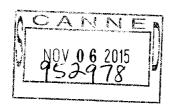
#### LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®





LEASE AGREEMENT
TRANS STATES AIRLINES LLC.
NO. AL-336

# THE CITY OF ST. LOUIS LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT ® TABLE OF CONTENTS

INTRODUCTION	Page 1
ARTICLE I: DEFINITIONS	Page 2
ARTICLE II: PREMISES	Page 6
ARTICLE III: AGREEMENT TERM	Page 10
ARTICLE IV: USE OF PREMISES	Page 11
ARTICLE V: RENT AND FEES	Page 15
ARTICLE VI: CONSTRUCTION OR ALTERATION OF IMPROVEMENTS	Page 17
ARTICLE VII: COMPLIANCE WITH ENVIRONMENTAL LAWS	Page 22
ARTICLE VIII: INSURANCE AND INDEMNIFICATION	Page 26
ARTICLE IX: ASSIGNMENT AND SUBLETTING	Page 29
ARTICLE X: TERMINATION OF AGREEMENT IN ENTIRETY BY REASON OF DEFAULT	Page 30
ARTICLE XI: MISCELLANEOUS PROVISIONS	Page 32
SIGNATURES	Page 41
ATTACHMENT "1": SITE MANAGEMENT AND REDEVELOPMENT AGREEMENT	
ATTACHMENT "2" SOIL MANAGEMENT PLAN	

**EXHIBIT A: DESCRIPTION OF PREMISES** 

#### **AIRPORT NUMBER AL-336**

### LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into as of the \_\_\_\_ day of \_\_\_\_ 2015 ("Agreement"), by and between The City of St. Louis, a municipal corporation of the State of Missouri, as Lessor (the "City"), Trans States Airlines LLCa limited liability company organized and existing under the laws of the State of Delaware (the "Lessee").

#### WITNESSETH, THAT:

WHEREAS, City now owns, operates and maintains an international airport known as "Lambert-St. Louis International Airport®," located in the County of St. Louis, Missouri ("Airport");

WHEREAS, the City currently has an area of land at the Airport in its northwest corner, adjacent to the airfield, that consists of undeveloped land and certain facilities commonly known as the "Northern Tract Site;

**WHEREAS,** the Northern Tract Site was formerly owned by McDonnell Douglas Corporation, formerly a wholly owned subsidiary of The Boeing Company, a corporation organized and existing under the laws of the State of Delaware ("Boeing");

WHEREAS, McDonnell Douglas Corporation merged with Boeing effective January 1, 2010, and Boeing has legal responsibility for remediating certain environmental conditions existing at the Northern Tract Site, pursuant to a permit under the Resource Conservation and Recovery Act;

WHEREAS, the environmental investigation and remediation at the Northern Tract Site is ongoing;

WHEREAS, the City and Boeing have entered into a "Site Management and Redevelopment Agreement," dated August 15, 2006, as may be amended or replaced from time to time and is attached hereto and incorporated herein as ATTACHMENT "1" with respect to the remediation and the City and Boeing have entered into a "Boeing Permitted Facility Excavated Soil Management Plan" attached hereto and incorporated herein as "ATTACHMENT "2", with respect to the remediation;

**WHEREAS**, under the Site Management and Redevelopment Agreement, the City is undertaking certain environmental sampling and remediation at the Northern Tract Site, and the City is entitled to receive reimbursement from Boeing, subject to certain limitations and procedures;

WHEREAS, Lessee desires to lease certain land and improvements within the Northern Tract Site at the Airport that is defined and referred to herein as the Premises;

WHEREAS, Lessee acknowledges the Site Management and Redevelopment Agreement and agrees as set forth in this Agreement to act in good faith and use its best efforts in regard to the Premises to maintain coordination and cooperation with the City at all stages of any redevelopment of the Premises, pursuant to City's approved plans, to assist the City in receiving the appropriate reimbursement from Boeing; and

**WHEREAS**, City is willing to lease the Premises to Lessee subject to and in accordance with the terms, covenants, warranties, and conditions of this Agreement.

**NOW, THEREFORE,** for and in consideration of the promises, and of the mutual covenants and agreements herein contained, and other valuable considerations, the receipt and sufficiency of which is hereby acknowledged, City and Lessee agree as follows:

#### ARTICLE I

#### **DEFINITIONS**

Section 101. <u>Definitions</u>. The following words and phrases shall have the following meanings:

- "Agreement" means this contract and any subsequent amendments thereto, duly approved by City and Lessee.
- "Aircraft Operating Area" or "AOA" means those areas of the Airport used for the landing, taking-off, movement, and parking of aircraft, as the same now exists or as the same hereafter may be added to, modified, changed, or developed.
- "Airport" means as stated in the preamble hereof. "City" and "Airport" are used interchangeably throughout this Agreement.
- "Airport Properties Department" means that department of the City of St. Louis' Airport Authority that has as its primary responsibility the administration of all tenants, permittees, concessionaires and other space at the Airport, and will be Lessee's point of contact with the City or the Airport on all issues related to this Agreement.
- "Business Day" means any day on which banks and the City's offices are open for business in St. Louis, Missouri (excluding Saturdays).
- "City" means as stated in the preamble hereof. "City" and "Airport" are used interchangeably throughout this Agreement.
- "Commencement Date" means the first day of the term of this Agreement as more fully described in Article III, Section 301 entitled "Term".
- "Contract Year" means a consecutive twelve (12) month period beginning on the Commencement Date of this Agreement.
- "days" means consecutive calendar days unless otherwise expressly provided herein.

- "Director" means the Director of Airports of the City of St. Louis or his/her authorized or designated representatives.
- "Discharge" has the meaning ascribed to such term by 1001(7) of the Oil Pollution Act of 1990, 33 USC 2701(7), as may be amended from time to time.
- "Effective Date" means the day first written above by the City (see also Section 1129 entitled "Binding Contract; Counterparts).
- "Environmental Laws" means all applicable federal, state, and local statutes, ordinances, regulations, rules, laws, Environmental Permits, permits, permit conditions, and orders relating to the generation, emission, discharge, release, use, storage, transportation, or disposal of pollutants, contaminants, Hazardous Materials, wastes, hazardous substances or chemicals or the preservation or regulation of the environment or natural resources including, without limitation, the Clean Air Act, 42 U.S.C. § 7401 et seq.; the Clean Water Act, 33 U.S.C. § 1251 et seq. and the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §136 et seq.; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C. § 1401 et seq.; the Noise Control Act, 42 U.S.C. § 4901 et seq.; the Occupational Safety and Health Act, 29 U.S.C. §651 et seg.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seg., as amended by the Hazardous and Solid Waste Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. § 300f et seq.; the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C § 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act, the Emergency Planning and Community Right-to-Know Act, and the Radon Gas and Indoor Air Quality Research Act; the Hazardous Material Transportation Act, 49 U.S.C. § 5101 et seq.; the Endangered Species Act, 16 U.S.C. § 1531 et seq.; the National Environmental Policy Act, 42 U.S.C. § 2011 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Atomic Energy Act, 42 U.S.C. § 2011 et seq.; and the Nuclear Waste Policy Act of 1982, 42 U.S.C. § 10101 et seq.; as such statutes and laws may be amended form time to time, all regulations, rules, executive orders, ordinances, policies, procedures, plans and instructions pertaining to and lawfully promulgated pursuant to such statute or law as they now exist or may be amended, superseded or replaced from time to time.
- "Environmental Permits" means any and all permits, licenses, approvals, authorizations, consents, or registrations required by applicable Environmental Laws, whether federal, state or local, and any duly filed environmental covenants or land use restrictions applicable to the City, the Airport or the Premises.
- "Existing Environmental Conditions" means as stated in Section 709 of this Agreement entitled "Retained Liabilities".
- "Extremely Hazardous Substance" means any substance designated or considered to be an extremely hazardous substance pursuant to 302(a) of the Emergency Planning and Community Right-to-Know Act of 1986,42 USC 11002(a), as may be amended from time to time.
- "Hazardous Materials" means friable asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs), petroleum derivatives, jet fuel, petroleum or crude oil or any fraction thereof, natural gas, source material, special nuclear material, byproducts, pesticides,

hazardous waste, special waste, waste, pollutants, contaminants, toxic substance or substances, or any material defined or treated as a hazardous substance, regulated special waste, pollutant or contaminant (or comparable term) under any of the Environmental Laws. City and Lessee stipulate and agree that the existence and definition of Hazardous Materials will be construed herein broadly in accordance will all applicable federal, state, City or local laws, statutes or regulations relating to the protection of human health or the environment. Hazardous Materials also include petroleum and any petroleum derivative, including jet fuel. The City and Lessee agree that the existence and definition of Hazardous Materials will be construed broadly herein in accordance with all applicable federal, state, or local laws, statutes, Environmental Laws, Environmental Permits, or regulations relating to the protection of human health or the environment.

- "Hazardous Substance" means any substance designated or considered to be a hazard pursuant to 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 USC 9601, Chapter 103(14), as may be amended from time to time.
- "Hazardous Waste" means any substance designated or considered to be a hazardous waste pursuant to either 1004(5) of the Resource Conservation and Recovery Act, 42 USC 6903(5) or 260.360(10) R.S.Mo., as may be amended from time to time.
- "Improvements" means without limitation, any buildings, structures, facilities, parking lots, lighting or other fixtures, landscaping or any appurtenances thereto now or hereafter existing on the Premises, excluding personal property or trade fixtures of Lessee.
- "Infectious Waste" means any substance designated or considered to be an infectious waste pursuant to 260.360(13) R.S.Mo., as may be amended from time to time.
- "Lessee" means as stated in the preamble hereof.
- "Oil" means any substance designated or considered to be an oil pursuant to 1001(23) of the Oil Pollution Act of 1990, 33 USC 2701(23), as may be amended from time to time.
- "Pollutant" means any substance designated or considered to be a pollutant pursuant to 502(6) of the Federal Water Pollution Act, 33 USC 1362(6), as may be amended from time to time.
- "Premises" means a location or locations described in Section 201 that has or have been designated by City for the occupancy and use by Lessee, together with all Improvements, for its conduct of business and for other uses herein specifically provided for.
- "Release" has the meaning ascribed to such term by 101(22) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC 9601(22), as may be amended from time to time.
- "Remediation Costs" means any losses, expenses, liabilities, or costs incurred by the City in connection with environmental remediation: (i) that may be required by the appropriate governmental agency responsible for enforcing applicable Environmental Laws or Environmental Permits, or (ii) attributable to Hazardous Materials left on City property in excess of applicable remediation standards derived by the U.S. Environmental Protection Agency, the

U.S. Occupational Safety and Health Administration, the Missouri Department of Natural Resources or other governmental health agency as appropriate for commercial property, safe for occupational exposure or Airport use or which are in violation of Environmental Laws or Environmental Permits or would substantially or materially interfere with the City's or its tenants' future use or enjoyment of the property, and caused by, or arising out of, Lessee's operations at the Airport or the Lessee's operations, activities, use, occupancy or lease of the City's property during the term of this Lease Agreement. Remediation Costs include, without limitation, reasonable investigation and evaluation costs, costs to implement and administer any institutional controls or restrictive covenants, sampling and analysis costs, reporting costs, planning and design costs, consultant and contractor costs, labor costs, equipment costs, construction costs, access costs, disposal costs, transportation costs, reasonable administrative costs, reasonable attorneys' fees and other legal fees and litigation expenses, permit fees and costs, monitoring costs, oversight and inspection costs, claims, demands, causes of action, suits. judgments, damages, compensation, debts, costs, expenses, losses, penalties, fines, stipulated penalties, punitive damages, and other similar liabilities caused by or arising out of Lessee's handling, use, storage, release, disposal, generation, emission or discharge of Hazardous Materials at the Airport, including the Premises.

"Removable Fixtures" means all personal property, vehicles, trade fixtures, furnishings, equipment and fixtures installed by the Lessee that are not permanently affixed to any wall, floor or ceiling in the Premises or any Improvement.

"Reportable Quantity" ("RQ") means as designated by 10CSR24-2.010, as may be amended from time to time.

"Rules and Regulations" means those lawful, reasonable, and not unjustly discriminatory rules and regulations including, without limitation, ordinances, operating directives or procedures, and minimum standards promulgated by the Director, the Airport Commission, or the City, as amended from time to time, as the case may be, for the orderly administration or operation of the Airport (see Section 402 entitled "Compliance with Laws and Regulations").

"Site Management and Redevelopment Agreement" means the agreement between the City and Boeing, dated August 15, 2006, a copy of which is attached hereto and incorporated herein as ATTACHMENT "1", as may be amended, superseded or replaced from time to time.

"Soil Management Plan" or "Boeing Permitted Facility Excavated Soil Management Plan" means the agreement or plan between the City and Boeing dated January 2011, and revised November 2012, a copy of which is attached hereto and incorporated herein as ATTACHMENT "2", as may be amended, superseded, or replaced from time to time.

"Special Waste" means any substance as designated by 10CSR80-2.010, as may be amended from time to time.

"Solid Waste" means any substance designated or considered as a solid waste pursuant to 260.200(25) R.S.Mo., and 10CSR80-2.010, as may be amended from time to time.

"Sublessee" means a third party conducting business on the Premises which is incidental, necessary or customary to the proper and authorized use of the Premises in accordance with the provisions of this Agreement.

"Toxic Pollutant" means any substance designated or considered to be a toxic pollutant pursuant to 502(13) of the Federal Water Pollution Control Act, 33 USC 1362(13), as may be amended from time to time.

#### ARTICLE II

#### **PREMISES**

Section 201. <u>Premises</u>. The City hereby leases Lessee, and Lessee takes from the City, the property located at 5230 Banshee Road, Hazelwood, Missouri, consisting of 89,971 square feet of hangar /office space, 50,000 square feet of aircraft ramp space, 14,580 square feet of automobile parking space, the fire suppression deluge tank and pump house, and all associated piping, pumps and associated equipment, and that entire section of water main located under the Premises as more fully described and shown on **Exhibit "A"**, entitled "Description of Premises," attached hereto and made a part hereof, hereinafter referred to as the "**Premises**," subject to and in accordance with the terms, covenants, warranties, conditions, and reservations of this Agreement.

The Premises are leased to Lessee subject to the reservations set forth in Section 202 hereof.

Except for Existing Environmental Conditions, Lessee accepts and receives the Premises "As **Is"**, with no warranties or representations of any kind, expressed or implied, either oral or written, made by City or any of its agents or representatives with respect to the physical, environmental or structural conditions of the Premises or any portion thereof or otherwise including but not limited to, soil conditions of the land and structural conditions of the buildings or facilities or the presence or absence of any Hazardous Materials, or any underground or above ground storage tanks or repositories and related equipment, structures, piping or tubing, asbestos and asbestos-related materials, water, sewage or utilities serving the Premises or any other matter or thing affecting or relating to the Premises (see Article VI entitled "Construction or Alteration of Improvements" and Article VII entitled "Compliance with Environmental Laws"). City and Lessee agree that the existence and definition of Hazardous Materials in, on or under the Premises will be construed broadly herein in accordance with all applicable federal, state or local laws, statutes, rules, permits, Environmental Laws, Environmental Permits, ordinances or regulations relating to the protection of human health or the environment. Except for Existing Environment Conditions, the City without limitation expressly disclaims and negates, as to the Premises:

- a) any expressed or implied warranty of merchantability;
- b) any expressed or implied warranty of fitness for a particular purpose; and,
- c) any expressed or implied warranty with respect to the condition of the Premises, its compliance with any zoning or other laws, statutes, rules, ordinances or regulations

applicable to the Premises including but not limited to the Americans with Disabilities Act, the uses permitted on the Premises.

Section 202. <u>Reservations</u>. The grant of lease hereunder is subject to the following reservations and conditions:

- A. City reserves the right (but is not obligated to Lessee) to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.
- B. City reserves the right further to develop or improve the landing area and all publicly-owned air navigation facilities of the Airport as City in its sole and absolute discretion sees fit, regardless of the desires or views of Lessee, and without interference or hindrance of any kind.
- C. City reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the Premises or the Airport which in the sole and absolute opinion of City would limit the usefulness of the Airport, adversely effects the operations of the Airport or constitute a hazard to aircraft or air navigation.
- D. During the time of war or national emergency City has the right to enter into an agreement with the Government of the United States of America (the "U.S. Government") for use of part or all of the landing area, the publicly-owned air navigation facilities or other areas or facilities of the Airport including the Premises and the rights granted herein. If any such agreement is executed, the provisions of this Agreement, insofar as they are inconsistent with the provisions of the agreement with the U.S. Government, will be suspended immediately upon receipt of written notice from City.
- E. It is understood and agreed that Lessee will not exercise the rights granted by this Agreement to Lessee in such a way as to interfere with or adversely affect the use, operation, maintenance, expansion or development of the Airport.
- F. There is hereby reserved to City, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Premises herein conveyed, together with the right to cause or allow in said airspace and within or on the Premises such noise, vibration, fumes, dust, fuel particles, illuminations, interference with television, radio or any other type of transmission and other effects as may be caused in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from, or operating on or about the Airport.
- G. This Agreement will become subordinate to provisions of any existing or future agreement between City and the United States of America or any agency thereof relative to the operation, expansion, improvement, development, or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure

of federal funds for the operation, expansion, improvement, development, or maintenance of the Airport.

- H. City reserves all gas, oil and mineral rights in and under the soil; provided, however, that City, in the exercise of such rights, does not substantially or materially interfere with the surface of the soil or with Lessee's use of the Improvements thereon.
- I. City reserves the right to grant utility and maintenance rights-of-way to itself and others over, under, through, across or on the Premises provided that such use will not substantially or materially interfere with Lessee's use of the Premises, and provided further that such reservation or grant of rights does not directly result in additional cost or expense to Lessee.
- J. City reserves the rights enumerated in Section 705 entitled "Corrective Action by City" of this Agreement.

Section 203. <u>Aircraft Movement</u>. Lessee hereby acknowledges and agrees that aircraft operated by or as a result of one or more tenants of the Airport) who have a leasehold interest in the abutting property to Lessee's Premises must be able to safely and without interference or delay move their aircraft to and from the Airport's runways and taxiways without having to enter into or cross over the Lessee's Premises or interfere with Lessee's use of the Premises, as provided for in this Section 203 of this Agreement.

Section 204. Access. Subject to all of the terms, covenants, warranties and conditions of this Agreement, Lessee has the right of free access, ingress to and egress from the Premises, for Lessee's employees, contractors, subcontractors, agents, guests, patrons and invitees. Subject to the terms, covenants, warranties and conditions of this Agreement, City reserves and has the right to access, ingress to and egress from the Premises without charge therefore, for its employees, contractors, subcontractors, agents, guests, tenants, licensees, patrons and invitees, its or their suppliers of materials and furnishers of service, and its or their equipment, vehicles, machinery and other property, provided that such right will not unreasonably and materially interfere with Lessee's use of the Premises and upon compliance with Lessee's reasonable security and confidentiality procedures. In addition, City has the right to access, ingress to and egress from the Premises without charge therefore, for its employees, contractors, agents, guests, patrons and invitees, its or their suppliers of materials and furnishers of service, and its or their equipment, vehicles, machinery and other property, for the purpose of collecting environmental samples or performing environmental studies and inspections or the remediation of Hazardous Materials. If Lessee is not present to permit entry and entry is necessary, City may, in case of an emergency, forcibly enter the Premises without rendering City liable therefore, except for any actual damage caused to Lessee's property because of such entry or any actual costs or actual damages or liabilities arising from City's negligence or willful misconduct. Nothing contained herein will be construed to impose upon City any duty of inspection or repair of the Premises except as expressly and specifically provided for herein.

Lessee hereby acknowledges that 49 C.F.R. Part 1500 as amended from time to time ("TSA 1500"), requires the City, to adopt and put into use facilities and procedures designed to prevent and deter persons and vehicles from unauthorized access to the Security Identification Display Area as defined in TSA 1500 ("SIDA") and the AOA. Lessee understands that City has met said

requirements by developing an Airport Security Program ("ASP") for the Airport, and Lessee warrants, covenants and agrees to be fully bound by and immediately responsive to the requirements of TSA 1500 and the ASP in connection with Lessee's exercise of the privileges granted to Lessee hereunder for the full term hereof. Lessee further warrants, covenants and agrees, throughout the term of this Agreement, at its own cost, to prepare facilities and procedures, satisfactory to City, designed to prevent and deter persons and vehicles from unauthorized access to SIDA and the AOA from and through any Premises controlled or used by Lessee in accordance with the provisions of TSA 1500 and ASP. City agrees that Lessee will be permitted, at Lessee's cost; to have all City monitored security gates and doors, which are controlled by Lessee tied into or integrated with City's Airport Security Program.

Lessee hereby acknowledges that it understands that its security procedures and facilities on the Premises will meet the requirements of TSA 1500 and the ASP including but not be limited to the following:

- A. fencing and locked gates;
- B. Airport-approved badging, badge display, escort and challenge procedures applicable to persons authorized to enter the SIDA and/or the AOA;
- C. an electronic entry control system or a manned guard system where gates or doorways cannot reasonably be controlled by locks; and
- D. other facilities and procedures as may be required to control the entrance of persons and vehicles onto SIDA and/or the AOA.

Lessee will not do or permit its agents, employees, contractors, or suppliers, to do anything at the Airport that would be in conflict with or violate the requirements of any federal, state, or local law, regulation or security directive regarding airport security, TSA 1500, or the ASP, as they may be amended form time to time.

Section 205. Encumbrances on Premises. The Premises is accepted by Lessee subject to any and all then existing easements or other encumbrances and City has the right to install, lay, construct, maintain, repair and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, connections, water, oil or gas pipelines, and telephone and telegraph power lines and such other appliances and appurtenances necessary or convenient in connection therewith, over, in, upon, through, across and along the Premises, or any part thereof, and to enter thereupon at reasonable times for any and all such purposes; provided, however, that no right of City, provided for in this paragraph, will be so exercised as to unreasonably diminish the utility or value of the Premises, or to interfere unreasonably with the Lessee's use or enjoyment of the Premises or result in any material added expense to Lessee in conducting its operations hereunder.

Section 206. <u>Premises Adjustment</u>. Notwithstanding the requirements of Section 1115 of this Agreement entitled "Amendments," the City and Lessee acknowledge and agree that the boundaries of the Premises may be adjusted by up to one (1) acre by mutual written consent of the Director on behalf of the City and Lessee's designated representative. However, the parties

expressly understand and agree that an adjustment to the Premises that either 1) increases the total square footage of the Premises from that provided for in Section 201 or 2) diminishes the total monthly rental amount from the value provided for in Section 502 must be executed by all of the signatories of this Agreement pursuant to Section 1115. In the event an adjustment to the Premises boundaries is effectuated pursuant to this Section, revised exhibits may be substituted for those herein without the necessity to amend this Agreement, which substitution may be made by notice from City to Lessee in accordance with Section 1101.

#### **ARTICLE III**

#### AGREEMENT TERM

Section 301. . <u>Term.</u> The term of this Agreement shall commence on September 1, 2015 (the "Commencement Date") and shall end on August 31, 2018, unless sooner terminated in accordance with other provisions of this Agreement.

The City or Lessee may terminate this Lease without cause by giving sixty (60) days notice to the other party with no liability to the terminating party and such termination shall be deemed a no fault cancellation. Notwithstanding the foregoing, in the event that the City should exercise its right to cancel this Agreement, pursuant to this Section 301, prior to August 31, 2016, the City will reimburse the Lessee for one half (1/2) of the actual cost to repair and/or refurbish the fire suppression deluge tank and pump house, and all associated piping, pumps and equipment.

Section 302. <u>Surrender of Possession.</u> No notice to quit possession at the expiration date of the term of this Agreement, or at the earlier termination hereof, will be necessary. Lessee warrants, covenants, and agrees that at the expiration date of the term of this Agreement, or at the earlier termination hereof, it will peaceably surrender possession of the Premises in as good condition, reasonable wear and tear, acts of God, and other casualties excepted, and City will have the right to take possession of the Premises with or without due process of law (see Section 603 entitled "Title to Improvements"). In the event Lessee does not vacate the Premises during the prescribed time period, Lessee does hereby agree that the City may use any remedy at law or in equity, including but not limited to a Writ of Possession to carry out the timely transfer of possession.

City and Lessee, before acceptance by the City of any of the Improvements, will perform a joint inspection of the Premises and the Improvements being surrendered to the City. Lessee will perform any reasonable maintenance work requested by the City so that all mechanical systems are fully functional and that any facilities or structures are reasonably protected from the weather. Said inspection will be conducted within forty five (45) to thirty (30) calendar days prior to the expiration date of the term of this Agreement, or at the earlier termination thereof as provided for in Section 301 entitled "Term" and ARTICLE X, entitled "TERMINATION OF AGREEMENT IN ENTIRETY BY REASON OF DEFAULT." Lessee further agrees to give to the City copies of all building plans (i.e., "As-Built" drawings) and mechanical specification manuals on all systems in the surrendered facilities.

Section 303. Removal of Storage Tanks. Lessee covenants, stipulates, warrants, and agrees that at the expiration date of the term of this Agreement, or as soon as practicable after earlier

termination hereof, unless otherwise agreed to in writing by the City, Lessee will (i) remove all products or wastes or Hazardous Materials contained in underground and aboveground storage tanks located on the Premises installed by Lessee as the owner or operator of said storage tanks, and (ii) pull or remove all said underground and aboveground storage tanks, and any connecting piping, tubing, structures, or other related equipment, located on the Premises and which were installed, operated, or used by Lessee under this Agreement or any subsequent lease agreement with the City. In addition, any obligations of Lessee pursuant to Section 703 entitled "Environmental Remediation" hereof must be completed by Lessee prior to the expiration date of the term of this Agreement, or at the earlier termination thereof in accordance with and subject to the terms, covenants, and conditions of Article VII.

#### ARTICLE IV

#### **USE OF PREMISES**

Section 401. <u>Use.</u> The City hereby grants to Lessee, subject to all the terms, covenants, warranties and conditions of this Agreement, the exclusive use of the Premises for the repair, maintenance and overhaul of aircraft and any associated lawful uses as are incidental, necessary or customary for the repair, maintenance and overhaul of aircraft. Use of Premises is limited to the above stated purposes only, unless expressly authorized in writing by the City. Lessee will comply with all applicable FAA directives or guidelines regarding the use of the Premises as required by Section 402.

Section 402. <u>Compliance with Laws and Regulations</u>. Lessee hereby warrants, represents, stipulates, and agrees that Lessee shall comply with all statutes, laws, ordinances, orders, judgments, decrees, Environmental Laws, Environmental Permits, and regulations of all federal, state, local and other governmental authorities, including without limitation directives or guidelines of the FAA applicable to the Lessee's operation at the Airport or use of the Premises, the Airport's Rules and Regulations, the "Airport Certification Manual", and the Airport Layout Plan on file at the Director's Office, now or hereafter applicable to the Premises or to any adjoining public ways, as to the manner of use or the condition of the Premises or of adjoining public ways.

Lessee further warrants, represents, stipulates, and agrees to abide by all federal, state, and local laws, rules, regulations, and ordinances related to: (1) the transportation, storage, use, manufacture, generation, treatment, recovery, generation, disposal, Discharge, spilling or Release of Hazardous Materials, Hazardous Substances or Extremely Hazardous Substances; (2) the transportation, storage, use, manufacture, generation, treatment, recovery, disposal, Discharge, spilling or Release of Hazardous Wastes; (3) the transportation, storage, use, manufacture, generation, treatment, recovery, disposal, Discharge, spilling or Release of Oil or other petroleum products or derivatives; (4) the Discharge of effluents, Pollutants or Toxic Pollutants to publicly owned treatment works, storm water systems, or to waters of the United States or tributaries thereof; (5) the emission of any regulated substance into the air; (6) the transportation, storage, use, manufacture, generation, treatment, recovery, disposal, Discharge, spilling or Release of Infectious Waste; (7) the transportation, storage, use, manufacture, generation, treatment, recovery, recycling, reclamation, disposal, Discharge, spilling or Release of Solid Wastes; (8) the transportation, storage, use, manufacture, generation, treatment, recovery,

recycling, reclamation, disposal, Discharge, spilling or Release of waste tires, waste Oil, used Oil, or used lead-acid batteries; and (9) the transportation, storage, operation, use, removal, disposal, remediation, and compliance issues regarding any and all above or underground storage tanks installed as the owner or operator of said storage tanks, and any connecting piping, tubing or other related equipment or structures until said storage tanks including any connecting piping, tubing or other related equipment or structures are removed by the Lessee at its cost (unless otherwise agreed to by the City in writing) (see Sections 302 and 303 above). In addition, Lessee is responsible at its cost for securing all operating permits for the Premises to the extent such permits or approvals are required for the Premises by federal, state or local laws, rules, Environmental Laws, Environmental Permits, regulations and ordinances, including, without limitation, air, water and waste disposal permits. Lessee shall immediately notify in writing the Director of any significant or material circumstance or condition that may be a violation of a law, rule, regulation or ordinance for the protection of the environment or human health.

Lessee warrants, represents, stipulates and agrees the Lessee shall make available to City upon written request all permits, licenses, approvals, reports, plans, correspondence, and other records related to the Premises that are required or maintained in connection with any Environmental Laws, rules, regulations or ordinances. During the term of this Agreement, City or its agents or employees shall have the right to periodically inspect the Premises to evaluate, to its satisfaction, Lessee's compliance with applicable Environmental Laws, rules, regulations and ordinances and with the terms of this Lease with respect to such matters.

Lessee's failure to comply with any provision of this section will be considered a material breach of this Agreement. If such a material breach occurs, City, at its sole option, may terminate this Agreement, and seek other remedies at law and in equity subject to the terms of Article X below.

Section 403. Repairs and Maintenance. Lessee warrants, represents and agrees that Lessee shall, throughout the term of this Agreement and any extension thereof, at its own cost, and without any expense to City, keep, repair and maintain the interior and exterior, structural and non-structural portions of the Premises including all Improvements and without limitation the plumbing, heating, lighting, air conditioning, and other systems in connection therewith, in good and safe condition, sanitary and neat order, and will make all necessary repairs and maintenance thereto, ordinary and extraordinary, foreseen and unforeseen, and will make all necessary replacements thereto of like quality when beyond repair, including but not limited to offices, aircraft ramp, parking lots and fuel facility. Lessee warrants, represents and agrees that Lessee shall restore, rehabilitate, or replace all Improvements that may be destroyed or damaged by fire, casualty, or any other cause whatsoever. City will not be obligated to perform any maintenance or make any repairs or replacements of any kind, nature or description, to the Premises or Improvements.

Lessee shall, at its sole cost and expense, take such measures as may be necessary to keep the Premises policed, secure, and in good repair. City will have no obligation or responsibility to keep the Premises policed, secure, or in good repair. Lessee warrants, covenants and agrees, without cost or expense to City during the term hereof, to perform the following:

A. <u>Good Condition</u>. Keep all Improvements in good and safe order and condition. Lessee shall keep all trade fixtures and equipment on the Premises in good and safe condition, order and

repair at all times; all trade fixtures and equipment that become damaged so as not to present a good appearance or that become incapable of being kept in good and safe working order must be removed and, if applicable, replaced by Lessee, at its sole cost and expense, on a timely basis. All maintenance, repair and replacement of trade fixtures and equipment will be at Lessee's sole cost and expense.

- B. <u>Obstruction Lights</u>. Provide and maintain obstruction lights and all similar equipment or devices now or at any time required by any applicable law, rule, regulation or ordinance, or any municipal, state or federal regulation.
- C. <u>Housekeeping of Premises</u>. Provide for complete, proper and adequate sanitary handling and disposal, away from the Airport, of all trash, garbage and other refuse caused as a result of its operations.
- D. <u>Maintenance of Buildings and Structures</u>. Maintain all buildings and structures on the Premises to prevent exterior or interior damage from water or other elements. This requirement includes immediate replacement of broken windows, doors and locks with like materials.
- E. <u>Care of Premises and Streets</u>. Keep all papers and debris picked up from the Premises and sweep the pavements thereon as often as necessary to keep clean. Keep all grass mowed, and shrubbery and other plantings pruned, trimmed and maintained to high standards. Provide for essential street, walkways, and pavement maintenance within the Premises and, in addition, provide for snow and ice removal within the Premises to allow, at a minimum, emergency or fire protection access.
- F. <u>Drainage Facilities</u>. Lessee shall comply with the Airport's Storm Water Detention Design Criteria and Guidelines dated December 1986 as revised from time to tome as well as all applicable Metropolitan Sewer District ("MSD") and FAA requirements for stormwater retention, as well as any and all applicable Environmental Laws, Environmental Permits, or federal, state, and municipal regulations and applicable permits. Lessee shall establish a system of periodic inspection, cleaning and maintenance to keep watercourses, catch basins and other drainage structures on the Premises functioning at full design capacity. Inspection, cleaning and maintenance intervals will be established by the Director with reports to be submitted within thirty-days (30) of completion of each inspection, cleaning and maintenance. Lessee shall see that special care is taken to pile removed snow in a location that will permit the water generated by the melting of such snow piles to flow into the drainage system of the Premises.
- G. Environmental Responsibilities. Lessee has the sole obligation to make such reports or notifications to governmental authorities as may be required by law, rule, regulation or ordinance in the event of a Release or Discharge of a Hazardous Substance, Extremely Hazardous Substance, Oil Product or Hazardous Materials from the Premises, in the event of which Lessee shall also immediately inform the Director in writing of such Release or Discharge. Upon discovery by Lessee, Lessee shall immediately notify the Director in writing of any non-permitted Release or Discharge of Oil, including but not limited to any aviation fuel, if there is a reasonable possibility that the Release or Discharge would move

off-site or affect Coldwater Creek or other navigable waters of the State of Missouri or the United States of America. Lessee will be solely responsible for any follow-up reports, notifications, corrective action or remediation required as a result of any spill, Release, or Discharge described above. Lessee shall immediately provide copies of any reports, notifications, correspondence, or cleanup verification to the Director (see Section 702 entitled "Duty to Notify City").

- H. <u>Stormwater Pollution Prevention Plan ("SWPPP")</u>. Lessee covenants, stipulates, and agrees that the Lessee shall comply with the Airport's National Pollutant Discharge Elimination System ("NPDES") Permit in regard to its activities within the Premises or at the Airport. Lessee shall submit its SWPPP to the Airport Environmental Office within thirty (30) calendar days of the City's written request for the City's review and possible comments.
- I. Spill Prevention Control and Countermeasures Plan ("SPCC"). Lessee covenants, stipulates and agrees that the Lessee shall comply with all applicable Environmental Laws pertaining to the proper storage of any Hazardous Materials including, without imitation oil or petroleum based products within the Premises. Lessee shall submit its SPCC to the Airport Environmental Office within thirty (30) calendar days of the City's written request for the City's review and possible comments. If requested, the SPCC must provide information concerning the proper storage and use of any Hazardous Materials on the Premises.
- J. <u>Hazardous and Solid Waste Management Covenants.</u> Lessee covenants, stipulates and agrees that the Lessee will timely and promptly provide the City with copies of non-privileged documents and materials Lessee has prepared pursuant to any applicable Environmental Laws or Environmental Permits, or submitted to any governmental agency, which document and materials relate to Hazardous and Solid Waste Management or related environmental issues and which pertain to the Premises and which would be discoverable in litigation (see Section 702, 704 and 706). Lessee covenants, stipulates and agrees that in regard to Lessee's activities within the Premises or the use of the Premises, Lessee will not generate or use any fill materials, spoils, clean fill or other materials without first obtaining the City's written approval.

Section 404. <u>Right to Enter and Inspect</u>. City and its authorized officers, employees, contractors, subcontractors, agents and other representatives will have the right (at such times as *may* be reasonable under the circumstances, with as little interruption of Lessee's operations as is reasonably practicable) to enter upon and in the Premises for the following purposes:

- A. To inspect such Premises to determine whether Lessee has complied and is complying with the terms, covenants and conditions of this Agreement.
- B. To make inspections, perform tests, reports, surveys, environmental inspections, perform environmental remediation, studies and assessments. City shall make any inspections, testings, reports, surveys, environmental inspections, studies and assessments in a reasonable manner so as to minimize the interference with the conduct of Lessee's business at the Premises.

C. To perform any work therein that may be necessary by reason of Lessee's failure to make any repairs or perform any work or maintenance required of Lessee under this Agreement; provided, however, that except in cases of emergency, City shall give Lessee notice of such failure, and shall not perform such work unless Lessee has failed to do so within thirty (30) days after receipt of such notice (unless such work is not reasonably capable of being performed within 30 days, the Lessee shall have as much time as it reasonably takes provided Lessee is acting in good faith and diligently pursuing). Lessee shall pay all reasonable costs and expenses related to such work plus a charge of fifteen percent (15%) for overhead to City immediately upon demand thereof. Nothing herein will imply any duty on the part of City to perform such inspections, make any repairs or perform any work on the Premises, and the performance thereof by City will not constitute a waiver of Lessee's default in failing to make any repairs or performing any work required of Lessee under this Agreement. City will not in any event be liable for cessation of revenues, inconvenience, annoyance, disturbance, loss of profits or any other damage or loss whatsoever to Lessee or any other party by reason of making such repairs or performing such work or maintenance on the Premises or on account of bringing materials, supplies and equipment onto or through the Premises during the course thereof, and the obligations and duties of Lessee under this Agreement will not thereby be waived or affected in any manner whatsoever. City shall, however, make any such repairs or conduct any such work under this Section in a reasonable manner so as to minimize any interference with the conduct of Lessee's business at the Premises.

Section 405. <u>Utilities</u>. Lessee shall provide for and pay for all utilities used on the Premises.

Section 406. <u>Interference to Air Navigation</u>. Lessee warrants, represents and agrees that no obstruction to air navigation, as such are defined from time to time by application of the criteria of FAR Part 77 or subsequent and additional regulations of the Federal Aviation Administration ("FAA"), will be constructed or permitted to remain on the Premises. Lessee warrants, represents and agrees that it will immediately remove any obstructions at its expense. Lessee warrants, represents and agrees not to increase the height of any structure or objects or permit the growth of plantings of any kind or nature whatsoever that would interfere with the line of sight of the control tower and its operations. Lessee further warrants, represents and agrees not to install any structures, objects, machinery or equipment that would interfere with operation of navigation aids or that would interfere with the safe and efficient operations of the Airport, or interfere with the operations of other tenants and users of the Airport.

#### ARTICLE V

#### **RENT AND FEES**

Section 501. <u>General</u>. Lessee, for and in consideration of the rights and privileges granted herein, agrees to promptly and timely pay the Rents set forth in this Agreement, without demand during the term of this Agreement.

Section 502. <u>Rent Payment</u>. Lessee will pay in advance to City the following monthly rental rates:

#### Hangar/Office Building Space:

89,971 square feet x \$5.86 per sq. ft. =  $$527,230.06/\text{annual} \div 12 = $43,935.84/\text{month}$ .

#### Aircraft Ramp Space:

50,000 square feet x \$0.33 per sq. ft. = \$16,500/annual  $\div$  12 = \$1,375.00/month.

#### Automobile Parking Space:

14,580 square feet (90 parking spaces) x \$0.33 per sq. ft. = 4,811.40/annual  $\div$  12 = 400.95/month

Total monthly rental = \$45,711.79 per month. All payments must be paid on or before the first day of each month of the Term of this Agreement.

Section 503. <u>Unpaid Rent and Fees</u>. All unpaid rent and fee payments due City hereunder will bear a service charge of one and one-half percent (1½%) per month if same is not paid and received by City on or before the 30th of the month in which said payments are due, and Lessee agrees that it shall pay and discharge all costs and expenses including attorneys' fees, court costs and expenses incurred or expended by City in collection of said delinquent amounts due including service charges.

Section 504. <u>Notice</u>. <u>Place and Manner of Payments</u>. Payments must be made at the Office of Director at the address as set forth in Section 1101 below, or at such other place or by whatever payment method the City may determine as City may hereafter notify Lessee and must be made in legal tender of the United States.

Section 505. <u>Additional Fees Charges and Rents</u>. Lessee shall pay additional fees, charges and rents under the following conditions:

A. If City has paid any sum or sums or has incurred any obligation or expense for which Lessee has agreed in writing to pay or reimburse City, or

B. If City is required or elects to pay any sum or sums or incurs any obligations or expense because of the failure, neglect or refusal of Lessee to perform or fulfill any of the terms, covenants, warranties or conditions of this Agreement and City has provided Lessee with thirty (30) days written notification of such failure, neglect or refusal.

Such payments include all interest, costs, damages and penalties in conjunction with such sums so paid or expenses so incurred and may be added to any installment of fees, charges and rent thereafter due hereunder. Each and every part of such payment will be recoverable by City in the same manner and with like remedies as if it were originally a part of the Agreement's basic fees, charges and rents, as set forth herein. For all purposes under this paragraph, and in any suit, action or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum or sums by City for any work done or material furnished at the Premises shall be prima facie evidence against Lessee that the amount of such payment was necessary and reasonable.

Section 506. <u>Prompt Payment of Taxes and Fees</u>. Lessee warrants, covenants and agrees to pay promptly all lawful general taxes, special assessments, excises, license fees, permit fees, and utility service charges of whatever nature, applicable to its operation at the Airport, and acquire and keep current all Federal, State, and municipal licenses required for the conduct of its business at and upon the Airport.

Section 507. <u>Changes to Sublessees</u>. Lessee warrants, covenants, and agrees that it shall charge fair, reasonable and non-discriminatory rents, and charges to its Sublessees for the use of the Premises, or portions thereof.

#### ARTICLE VI

#### CONSTRUCTION OR ALTERATION OF IMPROVEMENTS

#### Section 601. Construction or Modification by Lessee

- A. Except for Existing Environmental Conditions, Lessee takes the Premises "AS IS" and may, at its sole cost and expense, construct, refurbish or make Improvements on the Premises in accordance with plans and specifications prepared by Lessee (see Article VII entitled "Compliance with Environmental Laws"). However, any plans to refurbish, modify, demolish, remove, or improve the exterior or the interior of any building, structure, facility, or Improvement or make Improvements to the Premises must be prepared by the Lessee and submitted to the Director for approval as provided for in Section 601.B through 601.I. Additionally, any structural changes to and building, structure, facility, or Improvement or construction or alteration of an Improvement that requires permitting from St. Louis County, Missouri, or any municipality in which the Improvement is located must receive the prior written approval of the Director as provided for in Section 601.B through 601.I.
- B. Lessee covenants, stipulates, warrants and agrees that all such work that requires the Director's approval will be completed according to the "**Tenant Design Standards**", which are filed of record in the office of the Director. In addition, Lessee covenants, stipulates, warrants and agrees to the following:
  - Lessee shall submit a signed Tenant Construction or Alteration Application ("TCA") including proposed but complete construction drawings and specifications, as required by Section 601 Sub-Section C below to the Airport Properties Department.
  - Lessee shall promptly submit to the Airport Properties Department a building permit number from any and all municipalities, political jurisdictions and regulatory agencies following the TCA approval by the Airport Properties Department and prior to beginning any construction or modification by Lessee.
  - Lessee shall promptly submit the contractor's liability insurance certificates and the performance and payment bonds, required by Sub-Sections G and H of this Section 601 to the Airport Properties Department following the TCA approval by the Airport Properties Department and prior to beginning of any construction or modification by Lessee.

- Lessee shall submit to the Airport Properties Department a copy of an occupancy permit from any and all municipalities, political jurisdictions and regulatory agencies, as required by Sub-Section I of this Section 601 prior to occupancy.
- If an Environmental Impact Statement is created by Lessee with respect to a TCA, Lessee shall submit to the Airport Properties Department a copy of the Environmental Impact Statement from any and all municipalities, political jurisdictions and regulatory agencies not more than thirty (30) days following submission of the TCA.

C. TCA Review and Approval by City. Lessee covenants, warrants, represents, stipulates and agrees that Lessee shall timely submit as part of its TCA the detailed drawings, plans and specifications for improving, refurbishing, or modifying the Premises for the City's review and approval as provided for herein. Lessee acknowledges, understands and agrees that following receipt of the TCA, including detailed project documents, the City is required to forward a copy of such plans to Boeing for its comments in accordance with the Site Management and Redevelopment Agreement. The City will then proceed to perform on the Premises certain environmental sampling or testing and, if necessary, environmental assessments at the City's costs and may also proceed to perform the remediation of Existing Environmental Conditions at the City's cost, as provided for herein. The City shall obtain any required approvals related thereto, in accordance with Environmental Laws, the Site Management and Redevelopment Agreement, and the Soil Management Plan. Lessee covenants, warrants, stipulates, and agrees to cooperate in good faith with the City throughout this process. Lessee acknowledges, understands and agrees that the City's approval of any excavation, demolition, construction, alteration or refurbishment to the Premises may be subject to the City or the Lessee, as the case may be, completing the work described herein and complying with Environmental Laws, the provisions of the Site Management and Redevelopment Agreement, the Soil Management Plan, as well as other City applicable reviews and approvals. Lessee acknowledges and agrees that the City's approval of Lessee's TCA or plans, the City's pre-job sampling or testing including, if necessary, remediation of Existing Environmental Conditions by the City or the Lessee, as the case may be, and the City's obtaining of approvals in accordance with the Site Management and Redevelopment Agreement, the Soil Management Plan, and other approvals as required by Environmental Laws could require significant changes and delays to the Lessee's excavation, demolition, construction, alteration, or refurbishment schedule. Lessee acknowledges, stipulates, covenants and agrees that it shall take into consideration the City's approval process and remediation obligations hereunder when developing its demolition and construction schedules. Lessee acknowledges, stipulates, covenants, and agrees that Lessee's demolition and construction schedules may need to include a significant interval between demolition and site preparation or grading so that the City or the Lessee, as the case may be, may carry out the environmental remediation and mitigation work, if any. Lessee hereby releases and agrees for itself and its Sublessees and tenants that it will hold the City and its officers, employees, contractors, agents and representatives, harmless from any and all expenses, liability, or costs including, without limitation, loss of profits associated with any delay related to or arising out of the City's approval process or remediation obligations hereunder. In the event of an unexpectedly long delay resulting from the City's approval process or remediation obligations, the City will in good faith agree to extend the applicable time periods for the substantial completion of any remaining phase by extending the number of days that Lessee's performance was delayed as a result of such approval process or remediation.

D. <u>Conduct of Work Following Approval of TCA</u>. Lessee warrants, represents, stipulates and agrees the Lessee will begin work on proposed improvements only after it has received the written approval of its TCA from the Director. Lessee also understands and agrees that certain work elements described in the TCA may well require separate or additional approval from City before proceeding with the specific work element. As such, Lessee understands and agrees that ongoing coordination with City at all times is crucial.

#### E. Discovered Hazardous Materials.

1. Lessee shall give the City not less than twenty five (25) working days written notice prior to commencement of any work at the Premises involving excavation of soils so that the City may have a representative present at the work site during such excavation. In the event Hazardous Materials are encountered during any excavation, demolition, construction, modification, or refurbishment of the Premises, Lessee shall promptly notify the City, and a determination will be made by the City regarding whether the Hazardous Materials are an Existing Environmental Condition to be remediated by the City or the Lessee as the case may be. If Lessee reasonably disputes such determination, such dispute will be set forth in writing and submitted to the City; after which the matter will be addressed in good faith by the parties as quickly as reasonably possible. In the event the parties are unable to resolve any disagreement through good faith negotiations, the dispute will be promptly resolved by upper management of both If the Hazardous Materials constitute an Existing Environmental parties. Condition, the City shall investigate and, if necessary, the City or the Lessee, as the case may be, will remediate said Hazardous Materials, in accordance with applicable Environmental Laws and, if applicable, following the procedures in the Site Management and Redevelopment Agreement and the Soil Management Plan at the City's cost as provided for herein. Lessee and its Sublessees shall, in good faith but at no material direct cost, cooperate with the City in all respects to ensure that the City receives appropriate reimbursement from The Boeing Company ("Boeing"). Lessee and City do hereby acknowledge and agree that in most cases it will be more practical and efficient for the Lessee to perform the necessary remediation work, which must be agreed to in writing by the Lessee and the City. Such work will only be performed by Lessee or its designee subject to the prior written approval by the City of detailed work plans submitted by Lessee, and with ongoing consultation and cooperation with the City during the performance of the work. The City shall timely reimburse or pay to Lessee or its designee approved reimbursable costs related to the investigation and remediation work by Lessee or its designee that is requested by the City, in accordance with the provisions more fully described in Section 602.E.2 below. Whether performed by the City or by Lessee or its designee, such investigations, remediation, and required approvals may result in construction delays for the Lessee; Lessee for itself, its Sublessees and their tenants, hereby releases and agrees that it will hold the City and its officers, employees, contractors, representatives, and agents harmless from any expenses, liabilities, or costs what so ever including, without limitation, loss of profits associated with such delays.

- 2. Lessee shall use commercially reasonable efforts to cause all requests for reimbursement or disbursements of funds ("Request for Reimbursement") for authorized reimbursable costs incurred by the Lessee or its designee on behalf of the City pursuant to this Article VI including Section 602.E.1 above to be submitted to the City within ten (10) calendar days of payment of the charges by the Lessee or its designee; provided, however, Lessee will not waive its right to reimbursement if any request is not submitted within said ten (10) day period. So that the City can promptly seek reimbursement from Boeing pursuant to the Site Management and Redevelopment Agreement, each Request for Reimbursement must include the following: (a) adequate documentation and explanation supporting that the costs for which reimbursement are sought are authorized reimbursable costs in accordance with the terms of this Lease Agreement; (b) a detailed breakdown of the billing totaling the amount of the Request for Reimbursement; (c) copies of invoices, contracts, and such other proof of payment or documentation supporting the Lessee's Request for Reimbursement; and (d) such other documentation as may be reasonably requested in writing by the City to determine whether the costs are an authorized reimbursable cost in accordance with the terms of this Lease Agreement or necessary for the City to get reimbursed by Boeing. The City shall have sixty (60) calendar days from the date of its receipt of the Request for Reimbursement to process and pay the amount of the Request for Reimbursement. Should City reasonably dispute or object to any claimed reimbursable cost or any item or amount shown on any Request for Reimbursement or supporting documentation or explanation provided by the Lessee, or reasonably dispute or object to the adequacy of such supporting documentation and explanation, the City may withhold payment in part or in full; provided that the City shall, within that same sixty (60) calendar day period, timely pay the balance to which the City has no reasonable objection or dispute. If the City reasonably disputes or objects to a Request for Reimbursement or any cost item therein, such dispute or objection will be set forth in writing and submitted to the Lessee; after which the matter will be addressed in good faith by the parties as quickly as reasonably possible. In the event the parties are unable to resolve any disagreement through good faith negotiations, the dispute will be promptly resolved by upper management of both parties. The City's obligation to reimburse Lessee under this Article VI including Section 602.E is not contingent upon City's receipt of funds from Boeing under the Site Management and Redevelopment Agreement, the Soil Management Agreement or any other agreement.
- F. <u>Fencing</u>. Lessee shall provide and install appropriate fencing on the Premises as a part of the construction of any new improvements. All proposed fencing designs must be submitted to Director for review and approval. Lessee further agrees to provide any further fencing that may be required during the term hereof, by the Director, for the purposes of securing the Premises.
- G. <u>Contractor's Liability Insurance</u> In any construction contract appertaining to the Premises, Lessee shall require the contractor to cause City, its Board of Aldermen, Airport Commission and their respective officers, agents, and employees, to be insured against the risk of claims and demands, just and unjust, by third parties, with bodily injury limits of not less than \$10,000,000

as to any one person and \$10,000,000 as to any one occurrence, and with property damage limits of not less than \$10,000,000 as to any one occurrence to the extent such claims and liabilities arise out of the negligence of the contractor. Said insurance will be in a form agreeable to City, and Certificates showing proof of coverage will be delivered to the Director.

- H. Performance and Payment Bonds. In order to insure the faithful performance of all of the provisions of this Agreement and the payment of all laborers and material suppliers of projects requiring the City's Approval, Lessee shall require each of its contractors and supplier of construction materials to furnish a Performance Bond and a Payment Bond each in the amount of the contract in a form acceptable to the City. The Payment Bond must comply with the coverage requirements and conditions of Section 107.170 R.S.Mo., (2000, as amended). Copies of the Performance Bond and the Payment Bonds must be given to the City for approval before work begins. Any sum or sums derived from said Performance and Payment Bonds should be used for the completion of said construction and the payment of laborers and material suppliers, as the case may be.
- I. <u>Certificates of Completion</u>. Upon the completion of the Improvements hereunder, Lessee shall submit to Director a copy of its acceptance letter certifying completion, and a copy of any certificate or permit, which may be required by any federal, state or local government or agency in connection with the completion or occupancy thereof by Lessee. Lessee at its cost shall deliver to City duplicate copies of "as built" drawings of the new Improvements on the Premises within sixty-days (60) after the date on which Lessee has certified completion thereof.
- J. <u>Federal Aviation Administration Review</u>. Prior to commencement of any excavation on, demolition of, construction at, or alteration or refurbishment to the Premises, Lessee shall submit all preliminary plans, drawings, and specifications to the FAA for any review and approval that may be required, with a copy to the Airport Properties Department. The preliminary plans must show plot plans, the location and elevations of buildings and other structures, must indicate proposed exterior materials and finishes for all structures, and must include any additional information that may be requested or required by the FAA or the City.

Section 602. <u>Signs</u>. Lessee agrees that no signs or advertising display will be painted on or erected in any manner upon the Premises without the prior written approval of Director, and that such new signs shall conform to reasonable standards established by Director with respect to wording, type, size, design, color and location.

Section 603. <u>Title to Improvements</u>. Title to all Improvements constructed or made in or on the Premises by Lessee, including all modifications and refurbishments, that are not Removable Fixtures will vest in the City upon expiration or early termination of this Lease Agreement, unless otherwise expressly agreed to by the City in writing. It is understood and agreed that this Section 603 will not apply to Lessee's personal property or Removable Fixtures, the title to which will remain in Lessee and which Lessee will be entitled to remove promptly from the Premises upon the expiration or early termination of this Lease Agreement. Lessee agrees that if after sixty (60) days following the expiration or early termination of this Lease Agreement, the Lessee fails to timely remove its personal property and Removable Fixtures from the Premises, such personal property and Removable Fixtures will be deemed abandoned by Lessee, subject to any extension of time hereafter granted in writing by City to Lessee. In addition to whatever

other rights are available to the City, with prior notification of Lessee, the City may: (i) remove, sell or store Lessee's abandoned property at Lessee's expense, or (ii) take title to Lessee's abandoned property in lieu of removal on behalf of Lessee. If the City takes title to such property or otherwise disposes of the property, the City will be entitled to all proceeds of sale of such Lessee property as liquidated damages for its failure to timely remove its Removable Fixtures in accordance with the terms of this Lease Agreement.

Section 604. Mechanics' and Materialmen's Liens. Lessee covenants and agrees to use its best efforts to prevent or not permit any mechanic's or materialmen's or any other liens or encumbrances to be attached to or foreclosed upon the Premises or any part thereof, including, without limitation, any Improvements, by reason of any work or labor performed or materials furnished by any mechanic or materialman or for any other reason. If such lien or encumbrance is filed, Lessee shall, at its sole cost, take immediate steps to have the lien promptly removed, appropriately bonded or otherwise reasonably secured within sixty (60) days after notice from the City thereof.

# ARTICLE VII COMPLIANCE WITH ENVIRONMENTAL LAWS

Lessee warrants, stipulates, and covenants that in conducting any activities or business at the Airport, Lessee shall comply with any and all applicable Environmental Laws. Further, Lessee, on behalf of itself and its Sublessees, does hereby covenant, stipulate, represent, and warrant as follows:

## Section 701. Environmental Permits.

Lessee shall obtain and maintain any and all Environmental Permits required by applicable Environmental Laws to conduct the activities in which Lessee engages at the Airport.

Lessee shall comply with any requirement imposed by an Environmental Permit obtained by the City that is applicable to Lessee or Lessee's activities at the Airport including any plans, monitoring, recordkeeping or programs prepared in conformance with such Environmental Permits or Environmental Laws; provided, however that the City shall adequately notify Lessee in writing of such Environmental Permit and associated requirements, including all applicable deadlines for compliance.

The City and Lessee shall cooperate to ensure compliance with the terms and conditions of any Environmental Permit, Environmental Laws, and any associated requirements to insure safety and to minimize cost of compliance.

Section 702. <u>Duty to Notify City</u>. In the event of any release or threatened release of Hazardous Materials caused by Lessee, its employees, agents, Sublessees, tenants, suppliers, contractors, passengers, guests, or invitees, and which is required by applicable Environmental Laws, Environmental Permits, Rules and Regulations or any plans or programs prepared in response to Environmental Laws or Environmental Permits to be reported by Lessee or its Sublessees, whether as a result of negligent conduct or otherwise, at, on, under or about the Premises, or any portion thereof, or in the event any written claim, demand, complaint or action is made or taken against

Lessee or Sublessees that pertains to Lessee's or Sublessees' failure or alleged failure to comply with any Environmental Laws or Environmental Permits at the Airport or which pertains to the release of Hazardous Materials by Lessee at the Airport, Lessee shall notify the City as soon as reasonably practical of all known facts pertinent to such release, threatened release, claim, demand, complaint, action, or notice, and shall provide the City with copies of any and all such claims, demands, complaints, notices, or actions so made. If Lessee or any Sublessee is required, by any Environmental Laws, Environmental Permits, or governmental agency, to file any written notice or report of a release or threatened release of Hazardous Materials at, on, under or about the Airport, or any part thereof, Lessee shall simultaneously provide a copy of such notice or report to the City.

Section 703. Environmental Remediation. Lessee shall with all due diligence undertake all necessary steps to remedy and remove at its cost any Hazardous Material, or environmental condition or damage to the extent caused by, or resulting from, the activities, conduct or presence of Lessee or its Sublessee, or their agents, employees, contractors, consultants, independent contractors, licensees, invitees, patrons, guess or suppliers at, on or under the Premises or the Airport, (excluding any and all Existing Environmental Conditions) whether resulting from negligent conduct or otherwise ("Remediation Work"). Such Remediation Work must be performed at Lessee's expense and must be consistent with remediation standards established by or derived from the appropriate government agency responsible for enforcing Environmental Laws or Except in the event of an emergency, prior to performing such Environmental Permits. Remediation Work, Lessee will submit to the City a written plan for completing such Remediation Work and receive the approval of the City through Notice; provided, however, that the City will not unreasonable withhold or delay its approval. The City expressly reserves the right to review and approve any proposed: remedial investigations, remedial work plans, interim and final remedies, institutional controls, including environmental covenants, or other associated documents prior to submittal to the relevant governmental agencies responsible for enforcing Environmental Laws or Environmental Permits and prior to recording any instrument. Specific cleanup levels for any Remediation Work by Lessee will be designed to meet and satisfy the requirements of all applicable Environmental Laws and Environmental Permits and be consistent with the commercial use of the Airport, as determined by the governmental agency responsible for enforcing Environmental Laws or Environmental Permits or for establishing cleanup levels and must also be approved by the City. Neither an ongoing remediation, including any testing or monitoring, nor the use of institutional controls, will either unreasonably or materially impair or interfere with the City's use and enjoyment of its property or the Airport, or that of current and future users or tenants. The City will have the right to conduct a reasonable review and inspect all such Remediation Work at any time using consultants and representatives of its choice. Lessee's obligations hereunder survive the expiration or early termination of this Agreement.

Section 704. Access for Environmental Inspection. Upon reasonable written notification to Lessee, or without notice or accompaniment in case of emergency, the City will have reasonable access to the Premises to inspect the same in order to confirm that Lessee is using the Premises in accordance with all applicable Environmental Laws and Environmental Permits and in accordance with this Article VII. If the Lessee is not present to permit entry and entry is necessary, the City may, in case of emergency, forcibly enter the Premises without rendering the City liable therefore, except for any damage caused to Lessee's property as a result of such emergency entry or any costs, damages, or liabilities arising from the City's negligence or willful misconduct. Lessee shall cooperate fully with any such inspections provided that such inspections do not unreasonably

interfere with Lessee's operations. If the City's inspection results in any type of written report, the City shall provide Lessee a reasonable opportunity to timely review and comment on a draft of the report. Lessee shall provide to City for its review and comment copies of: any and all notices of alleged non-compliance issued by governmental agencies responsible for enforcing Environmental Laws or Environmental Permits; non-privileged draft official submittals (proposed final drafts) prepared by, or on behalf of, Lessee responding to such alleged non-compliance; and any and all consent orders or administrative determinations, whether preliminary or final, issued by such governmental agencies. The City agrees to maintain the confidentiality of the documents produced in accordance with this Section to the extent consistent with the City's legal obligations.

Section 705. Corrective Action by City. If Lessee or any Sublessee fails to comply with any applicable Environmental Laws or Environmental Permits governing its activities at the Airport, or if Lessee fails to conduct necessary Remediation Work in a timely manner as required under applicable Environmental Laws and Environmental Permits and this Article VII, the City, as may be required by applicable Environmental Laws and Environmental Permits, in addition to the rights and remedies described elsewhere herein and any other rights and remedies otherwise available to the City, may enter the Premises and take all reasonable and necessary actions to conduct Remediation Work to remove Hazardous Materials or other contaminants and insure such compliance with such Environmental Laws and Environmental Permits. All Remediation Costs incurred by the City must be paid or reimbursed by Lessee within thirty (30) days of the City's request in accordance with the provisions of this Section 705. Remediation Work, if necessary, must be performed in accordance with the provisions of this Article VII, but only after first having provided Notice to Lessee of such failure to comply, and 30 days within which Lessee may demonstrate why no such alleged failure is present, or to timely remedy such alleged failure that may be present. If Lessee's compliance reasonably requires more than 30 days to complete, the City may enter the Premises and take such reasonable and necessary measures to achieve compliance only upon Lessee's failing to timely begin curing such noncompliance within such 30 day period and to continue diligently working to achieve compliance thereafter.

Section 706. Review of Environmental Documents. At the reasonable written request of the City, Lessee shall make available for inspection and copying, at reasonable times, any and all non-privileged documents and materials Lessee has prepared pursuant to any applicable Environmental Laws or Environmental Permits, or submitted to any governmental agency, which documents and materials relate to environmental issues, Environmental Laws or Environmental Permits and which pertain to the Airport or the Premises, and which would be discoverable in litigation. In addition, Lessee shall make available to the City for its review and comments any non-privileged environmental management plans or environmental impact statements, studies, or reports including any supporting documents or materials pertaining to the Premises and prepared by Lessee pursuant to any applicable Environmental Laws or Environmental Permits at least thirty (30) days prior to submission to any governmental agency.

Section 707. <u>Cumulative Remedies</u>. All remedies of the City as provided herein with regard to environmental pollution, contamination, damage, or any actual or threatened violations of any Environmental Laws or Environmental Permits are deemed to be cumulative in nature and the City does hereby reserve any and all remedies that it may have at law and in equity. The City's right to indemnification as provided under this Section survives the expiration or early termination of this Agreement.

Section 708. <u>Pollution Control</u>. Lessee, at its cost, shall manage all its operations within the Premises in compliance with all applicable Environmental Laws, Environmental Permits, and with the best management practices outlined and delineated in the Airport's Storm Water Pollution Prevention Plan and Storm Water Management Plan for operations conducted on Airport property. Lessee, at no cost to the City, shall cause the use of all Hazardous Materials, including, without limitation, potential water pollutants such as deicing agents applied to pavement surfaces during adverse weather conditions (*e.g.*, snow, ice, freezing rain, etc.) to be properly managed so that storm water runoff from the Premises, at all times, meets or exceeds water quality standards required by applicable Environmental Permits or Environmental Laws.

#### Section 709. City Retained Liabilities.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THIS ARTICLE VII, LESSEE WILL HAVE NO LIABILITY FOR AND NO RESPONSIBILITY OR OBLIGATION TO CITY, ITS BOARD OF ALDERMEN, OR THE AIRPORT COMMISSION TO REMOVE, REMEDIATE. DECONTAMINATE, OR RESTORE ANY SOIL, GROUNDWATER, OR SURFACE WATER AFFECTED BY ANY HAZARDOUS MATERIALS WHICH (i) ARE OR WERE RELEASED, DISCHARGED, DISPOSED, OR SPILLED ON, IN, UNDER, ABOUT, AROUND, OR FROM THE PREMISES BY CITY, ITS OFFICERS, AGENTS, EMPLOYEES, CONSULTANTS, LESSEES, SUBLESSEES, LICENSEES, INDEPENDENT CONTRACTORS, GUESTS, PATRONS, TENANTS, AND INVITEES EXCLUDING THE LESSEE, AND ITS OFFICERS. EMPLOYEES, AGENTS, CONSULTANTS, LESSEES, SUBLESSEES, LICENSEES, INDEPENDENT CONTRACTORS, ASSIGNS, REPRESENTATIVES, GUESTS, PATRONS, AND INVITEES; (ii) MIGRATE OR MOVE OR MIGRATED OR MOVED ONTO, INTO, OR UNDER THE PREMISES FROM OTHER PROPERTY OWNED OR OPERATED BY CITY OR ANY OF ITS TENANTS (EXCLUDING LESSEE), OR ANOTHER THIRD-PARTY NOT AFFILIATED WITH LESSEE; OR (iii) WERE PRESENT PRIOR TO THE EFFECTIVE DATE OF THIS LEASE AND ANY PREVIOUS LEASE AGREEMENT BETWEEN LESSEE AND CITY INVOLVING THE PREMISES OR A PORTION THEREOF, (COLLECTIVELY, "EXISTING ENVIRONMENTAL CONDITIONS"). NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS LEASE AGREEMENT, THE LESSEE ACKNOWLEDGES, STIPULATES, UNDERSTANDS, AND AGREES THAT THE TERM "EXISTING ENVIRONMENTAL CONDITIONS" AS USED IN THIS LEASE AGREEMENT INCLUDING, WITHOUT LIMITATION, THIS SECTION 709 OF THIS LEASE AGREEMENT WILL NOT APPLY TO HAZARDOUS MATERIALS LOCATED IN, ON. WITHIN, OR AS A PART OF ANY IMPROVEMENT WITHIN THE PREMISES AND THAT THE CITY, ITS BOARD OF ALDERMEN, AND THE AIRPORT COMMISSION WILL HAVE NO LIABILITY OR RESPONSIBILITY OF ANY KIND WHATSOEVER FOR ANY COSTS ASSOCIATED WITH REMEDIATING OR ADDRESSING HAZARDOUS MATERIALS AS PART OF THE MAINTENANCE, DEMOLITION, RENOVATION, OR DISPOSAL OF ANY IMPROVEMENTS WITHIN OR ON THE PREMISES, OR ANY PART THEREOF, OR THE MAINTENANCE, REMOVAL, ABATEMENT, MITIGATION OR REMEDIATION OF HAZARDOUS MATERIALS LOCATED IN, ON, WITHIN, OR AS A PART OF ANY SUCH IMPROVEMENTS, AND THAT ALL SUCH COSTS, LIABILITY OR EXPENSE, INCLUDING ANY COSTS TO COMPLY WITH ENVIRONMENTAL LAWS, WILL BE THE RESPONSIBILITY AND OBLIGATION OF LESSEE.

Section 710. <u>Environmental Covenants</u>. Lessee will not object to and, if requested by the City, will subordinate any rights it has under this Agreement to an environmental covenant or environmental land use restriction which (i) restricts the use of groundwater underlying the Premises; (ii) limits the use of the Premises to nonresidential uses; (iii) restricts access to soil underlying the Premises; or (iv) other reasonable environmental land use restriction.

Section 711. <u>Dust Control</u>. Lessee covenants, stipulates, and agrees that the Lessee shall take appropriate dust control measures in accordance with Environmental Laws and Environmental Permits in regard to its activities within the Premises or at the Airport.

#### ARTICLE VIII

#### INSURANCE AND INDEMNIFICATION

Section 801. <u>Liability Insurance</u>. Lessee shall obtain, at its sole expense and maintain at all times during the term of this Agreement, liability insurance, **on an occurrence basis**, against the risk of all claims and demands by third persons for bodily injury (including wrongful death) and property damage arising or alleged to arise out of the activities of Lessee, its officers, agents, employees, consultants, contractors, licensees, independent contractors and invitees pursuant to this Agreement under the following types of coverage:

- A. Comprehensive General Liability \$5,000,000 Combined Single Limit;
- B. Comprehensive Automobile Liability (any vehicles, including hired and non-owned vehicles)-\$5,000,000 Combined Single Limit.

The above referenced insurance must provide, and be so stated on the evidence of insurance, for any claims that may arise from Lessee's operation of an automobile within the Aircraft Operating Area (including but not limited to runways, taxiways, and all ramp areas).

The minimum limits of coverage for the above classes of insurance must equal a combined single limit as shown above or be comprised of such primary and excess policies of insurance as Lessee finds it feasible to purchase during the term of this Agreement. Insofar as said insurance provides protection against liability for damages to a third party for bodily injury, death and property damage, City and its Board of Aldermen, Airport Commission, officers, employees and agents must, by endorsement, be named as "Additional Insured" excluding claims to the extent resulting from the sole negligence or willful misconduct of the City. Such liability insurance coverage must also extend to damage, destruction and injury to City owned or leased property and City personnel, and caused by or resulting from work, acts, operations, or omissions of Lessee, its officers, agents, employees, consultants, contractors, licensees, independent contractors, and invitees. In addition, such insurance must include contractual liability insurance sufficient to cover Lessee's indemnity obligation hereunder. City, its officers, employees and agents will have no liability for any premiums charged for such coverage, and the inclusion of City, and its Board of Alderman, Airport Commission, officers, employees and agents as Additional Insured is not intended to, and does not, make City, its officers, employees and agents a partner or joint venture partner with Lessee in its operations hereunder.

Section 802. Property Insurance. Lessee shall, at all times during the Term of this Agreement, and at Lessee's sole expense, keep all Improvements (exclusive of Lessee's trade fixtures and equipment) which are existing or may be hereafter erected on the Premises insured against loss, damage or destruction by fire, lightning, or other casualty and vandalism hazards except perils of earthquake and flood for one hundred percent (100%) of the full replacement value of such Improvements, with loss payable to Lessee and to City as their interests may appear. Any loss adjustment must require the written consent of both Lessee and City. City must be included as a loss payee as City's interest may appear under any form of commercial property insurance. Such property insurance must include loss of use coverage. Insofar as said insurance provides protection against liability for damages to a third party for bodily injury, death and property damage, City and its Board of Aldermen, Airport Commission, officers, agents and employees must, by endorsement, be named as "Additional Insured" excluding claims to the extent resulting from the negligence or willful misconduct of the City. Such property insurance coverage must also extend to damage, destruction and injury to City- owned or leased property and City personnel, and caused by or resulting from work, acts, operations, or omissions of Lessee, its officers, employees, agents, consultants, contractors, licensees, independent contractors, and invitees and contractual liability. City, its officers, employees and agents will have no liability for any premiums charged for such coverage, and the inclusion of City, and its Board of Alderman, Airport Commission, officers, employees and agents as Additional Insured is not intended to, and does not, make City, its officers, employees and agents a partner or joint venture partner with Lessee in its operations hereunder.

Section 803. <u>Workers' Compensation</u>. Lessee shall obtain, at its sole expense and at all times during the term of this Agreement for its employees working on Airport Premises Workers' Compensation insurance coverage at least at the statutory limits applicable to Lessee's operations in the State of Missouri.

Section 804. Waiver of Subrogation. Lessee, on behalf of itself and its insurers, hereby waives any claim or right of recovery from City, its Board of Aldermen, Airport Commission, officers, employees and agents for loss or damage to Lessee or its property or the property of others under Lessee's control, to the extent that such loss is covered by valid insurance policies or could be covered by an "All Risk" physical damage property insurance policy. Lessee shall provide notice of this waiver of subrogation to its insurers. Each insurance policy must contain an endorsement by which the issuer waives any claim or right in the nature of subrogation to recover against the City, its officers, agents, or employees, and Lessee agrees to provide the City with a copy of said endorsement.

Section 805. Evidence of Insurance. Certificates, or other evidence of insurance coverage and special endorsements required of Lessee in this Article VIII, must be delivered to Director not less than fifteen-days (15) prior to the commencement of the Term hereof or the date when Lessee enters into possession, whichever occurs later. At least fifteen-days (15) prior to the expiration of any such policy, Lessee shall submit to Director a certificate, and the accompanying endorsement, showing that such insurance coverage has been renewed. If such coverage is canceled or reduced, Lessee shall within fifteen-days (15) after the date of such written notice from the insurer of such cancellation or reduction in coverage, file with Director a certificate, and the accompanying endorsement, showing that the required insurance has been reinstated or provided through another insurance company or companies. Each policy of

insurance must provide that the policy may not be materially changed, altered (in a manner that would adversely affect the coverage available to the City or other additional insures hereunder) or canceled by the insurer during its term without first giving thirty (30) days written notice to Director. Each such insurance policy must also provide primary coverage to City when any policy issued to City provides duplicate or similar coverage and in such circumstances, City's policy will be excess over Lessee policy. Lessee and City understand and agree that the minimum limits of the liability insurance herein required may become inadequate, and Lessee agrees that it will increase such minimum limits upon receipt of reasonable notice in writing from Director. Such notices to change will, be issued with no more frequency than once every other year of this Agreement's term; however, said change in liability coverage required must be reasonable in light of insurance requirements for similar tenants in similar premises at United States airports. City shall provide Lessee with such written notice and Lessee shall comply within sixty-days (60) without any adjustment to the rent payment and fees set forth in this Agreement.

#### Section 806. Indemnification

A. General Indemnity: Lessee shall protect, defend, and hold St. Louis County, City, its Board of Aldermen, Airport Commission, officers, agents and employees completely harmless from and against all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including but not limited to attorney's fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this Agreement or the use or occupancy of the Premises or the acts or omissions of Lessee's officers, employees, agents, consultants, contractors, subcontractors, licensees, independent contractors, guests, patrons or invitees regardless of where the injury, death, or damage may occur, unless and to the extent such injury, death or damage is caused by the negligence of City. Director or his/her designee shall give to Lessee reasonable notice of any such claims or actions. Lessee shall also use counsel reasonably acceptable to the City Counselor of City or his/her designee, after consultation with Director or his/her designee in carrying out its obligations hereunder.

B. Environmental Indemnity: Lessee shall protect, indemnify, defend, and hold harmless St. Louis County, City and its Board of Aldermen and the Airport Commission and its officers, agents and employees against any lawsuits, administrative proceedings, claims, or administrative or judicial orders for any liability, cost, expenditure, injury, damage, penalty, or fine arising from or relating to Lessee's and its officers, agents, employees, consultants, contractors, subcontractors, licensees, independent contractors, guests, patrons or invitees use, manufacture, generation, production, treatment, storage, transportation, disposal, Discharge, Release, or spilling, into or onto the air, water, soil, sewer system, or similar media of any Hazardous Substance, Extremely Hazardous Substance, Hazardous Waste, Solid Waste, Oil, petroleum product or derivative, Pollutant, Toxic Pollutant, toxic substance, Hazardous Materials, or other chemical substance or material subject to federal, state, or local regulation, whether accidental or intentional, which occurs on or from the Premises during the term of this Agreement. Lessee's obligations and liabilities under this paragraph will continue so long as Lessee or City bears any liability or responsibility under any federal, state or local Environmental Laws, or other law, for any action or omission, and the consequences thereof that occurred on or about the Premises during the term of this Agreement. This indemnification of City by Lessee includes, without

limitation, all costs and expenses related to the sampling, testing, investigation, clean up, removal, remediation, decontamination, or restoration of the Premises and other affected areas, including, but not limited to, air, land, soil, or underground or surface water, as required by any federal, state, or local law, regulation, or ordinance, whether prompted by governmental action or private action, and also includes the costs of legal representation in connection with such sampling, testing, investigation, cleanup, removal, remediation, decontamination, or restoration of the Premises and other affected areas. Director or his/her designee shall give to Lessee reasonable notice of any such claims or actions. Lessee shall also use counsel reasonably acceptable to the City Counselor of City or his/her designee, after consultation with Director or his/her designee in carrying out its obligations hereunder.

C. AOA Indemnity. Lessee agrees that if a prohibited incursion into the AOA occurs; or if the safety or security of the AOA, the Field and Runway Area, or other sterile area safety or security is breached by or due to the negligence or willful act or omission of any of Lessee's employees, agents, representatives, contractors, subcontractors, consultants, licensees, independent contractors. invitees, visitors, guests, patrons or Permittees and such incursion or breach results in a civil penalty action being brought against City by the U.S. Government, or if any other action or inaction by Lessee, its employees, agents, contractors, subcontractors, consultants, licensees, independent contractors, invitees, visitors, guests, patrons or Permittees results in a civil penalty action being brought against City by the U.S. Government, Lessee will reimburse City for all expenses, including attorney fees and litigation expenses, incurred by City in defending against the civil penalty action and for any civil penalty or settlement amount paid by City as result of such action or inaction, incursion or breach. City shall notify Lessee of any allegation, investigation, or proposed or actual civil penalty sought by the U.S. Government related to action or inaction of Lessee. Civil penalties and settlements and associated expenses reimbursable under this paragraph include but are not limited to those paid or incurred as a result of violation of FAR Part 107, Airport Security (or any regulation of the Transportation Security Administration that may supersede FAR Part 107), TSA 1220, FAR Part 108, Airplane Operator Security, or FAR Part 139, Certification and Operations: Land Airports Serving Certain Air Carriers. Lessee shall within thirty-days (30) of notification by City reimburse City for such fines and penalties.

D. <u>Expiration</u>. The provision of this Article VIII survive the expiration or early termination of this Agreement.

Section 807. <u>Adjustment of Claims</u>. Lessee shall provide for the prompt and efficient handling of all claims for bodily injury, property damage or theft arising out of the activities of Lessee under this Agreement.

Section 808. Occupancy of Premises. Lessee warrants, represents and agrees that it will not knowingly permit any act of omission or commission or condition to exist on the Premises, which would increase the premium rate of insurance thereon or invalidate any such insurance.

ARTICLE IX

ASSIGNMENT AND SUBLETTING

Section 901. Assignment and Subletting. Lessee shall not assign or transfer this Agreement. Lessee may sublet the Premises with the prior written approval of the Director. At least thirty (30) days prior to any contemplated sublease of any of the Premises, Lessee must submit in writing a request to the Director. This request must include a copy of the proposed sublease. Any sublease for space or granting of rights hereunder will be subject to the review and prior written approval of the Director. Such sublease must require at a minimum: 1) strict compliance with all provisions of this Agreement; 2) a provision that the sublessee will use the Premises solely for the purposes identified in this Agreement; and 3) a provision that the term of the sublease will expire immediately at the expiration or early termination of this Agreement. Lessee be responsible for the performance of its sublessees and shall initiate and take all corrective action should a sublessee fail to comply strictly with its contract with the Lessee or any provision of this Agreement.

#### ARTICLE X

#### TERMINATION OF AGREEMENT IN ENTIRETY BY REASON OF DEFAULT

Section 1001. <u>City's Right to Terminate</u>. City, acting by and through its Director, may declare this Agreement terminated in its entirety, in the manner provided in Section 1003 hereof, upon the happening of any one or more of the following events:

- A. If the fees, charges, or other money payments which Lessee herein agrees to pay, or any part thereof, remain unpaid after the date the same shall become due.
- B. If, during the term of this Agreement, Lessee:
- 1. Applies for, or consents to the appointment of a receiver, trustee, or liquidator of all or a substantial part of its assets;
- 2. Files a voluntary petition in bankruptcy, or admits in writing its inability to pay its debts as they come due.
- 3. Makes a general assignment for the benefit of creditors.
- 4. Files a petition or an answer seeking reorganization or arrangement with creditors or to take advantage of an insolvency law.
- 5. Files an answer admitting the material allegations of a petition filed against any said assignee, lessee, or sublessee in any bankruptcy, reorganization or insolvency proceedings; or if during the term of this Agreement an order, judgment or decree is entered by any court of competent jurisdiction, or the application of a creditor, adjudicating Lessee as bankrupt or insolvent, or approving a petition seeking a reorganization of Lessee, and such order, judgment or decree continues unstayed and in effect for any period of ninety (90) consecutive days.
- C. If Lessee has materially failed in the performance of any term, covenant or condition herein required to be performed by Lessee.

On the date set forth in the notice of termination, the term of this Agreement and all right, title and interest of Lessee will expire, except as otherwise provided in Section 1003 hereof.

Failure of City to take any authorized action upon default by Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by Lessee will not be construed to be or act as a waiver of default or in any subsequent default of any of the terms, covenants and conditions herein contained to be performed, kept and observed by Lessee. The acceptance of monies by City from Lessee for any period or periods after a default by Lessee of any of the terms, covenants and conditions herein required to be performed, kept and observed by Lessee will not be deemed a waiver or release of any right on the part of City to terminate this Agreement for failure by Lessee to so perform, keep or observe any of said terms, covenants or conditions.

Section 1002. <u>Lessee's Right to Terminate</u>. Lessee, at its option, may declare this Agreement terminated in its entirety, in the manner provided in Section 1003 hereof for the following causes:

A. If a court of competent jurisdiction issues an injunction or restraining order against City preventing or restraining the use of the Airport for Airport purposes in its entirety or substantial entirety.

B. If City has abandoned the Airport for a period of at least ninety-days (90) and has failed to operate and maintain the Airport in such manner as to permit landings and takeoffs of airplanes.

C. In the event of destruction of all or a material portion of the Airport or the Airport facilities, or in the event that any agency or instrumentality of the U.S. Government or any state or local government occupies the Airport or a substantial part thereof, or in the event of military mobilization or public emergency wherein there is a curtailment, either by executive decree or legislative action, of normal civilian traffic at the Airport or of the use of motor vehicles or airplanes by the general public, and any of said events result in material interference with Lessee's normal business operations or substantial diminution of Lessee's gross revenue from the operation at the Airport, continuing for a period in excess of one hundred and eighty days (180).

D. If City has materially failed in the performance of any term, covenant or condition herein required to be performed by City.

Section 1003. Procedures for Termination. No termination declared by either party will be effective unless and until not less than sixty days (60) have elapsed after notice by either party to the other specifying the date upon which such termination will take effect, and the cause for which this Agreement is being terminated and no such termination will be effective if such cause of default is cured within said sixty days (60) period, or if by its nature cannot be cured within such sixty days (60) period, and if the party at default commences to diligently correct such default within said sixty days (60) and corrects the same as promptly as is reasonably practicable. In the event that suit is instituted by City upon the default of payment of rents, charges and fees as provided herein, then Lessee agrees also to pay a reasonable attorney fees, court costs and expenses.

Section 1004. <u>Rights Cumulative</u>. It is understood and agreed that the rights and remedies of City and Lessee specified in this Agreement are not intended to be, and are not exclusive of one another or exclusive of any common law right of either of the parties hereto.

#### ARTICLE XI

#### MISCELLANEOUS PROVISIONS

Section 1101. Notice. Except as herein otherwise expressly provided, all notices required to be given to City hereunder must be in writing and must be delivered personally, or sent by United States registered or certified mail, return receipt requested, postage prepaid, or be sent by telex, telegram, telecopy, fax or other similar form of rapid transmission confirmed by the mailing (by first class or express mail, postage prepaid) written confirmation at substantially the same time as such rapid transmission; and, must be addressed to the parties at the respective addresses set forth below. A party may change its address for receipt of notice by service of notice of such change in accordance herewith. Notice will be deemed received at the earlier of actual receipt or three (3) calendar days after being sent in the manner provided for above.

#### If to the City:

Director of Airports, Lambert-St. Louis International Airport P.O. Box 10212, Lambert Station 10701 Lambert International Blvd. St. Louis, MO 63145

with a copy to the Deputy Director of Airports and the Airport Properties Manager at the same address.

#### If to the Lessee:

Mr. Rick Leach CEO Trans States Airlines LLC. 11495 Navaid Road, Suite 340 Bridgeton, MO 63044

Section 1102. Environmental Notice. Lessee shall promptly notify the Director or his/her designee in writing of (1) any change in the nature of Lessee's operation on the Premises that will materially change Lessee's or City's potential obligations or liabilities under the Environmental Laws; or (2) the commencement by any governmental entity of a formal administrative proceeding before an administrative law judge or a civil or criminal action before a judicial tribunal alleging a violation of Environmental Law in connection with Lessee's operations on the Premises.

#### Section 1103. Condemnation

A. Total Take - If the whole of the Premises or Lessee's improvements should be taken by the exercise of the power of eminent domain by any public entity including City, then in such case this Agreement will terminate as of the date of vesting of title in the condemning authority.

- B. Partial Take If less than the whole of the Premises or Lessee's improvements should be taken by the exercise of the power of eminent domain by any public entity including City, then this Agreement will terminate only as to that portion of the Premises so taken as of the date of the vesting in the condemning authority of title to such portion, but this Agreement will remain in full force and effect with respect to that portion of the Premises not so taken, provided that the Director and the Lessee, after good faith discussions, determine that the remainder of the Premises may be feasibly used for the purposes contemplated by this Agreement. After a partial condemnation of the Premises, the rent for the Premises will be adjusted by multiplying the remaining square footage of the Premises by the per square foot rental rate(s) then in effect under this Agreement.
- C. Possession by Lessee Notwithstanding any termination of this Agreement in whole or in part under Paragraphs A and B of this Section, Lessee may remain in possession of each portion of the Premises as will be so taken at the rent herein provided, until the condemning authority requires Lessee to surrender such possession. Any rent or charge in the nature of rent which Lessee is required to pay to the condemning authority in consideration of such remaining in possession must be paid by Lessee and will reduce pro rata the obligation of Lessee to payment hereunder.
- D. Whether all or a portion of the Premises should be taken in a condemnation proceeding, Lessee will be entitled to receive from the City that portion of the condemnation award allocable to the value of Lessee's Improvements on the Premises as well as the value of Lessee's leasehold interest in the Premises.

#### Section 1104. Non-Discrimination and Affirmative Action Program

A. Lessee hereto understands and agrees that City in operation and use of the Airport will not on the grounds of race, creed, color, religion, sex, age, disability, national origin or ancestry, discriminate or permit discrimination against any person or group of persons in a manner prohibited by Part 21 of the Federal Aviation Regulations of the Office of the Secretary of Transportation. Lessee hereby agrees that its Premises will be posted to such effect as required by such regulation.

B. Lessee agrees that in performing under this Agreement, neither Lessee nor anyone under Lessee's control will permit discrimination against any employee, worker or applicant for employment because of race, creed, color, religion, sex, age, disability, national origin, or ancestry. Lessee will take affirmative action to insure that applicants are employed and that employees are treated fairly without regard to race, creed, color, religion, sex, age, disability, national origin or ancestry. Such action must include, but will not be limited to action to bar, employ, upgrade or recruit; expel, discharge, demote or transfer; layoff, terminate or create

intolerable working conditions, rates of pay or other forms of compensation and selection for training including apprenticeship.

- C. Lessee will in all printed or circulated solicitations or other advertisement or publication for employees placed by or on behalf of Lessee state that all qualified applicants will receive meaningful consideration for employment without regard to race, creed, color, religion, sex, age, disability, national origin or ancestry. All advertisements or solicitations for applicants for employment must contain the phrase "An Equal Opportunity Employer." Lessee shall not make inquiry in connection with prospective employment, which expresses directly or indirectly any limitation, specification, or discrimination because of race, creed, color, religion, sex, age, disability, national origin, or ancestry.
- D. Lessee agrees that should it be determined by Lessee or City that Lessee will be unable to conform to its approved positive employment program submitted to determine eligibility under the fair employment practices provisions of the City Code, Lessee will notify the Fair Employment Practices Division of the Civil Rights Enforcement Agency (CREA) within ten (10) days of such determination, as to the steps to be taken by Lessee to achieve the provisions of its program.
- E. Lessee will permit reasonable access by City to such persons, reports and records as are necessary for the purpose of ascertaining compliance with fair employment practices.
- F. Lessee further agrees that these clauses (B through E) covering discrimination and equal opportunity practices in all matters of employment and training for employment will be incorporated by Lessee in all contracts or agreements Lessee enters into with suppliers of materials or services, contractors and subcontractors, and all labor organizations, furnishing skilled, unskilled and craft union skilled labor, or who may perform any such labor or service in connection with this Agreement.
- G. Whenever Lessee is sued by a subcontractor, vendor, individual, group or association as a result of compliance with the clauses (A through F) of these provisions relating to fair employment practices, Lessee shall notify the City Counselor in writing of such suit or threatened suit within ten (10) business days.
- H. In event of Lessee's noncompliance with nondiscrimination clauses of this Agreement, or to furnish information or permit his books, records and account to be inspected within twenty (20) days from date requested, this Agreement may be canceled, terminated or suspended, in whole or in part subject to Article X above, and Lessee may be declared ineligible for further City contracts for a period of one year by option of City; provided, further, if this Agreement is canceled, terminated or suspended for failure to comply with fair employment practices, Lessee will have no claims for any damages or loss of any kind whatsoever against City.
- I. Lessee will establish and maintain for the term of this Agreement an affirmative action program according to the Mayor's Executive Order on Equal Opportunity in Employment and City reserves the right to take such action as the City of St. Louis and the U.S. Government may direct to enforce the above covenants.

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

K. Lessee shall comply with all applicable nondiscriminatory requirements that may be imposed pursuant to the Federal Aviation Act of 1958, as amended; the Civil Rights Act of 1964, as amended; 49 C.F.R Parts 21, 23, and 26, as said regulations may be amended; and state and local laws.

Section 1105. <u>No Personal Liability</u>. No Alderman, Commissioner, Director, officer, board member, employee or other agent of either party will be personally liable under or in connection with this Agreement.

Section 1106. <u>Force Majeure</u>. Neither City nor Lessee shall be deemed in violation of this Agreement, if it is prevented from performing any of the obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, shortage of materials, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellions, or sabotage, or any other circumstances for which it is not responsible and which is not within its control.

Section 1107. <u>Successors and Assigns</u>. All of the terms, provisions, covenants, stipulations, conditions and considerations of this Agreement will extend to and bind the legal representatives, successors, sublessees and permitted assigns of the respective parties hereto.

Section 1108. Quiet Enjoyment. Subject to the terms, covenants and conditions of this Agreement, City covenants that Lessee, on paying the rents and otherwise performing its covenants and other obligations hereunder, will have quiet and peaceable possession of the Premises.

Section 1109. Operation and Maintenance of Airport. City shall at all times operate the Airport properly and in a sound and economical manner, and City shall use reasonable effort to maintain, preserve and keep the same or cause the same to be maintained, preserved and kept, with the appurtenances in good repair, working order and condition, and shall from time to time use reasonable effort to make or cause to be made all necessary and proper repairs, replacements and renewals so that at all times the operation of the Airport may be properly and advantageously conducted in conformity with standards customarily followed by municipalities operating airports of like size and character.

Section 1110. <u>Title to Site</u>. The Premises from the date hereof until the expiration or early termination of this Agreement will be owned in fee simple title by City or in such lesser estate as

in the opinion of the City Counselor is sufficient to permit the letting thereof by City as herein provided for the full term provided in this Agreement.

Section 1111. Agreements with the United States. This Agreement is subject and subordinate to the provisions of any agreements heretofore made between City and the United States, relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of Federal rights or property to City for Airport purposes, or to the expenditure of Federal funds for the extension, expansion, or development of the Airport, including the expenditure of Federal funds for the development of the Airport in accordance with the provisions of the Airport and Airway Development Act as it has been amended from time to time.

Section 1112. <u>Modifications to Maintain Federal Compliance</u>. In the event that the FAA requires, as a condition precedent to granting of funds for the improvement, development, or expansion of the Airport, modifications or changes to this Agreement or determines this Agreement to be inconsistent with City's grant assurances, current or future, Lessee agrees to consent to such reasonable amendments, modifications, or changes to this Agreement as may be reasonably required to enable the City to obtain said funds or comply with the City's grant assurances.

Section 1113. <u>Governing Law</u>. This Agreement is deemed to have been made in, and be construed in accordance with the laws of the State of Missouri and is subject to the City's Charter and its ordinances as the may be amended from time to time.

Section 1114. <u>Headings</u>. The headings of the Articles and Sections of this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provisions of this Agreement and will not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

Section 1115. <u>Amendments</u>, This Agreement may be amended from time to time by written agreement, duly authorized and executed by all the signatories to this Agreement; provided, however, that an adjustment to the Premises boundaries of up to one (1) acres may be executed in accordance with terms and conditions of Section 206.

Section 1116. <u>Previous Agreements</u>. It is expressly understood by the parties hereto that the provisions of this Agreement will in no way affect or impair the terms, covenants, conditions or obligations of any other existing or prior agreement between the Lessee and the City.

Section 1117. Withholding Required Approvals. Whenever the approval of City, or Director, or of Lessee is required herein, no such approval will be unreasonably delayed, or withheld.

Section 1118. <u>Waivers</u>. No waiver of default by either party of any of the terms, covenants or conditions hereto to be performed, kept and observed by the other party will be construed as, or operate as, a waiver of any subsequent default of any of the terms, covenants or conditions herein contained to be performed, kept and observed by the other party. No waiver will be binding unless executed in writing by the party granting the waiver.

Section 1119. <u>Invalid Provisions</u>. In the event any term, covenant, condition or provision herein contained is held to be invalid by a court of competent jurisdiction, the invalidity of any such term, covenant, condition or provision will in no way affect any other term, covenant, condition or provision herein contained, provided the invalidity of any such term, covenant, condition or provision does not materially prejudice either City or Lessee in its respective rights and obligations contained in the valid terms, covenants, conditions and provisions of this Agreement.

Section 1120. <u>Americans with Disabilities Act ("ADA")</u>. Lessee is responsible for compliance with the Federal ADA, plus any other federal, state or local laws or regulations and City Ordinances pertaining to the disabled individual having access to the Premises or the Lessee's services.

Section 1121. <u>Advertising</u>. Lessee has no right to use the trademarks, symbols, trade names or name of the Airport, either directly or indirectly, in connection with any production promotion service or publication without the prior written consent of Director.

Section 1122. <u>Time is of the Essence</u>. Time is of the essence in this Agreement. The parties agree that time is of the essence in the performance of each and every obligation and understanding of this Agreement.

Section 1123. <u>Acknowledgment of Terms and Conditions</u>. The parties affirm each has full knowledge of the terms, covenants, conditions and requirements contained in this Agreement. Each party acknowledges that such party and its counsel, after negotiation and consultation, have reviewed and revised this Agreement. As such, the terms of this Agreement will be fairly construed and the usual rule, of construction, if applicable, to the effect that any ambiguities herein should be resolved against the drafting party, will not be employed, in the interpretation of this Agreement or any amendments, modifications or exhibits thereto.

Section 1124. Entire Agreement. The terms, covenants, warranties, conditions, and provisions of this Agreement are intended by the parties as a final expression of their agreement with respect to said provision as are included in this Agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement, together with all exhibits attached hereto, constitutes the entire Agreement between the parties hereto and all other representations or statements heretofore made, verbal or written are merged herein and this Agreement may be amended by written agreement duly authorized and executed by all the signatories to this Agreement. However, the Airport Director, on behalf of the City and in its best interest, may with the consent of the Lessee revise or amend the exhibits to this Agreement.

Section 1125. Required Approvals. When the consent, approval, waiver, or certification of either party is required under the terms of this Agreement, excepting an amendment of this Agreement pursuant to Section 1115 (an "Approval"), the Approval must be in writing and signed by the party making the Approval. Whenever the Approval of City or the Director is required, the Approval must be from the Director or his/her authorized or designated representative. Whenever the Approval of Lessee is required, the Approval must be from Lessee's authorized or designated representative. City and Lessee agree that extensions of time for performance may be made by the written mutual consent of the Director and Lessee.

Section 1126. <u>Conflicts Between Tenants</u>. In the event of a conflict between Lessee and any other tenant, licensee, or concessionaire, as to the respective rights of the others, Director shall review and applicable agreements and by reasonable interpretation thereof make a non-binding determination of the rights of each party.

Section 1127. Exhibits. All exhibits, attachments, or agreements described herein are fully incorporated into this Agreement by this reference as if fully set out herein. City and Lessee shall reasonably and in good faith finalize and attach all such exhibits to this Agreement, which may not have been in final form as of the Effective Date of this Agreement or may require revisions pursuant to an accurate survey.

Section 1128. <u>Prevailing Wage</u>. Lessee shall comply with the applicable provisions of the City's Prevailing Wage Law in accordance with, and subject to, City Ordinance No. 62124 as a condition of this Agreement.

Section 1129. <u>Binding Contract; Counterparts</u>. This Agreement shall become Effective and binding only upon the execution and delivery hereof by the City and Lessee, Lessee acknowledges and agrees that this Agreement is contingent upon the approval of the City's Airport Commission and its Board of Estimate and Apportionment. This Agreement and any companion document or instruments referred to herein, may be executed in any number of counterparts, each of which shall be original, but all of which together shall constituted one agreement, document, or instrument.

Section 1130. <u>FAA Non-Discrimination</u>. The Lessee for itself, personal representatives, successor in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

- A. in the event facilities, structures or improvements are constructed, maintained, or otherwise operated on the Premises for a purpose for which a FAA activity, facility or program is extended or for another purpose involving the provision of similar services or benefits, the Lessee will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations such that no person on the grounds of race, color, or national origin, will be excluded from participating in, denied the benefits of, or otherwise subjected to discrimination in the use of the Premises:
- B. no person on the ground of race, color, or national origin will be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the Premises or the facilities, structures or improvements within the Premises:
- C. in the construction of any improvements on, over, or under the Premises, and the furnishing of services thereon, no person on the ground of race, color, or national origin will be excluded from participation, denied the benefits of, or otherwise be subject to discrimination,

- D. the Lessee will use the Premises or facilities, structures, or improvements within the Premises in compliance with the Acts and Regulations; and
- E. for purposes of this Section 1130, references to "Acts or Regulations" will mean or include the following statutory and regulatory cities, as may be amended from time to time:
- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR part 21;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-

discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

**IN WITNESS WHEREOF,** the parties hereto for themselves, their successors and assigns, have executed this Agreement the day and year first above written.

## THE CITY OF ST. LOUIS, MISSOURI, OPERATING LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®:

The foregoing Agreement was approved by the A by day of well as 2015	irport Commission at its meeting on the
	Commission Chairman Date and Director of Airports
The foregoing Agreement was approved by the Board on the 27 day of August, 2015.	d of Estimate and Apportionment at its meeting  **Authority Secretary, Date Board of Estimate & Apportionment
APPROVED AS TO FORM:	CONTERSIGNED BY:
Ly wang Ki /0 - 16 - 15 City Counselor Date City of St. Louis	Comptroller, Date City of St. Louis
ATTESTED TO BY:	
Maren Jackson 11-06-15 Register, Aleputy Date City of St. Louis	
	COMPTROLLER'S OFFICE DOCUMENT NUMBER 69187

Trans States AirlinesLLC.

ATTEST TO BY:

By: Description of the Benuros Date: 1/1/15 confidential room of the confidential room of

Secretary

Date

#### **ATTACHMENT "1"**

#### SITE MANAGEMENT AND REDEVELOPMENT AGREEMENT

Saring Alling Solo And Saring Solo And Saring And Sarin



#### THE CITY OF ST. LOUIS

#### LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®

#### SITE MANAGEMENT AND REDEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into this 15 th day of August, 2006, by and between the McDonnell Douglas Corporation, a corporation organized and existing under the laws of the State of Maryland, and a wholly-owned subsidiary of THE BOEING COMPANY, a corporation organized and existing under the laws of the State of Delaware (hereinafter "Boeing"), and the CITY OF ST. LOUIS, a municipal corporation of the State of Missouri (hereinafter the "City"), the owner and operator of Lambert-St. Louis International Airport® (hereinafter the "Airport"). The City and Boeing are collectively referred to herein as the "Parties."

#### RECITALS

WHEREAS, the City owns, operates and maintains an international airport known as "Lambert-St. Louis International Airport®," located in the County of St. Louis, Missouri;

WHEREAS, the City and Boeing entered into and executed an Agreement and Contract of Sale dated December 17, 2001 ("Sales Agreement"), providing for the acquisition by the City of certain real estate (the "Property" more fully described therein), known as the Northern Tract;

WHEREAS, the City and Boeing entered into and executed a Northern Tract Lease Agreement AL-100 dated December 17, 2001 ("Lease Agreement AL-100");

WHEREAS, under the terms of the "Sales Agreement" and the "Lease Agreement AL-100"), Boeing undertook to clean-up certain environmental conditions on the Property, and Boeing is undertaking that environmental clean-up obligation under the State of Missouri's direction;

WHEREAS, satisfaction of Boeing's environmental clean-up obligation will permit Hazardous Materials (as herein defined) to remain in soil, groundwater, and surface water on the Property in certain areas at certain levels;

WHEREAS, the City desires to timely redevelop the Property while Boeing continues to perform its environmental clean-up obligations under the "Sales Agreement" and "Lease Agreement AL-100;"

WHEREAS, the Parties seek to clarify the process relating to the administration and cost of long term management of soils, groundwater, and surface water that will continue to be impacted by "Hazardous Materials" upon completion of Boeing's environmental cleanup

obligation, and the Parties are committed to fostering the redevelopment and reuse of the Property consistent with the Sales Agreement and Lease Agreement AL-100;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

#### ARTICLE I DEFINITIONS

As used in this Agreement, the following words and terms shall have the following meanings:

Agreement shall mean this document and any subsequent amendments thereto, duly approved by the Parties.

Below Grade Structure means basements and garages.

Governmental Regulatory Authority means any federal, state, or local governmental department, agency, or authority that has been delegated, or which in the future is delegated, legal authority under federal or state law to regulate property and/or business activities for the purposes of environmental protection, public health, and/or worker safety and health, including but not limited to the United States Environmental Protection Agency, the United States Occupational Safety and Health Administration, the Missouri Department of Natural Resources, the Missouri Department of Health & Senior Services, the Metropolitan Sewer District, or the St. Louis County Department of Health.

Hazardous Materials shall have the same meaning as that term is defined in "Lease Agreement AL-100."

Increased Site Development Project Construction Costs means reasonable costs incurred in support of a Site Development Project that would not otherwise have been incurred but for the presence of Hazardous Materials left in soil, groundwater, and surface water on the Property from Boeing's operations and/or use of the Property, but expressly limited to costs within the categories identified in Exhibit A to this Agreement. Notwithstanding the foregoing, Increased Site Development Project Construction Costs may also include any additional reasonable incremental construction costs incurred by the City with respect to Site Development Projects in order to avoid areas of known or presently unknown Hazardous Materials left in soil, groundwater, or surface water on the Property from Boeing's operations and/or use of the Property and which costs would not otherwise have been incurred but for the presence of such Hazardous Materials and the need to avoid such areas.

Pre-job Sampling means reasonable sampling and evaluation of soil and groundwater, located proximate to the pathway of a Site Development Project prior to the actual commencement of construction and for the primary purpose of identifying the potential presence of Hazardous Materials left in soil, groundwater, and surface water on the Property from Boeing's operations and/or use of the Property and having the possibility of delaying

construction. The City shall provide copies of Pre-job Sampling plans to Boeing; Boeing shall then have fifteen (15) calendar days in which to provide comments upon such plans to the City for consideration before the City implements such Pre-job Sampling plans. When and if the Soil Management Plan receives final approval, Pre-job Sampling will conform thereto, to the extent applicable.

Reimbursable Costs means all monies reasonably spent for Pre-job Sampling and/or for Increased Site Development Project Construction Costs to the extent attributable to Hazardous Materials left in soil, groundwater, and surface water on the Property from Boeing's operations and/or use of the Property that "unreasonably or materially impair or interfere with City and/or its tenants' use and enjoyment of the property for purposes of aircraft manufacturing, maintenance or operations and office uses related thereto."

Site Development Project means any redevelopment project to construct new buildings, facilities, improvements, utility services, or structures within the Property, or the redevelopment of existing buildings, facilities, improvements, utility services, or structures within the Property, in accordance with development plans adopted and approved by the City which is consistent with the Sales Agreement and Lease Agreement AL-100. The City shall provide copies of development plans to Boeing prior to implementation.

Soil Management Plan means the final document approved by the Parties and the Missouri Department of Natural Resources which applies to future management of Hazardous Materials left on the Property from Boeing's operations and/or use of the Property, including the sampling, handling, and disposal procedures for Hazardous Materials or soil or other forms containing Hazardous Materials. Nothing in the Soil Management Plan shall change or modify any provision of this Agreement, the Sales Agreement, and/or the Lease Agreement AL-100.

State means the State of Missouri and its successors and assigns.

## ARTICLE II COVENANTS AND OBLIGATIONS OF THE CITY

The City shall be obligated to do the following:

a. The City, through its designee, as appropriate, shall maintain, oversee and/or perform all redevelopment activities on the Property, consistent with its rights and obligations under this Agreement, the Sales Agreement, and Lease Agreement AL-100, and in accordance with the Soil Management Plan and shall make reasonable efforts to manage Hazardous Materials left in soil, groundwater, and surface water on the Property from Boeing's operations and/or use of the Property, in a fashion that minimizes the incurrence of Reimbursable Costs, including but not limited to, using soil excavated from the Property as fill or backfill on the Property to the extent such use is feasible and consistent with the Soil Management Plan.

- b. The City shall be responsible for all costs associated with the redevelopment and management of the **Property** that are NOT attributable to **Hazardous Materials** from Boeing's operations and/or use of the **Property**.
- c. The City shall take reasonable steps to avoid and minimize disturbance of known areas containing Hazardous Materials within the Property. The City agrees that the construction of Below Grade Structures on the Property is unreasonable for purposes of this Agreement. If the City elects to construct Below Grade Structures, any such costs shall not be subject to the reimbursement provisions of this Agreement. This paragraph is subject to the definition of "Increased Site Development Project Construction Costs."

## ARTICLE III COVENANTS AND OBLIGATIONS OF BOEING

- a. Unless otherwise expressly provided for, Boeing, subject to and in accordance with the provisions of this Agreement, and any prior agreements, shall be responsible for and shall indemnify, defend and hold harmless the City for all Reimbursable Costs that are incurred by the City during the City's long term management of the Property for Hazardous Materials left in soil, groundwater, and surface water on the Property from Boeing's operation and/or use of the Property.
- b. It is understood, stipulated, and agreed that this Agreement does not affect or alter Boeing's existing rights or obligations under the Sales Agreement and Lease Agreement AL-100 to investigate and/or remove, remediate, decontaminate, or restore soil, groundwater, or surface water on the Property affected by Hazardous Materials all as specified in and in accordance with Section 304 and 305 of Lease Agreement AL-100. Boeing agrees that for purposes of off-site transportation for disposal of soil or groundwater containing Hazardous Materials left on the Property from Boeing's operations and/or use of the Property, Boeing will allow, to the extent permitted by applicable law or regulation, the City to identify Boeing as a co-generator of such materials on any manifests or other shipping documents. Nothing herein is intended to nor does it shift any permitting, manifesting, or other responsibility or liability for shipment or disposal of Hazardous Materials from Boeing's operation and/or use of the Property from Boeing to the Airport, including liability under the Comprehensive Environmental Response Compensation & Liability Act, otherwise known as "CERCLA."
- c. If Boeing is required by any Governmental Regulatory Authority to conduct additional environmental investigation of soil or groundwater impacted by Hazardous Materials left on the Property from Boeing's operations and/or use of the Property, Boeing agrees that it will conduct such investigation at its sole cost (or may agree with the City that such investigation will be conducted by the City subject to reimbursement by Boeing), except to the extent that such investigation relates to Hazardous Materials not left on the Property from Boeing's operations and/or use of the Property.
- d. Notwithstanding anything to the contrary in this Agreement, Boeing shall not be required to reimburse the City under the terms of this Agreement for any costs to the extent that those costs are attributable to Hazardous Materials in soil, groundwater, or surface water left on

the **Property** not from Boeing's operations and/or use of the **Property** or to the extent those costs are attributable to **Hazardous Materials** in soil, groundwater, or surface water on the **Property** from operations, activities, or uses on or off the **Property**, other than from discharges or releases from Boeing's operations, subsequent to June 30, 2005.

#### ARTICLE IV SITE REIMBURSEMENT PROTOCOL

- a. Boeing hereby warrants, represents, stipulates, and agrees that Boeing shall timely reimburse or pay to the City Reimbursable Costs in accordance with the following.
- b. The City shall cause all requests for reimbursement or disbursements of funds ("Request for Reimbursement") for Reimbursable Costs incurred by the City to be submitted to Boeing within sixty (60) days of payment of the charges by the City. Each Request for Reimbursement will include the following: (1) adequate documentation and explanation supporting that the costs for which reimbursement are sought are Reimbursable Costs per the terms of this Agreement; (2) a breakdown of the billing totaling the amount of the Request for Reimbursement; (3) copies of invoices, contracts, and/or such other proof of payment or documentation supporting the City's Request for Reimbursement; and (4) such other documentation as may be reasonably requested in writing by Boeing to determine whether the costs are reimbursable per the terms of this Agreement.
- c. Boeing shall have forty-five (45) calendar days from the date of its receipt of the Request for Reimbursement to process and pay the amount of the Request for Reimbursement. Should Boeing reasonably dispute or object to any claimed Reimbursable Costs or any item or amount shown on any Request for Reimbursement and/or supporting documentation or explanation provided by the City, or reasonably dispute or object to the adequacy of such supporting documentation and explanation, Boeing may withhold payment in part or in full; provided that it shall within that same forty-five (45) calendar day period timely pay the balance to which Boeing has no reasonable objection or dispute. In the event Boeing reasonably disputes or objects to a Request for Reimbursement or any cost item therein, such dispute or objection shall be set forth in writing and submitted to the City; after which the matter shall be addressed as set forth in Article V.h, below; it being expressly understood that Boeing may raise any reasonable objection or dispute to any Request for Reimbursement, or portion thereof, at any time up to one (1) year, if it determines that reasonable grounds for objection or dispute exist, including subsequent reasonable objections or disputes of Requests for Reimbursement which have previously been accepted and paid by Boeing.
- d. The City will use reasonable efforts to mitigate Reimbursable Costs, including the use of good planning and Pre-job Sampling.
- e. If the City reasonably elects to delay construction subject to resolution of a dispute or objection by Boeing, Boeing shall be responsible for any reasonable incremental increased construction costs incurred by the City directly caused by such reasonable delay to the extent that Boeing's objections are not resolved in its favor. Boeing shall not be responsible for any damage or injury to, or caused by, City's employees or contractors, except to the extent caused

by Hazardous Materials left in soil, groundwater, and surface water on the Property from Boeing's operation and/or use of the Property.

## ARTICLE V MISCELLANEOUS LEGAL PROVISIONS

- a. Previous Agreements. Except to the extent that this Agreement provides for reimbursement of Reimbursable Costs, it is expressly understood by the Parties that the terms and provisions of this Agreement shall in no way supersede, waive, alter, amend, affect, impair or prejudice any rights, obligations, or agreements set forth in or granted by the Sales Agreement and Lease Agreement AL-100.
- b. Cooperation of the Parties. The Parties shall cooperate with each other in all aspects and use best efforts to reach consensus and expedite any review.
- c. Notice. Except as herein otherwise expressly provided, all notices required to be given to City hereunder shall be in writing and shall be delivered personally, or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, or shall be sent by telex, telegram, telecopy, fax or other similar form of rapid transmission confirmed by the mailing (by first class or express mail, postage prepaid) written confirmation at substantially the same time as such rapid transmission; and, shall be addressed and directed to the Parties at the respective addresses set forth below. A Party may change its address for receipt of notice by service of notice of such change in accordance herewith. Notice shall be deemed received at the earlier of actual receipt or three (3) calendar days after being sent in the manner provided for above.

If to the City:

Director of Airports
Lambert-St. Louis International Airport
P.O. Box 10212, Lambert Station
10701 Lambert International Blvd.
St. Louis, MO 63145

with a copy to the Deputy Director of Airports, and the Airport Properties Manager at the same address.

If to Boeing:

Vice President – Shared Services P. O. Box 516, Mailcode S001-3200 St. Louis, MO 63166-0516 Fax 314-234-8693

with a copy to:

Boeing Realty Corporation P.O. Box 516, Mailcode S306-5565 St. Louis, MO 63166-0516

- d. Time is of the Essence. Time is of the essence in this Agreement. The Parties agree that time shall be of the essence in the performance of each and every obligation and understanding of this Agreement.
- e. Venue. It is agreed by the Parties that any action at law, suit in equity, or other judicial proceeding to enforce or construe this Agreement, or regarding its alleged breach, shall be instituted only in a court within the City or County of St. Louis, Missouri.
- f. Compliance with Laws. The Parties shall perform and comply in all material respects with laws, rules, orders, ordinances, regulations, decrees, judgments and requirements now or hereafter enacted or promulgated which are applicable to the **Property**.
- g. Governing Law. This Agreement shall be construed according to the laws of the State of Missouri and is subject to the City's Charter and Ordinances. The Parties shall comply with all local, state and federal laws and regulations relating to the performance of this Agreement.
- h. Dispute Resolution. Any dispute arising out of or relating to this Agreement shall be resolved in accordance with the procedures specified in this paragraph, which shall be the sole and exclusive procedures for the resolution of any such disputes.
- (A) The Parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation. Any person may give the other Party written notice of any dispute not resolved in the normal course of business. Within 30 days after delivery of the notice, the receiving Party shall submit to the other a written response. The notice and response shall include a statement of that Party's position and a summary of arguments supporting that position. Within 45 days after delivery of the initial notice, executives who have authority to settle the controversy, and who are at a high level of management, of both Parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. All reasonable requests for information made by one Party to the other will be honored. All negotiations pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence.
- (B) If the dispute has not been resolved by negotiation as provided herein within 60 days after delivery of the initial notice of negotiation, or if the Parties failed to meet within 45 days after delivery, the Parties shall endeavor to settle the dispute by mediation under the Conflict Prevention & Resolution ("CPR") Mediation Procedure then currently in effect, provided, however, that if one Party fails to participate in the negotiation as provided herein, the other Party can initiate mediation prior to the expiration of the 60 days. Unless otherwise agreed, the Parties will select a mediator from the CPR Panels of Distinguished Neutrals. For disputes involving amounts less than \$20,000, the Parties shall each submit, simultaneously, up to 20 pages of written materials regarding their position(s), not including supporting materials. The mediator shall then issue a binding decision within 30 days.

- (C) Any dispute arising out of or relating to this **Agreement**, other than disputes involving amounts less than \$20,000, including the breach, termination or validity thereof, which has not been resolved by mediation as provided herein within 45 days after initiation of the mediation procedure, shall be finally resolved by binding arbitration in accordance with the CPR Rules for Non-Administered Arbitration then currently in effect, by a sole arbitrator selected from the CPR Panel; provided, however, that if one **Party** fails to participate in either the negotiation or mediation as agreed herein, the other **Party** can commence arbitration prior to the expiration of the time periods set forth above. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1–16, to the exclusion of state laws inconsistent therewith, and judgment upon the award rendered by the arbitrator(s) may be entered by any court having jurisdiction thereof. The place of arbitration shall be St. Louis, Missouri.
- i. Required Approvals. When the consent, approval, waiver, or the certification of the other Party is required under the terms of this Agreement, excepting an amendment of this Agreement (an "Approval"), the approval must be in writing and signed by the Party asking for the Approval. Whenever the Approval of the City or the Director of Airports is required, the Approval must be from the Director of Airports or his/her authorized or designated representative. Whenever the Approval of Boeing is required, the Approval must be from the Vice President Shared Services, or his/her authorized or designated representative. The Parties agree that the extension of time of performance may be made by the written mutual consent of the Director of Airports on behalf of the City and Boeing.

IN WITNESS WHEREOF, the Parties for themselves, the successors and assigns have executed this Agreement the day and year first above written.

THE CITY OF ST. LOUIS, MISSOURI, OPERTING LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT:

Pursuant to City of St. Louis Ordinance 64279 approved May 9, 1998, as amended.

•	
APPROVED BY:	APPROVED BY:
Director of Airports  Date	President Date Board of Public Service
The foregoing Agreement was approved in subsmeeting on, 2006.	By:  Secretary  Board of Public Service at its  AUG 0 8 2008  Date  Board of Public Service
APPROVED AS TO FORM:  S-7-06  City Counselor Date	COUNTERSIGNED BY:  Derline Colling Turman Kapp 8-10-06  Register Comptables Date
McDONNELL DOUGLAS GORPORATION:  BY:  Alan E. DeFrancis Authorized Signatory	Paud Nay AUG 15 2006 REGISTRA DATE

COMPTROLLER'S OFFICE DOCUMENT # 53627

**ORIGINAL** 

#### Exhibit A

#### Categories of Increased Site Development Project Construction Costs

WHEREAS, it is the intention of the Parties to include in this Exhibit A all Reimbursable Costs that are consistent with the Site Management and Redevelopment Agreement;

#### **NOW THEREFORE**, the Parties agree as follows:

#### A. Pre-job Sampling

- 1. Labor for review of existing data and preparing an appropriate Pre-job Sampling plan.
- 2. Labor for submittal of the Pre-job Sampling plan to the Missouri Department of Natural Resources ("MDNR"), or other Governmental Regulatory Authority, if needed, and coordinating with MDNR or other Governmental Regulatory Authority on changes to the plan, if needed.
- 3. Contractor costs to implement the Pre-job Sampling plan (e.g., GeoProbe or other sampling equipment, PID, specialized equipment, bottles, shipping), including HAZWOPER-trained labor for sampling activities when required by applicable regulation or sound engineering practices.
- 4. Related laboratory analytical costs associated with the Pre-job Sampling activities.
- 5. MDNR or other Governmental Regulatory Authority fees related to the Pre-job Sampling plan.
- 6. Utility location and relocation costs, if needed.
- 7. Costs associated with groundwater monitoring required by the Pre-job Sampling plan in order to verify safe working conditions.
- 8. Labor costs to prepare required reports, approvals, and other communications to and from MDNR or other Governmental Regulatory Authority in connection with the Pre-job Sampling plan.
- 9. Contractor costs to organize and analyze Pre-job Sampling data and prepare recommendations to the City.

## B. Soil Removal (includes debris and any type of fill material (including piping) mixed with soil and encountered in the excavation)

- 1. Costs associated with construction related excavation of contaminated soil, suspected contaminated soil (based on reasonable observation or other objective information), or associated clean soil necessary to be excavated as part of the excavation of contaminated or suspected contaminated soil. The foregoing includes costs associated with on-site movement or storage of such excavated soils.
- 2. Costs for HAZWOPER-trained labor when required by applicable regulation or sound engineering practices.
- 3. Costs required to treat excavated soil on-site to meet specific disposal facility criteria (e.g., solidification).

<sup>&</sup>lt;sup>1</sup> The terms "labor," "labor costs," "costs," or "contractor costs" as used in this Exhibit A include all labor, materials, supplies, equipment, markups, travel and accommodation costs, mileage, and other associated charges.

- 4. Costs to decontaminate equipment.
- 5. Costs associated with onsite staging of soil (e.g., plastic sheeting, containment).
- 6. Costs for shoring of excavations required due to the presence of Hazardous Materials, if shoring is needed.
- 7. Laboratory analytical costs for wastestream profiling prior to treatment or disposal, as required by a Governmental Regulatory Authority or disposal facility.
- 8. Costs, including laboratory analytical costs, for confirmation sampling of the excavation area, if required by a Governmental Regulatory Authority.
- 9. Costs associated with required reporting of excavation activities and analytical results to MDNR or other applicable Governmental Regulatory Authority.

#### C. Groundwater Removal/Disposal Generated by Construction Activities<sup>2</sup>

- 1. Costs required to remove/store/treat contaminated or suspected contaminated groundwater (based on reasonable observation or other objective information) encountered during construction activities, including equipment decontamination costs.
- 2. Equipment rental/purchase costs for pumping/holding/treating contaminated or suspected contaminated groundwater (based on reasonable observation or other objective information) encountered during construction activities, and engineering/design costs associated with any such groundwater treatment system.
- 3. St. Louis County air permit fees (air emissions) or any other related permit fees, including any costs to prepare necessary associated permit modifications.
- 4. Metropolitan St. Louis Sewer District ("MSD") discharge surcharge fees, or fees associated with disposal at other facilities, if MSD cannot dispose of the water, including any costs to prepare necessary associated permit modifications.
- 5. Sample collection and analytical costs related to treatment/disposal of contaminated or suspected contaminated groundwater (based on reasonable observation or other objective information) encountered during construction activities.
- 6. Costs for reporting associated with contaminated or suspected contaminated groundwater (based on reasonable observation or other objective information) encountered during construction activities.
- 7. Contractor costs for HAZWOPER-trained labor when required by applicable regulation or sound engineering practices.
- 8. Costs for site restoration related to decommissioning any groundwater treatment system installed as a Reimbursable Cost pursuant to the Site Management and Redevelopment Agreement and this Exhibit A.

