

Lease

Between

Southern Wisconsin Regional Airport

County of Rock, Wisconsin

and

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Corporate Lease
Southern Wisconsin Regional Airport
County of Rock, Wisconsin
And

THIS AGREEMENT, made and entered into by and between the COUNTY OF ROCK, WISCONSIN, a municipal corporation, duly organized and existing under the laws of the State of Wisconsin, hereinafter referred to as COUNTY, and _____, hereinafter referred to as LESSEE.

Witnesseth:

WHEREAS, Rock County owns and operates an airport which includes certain aeronautical navigation facilities, said airport being known as the Southern Wisconsin Regional Airport, located along U.S. Highway 51 in the City of Janesville in said County and said LESSOR is desirous of leasing to LESSEE for aeronautical purposes certain designated premises, consisting of land, hereinafter more fully described, located upon said airport, together with the right to use in common with others certain additional premises and facilities upon said airport; and

WHEREAS, LESSEE is the owner of the hangar as described below; and

WHEREAS, it is to the mutual advantage of the parties to enter into this agreement.

NOW, THEREFORE, in consideration of the mutual undertakings, understandings and agreements hereinafter set forth, the COUNTY and the LESSEE agree as follows:

Article 1 - Premises

1.1 **Land**

COUNTY does hereby lease, let and demise to LESSEE, the premises consisting of land as described in Exhibit "A", which is attached hereto and incorporated herein by reference, and which shall be referred to as PREMISES.

1.2 **Acceptance**

LESSEE warrants that it has inspected PREMISES and has found PREMISES suitable for its intended purposes, as is, subject to the limitations placed thereon by this lease.

Article 2 - Term

2.1 Term

The term of this Lease, subject to earlier termination as hereinafter provided, shall be for the period of _____, 201____, through and including _____, 201____. Six months prior to the expiration date of this lease, LESSEE may request, in writing, that the COUNTY negotiate a new Lease with it. If timely notice is given to COUNTY, COUNTY shall meet with LESSEE in good faith to negotiate a new Lease. LESSEE or its assignees shall have the option to renew this lease for an additional term of twenty-five (25) years upon like terms and conditions as those contained herein.

Article 3 - Consideration

3.1 Consideration

Lessee agrees to pay to the COUNTY, the Sum of \$_____ (_____ and ___/100) per year for the use of the leased PREMISES, representing a rental charge of ._____ cents (201__ rates) per square foot for _____ (_____) square feet of unimproved land. It is further agreed that annually during the month of December, rental rates shall be re-negotiated by the parties and will be based on the urban rate of inflation, not to exceed 4% annually. Said rates are to be equal to the rental rates for other buildings in its category and be effective January 1. Rental rates are subject to Public Works Committee approval.

3.2 Payment

As provided in Section 3.1, the rental charge shall begin on the execution of this lease. Monthly payments in the amount of \$_____ (_____ Dollars and ___/100) representing \$_____ (_____ and ___/100) per year (201__ rates) shall be paid on or before the 1st of each month. LESSEE shall have the option of paying monthly, quarterly, bi-yearly, or yearly.

3.3 Late Payments

Late payments of rental fees shall be subject to interest, thereon payable at the rate of one and one-half (1 1/2) percent per month, until paid in full.

3.4 Re-negotiation

The Airport Director shall be responsible for re-negotiating the yearly rental charge on behalf of the COUNTY, subject to final approval of the Public Works Committee.

3.5 Reexamination of Other Terms

During each rental fee negotiation period the parties shall meet, in good faith, to reexamine all of the terms of this Lease for the purpose of making fair and equitable adjustments of this Lease. Lease terms may be modified only through mutual agreement and arbitration is not applicable.

Article 4 - Improvements

4.1 Definition

Improvements shall include construction, reconstruction, alteration, modification, additions, expansion and replacement of buildings, structures and facilities and shall also include landscaping.

