

AMENDED AND RESTATED
OPERATION AND USE AGREEMENT

THIS AMENDED AND RESTATED OPERATION AND USE AGREEMENT (the "Agreement"), made and entered into this ____ day of _____, 2015 (the "Effective Date"), by and between the CITY OF ORLANDO, a Florida municipal corporation, hereinafter referred to as the "CITY" and the GREATER ORLANDO AVIATION AUTHORITY, an agency of the City created by Special Act of the State of Florida, hereinafter referred to as the "AUTHORITY".

WITNESSETH:

WHEREAS, the AUTHORITY has been created by Special Acts which have been codified as Chapter 16 of the charter of the CITY, hereinafter referred to as the "Act"; and

WHEREAS, the City Council has determined that the AUTHORITY has been organized and is operating in such manner as to make continued control of the Orlando Executive Airport ("ORL") and the Orlando International Airport ("MCO" and, with ORL, collectively, the "Airports") by the AUTHORITY appropriate, desirable, and feasible; and

WHEREAS, the CITY and the AUTHORITY (collectively, the "Parties") entered into an Operation and Use Agreement dated September 27, 1976 (the "Original Agreement"), providing for the transfer of the operation and control of MCO and ORL from the CITY to the AUTHORITY, effective on October 1, 1976; and

WHEREAS, the AUTHORITY has continuously operated the Airports pursuant to the Original Agreement since October 1, 1976; and

WHEREAS, the CITY has benefitted from the AUTHORITY form of governance of its Airports during that time period; and

WHEREAS, the term of the Original Agreement is fifty (50) years and is to end on September 30, 2026; and

WHEREAS, the CITY and the AUTHORITY wish to clarify certain provisions of the Original Agreement and amend and restate same, to include an extension of fifty (50) years, commencing October 1, 2015.

NOW, THEREFORE, the CITY and the AUTHORITY for and in consideration of the promises and covenants as specified herein to be kept and performed, hereby agree that the CITY reaffirms the turn over of the control of the Airports to the AUTHORITY, and the AUTHORITY accepts the continued control and responsibility for the operation of the Airports, in accordance with the terms, restrictions, limitations, qualifications, and regulations as set forth in the Act, the Resolution passed by the CITY turning over control of the Airports to the AUTHORITY, and this Agreement.

ARTICLE 1

USE OF FACILITIES

The CITY previously granted, transferred and conveyed onto the AUTHORITY the exclusive right and jurisdiction to occupy, operate, control, and use ORL and MCO, and the CITY and the AUTHORITY hereby reaffirm said grant, transfer, and conveyance for an extension of the term of the Original Agreement for fifty years commencing at 12:01 a.m., E.D.T., on October 1, 2015 and terminating at 11:59 p.m. E.D.T. on September 30, 2065, for public airport purposes, subject to easements and restrictions of record, and matters herein provided. It is the intention of the CITY to allow the AUTHORITY to continue to occupy, operate, control, and use for such term, all land, buildings, improvements, easements (except as hereinafter provided), rights of ingress and egress, and appurtenances thereto belonging, now used or controlled by the AUTHORITY at ORL and MCO, hereinafter referred to as the "subject property," said property being more specifically described in the property maps attached as Exhibits "A" and "B" hereto. This Agreement shall become effective on the date of the Agreement first written above.

The CITY previously transferred to the AUTHORITY all rights relating to the subject property, subject to the terms and restrictions contained in the agreement between the CITY and the United States Air Force, and title to all the fixtures, equipment, materials, furnishings, and all other personal property, and the AUTHORITY has been operating the Airports since October 1, 1976.

The AUTHORITY hereby accepts the right and responsibilities to the real and personal property as hereinbefore described, subject to the terms and restrictions as herein provided.

AUTHORITY agrees to provide the management, labor, and materials necessary to continuously maintain the subject property and improvements in a repaired, clean, safe and sanitary condition. The AUTHORITY shall be responsible for maintaining its equipment, fixtures, furnishings, and other property in good condition and repair.

The AUTHORITY does hereby assume and accept all the duties and powers with respect to the subject property as are conferred upon it by the Greater Orlando Aviation Authority Act, Chapter 98-492 of the Laws of Florida, 1998, as amended, as such Act may be further supplemented, amended, or superseded (the "Act") unless specifically delineated otherwise in this Agreement.

That portion of the subject property not used or needed for direct aeronautical uses may be used for nonaeronautical purposes to provide revenue or benefits to the Airports; provided, if necessary, prior approval is granted from the Federal Aviation Administration; provided, further, that prior approval from the City Council is also necessary, if required, by the Act or this Agreement.

The AUTHORITY, for itself, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the subject property described in this Agreement for a

purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the AUTHORITY shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. The CITY hereby makes this paragraph a covenant running with the land.

1.1 During the term of this Agreement, the AUTHORITY, for itself, its assignees, and successors in interest (hereinafter referred to as the "AUTHORITY") agrees as follows:

1.1.1 Compliance with Regulations: The AUTHORITY (hereinafter includes consultants) will comply with the **Title VI List of Pertinent Nondiscrimination Statutes and Authorities**, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

1.1.2 Non-discrimination: The AUTHORITY, with regard to the work performed by it during the term of this Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The AUTHORITY will not participate directly or indirectly in the discrimination prohibited by the Acts and the regulations (as defined in the Acts, and hereafter the "Regulations"), including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

1.1.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by the AUTHORITY for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the AUTHORITY of the AUTHORITY's obligations under this Agreement and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.

1.1.4 Information and Reports: The AUTHORITY will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Federal Aviation Administration to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of the AUTHORITY is in the exclusive possession of another who fails or refuses to furnish the information, the AUTHORITY will so certify to the CITY or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

1.1.5 Incorporation of Provisions: The AUTHORITY will include the provisions of paragraphs 1.1.1 through 1.1.4 and 1.3.2 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The AUTHORITY will take action with respect to any subcontract or procurement as the Federal Aviation Administration may direct as a means of

enforcing such provisions including sanctions for noncompliance. Provided, that if the AUTHORITY becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the AUTHORITY may request the CITY, at the Authority's expense, to enter into any litigation to protect the interests of the CITY. In addition, the AUTHORITY may request the United States to enter into the litigation to protect the interests of the United States.

1.2 The AUTHORITY for itself and its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Agreement for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the AUTHORITY will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

1.3 The AUTHORITY for itself and its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (A) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (B) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (C) that the AUTHORITY will use the said lands and facilities in compliance with all other requirements imposed by or pursuant to the List of Pertinent Nondiscrimination Authorities.

1.3.1 Title VI List of Pertinent Nondiscrimination Authorities.

During the performance of this Agreement, the AUTHORITY, for itself, its assignees, and successors in interest, agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

1.3.2 Sanctions for Noncompliance: In the event of AUTHORITY’s noncompliance with the Non-discrimination provisions of this Agreement, the CITY will impose such contract sanctions as the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

1.3.2.1 Withholding payments to the AUTHORITY under the Agreement until the AUTHORITY complies; and/or

1.3.2.2 Cancelling, terminating, or suspending the Agreement, in whole or in part.

If, at the direction of the Federal Aviation Administration, the CITY terminates this Agreement and re-enters said lands and facilities thereunder, then the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of the CITY and its assigns. The provisions of this Subsection 1.3.2 shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed including exercise or expiration of appeal rights. This provision shall not limit any other right the CITY may have pursuant to the other provisions of this Agreement or the Act.

The CITY or its agent or agents, may at any time during reasonable business hours, enter in and upon the subject property or any part or portion thereof to view the same or perform such services in connection therewith as may be authorized by the terms hereof, or to post such notices as may be required by law or which CITY may deem to be necessary for the protection of the CITY or the subject property; PROVIDED, however, the right of entry by the CITY shall be subject to such restrictions as the AUTHORITY shall impose because of the security regulations of the United States Government or any agency thereof.

Upon the last day of the term granted, unless otherwise extended, or on the sooner termination thereof, the AUTHORITY shall peaceably and quietly leave, the CITY shall take full possession, ownership and control of all of the funds and real and personal property of the AUTHORITY then in existence, and will utilize the same for public aviation purposes, or any other lawful public purpose, and will fully perform all obligations theretofore lawfully incurred by the AUTHORITY, and all leases, contracts, franchises, and agreements lawfully entered into by the AUTHORITY will automatically be assigned to, and inure to the benefit of, and be binding upon the CITY, and all persons then employed by the AUTHORITY will become employees of, and serve at the pleasure of, the CITY. If the subject property be not surrendered by the end of the term, the AUTHORITY shall indemnify the CITY against loss or liability resulting from delay by the AUTHORITY in so surrendering the subject property.

ARTICLE 2

FUNDS AND ACCOUNTS

The AUTHORITY currently controls all funds and accounts in connection with operating the Airports. The AUTHORITY shall retain control of all such funds and accounts throughout the Term. Upon expiration or early termination of this Agreement, the AUTHORITY will set over to the CITY all funds and accounts of the AUTHORITY in connection with operating the Airports, and all future amounts credited to those funds and accounts, to be used by the CITY for the attainment of its lawful purposes, and subject to all legal constraints and requirements pertaining to such funds and accounts. Such funds and accounts will be set forth on a schedule to be provided by the AUTHORITY upon said transfer. Such schedule will include an

identification of those funds which are restricted by law or contract as to usage, and those funds which are not so restricted.

ARTICLE 3

ASSIGNMENT OF CONTRACTS

The CITY assigned and transferred to the AUTHORITY all contracts and agreements relating to operation of the Airports as of October 1, 1976. As such, the CITY does not have any contracts with third parties relating to the operation of the Airports as of the date of this Agreement. The AUTHORITY will track its contracts and upon the expiration or early termination of this Agreement, the AUTHORITY will assign and transfer to the CITY all the rights and benefits of all contracts, agreements, franchises, concession agreements, leases, rights of action, and accounts receivable relating to the activities and properties of the AUTHORITY. The CITY will assume all lawful obligations and liabilities and agrees to be bound by and to fully perform all lawful covenants and duties made or incurred by the AUTHORITY in connection with or arising from all contracts, agreements, franchises, concession agreements, leases, rights of action and accounts payable relating to the activities and properties of the AUTHORITY existing at expiration or early termination of this Agreement.

ARTICLE 4

CITY BRANDING AT MCO

The AUTHORITY operates the Airports for the benefit of the citizens of the CITY and the Central Florida region. MCO, in particular, is an integral part of the overall economy of the greater Orlando region and it serves millions of passengers from all over the world each year. Both the AUTHORITY and the CITY acknowledge and agree that it is important for those passengers to recognize that MCO is the CITY's Airport.

The Parties recognize the media for conveying information to the public will change over this Agreement's fifty (50) year term. During the term of this Agreement, the AUTHORITY will reasonably cooperate with the CITY to provide appropriate opportunities for recognition of the CITY'S role as owner of the Airports. The following are set forth as examples of appropriate CITY presence at the MCO:

4.1 The AUTHORITY agrees to incorporate a welcome and thank you message for arriving/departing passengers in the automated people movers ("APM") at MCO. A welcome message by the CITY Mayor not exceeding 20 seconds will be incorporated into the APM for arriving/departing passengers so long as that time is not needed to provide safety and operational information for passengers.

4.2 The AUTHORITY is installing 16, 75-inch monitors covering the baggage claim area in the landside terminal building. These monitors are intended to run two-minute loops for AUTHORITY passenger service messages, business messaging and commercial advertising. The AUTHORITY will make available a 15 second portion of the two-minute loop for a welcome video by the CITY Mayor. As with other videos, the message will not contain any

sound, will be required to comply with the AUTHORITY's Advertising Policy and will have to be submitted in a format required by the advertising concessionaire.

4.3 The AUTHORITY agrees that the CITY shall have a right of first refusal over ten percent (10%) of the unrented static advertising space available for community promotion organizations in the existing and in any future landside terminal buildings and each existing and in any future airside (the "Right of First Refusal Space"). The proposed CITY advertising will be in compliance with the AUTHORITY's Advertising Policy as it may be amended from time to time. All proposed advertising will undergo review and approval under the procedures utilized by the AUTHORITY to review and approve other advertising. The AUTHORITY's Executive Director will notify the CITY's Chief Administrative Officer in writing of the static space available for community promotion organizations as space becomes available but at least once every six (6) months. The CITY's Chief Administrative Officer will notify the AUTHORITY's Executive Director in writing within thirty (30) days of receipt of the notice whether the CITY will exercise its right of first refusal as to all or such smaller portion of the Right of First Refusal Space as shall be identified by the City in such notice.

4.4 The AUTHORITY will work with the CITY to accommodate a welcome message from the CITY along Jeff Fuqua Boulevard.

ARTICLE 5

POLICE

5.1 Purpose. The CITY agrees to render certain law enforcement services to the AUTHORITY to be performed exclusively by the Orlando Police Department ("OPD"), which services shall include the use of law enforcement personnel in the number and manner provided for in the Annual Operating Budget approved pursuant to Section 5.3 below, and the AUTHORITY agrees to pay for such services, all as set forth herein.

5.2 Definitions. For purposes of this Agreement,, the following terms shall have the meanings ascribed to them below:

5.2.1 "Agencies" means collectively, DOT, FAA, TSA, or any other state or federal governmental agency or third party organization.

5.2.2 RESERVED

5.2.3 "Airport" or "MCO" means the Orlando International Airport owned by the CITY and operated by the AUTHORITY.

5.2.4 "Airport Division" means OPD Airport Division Personnel working at the Airport for the purpose of performing the OPD Services.

5.2.5 "Annual Operating Budget" means the annual estimate of reimbursable costs and expenses, including Indirect Costs, to be incurred by OPD in the operation of its Airport Division for a Fiscal Year, commencing October 1, and the proposed staffing plan of the Airport Division for such Fiscal Year, which has been prepared by OPD and

approved in accordance with Section 5.3 below. The Annual Operating Budget may include an allocation of the CITY's indirect costs of providing the OPD Services, to the extent such allocation is permitted by the Revenue Use Policy.

5.2.6 "AUTHORITY" means the Greater Orlando Aviation Authority created pursuant to Chapter 57-1658, Special Laws of Florida 1957, as recodified and amended by Chapter 98-492, Special Laws of Florida 1998, as amended (the "Act"), as an agency of the CITY.

