance shall not be changed or canceled without thirty (30) days prior written notice to the Lessor, provided, however, that insurer may cancel upon ten (10) days prior written notice to the Lessor upon non-payment of the premium. The Certificate of Insurance shall be delivered to Lessor prior to the commencement of this Agreement and annually thereafter throughout the Term of this Agreement.

In the event that Lessor shall amend the minimum required amount of insurance to be carried by Airport tenants as found in the *Minimum Standards for the Airport Tenants* at the Friedman Memorial Airport or in any other Airport regulation, the required insurance amounts in this paragraph shall be adjusted to comply with said minimum requirements.

ARTICLE VIII.

DEFAULT

8.01 Events of Default.

A. Default in Rent. Failure of Lessee to pay any rent or other charge within thirty (30) days after it is due.

B. Default in Other Covenants. Failure of the Lessee to comply with any term or condition or fulfill any obligations of this Lease (other than the payment of rent or other charges) within thirty (30) days after written notice by Lessor specifying the nature of the default with reasonable particularity. If the default is of such nature that it cannot be completely remedied within the 30-day period, this provision shall be complied with if the Lessee begins correction of the default within the 30-day period and thereafter proceeds with reasonable diligence and in good faith to affect the remedy as soon as is practicable.

C. Insolvency. Insolvency of Lessee; assignment by Lessee for the benefit of creditors; filing by Lessee of a voluntary petition in bankruptcy; an adjudication that Lessee is bankrupt or the appointment of a receiver of the properties of Lessee; filing of an involuntary petition of bankruptcy and failure of Lessee to secure a dismissal of the petition within sixty (60) days after filing; attachment of or levying of execution of the leasehold interest and failure of the Lessee to secure discharge of the attachment or release of the levy of execution within ten (10) business days.

D. Abandonment. Failure of the Lessee for fifteen (15) consecutive days or more to occupy the property for one or more of the purposes permitted under this Lease following the Initial Term Commencement Date unless such failure is due to force majeure or is otherwise excused under other provisions of this Lease.

E. Repetitive Defaults. Notwithstanding anything to the contrary contained in the foregoing default clause, the parties hereto agree that if the Lessee shall have defaulted in the performance of any term or condition of this Lease and the same default occurs three or more times during any five year period during the Term hereof, then such conduct shall, at the

election of the Lessor, represent a separate event of default which cannot be cured by the Lessee. Lessee acknowledges that the purpose of this provision is to prevent repetitive defaults in the performance of the same obligation by the Lessee under the Lease which work a hardship upon the Lessor and deprive the Lessor of the timely performance by the Lessee hereunder.

8.02 Remedies on Default. In the event that a default occurs and is not cured within the applicable cure period set forth in Section 8.01 hereof, the Lessor at its option may terminate the Lease by notice in writing by certified mail to Lessee. The notice may be given before or within thirty (30) days after the running of the grace period for default and may be included in a notice of failure of compliance (but shall not be effective if the cure is effected within the cure period). If the property is abandoned by Lessee that results in an Event of Default under Section 8.01(D) hereof, termination shall be automatic and without notice.

(1) Damages. In the event of termination due to an Event of Default, Lessor shall be entitled to recover, without waiting until the due date of any future rent or until the date fixed for expiration of the Lease Term, liquidated damages in the following amount: the present value of all of Lessee's Rent obligations under this Lease for a period of five (5) years. The parties agree that such damages are reasonable in light of the anticipated or actual damage caused by the breach, the difficulties of proof of loss, and the inconvenience or non-feasibility of otherwise obtaining an adequate remedy. Lessor shall have no obligation to mitigate such damages.

A. Re-entry-after Termination. If the Lease is terminated due to an Event of Default, Lessee's liability to Lessor for the liquidated damages amount set forth above shall survive such termination until paid in full, and the rights and obligations of the parties shall be as follows:

(1) Lessee shall vacate the property immediately, remove any personal property of Lessee, including any trade fixtures which Lessee is required to remove at the end of the Lease Term, perform any cleanup, alterations or other work required at the end of the Term, and deliver all keys to Lessor.

(2) Lessor may re-enter, take possession of the Leased Premises and remove all persons or property by legal action or by self-help with the use of reasonable force and without liability for damages.

B. **Reletting.** Following re-entry or abandonment, Lessor may relet the Leased Premises in any manner it sees fit.

8.03 Holdover. In the event Lessee holds over beyond the expiration of the Term, Lessee shall pay Lessor Rent for the holdover period in an amount equal to one hundred fifty percent (150%) of the then current annual Rent amount multiplied by a fraction the numerator of which is the number of days of the actual holdover and the denominator of which is 365.