4.2 Plans and Specifications

Plans and specifications for the construction of any improvements shall be submitted to the Airport Director for approval and no work shall commence until written approval therefrom is obtained. Plans and specifications shall be of sufficient detail so as to permit proper review thereof. In the event of disapproval, the Airport Director shall advise LESSEE, in writing, of the reasons therefor. The COUNTY may refuse to approve LESSEE's plans and specifications for the construction of any improvement where it:

- (a) would interfere with air traffic.
- (b) would interfere with public users of the Airport
- (c) would be incompatible with or violate the Airport Master Plan.
- (d) would not comply with applicable Federal, State, County or City laws, rules, or regulations.
- (e) would not be compatible with the operations that LESSEE is authorized to conduct under this Lease.
- (f) would not be compatible with or would hinder Airport operation, development or expansion.
- (g) would not provide for the efficient and adequate drainage of surface water.

4.3 Ownership of Improvements

LESSEE shall own and retain title to all improvements placed upon PREMISES.

4.4 Construction Liens

LESSEE, in making improvements upon PREMISES, shall not grant permission for or permit any liens for labor or materials to attach thereto without the prior, written consent of COUNTY, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against PREMISES. In the event any involuntary lien attaches to PREMISES, LESSEE shall take such steps as shall cause the discharge of such lien within sixty (60) days after the filing thereof, or deposit a like amount in escrow until the lien is discharged. Nothing contained herein shall prohibit LESSEE from financing improvements subject to a security lien thereon. However, LESSEE shall not permit any security lien to attach to the real estate upon which improvements are situated.

4.5 Unauthorized Improvements

Should LESSEE make any improvements without prior COUNTY approval, which are not satisfactory to COUNTY, then, upon written notice to do so, LESSEE shall remove the same or, at the option of COUNTY, cause the same to be changed, modified or reconstructed to the satisfaction of the COUNTY. Should LESSEE fail to comply with such notice within thirty (30) days of receipt thereof, or should LESSEE commence to comply therewith and fail to pursue such work diligently to completion, COUNTY may effect the removal, change, modification or reconstruction thereof, and LESSEE shall pay the cost thereof to COUNTY, upon demand.

4.6 Failure to Proceed With Construction

If construction of the planned hangar development does not commence within twenty-four (24) complete calendar months after commencement of the term of this lease, this lease will terminate upon thirty (30) days written notice by one party to the other, unless construction commences within said thirty (30) day period. Upon termination under this section, the property shall revert to Lessor.

Article 5 - Care, Maintenance and Repair of Premises and Improvements by Lessee

5.1 General Requirements

LESSEE shall be solely responsible for the entire cost and expense of the care, maintenance and repair of PREMISES, including all improvements thereon, whether pre-existing or placed thereon by LESSEE, whether such work be ordinary, extraordinary, structural or otherwise, from any cause, and of any nature, all to be performed in good and workmanlike manner, and in accordance with the provisions of this Lease.

5.2 Specific Requirements

LESSEE shall, at all times:

- (a) Keep PREMISES and improvements and personal property thereon, in a clean, neat and sanitary condition.

- (b) Provide and maintain on PREMISES all obstruction, ramp and parking lights and any safety devices required by Federal, State, County, or City laws, rules, or regulations.
- (c) Repair any damage arising from the operations of LESSEE to the paving or other surface of PREMISES or Airport caused by oil, gasoline, lubricants, solvents or other flammable, corrosive or damaging liquids and substances.
- (d) Take measures to prevent erosion, including planting and replacing of grasses on portions of PREMISES not paved or built upon, keep such area free of noxious weeds, and keep grassy areas cut to a height not to exceed six (6) inches.
- (e) Maintain and repair all utility lines and equipment placed upon PREMISES.
- (f) Maintain improvements and perform all repair work in accordance with Federal, State, and County laws, rules, and regulations.

5.3 Time Requirements for Repairs

LESSEE shall have thirty (30) days from the date on which the condition arose to repair any minor damage to PREMISES and one hundred twenty (120) days from the date on which the condition arose to repair any major damage to PREMISES. As used herein, minor damage shall be damage to PREMISES or improvements which would cost Five Hundred (\$500) dollars or less to repair, and major damage shall be damage to PREMISES or improvements which would cost in excess of Five Hundred (\$500) Dollars to repair. LESSEE, for good cause, may request from the Airport Director an extension of time to complete major repairs.