5.2.7 "Authority Policies and Procedures" means those policies and procedures set forth in the AUTHORITY's Policies and Procedures manual in effect on the Effective Date, as it may be amended from time to time in the exclusive discretion of the AUTHORITY, provided, however, that (i) without the written consent of the CITY, no such amendment shall be effective with respect to the CITY in the Fiscal Year in which such amendment was adopted if compliance with such amendment would increase the cost of the OPD Services in that Fiscal Year and the AUTHORITY does not agree in writing to pay such increased cost; and (ii) no such amendment shall be effective under this Article 5 until a copy of such amendment has been delivered to the Commander.

5.2.8 "ASP" means the Airport Security Program for the Airport, as may be amended from time to time by the AUTHORITY.

5.2.9 "Base Pay" shall have the meaning defined in any Union Agreements or, if not defined therein, shall mean the base hourly wages or salary or other forms of pay for OPD Airport Division Personnel required to be paid under any Union Agreement, exclusive of Overtime, pension costs, Benefits, and Off-Duty Time.

5.2.10 "Benefits" means:

5.2.10.1 any employee benefits of the CITY as may be in effect from time to time for OPD Airport Division Personnel, to the extent an employee is eligible for participation therein and coverage thereunder, pursuant to OPD Policies and Procedures and related Union Agreements;

5.2.10.2 personal leave and compensatory time off for OPD Airport Division Personnel according to OPD Policies and Procedures or the Union Agreements;

5.2.10.3 compensatory and personal leave buy downs or buy outs or frozen sick leave buy outs for all current or former OPD Airport Division Personnel; and

5.2.10.4 payroll taxes paid with respect to compensation paid to OPD Airport Division Personnel, including FICA, social security taxes, income tax withholding and unemployment taxes.

5.2.11 "CITY" means the City of Orlando, Florida.

5.2.12 "Commander" means the Airport Division Commander or designee as appointed by OPD, whose duty is to command all OPD Airport Division Personnel.

5.2.13 “Designated Service Unit” means distinct units or grade/ranking categories (e.g., sergeants, officers, or community service officers) of law enforcement personnel and administrative staff.

5.2.14 “DOT” means that agency of the State of Florida created and established under the name “Department of Transportation” under the Governmental Reorganization Act of 1969, or any successor to such agency.

5.2.15 “Emergency Response” means any law enforcement reaction to exigent circumstances, which reaction requires, in the reasonable discretion of the Commander after consultation with the Executive Director, law enforcement personnel in addition to the OPD Airport Division Personnel on duty at such time.

5.2.16 “Estimated Operating Budget” means the estimated Annual Operating Budget for a Fiscal Year prepared by OPD and submitted to the AUTHORITY on or before June 1 of each year for approval in accordance with Section 5.3.3 below.

5.2.17 “Executive Director” means the Executive Director of the AUTHORITY, or his or her designee.

5.2.18 “FAA” means the Federal Aviation Administration, which is an agency of the United States Government, created and established under the Federal Aviation Act of 1958, and any successor thereto.

5.2.19 “Fiscal Year” means the then current annual accounting period of the CITY for its general accounting purposes, which period, as of the Effective Date of this Agreement, is the period of twelve (12) consecutive calendar months ending on the last day of September of any year.

5.2.20 “GAAP” means Generally Accepted Accounting Principles in the United States of America in effect from time to time as applicable to government entities.

5.2.21 “Indirect Costs” means costs incurred by the CITY in connection with the OPD Services that are not billed as a direct cost and that are allocated under a cost allocation plan that satisfies the requirements for the allocation of Indirect Costs contained in the Revenue Use Policy.

5.2.22 “Off-Duty Time” means time spent outside of the regular work assignment as further defined by the Union Agreements or, if not defined therein, by OPD Policies and Procedures. To the extent that Off-Duty Time that is not related to OPD Services is recorded by the CITY, it shall be recorded in a program account separate from the program account for OPD Services.

5.2.23 “OPD” means the Orlando Police Department, a department of the CITY.

5.2.24 “OPD Airport Division Personnel” means police officers or civilian employees of OPD, in such numbers that are agreed upon by the Executive Director and the

Commander, that are funded in the Annual Operating Budget, that are selected by OPD, and that are engaged in providing the OPD Services to the AUTHORITY.

5.2.25 “OPD Policies and Procedures” means those policies and procedures established by the CITY and applicable to OPD as may be amended from time to time in the exclusive discretion of the CITY.

5.2.26 “OPD Services” means the services to be provided by OPD Airport Division Personnel, as described on attached Exhibit “C”, as such Exhibit may be amended from time to time in writing by the Executive Director and the Commander. All OPD Services shall be considered “on duty” work, except those services specifically requested by the AUTHORITY that are performed during Off-Duty Time. The CITY’s monthly invoice to the AUTHORITY pursuant to Section 5.5.1 shall include a separate report detailing all OPD Services performed during Off-Duty Time.

5.2.27 “Overtime” shall mean the hours worked by an employee in excess of the regular scheduled work hours as defined by the applicable Union Agreements. The CITY’s monthly invoice to the AUTHORITY pursuant to Section 5.5.1 shall include a report detailing the utilization of overtime by each OPD Airport Division Personnel.

5.2.28 “Pensionable Wages” shall be the aggregate salary for pension purposes, of OPD Airport Division Personnel, as set forth in the applicable Union Agreements or CITY Policy and as may be capped as provided in Section 5.3.3.

5.2.29 “Preliminary Estimated Operating Budget” means the Estimated Operating Budget for a Fiscal Year prepared by OPD and submitted to the AUTHORITY on or before April 1 of each year for its review and comment in accordance with Section 5.3.1.

5.2.30 “Revenue Use Policy” means the Federal Aviation Administration’s Policy and Procedure Concerning the Use of Airport Revenue dated February 16, 1999, as such policy may hereafter be amended or superseded.

5.2.31 “TSA” means the Transportation Security Administration, which is an agency of the United States Government, created and established under the Aviation and Transportation Security Act, and any successor thereto.

5.2.32 “Union Agreements” are the Agreements between the CITY and the Fraternal Order of Police Lodge #25, and all other applicable collective bargaining agreements between the CITY and OPD employees, all as may be amended and in effect from time to time. In the event a proposed change to a Union Agreement is applicable only to OPD Airport Division Personnel, that change shall be subject to the approval of the AUTHORITY (which approval shall not be unreasonably delayed or withheld, and which approval must be granted by the AUTHORITY if the change is required by a change in AUTHORITY Policies and Procedures or an AUTHORITY directive), or the cost of such change shall be borne by the CITY and not the AUTHORITY.

5.3 Annual Operating Budget.

5.3.1 Delivery. On or before each April 1st during the term of this Article 5, commencing on or before April 1, 2016, the CITY shall prepare and deliver to the AUTHORITY a Preliminary Estimated Operating Budget for the next Fiscal Year. Following receipt of the Preliminary Estimated Operating Budget, the AUTHORITY may provide its comments, if any, to the CITY, regarding staffing levels, costs, and any other aspects of the Preliminary Estimated Operating Budget. The CITY shall consider the comments of the AUTHORITY, if any, revise the Preliminary Estimated Operating Budget, and prepare and submit to the AUTHORITY an Estimated Operating Budget on or before each June 1st during the term of this Agreement. The Preliminary and Estimated Operating Budget for each Fiscal Year shall include all Base Pay and the actual cost of all Benefits to be paid or provided to OPD Airport Division Personnel, and all other expected direct and indirect costs of the CITY related directly to the provision of OPD Services. Indirect costs recapture shall be based on the actual number of officers assigned to the Airport Division during the preceding Fiscal Year. Each such Estimated Operating Budget shall include a report, with such detail as shall be reasonably requested by the AUTHORITY prior to March 1 in the then current Fiscal Year, providing the data necessary to evidence the costs forming the basis for the Estimated Operating Budget.

5.3.2 Indirect Cost Allocation Methodology. The AUTHORITY has accepted the indirect cost allocation methodology in use by the CITY on the Effective Date, subject to reflecting actual, rather than budgeted, full time equivalent ("FTE") police officers, but if, during the term of this Agreement, the FAA finds that the CITY's methodology is not compliant with applicable federal requirements, the CITY shall modify such indirect cost allocation methodology to the extent necessary to bring such methodology into compliance with such requirements. In such event, both the City and the Authority reserve their rights to present their case in all appropriate forums, including before the FAA.

5.3.3 Review and Approval.

5.3.3.1 The AUTHORITY will review the Preliminary and Estimated Operating Budgets for a Fiscal Year, make recommendations to the CITY for any changes, and approve the Estimated Operating Budget as revised, to the extent consistent with the parameters described herein. The Estimated Operating Budget for a Fiscal Year, as revised and approved pursuant to the prior sentence, shall become the Annual Operating Budget for that Fiscal Year. If an Annual Operating Budget for the current Fiscal Year has not been approved by the AUTHORITY, then the CITY shall have the right to provide OPD Services in that current Fiscal Year based on the Annual Operating Budget for the prior Fiscal Year until an Annual Operating Budget has been approved by the AUTHORITY for that current Fiscal Year. Once an Annual Operating Budget has been approved by the AUTHORITY for that current Fiscal Year, it will be effective retroactive to the first day of such Fiscal Year.

5.3.3.2 Nothing herein shall be construed as limiting the CITY's discretion to assign officers of any particular seniority to the Airport Division; provided, however, that the Annual Operating Budget shall reflect Base Pay and Benefits amounts that do not exceed amounts that would be payable if the seniority of the OPD Airport

Division Personnel, on a Designated Service Unit basis, mirrored the average seniority levels of OPD by applicable rank as of the start of each Fiscal Year. For example, if the average seniority level of all OPD sergeants is ten (10) years as of the start of Fiscal Year 2011, and four sergeants are included as part of the OPD Airport Division Personnel for 2011, the maximum amount of Base Pay and Benefits that may be included in the Annual Operating Budget for 2011 and that must be paid by the AUTHORITY for such four sergeants is the Base Pay and Benefits amount that would be payable if the average seniority of such four sergeants were ten (10) years.

5.3.3.3 The amount of OPD Airport Division pension cost that may be included as Benefits in the Annual Operating Budget for a Fiscal Year may not exceed the net amount the CITY contributes to the Pension fund (the actuarially required contribution less contributions received from the State of Florida under Chapter 185, Florida Statutes) for that Fiscal Year multiplied by the Pensionable Wages for that Fiscal Year divided by the aggregate pensionable wages (as defined in the Union Agreements) for all OPD personnel for that Fiscal Year.

5.3.3.4 Once the Annual Operating Budget is approved by the AUTHORITY, the AUTHORITY shall not be required to pay any amount in excess of the total amount provided for in that Annual Operating Budget unless such excess (a) results from an Emergency Response (subject to the limitations in Section 5.4.3 below), an AUTHORITY directive, or a change to the Union Agreements that did not require the AUTHORITY's approval under Section 5.2.32 above, or, if such approval were required, it was either obtained from or unreasonably delayed or withheld by the AUTHORITY, or (b) is approved in writing by the Executive Director.

5.3.3.5 Prior to reallocating any funds budgeted in the Annual Operating Budget from any line item to another, OPD shall prepare and submit a Budget Transfer Request Form, in the budget form attached hereto as Exhibit "D". All Budget Transfers shall be subject to the approval of the Executive Director, who will consider such request in good faith.

5.4 Provision of OPD Services.

5.4.1 Services to be Provided. OPD shall provide the OPD Services in a given Fiscal Year in accordance with and to the extent provided for in the Annual Operating Budget for such Fiscal Year that was approved pursuant to Section 5.3.3 above, as such amount may be increased pursuant to Section 5.3.3.4 above, and OPD shall have no obligation to provide OPD Services in such Fiscal Year that are not provided for in such Annual Operating Budget. To the extent permitted by law, the CITY shall cause OPD to perform the OPD Services in good faith compliance with: (a) all applicable OPD Policies and Procedures; (b) all AUTHORITY Policies and Procedures; (c) all AUTHORITY directives, to include all security and operating procedures set forth in the ASP and provided to the Commander in writing; and (d) all federal, state, and municipal laws and regulations. OPD will perform all of these duties to the extent there is no conflict with OPD Policies and Procedures. Time spent by OPD Airport Division Personnel providing law enforcement services under separate agreements between the

AUTHORITY and third parties such as the TSA shall not constitute OPD Services under this Agreement.

5.4.2 Request for Reassignment. The Executive Director may provide the CITY with the AUTHORITY's written request that OPD reassign certain OPD Airport Division Personnel out of the Airport Division. The CITY will consider any such request in good faith and take such action as the CITY deems appropriate.

5.4.3 Special Detail Teams. The CITY and the AUTHORITY agree that a limited number of OPD Airport Division Personnel may participate in special detail teams so that they will have the requisite training to respond to circumstances at the Airport that require the services of such special detail teams, including S.W.A.T. and other crisis negotiation teams. The CITY and the AUTHORITY further agree that the estimated cost of this participation by OPD Airport Division Personnel will be included in the Annual Operating Budget, and that the response by such teams will not be considered an Emergency Response for purposes of Section 5.3.3.4(a) above.

5.5 Payments.

5.5.1 Amount of Payments.

5.5.1.1 Subject to the limitations in this Agreement (e.g., in Section 5.3.3), for each Fiscal Year, the AUTHORITY will pay the CITY all actual costs and expenses incurred by the OPD Airport Division in connection with the performance of OPD Services plus allocable indirect costs calculated in accordance with Section 5.3.2; provided, however, that the Base Pay and Benefits amounts payable by the AUTHORITY for each officer or employee included in OPD Airport Division Personnel shall be the lesser of (i) actual sums paid by the CITY, or (ii) the maximum of Base Pay and Benefits on a Designated Service Unit basis, as established pursuant to Section 5.3.3.2 above. Within forty-five (45) days after the end of each month, the CITY shall deliver to the AUTHORITY a monthly invoice equal to all costs and expenses actually incurred by the Airport Division for that month, consistent with the Annual Operating Budget for such Fiscal Year and any additional amount authorized pursuant to Section 5.3.3.4 above, which invoice shall represent the amount owed by the AUTHORITY to the CITY for such month. The CITY shall provide receipts or other backup for all expenses that exceed \$50.00. This amount will be increased (but not decreased) every five (5) years based on the increase in the Consumer Price Index (CPI-U) over the CPI-U for September 2015. The CPI-U shall be the Consumer Price Index for all Urban Consumers-United States City Average-All Items issued by the Bureau of Labor Statistics, United States Department of Labor. Should the Department of Labor cease publishing the CPI-U, then the CITY may select such other index published by a United States government agency which most nearly approximates the CPI-U Index. Each invoice shall be accompanied by appropriate supporting documentation in a mutually agreed upon format and in sufficient detail to substantiate the amount of the invoice. The AUTHORITY will deliver to the CITY the amount invoiced within 30 days after the AUTHORITY's receipt of the invoice, excluding only those amounts where (a) payment is disputed in good faith by the AUTHORITY, and (b) prior to the expiration of such 30 day period, the

AUTHORITY has notified the CITY in writing of the basis of such good faith dispute. The Parties shall negotiate in good faith to resolve such dispute within 30 days after the CITY's receipt of such written notice from the AUTHORITY.

