

AIRPORT OPERATOR'S AGREEMENT & LEASE

BETWEEN

WITTMAN REGIONAL AIRPORT (WINNEBAGO COUNTY)

AND

BASLER TURBO CONVERSIONS, LLC d/b/a BASLER FLIGHT SERVICE

THIS AGREEMENT, made and entered into this June 1, 2021, by and between WINNEBAGO COUNTY, by its Aviation Committee, hereinafter referred to as the "LESSOR", and BASLER TURBO CONVERSIONS, LLC, d/b/a BASLER FLIGHT SERVICE., a Wisconsin Corporation, hereinafter referred to as the "OPERATOR."

WITNESSETH:

WHEREAS, the LESSOR owns and operates an airport which includes all aviation navigation facilities, said airport being known as Wittman Regional Airport located in the City of Oshkosh, Town of Nekimi, Winnebago County, Wisconsin, and the LESSOR is desirous of leasing to OPERATOR certain premises hereinafter more fully described, located on said airport, together with the right to use and enjoy individually and in common with others the facilities referred to; and

WHEREAS, the OPERATOR will engage in the business of selling aviation fuels, oil and other lubricants, maintaining and operating full aircraft servicing facilities, providing storage space for aircraft, a repair shop for the repairing and servicing of aircraft engines, instruments, propellers and accessories in connection with said business, flight training, providing pilots for operating planes for others, carrying freight for hire, and as said OPERATOR desires to lease certain property and rights from the LESSOR.

NOW, THEREFORE, in consideration of the rents, covenants, and agreements herein contained, LESSOR does hereby lease, demise and let to OPERATOR, and said OPERATOR does hereby hire, take

and lease from LESSOR, the following premises, rights and easements on and to the airport upon the following terms and conditions.

1. CANCELLATION OF PRIOR AGREEMENTS

All prior Lease Agreements for the premises herein leased are hereby cancelled in full and replaced in full by the terms of this lease.

2. PREMISES LEASED

The LESSOR does hereby lease to OPERATOR the following described premises at said airport, with respect to which OPERATOR is to have for the term of this lease the exclusive use of said described premises as follows: (See Exhibits "A" & "B" attached for location of specific leased premises).

- a. Hangar Building #13 – approximately 10,000 square feet – LESSOR maintained
- b. Airport Terminal Building – approximately 2,000 square feet – LESSOR maintained
- c. Improved Land (paved) consisting of approximately 249,376 square feet of ramp space for aircraft parking – LESSOR maintained
- d. Improved Land (paved) consisting of approximately 22,125 square feet of auto parking space – OPERATOR maintained (snow removal only)
- e. Unimproved land consisting of approximately 49,269 square feet consisting of OPERATOR-owned structures and fuel farm – OPERATOR to maintain owned-structures and fuel farm.

3. RENTAL

The OPERATOR shall pay to the LESSOR base rent for the leased premises hereunder as follows.

- a. Hangar Building #13 – \$1.26 per sq. ft. x 10,000 square feet = \$12,738.60 per year or \$1,061.55 per month
- b. Airport Terminal Building – \$14.00 per sq. ft. x 2,000 square feet = \$28,000.00 per year or \$2,333.33 per month

- c. Improved Land (paved) for LESSOR-maintained ramp space - \$0.21 per sq. ft. x 249,376 square feet = \$52,944.96 per year or \$4,412.08 per month
- d. Improved Land (paved) for OPERATOR-maintained auto parking space - \$0.20 per sq. ft. x 22,125 square feet = \$ 4,473.72 per year or \$372.81 per month
- e. Unimproved land for OPERATOR-owned structures and fuel farm – \$0.15 per sq. ft. x 49,269 square feet - \$7,471.56 per year or \$622.63 per month.

