

Lease Agreement

This Lease Agreement (the "Agreement") is made and entered into this 12th day of December, 2023 (the "Effective Date"), by and between the Town of Erie, a Colorado municipal corporation with an address of P.O. Box 750, Erie, CO 80516 (the "Town"), and Vector Air Management, LLC, a Colorado limited liability company with a principal place of business at 395 Airport Drive, Erie, CO 80516 ("Lessee") (each a "Party" and collectively the "Parties").

Whereas, the Town is the owner and operator of the Erie Municipal Airport, more particularly described in **Exhibit A**, attached and incorporated by this reference (the "Airport");

Whereas, on July 1, 2011, the Parties executed a Management and Operating Agreement for the Erie Municipal Airport which Original Agreement was amended in 2011, 2016 and 2017 (collectively the "Original Agreement");

Whereas, the Parties wish to enter into this Agreement and terminate the Original Agreement; and

Now, therefore, in consideration of the promises and the mutual covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Property. The Town owns the building and real property located at 395 Airport Drive, Erie, Colorado (the "Property"). Subject to the provisions of this Agreement, the Town hereby leases the Property to Lessee. Lessee has inspected the physical condition of the Property and receives the Property in "as is" condition. The Town makes no representations or warranties with respect to the condition of the Property or its fitness for any particular use, and the Town shall not be liable to Lessee for any latent or patent defect on the Property.

2. Term. The term of this Agreement shall commence on January 1, 2024 and continue through March 31, 2024 (the "Term").

3. Rent and Security Deposit.

a. Lessee shall pay to the Town rent in the amount of \$3,500 per month, which shall be due and payable on the first day of each month.

b. There shall be no security deposit.

4. Use and Occupancy.

a. *Use Limitations*. Lessee shall use the Property for office purposes. Lessee shall not permit the Property to be used for any illegal purpose and will not perform any

act that may be a nuisance, annoyance, or inconvenience to the Town or any other lessee of the Property.

b. *Alteration of Property.* Lessee shall not, without the prior written consent of the Town, make any alterations, improvements, or additions to the Property, including without limitation partitions, wall coverings, floor coverings and special lighting installations.

c. *Hazardous Materials and Substances.* Lessee shall at all times comply with all applicable laws, including without limitation all current and future federal, state and local statutes, regulations, ordinances and rules relating to, without limitation, the following: the emission, discharge, release or threatened release of a Hazardous Material into the air, surface water, groundwater or land; the manufacturing, processing, use, generation, treatment, storage, disposal, transportation, handling, removal, remediation or investigation of a Hazardous Material; the protection of human health, safety or the indoor or outdoor environment; all applicable environmental statutes of the State of Colorado; and all federal, state or local statutes, laws, ordinances, resolutions, codes, rules, regulations, orders or decrees regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect.

d. *Maintenance.* Lessee shall keep and maintain the Property in a sanitary condition and comply with all fire, safety, health, environmental, building, zoning, anti-discrimination and all other laws regulating the use of the Property now or hereafter in force.

e. *Conduct.* Lessee shall not cause or permit any disorderly conduct, noise or nuisance upon or about the Property which may annoy or disturb other tenants located in the Property or persons on adjacent property.

f. *Damage.* If any part of the Property is damaged or destroyed through the intentional act, negligence, carelessness or abuse of or by Lessee, Lessee's agents, employees, contractors, or invitees, the cost of all necessary repairs and replacements shall be paid by Lessee to the Town on demand.

g. *Covenant of Quiet Enjoyment.* The Town covenants that Lessee shall enjoy quiet and undisturbed possession of the Property during the term period and any subsequent renewal term, subject to the terms and conditions of this lease.

h. *Entry and Inspection by the Town.* The Town and the Town's agents and employees shall have the right to enter the Property at all reasonable times for the purpose of examination or inspection, and to make such alterations, repairs, improvements or additions to the Property as the Town deems necessary or desirable.

i. *Abandonment of Personal Property.* If Lessee abandons, vacates or surrenders the Property or is dispossessed by process of law or otherwise, then any

personal property belonging to Lessee and left on the Property shall be deemed abandoned.

j. *Signage.* Lessee shall have the right to install signs upon the Property with prior written approval by the Town and subject to any applicable governmental law, ordinances, regulations, and other requirements. Lessee shall remove all such signs at the termination of this Agreement. Such installations and removals shall be made in such manner as to avoid injury or defacement of the Property, and Lessee shall repair any injury or defacement, caused by such installation and/or removal. Lessee shall not place or display political or election signs, banners, posters, or endorsements for any political or election cause, candidate, or party anywhere on the Property without prior written consent of the Town.

k. *Utilities.* Lessee shall pay for cost of all utilities and services, of every kind and nature, used on the Property. Service shall be designated in the name of the Lessee as of the Effective Date. Lessee shall pay for such costs directly. With regard to any costs which the Town must pay on Tenant's behalf, such costs shall be paid by Lessee to the Town as incurred and shall be considered as additional rent. The Town shall in no event be liable for any interruption or failure of utility services on the Property. Lessee agrees to pay promptly for all such utilities and services and to indemnify and hold harmless the Town from any and all claims for payments of the utilities and services for which Lessee has sole responsibility.