5.5.1.2 An annual true-up calculation will be performed in accordance with Section 5.5.2 below to determine whether the AUTHORITY is required to make an additional payment to the CITY or the CITY is required to make a reimbursement payment to the AUTHORITY.

5.5.2 True Up.

5.5.2.1 Within sixty days after the end of each Fiscal Year, the CITY will cause the OPD to complete an annual fiscal report (the "Annual Report"), including backup information as reasonably requested by the AUTHORITY, for the preceding Fiscal Year and deliver a copy of such report to the AUTHORITY. Such Annual Report shall include, at a minimum, all payments owed by the AUTHORITY pursuant to Section 5.5.1 above for the preceding Fiscal Year, accompanied by the appropriate supporting documentation in a mutually agreed upon format and in enough detail to substantiate all expenses reported. Within 90 days after the receipt of the Annual Report, the AUTHORITY will review the Annual Report and attempt to resolve with OPD any disputed information in the report, with any payments to be made by the CITY to the AUTHORITY or the AUTHORITY to the CITY to be made on or before the 120th day after the receipt by the AUTHORITY of the Annual Report.

5.5.2.2 With respect to all items on the Annual Report for which the amount is disputed as of the 90th day after receipt of the Annual Report by the AUTHORITY, the AUTHORITY may initiate an audit before the end of the 180th day after the receipt of the Annual Report by the AUTHORITY. Upon completion of such audit, which shall be completed within a reasonable time after the end of such 180-day period, the CITY and the AUTHORITY will resolve the items that were in dispute as of the 90th day after the receipt of the Annual Report by the AUTHORITY, and any payment will be due on or before the 30th day after such resolution.

5.5.2.3 An annual meeting shall occur between OPD and CITY budget staff and the AUTHORITY Finance and Audit staff to review the audit and true up protocols and consider any necessary changes, including but not limited to required backup documentation.

5.5.3 Retirement Buyouts and Personal or Compensatory Leave Buydown. With respect to personal leave or compensatory buy downs and retirement buyouts, the cost of such pay shall be prorated between the CITY and the AUTHORITY based on the number of months such individual was a member of the OPD Airport Division Personnel, as compared to the total number of months such individual was a member of the OPD. For individuals who served in the OPD Airport Division prior to October 22, 1995, all frozen sick leave accrued and unused as of the time of a frozen sick leave buy down shall be prorated between the CITY and the AUTHORITY in the manner described above, based on the months of actual service up to

October 22, 1995. The estimated cost of such buy downs and buyouts shall be included in the Annual Operating Budget.

5.6 City Contributions.

5.6.1 Guns. Title to all guns issued to OPD Airport Division Personnel and all guns purchased by the AUTHORITY at the written request of the Commander shall be vested in the CITY.

5.6.2 Parking Tickets. The CITY shall furnish, at its cost, books of blank parking tickets and uniform traffic citations, or the electronic equivalent thereof, in an amount sufficient to supply all OPD Airport Division Personnel. The CITY shall retain all ticket revenue.

5.6.3 Traffic Management. The AUTHORITY will be responsible for the enforcement of all curbside parking violations. Subject to the limitations in this Agreement, OPD will be responsible for all other traffic management and enforcement functions at the Airport.

5.7 Books and Records.

5.7.1 Books and Records. The CITY shall maintain complete and accurate financial books and records, including disbursement and payroll records, in accordance with GAAP consistently applied and in sufficient detail as the CITY, in its reasonable discretion, deems necessary or appropriate to allow the AUTHORITY or its representative to audit reimbursable costs in accordance with generally accepted auditing standards. Adequate supporting documentation shall also be maintained for all disbursement and payroll records which would normally be examined by an independent certified public accountant in performing an examination of the costs in accordance with generally accepted auditing standards. In addition to the books and records specifically required herein, the CITY shall, upon reasonable notice, make available to the AUTHORITY any other timekeeping (including access to any original timekeeping records), financial, or statistical reports or records in existence that the AUTHORITY or its representative may reasonably request. The CITY, upon reasonable request by the AUTHORITY, shall reasonably cooperate in such examination and, if such records are maintained in electronic or other machine-readable format, upon reasonable request by the AUTHORITY, shall provide the AUTHORITY or its representative such assistance as may be reasonably required to allow complete access to such records. All such financial books and records shall, upon reasonable notice, be made available for inspection to the AUTHORITY through its duly authorized representative at any time for up to four (4) years after the end of the Fiscal Year to which such books and records relate; provided, however, that any such inspection will be conducted during reasonable business hours at the location where the records are maintained, and in such a manner and at such time as not to unreasonably interfere with the conduct of CITY business. All audits made by the AUTHORITY with respect to a Fiscal Year must begin within 180 days after the receipt of the Annual Report. The AUTHORITY will proceed diligently to complete the audit within 180 days after receipt from the CITY of all reasonably required appropriate supporting documentation in sufficient detail to substantiate all expenses reported. The AUTHORITY and the CITY agree to make the normal audit process a

priority in an effort to reach the 180 day goal after commencement for completion of any such audit. The CITY and the AUTHORITY will discuss any audit documentation changes requested to improve or expedite the audit process at the annual meeting of the CITY OPD and finance staff and AUTHORITY finance and audit staff required by Section 5.5.2.3.

5.8 Vehicles.

5.8.1 Vehicles. The CITY agrees to supply the number of vehicles (the "Vehicles") for use by OPD Airport Division Personnel as police vehicles at MCO sufficient to provide the OPD Services in accordance with the Annual Operating Budget by purchase or lease of such Vehicles, as determined by the AUTHORITY. The CITY agrees to take reasonable care of the Vehicles and keep them in good operating condition. The Vehicles shall be available for the exclusive use of OPD Airport Division Personnel in the performance of OPD Services, or as otherwise specifically agreed to in writing by the AUTHORITY and the CITY. Neither the AUTHORITY nor the CITY shall make any use of the Vehicles other than as permitted herein. The CITY shall have the exclusive responsibility for maintaining and insuring the Vehicles for as long as this Article 5 is in effect. The actual costs of purchasing or leasing, operating, maintaining and insuring the Vehicles shall be included in the Annual Operating Budget, pursuant to the terms hereof. The CITY shall apply any insurance proceeds received on account of any damaged or destroyed Vehicle toward the repair or replacement, as the case may be, of such Vehicle where appropriate, as determined by the CITY's Risk Management division. The CITY shall bear the risk of loss to any Vehicles caused by the negligence of the CITY or any OPD Airport Division Personnel.

5.8.2 Fuel Costs. All fuel for the operation of the Vehicles shall be provided by the AUTHORITY at the AUTHORITY's fueling facilities at no cost to the CITY. The AUTHORITY will not reimburse fuel purchases at any other fueling facility unless fuel is not then available at the AUTHORITY's fueling facilities.

5.9 Termination of OPD Services at MCO.

This Article may be terminated by the CITY or the AUTHORITY effective on the last day of the Fiscal Year that commenced following written notice of non-renewal to the other party but only if during such notice period the City Council of the CITY adopts an ordinance approving the employment by the AUTHORITY pursuant to Chapter 16, Section 8(r), of the Charter of the City of Orlando (or any comparable section of any successor thereto), of the AUTHORITY's own Airport guards or police officers or the contracting by the AUTHORITY with the CITY or any other agency of the State of Florida, or Orange County, Florida, to provide law enforcement services and protection through its duly sworn officers, and all such officers shall, where such authority exists by law, have full power of arrest to prevent or abate the commission of any offense against the ordinances of the CITY, the laws of Florida, or the laws of the United States, when any such offense or threatened offense occurs upon any lands or project owned by or under the control of the AUTHORITY.

5.10 Notice of Charges That May Be Impermissible.

The AUTHORITY agrees it will provide reasonably prompt notice to the CITY's Chief Financial Officer upon learning of any charge by the CITY to the AUTHORITY or payment by the AUTHORITY to the CITY that the AUTHORITY believes is impermissible.

ARTICLE 6

FIRE SERVICES

The AUTHORITY shall continue to be responsible for providing fire protection and crash rescue services as authorized by Act for ORL and MCO. Notwithstanding the above, as of the Effective Date, the AUTHORITY has contracted with the CITY to provide crash/fire/rescue services at ORL.

For Fiscal Year 2016, the AUTHORITY shall pay the CITY the sum of \$538,020 (the "ARFF Fee") in equal monthly installments. Commencing with Fiscal Year 2017, the ARFF Fee shall be increased annually to an amount equal to the product of the ARFF Fee for Fiscal Year 2016 multiplied by the "CPI Multiplier," as hereinafter defined; provided, however, that the ARFF Fee for any Fiscal Year shall never be less than the ARFF Fee for the prior Fiscal Year. The "CPI Multiplier" is a fraction, the numerator of which shall be the "CPI Index" (as hereinafter defined) for the immediately preceding September and the denominator of which is the CPI Index for September 2015 (the "Base CPI"). The "CPI Index" is the Consumer Price Index for all Urban Consumers – United States City Average – All Items issued by the Bureau of Labor Statistics, United States Department of Labor. Should the Department of Labor cease publishing the CPI Index, then the CITY may select such other index published by a United States governmental agency which must nearly approximate the CPI Index. At the end of the five year period ending on September 30, 2020, and each five year period thereafter, the CITY shall calculate the actual cost of providing crash/fire/rescue services to ORL, based upon GAAP, as compared to the amounts paid by the AUTHORITY for such services and submit such calculation to the AUTHORITY. Such actual cost shall be substituted for the "ARFF Fee" and the Base CPI shall be revised to be the CPI Index for the September of the Fiscal Year of the immediately preceding period. Within sixty (60) days after receipt of such calculation, the CITY or the AUTHORITY, as applicable, shall pay the other the difference between the amount previously paid by the AUTHORITY and the actual cost of the services provided over the previous five years.

The AUTHORITY agrees that the CITY's public safety personnel, including OFD and OPD, may occasionally use the vacant, unleased property at ORL in the area referred to by the Authority as the OEA Southeast Quadrant without cost for training from time to time when such property is not being used by the AUTHORITY, as long as such use is consistent with the Revenue Use Policy and there is no conflict with aviation operations. In exchange, OFD has agreed to provide testing required for the fire hydrants on ORL property at no cost to the AUTHORITY and OPD has agreed to waive event permit fees (but not other costs of the CITY, such as police or fire department details, related to any such event) for up to twelve (12) permits for non-aviation events at ORL in any Fiscal Year. In order to obtain such waiver, the AUTHORITY shall notify the CITY at the time the permit application is filed that the event is to

be one for which the event permit fee is to be waived. Following is the procedure to be utilized for OFD or OPD use of the Southeast Quadrant vacant land:

6.1 An OFD or OPD staff person will call the Manager of ORL to indicate the intended use and determine whether the site is available.

6.2 If the site is available on the requested date, OFD or OPD shall complete and submit a Facility Use Agreement (or similar agreement) in the AUTHORITY's standard form.

6.3 The Manager of ORL shall review and approve the submitted Facility Use Agreement.

6.4 The AUTHORITY shall not charge a fee for such use.

6.5 Any water usage from the water hydrants at ORL by OFD for practice and testing of equipment other than hydrants will be billed to the CITY.

ARTICLE 7

EMPLOYEES

The AUTHORITY shall be responsible for its own personnel, including salary and all lawful fringe benefits and retirement provisions for such employees.

The following criteria will be used in selection of AUTHORITY employees:

7.1 The Executive Director will be appointed by the AUTHORITY and shall serve at the pleasure of the AUTHORITY.

7.2 The Chief Operating Officer, Deputy Executive Directors and Department Directors (or such positions as may succeed to such duties) will be nominated by the Executive Director, confirmed by the AUTHORITY, and serve at the pleasure of the Executive Director.

7.3 Unless otherwise prohibited by law, all positions below Department Director will be appointed by the Executive Director.

ARTICLE 8

SEWAGE TREATMENT PLANTS AND SEWER EASEMENTS

The CITY shall retain title to and the exclusive right to operate the existing sewage treatment facilities at the MCO, as well as all existing easements required for the provision of sewer and reclaimed water utility services across or to any properties subject to this Agreement. The CITY hereby retains the right of access under and through all parcels or tracts of the subject property on or under which currently exist any lines, pipes or other appurtenances to the sewer or other utility services that serve the subject property.

The right of access reserved is more particularly described as the right and privilege of the CITY to maintain its lines, pipes and other appurtenances under and through the subject property, with the privilege of entering upon said land for the purposes of maintaining, operating and repairing said lines, pipes and other appurtenances, together with the rights, easements, privileges and appurtenances in or to said land which may be required for the full enjoyment of the rights herein granted.

ARTICLE 9

ANNEXATION

The CITY shall retain the right to annex all lands purchased by the AUTHORITY in the name of the CITY at such times as it is lawful to do so.

The AUTHORITY hereby irrevocably petitions the CITY for annexation of all lands purchased by the AUTHORITY in the name of the CITY to the CITY, and agrees to execute such other or further applications or petitions as may reasonably be required in support of this petition for annexation; provided, that the CITY shall not be required to take any action with respect to this petition until such property, or any portion thereof, is contiguous to the municipal limits of the CITY. The term "contiguous" shall be given the broadest construction legally permissible under the laws of Florida for the annexation of property to a municipality, including specifically, but without limitation, being separated only by a public right-of-way from lands within the municipal limits.

ARTICLE 10

ORDINANCES

The CITY has adopted an ordinance causing all ordinances of general application of the CITY, with the exception of zoning ordinances, to continue in effect with respect to all lands subject to this Agreement, as well as any lands subsequently acquired by the AUTHORITY, as provided for in the Act.