ANNUAL TOTAL FOR LESSOR-OWNED BUILDING RENT (BASE YEAR): **\$40,738.60**

ANNUAL TOTAL FOR LESSOR-OWNED LAND RENT (BASE YEAR) **\$64,890.24**

**ANNUAL TOTAL RENT – BASE YEAR \$105,628.84**

4. **RENTAL ESCALATION**

The rental rates shown above shall be adjusted every three years on the anniversary date of this agreement at the rate of the increase of the National Consumer Price Index (CPI) for all items for all urban wage earners and clerical workers for the previous three calendar years, except that no decrease in rent will result if a decrease in the CPI-U occurs.

5. **FUEL FLOWAGE AND LANDING FEES**

- A. The OPERATOR will collect landing and fuel flowage fees on behalf of the Airport as established by County Ordinance.
- B. Collection: OPERATOR shall maintain records of all fuels received by OPERATOR from all fuel vendors. OPERATOR will collect fees on all fuels dispensed as provided for in Paragraph 5A. Fuel and landing fees collected will be remitted to LESSOR by the 10<sup>th</sup> day of the month following the month sales of fuels took place. Payment shall be made to Winnebago County Treasurer, c/o Airport Director, Wittman Regional Airport, 525 W. 20<sup>th</sup> Avenue, Oshkosh, WI 54902. Payment will accompany an affidavit. The OPERATOR shall maintain records in such a manner as to allow for a reasonable audit trail of all fuels

delivered to OPERATOR and subsequently dispensed by OPERATOR to all aircraft, OPERATOR'S aircraft and Basler Airlines. Should a fuel flowage audit be elected, the LESSOR shall bare the entire cost.

- C. The OPERATOR agrees to abide by appropriate industry standards, and all federal, state and local laws in the handling, storage, dispensing of all fuels in OPERATOR'S care and control. The OPERATOR further agrees to maintain appropriate records pertaining to the inspection and maintenance of all fuel storage and dispensing equipment and vehicles and make such records available to the LESSOR periodically for inspection. In addition, the OPERATOR shall ensure that all personnel in OPERATOR'S employ involved in fueling activities shall have received appropriate training in the handling and dispensing of fuels. OPERATOR shall maintain appropriate records showing that appropriate training based on accepted industry standards was received by each such employee.

6. TERM

A. The term of this Agreement shall be for twenty (20) years beginning June 1, 2021, and ending on May 31, 2041.

B. Should LESSOR decide to lease the premises described herein, subsequent to May 31, 2041, notice of said intent shall be provided to OPERATOR on or before November 1, 2040. Upon receipt of said notice, OPERATOR shall provide a written notice to LESSOR on or before December 31, 2040, as to its intent to negotiate a new lease agreement for any or all property described herein. Should OPERATOR fail to provide notice to LESSOR as to its intent to negotiate a new lease agreement, LESSOR may lease any or all of the premises described herein to any party without any further duty or obligation to OPERATOR.

C. Should OPERATOR file a Notice of Intent to negotiate a new lease agreement with LESSOR as described above, LESSOR, at its option, may negotiate a new twenty (20) year lease agreement with OPERATOR, provided that the OPERATOR has been and will remain in compliance with the Wittman Regional Airport Minimum Standards for Commercial Aeronautical Activities and Wittman Regional Airport Rules and Regulations. LESSOR shall provide OPERATOR with notice of and information as to, any proposed lease agreements between LESSOR and any third party on or before May 31, 2041. Upon receipt of any proposed lease agreement between LESSOR and any third party for any or all of the property described herein, OPERATOR shall have the option to exercise a right of first refusal for the purpose of leasing the premises described in the proposed lease agreement between the County and any third party upon the same conditions as described in said proposed lease agreement. Said option shall be exercised to OPERATOR within 30 days after the date of provision of notice of said proposed lease agreement to OPERATOR by LESSOR, or said option shall be considered to have expired.

D. Should OPERATOR provide LESSOR with notice of its intent to negotiate a new lease agreement, any lease agreement entered into by LESSOR with OPERATOR or any third party as to any or all of the property described herein, said new lease agreement shall be for a period not to be less than five years in duration nor more than 20 years in duration.