5.4 Default by LESSEE

In the event LESSEE fails to care for, maintain or repair PREMISES or improvements within the time provided for, or if no time is provided for, within a period of thirty (30) days following receipt of written notice, to do any such work required by this Lease, or upon commencement thereof, fails to diligently continue to completion any such work, COUNTY may, at its option, and in addition to any remedies otherwise available to it, enter PREMISES, without such entering causing or constituting a cancellation of this Lease or an interference with possession of PREMISES, and care for, maintain or repair all or any part of PREMISES or improvements, and do all things reasonably necessary to accomplish the work required, the cost and expense of which shall be payable to COUNTY by LESSEE, on demand. Furthermore, should COUNTY undertake any work hereunder, LESSEE waives any claims for damages, consequential or otherwise, against COUNTY as a result therefrom, except claims for damages arising from the COUNTY's negligence. The foregoing shall in no way affect or alter the obligations of LESSEE as set forth in this Lease and shall not impose or be construed to impose upon COUNTY any obligations to care for, maintain or repair PREMISES or improvements.

Article 6 - Access to Premises by County

LESSEE agrees to and shall permit COUNTY, and the State of Wisconsin and United States Government to send their representatives and employees onto PREMISES and into any improvements thereon, for the purpose of an inspection thereof. In non-emergency situations, LESSEE shall be provided with reasonable, advance notice of an inspection if LESSEE is available to receive such notice.

Article 7 - Regulatory Signs

LESSEE, at no charge, shall permit COUNTY to place such regulatory signs on PREMISES as COUNTY shall deem appropriate, at COUNTY cost and expense, but under no conditions shall said sign be attached to any building. LESSEE shall not place or erect any on or about PREMISES without the prior written approval of the Airport Director.

Article 8 - Utilities

8.1 Payment

LESSEE shall pay for all utilities, including electric, gas, telephone, sanitary/sewer and water service. LESSOR may require all utility pipes, wires and conduits to be underground. LESSOR will provide access to sewer and water to the property line of leased premises

8.2 Responsibility

LESSEE shall be responsible for connection/extension of sewer/water services from the lease-line to the point of service. LESSEE shall also be responsible for all charges to the various utility providers for all services provided.

8.3 General Requirements

- (a) LESSEE shall be at all times subject to and shall fully and timely abide by any and all water, sewerage, wastewater, utility and other applicable Federal, State, County, and City statutes, ordinances, codes, regulations, rules, promulgation's, mandates, edicts, orders and other lawful requirements or whatsoever kind or nature, as from time to time amended (hereinafter collectively referred to as Laws).
- (b) In the event LESSEE fails to act in accord with any Laws, LESSEE shall be fully responsible for any and all costs of any City and/or County remedial activities necessary and/or desirable to abate the non-conformity and/or violation and effectuate compliance. This responsibility specifically includes repayment to the COUNTY of any costs or remedial activities the COUNTY is initially required to pay pursuant to an Agreement between the City and County for LESSEE's failure to act in accord with said Laws.

- (c) Lessor acknowledges and concurs that the City of Janesville has the right, without the necessity for prior or subsequent notice to any person, to suspend, terminate, block, discontinue, re-route and otherwise interfere with or affect their water and sewerage mains and related appurtenances in order to timely comply with any and all lawful orders and directives or agencies (including the City's) pertaining to said mains, appurtenances and/or water and/or wastewater utilities. In the event the City must take such actions, LESSEE acknowledges that neither the City nor the COUNTY shall be liable to LESSEE for any damages resulting from said action.
- (d) LESSEE acknowledges and concurs that LESSEE shall not be permitted to connect to the City's water and sewerage mains and related appurtenances without first applying for and obtaining all necessary permits and/or approvals required by law.

Article 9 - Use

9.1 **Permitted Use**

LESSEE is to use the PREMISES primarily for the storage of aircraft and for repairs by the aircraft owner or a person who is regularly employed by LESSEE. LESSEE may park personal motor vehicles and may house items incidental to LESSEE's aircraft in the hangar complex. LESSEE shall not without written consent of the Airport Director and the Fire Department, store inflammables, except as are wholly contained within the engine and fuel compartments of the aircraft and vehicles. It is specifically understood that LESSEE may sublease hangar complex. This provision shall not relieve LESSEE of any of its obligations and duties under this Lease. All sub-leases must incorporate by reference this Lease and be consistent with the terms of this Lease and any sub-lease which, in whole or in part, is inconsistent with this lease shall be null and void with respect to the inconsistent provision thereof.

9.3 **Changed Use**

Any change in the use of PREMISES must have the prior written approval of the Public Works Committee or be a material breach of the Lease.