The CITY agrees to initiate the legislative process to amend the CITY's existing historical preservation ordinance to allow only the AUTHORITY to request a historic designation (including without limitation designation as an Orlando historic landmark or for inclusion within an Orlando historic preservation district) for property controlled by the AUTHORITY under this Agreement. Subject to the limitations set forth above, the AUTHORITY will be required to comply with the City's architectural review, historic preservation and environmental protection ordinances to the extent applicable, although aeronautical construction (e.g., taxiways, runways, aprons, FAA required navigational aids and non-dedicated roadways) shall be excluded from the requirement to comply with the foregoing ordinances. Furthermore, FAA facilities shall only be required to comply with the CITY's review and permitting requirements to the extent described above and in Article 21 below, and in accordance with federal, state, and local law, as applicable.

ARTICLE 11

LANDING FEES

The AUTHORITY shall have the right and obligation to set landing fee rates and charges for the Airports. In the event the AUTHORITY determines it is necessary to set rates and charges by ordinance, the CITY will set such rates and charges upon a request from the AUTHORITY.

ARTICLE 12

FEDERAL AND STATE GRANTS AND AGREEMENTS

The AUTHORITY hereby expressly agrees to be bound by and to fully perform all covenants and duties made or incurred by the CITY in connection with all federal and state grants obtained by the CITY in connection with MCO or ORL. The AUTHORITY shall indemnify, defend, and save harmless the CITY, its authorized agents and representatives, from any penalties for violation of any of the said covenants or duties, and from any and all claims, suits, losses, or damages of whatsoever kind or nature arising directly or indirectly out of the operations of the Airports by the AUTHORITY, or resulting from the carelessness, negligence, or improper conduct of the AUTHORITY, or any of its agents or employees.

A final determination (that is, a determination that has not been timely appealed or that is not subject to any further appeal) by the federal or state government or any agency thereof, that there exists a condition of non-compliance or a default under any grant or conveyance of surplus property shall be considered a default of a material provision of this Agreement for the purposes of Article 16 of this Agreement unless such non-compliance or default is the result of the CITY's actions.

The CITY and the AUTHORITY agree that they will cooperate in seeking federal, state, local and private grants and where necessary, provided approval is obtained by both the CITY and the AUTHORITY, they will execute applications as necessary and will administer existing grants in conformity with the terms of said grants in such a way as to comply with the grants and all related grant agreements.

ARTICLE 13

BUDGET

Not less than one month prior to the end of each fiscal year of the AUTHORITY, which shall be the same fiscal year as that of the CITY, the AUTHORITY shall adopt by resolution its proposed budget for the ensuing fiscal year, and submit the same to the City Council. Such proposed budget shall include all anticipated expenditures of the AUTHORITY for all of its projects during the ensuing fiscal year, including operating expenses, capital outlays, materials, labor, equipment, supplies, payments of principal and interest on all outstanding revenue bonds of the AUTHORITY, and sinking fund and reserve requirements for such bonds. Such proposed budget shall provide for expenditures only to the extent of funds legally available to the

AUTHORITY for such purposes and reasonably anticipated revenues of the AUTHORITY for the ensuing fiscal year from established sources, based upon past experience and reasonable projections thereof, and from new projects or new sources of income of the AUTHORITY. The City Council shall, within ten (10) days of its receipt of such proposed budget, conduct a public hearing with respect thereto, and in that event, the Chairman or Executive Director of the AUTHORITY shall be present at such public hearing. Following the public hearing by the City Council, the AUTHORITY at any regular or special meeting prior to the commencement of the next fiscal year, shall adopt by resolution its budget for the ensuing year subject to the same constraints as to the amount of expenditures as set forth above with respect to the proposed budget of the AUTHORITY. Once adopted, the said budget shall not be amended except by resolution of the AUTHORITY and except after giving of ten (10) days' prior written notice of the proposed amendment to the City Council.

The AUTHORITY shall cause an audit to be made of its books and accounts for each of its fiscal years by an independent certified public accountant, which audit shall be accompanied by the accountant's opinion and qualifications relating thereto, if any.

ARTICLE 14

LENGTH OF TERMS FOR LEASES AND FRANCHISE

For purposes of compliance with the Act, and with Section 25.1.1 below, any lease or franchise to be granted by the AUTHORITY shall be deemed to have a term equal to the sum of the term of years included in the base term and option periods under any existing lease or franchise previously granted by the CITY or the AUTHORITY to the same party, and the term of years, including the base term and any option periods, proposed to be granted by the AUTHORITY under a new lease or franchise, or under an extension or modification of such existing lease or franchise.

ARTICLE 15

SALE OF LAND

15.1 The parties acknowledge that, during the term of this Agreement, the AUTHORITY may desire to sell one or more parcels of land which are subject to the Agreement and which have been determined to be surplus to aviation needs. In such event, and if all approvals required by law, including that of the CITY, are obtained, the parties agree that the net proceeds of any such sale, except as hereinafter provided, shall be retained by the AUTHORITY and used by it only for the acquisition of lands to be used for airport purposes or for capital improvements to airport facilities.

All property shown on the AUTHORITY's "Exhibit A" property map for ORL or MCO that is included in an Airport Improvement Program Grant Agreement accepted by the CITY will be subject to this Agreement, as such Exhibit "A" property maps are updated from time to time

by the AUTHORITY and accepted by the CITY as part of an Airport Improvement Program Grant Agreement. Any changes to an Exhibit "A" property map will be identified by the AUTHORITY in writing at the time it asks the CITY to approve an Airport Improvement Grant Agreement. Subsequent to a transaction pursuant to Section 15.1 above or 15.2 below, the AUTHORITY will update the appropriate Exhibit "A" property map to reflect the acquisition, release or swap of such property.

15.2 The following require AUTHORITY and City Council approval:

15.2.1 Acquisition of Property or Release of Property to Third Party. Acquisition of property by the AUTHORITY shall be in the name of the CITY and, shall be annexed into the CITY to the fullest extent annexation is legally permissible. Release or sale of property to a third party will require CITY approval as provided in 15.1 above and except as otherwise permitted under Section 15.2.2 below, the receipt by the AUTHORITY of the fair market value of such property.

15.2.2 Property Swap with the CITY or Release to CITY for CITY Use. The CITY and the AUTHORITY shall enter into a Memorandum of Understanding which details the terms of the agreement for the swap or release of property that is subject to this Agreement.. Such agreement shall include the requirements that the CITY pay the AUTHORITY fair market value for such property, unless otherwise approved by the FAA, and that the AUTHORITY receive all necessary FAA and governmental approvals.

ARTICLE 16

TERMINATION AND OTHER REMEDIES

This Agreement is subject to termination by the CITY if the AUTHORITY shall be in default of any of the material provisions set forth herein, or of any of the material provisions of the Act, and if such default shall have continued for sixty (60) days following the AUTHORITY's receipt of the CITY's written request to cure such default, unless within such thirty-day period the AUTHORITY shall have proposed a plan for curing such default which is reasonably acceptable to the CITY. In the event of such termination, the CITY will take full possession, ownership and control of all of the funds and real and personal property of the AUTHORITY then in existence, and will utilize the same for public aviation purposes, or any other lawful public purpose, and will fully perform all obligations theretofore lawfully incurred by the AUTHORITY, and all leases, contracts, franchises, and agreements lawfully entered into by the AUTHORITY will automatically be assigned to, and inure to the benefit of, and be binding upon the CITY, and all persons then employed by the AUTHORITY will become employees of and serve at the pleasure of the CITY.

The CITY may, if it so elects, pursue any other remedies provided by law for the breach of this Agreement or any of its terms, covenants, conditions or stipulations. No right or remedy herein conferred upon or reserved to CITY is intended to be exclusive of any other right or remedy hereunder given, or now or hereafter existing at law or at equity or by statute.

The acceptance of anything by the CITY, whether in a single instance or repeatedly, after knowledge of any breach hereof by the AUTHORITY, or the giving or making of any notice or demand, whether according to any statutory provision or not, or any act or series of acts except an express waiver in writing, shall not be construed as a waiver of the CITY's right to act or of any other right hereby given the CITY, or as an election not to proceed under the provisions of this Agreement.

ARTICLE 17

INDEMNITY, HOLD HARMLESS, AND ACTIONS

17.1 City Indemnity. To the extent permitted by law, the CITY shall defend, indemnify and hold the AUTHORITY harmless from and against any and all claims, damages, losses, liabilities, penalties, causes of action, costs, expenses, and demands ("Damages") whatsoever, including but not limited to reasonable attorney's fees, arising out of or as a result of the negligent act or omission of the Orlando Fire Department ("OFD") while performing services at ORL, OPD Airport Division Personnel while performing services at MCO, or the breach by the CITY of any provision of this Agreement, except to the extent such Damages arise out of any actions, omissions or breaches of the AUTHORITY or breaches directed by authorized AUTHORITY personnel or policy.

17.2 Authority Indemnity. The AUTHORITY shall assume and be responsible for, and shall indemnify, defend, and save harmless the CITY, its authorized agents, representatives and employees, against any and all Damages, including but not limited to reasonable attorney's fees, or for compensation of all parties whatsoever for any injuries or accidents of whatever nature or kind, to persons, animals or property, or for the violation of any law, ordinance or regulations, or the breach of any provision of this Agreement, or as a result of the negligent act or omission, due or claimed to be due, either directly or indirectly, to the AUTHORITY's operations or to the act or omission of the AUTHORITY, its subcontractors, agents, or employees and the AUTHORITY shall pay all judgments obtained by reason of such accidents, injuries or damages, or of infringements of patents as specified in suit or suits against the CITY, including all legal costs, court expenses and other like expenses, except to the extent such Damages arise out of any actions, omissions or breaches of this Agreement by the CITY.

17.3 Indemnity of the Authority for Matters Involving Third Parties.

17.3.2 If any third party shall notify the AUTHORITY with respect to any matter (a "Third Party Authority Claim") which may give rise to a claim for indemnification against the CITY under this Agreement, then the AUTHORITY shall promptly notify the CITY thereof in writing; provided, however, that no delay on the part of the AUTHORITY in notifying the CITY shall relieve the CITY from any obligation hereunder unless (and then solely to the extent) the CITY thereby is prejudiced.

17.3.3 The CITY will have the right to assume the defense of the Third Party Authority Claim with counsel of its choice reasonably satisfactory to the AUTHORITY at any time within 15 days after the CITY's receipt of the AUTHORITY's notice of the Third Party Authority Claim; provided, however, that the CITY must conduct the defense of the Third Party

Authority Claim actively and diligently thereafter in order to preserve its rights in this regard; and provided further that the AUTHORITY may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Authority Claim.

17.3.4 So long as the CITY has assumed and is conducting the defense of the Third Party Authority Claim in accordance with this section, (A) the CITY will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Authority Claim without the prior written consent of the AUTHORITY (not to be withheld unreasonably) unless the judgment or proposed settlement involves only the payment of money damages by the CITY and does not impose an injunction or other equitable relief upon the AUTHORITY and (B) the AUTHORITY will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Authority Claim without the prior written consent of the CITY.

17.3.5 In the event the CITY does not assume and conduct the defense of the Third Party Authority Claim in accordance with this section, however, (A) the AUTHORITY may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Third Party Authority Claim in any manner it reasonably may deem appropriate (and the AUTHORITY need not consult with, or obtain any consent from, the CITY in connection therewith) and (B) ~~the CITY will remain responsible for any Damages the AUTHORITY may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third Party Authority Claim to the fullest extent provided in this Section 3.1.~~

17.4 Indemnity of the City for Matters Involving Third Parties.

17.4.1 If any third party shall notify the CITY with respect to any matter (a "Third Party City Claim") which may give rise to a claim for indemnification against the AUTHORITY under this Agreement, then the CITY shall promptly notify the AUTHORITY thereof in writing; provided, however, that no delay on the part of the CITY in notifying the AUTHORITY shall relieve the AUTHORITY from any obligation hereunder unless (and then solely to the extent) the AUTHORITY thereby is prejudiced.

17.4.2 The AUTHORITY will have the right to assume the defense of the Third Party City Claim with counsel of its choice reasonably satisfactory to the CITY at any time within 15 days after the AUTHORITY's receipt of the CITY's notice of the Third Party City Claim; provided, however, that the AUTHORITY must conduct the defense of the Third Party City Claim actively and diligently thereafter in order to preserve its rights in this regard; and provided further that the CITY may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party City Claim.

17.4.3 So long as the AUTHORITY has assumed and is conducting the defense of the Third Party City Claim in accordance with this Section, (A) the AUTHORITY will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party City Claim without the prior written consent of the CITY (not to be withheld unreasonably) unless the judgment or proposed settlement involves only the payment of money damages by the AUTHORITY and does not impose an injunction or other equitable relief upon the CITY; and (B) the CITY will not consent to the entry of any judgment or enter into any

settlement with respect to the Third Party City Claim without the prior written consent of the AUTHORITY.

17.4.4 In the event the AUTHORITY does not assume and conduct the defense of the Third Party City Claim in accordance with this Section, (A) the CITY may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Third Party City Claim in any manner it reasonably may deem appropriate (and the CITY need not consult with, or obtain any consent from, the AUTHORITY in connection therewith); and (B) the AUTHORITY will remain responsible for any Damages the CITY may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third Party City Claim to the fullest extent provided in this Section.

ARTICLE 18

INSURANCE

The responsibility for securing and maintaining all necessary insurance for ORL and MCO for the protection of the CITY against damages to its property and against all liabilities, judgments, costs, damages and expenses which may accrue against, be charged to or recovered from the CITY, by reason of damage to the property of, injury to or death of any person or persons on account of any matter or thing which may occur on the subject property, shall be assumed by the AUTHORITY.

The AUTHORITY will to the extent legally available secure the following types of insurance coverage from highly rated companies and with limits as set forth in Sections 18.1 through 18.9 below. . As long as it is commercially reasonably available, the policies secured by the AUTHORITY shall include a provision that no cancellation shall become effective prior to 30 days' notice to the CITY and, except for Worker's Compensation coverage, shall name the CITY as an additional insured; and provided, that if the AUTHORITY maintains limits of insurance coverage greater than those required below, all of which the Authority represents are currently in effect, the CITY shall also be covered by such limits. It is further agreed that any reduction in limits or material change in the coverages carried shall require approval of the CITY, acting through the City Council, which approval shall not be unreasonable withheld. The Authority will provide written justification for any such request to reduce limits or materially change coverage, and if any reports are obtained, will include any consultant reports available for justification of any proposed reduction in coverage. The CITY shall have 45 days within which to approve or disapprove such requests. Failure by the CITY to respond within 45 days shall constitute approval. Requests for CITY approval shall be directed to the City's Chief Administrative Officer.