#### 7. ACCEPTANCE OF PRESENT PREMISES

The OPERATOR agrees to accept the premises leased in present condition, and as presently equipped, and further agrees to surrender the same at the end of the term in as good condition as they are now, ordinary wear and depreciation by the elements only excepted.

#### 8. ALTERATIONS AND IMPROVEMENTS

The OPERATOR shall have the right to make significant improvements to the leased premises upon receipt of written approval from the LESSOR. Such improvements shall become part of the leasehold

and remain attached to the premises upon termination of the lease. All improvements shall be at OPERATOR'S sole expense. Such approval shall not be unreasonably withheld or delayed.

9. UTILITIES

A. Hangar space and OPERATOR owned facilities:

The OPERATOR shall pay for all necessary fuel for the premises leased during the period of his occupancy, and pay for all electrical, water, telephone and other similar type charges for facilities used by said OPERATOR.

B. Office space within Airport Terminal Building:

The OPERATOR shall pay costs for all telephone, internet, cable and any other service required by OPERATOR for the premises leased during the term of his occupancy. LESSOR shall pay electric, gas and water costs for the premises leased by OPERATOR.

10. INSURANCE

A. The OPERATOR agrees, at its own cost and expense, to furnish Wittman Airport/Winnebago County with Certificate of Insurance indicating proof of the following insurance from companies licensed in the State.

Such insurance shall include Winnebago County as an additional insured as pertains to the negligence of the user or OPERATOR. Such insurance shall include a thirty (30) day notice prior to cancellation or material policy change, which notice shall be given to the Winnebago County Insurance Administrator, c/o Winnebago County Courthouse, P. O. Box 2808, Oshkosh, WI 54903. All such notices will name the user or OPERATOR and identify the contract.

1. Aircraft Liability – with a minimum of \$1,000,000 - \$5,000,000 individuals, \$10,000,000 for commercial risks, \$50,000,000 for scheduled airlines Combined Single Limit of liability for Bodily Injury and Property Damage.

2. Commercial General Liability Insurance (non aircraft) – with a minimum limit of \$1,000,000 Combined Single Limit for Bodily Injury and Property Damage Liability. This Insurance shall include on the Certificate of Insurance the following coverage:
  - a. Premises – Operations
  - b. Products and Completed Operations
  - c. Broad Form Property Damage
  - d. Personal Injury
  - e. Errors and Omissions; if applicable
3. Automobile Liability Insurance – with a minimum limit of \$1,000,000 Combined Single Limit for Bodily Injury and Property Liability. This insurance shall include Bodily Injury and Property Damage for the following coverage:
  - a. Owned Automobiles
  - b. Hired Automobiles
  - c. Non-Owned Automobiles
4. Worker’s Compensation – Statutory in compliance with the Compensation Law of the State. Included a Federal Longshoremen and Harbor Workers Endorsement, if applicable.
5. Limit Adjustment – LESSOR may increase insurance levels at each 5-year anniversary at a rate not to exceed the change in consumer price index over the period.

11. RIGHTS OF OPERATOR

The OPERATOR shall have:

- A. The right in common with others authorized so to do, to use common areas of the Airport, including runways, taxiways, aprons, roadways, floodlights, landing lights, signals and other conveniences for the take-off, flying and landing of aircraft of OPERATOR.
- B. The non-exclusive use, in common with others, of the airport parking areas, appurtenances

and improvements thereon, but this shall not restrict the right of the LESSOR to charge visitors a fee for the use of such areas.

C. The right to install, operate, maintain, repair and store, subject to approval of the LESSOR in the interests of safety and convenience of all concerned, all equipment necessary for the conduct of the OPERATOR'S business.

D. The right in ingress to and egress from the demised premises limited to streets, driveways or sidewalks designated for such purposes by the LESSOR, which right shall extend to OPERATOR'S employees, passengers, guests, invitee, and patrons.

E. The right in and on the demised premises of selling aircraft fuel, oil and other lubricants, maintaining and operating full aircraft servicing facilities, and providing storage space for aircraft, a repair shop for the repairing and servicing of aircraft engines, instruments, radios, propellers and accessories in connection with said business. The right to conduct such activities shall apply to aircraft of other persons as well as aircraft belonging to OPERATOR.

