

West Michigan Airport Authority

60 Geurink Boulevard, Holland, MI 49423

P (616) 368-3023

Comprising City of Zeeland, Park Township and City of Holland



West Michigan Airport Authority

Regular Meeting Agenda

August 8th, 2022

11:30 a.m. –1:00 p.m.

60 Geurink Blvd. Holland, MI 49423

<https://us06web.zoom.us/j/83777032853>

Authority Members

City of Holland

Dave Hoekstra
Scott Corbin
Charles Murray

City of Zeeland

Kevin Klynstra
Beth Blanton
Doug Barese

Park Township

Russ Sylte
Skip Keeter
VACANT

Ex-officio

Jim Storey
Frank Garcia

1. Public Comment.
2. Consideration of June 13th 2022, Meeting Minutes (Action Requested).
3. Advanced Mobility Discussion & Request for Qualifications Process (No Action).
4. Approval of Fogg Hangar Sub-Leases:
 - A. Tommy's Carwash Hangar (Action Requested).
 - B. General Office Space (Action Requested).
 - C. Flight Path Office Space (Action Requested).
5. MDOT Contract Amendment: Runway Rehab (Action Requested).
6. Communications Report (No Action).
7. FBO Progress Report (Action Requested).
8. FBO Report (Action Requested).
9. Financial Reports (Action Requested).
10. FBO Performance Evaluation Recommendations (Action Requested).
11. Updates from Board.
12. Other Business:
 - A. Reschedule September 12th Board Meeting
 - B. Aviation Day - August 20th

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- C. Airspace Link Update
- D. Parcel K Update

13. Adjourn.

Next Meeting will be held September, 2022

West Michigan Airport Authority

MEETING MINUTES

June 13th, 2022

*****11:30 a.m. – 1:00 p.m.*****

60 Geurink Blvd. Holland, MI

PRESENT: Doug Barese, Russ Sylte, Dave Hoekstra, Kevin Klynstra, Beth Blanton, Scott Corbin

ABSENT: Skip Keeter, Chuck Murray

OTHERS PRESENT: Tyler Vandenbrand, Project Administrator Amanda Davio, Airport Director Aaron Thelenwood, Treasurer Lynn McCammon

Board Chair Sylte called the meeting to order at 11:30 a.m.

22.06.01 Public Comments.

None.

22.06.02 Consideration of May 9th, 2022, Meeting Minutes

Klynstra made a motion with support by Dave Hoekstra to approve the minutes as presented.

Aye votes: Doug Barese, Russ Sylte, Dave Hoekstra, Kevin Klynstra, Beth Blanton, Scott Corbin

Nays: None

Motion carried.

22.06.03 Review April 11th Meeting Minutes Revisions (No Action).

Board Chair Sylte presented to the Board the revisions made to the April 11th attendance as recorded in the minutes.

22.06.04 Year End Budget Amendments (Action Requested).

Director Thelenwood presented to the Board the proposed budget amendments for FY2022 in response year-to-date expenses and revenues.

Hoekstra made a motion with support from Barese to approve the proposed amendments. Aye

votes: Doug Barese, Russ Sylte, Dave Hoekstra, Kevin Klynstra, Beth Blanton, Scott Corbin

Nays: None

Motion carried.

22.06.05 Airport Insurance Proposals (Action Requested)

In response to the update on increased rates from AJ Gallagher at the April Board Meeting, and due to the Airport Authority's three year fixed rate policy for liability coming to term, the Authority reached out to two additional insurance brokers for proposals. Both have returned with rates comparable to Gallagher. BHS has provided a nearly complete proposal which does not include airport operator or cyber. Thelenwood presented the option of waiting for the official proposal from BHS to confirm a higher rate than AJG but that a change in provider would only be likely if BHS returned with a much lower rate for cyber coverage.

The recommendation was to approve an extension with AJG. Klynstra made a motion with support from Blanton to approve the extension of service through Gallagher. Aye votes: Doug Barensen, Russ Sylte, Dave Hoekstra, Kevin Klynstra, Beth Blanton, Scott Corbin Nays: None Motion carried.

22.06.06 Extension of Project Administrator Role

Thelenwood presented to the Board, after a continued review of staffing needs, a recommendation to extend the Project Administrator Role which is set to expire July 1st. Board Chair Sylte recommended extending the position through September 30th.

Co-Chair Corbin made a motion with support from Barensen to approve the extension of the position.

Aye votes: Doug Barensen, Russ Sylte, Dave Hoekstra, Kevin Klynstra, Beth Blanton, Scott Corbin Nays: None Motion carried.

22.06.07 Airport Business Park Development Taskforce Roster

Thelenwood presented the current candidates for the Business Park Development Task force members to the Board. The Board asked for further review related to the Corporate Aviation position, and asked the Director to continue searching for additional candidates. Blanton offered that the Corporate/Commercial Aviation perspective be someone who can speak on behalf of the superusers. The Authority will continue to look for a corporate perspective and return to the Board for review in July.

22.06.08 Signage Request: FlightLevel Aviation

Project Administrator Davio presented to the Board a request by FlightLevel Aviation to construct a fueling sign on the East Apron. A sign in this area would signal the proper location for transient traffic for fueling and clear up confusion which often leads pilots to the maintenance hangar. The Airport Authority's sign policy is currently tailored to road signs and requires review for future airfield signage. The request will move forward with a review by the FAA for determination of hazards and once approved, will return to the Board for final approval.

22.06.08 T-Hangar Improvement Request Process (Action Requested).

Director Thelenwood presented to the Board the T-Hangar Improvement Request process to better respond to tenant needs. Co-Chair Corbin asked if this would restrict the Director's ability to respond to immediate safety concerns Thelenwood made clear that any direct safety concerns would still be under the airport manager's jurisdiction to act on.

Co-Chair Corbin made a motion with support from Klynstra to

1. Approve the request for improvement form (pending a name change to include beyond maintenance)
2. Approve the improvement authorization process which would allow the discretionary review and approval of unsubstantial requests by the Airport Director and the Building and Development Committee.
3. Approve the request for electrical upgrades submitted by T-Hangar Unit C8

Aye votes: Doug Barensen, Russ Sylte, Dave Hoekstra, Kevin Klynstra, Beth Blanton, Scott Corbin

Nays: None

Motion carried.

22.06.09 Communications Report (No Action).

Director Thelenwood presented an update on the distribution of the Quarterly Report highlighting the success of the last Food Truck Friday event and the community impact. No action taken.

22.06.10 FBO Progress Report (Action Requested).

FlightLevel Director of MI Operations, Vandenbrand, presented the FBO's plan to tackle rising fuel prices-- prepurchasing fuel where possible to keep competitive and calling on supplier the week before to help determine if an increase is expected for the following week. An additional mechanic has also been added to the team. Action taken with regard to Progress report and subsequent FBO report. The Board expressed their optimism on the progress FLightLevel is reporting.

22.06.11 FBO Report (Action Requested).

Vandenbrand presented to the Board an update on fuel sales and numbers from 2022 as compared to 2021 which saw decreased traffic and fueling during the Runway Rehabilitation Project.

Hoekstra made a motion with support from Klynstra to approve both the FBO progress report and FBO report as presented.

Aye votes: Doug Barensen, Russ Sylte, Dave Hoekstra, Kevin Klynstra, Beth Blanton, Scott Corbin

Nays: None

Motion carried.

22.06.12 Financial Reports (Action Requested).

Treasurer McCammon presented the monthly financial report to the Board.

Co-Chair Corbin made a motion with support from Barensen to approve the Financial Report as presented.

Aye votes: Doug Barensen, Russ Sylte, Dave Hoekstra, Kevin Klynstra, Beth Blanton, Scott Corbin

Nays: None

Motion carried.

22.06.13 Updates from Board.

Annual Lakeshore Advantage event on the horizon

22.06.14 Other Business

- a. Potential buyer for Parcel K
- b. Food Truck Friday event on June 17th
- c. Aviation Day on August 20th
- d. Flight Corp- Program offering baseline data for aeronautical traffic
- e. FLITE- Director Thelenwood on the review committee. Part of MEDC mobility platform discussing mobility testing sites, how they work, and how to make the initiative more regional than a GR focused

22.06.15 Adjourn 12:56pm

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August 8th, 2022

REPORT 3

To: West Michigan Airport Authority Board.
From: Aaron Thelenwood, Airport Authority Director.
Subject: **Advanced Mobility Discussion & Request for Qualifications Process**

The State of Michigan and the FAA have set ambitious goals to develop advanced mobility infrastructure across the State and the US overall. Regionally, a prime example of this is Governor Whitmer's goal of establishing an advanced mobility/drone corridor across the state. Recently, West Michigan Regional Airport has received substantial interest from developers and manufacturers in this space, looking to develop on field or establish public/private partnerships with the Authority.

Linn Smith, Supervisor of Airspace and Emerging Aviation Systems with the Michigan Department of Transportation, Office of Aeronautics, will brief the Board regarding key changes in the advanced mobility space, investment from the state and federal governments, and expectations and opportunities for General Aviation Airports for future development.

To supplement the information provided by Mr. Smith, a next prudent step may be to consider releasing a request for qualifications from manufactures in this space. Areas of focus could include:

- Electric vertical take off and landing (eVTOL) infrastructure
- Drone delivery, parcel, and freight systems
- Air Taxi services
- And Electric Aircraft

The goal of this process would be to understand infrastructure needs of operators in these spaces and get a better sense of where companies are investing. Further, information gathered could be used for future request for proposal efforts, if the Airport Authority identifies strategic priorities in this space.

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Recommendation

No formal action is being requested at this time.

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August 8th, 2022

REPORT 4

To: West Michigan Airport Authority Board.
From: Aaron Thelenwood, Airport Authority Director.
Subject: **Approval of Fogg Hangar Sub Leases**

Ben Fogg is looking to establish long term leases for the recently constructed hangar on the corner of Washington and Geurink for both aircraft storage and office space. In addition to establishing a general template for future leases, Mr. Fogg is asking the Board to approve the leases with the two following organizations:

- Two (2) Aircraft Storage leases for Tommy's Carwash
- Office Space Lease: Tommy's Carwash
- Office Space lease for FlightPath

Mr. Fogg is also requesting approval of a general lease template for both office space and aircraft storage.

Under the terms of the Ground Lease between Mr. Fogg and the Airport Authority, all subleases require prior approval by the Airport Authority. The main rationale for this provision is to ensure adequate control by the Authority that airport property is used for aviation purposes. The subleases described above are in alignment with typical aviation use.

Recommendation

It is recommended that the Board approve the subleases and sublease templates as described above, subject to final approval as to form by the Airport Authority's Attorney.

HANGAR STORAGE LEASE AGREEMENT

This Lease Agreement (the "Lease" or "Agreement") is entered into on **March 25, 2022**, by and between 3303 Property Source, of 135 Elberdene, Holland, Michigan 49424, (the "Owner"), and **FJV, LLC of 240 E 8th Street, Holland, Michigan 49423** (the "Tenant"), reference to the following facts and circumstances:

- A.** The Owner owns an aircraft storage hangar unit located at 1581 S. Washington Ave in Holland, Michigan (the "Hangar"), at the West Michigan Regional Airport (the "Airport") Allegan County, State of Michigan.
- B. AIRCRAFT:** The Aircraft to be stored are identified as follows:

Registered Owner:	FJV LLC	Other if less than 100%:	M&V Family Enterprises LLC SKY USA LLC CEI Transport LLC
Tenant Interest in Aircraft:	Owned	Weight as Stored:	18,643 pounds
Make & Model of Aircraft:	1991 Dassault Falcon 20F-5	Tail Height:	17.58 Feet
FAA Aircraft Registration Number:	N998BM		
Tenant Mailing Address:	240 E 8 th Street, Holland, MI 49423		
Tenant Telephone Number:	231-557-0558		
Tenant Email Address:	Gregm@tommycarwash.com		
Emergency Contact Name and Telephone Number:	Gregory McCabe 231-557-0558		

Tenant may substitute Aircraft, however, Tenant must notify Owner, in writing, prior to any change in the stored Aircraft information furnished above. If the aircraft is inoperable for a period in excess of 60 days, the Tenant must notify the Owner.

If Tenant sells the Aircraft, the Owner must be notified in writing within 10 business days of the sale and the Tenant has ninety (90) days in which to replace said Aircraft. Owner may grant an extension to the period to replace the Aircraft, upon written request by Tenant.

- C.** The Tenant desires to lease storage space in the Hangar from the Owner on the terms and conditions contained herein.

The parties, therefore, each in consideration of the covenants, terms and conditions contained herein, agree as follows:

- 1. Lease.** The Owner hereby leases to the Tenant, and the Tenant hereby leases from the Owner approximately top view: **Length 56.25 x Width 53.5 of the aircraft = 3,009.4 square feet** of storage space (the "Storage Space") and **/ or zero square feet** of office space (the "Office Space") in the Hangar. The Owner reserves the right to designate the specific area in the Hangar to be used by

the Tenant, and reserves the right to move the Tenant's property to a different location in the Hangar as reasonably necessary to accommodate the Owner's use of the remaining area in the Hangar.

2. **Term.** The term of this Lease shall commence at the end of each month, on **April 1 2022 to April 1, 2025**, and shall continue on a month-to-month basis, renewing automatically thereafter. A 30-day written notice is required by the Tenant or the Owner to terminate this Agreement.
3. **Annual Rent Increases** A minimum of 2% or a maximum of CPI U column "All Items" for annual inflation adjustments.
4. **SECURITY DEPOSIT:** Upon execution of this Agreement, the first month's rent is considered the security deposit, as security for any damage caused to the Premises during the term.
5. **Rent.** The rent of **\$2,300.00** per month for the Falcon 20, shall be paid in advance on or before the first day of each calendar month beginning **April 1 2022**, and shall continue to be paid as long as this Agreement remains in full force and effect, renewing automatically. This rent will adjust based on market and/or CPI Index.

Tenant agrees to pay a late fee of \$ 250.00 in any month the rent amount is due and remains unpaid.

6. **Use.** Tenant agrees to use the Storage Space primarily for the purpose of storage of the Aircraft and aircraft-related maintenance equipment and property. Painting is prohibited. Use of the Premises for any other non-aviation purpose without the consent of the Owner is strictly prohibited except for incidental non-aviation items that do not interfere with the aeronautical use of the Storage Space. Violation of this provision may result in termination of this Agreement by Owner and/or Owner may require removal of non-aviation personal property. Except as may be prohibited by the Airport Rules and Regulations, Tenant shall be allowed to perform preventative maintenance in the Storage Space on the Aircraft in accordance with Federal Aviation Regulations.

No explosives or combustible materials will be permitted within or about the Hangar except for the fuel in aircraft tanks or small containers of lubricants, cleaning material and other aviation-related material stored in approved containers. Waste oil of any type or quantity is prohibited. Each party shall abide by all State, Federal and local laws regulating the transportation of flammable liquids and protecting the environment.

The terms of this lease are subordinate to the land lease held between the West Michigan Regional Airport Authority ("Airport Authority") and 3303 JOHN F. DONNELLY DRIVE, LLC dated March 15, 2021, and subject to all of the terms and conditions thereof, including any renewals, amendments, or modifications ("Ground Lease"). A copy of the Ground Lease is attached as Exhibit A. Property shall not be used in a manner which would constitute a violation of any of the provisions of the Ground Lease or any other lease or contract to which the Airport Authority is a party or the field rules and regulations of the Authority. Any default under the Ground Lease or any proceeding to enforce the Ground Lease shall be paramount and superior to the interest of the Tenant.

6.1 Prohibited uses of the Storage Space. The Storage Space shall not be used by the Tenant for any of the following purposes.

- A. Passenger service, charter, and commercial operations.
- B. Sale of aircraft and accessories (except aircraft used exclusively by Tenant).
- C. Engaging in the business of aviation instruction (except for instruction involving pilots and aircraft used exclusively by Tenant).
- D. Maintenance and service of aircraft, except as permitted pursuant to Section 6B of the Ground Lease.

- E. The sales or storage of aviation fuels or petroleum products.
 - F. Due to the limited area of the Hangar and its location adjacent to the fueling farm facilities at the Airport, the tie-down of aircraft is prohibited.
 - G. Any form of fixed based operation unless Tenant meets the minimum operating standards and requirements of the Airport Authority.
7. **No Alterations, Maintenance.** The Tenant shall not make any alterations to the Hangar without the prior written consent of the Owner, shall maintain the Storage Space in a clean and sanitary condition, and shall leave the Storage Space in the same condition as existed at the commencement of the lease term, reasonable wear and tear excepted.
8. **Acceptance of Storage Space, Owner Maintenance.** The act of the Tenant in commencing use of the Storage Space shall constitute acceptance of the Storage Space by the Tenant on an "as-is" basis as of the date of this Lease, provided however that thereafter, Owner shall keep the Hangar in good order, condition and repair and shall make all repairs and replacements necessary to keep the Hangar, its roof, walls, and all utility facilities, electrical, plumbing, drains, signs, windows, storefront, doors, locks, fixtures, floor, ceiling, windows, water heaters, termite and pest control and all other matters and/or systems located within the Hangar or exclusively serving the Storage Space, in such good order.
9. **ASSIGNMENT:** The Tenant may not assign or sublet the whole or part of the Storage Space without first securing permission in writing from Owner to do so.
10. **COMPLIANCE WITH REGULATIONS AND LAWS:** Each party agrees to abide by all current and future Rules and Regulations of the Federal Aviation Administration, the State of Michigan, and any public authority having jurisdiction over the Airport, as well as the published Airport Rules and Regulations, a copy of which Tenant acknowledges it has received and read. Owner reserves the right to revise, waive portions of, or create additional documents pertaining to any published update(s) to the Airport Rules and Regulations. Such updated or additional documents will be provided to Tenant, as reasonably determined appropriate by Owner. Willful disregard of said Rules and Regulations is cause for immediate termination of this Agreement by the non-breaching party as an event of default.
11. **Risk of Loss: Insurance.** Any personal property kept in the Storage Space by the Tenant shall be at the Tenant's sole risk and responsibility. The Tenant acknowledges and understands that this agreement is NOT A BAILMENT of the property stored and its contents, but rather a lease of Storage Space by the Tenant.
- a. The Tenant shall provide Owner with a current Certificate of Insurance with overage of a minimum of \$500,000.00 general liability and property damage insurance and maintain for Tenant's sole benefit aircraft hull insurance covering the value of the Aircraft. Said insurance shall be maintained in full force and effect during the term of this Agreement and shall protect Owner, its agents, and employees against any and all liability for death, injury, loss or damage against which Tenant has herein below undertaken to indemnify and hold harmless Owner, its agents, and employees. The Certificate of Insurance shall name Owner and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Owner and duly authorized to do business in the State of Michigan. Tenant shall also provide Owner, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.
 - b. The Owner shall provide Tenant with a current Certificate of Insurance with overage of a minimum of \$1,000,000.00 general liability and property damage insurance. Said insurance shall be

maintained in full force and effect during the term of this Agreement and shall protect Tenant, its agents, and employees against any and all liability for death, injury, loss or damage against which Owner has herein below undertaken to indemnify and hold harmless Tenant, its agents, and employees. The Certificate of Insurance shall name Tenant and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Tenant and duly authorized to do business in the State of Michigan. Owner shall also provide Tenant, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.