AUTHORITY shall at all times maintain either independently or jointly through endorsement of CITY policies with the following minimum coverages:

18.1 Standard Worker's Compensation Insurance as required by Florida law.

18.2 Fidelity Bond or Bonds to cover AUTHORITY members as prescribed by the Act.

18.3 Loss by Employee crime coverage in the amount of \$500,000 for any one loss. As of the date of this Agreement, the Authority maintains Loss by Employee Liability coverage of \$500,000 with excess coverage of \$5,000,000.

18.4 Commercial General Liability Insurance or Airport Liability Insurance with a combined single limit of not less than two hundred fifty million dollars (\$250,000,000) per occurrence. As of the date of this Agreement, the Authority maintains Airport Liability Insurance coverage of \$300,000,000 with excess coverage of \$200,000,000.

18.5 Boiler and Machinery coverage of not less than five million dollars (\$5,000,000) per occurrence. Boiler and Machinery coverage is currently included in the excess property policy set forth in section 18.9.1 below.

18.6 Money and securities insurance as determined by AUTHORITY.

18.7 War and Terrorism Liability insurance with limits of \$300,000,000 per occurrence. As of the date of this Agreement, the Authority maintains War and Terrorism Liability Insurance coverage as part of the Airport Liability coverage as provided in section 18.4 above.

18.8 Vehicles owned, non-owned or hired:

18.8.1 While used or located on premises, coverage shall be included under 18.4 above or in an amount to be approved by the CITY under a separate policy.

18.8.2 While used or located off premises, liability coverage shall be a minimum of \$1,000,000 for Bodily Injury per occurrence and \$1,000,000 Third Party Property Damage per occurrence with excess liability coverage of \$10,000,000 combined single limit liability and/or property damage as excess coverage over and above basic limits stated above. As of the date of this Agreement, the Authority maintains off premises Automobile Liability Insurance coverage of \$1,000,000 with excess coverage of \$50,000,000.

18.9 Property Insurance:

18.9.1 Real Property – coverage shall consist of the standard perils of fire and lightning, extended coverage including, vandalism and malicious mischief or all perils coverage. Minimum values shall be \$500,000,000 with a \$200,000,000 limit for a named wind storm. As of the date of this Agreement, the Authority maintains \$500,000 Property Insurance coverage with excess coverage of \$500,000,000 and a sub-limit of \$200,000,000 for a named wind storm.

18.9.2 Personal Property – coverage shall be determined by AUTHORITY. This coverage is included in the Real Property coverage in section 18.9.1 above.

The providing of insurance required by the CITY as prescribed herein does not warrant or imply that risks of AUTHORITY are adequately or specifically included in Items 18.1 through 18.8 above and the CITY shall not be held responsible for any loss incurred by AUTHORITY due to lack of insurance protection.

ARTICLE 19

LAWFUL USES

This Agreement is subject and subordinate to the terms, conditions and covenants of any agreement heretofore or hereafter made between the CITY or the AUTHORITY and the United States (including but not limited to any and all "Sponsor Assurance Agreements" or like agreement that has been or may be furnished to the Federal Aviation Administration by the CITY or the AUTHORITY), the execution of which is or may be required to enable or permit transfer of rights or property to the CITY or the AUTHORITY for airport purposes or expenditure of federal grant funds or passenger facility charges for Airport improvement, maintenance or development. AUTHORITY and CITY shall each abide by requirements of agreements entered into between the CITY or the AUTHORITY and the United States relating to the Airports, and shall consent to amendments and modifications of this Agreement if required by such agreement or if required as a condition of the CITY's or the AUTHORITY's entry into such agreements. If there is a disagreement between the CITY and the AUTHORITY as to the applicability of the Grant Assurances or regulations, the parties agree to jointly approach the FAA to discuss same. Each party reserves the right to present its own position in such meeting.

The AUTHORITY agrees that in its use of the Airports it will comply with all present and future valid laws, ordinances and regulations of the federal government of the United States, State of Florida, County of Orange, CITY (if they apply as provided in this Agreement or in Paragraph 17 of the Act) and agencies thereof relating to the occupancy or use of the subject property and relating to the activities and operations to be performed thereon and that it will not use the subject property or allow it to be used for illegal, unsafe or immoral purposes.

The AUTHORITY and the CITY each agree to promptly deliver to the other a copy of any written notice they receive from the United States Department of Transportation, Office of Inspector General, the FAA or from any other agency of the United States of America, alleging any violation by the AUTHORITY or the CITY of any Airport Improvement Program Grant Agreement or of any audit or investigation related to compliance with same.

ARTICLE 20

AGREEMENTS PERTAINING TO WATER CONSERVE I

Notwithstanding the provisions of Article 1 hereof, the AUTHORITY hereby grants to the CITY, on the condition hereinafter stated, the full right and lawful authority to utilize the lands hereinafter designated for the purposes of constructing, maintaining and operating the Project for a term ending on the earlier of (x) the expiration date of this Agreement and (y) the date sixty (60) days after CITY ceases operation of the Project and notice of termination of this Article 20 is provided to the AUTHORITY by the CITY:

20.1 Definitions. Terms used in this Article 20 shall be ascribed the meanings set out below.

20.1.1 “Plant Site” shall mean the land area of approximately 187 acres designated on Exhibit E.

20.1.2 “Basin Site” shall mean those land areas designated on Exhibit F which are outside the perimeter of the Plant Site, upon which the CITY may construct Basins.

20.1.3 “Easement” shall mean those land areas designated on Exhibit E or Exhibit F, or hereafter designated pursuant to the terms of Section 20.9.12 hereof, across which the CITY shall have the right of travel to, from or between the Plant Site and each Basin Site, and, unless otherwise indicated by the context or by notations on Exhibit E or Exhibit F, under which the CITY may construct pipes or conduits connecting each Basin Site to another or to the Plant Site, or connecting the Plant Site to the CITY’s wastewater system lying north of Tradeport Drive.

20.1.4 “Project” shall mean and include the Plant Site, all of the Basin Sites and every Easement, and all of the structures, roads, equipment, machinery, water bodies, pipes, wires, conduits and earthen works constructed, placed, used or operated thereon or elsewhere on MCO by the CITY of its contractors or agents under the authority of this Article 20.

20.1.5 “Alternative Disposal Area” shall mean the area designated as such on Exhibit E.

20.1.6 “Project Site” shall mean the land area comprised by the Plant Site (including the Alternative Disposal Area), all Basins and all Easements.

20.1.7 “DER” shall mean the Florida Department of Environmental Regulation [now known as the Florida Department of Environmental Protection].

20.1.8 “SFWMD” shall mean the South Florida Water Management District.

20.1.9 “USCE” shall mean the U.S. Army Corps of Engineers.

20.1.10 “FAA” shall mean the Federal Aviation Administration of the Department of Transportation of the United States.

20.2 The AUTHORITY agrees with the CITY to establish and grant or modify such permanent roadway, utility and pipeline Easements as reasonably are required for the Project and for the interceptor system shown on Exhibit G, or as may be reasonably required in the future, as well as temporary construction easements as reasonably required for access to the Project Site and for construction, maintenance and operation of lines and facilities as may be necessary for the Project.

Such grants of permanent Easements shall be executed by the AUTHORITY within sixty days following the AUTHORITY’s receipt of proposed alignments and dimensions from the CITY, which shall provide surveyed descriptions of the Easements agreed upon by the parties. The AUTHORITY shall designate a member of its staff who shall have the authority to grant the CITY’s request for temporary construction easements. Such grants of temporary construction easements shall be executed within fifteen (15) days following the AUTHORITY’s receipt of

proposed alignments and dimensions. No construction shall take place within or upon an Easement until the instrument granting it has been executed by the AUTHORITY (or staff member, as appropriate). All Easements granted to the CITY pursuant to this Article 20 will be used by the CITY exclusively and solely for purposes of construction, operation and maintenance of the Project. The AUTHORITY will reserve the right, in all such Easements, to make such use of the areas therein described as the AUTHORITY shall determine, including, without limitation, the right to run pipes, mains, conduits and lines over, under or through such areas, and the right to construct roads, on, pave and landscape such areas, provided that such use shall not unreasonably impair the CITY's authorized use of such Easement.

All such Easements shall obligate the CITY: (a) to install at least two feet underground all utility lines, pipes, conduits, pumps and other appurtenances used in connection with the construction, operation or maintenance of the Project (except utilities lines, pipes, conduits, pumps or other such appurtenances, the specific location and height of which if above ground or less than two feet underground has been approved by the AUTHORITY during its review of the Project drawings, which approval shall not be unreasonably withheld and shall be the final approval of such drawings required of the AUTHORITY), (b) to maintain all such utility lines, pipes, conduits, pumps and other appurtenances in good condition, and (c) to repair, to the AUTHORITY's reasonable satisfaction, any damage to the easement areas (including, without limitation, any roads, pavement or landscaping in the easement areas) caused by the installation, operation or maintenance of such utility lines, pipes, conduits, pumps and other appurtenances, or arising out of the use of such easement areas in connection with construction, operation or maintenance related to the Project.

The CITY agrees to provide the AUTHORITY with "as built" drawings showing the location of all utility lines, pipes, conduits, pumps and other appurtenances installed by the CITY in such easement areas, and with "as built" drawings showing the location or any modifications thereto. The AUTHORITY agrees to repair, to the CITY's reasonable satisfaction, any damage caused by the AUTHORITY to any such utility lines, pipes, conduits, pumps and other appurtenances, provided that the location thereof was shown with reasonable accuracy on the "as built" drawings previously delivered by the CITY to the AUTHORITY.

20.3 The AUTHORITY is engaged in operation and development of various facilities lying generally west of and east of the existing runways at MCO (hereinafter "Westside" and "Eastside", respectively). The AUTHORITY has reviewed certain of the CITY's current plans for the Project, and concurs with the CITY that, if constructed in accordance with such plans, the Project will meet the AUTHORITY's existing and currently anticipated future needs of the Eastside and of the Westside as set forth on Exhibit H. The CITY agrees that, during construction of the Project:

20.3.1 The AUTHORITY's existing Westside wastewater collection systems will be connected to the CITY's new interceptor in Florida Road without cost to the AUTHORITY. So long as it is required by a CITY policy of general application, however, the AUTHORITY will pay all costs associated with connecting new Westside facilities to the part of the CITY's sewer system designated by the AUTHORITY, or if such designation would adversely affect the operation of system hydraulics, to such part of the CITY's sewer system as

shall be mutually agreed to by the parties hereto, with neither party having the right unreasonably to withhold or delay its agreement.

20.3.2 The force main carrying the AUTHORITY's existing wastewater flows from its Eastside facilities will be connected to the CITY's new interceptor without cost to the AUTHORITY. Should it subsequently be necessary to increase line and/or pump capacity between Eastside facilities and the CITY's system to accommodate additional Eastside flows, the cost of those additional facilities to the point of connection with the CITY's system will be borne by the AUTHORITY.

20.3.3 The AUTHORITY will have the options, exercisable at any time, and at its cost, to connect new force mains from its Eastside and Westside facilities to the CITY's interceptor for the Project; provided that the total flows from all facilities on MCO will not exceed the flows shown on Exhibit H attached hereto, unless additional capacity may be provided by the CITY consistent with the CITY's sewer service policy for the service area in which MCO is located. The CITY agrees, at its expense, at the time of construction to provide three new connection points to its interceptor as shown on Exhibit H. The new connection points shall consist of an appropriate fitting with valve and flange cover to facilitate future connections, in accordance with Exhibit I. The CITY covenants that the aforesaid connection points will be constructed in accordance with Exhibit I.

20.4 RESERVED.

20.5 In partial consideration of this Agreement, the CITY heretofore has irrevocably assigned, committed and reserved to the AUTHORITY 300,000 gallons per day ("GPD") of additional wastewater treatment capacity of the existing plant operated by the CITY at the Navy Annex at McCoy, and the CITY has reported such allocation to the DER for recording. The AUTHORITY has paid all water pollution control charges due with respect to such reserved capacity. The Parties agree, and the CITY represents that 213,000 GPD of such reserved capacity remains available for use by the AUTHORITY or its tenants, and that such reserved capacity has been allocated for such use on the records of DER.

20.6 The CITY covenants to use its best efforts to eliminate or reduce odors from the Project. The AUTHORITY, through its consultants, will have the right to review and approve in advance those aspects of design and operation proposed for the Project which may involve emission of odors, such right to review to be promptly performed (recognizing the fast-track nature of the Project), and such approvals not to be unreasonably withheld. The AUTHORITY's consultants have reviewed and found to be satisfactory in this respect, the plans prepared and delivered to them by the CITY's consultants up to December 15, 1984. Handling the sludge will be permitted only on the Plant Site. Extended storage of sledge will not be permitted, unless approved in advance and in writing by the AUTHORITY in the exercise of its sole discretion. The CITY agrees that the AUTHORITY's decision to withhold such approval shall be final and binding on the CITY and shall not be subject to arbitration pursuant to the last sentence of this Section 20.6. Sludge processing and handling will be provided for and conducted in such a manner as reasonably to preclude odor emissions, and to insure compliance with FAA criteria pertaining to bird control. In the event of a disagreement between the parties with respect to any of the approvals or conditions referred to in this Section 20.6 then, except as otherwise expressly

provided in this Section 20.6, the issues involved shall be referred for arbitration to a panel consisting of the Mayor of the CITY, the Chief Administrative Officer of the CITY, the Chairman of the AUTHORITY and the Executive Director of the AUTHORITY, and each decision of the panel shall be binding upon both parties.