9.4 **Prohibited Use**

LESSEE is not given the right to use PREMISES in the capacity of any commercial activity and may not act in such capacity subject to the uses permitted in Article 9.1 above. This limitation specifically prohibits LESSEE from providing hangar space for major aircraft repair services, not accomplished by the aircraft owner or the owner's full-time employee, or aircraft housed in the hangar complex, and from providing any aircraft repair service of any nature on any aircraft not housed in the hangar complex.

Article 10 - Assignment/Sub-Lease

It is agreed this lease can be assigned to a closed corporation, wholly owned by hangar owners. However, LESSEE shall not assign this Lease not sublet PREMISES, or any part hereof, other than as provided for in this Article or in Article 9.1, without the prior, written approval of the Public Works Committee. Approval shall not be unreasonably withheld. This Section shall not apply to any subsidiary or sister corporation of the LESSEE.

Article 11- Governmental Requirements

LESSEE agrees to Comply with the requirements of every applicable federal, state and county law, rule, and regulation, and with every lawful direction and order given by any public officer pursuant thereto.

Article 12 - Quiet Enjoyment

COUNTY covenants and agrees, so long as LESSEE shall duly and punctually perform and observe all the terms and conditions hereof, that LESSEE shall peaceably and quietly have, hold and enjoy PREMISES, subject to the right of COUNTY to inspect PREMISES, and exercise other rights provided and reserved to it herein.

Article 13 - Natural Disaster

LESSEE's obligations during the term of the Lease shall neither abate nor be suspended by virtue of any damage to PREMISES or improvements resulting from any natural disaster, except that if the Airport's runways or navigational equipment are damaged to such extent that LESSEE cannot fly aircraft in or out of the Airport due to such damage for a continuous period existing for thirty (30) days, the rent shall abate for the entire period LESSEE cannot fly aircraft in or out of the Airport. Rental Abatement, if applicable, shall be computed by multiplying the total yearly rental charge by a number, the numerator of which is equal to the number of whole days that the LESSEE cannot fly aircraft into or out of the Airport and the denominator of which is equal to three hundred sixty-five (365) days.

Article 14 - Interruption

COUNTY shall not be liable to LESSEE for any interruption on the use or enjoyment of PREMISES by reason of any damage to PREMISES or improvements, unless such damage is the direct result of an action by a COUNTY employee performing a duty or task for the COUNTY, and, in that event, COUNTY shall be liable only for the costs of repair. The rental charges shall not abate unless a building or structure is damaged by a COUNTY employee, performing a duty or task for the COUNTY, to such extent that it is unusable. In that event, the rental charge shall abate for a period it is unusable, and computed by multiplying the annual rental charge by a fraction, the numerator of which is equal to the number of days needed to repair the building or structure, multiplied by the amount of unusable square footage and the denominator of which is equal to three hundred sixty-five (365) days multiplied by the total floor surface area of the building or structure.

Article 15 - Indemnity and Hold Harmless

LESSEE does hereby agree that he will, at all times during the initial term of this Lease, and any extended term of this Lease, indemnify and hold harmless COUNTY, Public Works Committee and officers, agents, employees and representatives thereof, against any and all claims, liability, loss, charges, damages, costs, expenses or attorney's fees, which any of them may hereafter sustain, incur or be required to pay as a result of incidents occurring on PREMISES or as a result of incidents occurring on PREMISES or as a result of any operations, works, acts or omission performed on PREMISES or the Airport by LESSEE, his employees, agents or representatives, or resulting from LESSEE's failure to perform or observe any of the terms, covenants and conditions of this Lease to be performed by LESSEE or resulting from any conditions or premises or improvements thereon by reason of any of which any person suffers personal injury, death or property loss or damage; provided, however, that the provisions of this paragraph shall not apply to claims, liabilities, losses, charges, damages, costs, expenses or attorney's fees caused or resulting from the sole acts or omissions of County, Public Works Committee or any officers, employees, agents or representatives thereof.

Article 16 - Sanitation

LESSEE will provide adequate and appropriate containers, which are not unsightly, for the temporary storage of trash, garbage and refuse, and provide, as necessary, for the regular pickup thereof, at its cost and expense. LESSEE shall not permit any unattractive or unsanitary accumulation of trash, garbage, refuse, debris or litter on PREMISES. The piling of boxes, cartons, drums, cans, parts or other similar items on or about PREMISES, outside of an enclosed building or structure is strictly prohibited. LESSEE will comply will all applicable city, COUNTY, and state regulations and ordinances.