- c. The Tenant agrees that if the Hangar is rendered untenable by fire or any other reason, this Agreement shall instantly terminate, and upon termination of this Agreement, for whatever reason or cause, said Tenant will yield and surrender said Storage Space and appurtenances to the Owner in as good condition as when the same were entered upon by Tenant, ordinary wear and tear and/or loss by fire or other damage resulting from the actions or inactions of any party or parties other than Tenant excepted. The Security Deposit, as provided herein, may also be used to defray the cost of repairs due to damages caused by said Tenant, except as herein excluded.
- d. Further, the Tenant shall procure, keep and maintain during the term of this Lease, and any renewal thereof, insurance policies providing liability and property damage insurance of not less than \$1,000,000 each occurrence/\$1,000,000 aggregate for property damage and of not less than \$1,000,000 each occurrence/\$1,000,000 aggregate for comprehensive general liability. The policies shall cover losses caused by the acts and omissions of the Tenant, its agents and employees, or by the operation of aircraft and vehicles or other equipment owned or operated by the Tenant, its agents or employees. The Certificate of Insurance of Tenant shall name the Airport Authority, its officers, agents, and employees as additional insureds for required coverage for public liability, and a Certificate of Insurance shall be filed with the Airport Authority upon the commencement of this Lease. The Certificate of Insurance shall waive subrogation against the Airport Authority. The Tenant shall give the Airport Authority sufficient evidence in writing that each and every such coverage has been issued by an insurance company or companies as are approved by the Michigan Insurance Bureau. The Tenant agrees to defend and hold the Airport Authority harmless from any claim, suit, or process of any nature including reasonable attorney fees and costs, whatsoever arising out of this Lease. The agreement to defend and hold harmless shall be in effect even though the Tenant has obtained the various insurance policies hereinabove stated. During the term of this Agreement, the amounts and levels of insurance may be increased by the Airport Authority based upon revised insurance requirements and specifications which shall apply to all entities subject to a ground lease at the Airport.

12. Indemnification. Each party shall indemnify and hold the other (and its respective agents, employees, licensees, and invitees) harmless from any and all claims, causes of action, liabilities, losses, damages, costs, and expenses, including reasonable attorney's fees, howsoever caused, arising out of or connected with, the use, lease, or occupancy of the Hangar by the other party (including by their agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) resulting or arising out of any acts, omissions, negligence or fault by or of the indemnifying party (including its agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) or arising from the indemnifying party's failure to comply with all relevant federal, state, or local laws, statutes, ordinances, or regulations, or with the provisions of this Agreement.

To the fullest extent permitted by law, Tenant agrees to indemnify, defend and save the Airport Authority, its agents, officers, representatives and employees harmless from and against any and all liability or loss resulting from claims or court action arising directly or indirectly out of the acts of Tenant, its agents, guests, or visitors

under this Agreement or by reason of any act or omission of such person. The Airport Authority assumes no liability for loss or injury to persons or property while Tenant is using the Airport facilities.

- 13. Access to Storage Space.** The Owner shall have the right to enter the Storage Space, but not the Aircraft, at any time and for any purpose. Tenant shall be responsible for and take all reasonable measures necessary to prevent any and all unauthorized vehicles or pedestrians from entering the restricted areas at the Airport. The restricted areas include, but are not limited to runways, taxiways and aircraft parking areas. Lessee's private vehicle shall be allowed to be placed in the Premises when the aircraft is removed for a trip.
- 14. Default.** If the Tenant fails to perform any of its obligations under this agreement, or if the Tenant fails to comply with any use and occupancy restrictions or any rules and regulations applicable to the Hangar, then the Tenant shall be considered to be in default of this agreement, and the Owner may terminate this agreement by giving the Tenant seven days' written notice of termination. However, if in the determination of the Owner, the property stored in the Hangar causes a clear and present danger to the health and wellbeing of other property stored in the Hangar or to the Hangar property, or to any persons on or about the Hangar property, then the Owner may terminate this agreement immediately by giving the Tenant written notice of termination, and the Owner (or the Association) may immediately remove the Tenant's personal property from the Hangar without assuming any responsibility or liability for the safekeeping of the property.
- 15. Repossession: Removal of Property Stored.** On the termination of the Lease, the Owner shall have the right immediately to reenter and take possession of the Storage Space, without prejudice, however, to any and all rights and claims possessed by the Owner against the Tenant at the time of such termination for rent, damages, breach of covenant, or otherwise. The Tenant shall remove all of the Tenant's personal property from the Hangar on or before the effective date of termination; provided, that the Owner may retain possession of the property stored until all amounts owed by the Tenant to Owner are paid, pursuant to applicable state and federal lien laws.
- A CHARGE OF ONE HUNDRED (\$100.00) DOLLARS PER DAY WILL BE ASSESSED FOR EACH DAY AFTER THE DATE OF TERMINATION OF THIS AGREEMENT THAT THE PROPERTY STORED AND/OR ANY OF THE TENANT'S OTHER PERSONAL PROPERTY REMAINS IN THE HANGAR OR ON THE CONDOMINIUM PROPERTY.
- 16. Notice.** Any notice required or permitted under this Agreement or under state law shall be deemed sufficiently given or served if sent by U.S. certified mail, return receipt requested, addressed as follows:
- a. All notices to the Tenant will be sent to same mailing address as listed under the Aircraft Section of this Agreement.
 - b. All notices to the Owner will be sent to same mailing address as listed under the introductory paragraph of this Agreement.
 - c. E-mail documents
- 17. Miscellaneous.** This Lease sets forth all the covenants, promises, agreements, conditions and understandings between Tenant and Owner and supersedes all prior and contemporaneous agreements, understandings and negotiations. No parol evidence of prior or contemporaneous agreements, understandings or negotiations shall govern or be used to construe or modify this Agreement. Each party has participated in negotiating and drafting this Agreement, so if an ambiguity or a question of intent or interpretation arises, this Agreement is to be construed as if the Parties had drafted it jointly, as opposed to being construed against a Party because it was responsible for drafting one or more provisions of this Agreement. No amendment or addition to this Lease shall be binding unless in writing and signed by each party. Nothing contained herein shall be deemed to create the relationship of principal and agent or of partnership or joint venture between the Whenever herein the singular number is used, the same shall include the plural; and words of either gender shall include the other gender, as required. The parties intend that unless otherwise specifically provided, whenever

Landlord's consent or approval is expressly or impliedly required by any provision of this Lease, the consent or approval shall not be unreasonably withheld. The captions, article numbers, and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such articles or sections. Tenant shall not record this Lease. This Lease may be executed in counterparts by way of original, facsimile, or electronic signatures.

Agreed:

Owner: 3303 Property Source, LLC

_____, 2022
Dated

By: _____
Its: _____

Tenant: FJV, LLC

_____, 2022
Dated

By: _____
Its: _____

HANGAR STORAGE LEASE AGREEMENT

This Lease Agreement (the "Lease" or "Agreement") is entered into on **March 25, 2022**, by and between 3303 Property Source, of 135 Elberdene, Holland, Michigan 49424, (the "Owner"), and **FJV, LLC of 240 E 8th Street, Holland, Michigan 49423** (the "Tenant"), reference to the following facts and circumstances:

- A.** The Owner owns an aircraft storage hangar unit located at 1581 S. Washington Ave in Holland, Michigan (the "Hangar"), at the West Michigan Regional Airport (the "Airport") Allegan County, State of Michigan.
- B. AIRCRAFT:** The Aircraft to be stored are identified as follows:

Registered Owner:	VQ Inc	Other if less than 100%:	AVW Equipment Co Inc
Tenant Interest in Aircraft:	Owned	Weight as Stored:	25,279 pounds
Make & Model of Aircraft:	1995 Dassault Falcon 900B	Tail Height:	24.75 Feet
FAA Aircraft Registration Number:	N115ZN		
Tenant Mailing Address:	240 E 8 th Street, Holland, MI 49423		
Tenant Telephone Number:	231-557-0558		
Tenant Email Address:	Gregm@tommycarwash.com		
Emergency Contact Name and Telephone Number:	Gregory McCabe 231-557-0558		

Tenant may substitute Aircraft, however, Tenant must notify Owner, in writing, prior to any change in the stored Aircraft information furnished above. If the aircraft is inoperable for a period in excess of 60 days, the Tenant must notify the Owner.

If Tenant sells the Aircraft, the Owner must be notified in writing within 10 business days of the sale and the Tenant has ninety (90) days in which to replace said Aircraft. Owner may grant an extension to the period to replace the Aircraft, upon written request by Tenant.

- C.** The Tenant desires to lease storage space in the Hangar from the Owner on the terms and conditions contained herein.

The parties, therefore, each in consideration of the covenants, terms and conditions contained herein, agree as follows:

- 1. Lease.** The Owner hereby leases to the Tenant, and the Tenant hereby leases from the Owner approximately top view: **Length __66.33__ x Width __63.42__ of the aircraft = __4,206.6__ square feet** of storage space (the "Storage Space") and **/ or __zero__ square feet** of office space (the "Office Space") in the Hangar. The Owner reserves the right to designate the specific area in the Hangar to be used by the Tenant, and reserves the right to move the Tenant's property to a different location in the Hangar as reasonably necessary to accommodate the Owner's use of the remaining area in the Hangar.

2. **Term.** The term of this Lease shall commence at the end of each month, on **April 1 2022 to April 1, 2025**, and shall continue on a month-to-month basis, renewing automatically thereafter. A 30-day written notice is required by the Tenant or the Owner to terminate this Agreement.
3. **Annual Rent Increases** A minimum of 2% or a maximum of CPI U column "All Items" for annual inflation adjustments.
4. **SECURITY DEPOSIT:** Upon execution of this Agreement, the first month's rent is considered the security deposit, as security for any damage caused to the Premises during the term.
5. **Rent.** The rent of **\$3,600.00** per month for the Falcon 900, shall be paid in advance on or before the first day of each calendar month beginning **April 1 2022**, and shall continue to be paid as long as this Agreement remains in full force and effect, renewing automatically. This rent will adjust based on market and/or CPI Index.

Tenant agrees to pay a late fee of \$ 250.00 in any month the rent amount is due and remains unpaid.

6. **Use.** Tenant agrees to use the Storage Space primarily for the purpose of storage of the Aircraft and aircraft-related maintenance equipment and property. Painting is prohibited. Use of the Premises for any other non-aviation purpose without the consent of the Owner is strictly prohibited except for incidental non-aviation items that do not interfere with the aeronautical use of the Storage Space. Violation of this provision may result in termination of this Agreement by Owner and/or Owner may require removal of non-aviation personal property. Except as may be prohibited by the Airport Rules and Regulations, Tenant shall be allowed to perform preventative maintenance in the Storage Space on the Aircraft in accordance with Federal Aviation Regulations.

No explosives or combustible materials will be permitted within or about the Hangar except for the fuel in aircraft tanks or small containers of lubricants, cleaning material and other aviation-related material stored in approved containers. Waste oil of any type or quantity is prohibited. Each party shall abide by all State, Federal and local laws regulating the transportation of flammable liquids and protecting the environment.

The terms of this lease are subordinate to the land lease held between the West Michigan Regional Airport Authority ("Airport Authority") and 3303 JOHN F. DONNELLY DRIVE, LLC dated March 15, 2021, and subject to all of the terms and conditions thereof, including any renewals, amendments, or modifications ("Ground Lease"). A copy of the Ground Lease is attached as Exhibit A. Property shall not be used in a manner which would constitute a violation of any of the provisions of the Ground Lease or any other lease or contract to which the Airport Authority is a party or the field rules and regulations of the Authority. Any default under the Ground Lease or any proceeding to enforce the Ground Lease shall be paramount and superior to the interest of the Tenant.

6.1 Prohibited uses of the Storage Space. The Storage Space shall not be used by the Tenant for any of the following purposes.

- A. **Passenger service, charter, and commercial operations.**
- B. **Sale of aircraft and accessories (except aircraft used exclusively by Tenant).**
- C. **Engaging in the business of aviation instruction (except for instruction involving pilots and aircraft used exclusively by Tenant).**
- D. **Maintenance and service of aircraft, except as permitted pursuant to Section 6B of the Ground Lease.**
- E. **The sales or storage of aviation fuels or petroleum products.**

- F. Due to the limited area of the Hangar and its location adjacent to the fueling farm facilities at the Airport, the tie-down of aircraft is prohibited.
- G. Any form of fixed based operation unless Tenant meets the minimum operating standards and requirements of the Airport Authority.
7. **No Alterations, Maintenance.** The Tenant shall not make any alterations to the Hangar without the prior written consent of the Owner, shall maintain the Storage Space in a clean and sanitary condition, and shall leave the Storage Space in the same condition as existed at the commencement of the lease term, reasonable wear and tear excepted.
8. **Acceptance of Storage Space, Owner Maintenance.** The act of the Tenant in commencing use of the Storage Space shall constitute acceptance of the Storage Space by the Tenant on an "as-is" basis as of the date of this Lease, provided however that thereafter, Owner shall keep the Hangar in good order, condition and repair and shall make all repairs and replacements necessary to keep the Hangar, its roof, walls, and all utility facilities, electrical, plumbing, drains, signs, windows, storefront, doors, locks, fixtures, floor, ceiling, windows, water heaters, termite and pest control and all other matters and/or systems located within the Hangar or exclusively serving the Storage Space, in such good order.
9. **ASSIGNMENT:** The Tenant may not assign or sublet the whole or part of the Storage Space without first securing permission in writing from Owner to do so.
10. **COMPLIANCE WITH REGULATIONS AND LAWS:** Each party agrees to abide by all current and future Rules and Regulations of the Federal Aviation Administration, the State of Michigan, and any public authority having jurisdiction over the Airport, as well as the published Airport Rules and Regulations, a copy of which Tenant acknowledges it has received and read. Owner reserves the right to revise, waive portions of, or create additional documents pertaining to any published update(s) to the Airport Rules and Regulations. Such updated or additional documents will be provided to Tenant, as reasonably determined appropriate by Owner. Willful disregard of said Rules and Regulations is cause for immediate termination of this Agreement by the non-breaching party as an event of default.
11. **Risk of Loss: Insurance.** Any personal property kept in the Storage Space by the Tenant shall be at the Tenant's sole risk and responsibility. The Tenant acknowledges and understands that this agreement is NOT A BAILMENT of the property stored and its contents, but rather a lease of Storage Space by the Tenant.
- a. The Tenant shall provide Owner with a current Certificate of Insurance with overage of a minimum of \$500,000.00 general liability and property damage insurance and maintain for Tenant's sole benefit aircraft hull insurance covering the value of the Aircraft. Said insurance shall be maintained in full force and effect during the term of this Agreement and shall protect Owner, its agents, and employees against any and all liability for death, injury, loss or damage against which Tenant has herein below undertaken to indemnify and hold harmless Owner, its agents, and employees. The Certificate of Insurance shall name Owner and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Owner and duly authorized to do business in the State of Michigan. Tenant shall also provide Owner, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.
- b. The Owner shall provide Tenant with a current Certificate of Insurance with overage of a minimum of \$1,000,000.00 general liability and property damage insurance. Said insurance shall be

maintained in full force and effect during the term of this Agreement and shall protect Tenant, its agents, and employees against any and all liability for death, injury, loss or damage against which Owner has herein below undertaken to indemnify and hold harmless Tenant, its agents, and employees. The Certificate of Insurance shall name Tenant and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Tenant and duly authorized to do business in the State of Michigan. Owner shall also provide Tenant, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.

- c. The Tenant agrees that if the Hangar is rendered untenable by fire or any other reason, this Agreement shall instantly terminate, and upon termination of this Agreement, for whatever reason or cause, said Tenant will yield and surrender said Storage Space and appurtenances to the Owner in as good condition as when the same were entered upon by Tenant, ordinary wear and tear and/or loss by fire or other damage resulting from the actions or inactions of any party or parties other than Tenant excepted. The Security Deposit, as provided herein, may also be used to defray the cost of repairs due to damages caused by said Tenant, except as herein excluded.
- d. Further, the Tenant shall procure, keep and maintain during the term of this Lease, and any renewal thereof, insurance policies providing liability and property damage insurance of not less than \$1,000,000 each occurrence/\$1,000,000 aggregate for property damage and of not less than \$1,000,000 each occurrence/\$1,000,000 aggregate for comprehensive general liability. The policies shall cover losses caused by the acts and omissions of the Tenant, its agents and employees, or by the operation of aircraft and vehicles or other equipment owned or operated by the Tenant, its agents or employees. The Certificate of Insurance of Tenant shall name the Airport Authority, its officers, agents, and employees as additional insureds for required coverage for public liability, and a Certificate of Insurance shall be filed with the Airport Authority upon the commencement of this Lease. The Certificate of Insurance shall waive subrogation against the Airport Authority. The Tenant shall give the Airport Authority sufficient evidence in writing that each and every such coverage has been issued by an insurance company or companies as are approved by the Michigan Insurance Bureau. The Tenant agrees to defend and hold the Airport Authority harmless from any claim, suit, or process of any nature including reasonable attorney fees and costs, whatsoever arising out of this Lease. The agreement to defend and hold harmless shall be in effect even though the Tenant has obtained the various insurance policies hereinabove stated. During the term of this Agreement, the amounts and levels of insurance may be increased by the Airport Authority based upon revised insurance requirements and specifications which shall apply to all entities subject to a ground lease at the Airport.