20.7 To the extent allowable by law, the CITY agrees to indemnify, defend and hold harmless the AUTHORITY and its members, officers, employees and agents from and against all liabilities, claims, judgments, damages, costs and expenses (including reasonable attorney's fees at trial and appellate levels) which may be incurred by, charged to or recovered from any of the foregoing by reason of or on account of damage to or destruction of the property of, injury to or death of any person resulting or arising from the CITY's use, construction, operation or maintenance of or upon the Project, or other rights granted by this Article 20, including the acts or omissions of the CITY's officers, agents, employees, contractors, subcontractors or invitees, unless such damage, destruction, injury or death was proximately caused solely by the AUTHORITY's negligence or by the joint negligence of the AUTHORITY and any third party, or if proximately caused by the combined negligence of the AUTHORITY and the CITY, any damages so caused will be apportioned between the parties according to their individual degree of fault. To the extent allowable by law, the AUTHORITY agrees to indemnify, defend and hold harmless the CITY and its officers, employees and agents from and against all liabilities, claims, judgments, damages, costs and expenses (including reasonable attorneys' fees at trial and appellate levels) which may be incurred by, charged to or recovered from any of the foregoing by reason of or on account of damage to or destruction of the property of, injury to or death of any person resulting or arising from the AUTHORITY's use, construction, operation or maintenance upon the Project Site, any of the Basin Sites, any Easements, or other rights granted by this Article 20, including the acts or omissions of the AUTHORITY's officers, agents, employees, contractors, subcontractors or invitees, unless such damage, destruction, injury or death was proximately caused solely by the CITY's negligence or by the joint negligence of the CITY and any third party, or if proximately caused by the combined negligence of the CITY and the AUTHORITY, any damages so caused will be apportioned between the parties according to their individual degree of fault.

20.8 The CITY further covenants and agrees with the AUTHORITY as follows:

20.8.1 To use the Project and the Project Site only for the functions and purposes normally associated with the collection, transmission and treatment of sewage and the disposal of treated sewage effluent, as such normal uses are restricted hereby, and none other;

20.8.2 To grant the AUTHORITY and its authorized agents free access to the Project and the Project Site at all reasonable times for the purpose of examining the same and seeing that all of the CITY's obligations hereunder are being performed;

20.8.3 To be responsible for securing all permits and approvals of an environmental or other nature required for construction and operation of the Project; provided that the AUTHORITY will cooperate with and assist the CITY in such endeavors when reasonably requested to do so, and will sign or co-sign applications for such permits and approvals where legally required;

20.8.4 To allow the AUTHORITY and others to utilize and maintain existing utility easements over or under the Project Site;

20.8.5 To allow the AUTHORITY to extend utility lines, roads and drainage facilities across the Project Site; provided that any extensions of such utility lines and drainage facilities are placed underground, and further provided that the CITY's authorized use of the Project Site is not thereby impaired or made more costly;

20.8.6 To allow the AUTHORITY reasonable use of any roadways constructed by the CITY as part of the Project;

20.8.7 Not to remove, impair, cover, relocate, damage or destroy any existing roads, utility line, drainage facility, lighting system, navigational or landing aid device, or beacon now existing on the Project Site (including, without limitation, those referred to in Section 20.13 below), without the AUTHORITY's prior consent, and without promptly repairing, replacing or relocating the same at the CITY's expense and in a location and manner approved by the AUTHORITY;

20.8.8 To erect no structure on the Project Site which either (A) would penetrate the 50:1 approach slope to any existing or future runway, or (B) would exceed elevation 145 feet NGVD.

20.9 The CITY further covenants and agrees with the AUTHORITY as follows:

20.9.1 To comply with all applicable regulations of the FAA relating to airport security and control of the Project Site so as to prevent or deter unauthorized persons from obtaining access to the air operations area of MCO;

20.9.2 That the AUTHORITY shall reserve unto itself, and unto its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft through the airspace above the surface of the Project Site, including the right to create noise associated with aircraft operations, and for navigation or flight in the said airspace for landing on, taking off from the operating on MCO;

20.9.3 To restrict the height of objects of natural growth and other obstructions on the Project Site in compliance with the requirements of Federal Aviation Regulations, Page 77;

20.9.4 To require any lights on the Project Site to be constructed, focused or arranged in a manner that will prevent them from casting beams in an upward direction so as to interfere with the vision of pilots in aircraft landing at or taking off from MCO;

20.9.5 To prevent any use of the Project or the Project Site which would interfere with or adversely affect the operation or maintenance of MCO, or which would otherwise constitute a hazard at the Airport; and

20.9.6 In the event that the FAA or its successor shall, pursuant to a rule or law of general application, require any modifications or changes in this Section 20 as a condition

precedent to the granting of funds for the improvement of the Airport, to consent to such amendments, supplements or deletions of this Section 20 as may reasonably be required to obtain such funds; provided, however, that in no such event will the CITY be required, pursuant to this paragraph, to make additional payments or incur additional costs hereunder or to accept a change in the use or reduction in the size of the Project, and the CITY reserves the right, on written notice to the AUTHORITY, to terminate this Section 20 if it objects to any such amendments, supplements, or deletions.

At the request and expense of the CITY, the AUTHORITY agrees reasonably to cooperate with the CITY to aid the CITY in complying with the provisions of subsection 20.9.1 through 20.9.5 of this Section 20.9.

20.10 Construction and operation of the Project require approval of one or more regulatory agencies (other than FAA). The CITY hereby agrees to and accepts the following conditions relative to application for permits from any such regulatory agencies, including amendments thereto, and applications for renewal of any permits granted.

20.10.1 The AUTHORITY shall be named as a co-applicant in each permit application hereafter filed by the CITY with respect to any construction or activity proposed by the CITY upon the Project Site, if such construction or activity would be within the permitting jurisdiction of the South Florida Water Management District ("SFWMD"), as that jurisdiction is now or hereafter constituted. Any permits heretofore or hereafter issued by the South Florida Water Management District (or its successor agency) with respect to any construction or activity upon the Project Site may not be amended by the CITY without the prior written consent or joinder of the AUTHORITY, which consent or joinder shall not be unreasonably delayed or withheld.

20.10.2 No such application shall be filed by the CITY which would amend or result in amendment to any permit (including modifications or renewals thereof) heretofore or hereafter issued to the AUTHORITY by the DER, SFWMD or USCE, or any other regulatory agency with respect to the construction or operation of facilities on MCO (other than the Project). To ensure compliance with the provisions of this subsection 20.10.2, the City shall give the AUTHORITY written notice of the CITY's intention to file for any permit, or amendment to an existing permit, for any construction or activity proposed by the CITY upon the Project Site as to which the AUTHORITY need not be, or has not been made a co-applicant pursuant to subsection 20.10.1 preceding. The AUTHORITY shall, within five working days of its receipt of any such notice, indicate in writing to the CITY whether the proposed filing would violate the provisions of this subsection 20.10.2, and if the AUTHORITY takes no action within such time, it shall be presumed that the construction or activity contemplated by the CITY as described in the notice is in conformity with the provisions of this subsection 20.10.2. If the AUTHORITY and the CITY are unable to agree as to the effect of any such construction or activity, then the matter shall be referred for final determination to arbitration in accordance with the provisions of Section 20.6 hereof.

20.10.3 The CITY forthwith shall provide the AUTHORITY with copies of all documents heretofore filed or received by the CITY or its consultants in connection with the CITY's application for and processing of permits required for the Project, and will insure that the

AUTHORITY hereafter will continuously and currently receive all documents filed or received by the CITY or its consultants which relate to such permit applications and the processing thereof.

20.10.4 Fill material required for construction of the percolation basins shall be obtained by the CITY from property other than MCO, unless the parties subsequently agree otherwise in writing.

20.11 In addition to its covenants contained in Section 20.10, the CITY further agrees promptly to take whatever corrective action is necessary, at its cost, to alleviate any actual or imminent impairment of Airport operations or expansion of Airport facilities or functions, with reasonable dispatch, whenever the CITY's use of the Project would cause or has caused such an impairment. Specifically, but without limitation, the CITY agrees that:

20.11.1 In its construction or operation of the Project and its use of the Project Site, the CITY will not: (A) violate or cause the violation of any conditions of any development order or interlocal agreement heretofore or hereafter executed by or issued to the AUTHORITY in connection with obtaining approval of a proposed development of regional impact, or (B) ~~violate or cause the violation of any of the terms and conditions of any permit heretofore or hereafter issued to the AUTHORITY by the DER, SFWMD or the USCE as a condition to their~~ respective approvals of the construction, development or expansion of facilities of MCO. In the event the AUTHORITY is charged with any such violation, it will be presumed that the CITY is the cause of the violation, and therefore responsible to take whatever corrective action is required, unless the AUTHORITY and the CITY determine it is more likely than not that a factor other than the Project caused or contributed more than one-half of the source of any such violation, in which event the cost of corrective action shall be prorated in the ratio of relative contribution.

20.11.2 In the event the AUTHORITY cannot obtain all permits required for continued use or for expansion of aviation facilities at MCO because of the existence or operation of the Project, or the issuance of such permits is conditioned upon modification of the Project or its method of operation, then the CITY will be responsible, promptly and at its sole expense, to take all actions necessary to obtain issuance of the permits or to satisfy any such conditions imposed upon issuance of the permits.

20.11.3 The cost of any corrective action required by this paragraph shall, in addition to construction costs, include the cost of studies, design, fines, penalties and direct loss incurred by the AUTHORITY should operations at MCO be interrupted or impaired by reason of the Project or the violation of any permit conditions attributable to the Project by the terms hereof.

20.11.4 The AUTHORITY will continue to be responsible at its sole cost to construct, maintain and operate all surface water quality monitoring programs now required of it at MCO, together with such additional surface sampling stations as the AUTHORITY shall select within or in the vicinity of the Project.

20.11.5 The AUTHORITY shall have the right to approve the number, location, design, adequacy and construction of groundwater monitoring wells which the CITY proposes to install on the Project Site to satisfy DER requirements, which approval shall not unreasonably be withheld. Once the approved installation is complete, the CITY will operate all such groundwater monitoring stations, and shall be responsible for maintenance thereof. The AUTHORITY will be entitled to receive from the CITY copies of all data accumulated from the operation of the groundwater monitoring program, as described above, and will be entitled to access to the wells for sampling.

20.12 In its design and operation of the Project, the CITY shall give every consideration to precluding the possibility that standing water associated with operation of the Project might create fog conditions which would reduce visibility in the approach/touchdown areas of future or existing runways, or might attract birds. Should the FAA determine at any future date that the construction or operation of the Project poses a hazard to aircraft for any reason, the CITY, immediately upon receipt of written notice from the FAA, shall abate any nuisance or conditions which causes or poses such a hazard, including, if necessary, shutdown of the Project; provided the CITY shall not be responsible to abate fog or bird problems caused by existing wetlands and other background conditions unrelated to the Project.

20.13 The following provisions shall apply to specific navigational aids which will or might in the future be affected by the Project:

20.13.1 Once a percolation basin has been built on Basin Site 2, such Basin may derogate performance of the glide slope component of the existing landing system. Should the FAA, in its sole discretion, determine that such derogation has occurred and that it exceeds acceptable limits, the CITY shall pay all costs associated with immediate installation of a "capture effect" glide slope.

20.13.2 The toe of the berm of the Basin to be constructed on Basin Site 7 shall be at least 200 feet from the anticipated centerline of future Runway 36R, as extended.

20.13.3 A possibility exists that the FAA will determine in the future to locate a VORTAC on MCO. The site previously reserved for this possible relocation will not, because of the Project, be usable. Should the FAA, in its sole discretion, determine to locate a VORTAC on MCO, the CITY and the AUTHORITY shall assist the FAA in locating and providing an acceptable VORTAC site, and the CITY shall pay the cost of a VORTAC site study if that proves to be necessary.

20.13.4 Should the Project require relocation of the Runway 36R middle marker, in the sole discretion of the FAA, the CITY shall reimburse the FAA for all costs associated with relocation of the middle marker, including costs associated with design and construction, and the provision of acceptable maintenance access, including the cost of bridge, road and cable construction and relocation.

20.13.5 Construction or operation of the Project may require relocation of the existing wind shear instrument for existing Runway 36L. If the FAA, in its sole discretion, shall

determine that such relocation is required, the CITY shall reimburse the FAA for all costs associated therewith.

20.13.6 The FAA shall be afforded the opportunity to review, comment on and approve preliminary and final design documents for any relocation of or revision to those navigational aids which are referred to in the preceding subparagraphs of this Section 20.13.

20.14 The CITY will submit a construction and operation safety plan prepared in accordance with FAA Advisory Circular 150/5370-2C, prior to commencement of construction of the Project. This plan shall include provision for coordination of all construction with the AUTHORITY's Construction Committee, for pre-construction conferences with the CITY's contractor's, and for the insertion of safety requirements in all construction documents. This plan shall be subject to review, revision and approval by the FAA and the AUTHORITY, so as to comply with their reasonable safety requirements, and shall, during construction and throughout the operation of the Project, be implemented in such a way that the Project will not compromise or derogate airport security, including security afforded by fences and gates.

20.15 The CITY heretofore has made the following covenants and representations to the AUTHORITY and to the FAA, and hereby reviews the same and agrees that such covenants and representations are essential inducements to the acceptance hereof by the AUTHORITY and to the approval hereof by the FAA:

20.15.1 If any percolation basin or easement, or portion thereof, should in the future interfere with the improvement or development of MCO, including commercial development for the purpose of providing revenues for aviation purposes, the CITY forthwith shall remove and relocate any such percolation basin or easement, and restore its site substantially to its original condition. In such event, the AUTHORITY will make every reasonable effort to assist the CITY in locating an equivalent alternate site upon lands included in MCO. All costs of such relocation and restoration shall be paid by the CITY; except that if the relocation is occasioned (A) by a private commercial development unrelated to aviation, or (B) by a project constructed by the AUTHORITY for lease to a private business enterprise unrelated to aviation, then the AUTHORITY shall pay one-half of the CITY's direct costs in such relocation and restoration. "Direct costs" shall include, but not be limited to, land acquisition costs, financing costs, engineering fees and construction costs incurred in relocation, restoration and new construction.

20.15.2 Should the CITY discontinue substantial use of any portion of the Project upon which activities authorized hereby have commenced, for a period of four hundred consecutive days or more, and should the CITY fail, within 60 days after receipt of written notice of such non-use from the AUTHORITY, to renew its use of any such portion, or should the CITY formally decide to abandon any portion of the Project, then such unused or abandoned portion shall be deleted from the terms hereof (and the annual rental adjusted accordingly), and the CITY shall, at its cost, within six months following the date of such deletion, restore such portion substantially to its conditions prior to the commencement of the Project.