## D. Soil Transportation (includes debris and any type of fill material (including piping) mixed with soil and encountered in the excavation) and Groundwater Transportation

1. Costs associated with off-site transportation, treatment, or storage of contaminated soil, suspected contaminated soil (based on reasonable observation or other objective

<sup>&</sup>lt;sup>2</sup> This category is intended to include the costs defined below associated with groundwater that may be encountered during construction activities and is not intended to include any costs associated with long-term treatment, monitoring, or removal of groundwater that may be required by the Boeing Hazardous Waste permit or a Governmental Regulatory Authority.

- information), or associated clean soil generated by construction activities and required to be transported, treated, or stored as part of the disposal process.
- 2. Costs associated with off-site transportation, treatment, or storage of contaminated or suspected contaminated groundwater (based on reasonable observation or other objective information) associated with construction activities and required to be transported, treated, or stored as part of the disposal process.
- 3. One container liner per load, unless the transporter has additional requirements.
- 4. Labor costs for HAZWOPER-trained labor when required by applicable regulation or sound engineering practices.
- E. Soil Disposal (includes debris and any type of fill material (including piping) mixed with soil and encountered in the excavation)
  - 1. Disposal facility fees for the disposal of contaminated soils.
  - 2. Waste disposal permit fees associated with soil disposal.
  - 3. Labor costs to prepare and maintain required manifest/special waste documentation.
  - 4. Applicable taxes or other Governmental Regulatory Authority fees for disposal of contaminated soil.

#### F. Soil Backfill

- 1. If needed, analytical costs for verification of clean backfill material required to backfill excavations associated with contaminated soil disposal where soil from the excavation cannot be used as backfill.
- 2. Costs of labor, transportation and material when no other soil for backfill is reasonably available onsite to backfill excavation associated with contaminated soil disposal.
- 3. Costs of site restoration necessitated by the presence or former presence of Hazardous Materials.
- 4. Fill compaction and CQA testing, but only to the extent necessitated by additional excavation and backfill required by soil containing Hazardous Materials.

#### G. Development Contractor Costs

- Site Development Project construction contractor costs that are caused by an
  unanticipated work stoppage required because of the presence of Hazardous Materials not
  identified by a properly-prepared Pre-Job Sampling plan, and properly-performed Pre-job
  Sampling, including incremental labor, equipment (including rental fees), engineering,
  mobilization, or materials costs.
- 2. Site Development Project construction contractor costs for unanticipated personal protective equipment requirements or health and safety monitoring equipment or other equipment that are caused by the presence of Hazardous Materials not identified by a properly-prepared Pre-Job Sampling plan, and properly-performed Pre-job Sampling.

#### H. Development Modification Costs

1. Costs associated with modifications to construction and/or design plans for buildings or other improvements to the extent required by a Governmental Regulatory Authority due to the presence of Hazardous Materials, such as vapor barriers underneath buildings, venting systems underneath buildings, health and safety monitoring costs during construction or use, additional personal protective equipment and/or decontamination.

- requirements to route utilities around impacted areas, and other Hazardous Materials construction-related costs.
- 2. All costs for any ongoing air monitoring and reporting required by MDNR or other Governmental Regulatory Authority in structures erected on the Property.

#### I. Agency Review and Approvals

- 1. If required by MDNR or other Governmental Regulatory Authority, reimbursement for onsite governmental personnel (regulatory agencies) and/or personnel contracted by agency contractors and consultants.
- 2. Costs in preparing permit applications or permit modifications associated with construction activities.

#### J. Other Reimbursable Costs

- 1. If required by MDNR or other Governmental Regulatory Authority, costs of maintenance of a site database (baseline characterization, historical and future site impact) and preparation of requested reports to a Governmental Regulatory Authority associated with construction activities or any monitoring identified within this Exhibit A.
- 2. Costs for road traffic and security controls required by the presence of Hazardous Materials.
- 3. When required by the presence of Hazardous Materials, costs for any waste/material engineering controls such as berms, construction of trenches, dust suppression, odor control, water pollution controls, clay collars on storm water piping, utility disconnections or relocations associated with construction activities.
- 4. Costs for removal and disposal of subsurface asbestos-containing pipes or other debris mixed with soil and encountered during redevelopment activities.
- 5. Expedited turnaround laboratory analysis costs, if reasonable under the circumstances, relating to conditions not identified in Pre-Job Sampling.
- 6. Costs for reasonable legal consultation, including firm technical expertise as required, not to exceed \$10,000 on an annual basis, as needed to support implementation of a Site Development Project and to resolve or advise on legal issues related to the items included in the cost categories identified in this Exhibit A.<sup>3</sup>

<sup>&</sup>lt;sup>3</sup> Costs associated with the dispute resolution process found in the Site Management and Redevelopment Agreement are excluded from this category.

## ATTACHMENT "2" SOIL MANAGEMENT PLAN

Continential modern of the state of the stat

# **BOEING PERMITTED FACILITY** January 2011 Revised November 2012 **EXCAVATED SOIL MANAGEMENT PLAN**

Boeing Defense, Space & Security - St. Louis Environment, Health and Safety

## BOEING PERMITTED FACILITY EXCAVATED SOIL MANAGEMENT PLAN

#### I. Purpose/Summary

The overall objective of the Soil Management Plan (the "Plan") is to assure the continued protection of human health and the environment during current and future operations at the Boeing Permitted Facility. This Plan outlines the process and responsibilities associated with any development related disturbance of contaminated soil located on property subject to the jurisdiction of the current Missouri Hazardous Waste Management Facility (MHWMF) Part I Permit issued to Boeing as both owner and operator. This includes portions of the Boeing Tract I South permitted property now owned by the City of St. Louis, the Tract I North property now owned by GKN Technologies, and the buildings in both of these Tracts where Boeing still remains the owner of the property. The responsibilities described in this Plan apply to all development related activities at the permitted properties, including such activities conducted or initiated by any tenants or lessees of the parties hereto. This Plan outlines the planning, management and disposal procedures for contaminated soil that may be encountered during construction and maintenance activities, conducted on portions of the permitted property.

Specific responsibilities associated with any disturbance of soil by the owners of the property subject to the current permit may vary. To address each of the situations, Boeing, GKN and the City of St. Louis will be addressed in a section specific to the respective property ownership. Nothing in this document shall alter the various agreements between and among Boeing, MDC, GKN and the City of St. Louis regarding the allocation of costs for implementation of this Plan.

Upon final approval of a site-wide Corrective Measures Study by the Missouri Department of Natural Resources, this Plan may be modified to conform to the corrective measures implemented for the property.

#### II. General Requirements - Boeing Property

- 1. McDonnell Douglas Corporation (MDC) St. Louis, a wholly-owned subsidiary of The Boeing Company, is responsible for all soil management associated with soil disturbance activities on portions of the permitted property owned by Boeing (see Property Ownership Map. Appendix A). Soil management as discussed in this section may include pre-project investigation, evaluation and documentation, sample collection and analysis, associated labor and equipment for excavation, transportation and disposal of soil.
- 2. GKN will be responsible for all soil management associated with soil disturbance activities on portions of the permitted property owned by GKN.

- 3. The City of St. Louis, owner and operator of Lambert-St. Louis International Airport® (the "City") will be responsible for all soil management associated with development related soil disturbance activities on portions of the permitted property owned by the City.
- 4. Boeing Environment, Health and Safety (EHS) will provide environmental project oversight for all soil disturbance activities covered by this Plan conducted on that portion of the permitted property owned by Bocing.
- 5. Prior to beginning any soil disturbance activities on permitted property now owned by Boeing, EHS will obtain the following information:
  - a) Description of construction or maintenance activities that are being planned;
  - b) Date project is to begin;
  - c) Specific location of soil disturbance or soil excavation;
  - d) Anticipated volume of soil that will be disturbed/excavated;
  - e) Requirements for backfill and final finishing of excavation;
  - f) Identification of any environmental contractors that will be used to perform any work;
  - g) Identification of any land disturbance or stormwater management permits that may be required;
  - h) Identification of any issues associated with the location of utility lines.
- 6. After a review of all of the project information on permitted property now owned by Boeing, a determination will be made by EHS as to the potential impact of the project with respect to areas with documented subsurface contamination.
  - a) If it is determined that the project is not expected to encounter subsurface contamination, the construction contractor or group performing the work will be provided instructions should contamination be discovered during the project.
  - b) If it is determined that the project is expected to encounter subsurface contamination, the construction contractor or group performing the work will be provided with specific information related to the location, depth(s) and level of contaminants. Boeing EHS will review the construction plans to determine if there is any feasible way to relocate the construction work to an area that is free of documented contamination.
    - (1) If construction relocation proves infeasible:
      - (a) Boeing will meet with all involved to discuss specific details and plans related to construction in areas of known contamination, including the following:
        - 1) Detailed information about the contamination;

- 2) Personal protective equipment needs/use and personnel training requirements and/or HAZWOPER qualifications;
- 3) Equipment decontamination procedures;
- 4) Soil management procedures;
- 5) Groundwater management procedures;
- 6) Stormwater management procedures;
- 7) Excavation zone limits;
- 8) Potential creation of preferential groundwater flow pathways (granular backfill, trenches, etc.);
- 9) Any engineering controls;
- 10) Additional details as needed.
- (b) Temporary containment areas may need to be constructed related to staging/loading of soil. These areas should be relatively close to the point of generation. Soil must be placed on an engineered surface (concrete or plastic liner). A berm, at least six inches in height, must surround the surface to contain any runoff. Any additional measures identified in the Land Disturbance Permit (if applicable) must be addressed.
- (c) Backfilling of the excavation will be performed to ensure that contamination is not spread through the creation of preferential groundwater flow pathways (granular backfill, trenches, etc.).
- (d) The type of loading and hauling equipment used for the project will be determined by Boeing. Operations to control Foreign Object Damage (FOD) and dust at the job site must be conducted at regular intervals.
- (e) Disposal facility and waste permitting requirements must be addressed as early in the process as possible.
- (f) Hazardous Waste Management Facility Permit Corrective Action Conditions II. A. and III. A. require Boeing to notify MDNR and EPA within 15 days of the discovery of new Solid Waste Management Units (SWMUs), Areas of Concern (AOC), or newly-identified releases from previously identified SWMUs/AOC. Any information related to the foregoing discoveries/situations must be immediately communicated to Boeing EHS. Notification of discovery of situations that may require stabilization action(s) are also required by the MHWMF Part I permit. Any information related to the foregoing discoveries/situations must be immediately communicated to Boeing EHS. Boeing will notify the Missouri Department of Natural Resources (MDNR) and EPA, as appropriate.
- (g) Any pre- or post-excavation sampling should be proposed in a plan for MDNR approval prior to implementation, except in the case of

emergencies. Post-excavation sampling of the floor and/or walls of an excavation will only occur in circumstances where additional soil characterization is necessary, or where post-excavation removal verification for soils shipped off-site is necessary.

#### III. General Requirements - GKN Property

- 1. GKN is responsible for all soil management associated with soil disturbance activities on portions of the permitted property owned by GKN (see Property Ownership Map. Appendix A). Soil management as discussed in this section may include pre-project investigation, evaluation and documentation, sample collection and analysis, associated labor and equipment for excavation, transportation and disposal of soil.
- 2. Boeing will be responsible for all soil management associated with soil disturbance activities on portions of the permitted property owned by Boeing (See Appendix A)
- 3. The City will be responsible for all soil management associated with development related soil disturbance activities on portions of the permitted property owned by the City.
- 4. GKN Environmental Safety and Health (ESH) will provide environmental project oversight for all soil disturbance activities covered by this Plan conducted on that portion of the permitted property owned by GKN.
- 5. Prior to beginning any soil disturbance activities on permitted property now owned by GKN, GKN Safety will obtain the following information:
  - a) Description of construction or maintenance activities that are being planned;
  - b) Date project is to begin;
  - c) Specific location of soil disturbance or soil excavation:
  - d) Anticipated volume of soil that will be disturbed/excavated;
  - e) Requirements for backfill and final finishing of excavation;
  - f) Identification of any environmental contractors that will be used to perform any work;
  - g) Identification of any land disturbance or stormwater management permits that may be required;
  - h) Identification of any issues associated with the location of utility lines.
- 6. After a review of all of the project information, a determination will be made by GKN as to the potential impact of the project with respect to areas with documented subsurface contamination.
  - a) If it is determined that the project is not expected to encounter subsurface contamination, the construction contractor or group performing the work will be provided instructions should contamination be discovered during the project.

- b) If it is determined that the project is expected to encounter subsurface contamination, the construction contractor or group performing the work will be provided with specific information related to the location, depth(s) and level of contaminants. GKN will review the construction plans to determine if there is any feasible way to relocate the construction work to an area that is free of documented contamination.
  - (1) If construction relocation proves infeasible:
    - (a) Boeing will meet with all involved to discuss specific details and plans related to construction in areas of known contamination, including the following:
      - 1) Detailed information about the contamination;
      - 2) Personal protective equipment needs/use and personnel training requirements and/or HAZWOPER qualifications;
      - 3) Equipment decontamination procedures;
      - 4) Soil management procedures;
      - 5) Groundwater management procedures;
      - 6) Stormwater management procedures;
      - 7) Excavation zone limits;
      - 8) Potential creation of preferential groundwater flow pathways (granular backfill, trenches, etc.);
      - 9) Any engineering controls;
      - 10) Additional details as needed.
    - (b) For construction activities involving subsurface excavation in Sub Area 6B, as described in the Risk Based Corrective Action Report, Boeing Tract I, St. Louis, MO (RAM Group 2004), the contractor selected by GKN shall develop and implement a Health and Safety Plan (HASP) that addresses specific personal protective equipment (PPE) to protect workers who are exposed to dermal contact with ground water for an extended period of time. The HASP shall also specify air monitoring to be conducted as required by OSHA if construction activities require personnel to enter a trench. Air monitoring results will determine appropriate respiratory PPE. The HASP should include but not be limited to the following:
      - 1) Project specific PPE requirements
      - 2) Project specific medical monitoring requirements
      - 3) Project specific training requirements
      - 4) Project specific emergency procedures
    - (c) Temporary containment areas may need to be constructed related to staging/loading of soil. These areas should be relatively close to the point

- of generation. GKN has a designated area that is used to stage stock-piled soil requiring additional analysis located on the east section of the GKN property.
- (d) Backfilling of the excavation will be performed to ensure that contamination is not spread through the creation of preferential groundwater flow pathways (granular backfill, trenches, etc.).
- (e) The type of loading and hauling equipment used for the project will be determined by GKN. Operations to control Foreign Object Damage (FOD) and dust at the job site must be conducted at regular intervals.
- (f) Disposal facility and waste permitting requirements must be addressed as early in the process as possible.
- (g) Hazardous Waste Management Facility Permit Corrective Action Conditions II. A. and III. A. require Boeing to notify MDNR and EPA within 15 days of the discovery of new Solid Waste Management Units (SWMUs), Areas of Concern (AOC), or newly-identified releases from previously identified SWMUs/AOC. Any information related to the foregoing discoveries/situations must be immediately communicated to Boeing EHS. Notification of discovery of situations that may require stabilization action(s) are also required by the MHWMF Part I permit. Any information related to the foregoing discoveries/situations must be immediately communicated to Boeing EHS. Boeing will notify the Missouri Department of Natural Resources (MDNR) and EPA, as appropriate.
- (h) Any pre- or post-excavation sampling should be proposed in a plan for MDNR approval prior to implementation, except in the case of emergencies. Post-excavation sampling of the floor and/or walls of an excavation will only occur in circumstances where additional soil characterization is necessary, or where post-excavation removal verification for soils shipped off-site is necessary.

#### IV. General Requirements – City Property

1. The City and MDC have signed a Site Management and Redevelopment Agreement dated August 15, 2006 associated with soil management activities on portions of the permitted property owned by the City (the "Redevelopment Agreement"). This Plan addresses pre-project investigation, evaluation and documentation, sample collection and analysis, associated labor and equipment for excavation, transportation and disposal of contaminated soil. For purposes of this Plan, "contaminated" soils are soils which exceed the MRBCA Default Target Levels. This Plan between the City and Boeing specifically addresses the

responsibilities of both parties related to responsibilities for contaminated soil management. As among Bocing, MDC and the City, nothing in this Plan is intended to alter or conflict with the Redevelopment Agreement. To the extent that anything in this Plan is inconsistent with the Redevelopment Agreement, the Redevelopment Agreement shall prevail.

- 2. Boeing and GKN will be responsible for all soil management associated with soil disturbance activities on portions of the permitted property not owned by the City.
- 3. The City will provide environmental project planning and oversight for all redevelopment activities which result in soil disturbance covered by this Plan conducted on that portion of the permitted property now owned by the City.
- 4. Prior to redevelopment activities on permitted property now owned by the City, the Airport Environmental Manager must be contacted by any construction contractor or group performing work that will disturb soil.
- 5. The construction contractor or group performing the work that will disturb soil shall provide the information listed below to the Airport Environmental Manager. In the event of an emergency, this information must be provided in a reasonable amount of time with as much information as available.
  - a) Description of construction or maintenance activities that are being planned;

b) Date project is to begin;

- c) Specific location of soil disturbance or soil excavation;
- d) Anticipated volume of soil that will be disturbed/excavated;
- e) Requirements for backfill and final finishing of excavation;
- f) Identification of any environmental contractors that will be used to perform any work;
- g) Identification of any land disturbance or stormwater management permits that may be required;
- h) Identification of any issues associated with the location of utility lines.
- 6. The Airport Environmental Project Manager will review all of the information received from the construction contractor or group, comparing this information with existing site characterization information found in the documents listed in Appendix B, which will be periodically updated to reflect interim corrective measures and final corrective measures approved by MDNR.
- 7. After a review of all of the project information, a determination will be made by the Airport Environmental Manager as to the potential impact of the project with respect to areas that are documented to be contaminated.
  - a) If it is determined that pre-job sampling will be performed by the City, the City will provide copies of the Pre-job Sampling Plan to Boeing. If Boeing

has any comments on the plan, Boeing will provide comments to such plans for consideration within fifteen (15) calendar days.

- b) If it is determined that the project is not expected to encounter subsurface contamination, the construction contractor or group performing the work will be provided instructions to follow should contamination be discovered during the project.
- c) If it is determined that the project is expected to encounter subsurface contamination, the construction contractor or group performing the work will be provided with specific information related to the location, depth(s) and level of contaminants. Reasonable steps shall be taken to avoid and minimize disturbance of the subsurface contamination.
  - (1) The Airport Environmental Manager and the construction contractor or group performing the work will meet to discuss specific details and plans related to construction in areas of known contamination including the following:
    - a) Detailed information about the contamination;
    - b) Personal protective equipment needs/use and personnel training requirements and/or HAZWOPER qualifications;
    - c) Equipment decontamination procedures;
    - d) Soil management procedures;
    - e) Groundwater management procedures;
    - f) Stormwater management procedures;
    - g) Excavation zone limits;
    - h) Potential creation of preferential groundwater flow pathways (granular backfill, trenches, etc.);
    - i) Any engineering controls;
    - j) Additional details as needed.
  - (2) For construction activities involving subsurface excavation in Sub Area 2B, 2C, and 3H as described in the Risk Based Corrective Action Report, Boeing Tract I, St. Louis, MO (RAM Group 2004), the contractor selected by the City shall develop and implement a Health and Safety Plan (HASP). The HASP must addresses specific personal protective equipment (PPE) to protect workers who are exposed to dermal contact with ground water for an extended period of time in Sub Area 2B. The HASP shall also specify air monitoring to be conducted as required by OSHA if construction activities require personnel to enter a trench in Sub Areas 2C and 3H. Air monitoring results will determine appropriate respiratory PPE. The HASP should include: but not be limited to the following:
    - a) Project specific PPE requirements

- b) Project specific medical monitoring requirements
- c) Project specific training requirements
- d) Project specific emergency procedures
- 8. During the preliminary activities and planning for the project, the City will determine if the potential exists for the excavated contaminated soil to be returned to the original excavation or used elsewhere on the permitted property. To minimize soil handling and disposal requirements, excavated contaminated soil should be reused onsite as fill or backfill whenever feasible, so long as that reuse is protective of human health and the environment.
  - a) The management of any excavated soil shall be in accordance with Appendix C, Summary of Designated Categories of Fill Material and Constituent Criterion.
  - b) If the Airport Environmental Manager determines that the contaminated soil is anticipated to be re-used on site, the following steps will be followed:
    - (1) The Airport Environmental Manager will identify the location for temporary management and replacement of the excavated contaminated soil. In most cases, soil is expected to be returned to the location from which it was excavated.
    - (2) If the contaminated soil is to be reused in a location other than the original excavation, the specific location must be identified by the Airport Environmental Manager. The following general criteria are applicable when contaminated soil will be placed in a location other than the original excavation:
      - (a) Location must be on the permitted property and not accessible by the general public, and
      - (b) The soil must contain no visible free liquids (e.g., groundwater) and must be sufficiently dry so as to not produce free liquids following placement, and
      - (c) The location of the soil placement must be documented with the Airport Environmental Management Office if on property owned by the City, and shall also be provided to MDNR for placement in facility file.
      - (d) The location of the soil placement must be consistent with any and all of the activity and use limitations placed on the permitted property.
    - (3) Analytical data is required to support any contaminated soil reuse onsite. This data may come from existing corrective action identified in Appendix B, and/or from any additional pre or post excavation soil sampling and analysis. The Pre-job Sampling Plan must be submitted to MDNR as

- provided in Article V of this Plan identifying specific constituents and specific analytical parameters, including information on the purpose and use of the data related to soil reuse.
- (4) Reuse of contaminated soil onsite is allowed only with written approval of the Pre-job Sampling Plan by MDNR as provided in Article V of this Plan, indicating all regulatory requirements have been addressed. Unless otherwise approved by MDNR, contaminated soil reused onsite must be free of debris and piping, and the reused contaminated soil is placed at a minimum of one (1) foot below surface. Contaminated soil reused onsite must not be used as finishing grade. Adequate controls must be in place to ensure soil reuse does not create additional contamination issues at the proposed reuse location (as determined by the Airport Environmental Manager). In addition, significant amounts of groundwater must not be transferred into the reuse area. Soil meeting these criteria will be placed in specific location identified in the Pre-job Sampling Plan approved by the department as provided in Article V of this Plan.
- (5) The Airport Environmental Manager will maintain information of all contaminated soil management activities on portions of the permitted property owned by the City. This information will contain locations of contaminated soil reused onsite, locations of soil removed for disposal, and analytical data collected during soil management activities.
- c) If it is determined by the City during the preliminary activities and planning for the project that the contaminated soil will NOT be reused on site:
  - (1) Soil samples will be collected and analyzed for contaminated soil disposal. The location, quantity and type of soil sample to be collected must be determined. The Pre-job Sampling Plan for collection of soil samples for disposal must include the objective and or purpose of this sampling (i.e., determining excavation limits/requirement, personal protective equipment requirements, etc.).
  - (2) The following issues must be addressed by the Airport Environmental Manager in coordination with the construction contractor or the group performing the work.
    - (a) Groundwater must be managed to ensure any contamination is not spread to uncontaminated areas. This may involve collection, treatment and proper disposal of contaminated groundwater.
    - (b) Specific actions must be discussed should debris or piping be encountered during the soil disturbance or excavation.

- (c) Should asbestos-containing piping be encountered in the excavation, work will be stopped and an asbestos abatement contractor called to complete the operation.
- (d) The Airport Environmental Manager will be notified for specific direction if any debris is encountered in an excavation. Any liquid associated with piping debris must be specifically addressed.
- (e) Temporary containment areas may need to be constructed related to staging/loading of contaminated soil. These areas should be relatively close to the point of generation. Contaminated soil must be placed on an engineered surface (concrete or plastic liner). A berm at least six inches in height must surround the surface to contain any runoff.
- (f) Backfilling of the excavation will be performed ensuring that contamination is not spread through the creation of preferential groundwater flow pathways (granular backfill, trenches, etc.)
- (h) The type of loading and hauling equipment used for the project will be determined by the Airport Environmental Manager. Operations to control Foreign Object Damage (FOD) and dust at the job site must be conducted at regular intervals.
- (3) Disposal of non-hazardous special waste soil will be addressed by the City. This may include obtaining special waste disposal approval from MDNR and St. Louis County Health Department.
- (4) Waste soil that is determined to be hazardous waste will be managed by the City, except that waste soil determined to originate from Boeing's historical operations will be shipped off-site for disposal at a Boeing approved waste disposal facility under the U.S. EPA and MDNR ID number assigned to Boeing for the site. Any off-site shipments utilizing the Boeing ID number will be reviewed by Boeing prior to shipment, with Boeing responsible for waste profiling, manifesting, and regulatory reporting associated with such shipments.
- 9. Hazardous Waste Management Facility Permit Corrective Action Conditions II.A. and III.A. require Boeing to notify MDNR and EPA within 15 days of the discovery of new Solid Waste Management Units (SWMUs), Areas of Concern, (AOC) or newly-identified releases from previously identified SWMUs/AOC. Notification of discovery of situations that may require stabilization action(s) are also required by the MHWMF Part I permit. The discovery of any new Solid Waste Management Units (SWMUs), Areas of Concern, (AOC) or newly-identified releases from previously identified SWMUs/AOC, or the discovery of situations that may require stabilization action(s) must be communicated by the

City to Boeing as soon as practicable. Boeing will notify the department and EPA, as appropriate.

10. The City's obligations under this Plan with respect to any discrete parcel of the permitted property now owned by the City (whether identified as a discrete parcel at this time or not) may be assigned to any new owner of the discrete parcel. Upon such assignment, the assignee shall assume all obligations under this Plan with respect to the transferred parcel and the City shall be released from any obligations under this Plan with respect to the transferred parcel from the date of such assignment.

#### V. MDNR Review and Approval

- 1. MDNR generally expects to review and approve a pre-job plan before redevelopment soil disturbance activities for "planned" construction but not for "emergency" repairs that involve disturbing contaminated soils within the permitted property. In the case of emergencies, after the fact reporting would be expected.
- 2. If redevelopment construction occurs on the permitted property owned by the City, the Redevelopment Agreement between MDC and the City specifies who is responsible for reimbursement of the Department's oversight costs.
- 3. To facilitate site redevelopment and repair/maintenance of utilities on site that may be in a contaminated area of the permitted property, this Soil Management Plan must be followed.
- 4. A plan view map, which is legible and clear, showing the following shall be submitted to the Department before soil disturbance activities for planned construction activities which will disturb contaminated soils commence:
  - a) Location(s) and depth(s) of the necessary repair,
  - b) Location(s) and depth(s) of any pre-job samples, and
  - c) The location(s) of any known hazardous waste site (regulated units) or Solid Waste Management Units (SWMU's) and/or releases from such units which could be impacted by the proposed excavation/construction activities, and
  - d) Any information relevant to disturbance of areas with known contamination.
- 5. Pre-job soil sampling/analysis and subsequent excavation activities on the permitted property could lead to the discovery of additional SWMUs/AOC's. Any SWMUs/AOCs and/or new releases from known SWMUs/AOCs discovered by Boeing, or reported to Boeing by GKN or City, must be reported to the Department and EPA by Boeing in accordance with Special Permit Conditions V and VI as applicable. The Department acknowledges that Boeing's knowledge of additional SWMUs/AOC's and/or new releases from known SWMUs/AOCs located on permitted property owned or operated by GKN or City, and obligation

- to report such information to the Department and EPA, is limited to such information as is provided by GKN or City.
- 6. When contaminated soil is approved for backfill into the excavation, a clean layer of soil must be placed at grade on top of the soil that is backfilled. The clean soil layer shall be a minimum of one (1) foot thick and be free of contamination above MRBCA DTLs levels. Any contaminated soil which is not used as backfill must be managed and disposed of in accordance with all applicable local, state, and federal requirements.
- 7. The Soil Management Plan requests must be submitted (electronically when possible) to the MDNR at least 15 working days prior to performing the work. When possible, requests should be grouped together and consolidated. The Project Manager will confirm MDNR's receipt of the request. Within 10 working days, MDNR will notify requestor Project Manager by phone or e-mail if the request is approved or if MDNR has questions. If MDNR's approval is verbal, that approval will be confirmed by letter or e-mail within 5 working days. If approval is not received within 10 working days the project manager will contact MDNR to resolve any issues related to the request and obtain approval within the remaining 5 working days of the verbal approval.
- 8. Nothing contained herein shall be construed as preventing or otherwise limiting the Project Manager's ability to respond to an emergency situation or condition (e.g.: water, sewer or gas line break) that requires disturbance of contaminated soil. Following mitigation of an emergency, the Project Manager shall contact the Department as soon as practicable to advise that contaminated soil has been disturbed and to receive further instructions as to what additional action, if any and reporting will be required to address final disposition of the contaminated soil.

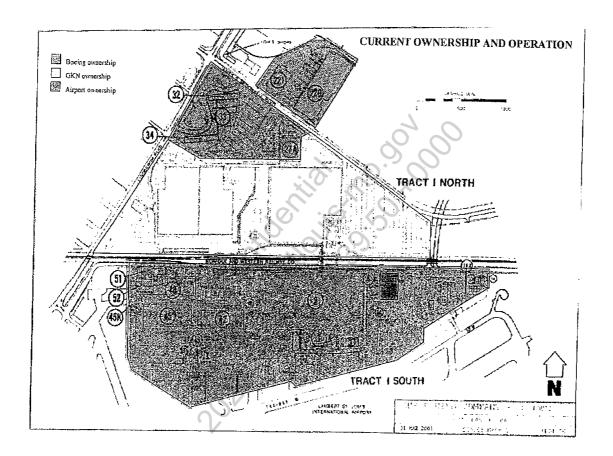
## Signature Page

BOEING	
Signature	
Title	
Date	

CITY of ST. LOUIS	3'-0
Signature	Holile
Title	Environmental, Health & Safety Manager Lambert- St. Louis International Airport
Date :	3/11/2013

GKN	
Signature	
Title	
Date	

### Appendix A Property Ownership Map



Appendix B
Corrective Action Administrative Records

	Author	Title
5/29/1997	Environmental Science &	RCRA Facility Investigation Workplan for
	Engineering, Inc., St. Louis,	McDonnell Douglas, Hazelwood, Missouri
	MO	Facility, Volume I
12/18/1997	Heritage Environmental	Interim Measures Completion Report,
•	Services, Inc., Chicago, IL	McDonnell Douglas Aerospace, U.S. EPA
		ID No. MOD000818963, Tract I Facility,
1/20/2001		Hazelwood, Missouri
4/20/2001	Harding ESE, Inc., St.	RCRA Facility Investigation Workplan
	Louis, MO	Addendum II for McDonnell Douglas,
7/10/2001	III. P. FOR I. O.	Hazelwood, Missouri
7/19/2001	Harding ESE, Inc., St.	RCRA Facility Investigation Workplan
	Louis, MO	Addendum II for McDonnell Douglas,
9/27/2002	Harding ESE, Inc., St.	Hazelwood, Missouri
9/2//2002	Louis, MO	Environmental Field Investigation Statement of Work for Boeing Tract I South Property,
!	Louis, MO	Hazelwood, Missouri
10/29/2002	Harding ESE, Inc., St.	Annual monitoring Report for Solid Waste
10/2/12002	Louis, MO	management Unit 17, McDonnell Douglas,
	Bouis, We	Hazelwood, Missouri
3/2003	Golder Associates, Inc., St.	Environmental Baseline Survey, Boeing
5.200	Charles, MO	Tract I South Facility, Hazelwood, MO
11/7/2003	MACTEC Engineering and	Environmental Investigation Report for
	Consulting, Inc., St. Louis,	Boeing Tract I South Property
	MO	
2/3/2004	MACTEC Engineering and	Enhanced Bioremediation Pilot Test Report
	Consulting, Inc., St. Louis,	for Boeing Tract I, Hazelwood, Missouri
	MO	
9/2004	Risk Assessment &	Risk Based Corrective Action Report,
	Management Group, Inc.,	Boeing Tract I, St. Louis, Missouri
	Houston, TX	
12/2004	MACTEC Engineering and	RCRA Facility Investigation Report for
	Consulting, Inc., St. Louis,	McDonnell Douglas, Hazelwood, Missouri
40/00/07	MO	
10/20/05	MACTEC Engineering and	Interim Action Remedial Excavation
	Consulting, Inc., St. Louis,	Workplan, Solid Waste Management Unit
	MO	17, McDonnell Douglas, Hazelwood,
10/5/05	MACTEGE	Missouri
12/5/05	MACTEC Engineering and	TPH Soil Vapor Sampling Workplan,
	Consulting, Inc., St. Louis,	Boeing Tract I, Hazelwood, Missouri
	MO	

5/2006	MACTEC Engineering and	Interim Action Remediation Excavation
	Consulting, Inc., St. Louis,	Completion Report, Boeing Tract I,
61/2005	MO	McDonnell Douglas, Hazelwood, Missouri
6//2006	MACTEC Engineering and	Interim Action Remedial Excavation
	Consulting, Inc., St. Louis,	Completion Report, Solid Waste
	MO	Management Unit 17, McDonnell Douglas,
2/2009		Hazelwood, Missouri
3/2008	Tetra Tech EM, Inc.,	Final Risk Assessment, Boeing Tract I
4/7/2010	Lenexa, KS	Facility, St. Louis, Missouri
4/7/2010	RAM Group of Gannett	Quality Assurance Plan, Boeing Tract 1,
4/21/2010	Fleming, Inc., Houston, TX	Hazelwood, Missouri
4/21/2010	RAM Group of Gannett	Final Corrective measures Study Work Plan,
	Fleming, Inc., Houston, TX	The Boeing Company Tract 1, Hazelwood,
6/8/2010	DAMC CC	Missouri
0/8/2010	RAM Group of Gannett	Ground Water Gauging and Sampling-
	Fleming, Inc., Houston, TX	Spring 2010, Boeing Tract 1, Hazelwood,
12/2010	DAM G	Missouri
12/2010	RAM Group of Gannett	Ground Water Gauging and Sampling-Fall
8/2011	Fleming, Inc., Houston, TX	2010, Boeing Tract I, Hazelwood, Missouri
0/2011	RAM Group of Gannett	Ground Water Gauging and Sampling-
	Fleming, Inc., Houston, TX	Summer 2011, Boeing Tract I, Hazelwood,
12/2011	DAM C	Missouri
12/2011	RAM Group of Gannett	Interim Measures Work Plan, Sub-areas 2B
	Fleming, Inc., Houston, TX	and 6B, The Boeing Company, Tract I,
4/2012	PAM Crown of Communication	Hazelwood, Missouri
7/2012	RAM Group of Gannett	Ground Water Gauging and Sampling-
	Fleming, Inc., Houston, TX	February 2012, Boeing Tract I, Hazelwood,
10/2012	PAM Crown and C	Missouri
10/2012	RAM Group of Gannett	Ground Water Gauging and Sampling-
	Fleming, Inc., Houston, TX	September 2012, Boeing Tract I,
		Hazelwood, Missouri

# Appendix C Summary of Designated Categories of Fill Materials and Constituent Criterion.

Category	Allowable Contaminant Limits	Allowable Uses/Requirements
Clean Fill*	Clean fill applies to soil, sand, gravel and rock where the concentration of all Constituents of Concern (COCs) are below their respective MRBCA Table B-1 DTLs or are below background levels.	Materials that qualify as "clean fill" do not require blanket beneficial use or site-specific approval and may be used without restriction in residential and non-residential applications.
		MDNR Water Protection Program approval may be required if placed in contact with surface water or groundwater. Subject to any applicable local approval requirements.
Blanket	Blanket beneficial use applies to soil,	Materials that qualify for blanket
Beneficial	sand, gravel and rock where the	beneficial use may be used,
Use	concentration of any COC is greater	without additional site-specific
Approval**	than its respective MRBCA Table B-	approval, provided the material
	1 DTL but all COCs are less than	contains COC concentrations
	their respective MRBCA Table B-3	within allowable limits and the
	Risk-Based Target Levels for	materials are placed on property
	Residential Land Use Type 2 (Silty)	subject to the jurisdiction of the
	Soil or below background.	Missouri Hazardous Waste
		Management Facility Permit.
	Materials containing any COC	
	concentration greater than its	Transportation and placement of
	respective MRBCA Table B-3 level	blanket beneficial use materials
	are <u>not</u> approved for blanket	must be conducted in a manner
	beneficial use.	that protects human health,
	·	worker safety and the
	Submission of a site-specific	environment
	beneficial use request is required for	
	materials with any COC	
	concentration greater than its	
	respective MRBCA Table B-3 level.	

## Site Specific Beneficial Use\*\*\*

Site-specific beneficial use applies to soil, sand, gravel and rock where the concentration of any COC is greater than its respective MRBCA Table B-3 Risk-Based Target Level for Residential Land Use Type 2 (Silty) Soil but all COCs are less than their respective MRBCA Table B-6 Risk-Based Target Levels for Non-residential Land Use Type 2 (Silty) Soil

Site-specific beneficial uses for the subject materials cannot be granted where any COC concentration is greater than its respective Table B-6 Risk-Based Target Level for Non-residential Land Use Type 2 (Silty Soil Type) or where these materials exhibit the characteristic of toxicity via Toxicity Characteristic Leaching Procedure (TCLP) testing.

Site-specific beneficial use of soil requires prior review and written approval by the department. The department shall be consulted as to applicable requirements for approval of site-specific beneficial use at the time any such use is proposed.

Site-specific beneficial use will be limited to property subject to the jurisdiction of the Missouri Hazardous Waste Management Facility Permit and may require implementation of land use restrictions or other exposure controls in areas where sitespecific beneficial use is approved.

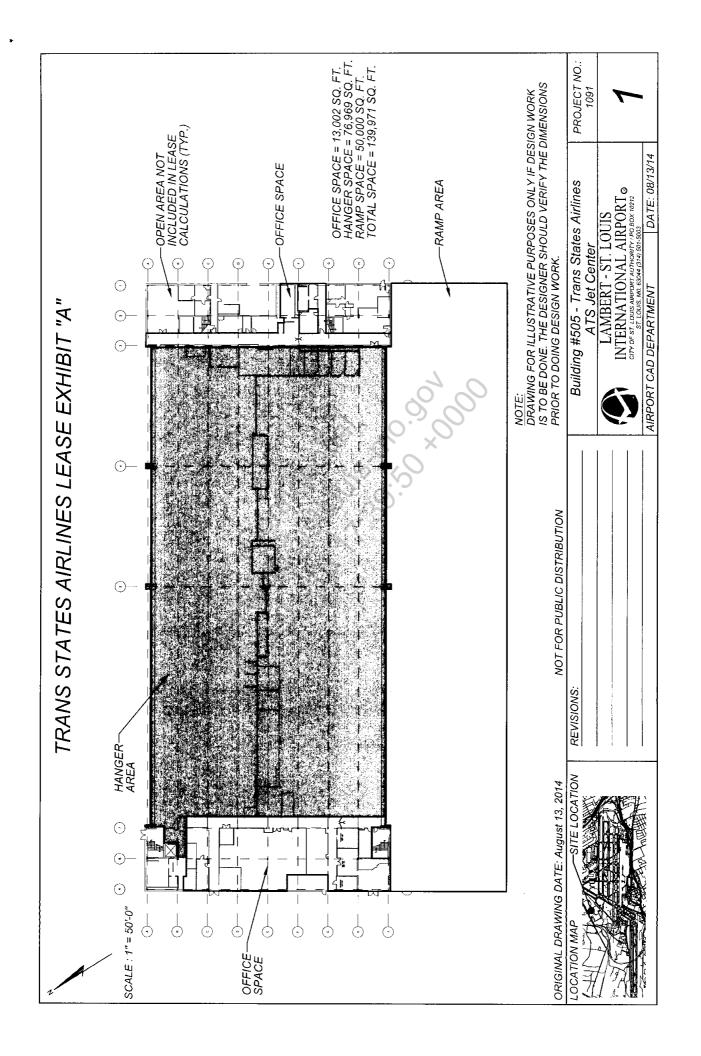
See MRBCA Table B-1 - Lowest Default Target Levels All Soil Types and Pathways. Guidance for determining background COC concentrations may be found in MRBCA Appendix M.

\*\* See MRBCA Table B-3 – Tier 1 Risk Based Target Levels Residential Land Use Soil Type 2 (silty soil type).

\*\*\* See MRBCA Table B-6.

# EXHIBIT A <u>DEPICTION OF PREMISES</u>

Contidential mo. of the continuous states of t





Lease Exhlbit "A" AL-336 Trans States Airlines, LLC