12. Indemnification. Each party shall indemnify and hold the other (and its respective agents, employees, licensees, and invitees) harmless from any and all claims, causes of action, liabilities, losses, damages, costs, and expenses, including reasonable attorney's fees, howsoever caused, arising out of or connected with, the use, lease, or occupancy of the Hangar by the other party (including by their agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) resulting or arising out of any acts, omissions, negligence or fault by or of the indemnifying party (including its agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) or arising from the indemnifying party's failure to comply with all relevant federal, state, or local laws, statutes, ordinances, or regulations, or with the provisions of this Agreement.

To the fullest extent permitted by law, Tenant agrees to indemnify, defend and save the Airport Authority, its agents, officers, representatives and employees harmless from and against any and all liability or loss resulting from claims or court action arising directly or indirectly out of the acts of Tenant, its agents, guests, or visitors

under this Agreement or by reason of any act or omission of such person. The Airport Authority assumes no liability for loss or injury to persons or property while Tenant is using the Airport facilities.

- 13. Access to Storage Space.** The Owner shall have the right to enter the Storage Space, but not the Aircraft, at any time and for any purpose. Tenant shall be responsible for and take all reasonable measures necessary to prevent any and all unauthorized vehicles or pedestrians from entering the restricted areas at the Airport. The restricted areas include, but are not limited to runways, taxiways and aircraft parking areas. Lessee's private vehicle shall be allowed to be placed in the Premises when the aircraft is removed for a trip.
- 14. Default.** If the Tenant fails to perform any of its obligations under this agreement, or if the Tenant fails to comply with any use and occupancy restrictions or any rules and regulations applicable to the Hangar, then the Tenant shall be considered to be in default of this agreement, and the Owner may terminate this agreement by giving the Tenant seven days' written notice of termination. However, if in the determination of the Owner, the property stored in the Hangar causes a clear and present danger to the health and wellbeing of other property stored in the Hangar or to the Hangar property, or to any persons on or about the Hangar property, then the Owner may terminate this agreement immediately by giving the Tenant written notice of termination, and the Owner (or the Association) may immediately remove the Tenant's personal property from the Hangar without assuming any responsibility or liability for the safekeeping of the property.
- 15. Repossession: Removal of Property Stored.** On the termination of the Lease, the Owner shall have the right immediately to reenter and take possession of the Storage Space, without prejudice, however, to any and all rights and claims possessed by the Owner against the Tenant at the time of such termination for rent, damages, breach of covenant, or otherwise. The Tenant shall remove all of the Tenant's personal property from the Hangar on or before the effective date of termination; provided, that the Owner may retain possession of the property stored until all amounts owed by the Tenant to Owner are paid, pursuant to applicable state and federal lien laws.
- A CHARGE OF ONE HUNDRED (\$100.00) DOLLARS PER DAY WILL BE ASSESSED FOR EACH DAY AFTER THE DATE OF TERMINATION OF THIS AGREEMENT THAT THE PROPERTY STORED AND/OR ANY OF THE TENANT'S OTHER PERSONAL PROPERTY REMAINS IN THE HANGAR OR ON THE CONDOMINIUM PROPERTY.
- 16. Notice.** Any notice required or permitted under this Agreement or under state law shall be deemed sufficiently given or served if sent by U.S. certified mail, return receipt requested, addressed as follows:
- a. All notices to the Tenant will be sent to same mailing address as listed under the Aircraft Section of this Agreement.
 - b. All notices to the Owner will be sent to same mailing address as listed under the introductory paragraph of this Agreement.
 - c. E-mail documents
- 17. Miscellaneous.** This Lease sets forth all the covenants, promises, agreements, conditions and understandings between Tenant and Owner and supersedes all prior and contemporaneous agreements, understandings and negotiations. No parol evidence of prior or contemporaneous agreements, understandings or negotiations shall govern or be used to construe or modify this Agreement. Each party has participated in negotiating and drafting this Agreement, so if an ambiguity or a question of intent or interpretation arises, this Agreement is to be construed as if the Parties had drafted it jointly, as opposed to being construed against a Party because it was responsible for drafting one or more provisions of this Agreement. No amendment or addition to this Lease shall be binding unless in writing and signed by each party. Nothing contained herein shall be deemed to create the relationship of principal and agent or of partnership or joint venture between the Whenever herein the singular number is used, the same shall include the plural; and words of either gender shall include the other gender, as required. The parties intend that unless otherwise specifically provided, whenever

Landlord's consent or approval is expressly or impliedly required by any provision of this Lease, the consent or approval shall not be unreasonably withheld. The captions, article numbers, and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such articles or sections. Tenant shall not record this Lease. This Lease may be executed in counterparts by way of original, facsimile, or electronic signatures.

Agreed:

Owner: 3303 PropertySource, LLC

_____, 2022
Dated

By: _____
Its: _____

Tenant: VQ Inc

_____, 2022
Dated

By: _____
Its: _____

HANGAR STORAGE LEASE AGREEMENT

This Lease Agreement (the "Lease" or "Agreement") is entered into on March __, 2022, by and between 3303 JFD, Donnelly Drive, LLC, of 135 Elberdene, Holland, Michigan 49424, (the "Owner"), and _____ (the "Tenant"), reference to the following facts and circumstances:

- A. The Owner owns an aircraft storage hangar unit located at 1581 S. Washington Ave in Holland, Michigan (the "Hangar"), at the West Michigan Regional Airport (the "Airport") Allegan County, State of Michigan.
- B. **AIRCRAFT:** The Aircraft to be stored are identified as follows:

Registered Owner:		Other if less than 100%:	
Tenant Interest in Aircraft:		Weight as Stored:	
Make & Model of Aircraft:		Tail Height:	
FAA Aircraft Registration Number:			
Tenant Mailing Address:			
Tenant Telephone Number:			
Tenant Email Address:			
Emergency Contact Name and Telephone Number:			

Tenant may substitute Aircraft, however, Tenant must notify Owner, in writing, prior to any change in the stored Aircraft information furnished above. If the aircraft is inoperable for a period in excess of 60 days, the Tenant must notify the Owner.

If Tenant sells the Aircraft, the Owner must be notified in writing within 10 business days of the sale and the Tenant has ninety (90) days in which to replace said Aircraft. Owner may grant an extension to the period to replace the Aircraft, upon written request by Tenant.

- C. The Tenant desires to lease storage space in the Hangar from the Owner on the terms and conditions contained herein.

The parties, therefore, each in consideration of the covenants, terms and conditions contained herein, agree as follows:

1. **Lease.** The Owner hereby leases to the Tenant, and the Tenant hereby leases from the Owner approximately top view: Length _____ x Width _____ of each aircraft = _____ square feet of storage space (the "Storage Space") and / or _____ square feet of office space (the "Office

Space") in the Hangar. The Owner reserves the right to designate the specific area in the Hangar to be used by the Tenant, and reserves the right to move the Tenant's property to a different location in the Hangar as reasonably necessary to accommodate the Owner's use of the remaining area in the Hangar.

2. **Term.** The term of this Lease shall commence on April 1 2022 to April 1, 2025, and shall continue on a month-to-month basis, renewing automatically thereafter. A 30-day written notice is required by the Tenant or the Owner to terminate this Agreement.
3. **Annual rent increases** A minimum of 2% or a maximum of CPI U for annual inflation adjustments.
4. **SECURITY DEPOSIT:** Upon execution of this Agreement, the first month's rent is considered the security deposit, as security for any damage caused to the Premises during the term.
5. **Rent.** The rent of \$ _____ per month , shall be paid in advance on or before the first day of each calendar month beginning _____, and shall continue to be paid as long as this Agreement remains in full force and effect, renewing automatically. This rent will adjust based on market and/or CPI Index.

Tenant agrees to pay a late fee of \$ 250.00 in any month the rent amount is due and remains unpaid.

6. **Use.** Tenant agrees to use the Storage Space primarily for the purpose of storage of the Aircraft and aircraft-related maintenance equipment and property. Painting is prohibited. Use of the Premises for any other non-aviation purpose without the consent of the Owner is strictly prohibited except for incidental non-aviation items that do not interfere with the aeronautical use of the Storage Space. Violation of this provision may result in termination of this Agreement by Owner and/or Owner may require removal of non-aviation personal property. Except as may be prohibited by the Airport Rules and Regulations, Tenant shall be allowed to perform preventative maintenance in the Storage Space on the Aircraft in accordance with Federal Aviation Regulations.

No explosives or combustible materials will be permitted within or about the Hangar except for the fuel in aircraft tanks or small containers of lubricants, cleaning material and other aviation-related material stored in approved containers. Waste oil of any type or quantity is prohibited. Each party shall abide by all State, Federal and local laws regulating the transportation of flammable liquids and protecting the environment.

The terms of this lease are subordinate to the land lease held between the West Michigan Regional Airport Authority ("Airport Authority") and 3303 JOHN F. DONNELLY DRIVE, LLC dated March 15, 2021, and subject to all of the terms and conditions thereof, including any renewals, amendments, or modifications ("Ground Lease"). A copy of the Ground Lease is attached as Exhibit A. Property shall not be used in a manner which would constitute a violation of any of the provisions of the Ground Lease or any other lease or contract to which the Airport Authority is a party or the field rules and regulations of the Authority. Any default under the Ground Lease or any proceeding to enforce the Ground Lease shall be paramount and superior to the interest of the Tenant.

6.1 Prohibited uses of the Storage Space. The Storage Space shall not be used by the Tenant for any of the following purposes.

- A. **Passenger service, charter, and commercial operations.**
- B. **Sale of aircraft and accessories (except aircraft used exclusively by Tenant).**
- C. **Engaging in the business of aviation instruction (except for instruction involving pilots and aircraft used exclusively by Tenant).**
- D. **Maintenance and service of aircraft, except as permitted pursuant to Section 6B of the Ground Lease.**

- E. The sales or storage of aviation fuels or petroleum products.
 - F. Due to the limited area of the Hangar and its location adjacent to the fueling farm facilities at the Airport, the tie-down of aircraft is prohibited.
 - G. Any form of fixed based operation unless Tenant meets the minimum operating standards and requirements of the Airport Authority.
7. **No Alterations, Maintenance.** The Tenant shall not make any alterations to the Hangar without the prior written consent of the Owner, shall maintain the Storage Space in a clean and sanitary condition, and shall leave the Storage Space in the same condition as existed at the commencement of the lease term, reasonable wear and tear excepted.
8. **Acceptance of Storage Space, Owner Maintenance.** The act of the Tenant in commencing use of the Storage Space shall constitute acceptance of the Storage Space by the Tenant on an "as-is" basis as of the date of this Lease, provided however that thereafter, Owner shall keep the Hangar in good order, condition and repair and shall make all repairs and replacements necessary to keep the Hangar, its roof, walls, and all utility facilities, electrical, plumbing, drains, signs, windows, storefront, doors, locks, fixtures, floor, ceiling, windows, water heaters, termite and pest control and all other matters and/or systems located within the Hangar or exclusively serving the Storage Space, in such good order.
9. **ASSIGNMENT:** The Tenant may not assign or sublet the whole or part of the Storage Space without first securing permission in writing from Owner to do so.
10. **COMPLIANCE WITH REGULATIONS AND LAWS:** Each party agrees to abide by all current and future Rules and Regulations of the Federal Aviation Administration, the State of Michigan, and any public authority having jurisdiction over the Airport, as well as the published Airport Rules and Regulations, a copy of which Tenant acknowledges it has received and read. Owner reserves the right to revise, waive portions of, or create additional documents pertaining to any published update(s) to the Airport Rules and Regulations. Such updated or additional documents will be provided to Tenant, as reasonably determined appropriate by Owner. Willful disregard of said Rules and Regulations is cause for immediate termination of this Agreement by the non-breaching party as an event of default.
11. **Risk of Loss: Insurance.** Any personal property kept in the Storage Space by the Tenant shall be at the Tenant's sole risk and responsibility. The Tenant acknowledges and understands that this agreement is NOT A BAILMENT of the property stored and its contents, but rather a lease of Storage Space by the Tenant.
- a. The Tenant shall provide Owner with a current Certificate of Insurance with overage of a minimum of \$500,000.00 general liability and property damage insurance and maintain for Tenant's sole benefit aircraft hull insurance covering the value of the Aircraft. Said insurance shall be maintained in full force and effect during the term of this Agreement and shall protect Owner, its agents, and employees against any and all liability for death, injury, loss or damage against which Tenant has herein below undertaken to indemnify and hold harmless Owner, its agents, and employees. The Certificate of Insurance shall name Owner and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Owner and duly authorized to do business in the State of Michigan. Tenant shall also provide Owner, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.

- b. The Owner shall provide Tenant with a current Certificate of Insurance with overage of a minimum of \$1,000,000.00 general liability and property damage insurance. Said insurance shall be maintained in full force and effect during the term of this Agreement and shall protect Tenant, its agents, and employees against any and all liability for death, injury, loss or damage against which Owner has herein below undertaken to indemnify and hold harmless Tenant, its agents, and employees. The Certificate of Insurance shall name Tenant and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Tenant and duly authorized to do business in the State of Michigan. Owner shall also provide Tenant, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.
- c. The Tenant agrees that if the Hangar is rendered untenable by fire or any other reason, this Agreement shall instantly terminate, and upon termination of this Agreement, for whatever reason or cause, said Tenant will yield and surrender said Storage Space and appurtenances to the Owner in as good condition as when the same were entered upon by Tenant, ordinary wear and tear and/or loss by fire or other damage resulting from the actions or inactions of any party or parties other than Tenant excepted. The Security Deposit, as provided herein, may also be used to defray the cost of repairs due to damages caused by said Tenant, except as herein excluded.
- d. Further, the Tenant shall procure, keep and maintain during the term of this Lease, and any renewal thereof, insurance policies providing liability and property damage insurance of not less than \$1,000,000 each occurrence/\$1,000,000 aggregate for property damage and of not less than \$1,000,000 each occurrence/\$1,000,000 aggregate for comprehensive general liability. The policies shall cover losses caused by the acts and omissions of the Tenant, its agents and employees, or by the operation of aircraft and vehicles or other equipment owned or operated by the Tenant, its agents or employees. The Certificate of Insurance of Tenant shall name the Airport Authority, its officers, agents, and employees as additional insureds for required coverage for public liability, and a Certificate of Insurance shall be filed with the Airport Authority upon the commencement of this Lease. The Certificate of Insurance shall waive subrogation against the Airport Authority. The Tenant shall give the Airport Authority sufficient evidence in writing that each and every such coverage has been issued by an insurance company or companies as are approved by the Michigan Insurance Bureau. The Tenant agrees to defend and hold the Airport Authority harmless from any claim, suit, or process of any nature including reasonable attorney fees and costs, whatsoever arising out of this Lease. The agreement to defend and hold harmless shall be in effect even though the Tenant has obtained the various insurance policies hereinabove stated. During the term of this Agreement, the amounts and levels of insurance may be increased by the Airport Authority based upon revised insurance requirements and specifications which shall apply to all entities subject to a ground lease at the Airport.

12. Indemnification. Each party shall indemnify and hold the other (and its respective agents, employees, licensees, and invitees) harmless from any and all claims, causes of action, liabilities, losses, damages, costs, and expenses, including reasonable attorney's fees, howsoever caused, arising out of or connected with, the use, lease, or occupancy of the Hangar by the other party (including by their agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) resulting or arising out of any acts, omissions, negligence or fault by or of the indemnifying party (including its agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) or arising from the indemnifying party's failure to comply with all relevant federal, state, or local laws, statutes, ordinances, or regulations, or with the provisions of this Agreement.

To the fullest extent permitted by law, Tenant agrees to indemnify, defend and save the Airport Authority, its agents, officers, representatives and employees harmless from and against any and all liability or loss resulting from claims or court action arising directly or indirectly out of the acts of Tenant, its agents, guests, or visitors under this Agreement or by reason of any act or omission of such person. The Airport Authority assumes no liability for loss or injury to persons or property while Tenant is using the Airport facilities.

13. Access to Storage Space. The Owner shall have the right to enter the Storage Space, but not the Aircraft, at any time and for any purpose. Tenant shall be responsible for and take all reasonable measures necessary to prevent any and all unauthorized vehicles or pedestrians from entering the restricted areas at the Airport. The restricted areas include, but are not limited to runways, taxiways and aircraft parking areas. Lessee's private vehicle shall be allowed to be placed in the Premises when the aircraft is removed for a trip.

14. Default. If the Tenant fails to perform any of its obligations under this agreement, or if the Tenant fails to comply with any use and occupancy restrictions or any rules and regulations applicable to the Hangar, then the Tenant shall be considered to be in default of this agreement, and the Owner may terminate this agreement by giving the Tenant seven days' written notice of termination. However, if in the determination of the Owner, the property stored in the Hangar causes a clear and present danger to the health and wellbeing of other property stored in the Hangar or to the Hangar property, or to any persons on or about the Hangar property, then the Owner may terminate this agreement immediately by giving the Tenant written notice of termination, and the Owner (or the Association) may immediately remove the Tenant's personal property from the Hangar without assuming any responsibility or liability for the safekeeping of the property.

15. Repossession: Removal of Property Stored. On the termination of the Lease, the Owner shall have the right immediately to reenter and take possession of the Storage Space, without prejudice, however, to any and all rights and claims possessed by the Owner against the Tenant at the time of such termination for rent, damages, breach of covenant, or otherwise. The Tenant shall remove all of the Tenant's personal property from the Hangar on or before the effective date of termination; provided, that the Owner may retain possession of the property stored until all amounts owed by the Tenant to Owner are paid, pursuant to applicable state and federal lien laws.

A CHARGE OF ONE HUNDRED (\$100.00) DOLLARS PER DAY WILL BE ASSESSED FOR EACH DAY AFTER THE DATE OF TERMINATION OF THIS AGREEMENT THAT THE PROPERTY STORED AND/OR ANY OF THE TENANT'S OTHER PERSONAL PROPERTY REMAINS IN THE HANGAR OR ON THE CONDOMINIUM PROPERTY.

16. Notice. Any notice required or permitted under this Agreement or under state law shall be deemed sufficiently given or served if sent by U.S. certified mail, return receipt requested, addressed as follows:

- a. All notices to the Tenant will be sent to same mailing address as listed under the Aircraft Section of this Agreement.
- b. All notices to the Owner will be sent to same mailing address as listed under the introductory paragraph of this Agreement.
- c. E-mail documents

17. Miscellaneous. This Lease sets forth all the covenants, promises, agreements, conditions and understandings between Tenant and Owner and supersedes all prior and contemporaneous agreements, understandings and negotiations. No parol evidence of prior or contemporaneous agreements, understandings or negotiations shall govern or be used to construe or modify this Agreement. Each party has participated in negotiating and drafting this Agreement, so if an ambiguity or a question of intent or interpretation arises, this Agreement is to be construed as if the Parties had drafted it jointly, as opposed to being construed against a Party because it was responsible for drafting one or more provisions of this Agreement. No amendment or addition to this Lease shall be binding

unless in writing and signed by each party. Nothing contained herein shall be deemed to create the relationship of principal and agent or of partnership or joint venture between the Whenever herein the singular number is used, the same shall include the plural; and words of either gender shall include the other gender, as required. The parties intend that unless otherwise specifically provided, whenever Landlord's consent or approval is expressly or impliedly required by any provision of this Lease, the consent or approval shall not be unreasonably withheld. The captions, article numbers, and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such articles or sections. Tenant shall not record this Lease. This Lease may be executed in counterparts by way of original, facsimile, or electronic signatures.

Agreed:

Owner

_____, 2022
Dated

By: _____
Its: _____

Tenant

_____, 2022
Dated

By: _____
Its: _____

Date: 7-19-2022

HANGAR OFFICE SPACE LEASE AGREEMENT

This Lease Agreement (the "Lease" or "Agreement") is entered into on July 19, by and between 3303 Property Source, of 135 Elberdene, Holland, Michigan 49424, (the "Owner"), and FJV, LLC of 240 E 8th Street, Holland, Michigan 49423 (the "Tenant") , reference to the following facts and circumstances:

- A. The Owner owns an aircraft storage hangar unit located at 1581 S. Washington Ave in Holland, Michigan (the "Hangar"), at the West Michigan Regional Airport (the "Airport") Allegan County, State of Michigan.
- B. **AIRCRAFT:** The Aircraft to be stored are identified as follows:

Registered Owner:	VQ Inc	Other if less than 100%:	AVW Equipment Co Inc
Tenant Interest in Aircraft:	Owned	Weight as Stored:	
Make & Model of Aircraft:		Tail Height:	
FAA Aircraft Registration Number:			
Tenant Mailing Address:	240 E 8 th Street, Holland, MI 49423		
Tenant Telephone Number:	231-557-0558		
Tenant Email Address:	Gregm@tommycarwash.com		
Emergency Contact Name and Telephone Number:	Gregory McCabe 231-557-0558		

Tenant may substitute Aircraft, however, Tenant must notify Owner, in writing, prior to any change in the stored Aircraft information furnished above. If the aircraft is inoperable for a period in excess of 60 days, the Tenant must notify the Owner.

If Tenant sells the Aircraft, the Owner must be notified in writing within 10 business days of the sale and the Tenant has ninety (90) days in which to replace said Aircraft. Owner may grant an extension to the period to replace the Aircraft, upon written request by Tenant.

- C. The Tenant desires to lease office space in the Hangar from the Owner on the terms and conditions contained herein.

The parties, therefore, each in consideration of the covenants, terms and conditions contained herein, agree as follows:

1. **Lease.** The Owner hereby leases to the Tenant, and the Tenant hereby leases from the Owner approximately top view: half of the office space on the west side of the building (the "Office Space") in the Hangar (from the west side of the garage door to the middle of the west wall. This office space will include weekly cleaning, shared bathrooms, internet, and utilities.

2. **Term.** The term of this Lease shall commence at the end of each month, on **July 19, 2022**, and shall continue on a month-to-month basis, renewing automatically thereafter. A 30-day written notice is required by the Tenant or the Owner to terminate this Agreement.
3. **Annual Rent Increases** A minimum of 2% or a maximum of CPI U column "All Items" for annual inflation adjustments.
4. **SECURITY DEPOSIT:** Upon execution of this Agreement, the first month's rent is considered the security deposit, as security for any damage caused to the Premises during the term.
5. **Rent.** The rent of **\$1500.00** per month for the **office space**, shall be paid in advance on or before the first day of each calendar month beginning **July 19, 2022**, and shall continue to be paid as long as this Agreement remains in full force and effect, renewing automatically. This rent will adjust based on market and/or CPI Index.

Tenant agrees to pay a late fee of \$ 250.00 in any month the rent amount is due and remains unpaid.

6. **Use.** Tenant agrees to use the **Office Space** primarily for the purpose of **pilots and maintenance duties** and aircraft-related maintenance equipment and property. Painting is prohibited. Use of the Premises for any other non-aviation purpose without the consent of the Owner is strictly prohibited except for incidental non-aviation items that do not interfere with the aeronautical use of the Storage Space. Violation of this provision may result in termination of this Agreement by Owner and/or Owner may require removal of non-aviation personal property. Except as may be prohibited by the Airport Rules and Regulations, Tenant shall be allowed to perform preventative maintenance in the Storage Space on the Aircraft in accordance with Federal Aviation Regulations.

No explosives or combustible materials will be permitted within or about the Hangar except for the fuel in aircraft tanks or small containers of lubricants, cleaning material and other aviation-related material stored in approved containers. Waste oil of any type or quantity is prohibited. Each party shall abide by all State, Federal and local laws regulating the transportation of flammable liquids and protecting the environment.

The terms of this lease are subordinate to the land lease held between the West Michigan Regional Airport Authority ("Airport Authority") and 3303 JOHN F. DONNELLY DRIVE, LLC dated March 15, 2021, and subject to all of the terms and conditions thereof, including any renewals, amendments, or modifications ("Ground Lease"). A copy of the Ground Lease is attached as Exhibit A. Property shall not be used in a manner which would constitute a violation of any of the provisions of the Ground Lease or any other lease or contract to which the Airport Authority is a party or the field rules and regulations of the Authority. Any default under the Ground Lease or any proceeding to enforce the Ground Lease shall be paramount and superior to the interest of the Tenant.

6.1 Prohibited uses of the Storage Space. The Storage Space shall not be used by the Tenant for any of the following purposes.

- A. **Passenger service, charter, and commercial operations.**
- B. **Sale of aircraft and accessories (except aircraft used exclusively by Tenant).**
- C. **Engaging in the business of aviation instruction (except for instruction involving pilots and aircraft used exclusively by Tenant).**
- D. **Maintenance and service of aircraft, except as permitted pursuant to Section 6B of the Ground Lease.**
- E. **The sales or storage of aviation fuels or petroleum products.**

- F. Due to the limited area of the Hangar and its location adjacent to the fueling farm facilities at the Airport, the tie-down of aircraft is prohibited.
- G. Any form of fixed based operation unless Tenant meets the minimum operating standards and requirements of the Airport Authority.
7. **No Alterations, Maintenance.** The Tenant shall not make any alterations to the Hangar without the prior written consent of the Owner, shall maintain the Office Space in a clean and sanitary condition, and shall leave the Office Space in the same condition as existed at the commencement of the lease term, reasonable wear and tear excepted.
8. **Acceptance of Office Space, Owner Maintenance.** The act of the Tenant in commencing use of the Office Space shall constitute acceptance of the Office Space by the Tenant on an "as-is" basis as of the date of this Lease, provided however that thereafter, Owner shall keep the Hangar in good order, condition and repair and shall make all repairs and replacements necessary to keep the Hangar, its roof, walls, and all utility facilities, electrical, plumbing, drains, signs, windows, storefront, doors, locks, fixtures, floor, ceiling, windows, water heaters, termite and pest control and all other matters and/or systems located within the Hangar or exclusively serving the Office/Storage Space, in such good order.
9. **ASSIGNMENT:** The Tenant may not assign or sublet the whole or part of the Office Space without first securing permission in writing from Owner to do so.
10. **COMPLIANCE WITH REGULATIONS AND LAWS:** Each party agrees to abide by all current and future Rules and Regulations of the Federal Aviation Administration, the State of Michigan, and any public authority having jurisdiction over the Airport, as well as the published Airport Rules and Regulations, a copy of which Tenant acknowledges it has received and read. Owner reserves the right to revise, waive portions of, or create additional documents pertaining to any published update(s) to the Airport Rules and Regulations. Such updated or additional documents will be provided to Tenant, as reasonably determined appropriate by Owner. Willful disregard of said Rules and Regulations is cause for immediate termination of this Agreement by the non-breaching party as an event of default.
11. **Risk of Loss: Insurance.** Any personal property kept in the Storage Space by the Tenant shall be at the Tenant's sole risk and responsibility. The Tenant acknowledges and understands that this agreement is NOT A BAILMENT of the property stored and its contents, but rather a lease of Storage Space by the Tenant.
- a. The Tenant shall provide Owner with a current Certificate of Insurance with overage of a minimum of \$500,000.00 general liability and property damage insurance and maintain for Tenant's sole benefit aircraft hull insurance covering the value of the Aircraft. Said insurance shall be maintained in full force and effect during the term of this Agreement and shall protect Owner, its agents, and employees against any and all liability for death, injury, loss or damage against which Tenant has herein below undertaken to indemnify and hold harmless Owner, its agents, and employees. The Certificate of Insurance shall name Owner and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Owner and duly authorized to do business in the State of Michigan. Tenant shall also provide Owner, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.
- b. The Owner shall provide Tenant with a current Certificate of Insurance with overage of a minimum of \$1,000,000.00 general liability and property damage insurance. Said insurance shall be

maintained in full force and effect during the term of this Agreement and shall protect Tenant, its agents, and employees against any and all liability for death, injury, loss or damage against which Owner has herein below undertaken to indemnify and hold harmless Tenant, its agents, and employees. The Certificate of Insurance shall name Tenant and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Tenant and duly authorized to do business in the State of Michigan. Owner shall also provide Tenant, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.

- c. The Tenant agrees that if the Hangar is rendered untenable by fire or any other reason, this Agreement shall instantly terminate, and upon termination of this Agreement, for whatever reason or cause, said Tenant will yield and surrender said Storage Space and appurtenances to the Owner in as good condition as when the same were entered upon by Tenant, ordinary wear and tear and/or loss by fire or other damage resulting from the actions or inactions of any party or parties other than Tenant excepted. The Security Deposit, as provided herein, may also be used to defray the cost of repairs due to damages caused by said Tenant, except as herein excluded.
- d. Further, the Tenant shall procure, keep and maintain during the term of this Lease, and any renewal thereof, insurance policies providing liability and property damage insurance of not less than \$1,000,000 each occurrence/\$1,000,000 aggregate for property damage and of not less than \$1,000,000 each occurrence/\$1,000,000 aggregate for comprehensive general liability. The policies shall cover losses caused by the acts and omissions of the Tenant, its agents and employees, or by the operation of aircraft and vehicles or other equipment owned or operated by the Tenant, its agents or employees. The Certificate of Insurance of Tenant shall name the Airport Authority, its officers, agents, and employees as additional insureds for required coverage for public liability, and a Certificate of Insurance shall be filed with the Airport Authority upon the commencement of this Lease. The Certificate of Insurance shall waive subrogation against the Airport Authority. The Tenant shall give the Airport Authority sufficient evidence in writing that each and every such coverage has been issued by an insurance company or companies as are approved by the Michigan Insurance Bureau. The Tenant agrees to defend and hold the Airport Authority harmless from any claim, suit, or process of any nature including reasonable attorney fees and costs, whatsoever arising out of this Lease. The agreement to defend and hold harmless shall be in effect even though the Tenant has obtained the various insurance policies hereinabove stated. During the term of this Agreement, the amounts and levels of insurance may be increased by the Airport Authority based upon revised insurance requirements and specifications which shall apply to all entities subject to a ground lease at the Airport.

12. Indemnification. Each party shall indemnify and hold the other (and its respective agents, employees, licensees, and invitees) harmless from any and all claims, causes of action, liabilities, losses, damages, costs, and expenses, including reasonable attorney's fees, howsoever caused, arising out of or connected with, the use, lease, or occupancy of the Hangar by the other party (including by their agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) resulting or arising out of any acts, omissions, negligence or fault by or of the indemnifying party (including its agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) or arising from the indemnifying party's failure to comply with all relevant federal, state, or local laws, statutes, ordinances, or regulations, or with the provisions of this Agreement.

To the fullest extent permitted by law, Tenant agrees to indemnify, defend and save the Airport Authority, its agents, officers, representatives and employees harmless from and against any and all liability or loss resulting from claims or court action arising directly or indirectly out of the acts of Tenant, its agents, guests, or visitors

under this Agreement or by reason of any act or omission of such person. The Airport Authority assumes no liability for loss or injury to persons or property while Tenant is using the Airport facilities.

- 13. Access to Storage Space.** The Owner shall have the right to enter the Storage Space, but not the Aircraft, at any time and for any purpose. Tenant shall be responsible for and take all reasonable measures necessary to prevent any and all unauthorized vehicles or pedestrians from entering the restricted areas at the Airport. The restricted areas include, but are not limited to runways, taxiways and aircraft parking areas. Lessee's private vehicle shall be allowed to be placed in the Premises when the aircraft is removed for a trip.
- 14. Default.** If the Tenant fails to perform any of its obligations under this agreement, or if the Tenant fails to comply with any use and occupancy restrictions or any rules and regulations applicable to the Hangar, then the Tenant shall be considered to be in default of this agreement, and the Owner may terminate this agreement by giving the Tenant seven days' written notice of termination. However, if in the determination of the Owner, the property stored in the Hangar causes a clear and present danger to the health and wellbeing of other property stored in the Hangar or to the Hangar property, or to any persons on or about the Hangar property, then the Owner may terminate this agreement immediately by giving the Tenant written notice of termination, and the Owner (or the Association) may immediately remove the Tenant's personal property from the Hangar without assuming any responsibility or liability for the safekeeping of the property.
- 15. Repossession: Removal of Property Stored.** On the termination of the Lease, the Owner shall have the right immediately to reenter and take possession of the Storage Space, without prejudice, however, to any and all rights and claims possessed by the Owner against the Tenant at the time of such termination for rent, damages, breach of covenant, or otherwise. The Tenant shall remove all of the Tenant's personal property from the Hangar on or before the effective date of termination; provided, that the Owner may retain possession of the property stored until all amounts owed by the Tenant to Owner are paid, pursuant to applicable state and federal lien laws.
- A CHARGE OF ONE HUNDRED (\$100.00) DOLLARS PER DAY WILL BE ASSESSED FOR EACH DAY AFTER THE DATE OF TERMINATION OF THIS AGREEMENT THAT THE PROPERTY STORED AND/OR ANY OF THE TENANT'S OTHER PERSONAL PROPERTY REMAINS IN THE HANGAR OR ON THE CONDOMINIUM PROPERTY.
- 16. Notice.** Any notice required or permitted under this Agreement or under state law shall be deemed sufficiently given or served if sent by U.S. certified mail, return receipt requested, addressed as follows:
- a. All notices to the Tenant will be sent to same mailing address as listed under the Aircraft Section of this Agreement.
 - b. All notices to the Owner will be sent to same mailing address as listed under the introductory paragraph of this Agreement.
 - c. E-mail documents
- 17. Miscellaneous.** This Lease sets forth all the covenants, promises, agreements, conditions and understandings between Tenant and Owner and supersedes all prior and contemporaneous agreements, understandings and negotiations. No parol evidence of prior or contemporaneous agreements, understandings or negotiations shall govern or be used to construe or modify this Agreement. Each party has participated in negotiating and drafting this Agreement, so if an ambiguity or a question of intent or interpretation arises, this Agreement is to be construed as if the Parties had drafted it jointly, as opposed to being construed against a Party because it was responsible for drafting one or more provisions of this Agreement. No amendment or addition to this Lease shall be binding unless in writing and signed by each party. Nothing contained herein shall be deemed to create the relationship of principal and agent or of partnership or joint venture between the Whenever herein the singular number is used, the same shall include the plural; and words of either gender shall include the other gender, as required. The parties intend that unless otherwise specifically provided, whenever

Landlord's consent or approval is expressly or impliedly required by any provision of this Lease, the consent or approval shall not be unreasonably withheld. The captions, article numbers, and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such articles or sections. Tenant shall not record this Lease. This Lease may be executed in counterparts by way of original, facsimile, or electronic signatures.

Agreed:

Owner: 3303 Property Source, LLC

_____, 2022
Dated

By: _____
Its: _____

Tenant: FJV Inc

_____, 2022
Dated

By: _____
Its: _____

HANGAR STORAGE LEASE AGREEMENT

This Lease Agreement (the "Lease" or "Agreement") is entered into on **July 5, 2022**, by and between 3303 JFD, Donnelly Drive, LLC, of 135 Elberdene, Holland, Michigan 49424, (the "Owner"), and **Flight Path** is a 501(c)(3) not-for-profit Michigan corporation, EIN 38-2498206, business address 388 Garden Ave, Suite 140, Holland, MI 49424 (the "Tenant"), reference to the following facts and circumstances:

- A. The Owner owns an aircraft storage hangar unit located at 1581 S. Washington Ave in Holland, Michigan (the "Hangar"), at the West Michigan Regional Airport (the "Airport") Allegan County, State of Michigan.

Section B. Aircraft

Flight Path does not have an aircraft at this time. Flight Path has a project involving the conversion of a Cessna 172 stripped fuselage into a flight simulator. Mr. Fogg (3303 JFD LLC) offered a 20' x20' (400 sqft) space in the SW corner of the Hangar for the construction process. Once the simulator is completed it will be relocated to the second floor of the office area of the Hangar. At some future date, it is the intention of Flight Path to acquire an aircraft, such as a Cessna 152 (24' x 34' – 816 sq ft). Flight Path appreciates Mr. Fogg's offer to facilitate future storage of such Flight Path aircraft in his Hangar.

- B. **AIRCRAFT:** The Aircraft to be stored are identified as follows:

Registered Owner:		Other if less than 100%:	
Tenant Interest in Aircraft:		Weight as Stored:	
Make & Model of Aircraft:		Tail Height:	
FAA Aircraft Registration Number:			
Tenant Mailing Address:			
Tenant Telephone Number:			
Tenant Email Address:			
Emergency Contact Name and Telephone Number:			

Tenant may substitute Aircraft, however, Tenant must notify Owner, in writing, prior to any change in the stored Aircraft information furnished above. If the aircraft is inoperable for a period in excess of 60 days, the Tenant must notify the Owner.

If Tenant sells the Aircraft, the Owner must be notified in writing within 10 business days of the sale and the Tenant has ninety (90) days in which to replace said Aircraft. Owner may grant an extension to the period to replace the Aircraft, upon written request by Tenant.

- C. The Tenant desires to lease storage space in the Hangar from the Owner on the terms and conditions contained herein.

The parties, therefore, each in consideration of the covenants, terms and conditions contained herein, agree as follows:

1. **Lease.** The Owner hereby leases to the Tenant, and the Tenant hereby leases from the Owner approximately top view: 400 square feet of storage space (the "Storage Space") and / or 625 square feet of office space (the "Office Space") in the Hangar. The Owner reserves the right to designate the specific area in the Hangar to be used by the Tenant, and reserves the right to move the Tenant's property to a different location in the Hangar as reasonably necessary to accommodate the Owner's use of the remaining area in the Hangar.

2. **Term.** T Flight Path (Tenant) shall provide a six (6) month notice for termination of the lease, and 3303 JFD LLC (Owner) shall provide a six (6) month notice for termination of the lease. Should a termination notice be presented by either party, 3303 JFD LLC (Owner) shall continue to provide donations per Section 5 until termination is concluded, after which donations shall be suspended.

3. **Rent Increases** A minimum of 2% or a maximum of CPI U for inflation adjustments.

4. **Section 4. Security Deposit** Not applicable.

5. **Rent.** Per Mr. Fogg the rent value of the office space 625 sqft is initially established at \$1,500 per month (\$2.40 sqft).

Based on Mr. Fogg's statements, the Hangar rent for a small aircraft such as a Cessna 152 would be \$500 per month. Using this amount and the 816 sqft for a Cessna 152, the proportional Hangar rent value for the use of 400 sqft of space for the simulator build would be \$250 per month (~ \$.62 sqft).

The rent value for office space and Hangar space using the calculations above is a total of \$1,750 per month.

Mr. Fogg (3303 JFD LLC - Owner) has agreed to offset the rent payments of \$1,750 per month with a \$1,750 donation per month to Flight Path (Tenant) for the term of this lease, for which Flight Path will issue 3303 JFD LLC a receipt for each donation. Rent amounts and corresponding equivalent donation amounts will be adjusted by 3303 JFD LLC – Owner based on market and/or CPI index at its sole discretion.

6. **Use.** Flight Path (Tenant) shall be allowed to convert a Cessna 172 stripped fuselage into a flight simulator within a 400 sqft space in the SW corner of the Hangar. Flight Path will also keep a work bench and tool/supplies storage cabinet within the assigned space. Flight Path will keep 3303 JFD LLC (Owner) apprised of the timeframe for completion of the project and subsequent vacating of the Hangar space.

Tenant agrees to use the Storage Space primarily for the purpose of storage of the Aircraft and aircraft-related maintenance equipment and property. Painting is prohibited. Use of the Premises for any other non-aviation purpose without the consent of the Owner is strictly prohibited except for incidental non-aviation items that do not interfere with the aeronautical use of the Storage Space. Violation of this provision may result in termination of this Agreement by Owner and/or Owner may require removal of non-aviation personal property. Except as may be prohibited by the Airport Rules and Regulations, Tenant shall be allowed to perform preventative maintenance in the Storage Space on the Aircraft in accordance with Federal Aviation Regulations.

No explosives or combustible materials will be permitted within or about the Hangar except for the fuel in aircraft tanks or small containers of lubricants, cleaning material and other aviation-related material

stored in approved containers. Waste oil of any type or quantity is prohibited. Each party shall abide by all State, Federal and local laws regulating the transportation of flammable liquids and protecting the environment.

The terms of this lease are subordinate to the land lease held between the West Michigan Regional Airport Authority ("Airport Authority") and 3303 JOHN F. DONNELLY DRIVE, LLC dated March 15, 2021, and subject to all of the terms and conditions thereof, including any renewals, amendments, or modifications ("Ground Lease"). A copy of the Ground Lease is attached as Exhibit A. Property shall not be used in a manner which would constitute a violation of any of the provisions of the Ground Lease or any other lease or contract to which the Airport Authority is a party or the field rules and regulations of the Authority. Any default under the Ground Lease or any proceeding to enforce the Ground Lease shall be paramount and superior to the interest of the Tenant.

6.1 Prohibited uses of the Storage Space. The Storage Space shall not be used by the Tenant for any of the following purposes.

- A. Passenger service, charter, and commercial operations.**
- B. Sale of aircraft and accessories (except aircraft used exclusively by Tenant).**
- C. Engaging in the business of aviation instruction (except for instruction involving pilots and aircraft used exclusively by Tenant).**
- D. Maintenance and service of aircraft, except as permitted pursuant to Section 6B of the Ground Lease.**
- E. The sales or storage of aviation fuels or petroleum products.**
- F. Due to the limited area of the Hangar and its location adjacent to the fueling farm facilities at the Airport, the tie-down of aircraft is prohibited.**
- G. Any form of fixed based operation unless Tenant meets the minimum operating standards and requirements of the Airport Authority.**

- 7. No Alterations, Maintenance.** The Tenant shall not make any alterations to the Hangar without the prior written consent of the Owner, shall maintain the Storage Space in a clean and sanitary condition, and shall leave the Storage Space in the same condition as existed at the commencement of the lease term, reasonable wear and tear excepted.
- 8. Acceptance of Storage Space, Owner Maintenance.** The act of the Tenant in commencing use of the Storage Space shall constitute acceptance of the Storage Space by the Tenant on an "as-is" basis as of the date of this Lease, provided however that thereafter, Owner shall keep the Hangar in good order, condition and repair and shall make all repairs and replacements necessary to keep the Hangar, its roof, walls, and all utility facilities, electrical, plumbing, drains, signs, windows, storefront, doors, locks, fixtures, floor, ceiling, windows, water heaters, termite and pest control and all other matters and/or systems located within the Hangar or exclusively serving the Storage Space, in such good order.
- 9. ASSIGNMENT:** The Tenant may not assign or sublet the whole or part of the Storage Space without first securing permission in writing from Owner to do so.
- 10. COMPLIANCE WITH REGULATIONS AND LAWS:** Each party agrees to abide by all current and future Rules and Regulations of the Federal Aviation Administration, the State of Michigan, and any public authority having jurisdiction over the Airport, as well as the published Airport Rules and Regulations, a copy of which Tenant acknowledges it has received and read. Owner reserves the right to revise, waive portions of, or create additional documents pertaining to any published update(s) to the Airport Rules and Regulations. Such updated or additional documents will be provided to Tenant, as reasonably determined appropriate by Owner. Willful disregard of said Rules and Regulations is cause for immediate termination of this Agreement by the non-breaching party as an event of default.

11. Risk of Loss: Insurance. Any personal property kept in the Storage Space by the Tenant shall be at the Tenant's sole risk and responsibility. The Tenant acknowledges and understands that this agreement is NOT A BAILMENT of the property stored and its contents, but rather a lease of Storage Space by the Tenant.

Flight Path (Tenant) has Director's Liability insurance for all company officers; requires all volunteers to undergo background checks and sign liability waivers; requires all participants/parents/guardians in its aviation programs (i.e. Flight Night) to sign liability waivers for all activities within the 3303 JFD LLC Hangar. Flight Path (Tenant) shall be responsible for any damage or loss to its equipment, supplies, furnishings, and materials.

a. This section shall be waived for Flight Path (Tenant)

The Tenant shall provide Owner with a current Certificate of Insurance with overage of a minimum of \$500,000.00 general liability and property damage insurance and maintain for Tenant's sole benefit aircraft hull insurance covering the value of the Aircraft. Said insurance shall be maintained in full force and effect during the term of this Agreement and shall protect Owner, its agents, and employees against any and all liability for death, injury, loss or damage against which Tenant has herein below undertaken to indemnify and hold harmless Owner, its agents, and employees. The Certificate of Insurance shall name Owner and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Owner and duly authorized to do business in the State of Michigan. Tenant shall also provide Owner, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.

b. This section shall be waived for Flight Path (Tenant)

The Owner shall provide Tenant with a current Certificate of Insurance with overage of a minimum of \$1,000,000.00 general liability and property damage insurance. Said insurance shall be maintained in full force and effect during the term of this Agreement and shall protect Tenant, its agents, and employees against any and all liability for death, injury, loss or damage against which Owner has herein below undertaken to indemnify and hold harmless Tenant, its agents, and employees. The Certificate of Insurance shall name Tenant and its agents, officers and employees, as additional insured parties, as its interests may appear. The Certificate of Insurance shall be with an insurance company acceptable to Tenant and duly authorized to do business in the State of Michigan. Owner shall also provide Tenant, upon the same terms and conditions as outlined above, with a Certificate of Insurance for any renewal or extension of the Policy or any new Certificate of Insurance with a new carrier, including renewal thereof. The original Certificate of Insurance, all renewals thereof and any new Policies or Certificates of Insurance with new carriers shall be for a term covering the duration of the Lease.

c. The Tenant agrees that if the Hangar is rendered untenable by fire or any other reason, this Agreement shall instantly terminate, and upon termination of this Agreement, for whatever reason or cause, said Tenant will yield and surrender said Storage Space and appurtenances to the Owner in as good condition as when the same were entered upon by Tenant, ordinary wear and tear and/or loss by fire or other damage resulting from the actions or inactions of any party or parties other than Tenant excepted. The Security Deposit, as provided herein, may also be used to defray the cost of repairs due to damages caused by said Tenant, except as herein excluded.

d. Further, the Tenant shall procure, keep and maintain during the term of this Lease, and any renewal thereof, insurance policies providing liability and property damage insurance of not less than \$1,000,000 each occurrence/\$1,000,000 aggregate for property damage and of not less than \$1,000,000 each

occurrence/\$1,000,000 aggregate for comprehensive general liability. The policies shall cover losses caused by the acts and omissions of the Tenant, its agents and employees, or by the operation of aircraft and vehicles or other equipment owned or operated by the Tenant, its agents or employees. The Certificate of Insurance of Tenant shall name the Airport Authority, its officers, agents, and employees as additional insureds for required coverage for public liability, and a Certificate of Insurance shall be filed with the Airport Authority upon the commencement of this Lease. The Certificate of Insurance shall waive subrogation against the Airport Authority. The Tenant shall give the Airport Authority sufficient evidence in writing that each and every such coverage has been issued by an insurance company or companies as are approved by the Michigan Insurance Bureau. The Tenant agrees to defend and hold the Airport Authority harmless from any claim, suit, or process of any nature including reasonable attorney fees and costs, whatsoever arising out of this Lease. The agreement to defend and hold harmless shall be in effect even though the Tenant has obtained the various insurance policies hereinabove stated. During the term of this Agreement, the amounts and levels of insurance may be increased by the Airport Authority based upon revised insurance requirements and specifications which shall apply to all entities subject to a ground lease at the Airport.

- 12. Indemnification.** Each party shall indemnify and hold the other (and its respective agents, employees, licensees, and invitees) harmless from any and all claims, causes of action, liabilities, losses, damages, costs, and expenses, including reasonable attorney's fees, howsoever caused, arising out of or connected with, the use, lease, or occupancy of the Hangar by the other party (including by their agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) resulting or arising out of any acts, omissions, negligence or fault by or of the indemnifying party (including its agents, invitees, licensees, and in the case of Owner other tenant(s) of the Hangar) or arising from the indemnifying party's failure to comply with all relevant federal, state, or local laws, statutes, ordinances, or regulations, or with the provisions of this Agreement.

To the fullest extent permitted by law, Tenant agrees to indemnify, defend and save the Airport Authority, its agents, officers, representatives and employees harmless from and against any and all liability or loss resulting from claims or court action arising directly or indirectly out of the acts of Tenant, its agents, guests, or visitors under this Agreement or by reason of any act or omission of such person. The Airport Authority assumes no liability for loss or injury to persons or property while Tenant is using the Airport facilities.

- 13. Access to Storage Space.** Flight Path (Tenant) shall have unrestricted 24/7 access to the office area of the Hangar for its programs, meetings and other activities. Flight Path (Tenant) shall have unrestricted 24/7 access to its designated Hangar space for work done to complete the fuselage simulator.

The Owner shall have the right to enter the Storage Space, but not the Aircraft, at any time and for any purpose. Tenant shall be responsible for and take all reasonable measures necessary to prevent any and all unauthorized vehicles or pedestrians from entering the restricted areas at the Airport. The restricted areas include, but are not limited to runways, taxiways and aircraft parking areas. Lessee's private vehicle shall be allowed to be placed in the Premises when the aircraft is removed for a trip.

- 14. Default.** If the Tenant fails to perform any of its obligations under this agreement, or if the Tenant fails to comply with any use and occupancy restrictions or any rules and regulations applicable to the Hangar, then the Tenant shall be considered to be in default of this agreement, and the Owner may terminate this agreement by giving the Tenant seven days' written notice of termination. However, if in the determination of the Owner, the property stored in the Hangar causes a clear and present danger to the health and wellbeing of other property stored in the Hangar or to the Hangar property, or to any persons on or about the Hangar property, then the Owner may terminate this agreement immediately by giving the Tenant written notice of termination, and the Owner (or the Association) may immediately

remove the Tenant's personal property from the Hangar without assuming any responsibility or liability for the safekeeping of the property.

15. Repossession: Removal of Property Stored. On the termination of the Lease, the Owner shall have the right immediately to reenter and take possession of the Storage Space, without prejudice, however, to any and all rights and claims possessed by the Owner against the Tenant at the time of such termination for rent, damages, breach of covenant, or otherwise. The Tenant shall remove all of the Tenant's personal property from the Hangar on or before the effective date of termination; provided, that the Owner may retain possession of the property stored until all amounts owed by the Tenant to Owner are paid, pursuant to applicable state and federal lien laws.

A CHARGE OF ONE HUNDRED (\$100.00) DOLLARS PER DAY WILL BE ASSESSED FOR EACH DAY AFTER THE DATE OF TERMINATION OF THIS AGREEMENT THAT THE PROPERTY STORED AND/OR ANY OF THE TENANT'S OTHER PERSONAL PROPERTY REMAINS IN THE HANGAR OR ON THE CONDOMINIUM PROPERTY.

16. Notice. Any notice required or permitted under this Agreement or under state law shall be deemed sufficiently given or served if sent by U.S. certified mail, return receipt requested, addressed as follows:

- a. All notices to the Tenant will be sent to same mailing address as listed under the Aircraft Section of this Agreement.
- b. All notices to the Owner will be sent to same mailing address as listed under the introductory paragraph of this Agreement.
- c. E-mail documents

17. Miscellaneous. This Lease sets forth all the covenants, promises, agreements, conditions and understandings between Tenant and Owner and supersedes all prior and contemporaneous agreements, understandings and negotiations. No parol evidence of prior or contemporaneous agreements, understandings or negotiations shall govern or be used to construe or modify this Agreement. Each party has participated in negotiating and drafting this Agreement, so if an ambiguity or a question of intent or interpretation arises, this Agreement is to be construed as if the Parties had drafted it jointly, as opposed to being construed against a Party because it was responsible for drafting one or more provisions of this Agreement. No amendment or addition to this Lease shall be binding unless in writing and signed by each party. Nothing contained herein shall be deemed to create the relationship of principal and agent or of partnership or joint venture between the Whenever herein the singular number is used, the same shall include the plural; and words of either gender shall include the other gender, as required. The parties intend that unless otherwise specifically provided, whenever Landlord's consent or approval is expressly or impliedly required by any provision of this Lease, the consent or approval shall not be unreasonably withheld. The captions, article numbers, and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such articles or sections. Tenant shall not record this Lease. This Lease may be executed in counterparts by way of original, facsimile, or electronic signatures.

Agreed:

Owner – 3303 JFD LLC

_____, 2022
Dated

By: _____
Its:

Tenant

_____, 2022
Dated

By: Flight Path – Tenant – Jeff Vos
Its: President

West Michigan Airport Authority

60 Geurink Boulevard, Holland, MI 49423
P (616) 510-2332

Comprising City of Zeeland, Park Township and City of Holland



August 8th, 2022

REPORT 5

To: West Michigan Airport Authority Board.
From: Aaron Thelenwood, Airport Authority Director.
Subject: **MDOT Contract Amendment: Runway Rehab**

At the January 2022 meeting of the Airport Authority Board the Authority approved overage costs associated with the runway rehab project. In total, the project ran over budget by about \$40,000 due primarily to earthwork. Following savings from the lighting and electrical portion of the project, there remained a total balance of \$20,123.00. Initially the Airport Authority had intended to pay this remaining balance out of pocket. With this amendment, this balance will now be covered 100% through federal funding.

The attached contract amendment outlines essentially all of the above and will likely serve as the final amendment to the project contract. Likewise, execution of this agreement will trigger final payment to Reith Riley (the lead project contractor) who, as of yet, has not been paid fully for the completed work.

Recommendation

It is recommended that the Board approve the MDOT Contract Amendments as presented.

MICHIGAN DEPARTMENT OF TRANSPORTATION
WEST MICHIGAN AIRPORT AUTHORITY
AMENDMENT

This Amendatory Contract is made and entered into between the Michigan Department of Transportation (MDOT) and the West Michigan Airport Authority (SPONSOR) for the purpose of amending Contract No. 2020-0688, dated August 31, 2020 (CONTRACT).

Recitals:

The CONTRACT provides for the undertaking of the following project at the West Michigan Regional Airport in Holland, Michigan: Rehabilitate Runway 8/26; Reconstruct Runway 8/26 Lighting (LED HIRL) Including REIL for Rwy 8, (3) Windcones & Segmented Circle — Construction; and

The parties desire to amend the CONTRACT to increase the amount in order to cover higher than anticipated costs associated with the project.

The parties agree that the CONTRACT be and that the same is amended as follows:

1. In order to set forth the revised amount, Exhibit 1 of the CONTRACT, dated June 2, 2020, is replaced with Revised Exhibit 1, dated June 21, 2022, attached hereto and made a part hereof, and all references in the CONTRACT to Exhibit 1 will be construed to mean Revised Exhibit 1, dated June 21, 2022.
2. In order to increase the CONTRACT amount by Twenty Thousand One Hundred Twenty-Three Dollars (\$20,123.00), for a revised total CONTRACT amount of Four Million Four Hundred Ninety-Three Thousand Thirty-Seven Dollars (\$4,493,037.00), Section 11 of the CONTRACT is amended to read as follows:

“11. The PROJECT COST participation is estimated to be as shown below and as shown in Revised Exhibit 1. The PROJECT COST participation shown in Revised Exhibit 1 is to be considered an estimate. The actual MDOT, FAA, and SPONSOR shares of the PROJECT COST will be determined at the time of financial closure of the FAA grant.

Federal Share	\$4,129,686.00
Maximum MDOT Share	\$ 181,675.00
SPONSOR Share	<u>\$ 181,676.00</u>
Estimated PROJECT COST	\$4,493,037.00”

3. All other provisions of the CONTRACT, except as herein amended, remain in full force and effect as originally set forth.
4. The SPONSOR agrees that the compensation noted above represents payment in full for all services requested by MDOT and waives any and all claims it has or may have against MDOT that arise out of the need to amend the CONTRACT.
5. This Amendatory Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of the SPONSOR and MDOT and upon adoption of a resolution approving said Amendatory Contract and authorizing the signature(s) thereto of the respective representatives(s) of the SPONSOR, a certified copy of which resolution will be returned to MDOT with this Amendatory Contract, as applicable.

WEST MICHIGAN AIRPORT AUTHORITY

By: _____
Authorized Signer

MICHIGAN DEPARTMENT OF TRANSPORTATION

By: _____
Title: Department Director

Approved as to Legal Form
7-19-22 J.S.

REVISED EXHIBIT 1

WEST MICHIGAN REGIONAL AIRPORT HOLLAND, MICHIGAN

Project No. E-26-0045-4120
Job No. 125642CON & 125639CON

June 21, 2022

	Federal	State	Local	Total
PLANNING	\$0	\$0	\$0	\$0
DESIGN	\$0	\$0	\$0	\$0
CONSTRUCTION	\$4,129,686	\$181,675	\$181,676	\$4,493,037
Rehabilitate Runway 8/26 - 90% Fed	\$3,053,726	\$169,651	\$169,652	\$3,393,029 Job 125642CON
AMEND - (June 2022)				
Rehabilitate Runway 8/26 - 100% Fed	\$20,123	\$0	\$0	\$20,123 Job 125642CON
CONSULTANT Contract Fees 90% Fed	\$179,616	\$9,979	\$9,979	\$199,574 Job 125642CON
Reconstruct Runway 8/26 Lighting (LED HIRL) including REIL for Rwy 8, (3) windcones & segmented circle - 90% Fed	\$53,322	\$2,963	\$2,962	\$59,247 Job 125639CON
REVISED Reconstruct Runway 8/26 Lighting (LED HIRL) including REIL for Rwy 8, (3) windcones & segmented circle - 90% Fed	(\$16,521)	(\$918)	(\$917)	(\$18,356) Job 125639CON
Reconstruct Runway 8/26 Lighting (LED HIRL) including REIL for Rwy 8, (3) windcones & segmented circle - 100% Fed	\$752,112	\$0	\$0	\$752,112 Job 125639CON
REVISED Reconstruct Runway 8/26 Lighting (LED HIRL) including REIL for Rwy 8, (3) windcones & segmented circle - 100% Fed	\$18,356	\$0	\$0	\$18,356 Job 125639CON
CONSULTANT Contract Fees 100% Fed	\$68,952	\$0	\$0	\$68,952 Job 125639CON
PROJECT BUDGET	\$4,109,563	\$181,675	\$181,676	\$4,472,914
ADJUSTMENT TO PROJECT BUDGET	\$20,123	\$0	\$0	\$20,123
TOTAL PROJECT BUDGET	\$4,129,686	\$181,675	\$181,676	\$4,493,037

Federal Billing Breakdown - Job 125639CON

Bill #1	\$166,667	SBGP 11220	Grant Award Date: 5/20/20
Bill #2	\$36,801	SBGP 10719	Grant Award Date: 9/24/19
Bill #3	\$672,753	SBGP 11620	Grant Award Date: 8/19/20

Federal Billing Breakdown - Job 125642CON

Bill #1	\$3,233,342	SBGP 11520	Grant Award Date: 8/31/20
Bill #2	\$20,123	SBGP 12321	Grant Award Date: 8/9/21

REVISED

Letting Information: 03/27/20 Local let

Period of Performance End Date: 11/01/21

MAC Approval: 05/27/20

Supplemental Memo: 06/14/22

West Michigan Airport Authority

60 Geurink Boulevard, Holland, MI 49423
P (616) 510-2332

Comprising City of Zeeland, Park Township and City of Holland



August 3, 2022

REPORT 7

To: West Michigan Airport Authority Board.
From: Tyler VandenBrand, Director of Michigan Operations, FlightLevel Aviation
Subject: **Maintenance & Operations Progress Report.**

Esteemed Board,

It's surreal to think that we're already in the home stretch of summer! Once again, this has proven to be a busy and productive season for FlightLevel. We've continued to see an increase in Post-Covid Jet fuel sales, with both June and July beating our numbers from 2020 and 2021, respectively. This should be seen as a positive sign regarding a "return to normalcy" especially when considering fuel costs.

Regarding the price of fuel, we are optimistic that we have hit our pricing peak for the time being. Although pricing remains incredibly volatile, we've seen a downward pricing trend over the last few weeks. If this continues, we will begin to see our retail pricing drop as well.

Additionally, regarding the Maintenance Department and Flight School, FlightLevel Aviation has continued to operate both departments with no down time. On July 1st, FlightLevel cut ties with the management team responsible for daily operations of the Flight School and Maintenance Department. Since then, FlightLevel has not skipped a beat in daily operations, and we are currently running both departments in their usual capacity.

Finally, we have continued to work on FBO staffing solutions in this difficult market. Although not perfect, I want to reiterate that we have always had staff for customers and have not had any customer complaints regarding FBO staffing.

We hope to see the remainder of summer continue to emphasize some of the positive trajectory we've seen in the first few summer months.

Blue Skies and Tailwinds,

Tyler VandenBrand
Director of Michigan Operations
FlightLevel Aviation

West Michigan Airport Authority

Meeting Date: August 8, 2022

Agenda Item:

Subject:
Financial Reports for One Month Ended July 31, 2022

Prepared By: Sarah Kuiper, City Finance

Recommendation: Accept Financial Reports as information

The West Michigan Airport Authority started a new fiscal year (FY 2023), on July 1, 2022. Attached is a Budget Performance Report for the one month ended July 31, 2022, and the Trial Balance Listing and Fund Equity Reports through July 31, 2022.

Revenues

The budget column represents the amounts approved by the Board last spring. July operating revenues are composed of tax revenues collected through the City of Holland, Corporate fuel flowage fees, quarterly hangar rentals invoiced, and quarterly/semi-annual hangar land leases billed out. Other regular monthly revenue fees will be recorded when activity for the month of July is provided by the FBO in early August.

There has been no capital revenue activity in the new fiscal year, however a request has been sent to MDOT for information on last FY 2022 funding. The prior year information will be reviewed and recorded for the annual FY 2022 audit when it becomes available.

Expenses

The budget column represents the amounts approved by the Board last spring. July operating expenses are composed of regular monthly expenses and also the annual insurance premiums which cover the insurance year of July 1, 2022 to July 1, 2023. The insurance amounts consist of a Workers' Compensation Premium of \$376 and is the same as last year. A Workers' Compensation Audit recently took place which may change the premium amount. The Commercial Insurance Premium of \$31,418 was larger than budgeted due to increases in every category of insurance: Property 12.45% increase, Liability 23.20% increase, Public Officials Liability 6.30% increase, Cyber Liability 71.07% increase. An additional July expense is the annual lease of the airport property from the City of Holland in the amount of \$1,000.

There has been no capital expense activity in the new fiscal year, however a request has been sent to MDOT for information on last FY 2022 funding. The prior year information will be reviewed and recorded for the annual FY 2022 audit when it becomes available.

Trial Balance/Fund Equity

The West Michigan Airport Authority began FY 2023 with an unaudited fund balance of \$1,300,592.

July assets total \$1,318,236 at July 31st, comprised mostly of receivables. The current cash balance is \$1,278,945.

July liabilities totaled \$23,920 at July 31st and primarily represents accounts payable and unearned revenue from prepayment of a hangar land lease. The fund balance at July 31 is \$1,294,316.

WMAA Fund Balance as of 6/30/2022 - unaudited \$ 1,300,592.19

	Operating	Capital (999)	EEC Project (546)	Capital Funds (999)	
Year to date Revenues	40,564.04	-	-	-	\$ 40,564.04
Year to date Expenses	46,839.99	-	-	-	\$ 46,839.99

Estimated Fund Balance as of 07/31/2022 \$ 1,294,316.24

	Budget	YTD	
Remaining Operating Revenues	654,400.00	40,564.04	\$ 613,835.96

	Budget	YTD	Encumbrances	
Remaining Operating Expenses (excluding contingences)	542,700.00	46,839.99	-	<u>\$ 495,860.01</u>

Contingency Account (Reserves for Capital Projects):

Contingency - General	10,000.00	
T Hangar Repairs	5,000.00	
Reserves for ABC Mnct/Repairs	-	
Reserves for Capital Projects	<u>89,200.00</u>	<u>\$ 104,200.00</u>

Ending Fund Balance as of 07/31/2022 \$ 1,308,092.19

Other Expected Expenses:

	Estimated amount	Spent	
FY23 Design for Hangar Park Taxilane	2,500.00		\$ 2,500.00
FY23 Wetland Mitigation N. Hangar Taxilane	10,350.00		\$ 10,350.00
FY23 Approach Light - Gravel Path	40,000.00		\$ 40,000.00
FY23 Runway/Taxiway Painting	15,000.00		\$ 15,000.00
FY23 Entryway Improvements	<u>5,000.00</u>		<u>\$ 5,000.00</u>

Ending Fund balance after expected capital expenses \$ 1,235,242.19

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	YTD Encumbrances	YTD Transactions	Budget - YTD Transactions	% Used/ Rec'd	Prior Year Total
Fund Z01 - WMAA (Airport) General Fund										
REVENUE										
Department 999 - Airport Capital Projects										
420502.24	Federal Grant FAA Capital	138,000.00	.00	138,000.00	.00	.00	.00	138,000.00	0	.00
430502.24	State Grant MDOT State Capital	2,500.00	.00	2,500.00	.00	.00	.00	2,500.00	0	.00
Department 999 - Airport Capital Projects Totals		\$140,500.00	\$0.00	\$140,500.00	\$0.00	\$0.00	\$0.00	\$140,500.00	0%	\$0.00
REVENUE TOTALS		\$140,500.00	\$0.00	\$140,500.00	\$0.00	\$0.00	\$0.00	\$140,500.00	0%	\$0.00
EXPENSE										
Department 999 - Airport Capital Projects										
Division 045 - Runway										
730974.0	Land Improvements General	213,350.00	.00	213,350.00	.00	.00	.00	213,350.00	0	.00
Division 045 - Runway Totals		\$213,350.00	\$0.00	\$213,350.00	\$0.00	\$0.00	\$0.00	\$213,350.00	0%	\$0.00
Department 999 - Airport Capital Projects Totals		\$213,350.00	\$0.00	\$213,350.00	\$0.00	\$0.00	\$0.00	\$213,350.00	0%	\$0.00
EXPENSE TOTALS		\$213,350.00	\$0.00	\$213,350.00	\$0.00	\$0.00	\$0.00	\$213,350.00	0%	\$0.00
Fund Z01 - WMAA (Airport) General Fund Totals										
REVENUE TOTALS		140,500.00	.00	140,500.00	.00	.00	.00	140,500.00	0%	.00
EXPENSE TOTALS		213,350.00	.00	213,350.00	.00	.00	.00	213,350.00	0%	.00
Fund Z01 - WMAA (Airport) General Fund Totals		(\$72,850.00)	\$0.00	(\$72,850.00)	\$0.00	\$0.00	\$0.00	(\$72,850.00)		\$0.00
Grand Totals										
REVENUE TOTALS		140,500.00	.00	140,500.00	.00	.00	.00	140,500.00	0%	.00
EXPENSE TOTALS		213,350.00	.00	213,350.00	.00	.00	.00	213,350.00	0%	.00
Grand Totals		(\$72,850.00)	\$0.00	(\$72,850.00)	\$0.00	\$0.00	\$0.00	(\$72,850.00)		\$0.00



Budget Performance Report

Fiscal Year to Date 07/31/22

Exclude Rollup Account

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	YTD Encumbrances	YTD Transactions	Budget - YTD Transactions	% Used/ Rec'd	Prior Year Total
Fund Z01 - WMAA (Airport) General Fund										
REVENUE										
Department 000 - General Revenues										
420528	Federal Grant - Other	.00	.00	.00	.00	.00	.00	.00	+++	57,000.00
440573	State-Reim Local PPT Tax Loss	19,400.00	.00	19,400.00	.00	.00	.00	19,400.00	0	20,138.29
450582.C	Contributions from Other Govts From City of Holland	123,100.00	.00	123,100.00	9,522.20	.00	9,522.20	113,577.80	8	115,800.51
450582.P	Contributions from Other Govts From Park Township	120,000.00	.00	120,000.00	.00	.00	.00	120,000.00	0	100,197.36
450582.Z	Contributions from Other Govts From City of Zeeland	63,000.00	.00	63,000.00	.00	.00	.00	63,000.00	0	96,915.92
460626.Y	Fees-Finance/Mgmt Treas Fee-Recovery Court Costs	.00	.00	.00	.00	.00	.00	.00	+++	84.40
460647.7	Sales Sale of Merchandise-Taxable	.00	.00	.00	.00	.00	.00	.00	+++	10.60
460654.1	Franchise Fees FBO Franchise Fees	25,500.00	.00	25,500.00	.00	.00	.00	25,500.00	0	24,909.60
460654.5	Franchise Fees Fuel Flowage Fee	70,000.00	.00	70,000.00	1,371.59	.00	1,371.59	68,628.41	2	81,393.07
460654.7	Franchise Fees Landing Fees	30,000.00	.00	30,000.00	.00	.00	.00	30,000.00	0	29,296.91
480665.0	Investment Income General	8,000.00	.00	8,000.00	.00	.00	.00	8,000.00	0	6,781.86
480669.A	Rental Airport Business Center	8,800.00	.00	8,800.00	.00	.00	.00	8,800.00	0	8,750.16
480669.24	Rental Hangar Land Lease	116,000.00	.00	116,000.00	13,990.25	.00	13,990.25	102,009.75	12	117,324.78
480669.25	Rental Agricultural Land Lease	12,600.00	.00	12,600.00	.00	.00	.00	12,600.00	0	13,363.74
480669.26	Rental T-Hangars	58,000.00	.00	58,000.00	15,680.00	.00	15,680.00	42,320.00	27	57,653.33
490685.1	Recoveries Insurance	.00	.00	.00	.00	.00	.00	.00	+++	2,789.61
490685.2	Recoveries Other Parties	.00	.00	.00	.00	.00	.00	.00	+++	1,656.74
490692.0	Miscellaneous General	.00	.00	.00	.00	.00	.00	.00	+++	212.54
Department 000 - General Revenues Totals		\$654,400.00	\$0.00	\$654,400.00	\$40,564.04	\$0.00	\$40,564.04	\$613,835.96	6%	\$734,279.42
REVENUE TOTALS		\$654,400.00	\$0.00	\$654,400.00	\$40,564.04	\$0.00	\$40,564.04	\$613,835.96	6%	\$734,279.42
EXPENSE										
Department 540 - Airport Operations										
710701.0	Payroll-Regular General	141,737.00	.00	141,737.00	3,145.05	.00	3,145.05	138,591.95	2	74,295.56
710707.0	Payroll-Temporary Help General	.00	.00	.00	795.00	.00	795.00	(795.00)	+++	18,172.50
711702.0	Payroll-Vacation/PTO General	11,150.00	.00	11,150.00	349.45	.00	349.45	10,800.55	3	8,233.91
711703	Payroll-Holidays	4,800.00	.00	4,800.00	349.45	.00	349.45	4,450.55	7	2,149.45
711716.1	Insurance Health	18,000.00	.00	18,000.00	250.00	.00	250.00	17,750.00	1	3,000.00
711716.2	Insurance Dental	420.00	.00	420.00	.00	.00	.00	420.00	0	.00
711718.1	Retirement Contribution MERS	12,810.00	.00	12,810.00	307.52	.00	307.52	12,502.48	2	6,534.31
711720	Insurance-Income Protection	1,670.00	.00	1,670.00	(18.50)	.00	(18.50)	1,688.50	-1	779.95
712715	Employer FICA/Medicare Contribution	12,250.00	.00	12,250.00	374.02	.00	374.02	11,875.98	3	8,097.63
712723	Unemployment Comp Insurance	48.00	.00	48.00	.00	.00	.00	48.00	0	1.90
712724	Workers Comp Insurance	715.00	.00	715.00	.00	.00	.00	715.00	0	.10
721730.0	Postage General	.00	.00	.00	.00	.00	.00	.00	+++	62.03
721740.0	Operating Supplies General	1,000.00	.00	1,000.00	.00	.00	.00	1,000.00	0	3,136.68
721740.CAP	Operating Supplies Controlled Items-Capital Type	1,600.00	.00	1,600.00	.00	.00	.00	1,600.00	0	.00
721931.0	Bldg & Grnds Maint General	5,000.00	.00	5,000.00	.00	.00	.00	5,000.00	0	5,532.56
721933.0	Equipment Maintenance General	16,000.00	.00	16,000.00	.00	.00	.00	16,000.00	0	22,085.79



Budget Performance Report

Fiscal Year to Date 07/31/22

Exclude Rollup Account

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	YTD Encumbrances	YTD Transactions	Budget - YTD Transactions	% Used/ Rec'd	Prior Year Total
Fund Z01 - WMAA (Airport) General Fund										
EXPENSE										
Department 540 - Airport Operations										
721933.INS	Equipment Maintenance Repairs-Insurance Claims	.00	.00	.00	.00	.00	.00	.00	+++	2,789.61
722801.9010	Contr-Printing/Promo Advertising/Promotional	40,000.00	.00	40,000.00	.00	.00	.00	40,000.00	0	52,221.47
722804.0	Contractual-Legal General	20,000.00	.00	20,000.00	.00	.00	.00	20,000.00	0	18,179.00
722805.1	Contractual-Finance Independent Audit	7,900.00	.00	7,900.00	.00	.00	.00	7,900.00	0	7,900.00
722805.4	Contractual-Finance Financial Service Fees	2,000.00	.00	2,000.00	.00	.00	.00	2,000.00	0	2,000.00
722807.2	Contractual-Architect/Engineer Plan Development	.00	.00	.00	.00	.00	.00	.00	+++	31,971.10
722807.5	Contractual-Architect/Engineer Engineering	15,000.00	.00	15,000.00	.00	.00	.00	15,000.00	0	39,987.07
722808.8	Contr-Bldgs&Grnds Tree Clearing	.00	.00	.00	.00	.00	.00	.00	+++	40,300.00
722808.MOW	Contr-Bldgs&Grnds Mowing	30,000.00	.00	30,000.00	.00	.00	.00	30,000.00	0	44,593.13
722808.MTCE	Contr-Bldgs&Grnds Maintenance-General Repairs	23,000.00	.00	23,000.00	.00	.00	.00	23,000.00	0	25,446.78
722808.SNOW	Contr-Bldgs&Grnds Snowplowing	50,000.00	.00	50,000.00	.00	.00	.00	50,000.00	0	56,970.51
722809.61	Contractual-Misc Management Services	28,000.00	.00	28,000.00	4,330.83	.00	4,330.83	23,669.17	15	27,831.37
722809.62	Contractual-Misc Airport Manager-Tulip City Air	2,000.00	.00	2,000.00	.00	.00	.00	2,000.00	0	1,657.49
723850.0	Communications Telephone	600.00	.00	600.00	.00	.00	.00	600.00	0	441.97
723850.CELL	Communications Cellular	1,200.00	.00	1,200.00	.00	.00	.00	1,200.00	0	1,200.00
723860.0	Travel, Conf, Seminars General	3,000.00	.00	3,000.00	.00	.00	.00	3,000.00	0	2,405.57
723910.0	Commercial Insurance Premiums General	27,500.00	.00	27,500.00	31,794.00	.00	31,794.00	(4,294.00)	116	27,308.00
723920.GATE	Public Utilities Fence Gates	500.00	.00	500.00	42.30	.00	42.30	457.70	8	526.03
723920.LAND	Public Utilities Landing Lights & System	3,500.00	.00	3,500.00	275.23	.00	275.23	3,224.77	8	3,311.51
723920.PLOT	Public Utilities Parking Lot Lights	1,000.00	.00	1,000.00	52.06	.00	52.06	947.94	5	1,289.08
723920.RUNW	Public Utilities Runway Lights	5,000.00	.00	5,000.00	414.93	.00	414.93	4,585.07	8	5,303.41
723920.THAN	Public Utilities T-Hangars	5,000.00	.00	5,000.00	317.58	.00	317.58	4,682.42	6	6,634.27
723942.0	Building Rental/Lease General	1,000.00	.00	1,000.00	1,000.00	.00	1,000.00	.00	100	1,000.00
723955.0	Misc. General	2,000.00	.00	2,000.00	654.55	.00	654.55	1,345.45	33	3,979.92
723961.0	Dues & Subscriptions General	2,000.00	.00	2,000.00	50.97	.00	50.97	1,949.03	3	1,665.97
723963.3	Write-Offs Court Fees A/R or PP Pursuit	.00	.00	.00	.00	.00	.00	.00	+++	84.40
723964.2	Refunds Property Tax Prior Years	.00	.00	.00	.00	.00	.00	.00	+++	58.46
770956.0	Contingency General	104,200.00	.00	104,200.00	.00	.00	.00	104,200.00	0	.00
Department 540 - Airport Operations Totals		\$601,600.00	\$0.00	\$601,600.00	\$44,484.44	\$0.00	\$44,484.44	\$557,115.56	7%	\$559,138.49
Department 541 - Business Center										
721931.GRND	Bldg & Grnds Maint Grounds Maintenance	5,000.00	.00	5,000.00	.00	.00	.00	5,000.00	0	6,118.68
721933.0	Equipment Maintenance General	5,000.00	.00	5,000.00	.00	.00	.00	5,000.00	0	2,342.70
722808.1	Contr-Bldgs&Grnds Janitorial	7,500.00	.00	7,500.00	829.95	.00	829.95	6,670.05	11	10,903.55
723850.0	Communications Telephone	2,600.00	.00	2,600.00	.00	.00	.00	2,600.00	0	2,952.50
723850.WIFI	Communications WIFI Internet Connection	2,700.00	.00	2,700.00	.00	.00	.00	2,700.00	0	3,677.50
723920.BPW	Public Utilities BPW	18,000.00	.00	18,000.00	1,525.60	.00	1,525.60	16,474.40	8	16,663.42
723920.GAS	Public Utilities Natural Gas	4,500.00	.00	4,500.00	.00	.00	.00	4,500.00	0	6,359.19
Department 541 - Business Center Totals		\$45,300.00	\$0.00	\$45,300.00	\$2,355.55	\$0.00	\$2,355.55	\$42,944.45	5%	\$49,017.54

Budget Performance Report

Fiscal Year to Date 07/31/22

Exclude Rollup Account

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	YTD Encumbrances	YTD Transactions	Budget - YTD Transactions	% Used/ Rec'd	Prior Year Total
Fund	Z01 - WMAA (Airport) General Fund									
	EXPENSE TOTALS	\$646,900.00	\$0.00	\$646,900.00	\$46,839.99	\$0.00	\$46,839.99	\$600,060.01	7%	\$608,156.03
Fund	Z01 - WMAA (Airport) General Fund Totals									
	REVENUE TOTALS	654,400.00	.00	654,400.00	40,564.04	.00	40,564.04	613,835.96	6%	734,279.42
	EXPENSE TOTALS	646,900.00	.00	646,900.00	46,839.99	.00	46,839.99	600,060.01	7%	608,156.03
Fund	Z01 - WMAA (Airport) General Fund Totals	\$7,500.00	\$0.00	\$7,500.00	(\$6,275.95)	\$0.00	(\$6,275.95)	\$13,775.95		\$126,123.39
	Grand Totals									
	REVENUE TOTALS	654,400.00	.00	654,400.00	40,564.04	.00	40,564.04	613,835.96	6%	734,279.42
	EXPENSE TOTALS	646,900.00	.00	646,900.00	46,839.99	.00	46,839.99	600,060.01	7%	608,156.03
	Grand Totals	\$7,500.00	\$0.00	\$7,500.00	(\$6,275.95)	\$0.00	(\$6,275.95)	\$13,775.95		\$126,123.39



Fund Equity Changes Report

Through 07/31/22

Detail Listing

Exclude Rollup Account

Account	Account Description	Beginning Balance	YTD Credits	YTD Debits	Current Balance	Prior Year Fund Equity Adjustment	YTD Revenues	YTD Expenses	Estimate Fund Balance
Fund Category	GOVERNMENTAL								
Fund Type	GENERAL FUND								
Fund	Z01 - WMAA (Airport) General Fund								
341390.A	Fund Balance - Assigned (By Action) Apron, Building & Sitework	.00	.00	.00	.00				
341390.ABC	Fund Balance - Assigned (By Action) Business Center Maintenance	100,000.00	25,000.00	.00	125,000.00				
341390.E	Fund Balance - Assigned (By Action) For Emergencies	.00	.00	.00	.00				
341390.R	Fund Balance - Assigned (By Action) For Capital Acquisitions	.00	.00	.00	.00				
342390	Fund Balance-Unassigned	1,074,468.80	.00	25,000.00	1,049,468.80				
345390.C	Fund Balance Committed (By Resolution) For Capital Projects	.00	.00	.00	.00				
345390.E	Fund Balance Committed (By Resolution) For Emergencies	.00	.00	.00	.00				
Fund	Z01 - WMAA (Airport) General Fund Totals	\$1,174,468.80	\$25,000.00	\$25,000.00	\$1,174,468.80	\$126,123.39	\$40,564.04	\$46,839.99	\$1,294,316.24
Fund Type	GENERAL FUND Totals	\$1,174,468.80	\$25,000.00	\$25,000.00	\$1,174,468.80	\$126,123.39	\$40,564.04	\$46,839.99	\$1,294,316.24
Fund Category	GOVERNMENTAL Totals	\$1,174,468.80	\$25,000.00	\$25,000.00	\$1,174,468.80	\$126,123.39	\$40,564.04	\$46,839.99	\$1,294,316.24
	Grand Totals	\$1,174,468.80	\$25,000.00	\$25,000.00	\$1,174,468.80	\$126,123.39	\$40,564.04	\$46,839.99	\$1,294,316.24



Trial Balance Listing

Through 07/31/22
Detail Balance Sheet Listing
Exclude Rollup Account

Account	Account Description	Balance Forward	YTD Debits	YTD Credits	Ending Balance	Prior Year YTD Balance
Fund Z01 - WMAA (Airport) General Fund						
<i>CURRENT ASSETS</i>						
110001.675	Cash Due from Cash/Inv Pool	1,307,339.22	33,069.89	61,463.81	1,278,945.30	1,148,692.16
113040.0	Accounts Receivable General	14,493.42	31,041.84	23,520.14	22,015.12	17,419.40
114026.2015	Taxes Receivable 2015	.15	.00	.00	.15	.37
114026.2016	Taxes Receivable 2016	15.02	.00	.00	15.02	15.49
114026.2017	Taxes Receivable 2017	30.25	.00	.00	30.25	30.41
114026.2018	Taxes Receivable 2018	21.08	.00	.24	20.84	21.90
114026.2019	Taxes Receivable 2019	33.64	.00	.00	33.64	36.91
114026.2020	Taxes Receivable 2020	49.59	.00	1.06	48.53	61.96
114026.2021	Taxes Receivable 2021	.00	.00	1.27	(1.27)	.00
114031	Allowance for Uncollectible Taxes	(116.40)	.00	.00	(116.40)	(116.40)
118123	Prepaid Items	1,036.33	.00	.00	1,036.33	.00
119073.2	Due from Local Govt Units Due from Park Township	6.48	6.48	12.96	.00	2.99
119078.1	Due from State of Michigan Due from State-Aeronautics	16,208.58	.00	.00	16,208.58	16,208.58
119079.0	Due from Federal Govt General	.00	.00	.00	.00	48,918.01
<i>CURRENT ASSETS Totals</i>		\$1,339,117.36	\$64,118.21	\$84,999.48	\$1,318,236.09	\$1,231,291.78
<i>CURRENT LIABILITIES</i>						
210202.0	Accounts Payable General	(15,635.79)	48,075.26	37,707.17	(5,267.70)	(7,375.45)
211202	Contracts Payable	.00	.00	.00	.00	(1,026.50)
212257.0	Accrued Wages Payable General	(3,745.05)	3,745.05	.00	.00	.00
212262.1	Accrued Fringes Payable FICA-Social Security/Medicare	(240.58)	240.58	.00	.00	.00
212262.4	Accrued Fringes Payable Pension	(251.60)	251.60	.00	.00	.00
21B339.0	Unearned Revenue General	(18,652.15)	.00	.00	(18,652.15)	(17,330.00)
<i>CURRENT LIABILITIES Totals</i>		(\$38,525.17)	\$52,312.49	\$37,707.17	(\$23,919.85)	(\$25,731.95)
<i>FUND BALANCE</i>						
341390.ABC	Fund Balance - Assigned (By Action) Business Center Maintenance	(100,000.00)	.00	25,000.00	(125,000.00)	(100,000.00)
342390	Fund Balance-Unassigned	(1,074,468.80)	25,000.00	.00	(1,049,468.80)	(1,074,468.80)
<i>FUND BALANCE Totals</i>		(\$1,174,468.80)	\$25,000.00	\$25,000.00	(\$1,174,468.80)	(\$1,174,468.80)
	P/Y Fund Equity Adjustment	(126,123.39)	.00	.00	(126,123.39)	.00
	Fund Revenues	.00	6.48	40,570.52	(40,564.04)	(79,176.83)
	Fund Expenses	.00	46,858.49	18.50	46,839.99	48,085.80
Fund Z01 - WMAA (Airport) General Fund Totals		\$0.00	\$188,295.67	\$188,295.67	\$0.00	\$0.00
Grand Totals		\$0.00	\$188,295.67	\$188,295.67	\$0.00	\$0.00



Trial Balance Listing

Through 07/31/22
Detail Balance Sheet Listing
Exclude Rollup Account

City of Holland
Payment Batch Register
 Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON
 Batch Date: 06/16/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON					
Check	06/16/2022	75353 Accounts Payable	ARR AVIATION BIV		10,170.25
	Invoice	Date	Description		Amount
	2022-00003212	05/31/2022	AIRPORT - MAY 2022 SERVICES		10,170.25
Check	06/16/2022	75354 Accounts Payable	QUALITY AIR HEATING & COOLING INC		725.75
	Invoice	Date	Description		Amount
	91039377	06/13/2022	AIRPORT - SERVICE WORK FOR 6/1/22-8/31/22		725.75
CITY AP - HUNT PAYABLES ACCT-HUNTINGTON Totals:			Transactions: 2		\$10,896.00
Checks:	2		\$10,896.00		

City of Holland
Payment Batch Register
 Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON
 Batch Date: 06/23/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON					
EFT	06/23/2022	9106 Accounts Payable	SEMCO ENERGY GAS COMPANY - ACH	072499952 / 7661394601	145.43
	Invoice	Date	Description		Amount
	2022-00003312	06/23/2022	AIRPORT - JUNE READ DATE		145.43
CITY AP - HUNT PAYABLES ACCT-HUNTINGTON Totals:			Transactions: 1		\$145.43
EFTs:	1		\$145.43		

City of Holland
Payment Batch Register
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON
Batch Date: 06/30/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON					
Check	06/30/2022	75589 Accounts Payable	ARR AVIATION BIV		552.50
	Invoice	Date	Description		Amount
	22-05234	06/30/2022	AIRPORT - JULY 2022 PHONE AND WIFI CHARGES		552.50
Check	06/30/2022	75590 Accounts Payable	CUNNINGHAM DALMAN P.C.		2,547.00
	Invoice	Date	Description		Amount
	309093	06/24/2022	AIRPORT LEGAL		352.50
	309094	06/24/2022	AIRPORT LEGAL		115.50
	309097	06/24/2022	AIRPORT LEGAL		792.00
	309095	06/24/2022	AIRPORT LEGAL		165.00
	309096	06/24/2022	AIRPORT LEGAL		132.00
	309098	06/24/2022	AIRPORT LEGAL		990.00
Check	06/30/2022	75591 Accounts Payable	HARRIS AIRPORT SYSTEMS		4,000.00
	Invoice	Date	Description		Amount
	522	05/02/2022	AIRPORT - 2022 2ND QUARTER MTCE FEE		4,000.00
Check	06/30/2022	75592 Accounts Payable	HOLLAND BOARD OF PUBLIC WORKS		2,559.61
	Invoice	Date	Description		Amount
	2022-00003368	06/30/2022	AIRPORT - UTILITIES DUE 7/8/22		2,559.61
Check	06/30/2022	75593 Accounts Payable	PERMA GREEN		235.00
	Invoice	Date	Description		Amount
	113946	06/17/2022	AIRPORT- JUNE APPLICATION		235.00
Check	06/30/2022	75594 Accounts Payable	WEST MICHIGAN UNIFORM		96.75
	Invoice	Date	Description		Amount
	5641907	06/23/2022	AIRPORT - SERVICES		96.75
EFT	06/30/2022	9146 Accounts Payable	FIFTH THIRD BANK - CREDIT CARD - ACH	072499952 / 7661394601	575.11
	Invoice	Date	Description		Amount
	2022-00003367	05/31/2022	AIRPORT- MAY 2022 CREDIT CARD		575.11
EFT	06/30/2022	9147 Accounts Payable	MEAD & HUNT INC - ACH	075000019 / 547284589	543.00
	Invoice	Date	Description		Amount

City of Holland
Payment Batch Register
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON
Batch Date: 06/30/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	.				
	333038	06/13/2022	AIRPORT - MAY SERVICES		324.00
	333106	06/13/2022	AIRPORT - MAY SERVICES		219.00
CITY AP - HUNT PAYABLES ACCT-HUNTINGTON Totals:			Transactions: 8		<hr/> \$11,108.97
	Checks:	6	\$9,990.86		
	EFTs:	2	\$1,118.11		

City of Holland
Payment Batch Register
 Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON
 Batch Date: 07/07/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON					
Check	07/07/2022	75699 Accounts Payable	ACCIDENT FUND NATIONAL INSURANCE CO.		376.00
	Invoice	Date	Description		Amount
	1000213571	07/01/2022	AIRPORT - PREMIUM FOR ACCT A010060441		376.00
EFT	07/07/2022	9173 Accounts Payable	ARTHUR J GALLAGHER RISK MGMT SVCS INC - ACH	071000288 / 1783349	31,418.00
	Invoice	Date	Description		Amount
	2023-00000001	07/01/2022	AIRPORT - INV 4319135, 4318042, 4318103, 4321432		31,418.00
CITY AP - HUNT PAYABLES ACCT-HUNTINGTON Totals:			Transactions: 2		\$31,794.00
Checks:	1		\$376.00		
EFTs:	1		\$31,418.00		

City of Holland
Payment Batch Register
 Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON
 Batch Date: 07/14/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON					
Check	07/14/2022	75817 Accounts Payable	ARR AVIATION BIV		10,910.48
	Invoice	Date	Description		Amount
	2022-00003503	06/30/2022	AIRPORT - JUNE SERVICES		10,433.61
	2022-00003504	05/31/2022	AIRPORT - 11/21-5/22 PART NOT INCLUDED IN TOTAL MONTHLY BILLS		476.87
Check	07/14/2022	75818 Accounts Payable	WEST MICHIGAN UNIFORM		96.75
	Invoice	Date	Description		Amount
	5638074	06/09/2022	AIRPORT - RUGS		96.75
CITY AP - HUNT PAYABLES ACCT-HUNTINGTON Totals:			Transactions: 2		\$11,007.23
Checks:	2	\$11,007.23			

City of Holland
Payment Batch Register
 Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON
 Batch Date: 07/28/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON					
Check	07/28/2022	76092 Accounts Payable	BRV VENTURES LLC		96.00
	Invoice		Date	Description	Amount
		2022-00003574	06/30/2022	AIRPORT - JUNE PEST CONTROL SERVICES	96.00
Check	07/28/2022	76093 Accounts Payable	STATE OF MICHIGAN		103.50
	Invoice		Date	Description	Amount
		591-11014529	06/30/2022	AIRPORT - APRIL - JUNE 2022 WEATHER OBSERVATION & DATA SYSTEM	103.50
EFT	07/28/2022	9278 Accounts Payable	FIFTH THIRD BANK - CREDIT CARD - ACH	072499952 / 7661394601	647.94
	Invoice		Date	Description	Amount
		2022-00003575	06/30/2022	AIRPORT JUNE 2022 CREDIT CARD STMT	647.94
EFT	07/28/2022	9279 Accounts Payable	SEMCO ENERGY GAS COMPANY - ACH	072499952 / 7661394601	95.12
	Invoice		Date	Description	Amount
		2022-00003576	06/30/2022	AIRPORT - JULY READ DATE BUT FY22 EXPENSE	95.12
CITY AP - HUNT PAYABLES ACCT-HUNTINGTON Totals:			Transactions: 4		\$942.56
Checks:		2	\$199.50		
EFTs:		2	\$743.06		

City of Holland
Payment Batch Register
 Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON
 Batch Date: 08/04/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON					
Check	08/04/2022	76195 Accounts Payable	ARR AVIATION BIV		552.50
	Invoice	Date	Description		Amount
	22-005665	08/01/2022	AIRPORT AUGUST PHONE AND INTERNET		552.50
Check	08/04/2022	76196 Accounts Payable	CARROT-TOP INDUSTRIES INC.		654.55
	Invoice	Date	Description		Amount
	INV108869	07/25/2022	AIRPORT - FLAGS		654.55
Check	08/04/2022	76197 Accounts Payable	HAVEMAN ELECTRICAL SERVICES		1,750.00
	Invoice	Date	Description		Amount
	23156	07/21/2022	AIRPORT - LIGHT POLE BASE		1,750.00
Check	08/04/2022	76198 Accounts Payable	HOLLAND BOARD OF PUBLIC WORKS		2,627.70
	Invoice	Date	Description		Amount
	2023-00000210	07/31/2022	AIRPORT - JULY UTILITIES		2,627.70
Check	08/04/2022	76199 Accounts Payable	WEST MICHIGAN UNIFORM		235.45
	Invoice	Date	Description		Amount
	354897	07/31/2022	AIRPORT - JULY SUPPLIES AND SERVICES		235.45
CITY AP - HUNT PAYABLES ACCT-HUNTINGTON Totals:			Transactions: 5		\$5,820.20
Checks:		5	\$5,820.20		

City of Holland
Accounts Payable Payment Post Listing

Batch Department / Invoice Department		Bank Account		Check Date		Starting Check Number
AIR Airport		PAYABLES ACCT-HUNTINGTON		06/09/2022		75229
Selected Invoices	Vendor	Invoice Number	Invoice Description	Invoice Date	Due Date	Invoice Net Amount
AIR Airport						
	3338 - BOILEAU COMMUNICATIONS MANAGEMENT LLC	25134	AIRPORT - COMMUNICATIONS SUPPORT	05/31/2022	05/31/2022	3,000.00
	3338 - BOILEAU COMMUNICATIONS MANAGEMENT LLC	28134 2ND	AIRPORT - OUT OF POCKET EXPENSES	05/31/2022	05/31/2022	1,584.23
	304 - FENCE CONSULTANTS OF WEST MICHIGAN INC	53507	AIRPORT - CONTROL FENCE FOR WILDLIFE	05/31/2022	05/31/2022	4,820.21
	4943 - STOUGH WILLIAM A	66	AIRPORT - PROFESSIONAL SERVICES TO WMAA DEVELOPMENT TEAM	05/31/2022	05/31/2022	438.75
	4623 - THE HOLLAND SENTINEL - ADS	0004625013	AIRPORT AD	05/31/2022	05/31/2022	162.76
	4837 - VHM ENTERPRISES INC.	17556	AIRPORT CLEANING SERVICES	05/31/2022	05/31/2022	594.50
	206 - WEST MICHIGAN UNIFORM	349876	AIRPORT RUGS	05/31/2022	05/31/2022	277.40
Total Selected Invoices: 7						\$10,877.85

City of Holland
Payment Batch Register
 Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON
 Batch Date: 06/09/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: CITY AP - HUNT - PAYABLES ACCT-HUNTINGTON					
Check	06/09/2022	75229 Accounts Payable	BOILEAU COMMUNICATIONS MANAGEMENT LLC		4,584.23
	Invoice	Date	Description		Amount
	25134	05/31/2022	AIRPORT - COMMUNICATIONS SUPPORT		3,000.00
	28134 2ND	05/31/2022	AIRPORT - OUT OF POCKET EXPENSES		1,584.23
Check	06/09/2022	75230 Accounts Payable	FENCE CONSULTANTS OF WEST MICHIGAN INC		4,820.21
	Invoice	Date	Description		Amount
	53507	05/31/2022	AIRPORT - CONTROL FENCE FOR WILDLIFE		4,820.21
Check	06/09/2022	75231 Accounts Payable	STOUGH , WILLIAM A		438.75
	Invoice	Date	Description		Amount
	66	05/31/2022	AIRPORT - PROFESSIONAL SERVICES TO WMAA DEVELOPMENT TEAM		438.75
Check	06/09/2022	75232 Accounts Payable	THE HOLLAND SENTINEL - ADS		162.76
	Invoice	Date	Description		Amount
	0004625013	05/31/2022	AIRPORT AD		162.76
Check	06/09/2022	75233 Accounts Payable	VHM ENTERPRISES INC.		594.50
	Invoice	Date	Description		Amount
	17556	05/31/2022	AIRPORT CLEANING SERVICES		594.50
Check	06/09/2022	75234 Accounts Payable	WEST MICHIGAN UNIFORM		277.40
	Invoice	Date	Description		Amount
	349876	05/31/2022	AIRPORT RUGS		277.40
CITY AP - HUNT PAYABLES ACCT-HUNTINGTON Totals:			Transactions: 6		\$10,877.85
Checks:		6	\$10,877.85		

West Michigan Airport Authority

60 Geurink Boulevard, Holland, MI 49423
P (616) 510-2332

Comprising City of Zeeland, Park Township and City of Holland



August 8th, 2022

REPORT 10

To: West Michigan Airport Authority Board.
From: Aaron Thelenwood, Airport Authority Director.
Subject: **FBO Performance Evaluation**

Under the terms of the FBO Agreement between the Airport Authority and FlightLevel Aviation, the Airport Authority is required to provide an annual performance evaluation to the FBO. The Evaluation focuses on the following general areas:

- Timeliness of Financial Payments
- Execution of Duties & Obligations
- Financial Stability of FBO
- Review of New Products and Services

Each of these categories has several subcategories attached to it. A blank template of the evaluation is attached to this report for reference. In addition to the evaluation, the Airport Authority retains the right to request any additional information deemed necessary to accurately assess the performance and financial position of the FBO.

The Preliminary Evaluation was completed by the Director, reviewed by the Operations Committee early in July, and presented to both FlightLevel's President and Director of Michigan Operations on July 21st, 2022. The Evaluation is **not** concluded at this time as, following the preliminary review, supplemental information was deemed necessary by the Operations Committee before final conclusions on performance could be determined. An extensive list of supplemental materials has been requested from FlightLevel, with a deadline of August 30th, 2022. The request for supplemental information is also attached to this report.

In addition to the requested materials, the Operations Committee determined that the current Progress Improvement Plan should be continued and expanded, with

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additional areas of review; also spelled out in the supplemental information request submitted to FlightLevel.

Further, the Director will be scheduling meetings with Airport stakeholders and tenants to supplement the evaluation process. Stakeholders will include GA and Corporate tenants as well as other key airport users.

FlightLevel has been responsive and agreed to provide the supplemental materials as requested and has stated its intent to continue working with the Airport Authority Board throughout the review process.

Recommendation

It is recommended that the Board review the supplemental materials requested, provide any additional input on the supplemental materials request, and approve as presented.

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Annual FBO Performance Evaluation

Evaluation Presented By: Aaron Thelenwood

Title: Director

Date:

The West Michigan Regional Airport Authority's Mission is to: *Provide the public with state-of-the-art global air access to strengthen the local economy and improve the area's quality of life.*

Intent of Evaluation - Through this evaluation, it is the intent of the Airport Authority to provide an assessment of the following items to the FBO:

- FBO's demonstrated understanding of the connection between services provided and reputation of WMRAA as a Gateway to and from the Region.
- FBO's demonstrated understanding of obligations and responsibilities under the FBO Agreement with the WMRAA.
- Provide FBO a clear understanding of WMRAA's expectations and opportunity to identify, review, and address issues as they arise.
- Identify areas where the FBO is meeting & exceeding expectations as well as identifying areas for improvement.
- Outlining process & performance improvement strategies, when applicable.
- Provide an opportunity for the FBO to review priorities and concerns of the Board and respond in-kind.
- Provide year-over-year benchmarking of FBO's performance.

A. TIMELINESS OF FINANCIAL PAYMENTS

- I. **Rent-** All applicable payments, including rent payments for lease of the Airport Business Center space, Land Lease between WMRA and Flyby Air, and so on, are received in a timely manner as described in the FBO Agreement. Any issues making payments are addressed proactively with the airport authority, well in advance of due dates, and clear payment plans are developed and adhered to (when necessary).

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- II. **Pass Through Fees-**All pass through fees (landing fees, fuel flowage fees, t-hangar rents, etc.) are passed on directly to the Airport Authority on time and in accordance with the terms of the FBO Agreement. FBO **MUST** ensure these funds are completely segregated from it's own operating capital and has clearly demonstrated how this is accomplished to WMRA.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- III. **Franchise Fees-** FBO Franchise Fee is received on time and in accordance to the terms of the FBO Agreement

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

B. Execution of Duties & Obligations

- I. Sales and Intro-Plane Delivery of Aviation Fuel, Lubricants, and Related Aviation Products-** Services are readily available and delivered in accordance with industry standard expectations.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- II. Apron Servicing of Aircraft-** Properly trained staff are readily available and service is rendered in accordance with industry standard expectations and in accordance with the expectations of WMRA and it's member communities.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- III. Adherence to Federal, State, Local, and WMRA rules, laws, and policies –** FBO demonstrates a clear working knowledge of and acts in accordance with all relevant rules laws and policies.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- IV. Repair and Maintenance of Based and Transient Aircraft** – FBO maintains readily available and expertly trained staff necessary for maintenance of based and transient aircraft. FBO’s demonstrated understanding of the connection between services rendered and reputation of WMRA.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- V. Adequate Staff to Meet the Service needs of the Airport and the Requirements of the FBO Agreement (Including Full Time On-Site Manager)** – From the front desk, charter office, apron, maintenance shop, and maintenance of the Airfield and Facilities, FBO has demonstrated it has maintained appropriate staffing levels to meet the day-to-day operational requirements of the Airport.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- VI. Customer Service**-FBO Provides friendly, knowledgeable staff that prioritize a customer centric approach in all aspects of it’s operations.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- VII. Maintenance of Airfield & Facilities-**Timely completion of critical maintenance including mowing, snow plowing, repair of runway equipment, t-hangar buildings and other similar functions. Informs WMRA of major capital repair needs, including runway crack sealing, paint markings, and other similar critical infrastructure needs.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- VIII. Maintenance of Leased Premises-** Maintains all leased premises in accordance with WMRA Building Standards and established expectations. Maintenance of Leased Space in Airport Business Center to present a professional appearance and welcoming first impression for airport users and members of the community.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- IX. Professionalism-** FBO and staff demonstrate use of good judgement and behavior in all interactions. FBO and staff act in accordance with established priorities and operating procedures adopted by the Airport Authority.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

VI. Teamwork- FBO has demonstrated willingness and ability to work as part of a cohesive unit working towards the mutual benefits of success of West Michigan Regional Airport.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

VII. Innovation & New Opportunities- FBO works proactively to bring awareness to the WMRA Director and Board of current trends in the aviation field and new opportunities to increase business, engagement, and overall activity to the Airport.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

C. Financial Stability of FBO

- I. Audited Financial Reports Received On Time and In Accordance with FBO Agreement** - FBO provides annual audited Financial reports as described in the FBO agreement and by established deadlines. FBO makes additional efforts to provide supplemental financial information when requested.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

- II. Financial Reports Indicate Strong Financial Standing of FBO –** Financial Standing will be determined based upon review by the WMRA Director and Treasurer of available Audited Financial Documents, and additional financial information when requested. Financial standing of the FBO will be used to determine the viability of the FBO and it's ability to meet it's financial on operational obligations over the long term.

1	2	3	4	5
Deficient	Below Standard	Meets Expectations	Above Standard	Outstanding

Comments: _____

D. Review of New Products, Services, Amenities:

Comments: _____

E. Signatures

The Airport Authority Director verifies they have completed this evaluation based on best available information and have provided their findings to the FBO President, owner, or designated representative.

FBO President, owner, or designated representative verifies receipt of the above evaluation and has, to the best ability possible, been provided a detailed explanation of the Authority's assessment.

The Airport Authority Chair accepts this evaluation on behalf of the Airport Authority Board

X

Aaron Thelenwood
Director, WMRAA

X

FBO Rep
Title

X

Russ Sylte
Board Chair, WMRAA

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July 21st, 2022

To: Peter Eichleay, FlightLevel Aviation, President.

From: Aaron Thelenwood, West Michigan Regional Airport Authority,
Director.

Subject: Annual Performance Evaluation: Supplemental Materials Request

Under the terms of the current FBO Agreement between the West Michigan Regional Airport Authority and FlightLevel Aviation, the Airport Authority is required to complete an annual performance evaluation of the FBO, outlining strengths and areas for improvement. Additionally, under the terms of the Agreement, the Authority retains the right to request any supplemental information necessary to accurately assess the performance and financial position of the FBO.

The Airport Authority Director has completed the performance evaluation to the best of his ability at this time, and a draft copy of the evaluation has been submitted and reviewed with FlightLevel as of July 21st, 2022.

Following completion of the Performance Evaluation to date, it has been determined that **supplemental financial and operational data is necessary** to thoroughly conclude the performance evaluation. In addition, it has been determined that expanded and ongoing reporting will be necessary under the Progress Improvement Plan currently in place with FlightLevel Aviation.

Outlined below are the documents and ongoing data being requested from FlightLevel, as well as frequency of reporting, where necessary. Though we are requesting these specific reports at this time, the Airport Authority reserves the right to request for any additional reports deemed necessary, and in-line with the terms of the FBO agreement.

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This information will need to be submitted to the Airport Authority's Attorney's Office in accordance with a timeline mutually agreed upon between the Airport Authority and FlightLevel which shall not be later than **August 30th, 2022**; however, it is expected that FlightLevel will immediately begin work to furnish the requested information.

Itemized request is below:

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FlightLevel Financial Reports: The following documents are being requested both to determine the financial position of FlightLevel Holland and benchmark against the rest of FlightLevel's operations. Financial Documents should reflect the entirety of FlightLevel's Operations and income, including all services required and authorized under the existing FBO agreement between West Michigan Regional and FlightLevel. All reports submitted should either be audited or at a minimum reviewed by third party. Please submit the following:

- Updated Income Reports for all of Flight Level's Locations, as provided during the FBO Transfer in 2021, including FlightLevel Holland
- Updated Balance Sheets for FlightLevel's Operations, as provided during the FBO Transfer in 2021
- Balance Sheets for Flight Level Holland
- Updated Tax Returns for FlightLevel's Operations, as provided during the FBO Transfer in 2021
- Tax Returns for FlightLevel Holland
- Updated Financial Statements for Alan Radlo, as provided during the FBO Transfer in 2021
- Profit and loss statements for FlightLevel Holland, from July 2021-July 2022.
- Sales data for all required and authorized services at Holland going forward for a minimum of the next six (6) months
- Total fuel sales for the period of July 2021-July 2022 and comparable historical sale figures for the last five years.

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Customer Service Reports: The following documents are being requested to assess the customer demands of FlightLevel Aviation and determine its ability to effectively service customers.

- Total customer service calls received by FlightLevel Aviation for the period of July 2021 – July 2022, broken out by each month and each required/authorized area of service, including:
 - Aircraft Maintenance
 - Charter
 - Flight School
 - And all other services required or authorized under the terms of the FBO Agreement.
- Total number of customer services calls served on site, broken out as stated above.
- Total Number of services calls rendered off site at Muskegon, during the timeframe in which Holland maintenance operations were shuttered
- Total number of services unable to be rendered/customers who went elsewhere for service
- Total Customer Service calls, as broken out above, each month going forward for a minimum of the next six (6) months