20.15.3 The CITY will not construct, or seek authorization to construct, any percolation basins or alternative effluent disposal facilities upon the premises of MCO (other

than facilities for disposal through injection wells), except those percolation basins which are identified and authorized in this Article 20, or such other basins as may be required to attain a total of 7.5 MGD of disposal capacity. However, should any such basins be required beyond those shown on Exhibit F, specific approvals of such new or additional basin locations will be required from the AUTHORITY and FAA.

20.15.4 The CITY will continue its ongoing efforts to develop alternative means of wastewater disposal, with the ultimate objective that, when feasible, the percolation basins herein authorized will be removed pursuant to the terms of subsection 20.15.2 hereof.

20.15.5 The CITY intends to construct and operate a test basin in order to better estimate the total linear feet of basins required to accept and dispose of 7.5 MGD of wastewater. If the results of this test indicate that the basins shown on Exhibit F would exceed the requirements to achieve disposal of 7.5 MGD of wastewater, the CITY and the AUTHORITY will revise Exhibit F to delete one or more basins or to reduce the extent of the basins shown on Exhibit F, with the first priority to be the elimination or reduction of Basin 7, and the rental payments due hereunder from the CITY will be reduced accordingly. If Basin 7 is required for the Project, in whole or in part, the CITY shall be responsible to honor the agreements previously made with Mr. and Mrs. R. I. Wetherbee, as outlined in that certain memorandum dated September 11, 1984 to the AUTHORITY from its Executive Director, including the purchase and sale contract form attached thereto, copies of which previously have been furnished to the CITY.

20.16 The AUTHORITY currently is negotiating for the purchase of land comprising part of Basin Site 5. The AUTHORITY covenants with the CITY that it will continue to exert its best efforts and diligence to acquire these lands. The AUTHORITY shall not, however, be responsible in any way to the CITY in the event, notwithstanding its exercise of due diligence, the AUTHORITY is unable to acquire such lands or to acquire them within the timeframe now envisioned. An equitable adjustment to the rental payments due hereunder shall be made with respect to such lands during the period preceding acquisition thereof by the AUTHORITY.

20.17 Notwithstanding any other provisions of this Article 20, the AUTHORITY reserves, and shall at all times have the unrestricted right to utilize all lands on MCO adjacent to the Project, each Basin Site and each Easement for any purpose, unimpaired by construction or operation of the Project, except that the portion of the area designated in Exhibit E as "Alternate Disposal Area" below elevation 80.5 feet NGVD shall be retained substantially in its natural state by the AUTHORITY. Subject to all of the covenants and terms made and accepted by the CITY elsewhere in this Agreement, the Alternate Disposal Area may be utilized by the CITY for effluent treatment and/or disposal during testing and start-up operations, and when, because of hydrological or operating constraints, the basins herein authorized cannot assimilate 7.5 MGD of discharge.

20.18 The CITY agrees to reserve in the Project for the benefit of the AUTHORITY and its tenants an aggregate total of 2.1 MGD of wastewater treatment capacity. The AUTHORITY or its tenants will pay for this capacity in accordance with the CITY's policy relative to this service area, at the then-prevailing rates and charges; provided, however, that the AUTHORITY will have no obligation to pay any additional amount for .588 MGD of such reserved wastewater

treatment. Capacity, representing .375 MGD of wastewater treatment capacity of the existing plant operated by the CITY at the Navy Annex at McCoy now used by the AUTHORITY, and .213 MGD of additional wastewater treatment capacity for which the AUTHORITY previously has paid the CITY. Any portion of the remaining 1.512 MGD of this reserved capacity not paid for by the later of January 1, 1995 or the date on which all but 2.4 MGD of the Project's wastewater treatment capacity has been used or committed to others, may be made available by the CITY to others who have filed permit applications unless the AUTHORITY, within thirty days following its receipt of written notice of the CITY's intent to issue such permits to others, elects to pay, and within sixty days following its election pays in full for all or any portion of its reserved capacity. Should the AUTHORITY elect to pay for, and thereby retain only a portion of its remaining reserved capacity, the CITY will be entitled to permit others to utilize the portion which the AUTHORITY does not elect to retain. The CITY agrees to give the AUTHORITY prompt written notice when the CITY reasonably determines that all but 2.4 MGD of the Project's wastewater treatment capacity has been used or committed to others.

20.19 The CITY covenants to give the AUTHORITY the benefit the most favorable rates, charges or fees established for or granted to other large users of the Project or to other land developers, provided that the CITY may offer lower rates to publicly-owned sewer systems which are wholesale customers, to the United States Navy, to large users who dispose of sewer effluent on their property without charging the CITY for the use of such property, and to other large users where there is a reasonable basis to distinguish between the rates, charges or fees granted to such other large users and the rates, charges or fees being charged to the AUTHORITY. In any challenge to the rates, charges or fees brought by the AUTHORITY on the basis of the first sentence of this Section 20.19, the AUTHORITY shall have the burden of proving that the CITY has violated its obligations contained therein. The AUTHORITY will not be required now or in the future to pay any fee to the CITY, either directly or indirectly, which includes an element the capital cost of the CITY's interceptor system or any portion of that interceptor system, unless the CITY adopts and applies to the Project's service area a transmission charge as part of its sewer benefit fee or monthly service fee.

20.20 The commitments of sewer capacity herein made for the benefit of the AUTHORITY and the remaining covenants and agreements of the CITY to the AUTHORITY shall not be assignable by the AUTHORITY to others, except for use by tenants of the AUTHORITY, and shall not inure to the benefit of or be used upon any property except property that presently is or hereafter becomes a part of MCO. The CITY shall not assign any of its rights or obligations arising under this Article 20, or assign or sublet all or any portion of the Project, without the prior written consent of the AUTHORITY, which consent may not unreasonably be withheld. Notwithstanding the foregoing, the CITY shall have the right, without the prior written consent of the AUTHORITY, to assign its rights and obligations under this Article 20 to a regional wastewater treatment authority that agrees in writing to be bound by all of the terms and conditions of this Article 20.

20.21 The CITY is hereby authorized, on the terms and conditions herein contained, to construct, maintain and operate the Project on MCO. In consideration of this, the CITY has made the several covenants beneficial to the AUTHORITY herein contained and, in consideration of this Agreement, constructively has paid certain sums to the AUTHORITY. In further consideration of these presents, the CITY also shall pay to the AUTHORITY the sum of

\$21,327 per month, commencing May 1, 1986. Such monthly payments shall increase by 25%, compounded, on each fifth anniversary of said date. Commencing May 1, 1985 (or the first day of the month following the month in which FAA's concurrence herein is received, whichever is later), and continuing through April 1, 1986, the CITY shall pay the AUTHORITY \$10,664 on the first day of each month. The rental payments provided for in this Section 20.21 are predicated on the assumption that the Basin Sites will, when finally determined conform to those shown on Exhibit F. When the actual location and extent of the Basin Sites have been determined, an equitable, adjustment in the rental payments above stated shall be made, either upward or downward, retroactive to April 1, 1985. If this equitable adjustment shows that an additional sum is due from the CITY, it shall be payable ninety (90) days after the determination is made. If, on the other hand, the equitable adjustment indicates that a credit is due to the CITY, the monthly payments due from the CITY subsequent to the date of the determination shall be offset or reduced until the amount of the credit shall have been absorbed.

ARTICLE 21

LAND DEVELOPMENT AND PERMITTING

The AUTHORITY and the CITY shall cooperate in order to implement the agreements below regarding land development review and permitting. Certain issues may require amendments to existing CITY ordinances. Upon execution of this Agreement, the CITY will initiate the necessary changes to these ordinances. Planning staff of the CITY and the AUTHORITY shall meet annually for the AUTHORITY to provide general information on upcoming development and to allow CITY staff to provide comments on same. The AUTHORITY shall consider CITY comments in good faith.

21.1 Platting.

Platting will be required for all of the property shown on Exhibit J hereto located south of MCO and labelled as "Poitras Property" (the "Poitras Property"). The Poitras Property will be submitted for platting in sections as each section is presented to the CITY for subdivision approval. Other than the Poitras Property, platting shall only be required for such portions of the property subject to this Agreement that is sold or subdivided. Platting shall not be required for a long term lease (a lease with a term including options of greater than ten years) on parcels that are not part of the Poitras Property. However, the CITY may require the AUTHORITY to provide an updated survey for any commercial, industrial, or residential leases or other uses of property subject to this Agreement if the CITY, in its reasonable discretion, determines that a survey is necessary.

21.2 Building Permits at MCO and ORL.

The CITY shall only require the AUTHORITY to obtain building permits and related inspections for vertical construction and infrastructure necessary for such vertical construction (e.g., wastewater, floodplain, other utilities), and for roadways formally dedicated to public use ("dedicated roadways"). Construction by or on behalf of the AUTHORITY of taxiways, runways, aprons and FAA-required navigational aids (collectively, "Aeronautical Facilities") shall not be required to obtain a CITY building permit. Design and construction of all such

Aeronautical Facilities shall be in accordance with FAA requirements. For roadways not formally dedicated to public use ("non-dedicated roadways") and other horizontal improvements and related infrastructure not required to obtain a CITY building permit (e.g., stormwater and other utilities related to non-dedicated roadways and other horizontal improvements), the AUTHORITY will utilize its own plans reviewer and inspector. The AUTHORITY will adopt applicable Florida Department of Transportation ("FDOT") standards for roadways and other horizontal improvements at airports. To the extent that AUTHORITY constructs horizontal improvements that are not covered by the FDOT standards, the AUTHORITY will adopt CITY standards, unless such standards are not reasonably applicable to airports. The CITY agrees not to attempt to modify Florida law to prohibit the AUTHORITY from permitting its own horizontal improvements. If in the future, CITY alleges that the AUTHORITY is not legally permitted to conduct plans review and inspection of its own horizontal improvements, both Parties reserve the right to present their case in all appropriate forums.

21.3 Land Development.

The CITY and the AUTHORITY acknowledge the importance of efficient and cost-effective development of AUTHORITY controlled property. The Parties also acknowledge the importance of a coordinated land development planning process. Accordingly, the Parties have agreed to the following undertakings with respect to development of AUTHORITY controlled property.

21.3.1 Orlando Executive Airport (ORL). All development at ORL except for Aeronautical Facilities and non-dedicated roadways shall be subject to the full land development review process required by the CITY's Land Development Code, as it may be amended from time to time (the "LDC"). The CITY's landscaping requirements applicable to ORL will be subject and subordinate to FAA requirements with respect to placement and clearance; provided, however, that the CITY may require that trees that are removed be replaced in areas not subject to FAA restrictions, and where there is an aesthetic or ecological benefit from such placement.

Development of non-dedicated roadways within ORL (e.g., Tower Road) will not be required to undergo LDC review. Long term planning efforts have been underway for an Andes Avenue connection and a Fairgreen extension. As both Andes and Fairgreen are planned to be CITY roads carrying both airport and non-airport traffic, they will be subject to the LDC review process and dedication as dedicated roadways, but a condition of the release of the property to be used for dedicated roadway use shall be FAA approval of the AUTHORITY's receipt of fair market value for such property. The AUTHORITY and the CITY shall jointly negotiate the fair market value of any dedicated right-of-way for Andes Avenue or Fairgreen Street with the FAA, including consideration of any benefits to Airport properties.

21.3.2 Orlando International Airport (MCO).

21.3.2.1 All development at MCO within 1200 feet of any non-AUTHORITY property, except the portion of the Property south of and adjacent to S.R. 528 (as shown only for illustrative purposes on Exhibit "K") and except for Aeronautical Facilities and non-dedicated roadways, shall be subject to the full land development

review process required by the LDC. Because Exhibit K is shown only for illustrative purposes, any disagreement between the AUTHORITY and the CITY regarding any of the boundaries of the areas referenced in this Section 21.3.2 shall be resolved by a survey performed by a licensed surveyor acceptable to each of the CITY and the AUTHORITY, with each Party paying half the cost of any such survey.

All development in the areas shown only for illustrative purposes on Exhibit K as the "East Airfield" (consisting of AUTHORITY controlled property located east of the MCO airfield), the Poitras Property and the "West Tradeport" (consisting of AUTHORITY controlled property located west of Tradeport Drive) shall be subject to the full land development review process as required by the LDC without regard for whether it is or is not within 1,200 feet of any property not controlled by the AUTHORITY. Exhibit "K" attached hereto only for illustrative purposes visually depicts the current 1200 foot zone and the East Airfield, Poitras Property and West Tradeport areas.

21.3.2.2 The CITY's landscaping requirements applicable to MCO will be subject and subordinate to FAA requirements with respect to placement and clearance of any landscaping; provided, however, that the CITY may require that trees that are removed be replaced in areas not subject to FAA restrictions, and where there is an aesthetic or ecological benefit from such placement.

21.3.2.3 As of the Effective Date, MCO is subject to a Development Order for Development of Regional Impact (the "DO") in accordance with section 380.06 Florida Statutes. If this or any other DO applicable to the AUTHORITY is terminated or rescinded by law or otherwise lawfully terminated or rescinded, the property covered by that DO shall be subject to a planning process similar to the current DO process, including study of the impact of proposed development on adjoining areas of the CITY and legally binding commitments of the AUTHORITY to mitigate adverse impacts of such development, to the extent permitted by then applicable law, including without limitation, the Revenue Use Policy.

21.3.2.4 Development of any property acquired by the AUTHORITY subsequent to the Effective Date of this Agreement will be subject to the full land development review process under the LDC.

21.3.2.5 All development at MCO other than that set forth in Sections 21.3.2.1 through 21.3.2.4 above shall be exempt from review under the LDC.

21.3.3 ORL and MCO. The CITY shall not require any dedications, reservations or assessments of fees on AUTHORITY controlled property in violation of then applicable law, including without limitation, the Revenue Use Policy, as part of any LDC review process or other ordinance of the CITY. The CITY and the AUTHORITY shall work cooperatively with the FAA to determine the scope of such requirements as applied to any specific project.

The AUTHORITY shall provide the CITY with notice not less than 30 days before the earlier of submission of commercial leases with terms (including options) of greater than ten years ("long term leases") for space not in the terminal complex to the AUTHORITY Board or the City Council, and the AUTHORITY shall also provide the CITY with an opportunity to review such long term leases as soon as possible in the drafting stages. The AUTHORITY shall also make a good faith effort to give the CITY at least 30 days advance notice of all other long term leases that require CITY approval.