Article 17 - Benefits

The terms and conditions hereof shall inure to the benefit of the parties and be binding upon their successors.

Article 18 - Non-Waiver of Rights

The failure of either party to insist upon strict performance of any of the terms, covenants or conditions herein contained shall not be deemed a waiver of any subsequent breach or default.

Article 19 - Insurance

LESSEE shall procure and maintain, during the entire term of this agreement, and any extension hereof, a public liability insurance policy, with COUNTY and Public Works Committee listed as additional insureds in order to protect them. Said policy shall also contain an endorsement providing contractual liability coverage for the protection of the parties hereto under the Indemnity and Hold Harmless provision of this Lease. Said policy must be issued by an insurance company or companies authorized to do business in the State of Wisconsin and licensed by the Insurance Department thereof. Public liability coverage shall be provided, at all times, with coverage of a minimum of One Million (\$1,000,000) Dollars per person, and occurrence and property damage in the amount of Two Hundred Fifty Thousand (\$250,000) Dollars per occurrence. LESSEE, prior to executing this lease, shall furnish a Certificate of Insurance indicating compliance with the foregoing to Airport Director, for approval. The insurance policy or policies shall contain a clause that in the event that any policy is canceled for any reason, or any material changes are made therein, the Airport Director will be notified, in writing, by the insurer at least thirty (30) days before any cancellation or change takes effect. If, for any reason, the insurance coverage required herein lapses, COUNTY may declare this Lease null and void as of the date no valid insurance policy was in effect. Certificates of policy renewals shall be furnished to the Airport Director throughout the term of this Lease. COUNTY reserves the right to increase the minimum liability insurance requirement set forth herein upon furnishing thirty (30) days advance, written notice to LESSEE whenever LESSOR's minimum standards for the Airport covering LESSEE's operations hereunder shall adopt or increase a minimum insurance requirement, and LESSEE shall comply with said request, upon being given reasonable advance, written notice thereof, or be considered in material default of this Lease.

Article 20 - Non-Discrimination

20.1 Non-Discrimination

LESSEE, for itself, their personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant, as a covenant running with the land, and agrees that:

- (a) No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of PREMISES;
- (b) That in the construction of improvements and the furnishing of services, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;
- (c) That LESSEE shall use PREMISES in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-Discrimination in Federally-assisted programs of the Department of Transportation-Effectuation

of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended; and,

- (d) That LESSEE shall comply with all other Federal, State or Local Laws, rules and regulations and lawful orders issued pursuant thereto governing discrimination and Affirmative Action.

20.2 Affirmative Action

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

Article 21 - Limitation of Rights and Privileges Granted

No exclusive rights at the Airport are granted to LESSEE by this Lease and no greater rights or privileges with respect to the use of the PREMISES or of the Airport or any part thereof are granted or intended to be granted to LESSEE by this Lease than the rights and privileges expressly and specifically granted hereby.

Article 22 - Safety

LESSEE shall provide all necessary safety equipment and apparatus in and on its buildings and structures as are required by any existing or future Federal, State and Local laws, rules and regulations. LESSEE agrees to observe and obey all applicable existing and future Federal, State and Local safety related laws, rules or regulations with respect to use and operation of PREMISES and to require his agents, employees, contractors, and suppliers to obey the same. COUNTY reserves the right to deny access to the Airport and its facilities to any person, firm, party or corporation that fails or refuses to comply therewith. In the event of any inconsistency therein, the order of priority thereof shall be: Federal, State, and then Local.

Article 23 - Rights of Entry Reserved

COUNTY, by its officers, employees, agents, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit or for the benefit of other than LESSEE at the Airport, to maintain existing and install future utility, mechanical, electrical and other systems and the right to enter upon PREMISES at all reasonable times to make such repairs, replacements or alterations thereto as may, in the opinion of COUNTY, be necessary or advisable, and use PREMISES for access therefore to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such rights, COUNTY shall not unreasonably interfere with the use and occupancy of PREMISES by LESSEE. It is specifically understood and agreed that the reservation of such right by COUNTY shall not impose or be construed to impose upon COUNTY an obligation to construct, install, repair, replace or alter any utility service lines now or thereafter to be located on PREMISES for the purposes of providing utility services to PREMISES.

Article 24 - Taxes

LESSEE shall promptly pay all taxes due and owing, including those on personal property as may be levied by COUNTY or any other governmental unit.

Article 25 - National Emergency

During time of war, national emergency, riot or natural disaster, COUNTY shall have the right to lease the entire Airport or any part thereof to the United States or State of Wisconsin Governments for military or National Guard use, and, in such event, the provisions of this Lease, insofar as they are inconsistent with the provision of any lease to any such unit of government, shall be suspended for the period of such government lease and the rent shall be decreased or abated to such extent as will reflect any decrease, if any, in the value of the Leasehold.

Article 26 - Subordination

This Lease shall be subordinate to the provisions of any existing or future agreement between the COUNTY and the United States or State of Wisconsin Governments relative to the expansion, improvement, operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the provision of or expenditure of Federal or State funds for the benefit of the Airport.

Article 27 - Use of Airport

LESSEE shall have the right, in common with other authorized users, to use common areas of the Airport, including runways, taxiways, aprons, roadways, and other conveniences for the take-off, flying and landing of aircraft.

Article 28 - Snow Removal

LESSEE shall be responsible for removal of snow from sidewalks and up to two feet in front of the hangar door. COUNTY shall be responsible for the removal of snow from the runways, taxiways, ramps and parking lots. COUNTY shall incur no liability to LESSEE by reason of any failure on the part of COUNTY to remove snow from the runways, taxiways, ramps on parking lots, providing COUNTY has made a good faith effort to do so.

Article 29 - Ingress and Egress

LESSEE shall, at all times, have the full and free right of ingress and egress to and from PREMISES and the common areas of the Airport for LESSEE, and its employees, guests and other invitees. Such right shall also extend to persons or parties supplying materials or furnishing services to LESSEE. LESSEE shall not park any vehicle or aircraft on any taxiway or runway, or cause or permit any such act. LESSEE shall obtain the approval of the Airport Director prior to the use of any airport operations area, including runways, taxiways and aprons, as a means of ingress to egress from PREMISES for any vehicle.

Article 30 - Failure to Pay Rent or Observe Lease Terms

Failure on the part of LESSEE to pay any of the rent due and owing under the terms of this Lease or observe any of the other terms of this Lease shall be addressed as provided for under Wisconsin Statutes. In the event of any Lease termination, ownership of improvements will be as stated in Article 4, Section 4.6 and LESSEE shall have One Hundred Twenty (120) days to remove hangar complex and personal property and to restore site to original condition. Prior to termination of this lease as provided for under this Article, LESSEE shall have the right to appear before the Public Works Committee and the COUNTY BOARD as a part of the termination process.

Article 31 - Insurance of Improvements

To safeguard the interest and property of COUNTY, LESSEE, at its sole expense, shall procure and maintain throughout the term of this Lease, and any extension thereof, insurance protection on all improvements existing at the beginning of the Lease term and all improvements constructed by LESSEE on PREMISES, to the extent of one hundred (100%) percent of the insurable replacement value thereof, through insurance companies licensed to do business in the State of Wisconsin. The insurance policy shall provide thirty (30) days advance, written notice of cancellation or material change therein by registered mail to the Airport Director and have a deductible amount not to exceed Ten Thousand (\$10,000) Dollars, per occurrence. LESSEE shall provide a Certificate of the required insurance, prior to the commencement of this Lease. If LESSEE fails to maintain such insurance, COUNTY at its option, may take out such insurance and charge the cost thereof to LESSEE, or may declare this Lease null and void as of the date there was no valid policy of insurance in effect. Should any improvements on PREMISES, insurable or uninsurable, be damaged to the extent that they are not usable or destroyed (except for damage or destruction caused by LESSEE), LESSEE shall have the election of repairing or reconstructing the improvements substantially as they existed immediately prior to such casualty,

or in a new or modified design, approved by the Public Works Committee or not to reconstruct the improvement. LESSEE shall notify COUNTY of his election within sixty (60) days after the occurrence of the casualty or the adjustment of the claim, whichever is later. In the event of damage or destruction to improvements or any fixtures, equipment or other personal property installed by LESSEE on PREMISES pursuant to this Lease. Nothing contained herein shall be deemed to release LESSEE from any of his repair, maintenance or building obligations under this Lease. In the event LESSEE elects to repair, replace or rebuild as aforesaid, during the period thereof, rental fees provided for in this Lease shall be proportionately abated from the date of loss until the same is repaired, restored or rebuilt, provided LESSEE does not use said damaged PREMISES or the location thereof for any purpose other than repairing, replacing or rebuilding. The proportional amount of abatement will be determined by COUNTY in agreement with LESSEE. LESSEE agrees to commence such work promptly and to prosecute it to completion with due diligence, except for delays beyond LESSEE's control.

If LESSEE shall not elect to repair, replace, or rebuild the damaged improvements, LESSEE shall, at his own cost and expense, remove all debris resulting from the damage, including foundations, concrete piers, pavements, etc., to a depth of one (1) foot below the grade thereof and restore the surface to a level condition at its original elevation. Upon completion of such debris removal and restoration, this lease shall terminate, and LESSEE's and COUNTY's unaccrued obligations hereunder shall cease. If LESSEE does not elect to repair, replace or rebuild the damage improvements within the before referenced sixty (60) day period of time, LESSEE shall have been deemed to elect not to repair, replace or rebuild the damaged improvements, COUNTY may elect to restore PREMISES to their original condition at the reasonable cost and expense of LESSEE and this Lease shall be deemed terminated. LESSEE, for his own protection, may separately insure any fixtures, equipment and personal property.

Article 32 - Integration

This Lease is fully integrated embodying the entire agreement between the parties and any written or oral understandings to the contrary shall be of no force or effect.

Article 33 - Severability

This Lease shall be construed under the laws of the State of Wisconsin. Any covenant, condition, or provisions herein contained that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this Lease, but such deletion shall in no way affect any other covenant, condition, or provision herein contained so long as such deletion does not materially prejudice COUNTY or LESSEE in their respective rights and obligations contained in the valid remaining covenants, conditions or provisions of this Lease, and when such occurs, only such other covenants, conditions or provisions shall be deleted as are incapable of enforcement.

Article 34 - Parking

LESSEE, at all times, shall park all vehicles used in connection with its operations wholly on LESSEE's PREMISES or in the public parking lots at the Airport.

Article 35 - County Reservation of Rights for Protection of Premises

COUNTY reserves the right to further expand, develop or improve the runways and taxiways at the Airport as it sees fit, and the right to take any action it considers necessary for the protection of the aerial approaches to the Airport from obstruction. COUNTY may prevent LESSEE from erecting or permitting the erection of any improvements on PREMISES which, in COUNTY's opinion, would limit the usefulness of the Airport, prevent expansion, development or improvement of the Airport, or constitute a hazard to aircraft or persons using or frequenting the Airport and its facilities.

Article 36 - Contractors

LESSEE shall only employ and use contractors who comply with all applicable existing State and local laws, rules and regulations for the improvement of PREMISES.

Article 37 - Time of the Essence

Time is of the essence in each and every provision of this Lease.

Article 38 - Approvals

COUNTY approvals required hereunder shall not be unreasonably withheld.

Article 39 - Notice

Any notice required to be given in this Lease by either party is to be by registered mail with return receipt or by personal service. Notice to COUNTY shall be sent, delivered to or served upon the Airport Director at: 4004 South Oakhill Avenue, Janesville, Wisconsin 53546. Notice to LESSEE shall be sent, delivered or served upon LESSEE at:

Either party may designate a different address by delivering, sending or serving written notice of such change of address upon the other party.

Article 40 - Tenant List

Annually, the LESSEE will provide the COUNTY (marked Attention: Airport Director), a list of the names, addresses and telephone numbers for each occupant in the hangar. If this lease is assigned to a subsidiary or sister corporation, as provided for in Article 10, a list of the names, addresses and telephone numbers of corporate officers will be provided at the same time as the above information.

Article 41- Authority

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

LESSOR'S Seal

LESSOR
Rock County, Wisconsin

BY: _____
Kurtis Yankee, Chair
Rock County Public Works Committee

BY: _____
J. Russell Podzilni, Chair
Rock County Board of Supervisors

BY: _____
Lorena R. Stottler
Rock County Clerk

LESSEE'S Seal

LESSEE

BY: _____