5. Default.

a. *Event of Default.* The failure by Lessee to comply with any provision of this Agreement shall constitute a default of this Agreement.

b. *Remedies.* Upon a default, the Town may re-enter and take possession of the Property. In addition, the Town may take any action at law or in equity to enforce performance of any obligation of Lessee under this Agreement. The Town's remedies shall be cumulative, and the exercise of one remedy shall not prevent the exercise of any other available remedy.

c. *Attorney Fees and Costs.* If the Town brings suit to enforce any provision of this Agreement or for recovery of the Property, the Town shall be entitled to all costs incurred in connection with such action, including reasonable attorney fees.

6. Indemnification. Lessee agrees to indemnify and hold harmless the Town and its officers, insurers, volunteers, representative, agents, employees, heirs and assigns from and against all claims, liability, damages, losses, expenses and demands, including attorney fees, on account of injury, loss, or damage, including without limitation claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever, which arise out of or are in any manner connected with this Agreement.

7. Insurance.

a. *Coverages.* Throughout the term of this Agreement, Lessee shall maintain, at its sole cost and expense, the following insurance:

i. Comprehensive broad form general public liability insurance in common use for with extended coverage endorsement protecting the Town and Lessee and covering the Property and Lessee's use thereof against claims for personal injury, death and property damage occurring upon, in or about the Property, such insurance to afford protection to a limit of not less than \$2,000,000 combined single limit.

ii. Workers' compensation insurance as required by law.

b. *Form.* All policies shall be issued by solvent insurance companies licensed to do business in Colorado. The commercial policy shall be written as a primary policy, which does not contribute to and is not in excess of coverage carried by the Town. Such insurance shall be in addition to any other insurance requirements imposed by law. The coverages afforded under the policies shall not be canceled, terminated or materially changed without at least 30 days' prior written notice to the Town. In the case of a claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain continuous coverage. Any insurance carried by the Town, its officers, its employees, or its contractors shall be excess and not contributory insurance to that provided by Lessee. Lessee shall be solely responsible for any deductible losses under any policy.

8. Miscellaneous.

a. *Integration.* This Agreement constitutes the entire agreement between the Parties, superseding all prior oral or written communications.

b. *Severability.* If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected, and each provision of this Agreement shall be valid and enforceable to the extent permitted by law.

c. *Governing Law and Venue.* This Agreement shall be governed and construed in accordance with the laws of the State of Colorado, and any legal action arising out of this Agreement shall be brought in Weld County, Colorado.

d. *Notice.* Any notice under this Agreement shall be in writing and shall be deemed sufficient when directly presented or sent pre-paid, first class United States Mail to the other Party at the address set forth on the first page of this Agreement.

e. *Successors.* This Agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, successors, representatives, administrators, executors and devisees.

f. *Assignment and Subletting.* Lessee shall not assign this Agreement or sublet any portion of the Property without the prior written consent of the Town. Any such assignment or subletting without the Town's consent shall be void.

g. *No Waiver.* A failure of a Party to enforce any term of this Agreement shall not be deemed to be a waiver of any other term of this Agreement.

h. *Subordination.* This Agreement is and shall be subordinate to all existing and future liens and encumbrances against the Property.

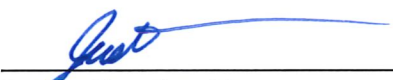
i. *No Joint Venture.* Notwithstanding any provision hereof, the Town shall never be a joint venture in any private entity or activity which participates in this Agreement, and the Town shall never be liable or responsible for any debt or obligation of any participant in this Agreement.

j. *Governmental Immunity.* Nothing herein shall be construed as a waiver of any protections or immunities the Town may have under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended.

k. *No Third-Party Beneficiaries.* There are no intended third-party beneficiaries to this Agreement.

In Witness Whereof, the Parties have executed this Agreement as of the Effective Date.

Town of Erie, Colorado


Justin Brooks, Mayor

Attest:


Debbie Stamp, Town Clerk

Lessee

DocuSigned by:
Jason Hurd
0B9FF46A3D3648F...

State of Colorado)
) ss.
County of _____)

Subscribed, sworn to and acknowledged before me this _____ day of _____, 2023, by _____ as _____ of Vector Air Management, LLC.

My Commission expires:

(Seal)

Notary Public