ARTICLE 22

TREATMENT OF SIDE AGREEMENTS; RECLAIMED WATER; STORMWATER

22.1 Side Agreements. Since the Original Agreement became effective, the AUTHORITY and the CITY have entered into side agreements to set forth rights, obligations, terms and conditions relating to specific issues and matters not specifically addressed in the Original Agreement or this Agreement. The AUTHORITY and the CITY have reviewed the side agreements and agree that those listed on Exhibit "L" are to remain in full force and effect. Other than Agreements and legal documents recorded among the Public Records of Orange County, Florida and Osceola County, Florida, ~~any side agreement between the AUTHORITY and the CITY entered into prior to the Effective Date of this Agreement that is not listed on Exhibit L shall be null and void and of no further effect.~~

22.2 Reclaimed Water.

22.2.1 Volume and Delivery of Reclaimed Water.

22.2.1.1 The CITY will use its best efforts to deliver and the AUTHORITY shall accept and use a volume of approximately 350,000,000 gallons of water produced by the CITY's water reclamation facilities ("Reclaimed Water") per year during the term of this agreement in consistent monthly quantities. In the event the AUTHORITY demonstrates to CITY that the volume of Reclaimed Water described in this Section 22.2.1.1 exceeds the amount needed and can be expected to be detrimental to MCO, this this volume may be revised to such lesser volume as the AUTHORITY demonstrates will be compatible with the current requirements for Reclaimed Water at MCO.

22.2.1.2 It is the intent of the CITY to deliver Reclaimed Water at a minimum pressure of 80 pounds per square inch (psi) at the point of connection to the AUTHORITY's irrigation system; however, CITY does not guarantee a minimum delivery pressure, especially during adverse conditions. Reasonable efforts will be made by the CITY to accommodate the irrigation systems and practices of all customers; however, the CITY reserves the right to assign a Reclaimed Water delivery schedule, if necessary, to accommodate the needs of all customers.

22.2.2 Delivery of Reclaimed Water Under Adverse Conditions.

22.2.2.1 Both Parties recognize that adverse weather conditions or unforeseen circumstances may necessitate modification of the normal delivery schedule established by the CITY. During adverse conditions, CITY may restrict or curtail the use of the

Reclaimed Water by the AUTHORITY until the adverse conditions have passed. During these periods, system operating levels may be significantly reduced from normal levels. These reductions may include, but are not limited to, the volume and pressure of the Reclaimed Water supplied to the AUTHORITY.

22.2.2.2 Both Parties also recognize that adverse weather conditions or unforeseen circumstances may result in a need for Reclaimed Water greater than the volume set forth in Section 22.2.1.1. The AUTHORITY shall have the right to draw additional water during these events, subject to availability by the CITY. During any period in which more than one individual or entity that has contracted with the CITY for Reclaimed Water exercises the right to draw additional Reclaimed Water, the CITY will furnish water under such pressure as the transmission and delivery systems are capable of producing. During these events, the CITY shall not be obligated to provide the minimum pressure described in Section 22.21.2 above.

22.2.2.3 If the CITY's transmission or distribution system fails for reasons or events beyond the CITY's control, or when the CITY performs maintenance or repairs the system, then delivery of Reclaimed Water under the requirements of this Agreement may be temporarily interrupted or limited in quantity.

22.2.3 Excuse from Performance by Governmental Acts. If, for any reason during the term of this Agreement, local, regional, state, or federal governments or agencies shall fail to issue necessary permits, grant necessary approvals or shall require any change in the operation of the treatment, transmission and distribution systems or the application and use of Reclaimed Water by the AUTHORITY, then to the extent that such requirements shall affect the ability of any Party to perform any of the terms of this Agreement, the affected Party shall be excused from the performance thereof and a new agreement shall be negotiated, if possible, by the Parties hereto in conformity with such permits, approvals or requirements.

22.2.4 Payment for Reclaimed Water. The AUTHORITY shall pay the CITY for Reclaimed Water delivered by the CITY to the AUTHORITY on a monthly basis, in arrears, at the CITY's lowest bulk service rate applicable for similar Reclaimed Water provided to large industrial users, as such rate may be increased or decreased by the City from time to time, as invoiced by the CITY based upon metered use by the AUTHORITY. In addition, at the time that this Agreement is executed, the AUTHORITY shall pay the Orlando Utilities Commission ("OUC") all amounts then billed by the OUC to the AUTHORITY that have not previously been paid and the AUTHORITY shall pay subsequent amounts invoiced by OUC in accordance with their terms; provided, however, that the AUTHORITY reserves its rights to challenge such bills as provided by law. Furthermore, the AUTHORITY shall pay the CITY the sum of \$370,000 as recovery of the charges for Reclaimed Water used by the AUTHORITY between April 17, 2011 and February 28, 2015, in two installments of \$185,000 on October 1 of 2016 and 2017. The CITY and the AUTHORITY shall enter into a separate agreement for the delivery and use of reclaimed water in the CITY's standard form setting forth the terms and conditions of such reclaimed water service within six months

after the Effective Date of this Agreement, which upon execution, shall supersede this Section 22.2, except for this Section 22.2.4.

22.3 Stormwater Charges. Stormwater charges and facilities shall be governed by the agreement in force between the CITY and the AUTHORITY on the Effective Date relating to stormwater (see Exhibit L). The CITY may collect stormwater charges from non-aviation tenants operating at MCO outside the Terminal complex. The AUTHORITY shall notify the CITY of any change in circumstances with regard to its tenants. Upon one year's advance written notice to the AUTHORITY, the CITY may impose stormwater charges on other tenants at MCO or on the AUTHORITY. The CITY shall not impose stormwater charges on tenants at ORL. If the CITY seeks to impose stormwater charges on the AUTHORITY, both Parties reserve their rights to present their case in all appropriate forums, including before the FAA.

ARTICLE 23

FORCE MAJEURE

~~The performance of all covenants herein contained shall be postponed and suspended during such period as the performance thereof is prevented by acts of God, accidents, weather and conditions arising therefrom, strikes, boycotts, lockouts and other labor troubles, riot, fire, earthquake, flood, storm, lighting, epidemic, insurrection, rebellion, revolution, civil war, hostilities, war, the declaration or existence of a national emergency and conditions arising therefrom, the exercise of paramount power by the federal government, either through the taking of the subject property or the imposition of regulations restricting the conduct of activities thereon, acts of enemies, sabotage, interference, restriction, limitation or prevention by legislation of the federal or state government, decree or order of any court of competent jurisdiction, inability to secure labor or adequate supplies or materials, products or merchandise or any other delay or contingency beyond the reasonable control of CITY or AUTHORITY.~~

ARTICLE 24

PROVISIONS OF AGREEMENT SEVERABLE

If any article, section, subsection, sentence, clause, phrase or portion of this Agreement is for any reason held invalid, unconstitutional, or in conflict with any existing law or ordinance by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portion hereof.

Nothing herein, however, shall be construed to prevent the CITY from enforcing the provisions of Article 16 to terminate this Agreement if the AUTHORITY is unable to fulfill a material provision of the Agreement.

ARTICLE 25

INTEREST ON AMOUNTS OWED

Amounts owed but not paid within sixty (60) days after invoice or other written request for payment by the AUTHORITY to the CITY or by the CITY to the AUTHORITY under this Agreement will accrue interest (beginning on the first day after such sixty (60) day period and until the applicable payment is made) at the interest rate that would be charged on diverted revenue under 49 USC Section 47107(o); provided, however, that the sixty (60) day period for amounts owed by the AUTHORITY to the CITY under Article 5 above shall not commence until the CITY has delivered to the AUTHORITY all backup documentation for such amounts that it is required to deliver under the applicable provisions of said Article 5.

ARTICLE 26

INCORPORATION OF CERTAIN PROVISIONS OF THE ACT

The following provisions of the Act are hereby incorporated into this Agreement and, notwithstanding any amendment of the Act subsequent to the Effective Date of this Agreement, such provisions shall be legal and valid contractual provisions, binding upon the CITY and the AUTHORITY during the term of this Agreement.

26.1 Acquisition, Sale or Lease of Real Property.

26.1.1 Any real estate or interest therein proposed to be purchased, acquired, or sold by the AUTHORITY shall first be approved by the City Council, and the granting of any lease or franchise for a term in excess of 10 years shall first be approved by the City Council.

26.1.2 Any sale of lands, structures, facilities or other property acquired by the AUTHORITY shall be for fair and reasonable consideration; provided, that the AUTHORITY with the prior approval of the City Council, may sell, or give the right of use of its property to the CITY or other public body without consideration or for less than a full and adequate consideration. Any lease or rental of any portion of land, structure, or facility of the AUTHORITY to a private person, corporation, partnership, or public corporation or agency or other legal entity, public or private, shall be for a term of years not to exceed 50 years.

26.1.3 No condemnation proceedings by the AUTHORITY in the exercise of the power of eminent domain shall be initiated or valid unless and until the City Council shall approve the resolution of the AUTHORITY and authorize the exercise of the power of eminent domain in the name of the AUTHORITY for the purpose set forth in such resolution of the AUTHORITY.

26.2 Acquisition of Aviation Projects. The AUTHORITY may acquire by agreement, and not through the exercise of eminent domain, any aviation projects of the CITY, or, with the prior approval of the City Council, any other aviation projects situate within Orange County,

whether publicly or privately owned; provided, that upon conveyance of any such aviation project to the AUTHORITY, all contracts, commitments, leases and any other obligations then outstanding with respect to such aviation project shall be transferred to and assumed by the AUTHORITY.

26.3 Revenue Bonds of the Authority. No resolution of the AUTHORITY for the issuance of any revenue bonds shall be effective until the City Council shall authorize such individual issue by proper resolution. Proceeds of all revenue bonds issued by the CITY for the benefit of the AUTHORITY shall be used solely for the payment of the cost of acquiring, constructing, extending or enlarging the project or projects for which such bonds shall be issued. If the proceeds of such bonds shall be less than such cost, additional bonds may in like manner be issued upon the prior approval of the City Council to provide the amount of such deficit. If the AUTHORITY enters into a trust agreement or indenture to secure such bonds, such trust agreement or indenture may pledge or assign the revenues to be received, but shall not convey or mortgage any project or any part thereof.

26.4 Annual Report and Audit.

26.4.1 Within 180 days following the close of each fiscal year, the AUTHORITY shall make a comprehensive report of its operations of each project under its control during the preceding fiscal year, including all matter relating to rates, charges, revenues, expenses of maintenance, repair and operation and of replacements and extensions, principal and interest retirements and the status of all funds. Copies of such annual reports shall be filed with the secretary of the AUTHORITY, with the City Council, with the Board of County Commissioners of Orange County, and, if revenue bonds shall be secured by a trust agreement, with the trustee under such trust agreement, and shall be open to the inspection of all interested persons.

26.4.2 The AUTHORITY shall cause an audit to be made of its books and accounts for each of its fiscal years by an independent certified public accountant, which audit shall be accompanied by the accountant's opinion and qualifications relating thereto, if any.

26.5 City Ordinances in Effect. All of the ordinances of general application of the CITY from time to time in effect, with the sole exception of its ordinances pertaining to zoning, shall, when so determined by ordinance of the City Council, be of full force and effect in and on any areas of land or water owned or controlled by the AUTHORITY which are not within the limits of any other municipality, whether or not such areas are within, without, or partially without the municipal limits of the CITY, and may be enforced in the same manner and to the same extent as if such areas were within the municipal limits of the CITY.

26.6 Termination of the Authority. If for any reason the AUTHORITY or its successors shall terminate, be terminated, or cease operation or existence for any cause or reason, then upon such termination or cessation all property, real, personal or mixed, tangible or intangible, of whatsoever kind and wheresoever located, shall immediately become the property of the CITY.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized representative as of the date first above written.

**GREATER ORLANDO
AVIATION AUTHORITY**

ATTEST:

Dayci S. Burnette-Snyder, Assistant Secretary

Seal

By: _____
Frank Kruppenbacher
Chairman

Date: _____, 2015

TWO WITNESSES:

APPROVED AS TO FORM AND
LEGALITY

Printed Name:

On the ____ day of _____, 2015
for the use and reliance of the Greater
Orlando Aviation Authority, only.

Printed Name:

Marchena and Graham, P.A., Counsel

By: _____
Marchena and Graham, P.A.

STATE OF FLORIDA COUNTY OF ORANGE

Before me, the undersigned _____, duly authorized under the laws of the State of Florida to take acknowledgments, this day personally appeared Frank Kruppenbacher and Dayci S. Burnette-Snyder respectively Chairman and Deputy Director of the Greater Orlando Aviation AUTHORITY, who are personally known to me to be the individuals and officers described in and who executed the foregoing instrument on behalf of said Greater Orlando Aviation AUTHORITY, and severally acknowledged the execution thereof to be their free act and deed as such officers and that they were duly authorized so to do.

In witness whereof, I have hereunto set my hand and official seal at Orlando, in the County of Orange, State of Florida, this ____ day of _____, 2015.

Notary Public
My commission expires:

THE CITY OF ORLANDO, a
municipal corporation existing under
the laws of the State of Florida

Print Name _____

By: _____

Name: Buddy Dyer

Title: Mayor

Print Name _____

Attest:

Print Name: _____

By: _____

Name: Celeste Brown

Title: City Clerk

Date: _____, 2015.

Print Name _____

APPROVED AS TO FORM AND
LEGALITY

for the use and reliance of the
City of Orlando, Florida, only.

_____, 2015.

Printed Name _____

City Attorney

Orlando, Florida

STATE OF FLORIDA COUNTY OF ORANGE

Before me, the undersigned AUTHORITY, duly authorized under the laws of the State of Florida to take acknowledgments, this day personally appeared Buddy Dyer and Celeste Brown, respectively Mayor and City Clerk of the City of Orlando, who are personally known to me to be the individuals and officers described in and who executed the foregoing instrument on behalf of said City of Orlando, and severally acknowledged the execution thereof to be their free act and deed as such officers and that they were duly authorized so to do.

In witness whereof, I have hereunto set my hand and official seal at Orlando, in the County of Orange, State of Florida, this ____ day of _____, 2015.

Notary Public

My commission expires: