ORDINANCE NO. 155-26

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO A HANGAR LEASE AGREEMENT (NON-COMMERCIAL WITH CONSTRUCTION ADDENDUM) WITH COLD STREAM AIR SERVICES, INC. PERTAINING TO CONSTRUCTION OF A TEN-UNIT HANGAR FACILITY AT THE MEDINA MUNICIPAL AIRPORT.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEDINA, OHIO:

SEC. 1: That the Mayor is hereby authorized to enter into a Hangar Lease Agreement (non-Commercial with Construction Addendum) with Cold Stream Air Services, Inc. pertaining to construction of a ten-unit hangar facility at the Medina Municipal Airport.

SEC. 2: That a copy of the Hangar Lease Agreement is marked Exhibit A, attached hereto and incorporated herein.

SEC. 3: That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SEC. 4: That this Ordinance shall be in full force and effect at the earliest period allowed by law.

PASSED: October 13, 2026

SIGNED: John M. Coyne, III
President of Council

ATTEST: Kathy Patton
Clerk of Council

APPROVED: October 13, 2026

SIGNED: James A. Shields
Mayor

HANGAR LEASE AGREEMENT

ORD. 15526 Exh. A

(Non-Commercial Operations with Construction Addendum)

This Lease ("Lease") is made and entered into this _____ day of _____, 2026 by and between the **CITY OF MEDINA, OHIO**, an Ohio municipal corporation, with an address at 132 N. Elmwood Avenue, Medina, Ohio 44256 (hereinafter referred to as "Landlord"), and **COLD STREAM AIR SERVICES, INC.**, an Ohio Corporation, with an address at 2050 Medina Road, Medina, Ohio 44256 (hereinafter referred to as "Tenant").

RECITALS

A. Landlord is the owner of the Medina Municipal Airport (the "Airport") in Sharon, Township, Ohio.

B. Tenant desires to lease an undeveloped portion of commercial land at the Airport being 0.40367 acres, more or less, and identified as Medina County, Ohio parcel number 033-12A-07-01 (the "Premises"). The Premises are depicted on **Exhibit A** attached hereto.

C. Tenant has represented to the Landlord that upon execution of this Lease, Tenant shall promptly develop the Premises by constructing an aircraft hangar and related improvements pursuant to the Construction Addendum (the "Addendum") attached hereto and incorporated herein by this reference.

NOW, THEREFORE, it is agreed as follows:

1. Premises. The Landlord hereby leases the Premises to Tenant for and as an undeveloped aircraft hangar site to be developed by Tenant with construction of a T-hangar building (the "Hangar") for storage of a aircraft and related site improvements ("Site Improvements"). The Hangar is to be developed with divisions into separate T-hangar units, each intended to be suitable for housing a single aircraft (one aircraft per T-Hangar within the Hangar) to be stored and operated at the Airport. The Site Improvements and Hangar are to be developed as provided in the Addendum.

2. Purposes. Following development of the Hangar and Site Improvements, Tenant shall use and occupy the Premises solely for the following purposes and no others: (a) operation of aircraft owned or leased solely by Tenant, itself, or renters of the respective individual T-Hangar units constituting a part of the Hangar (hereinafter "T-Hangar Renters" and individually each a "T-Hangar Renter"); (b) inside hangar storage of aircraft owned by Tenant and/or inside hangar storage of aircraft owned by a T-Hangar Renter with terms not exceeding the Term of this Lease; (c) self-performed minor service and self-performed minor maintenance of aircraft owned by Tenant or self-performed minor service performed by the T-Hangar Renter on such T-Hangar Renter's aircraft.. For purposes hereof, the phrase "aircraft owned by Tenant" shall mean aircraft in which the Tenant has at least a fifty-one percent (51%) ownership interest or where the aircraft is leased or used at least on a fifty-one percent (51%) basis by Tenant. For purposes hereof, the phrase "aircraft owned by a T-Hangar Renter" shall mean aircraft in which the T-Hangar Renter

has at least a fifty-one percent (51%) ownership interest or where the aircraft is leased or used at least on a fifty-one percent (51%) basis by such T-Hangar Renter.

3. Prohibited Purposes. In addition to other uses that are prohibited, Tenant shall not use or occupy the Premises or any part thereof, nor permit any portion of the Premises or any T-Hangar to be used, for any of the following purposes: (a) service or maintenance by Tenant or any T-Hangar Renter on any aircraft or aircraft component not owned by the Tenant performing self-service or self-maintenance or by such T-Hangar Renter performing self-service or self-maintenance; (b) outside storage of aircraft or other items (for example, "tie-downs" at the Premises are not permitted); (c) fueling or self-fueling of any aircraft; (d) storage of non-aeronautical items or personal property (including, but not limited to, by way of example trailers, cars, boats, furniture; (c) any use that is not specifically authorized in Section 2 above.

4. Term of Lease. The term ("Term") of this Lease shall be for a period of forty-five (45) years commencing on the _____ day of _____, 2026 (the "Commencement Date") and continuing for forty-five (45) years, unless earlier terminated under the provisions of this Agreement.

(a) Right of First Refusal. To the extent permitted by applicable law and applicable FAA guidelines and rules, the Tenant has the first right to renew the Lease for up to one (1), twenty (20) year term after the original term, if any. Renewal of the Lease is not automatic and is subject to renegotiation based on the most current market rate and lease provisions as updated by the Landlord from time to time. Landlord and Tenant shall act in good faith in regard to negotiations.

5. Rent; Utilities; Real Estate Taxes & Assessments.

(a) Rent. Tenant shall pay Landlord base rent ("Base Rent") for the Premises in the amount of One Thousand Eight Hundred and NO/100ths Dollars ($1,800.00) per annum in monthly installments of One Hundred Fifty and NO/100ths Dollars ($150.00) each, due in advance on the first day of each month commencing the month after the effective date of this Lease. Per annum Base Rent shall be increased (but not decreased) as of each fifth anniversary of the Commencement Date to the then fair market field rent ("Fair Market Field Rent") determined by Landlord to be applicable for hangar lease sites at the Airport. Fair Market Field Rent may be determined by independent appraisal or other bona fide valuation method determined by Landlord to fix Fair Market Field Rent for various lease sites at the Airport. Base Rent and other amounts payable by Tenant to Landlord shall be delivered to: Medina Airport Manager, City of Medina, 132 North Elmwood Avenue, Medina, Ohio 44256.

(b) Utilities. In addition to Base Rent, Tenant shall pay for all utility services used or consumed at the Premises, including but not limited to, water, electric, communication/date, gas, and sewer. In the event the Premises is not separately metered for any particular utility or service, Landlord shall have the right to assess a monthly charge estimated in good faith by Landlord. The utility charges shall be due and payable monthly with installments of Base Rent.

(c) Real Estate Taxes and Assessments. Tenant shall pay, before any fine, penalty, interest or cost may be added thereto, or become due or be imposed by operation of law for the

non-payment thereof, all real estate taxes, assessments and other governmental impositions (collectively "Impositions") related to the Premises during the Term; provided, however, that if, by law, any Imposition may at the option of the taxpayer be paid in installments (whether or not interest shall accrue on the unpaid balance of such Imposition) Tenant, with Landlord's prior written consent, may exercise the option to pay the same (and any accrued interest on the unpaid balance of such Imposition) in installments and, in such event, shall pay such installments as may become due during the Term as the same respectively become due and before any fine, penalty, further interest or cost may be added thereto; provided, further, however, that the amount of all installments of any such Imposition which are to become due and payable after the expiration of the Term shall be paid on or before the date of such expiration. It is further provided that any Imposition, other than Impositions which have been converted into installment payments by Tenant, relating to a fiscal period of the taxing authority, a part of which period is included in a period of time after the expiration of the Term, shall be apportioned between Landlord and Tenant as of the expiration of the Term.

Tenant shall have the right to contest the amount or validity, in whole or in part, of any Imposition by appropriate proceedings diligently conducted in good faith but only after payment of such Imposition unless such payment would operate as a bar to such contest or interfere materially with the prosecution thereof, in which event, Tenant may postpone or defer payment of such Imposition if neither the Premises nor any part thereof would by reason of such postponement or deferment be in danger of being forfeited or lost. Upon the termination of any such proceedings, Tenant shall pay the amount of such Imposition or part thereof as finally determined in such proceedings the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees, interest, penalties or other liabilities in connection therewith.

Landlord shall use reasonable efforts to obtain real estate tax assessments for the Premises which are segregated from the remainder of Landlord's properties. In the event that such segregated assessments are obtained, Landlord shall cooperate with Tenant in requesting the appropriate public authorities to send all notices relating to Impositions directly to Tenant during the Term; Tenant shall promptly deliver to Landlord copies of all such notices received by Tenant. If Landlord is unable to obtain real estate tax assessments for the Premises segregated from the remainder of Landlord's properties, Landlord will provide Tenant with documentation indicating the portion of real estate tax assessments applicable to the Premises and Tenant shall pay such Imposition directly to the public authority before the same becomes due.

6. Access Fee. The Tenant acknowledges the right of the Landlord to impose access fees ("Access Fee(s)") at the Airport chargeable monthly on a per occupied aircraft hangar basis. An access fee is potentially chargeable at a point where the Tenant is leasing the property described herein and at the same time, the Tenant is not a Fixed Base Operator at Medina Municipal Airport. For the purposes of this Agreement, the term "occupied aircraft hangar basis" or "occupied hangar basis" means any aircraft hangar or hangar unit that is in use with an aircraft being stored/hangered for any period of time during the particular billing month. The Access Fee is not prorated for any partial month or partial storage period during a month. For avoidance of doubt, each aircraft storage space in a larger building (such as a T-hangar building having multiple individual aircraft storage units) is treated as an aircraft hangar with each separate storage space charged the Access Fee. As of the date of this Lease, the Access Fee is charged at $100.00 per month (or portion of a

month) per aircraft hangar on an occupied hangar basis. It is understood that the Access Fee is fixed on a non-discriminatory/uniform basis and may be reasonably adjusted from time to time by the Landlord. The Premises is conclusively presumed to be occupied by an aircraft each month unless the Tenant establishes the same was at no time occupied by an aircraft during such month.

7. Delinquent Payment. In the event Tenant is more than five (5) days late in paying any amount of Base Rent, Access Fees or any other payment due under this Lease, then without the need for any further notice to Tenant, Tenant shall pay Landlord a late charge equal to five percent (5%) of the delinquent amount. In addition, any amount due from Tenant to Landlord hereunder which is not paid within thirty (30) days of the date due shall bear interest at a monthly rate of percent (1.0%). The payment of such late charge or interest by Tenant shall not constitute a waiver of any default by Tenant hereunder.

8. Assignment; Subletting.

(a) Except as provided herein, the Tenant shall not assign this lease, nor permit the transfer thereof by law or otherwise, nor, except as expressly provided in this Lease, sublet the Premises, any T-Hangar, or any part thereof, without prior written consent of the Landlord.

(b) Notwithstanding the foregoing but otherwise subject to this Lease after completion of construction of all improvements and T-Hangars, Tenant may enter long term subleases of specific individual aircraft T-hangars to separate subtenants at market rates from time to time provided: (1) the term of any sublease may not exceed the remaining term of this Lease; (2) each subtenant shall be obligated to comply with the terms of this Lease regarding use of T-Hangars, including, but not limited to, prohibitions against servicing any aircraft other than the subtenant's; (3) each subtenant shall also comply with all applicable rules and regulations of the Airport promulgated by the Airport Manager or Landlord from time to time; (4) each subtenant shall be responsible for the Access Fee pertaining to the subtenant's subleased T-Hangar unless paid by the Tenant directly; (5) each Tenant shall obtain appropriate aircraft insurance for their aircraft kept in or at their subleased T-Hangar; (5) Tenant shall provide Landlord with a continuously updated register of all subtenants (with name, address and contact phone number), their T-Hangar identification, their aircraft (including make, model and tail number registered with the FAA); and (6) Tenant is responsible for any failure of any subtenant to comply with the rules and regulations of the Airport and any failure to comply with Lease where applicable to the T-Hangar subleased to such subtenant.

(c) To the extent that Tenant desires to structure individual T-Hangar long-term use by individual subtenants during the term of this lease utilizing a cooperative entity structure whereby the right to a specific t-hangar's use is assigned to the user as a member of the cooperative entity. Landlord will negotiate in good faith with Tenant to come to mutually acceptable terms, provided the cooperative entity and its members/t-hangar users assure their compliance with the terms and conditions of this Lease.

9. Landlord Access. Landlord has the right to access the Premises at any time for fire, electrical or safety inspections, compliance review, and/or maintenance or in the case of an emergency. Except in the case of an emergency, Landlord shall provide 24-hour notice (which notice may be

phone, email or otherwise) of intended entry. Locks provided may not be modified or changed. Any hangar locked with owner provided locks must have a duplicate key placed with the Landlord or the Airport Manager appointed by the Landlord.

10. Alterations. After completion of construction under the Addendum, Tenant shall make no structural alterations or additions to the Premises without prior written consent of the Landlord and all alterations, additions and improvements in any manner fastened to the Premises, shall become a part of the Premises and shall be surrendered to the Landlord at the termination of this Lease, whether terminated by lapse of the time or otherwise, without compensation to the Tenant. Notwithstanding the foregoing, Landlord shall have the right to require that Tenant remove alterations, additions and improvements from the Premises leaving the same in good condition and repair. Such removal shall be at Tenant's sole cost. Should Tenant fail to remove alterations, additions and improvements as required by Landlord, Landlord may do so at Tenant's cost and expense. Tenant shall pay such cost and expense within ten (10) days of Landlord's submission of an invoice therefor.

11. Damage, Injury or Loss. All personal property on the Premises of Tenant, its subtenants, invitees or licensees shall be at the risk of the Tenant only, and the Landlord shall not be liable for any damages to or loss of such property, or to the Premises or to Tenant, or to any other persons or property, caused by water, fire, electricity, wind, sewage, gas or odors or by any act or neglect of other tenants, occupants or the employees of the Landlord, or any other person, or caused in any other manner whatsoever.

12. Combustible and/or Hazardous Materials. Tenant shall not or allow any person to dispense fuel into aircraft or vehicles on the Premises: fuel stored outside of aircraft or vehicle fuel tanks, shall be limited to five (5) gallons and stored only in U.L. approved storage containers. No other combustible materials shall be stored in the Premises. Tenant shall conduct itelf and its activities on or at any portion of the Premises and cause all invitees, licensees, contractors and agents to act, in such a manner as to (i) not release or permit the release of any Hazardous Material; (ii) not unlawfully store, use or dispose of any Hazardous Material; and (iii) not create any nuisance or unreasonable interference with or disturbance of other tenants or users of the Airport or Landlord. "Hazardous Material" means any hazardous, explosive, radioactive or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the state in which the Premises is located or the United States, including, without limitation, any material or substance which is (A) defined or listed as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance," "hazardous material," "pollutant" or "contaminant" under any Law, (B) petroleum or a petroleum derivative, (C) a flammable explosive, (D) a radioactive material, (E) a polychlorinated biphenyl, (F) asbestos or an asbestos derivative, or (G) a carcinogen. Tenant hereby shall indemnify, defend and hold Landlord harmless from and against any and all claims, losses and costs arising from or asserted in connection with: (i) Tenant's breach of any of the covenants set forth in this Section 12 and/or (ii) to the extent caused or allowed by Tenant, or any agent, employee, contractor, invitee or licensee of Tenant, the presence on, under, or the escape, seepage, leakage, spillage, discharge, emission, release from, onto or into the Premises, the building, the land surrounding, the atmosphere, or any watercourse, body of water or ground water, of any Hazardous Material. The undertaking and indemnification set forth in this Section 12 shall survive the termination of this Lease.

13. Waste; Rubbish. The Tenant shall promptly remove from the Premises all waste and rubbish regularly and upon being notified so to do either be the Landlord or by any State or Municipal authority. In the event of the Tenant fails to remove any of such waste, rubbish, or to properly dispose of or deposit such items, the Landlord may, at Landlord's option, remove the same and any expense incurred in so doing shall become part of the rental of the Premises herein leased and shall be payable to the Landlord upon demand.

14. Maintenance and Repair. It shall be Tenant's obligation to maintain the Premises and all improvements and buildings upon the Premises, both exterior and interior, in good, safe condition and repair at all times. Tenant will keep the floors clean from oil or other stains. Any inside or outside fixtures and other improvements, such as lights, antennas or other improvements must be approved by Landlord in writing. Landlord shall not be responsible for the cost of making any repairs, alternations or improvements at or upon the Premises. The cost of all improvements and repairs of the Premises and keeping of the same in good order and repair shall be paid by the Tenant except as to such repairs as are made necessary by such damages as Tenant can affirmatively show by clear and convincing evidence resulted from the fault or negligence of Landlord.

15. Obstructions; Signage. Neither the Tenant nor Tenant's employees, invitees or licensees shall obstruct in any way the areas, aprons and taxiways around the Premises and shall not without first receiving the written consent of said Landlord place signage on the outside of the buildings upon Premises nor upon the balance of the exterior areas on the grounds surrounding said buildings.

16. Surrender. The Tenant shall, at the termination of this Lease whether by lapse of time or otherwise, return said Premises to the Landlord in as good condition as when received with the building and improvements thereon constructed and maintained as contemplated by this Lease and the Addendum, loss by ordinary wear, tear, fire and casualty or the elements excepted, and by midnight of the date of termination of this Lease shall remove all rubbish, waste material and all the Lessee's property from the Premises, and shall surrender all keys to said premises in Tenant's possession whether such keys were provided by the Landlord or by the Tenant.

17. Insurance. Tenant shall, during the entire term of this Lease, keep in full force and affect the following insurance:

(a) Aircraft Liability Insurance with limits of liability shall not be less than $100,000.00 per person and $1,000,000.00 per accident.

(b) Comprehensive general public liability insurance against claims for personal injury, bodily injury, death or property damage occurring on or in the Premises, with a combined single limit of not less than Three Million Dollars ($3,000,000.00), or the equivalent thereof.

(c) A copy of each policy or a certificate of insurance shall be delivered to the Landlord at the inception of the Term and thereafter upon Landlord's request.

(d) The amount of insurance shall be increased as Landlord may reasonably require from time to time to account for inflation or generally increased insurance recommendation by Landlord's insurance advisor.

18. Compliance with Law; Rules and Regulations. Tenant shall promptly comply with and shall cause each licensee and invitee at the Premises to comply with, all present and future laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments, courts, departments, commissions, boards and offices, any national or local Board of Fire Underwriters, or any other body exercising functions similar to those of any of the foregoing, foreseen or unforeseen, ordinary as well as extraordinary, which may be applicable to the Premises or to the use or manner of use of the Premises or any part thereof. Tenant shall comply and cause each licensee and invitee at the Premises with all rules and regulations issued by Landlord and/or Airport Manager from time to time, including, but not limited to regulations concerning signage, Minimum Standards of Operation, and security and operations. Tenant specifically acknowledges that Tenant is familiar with the FAA grant assurances that are imposed upon the Landlord from time to time in connection with grants obtained by Landlord (the "Grant Assurances"). The Grant Assurances as modified from time to time are incorporated herein by reference and Tenant agrees to comply with such Grant Assurances so far as applicable to or imposed upon the Premises and/or activities thereat. Copies of Grant Assurances are also available upon request from time to time from the Landlord by written request.

19. Entire Agreement. This Lease and the attached hereto and documents incorporated by reference express the entire agreement of the parties thereto. The Tenant hereby expressly agrees that the Landlord has made no statement or promises, has not entered into any undertaking verbal or otherwise, in conflict with this lease or that invalidates, changes or enlarges any of its provisions or that makes Landlord liable for any damage; that Landlord has made no promises or representations except such are endorsed hereon respecting the condition of the leases premises, and that the taking possession of said Premises by the Tenant, shall be conclusive evidence as condition, any exception to be noted and agreed to by Tenant and Landlord, under the terms of this Lease, so far as Tenant would reasonably be able to determine from the careful visual examination of the Premises for the express purpose of review of its condition, when possession of the same was taken.

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LANDLORD:
CITY OF MEDINA, OHIO

By: _____
Name: JAMES A. SHIELDS
Title: Mayor

TENANT:
COLD STREAM AIR SERVICES, INC.,

By: _____
Name: _____
Title: _____

Approved as to Form:

_____
Gregory Huber, City of Medina, Law Director

STATE OF OHIO)
)SS:
COUNTY OF MEDINA)

The foregoing instrument was acknowledged before me this 13 day of October, 2026 by James A. Shields, the Mayor of **CITY OF MEDINA, OHIO**, an Ohio municipal corporation, on behalf of same.



TRACY ECKERT
Notary Public
State of Ohio
My Comm. Expires
August 25, 2029

Tracy Eckert
Notary Public

STATE OF OHIO)
)SS:
COUNTY OF MEDINA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2026 by Ronald Waldron, the President of **COLD STREAM AIR SERVICES, INC.**, an Ohio Corporation, on behalf of the corporation.

_____
Notary Public

EXHIBIT A

(SITE/LEGAL DESCRIPTION)

EXHIBIT B

LEASE CONSTRUCTION ADDENDUM
(TENANT CONSTRUCTION)

This is the Construction Addendum ("Addendum") referred to in the Ground Lease (the "Lease") made between **CITY OF MEDINA**, an Ohio municipal corporation, as Landlord, and **COLD STREAM AIR SERVICES INC.**, an Ohio corporation, as Tenant, pursuant to which Tenant is ground leasing certain land from Landlord at the Medina Airport ("Airport) owned by the Landlord. Capitalized terms used herein, unless otherwise defined in this Addendum, shall have the respective meanings assigned to them in the Lease.

Landlord and Tenant agree as follows:

1. **Premises Improvements**. Subject to the provisions of the Lease and this Addendum, Tenant shall cause to be constructed an aircraft hangar building with ten (10) T-Hangar units separated by common walls (the "Hangar") together with associated concrete or blacktop apron areas upon the Premises providing access from the Hangar (and each constituent T-Hangar) to aircraft taxiways ("Tenant's Construction Work") substantially in accordance with the final specifications and plans for the Premises that are to be prepared by Tenant and submitted to the Landlord for general approval (the "Plans") with the same thereafter submitted for all other required governmental permits and approvals prior to commencement of construction. Such Plans shall not be modified or amended without Landlord's written consent first obtained and all other governmental approvals obtained as provided by applicable law (the Hangar facility specifications, and the plans, as finally approved collectively referred to herein as the "Final Plans"). All Work shown in the Final Plans is included in Tenant's Construction Work and together with Tenant's fixtures and equipment not shown in the Final Plans ("Tenant Equipment"), are entirely Tenant's responsibility at Tenant's cost (the "Tenant Cost").

Subject to the provisions of the Lease and this Addendum, Tenant shall substantially complete Tenant's Construction Work, at Tenant's sole cost and expense, by twenty-four (24) months after the commencement of this contract ("Completion Date"). The Completion Date shall be extended for such period of time as is equal to the period of delays caused by any force majeure event, including, but not limited to delays caused by strikes and/or lockouts (not caused by Tenant or Tenant's contractors, subcontractors or material suppliers), unusual delays by governmental authorities, unavailability or shortage of materials, adverse weather conditions not reasonably contemplated, fire and other casualty, acts of God, and any other causes beyond the reasonable control of Tenant and not due to Tenant's negligence or lack of diligence ("Excusable Delays").

2. **Landlord Not Responsible for Tenant/Third Party Equipment or other Property**. Landlord shall have no responsibility or liability for any damage or loss to or of property or equipment of Tenant or of any third party placed on or at the Premises at any time.

3. **Substantial Completion**. The terms "substantial completion", substantially complete" or "substantial completion of Tenant's Construction Work", wherever used in this Addendum or the Lease, shall mean the full completion of Tenant's Construction Work except for

such minor items ("Punch List Items") that are to be fully completed by Tenant within a reasonable time in the exercise of diligent effort. Promptly upon substantial completion of Tenant's Construction Work, Landlord shall have the right, but not the obligation, to inspect Tenant's Construction Work for compliance with the requirements of this Addendum.

4. **Defects In Construction**. Tenant's Construction Work shall be performed with new materials and in good workmanlike manner. Tenant shall have the full and unqualified responsibility for all defects in design, construction, workmanship and materials in Tenant's Construction Work, notwithstanding any inspection thereof by Landlord or any Landlord designee of the detailed plans and specifications or the work, and notwithstanding the completion of Tenant's Construction Work or the commencement of the Lease term. Tenant's Construction Work shall be designed, constructed and performed, in accordance with all applicable laws, codes, rules and regulations and the requirements of the appropriate governmental authorities and all zoning laws.

5. **Certain Obligations Of Tenant During Construction.**

(a) Tenant shall pay all operating and other costs relating to the Premises, and the construction thereof, including the cost of water, heat, electricity, and other utilities used in and at the Premises.

(b) Tenant's Construction Work shall be performed by qualified licensed general contractors or subcontractors, in accordance with the terms, conditions and provisions of this Addendum.

(c) At all times during the performance of Tenant's Construction Work and continuing until the Commencement Date, Tenant shall maintain in full force and effect a policy of builder's risk insurance, at Tenant's sole cost and expense, insuring Tenant's Construction Work and all materials stored (including, but not limited to, Tenant's fixtures, equipment, supplies or other property which shall be stored at Tenant's sole risk) on the Premises or elsewhere or in transit against loss or damage by fire and other perils included in extended insurance coverage, including, without limitation, theft, vandalism, malicious mischief, transit, collapse, flood and earthquake, to one hundred percent (100%) of the replacement costs thereof at the time of loss.

(d) Tenant hereby agrees that Landlord shall not be responsible for claims, suits, obligations, liabilities, injuries, loss or damages arising out of or incurred in the course of Tenant's Construction Work ("Claims"). Tenant shall indemnify, defend and hold harmless Landlord from and against all Claims The foregoing indemnity shall survive termination or expiration of this Lease.

(e) Tenant shall not permit or suffer any mechanic's lien or attested accounts to be filed or claimed with respect to the Premises or Tenant's interest therein or Tenant's Construction Work.

(f) Landlord shall have the right, but not the obligation, to engage a consultant or advisor or to appoint a designee ("Landlord's Construction Consultant"), at Landlord's

sole cost and expense, to observe and inspect the progress of Tenant's Construction Work. Tenant shall reasonably cooperate with Landlord's Construction Consultant and shall make diligent good faith efforts to keep Landlord's Construction Consultant informed as to the progress of Tenant's Construction Work. Tenant shall make reasonable efforts to notify Landlord's Construction Consultant in advance of progress meetings relating to Tenant's Construction Work and shall permit Landlord's Construction Consultant to attend such meetings.

6. **Miscellaneous**.

(a) During the course of construction Tenant shall comply with all rules and regulations of the Landlord and applicable to the Airport and Airport property, including, but not limited to, all rules relating to safety, access and security.

(b) Landlord has no agreement with Tenant and has no obligation to do or perform any work with respect to the Premises. Any other work at or in the Premises which Tenant may be permitted by Landlord to perform prior to Commencement Date shall be done at Tenant's sole cost and expense and in accordance with the terms and conditions of the Lease; shall be completed pursuant to plans and specifications reasonably acceptable to Landlord; and all in accordance with all applicable building codes and laws, and without unreasonable interference with the operations of Landlord or the Airport. Any additional work or alterations to the Premises desired by Tenant after the Commencement Date shall be subject to the provisions of the Lease.

(c) The persons signing this Addendum on behalf of Landlord and Tenant warrants and represents he or she has the authority to do so.

(d) With respect to any amounts owed by Tenant hereunder and not paid when due or Tenant's failure to perform its obligations hereunder, Landlord shall have all of the rights and remedies granted to Landlord under the Lease for non-payment by Tenant of any amounts owed thereunder or failure by Tenant to perform its obligations thereunder.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Addendum to be executed as of the date of the Lease.

LANDLORD:
CITY OF MEDINA

By: _____
Name: JAMES A. SHIELDS
Title: MAYOR

TENANT:
COLD STREAM AIR SERVICES, INC.

By: _____
Name: _____
Title: _____