ARTICLE IX.

GENERAL PROVISIONS

9.01 Assignment of Interests or Rights. Except for encumbrances in favor of a Lienholder and/or transfers to or by a Lienholder (or designee) pursuant to Paragraph 5.09 above, neither Lessee nor successor of Lessee shall in any manner, directly or indirectly, by operation of law or otherwise, assign, rent, transfer or encumber any of Lessee's rights in and to this Lease or any interest therein, or license or permit the use of the rights herein granted in whole or in part, without the prior written consent of the Lessor, which consent shall be at the reasonable discretion of Lessor. Subleases shall not be permitted without the specific written consent of Lessor, which consent may be withheld at the reasonable discretion of Lessor; provided however, that Lessee shall have the right without the necessity of obtaining consent of Lessor, (x) to sublease office/storage space located in its hangars to customers of Lessee, for use by the customer's pilots and (y) allow investors in Lessee or its Affiliates the right to use its hangars.

An assignment of this Lease shall be deemed to have occurred if in a single transaction or a related or unrelated series of transactions, and whether Lessee is a corporation, partnership or other entity, more than fifty percent (50%) of the ownership interests in Lessee (whether shares, partnership interests, membership interests or other equity), and whether one (1) or more classes thereof are transferred, diluted, reduced, or otherwise affected with the result that the

owners or holders on the date of this Lease of the ownership interests in each class of equity of Lessee together cease to own fifty percent (50%) or more of such equity. This paragraph shall not apply to shares of stock on the NASDAQ National Listings or the New York or American Stock Exchanges or to transfer of any ownership interest in Lessee for estate planning purposes.

Notwithstanding the foregoing or anything to the contrary contained herein, (x) any transfers of direct and/or indirect interests in Lessee shall be permitted without the consent of Lessor so long as Clay Lacy Aviation, Inc. at all times maintains control of Lessee, (y) Lessee shall be permitted to assign this Lease in its entirety to an Affiliate so long as Clay Lacy Aviation, Inc. at all times maintains control of such Affiliate and (z) Lessee shall be permitted to sublease the Leased Premises (or a portion thereof) to its Affiliate(s) ("Affiliate Sublessee") without the consent of Lessor provided that, at all times, the terms and provisions of such sublease are subject to the terms of this Lease and Affiliate Sublessee shall at all times remain controlled by Clay Lacy Aviation, Inc.

9.02 Condemnation. If the Leased Premises or any interest therein is taken as a result of the exercise of the right of eminent domain, this Lease shall terminate as to such portion as shall be taken. If the portion taken does not feasibly permit the continuation of the operation of the facility by the Lessee, the Lessee shall have the right to cancel. Such cancellation shall be effective as of the date of the taking. Lessor shall be entitled to that portion of the award as represented by the fee interest in the land and Lessee shall be entitled to remainder. In no event shall early termination of this Lease, as provided for in Paragraph 2.03, above, be deemed to be an act of eminent domain by Lessor and Lessee shall not be entitled to damages of any kind as a result of said early termination.

9.03 FORCE MAJEURE. No act or event, including *Force Majeure* Events, whether foreseen or unforeseen, shall operate to excuse Lessee from the prompt payment of Rent or any other amounts required to be paid under this Lease. If the Lessor or Lessee (in connection with obligations other than payment obligations) is delayed, interrupted, or hindered in any performance under this Lease by a *Force Majeure* Event, such performance shall be excused to

the extent so delayed, interrupted, or hindered during the time when such *Force Majeure* Event is in effect (except to the extent that such Party's failure, delay or interruption of performance directly or indirectly results from failure on the part of such Party to use reasonable care to prevent, or make reasonable efforts to cure, such failure, delay or interruption (if within its control)), and only upon written notice to the other Party of such delay, and such performance shall promptly occur or resume thereafter as soon as practicable at the expense of the Party so delayed or hindered. Except for matters for which Lessee is indemnified therefor, or is not liable therefor, pursuant to Section 7.01 of this Lease, Lessee hereby releases Lessor, the City of Hailey and Blaine County from all liability, whether in contract or tort (including strict liability and negligence) for any loss, damage or injury of any nature whatsoever sustained by Lessee during the Term due to a *Force Majeure* Event.

For the purposes of this Lease, a *Force Majeure* Event means an act or event that is beyond the reasonable control of a Party and that prevents such Party, in whole or in part from performing as provided in this Lease, including without limitation acts of God, acts of a public enemy, war, pandemics, epidemics, weather events, governmental restrictions, stays, orders or decrees, governmental shutdown(s), fire, casualty, invasion, terrorism and insurrection; but specifically excluding any acts or events: (1) that such Party could have prevented, abated, avoided, or cured by exercising reasonable care, (2) that such Party caused, directly, or indirectly, by failing to exercise reasonable care, and (3) that such Party exacerbated, extended or otherwise worsened by failing to exercise reasonable care.

9.04 Non-Waiver. Waiver by either party of the strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

9.05 Attorney's Fees. In the event of a dispute or any litigation between the parties hereto arising out of this Airport Lease Agreement, or the Leased Premises, the prevailing party therein shall be allowed the recovery of all reasonable attorney's fees expended or incurred

in such dispute or litigation as a part of the cost therein, whether or not suit be actually filed and in any appeal or bankruptcy proceeding.

9.06 Time of the Essence. It is mutually agreed that time is of the essence in the performance of any covenants and conditions to be kept and performed under the terms of this Lease.

9.07 Warranties/Guarantees. Lessor makes no warranty, guarantee, or averment of any nature whatsoever of the physical condition of the Leased Premises, the ramps, taxiways or run-ways, or of the amount of aircraft activity at Friedman Memorial Airport, and it is agreed that the Lessor will not be responsible for any loss, damage or cost which may be incurred by Lessee by reason of any such physical condition or as a result of any change in the amount of aircraft activity.

9.08 Headings. The article and section headings contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this Lease.

9.09 Notices. Notice to Lessor provided for herein shall be sufficient if sent by certified mail, addressed to the **Airport Director, Friedman Memorial Airport, 1616 Airport Circle, Hailey, Idaho, 83333**, and notice to Lessee if sent by certified mail, addressed to **Chief Financial Officer, Clay Lacy Aviation, 7435 Valjean Avenue, Van Nuys, California 91406** or to such other respective addresses as the parties may designate to each other in writing from time to time.

9.10 Sponsor's Assurance Subordination. This Lease shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

9.11 Nondiscrimination. Pursuant to Title 6 of the Civil Rights Act of 1964, and by

Part 15 of the Federal Aviation Regulations, Lessee agrees it will not on the grounds of race, color or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 15 of the Federal Aviation Regulations. The Lessor reserves the right to take such actions as the United States may direct to enforce the provisions of the covenants.

9.12 Redelivery. Upon expiration of the Term of this Lease or earlier termination on account of default, Lessee shall deliver all keys to Lessor and surrender the Leased Premises in good condition, normal wear and tear excepted. Improvements or alterations constructed by Lessee with permission from Lessor shall not be removed unless the terms of permission for the improvement or alteration so require, or unless notice requiring removal of the same is provided by Lessor to Lessee pursuant to Paragraph 5.13, above.

9.13 Right of Flight. Lessee's rights to use the Leased Premises described in Article I for the purpose as set forth in this Airport Lease Agreement shall be secondary to and subordinate to the operation of the Friedman Memorial Airport. The Lessor specifically reserves for itself, and for the public, a right of flight for the passage of aircraft in the air space above the surface of the Leased Premises described in Article I, together with the right to cause in said air space such noise as may be inherent in the operation of aircraft.

9.14 Quiet Enjoyment. Lessor agrees that, on payment of the rent and performance of the covenants and agreements on the part of Lessee to be performed hereunder, Lessee shall peaceably have and enjoy the Leased Premises and all rights and privileges of the Airport, its appurtenances and facilities granted herein.

9.15 Successor and Assigns. All the covenants, stipulations and agreements herein shall extend to and bind the legal representatives, successors and assigns of the respective parties hereto.

9.16 Fees Upon Assignment. Upon making written application to the Lessor for consent to assign or otherwise transfer its leasehold interest under this Lease and/or to transfer any

interest in an improvement located on the Leased Premises to the extent Lessor's consent is required hereunder, to another party or parties,

Lessee shall disclose the full amount of all consideration to be received by Lessee from the party or parties to whom the interest, right or title in the Lease and/or improvement is being transferred. A transfer fee calculated as described in Paragraph 9.17, below, shall be paid to Lessor prior to the effective date of such transfer. In addition, Lessee shall pay the reasonable attorneys' fees incurred by Lessor for the review of the transfer documentation. Lessee fully acknowledges that failure to accurately disclose the full amount of consideration shall create an immediate default and all rights and privileges created in Lessee by this Lease shall, at the option of Lessor, terminate. The terms and provisions of this Section 9.16 and 9.17 below shall not apply to any transfer or assignment to any Lienholder, designee or other party pursuant to Section 5.09 hereof or to any Affiliate of Lessee.

9.17 Calculation of Assignment Fee.

A. Transfer fee Formula.

(1) The transfer fee shall be a percentage of the gross sale price. This difference shall be reduced by the verified values for equipment, cash, accounts receivable, contracts, computers and software, prepaid expenses and all other non-leasehold related personal property assets of Lessee, before the percentages set forth in (B), below, are applied.

(2) The sale price shall be verified with signed copies of the purchase agreement and sworn written statements that there are no other written or verbal agreements. The verified values for equipment, contracts, inventory, prepaid insurance, rent, taxes, fuel farm, vehicles, tools, aircraft, cash accounts receivable and all other assets shall mean the purchase price evidenced by receipts if purchased within three (3) years; otherwise by an evaluation made by an independent third party appraiser or as shown in the purchase agreement if allocations of the purchase price are shown in the purchase agreement and found to be reasonable by Lessor.

(3) The entire transfer fee shall be payable at the time of sale, regardless of whether or not it is an installment sale.

B. Amount of Transfer Fee.

- (1) Years 1-5 — no sale, assignment or transfer permitted;
- (2) Years 6-10 — fee of 10% gross sale/transfer price upon sale, assignment or transfer;
- (3) Year 11 and subsequent years — fee of 5% of gross sale/transfer price upon sale, assignment or transfer.

9.18 Mitigation. Each party hereto shall have the obligation to make reasonable efforts to mitigate the loss or damage occasioned by a default of the other party, provided that said obligation to mitigate shall not otherwise affect the rights and remedies available to the nondefaulting party either under this Lease or otherwise allowed by law or equity.

IN WITNESS WHEREOF, the parties hereto have executed this Airport Lease Agreement on the day and year below written.

“LESSOR”

FRIEDMAN MEMORIAL AIRPORT AUTHORITY

By _____ DATED: _____
Martha Burke, Chair

“LESSEE”

CLA SUN REAL ESTATE HOLDINGS LLC

By: _____ DATED: _____
_____, President

STATE OF IDAHO)
) ss.
County of Blaine)

On this ____ day of _____, 2024, before me, a Notary Public for the State of Idaho, personally appeared **Martha Burke**, known or identified to me to be the Chair of the Friedman Memorial Airport Authority, and the person who executed the instrument on behalf of said Authority, and acknowledged to me that such Authority executed the same.

Notary Public for Idaho
Residing at: _____
My commission expires: _____

STATE OF _____)
) ss.
County of _____)

On this ____ day of _____, 2024, before me a Notary Public in and for said State, personally appeared _____, known or identified to me to be the _____, and the person who executed a the instrument on behalf of said limited liability company, and acknowledged to me that such limited liability company executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Notary Public for Idaho
Residing at: _____
My commission expires: _____

Exhibit A

Legal Description of Leased Premises

CLAY LACY - DRAFT FBO LEASE

Exhibit B

PARCEL NUMBERS

CLAY LACY - DRAFT FBO LEASE

Exhibit C

AMENDED MINIMUM STANDARDS

CLAY LACY - DRAFT FBO LEASE

Exhibit D

Planned Improvements

Program Element	Square Feet*
Aircraft Ramp/Aircraft Maneuvering Area	288,330
Corporate Aviation Hangars, 28' Door Height	70,000
Light General Aviation Hangars	45,048
Fixed Base Operation (Terminal)	4,500
Parking Garage	14,500
Parking Lot	8,640

Fuel Farm (Gallons)	92,000
---------------------	--------

*Note: All Square Footages quoted herein are subject to increase or decrease of up to 10% +/- depending on final layout, and known FAA leasehold restrictions (FAA Order JO 6560.20C [AWOS] relocation and FAR 77)

Initial Improvements

Airport Minimum Standards	Square Feet
Aircraft Ramp/Aircraft Maneuvering Area	150,000
All Buildings (inclusive of Hangars and FBO)	39,000

Fuel Farm (Gallons)	92,000
---------------------	--------

Difference (Planned vs Initial Improvements)	Square Feet
Aircraft Ramp/Aircraft Maneuvering Area	138,330
All Buildings (inclusive of Hangars and FBO)	95,048

Fuel Farm (Gallons)	No Change
---------------------	-----------

PLEASE



• **AVOS CRITICAL AREA (RELOCATED)**

Exhibit D (Continued)

The constructed improvements will be consistent with the established design aesthetic and sustainability concepts established in the renderings provided in the Proposal and included herein:



Exhibit D (Continued)

The constructed improvements will be consistent with the established design aesthetic and sustainability concepts established in the renderings provided in the Proposal and included herein:

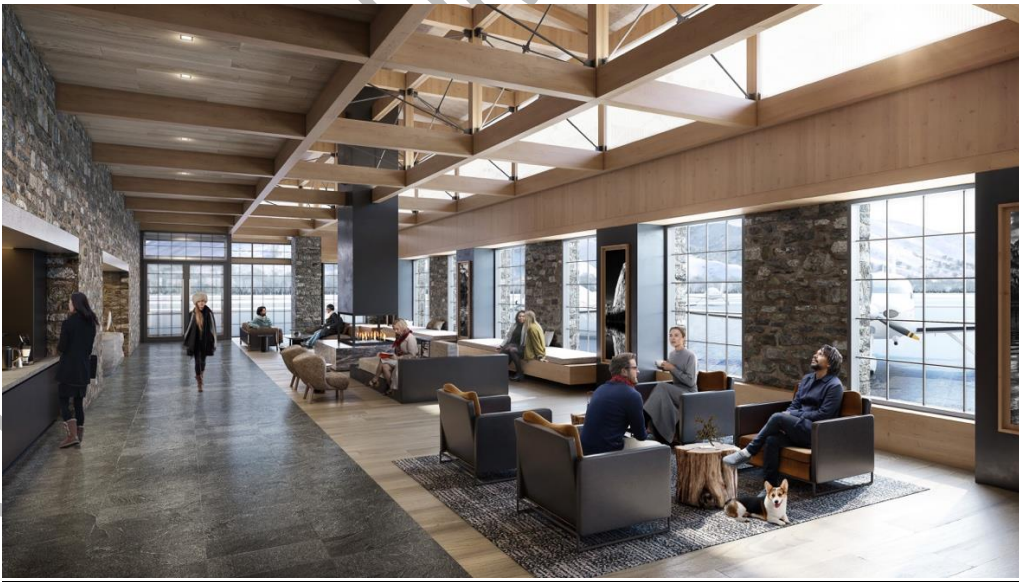


EXHIBIT E

Additional Rent: FBO Service and Percentage Table

FBO Service	Applicable Percentage
• Sale Hangar Rental Space Tenant	5%
• Sale Hangar Rental Space Transient	5%
• Sale Tiedown Transient Rental	5%
• Security Charge Rental Income	1%
• Landing/Ramp/Facility Fees Revenues	N/A
• Deice Revenues	1%
• Auto Gas - Revenues	1%
• Auto Parking	1%
• Diesel - Revenues	1%
• Ground Handling - Revenues	1%
• Total Maintenance Parts Revenues	N/A
• Total Maintenance Labor Revenues	1%
• Total Miscellaneous Sales	
o Facility Fees	1%
o GPU Fees	1%
o Ground Handling Fees	1%
o Late Ops/Call Out Fees	1%
o LAV Service Fees	1%
o Miscellaneous Categories	1%
o Miscellaneous Services	1%
o Oil	1%
o Water Sales	1%
o Rent Gross Profit	1%
o Building Rental	1%
o Catering Commissions	1%
o Rental Car Commissions	1%
o Pilot shop/supplies	1%

Chris Pomeroy

Subject: FW: November meeting on Election Day

From: SUELLEN WAGNER <suellenwagner@me.com>

Date: October 21, 2024 at 5:54:49 PM MDT

To: Angenie McCleary <AMcCleary@co.blaine.id.us>, gcasun@icloud.com, jacobg53@gmail.com, Lindsay Mollineaux <lmollineaux@co.blaine.id.us>, martha.burke@haileycityhall.org, Muffy Davis <mdavis@co.blaine.id.us>, sam.linnet@haileycityhall.org

Subject: November meeting on Election Day

WARNING: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

SUBMITTING FOR PUBLIC COMMENT

Dear Board,

Based on the recording of the October FMMA meeting, the Board will be voting on the negotiated terms for the Clay Lacy FBO on November 5. This is a decision that will have definite impacts on residents of the Wood River Valley. The choice of Election Day for this important vote appears intentionally suppressive of resident resistance to the project. All eyes will be on the election, and no eyes on this meeting.

I am asking that you delay the meeting. Please advise the community via social media or local print media of a future date for the vote on approving the negotiated terms of the contract with the FBO. After the contract is approved, the public will likely have no ability to modify the terms and the FMMA will have only limited ability to make changes.

I would appreciate a response from the Board prior to October 31. I am still awaiting response to my prior request that the Board secure, define, and publicize a public engagement plan on this project, to include an opportunity for review and comment on the Project.

Thank you,

Suellen Wagner
210 Willoway Rd.
Hailey