F. Provide those Aviation Commercial Services described above subject to the Minimum Standards for Commercial Aeronautical Activities, dated July 13, 2004, all appropriate laws of the Federal Government, the State of Wisconsin, the ordinances of the County of Winnebago, and the requirements of the Federal Aviation Administration of any other duly authorized governmental agency.

G. The right to sublease space in leased hangars to other aviation businesses. OPERATOR agrees to file with LESSOR the rates and charges imposed upon subleases. LESSOR must not duplicate services provided by subleases. The following services may not be subleased unless the sublease for each service is to the same sub lessee: aircraft fueling/line service and airframe maintenance/repair to the public. Any sublease arrangement shall be subject to LESSOR approval, such approval not to be unreasonably withheld or delayed. Subleases shall meet the insurance requirements specified in paragraph 10 of this agreement independent of the OPERATOR.

## 12. MAINTENANCE OF PREMISES LEASED

OPERATOR shall be responsible for all maintenance of OPERATOR-owned buildings and structures, and will maintain the LESSOR-owned leased premises occupied by him in good order, and perform such maintenance of consumable items as is necessary, including but not limited to light bulb replacement, key & lock replacement, and custodial services. OPERATOR shall be responsible for maintenance of the hangar doors of LESSOR-owned hangars. OPERATOR shall be responsible for snow removal of leased auto parking lots and apron connected to OPERATOR-owned hangar M as depicted on the lease map. LESSOR shall be responsible for all major repairs to LESSOR-owned premises to include building structure and roofs, any and all systems related to the building, (including but not limited to plumbing, heating, electricity) doors and windows. LESSOR will maintain the land and ramp to include, but not limited to, turf maintenance and landscaping, ramp and sidewalk repair and/or replacement, crack/joint rehabilitation, sealcoating, taxi line and aircraft parking line painting, perimeter fence/gate maintenance, and snow removal on the aircraft ramp.

In the event of fire or other casualty, the LESSOR at its discretion, shall repair LESSOR-owned buildings or remove the damaged buildings and restore the leased area to its original condition. In the event of the destruction of any LESSOR-owned building, the rent herein shall abate proportionately.

## 13. ASSIGNMENT

OPERATOR shall not at any time assign this Agreement, nor sublet the said leased premises, or any part thereof, without the written consent of LESSOR, first had and obtained, provided that the foregoing shall not prevent the assignment of the Agreement to any corporation with which OPERATOR may merge or consolidate, or which may succeed to the business of OPERATOR or to any parent or subsidiary corporation of OPERATOR or any affiliated company of OPERATOR which has control of it or of which it has working control.

#### 14. OTHER TERMS

The parties hereto, for themselves, their legal representatives, successors, and assigns, further covenant and agree as follows:

A. OPERATOR agrees to observe and obey, during the term of this Lease, all laws, ordinances, rules and regulations promulgated and enforced by LESSOR and by any other proper authority having jurisdiction over the conduct of the LESSOR's operations at the Airport.

B. OPERATOR agrees to, at all times during the term of the Lease, indemnify, save harmless and defend the LESSOR, its boards, commissions, agencies, officers, employees and representatives against any and all liability, loss, damages, costs or expenses, whether personal injury or property damage, with the LESSOR, its officers, employees, agencies, boards, commissions and representatives may sustain, incur or be required to pay by reason of the OPERATOR'S acts, error or omissions, provided however, that the provisions of this section shall not apply to liabilities, losses, charges, costs, or expenses caused by or resulting from the acts, errors or omissions of the LESSOR, its agencies, boards, commissions, officers, employees or representatives.

C. LESSOR agrees to, at all times during the term of this Lease, indemnify, save harmless and defend the OPERATOR, its boards, commissions, agencies, officers, employees and representatives against any and all liability, loss, damages, costs or expenses, whether personal injury or property damage, which the OPERATOR, its officers, employees, agencies, boards, commissions and representatives may sustain, incur or be required to pay by reason of the LESSOR's acts, errors or omissions, provided, however, that the provisions of this section shall not apply to liabilities, losses, charges, costs or expenses caused by or resulting from the acts, errors or omissions of the OPERATOR its agencies, boards, commissions, officers, employees or representatives.

D. So long as OPERATOR conducts his business in a fair, reasonable and workmanlike manner, he shall peaceably have and enjoy the leased premises, and all the rights and privileges herein granted.

E. OPERATOR agrees that no signs or advertising matter may be erected without the written consent of the LESSOR, such consent not to be unreasonably withheld or delayed.

F. OPERATOR agrees to operate the premises leased for the use and benefit of the public:

1. To furnish good, prompt, and efficient service adequate to meet all the demands for its service at the Airport.
2. To furnish said service on a fair, equal & nondiscriminatory basis to all users.
3. To charge fair, reasonable and nondiscriminatory prices for each unit of sale or service, provided that the OPERATOR may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers. Prices for fuel and servicing shall be posted by OPERATOR in a conspicuous place at the OPERATOR's service counter in the terminal building, and a copy furnished to the LESSOR.
4. Meet each and every standard as specified in the LESSOR's Minimum Standards for Commercial Aeronautical Activities dated July 13, 2004 and as may be amended for the following services:
  - a. Aircraft Fueling
  - b. Aircraft Line Services
  - c. Aircraft airframe, engine, accessory, maintenance and repair
  - d. Aircraft Storage Hangars

#### 15. SCHEDULE OF HOURS

OPERATOR agrees to maintain operations during a schedule of hours consistent with the Minimum Standards for Commercial Aeronautical Activities dated July 13, 2004 (section 4.3.5) and such schedules shall be filed with, and approved by, the Airport Director. Hours of operation shall not be reduced without written consent of the LESSOR, except during any period which the Airport is closed by any lawful authority restricting the use thereof in such a manner as to interfere with the use of the same by the OPERATOR for its business operation.

#### 16. CLOSING OF AIRPORT

During any period when the Airport shall be closed by any lawful authority restricting the use of the Airport in excess of 72 consecutive hours in such a manner as to interfere with the use of same by OPERATOR, for his business operation, the rent shall abate and at the OPERATOR'S option, the period of such closure shall be added to the term of the Lease or any option period so as to extend and postpone the expiration thereof.

#### 17. FIRE & POLICE PROTECTION AND SNOW REMOVAL

The LESSOR agrees to extend to the OPERATOR the same fire and police protection extended to the other tenants and facilities on the Airport. The LESSOR also agrees to provide snow removal services to the OPERATOR up to, but not including, the area within five (5) feet of structures owned or leased by OPERATOR. All of the foregoing services will be at the LESSOR's expense and consistent with airport snow removal priorities.

#### 18. FAILURE TO PAY RENT

Failure on the part of the OPERATOR to pay rent hereunder within thirty (30) days after same shall

become due, shall authorize LESSOR, at its option and without any legal proceedings, to declare this Lease void, cancel the same, and re-enter and take possession of the premises.

19. PERSONAL PROPERTY TAXES

The OPERATOR shall pay all taxes or assessments that may be levied against the personal property of the OPERATOR.

20. BREACH OF CONDITIONS

If the OPERATOR shall violate any of the restrictions in this Lease, or shall fail to keep any of its covenants after written notice to cease such violation, and shall fail to correct such violation within thirty (30) days, the LESSOR may at once, if it so elects, terminate the same and take possession of the premises.

21. INSPECTION: LEASED PREMISES & BOOKS AND RECORDS OF OPERATION

The LESSOR, through its Airport Director, his/her designee, or its Aviation Committee, reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this agreement.

21. FURTHER DEVELOPMENT

The OPERATOR recognizes that from time to time during the term of this lease it will be necessary for the LESSOR to initiate and carry forward programs of construction, expansion, demolition, maintenance and repair in order that the Airport and its facilities may be suitable for the volume and character of air traffic and flight activities which will require accommodations, and that such construction, expansion, demolition, maintenance and repair may inconvenience and partially impair the OPERATOR'S use of the

demised premises. The OPERATOR agrees that no liability shall attach to the LESSOR, its officers, agents, and employees by reason of such inconvenience or partial impairment of the use of the demised premises, and the OPERATOR waives any right to claim damages or other considerations, therefore, except for reasonable and proportionate rental abatements during such periods of impaired use provided that LESSOR complies with the provisions of the second paragraph of this section 21.

It is further agreed that LESSOR shall reserve to itself and have the right to relocate the OPERATOR'S location as described heretofore, or to revise the area and limits of the said premises, if in the reasonable discretion of the LESSOR, that airport improvement, development, expansion, demolition, or construction shall require such relocation or revision. In the event LESSOR makes such determination, LESSOR shall consult fully with OPERATOR and develop a plan with OPERATOR to minimize the disruption of OPERATOR'S business in connection with such relocation. LESSOR shall conduct such relocation in a manner to allow OPERATOR to continue to provide fueling and maintenance services as effectively as possible during the relocation process. Without limiting the foregoing, if LESSOR determines to take such action, LESSOR and OPERATOR shall use best efforts to develop such new or remodeled facilities for OPERATOR before the relocation of OPERATOR to the new or remodeled facilities. Further, if LESSOR determines to relocate OPERATOR to a comparable facility on the Airport, LESSOR shall bear all costs and expenses of creating such comparable facility or remodeling an existing facility to make it a comparable facility. LESSOR shall also bear the costs of replacing or providing fuel farms and other facilities and equipment such that OPERATOR is placed in a comparable position after such relocation. Further, if LESSOR determines to relocate OPERATOR to a comparable facility on the Airport, LESSOR reserves the right to adjust the premises leased, as outlined in paragraph 2 of this agreement, and to renegotiate the OPERATOR'S lease rate within the relocated facility, as outlined in paragraph 3 of this agreement, based upon the size, cost, salient features or other factors of the relocated facilities. The OPERATOR waives all claims of rights of action for damages or other compensation for inconveniences or

loss occasioned by such relocation or revision of area, except rent adjustments or abatements to the extent that the relocation or revision reduces the area, and for the period during which the premises are not usable because of such relocation or revision. If relocation is deemed necessary by LESSOR, it agrees to relocate, if practical, OPERATOR in facilities as nearly equal to OPERATOR'S present facilities in the Airport as is reasonably possible, and to do so at no cost to OPERATOR. LESSOR, at its option, may either conduct the relocation itself or reimburse OPERATOR for such relocation.

## 22. MAINTENANCE OF LANDING AREA

The LESSOR shall maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport within its financial ability.

## 23. EMERGENCY CONDITIONS

During the time of war or national emergency, the LESSOR shall have the right to lease the landing area or any part thereof to the United States Government for military use, and if such lease is executed, the provision of this instrument, insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.

## 24. PROTECTION OF AIRPORT

The LESSOR reserves the right to take any action it reasonably considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent OPERATOR from erecting, or permitting to be erected, any building or other structure on the Airport which, in the reasonable opinion of the LESSOR, would limit the usefulness of the Airport or constitute a hazard to aircraft.

## 25. SUBORDINATION TO LEASE WITH UNITED STATES

This lease shall be subordinate to the provisions of any existing or future agreement between the LESSOR and the United States, relative to the operation 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 development of the Airport. If the subordination of this agreement to any agreements now or hereafter entered into between the LESSOR and the United States materially alters or inhibits OPERATOR'S use or enjoyment of the leased premises, OPERATOR may, at its option and with 90 days written notice to LESSOR, terminate this agreement provided that LESSOR complies with the provisions of the second paragraph of this section 21.

#### 26. OPERATOR TO OBEY RULES

The OPERATOR shall abide by all the rules and regulations of the Town, City, County, State and Federal authorities respecting safety measure to be taken and observed in the use of said premises. The OPERATOR shall be subject to such written rules and regulations as the Winnebago County Board or its Aviation Committee may adopt. Such rules and regulations shall not, however, be in conflict with the terms of this Agreement.

#### 27. COMPLIANCE WITH CIVIL RIGHTS ACT OF 1964.

The OPERATOR, in the use of the leased premises for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the premises that (1) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements on, over, or under such premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; (3) that

the premises shall be used in compliance with all other requirements imposed by, or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

OPERATOR, in the conduct of its authorized business activities on said demised premises and said airport, shall furnish good prompt, and efficient service adequate to meet the demands for its service at the airport, and shall furnish such service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit of sale or services; provided, however, that OPERATOR shall be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

OPERATOR shall have the right and privilege to engage in, and conduct all business operations authorized under the terms of this Lease, provided, however, that this agreement shall not be construed in any manner to grant the OPERATOR, or those claiming under him the exclusive right to use the premises or facilities of the aforementioned Airport other than those premises leased exclusively to the OPERATOR hereunder.

## 28. RESOLUTION OF DISPUTES

This Agreement shall be covered by the laws of the State of Wisconsin. Claims, disputes, and other matters in question between the parties to this Agreement arising out of, or relating to, this Agreement or the breach thereof, shall be decided by arbitration in accordance with the Arbitration Rules of the American Arbitration Association then pertaining, upon the express written consent of all parties to this Agreement. In the event the parties proceed to arbitration; the following shall govern any such proceedings:

A. The American Arbitration Association shall submit a panel of five arbitrators to the parties. The parties shall alternate strikes until one-arbitrator remains who shall arbitrate the dispute. The party initiating the first strike shall be determined by the winner of a coin flip.

- B. The costs of the arbitration proceeding (except for the filing fee, which shall be paid by the party initiating the proceeding) shall be borne equally by the parties. Each party shall pay his own legal fees and expenses incurred in connection with the proceeding.
- C. Any arbitration shall take place in the City of Oshkosh, Winnebago County, Wisconsin.
- D. Unless otherwise agreed by the parties, the arbitration hearing in this matter shall be limited to one day in length with the arbitrator providing each side equal time to present its case during the day.
- E. That any discovery proceeding shall be limited to the thirty (30) day period prior to the date of the arbitration hearing. The party requesting the discovery shall pay for all costs incurred by the opposite party, except for attorney's fees. Related to the discovery procedure, including but not limited to, witness and reporter's fees related to depositions, photocopying fees, postage fees, and delivery fees.
- F. That the arbitrator, in issuing any ruling with regard to any arbitration matter, shall issue a written decision which shall include written findings of fact and conclusions of law.
- G. The proceeding and arbitration shall be governed by the laws of the State of Wisconsin, including specifically, Chapter 788 of the Wisconsin Statutes.

29. COMPLIANCE WITH WISCONSIN PUBLIC RECORDS LAW: OPERATOR understands that Winnebago County is bound by the Wisconsin Public Records Law, Wis. Stat. sec. 19.21, et. seq. Pursuant to Wis. Stat. sec. 19.36 (3), the County may be obligated to produce to a third party the records of an OPERATOR that are "produced or collected" by the OPERATOR under this Agreement ("Records"). OPERATOR is further directed to Wis. Stat. sec. 19.21, et. seq. for the statutory definition of Records subject to disclosure under this paragraph, and OPERATOR acknowledges that it has read and understands that definition. Notwithstanding any other term of this Agreement, OPERATOR is (1) obligated to retain Records for seven (7) years from the date of the Record's creation; and (2) produce such Records to County if, in County's determination,

County is required to produce the records to a third party in response to a public records request. OPERATOR's failure to retain and produce Records as required by this paragraph shall constitute a material breach of this Agreement, and OPERATOR must defend and hold the County harmless from liability due such breach.

30. NOTICES.

Notices shall be sufficient if sent by certified mail, postage prepaid, addressed to:

LESSOR

Wittman Regional Airport  
Attn: Airport Director  
525 W. 20th Avenue  
Oshkosh, WI 54902

OPERATOR

Basler Turbo Conversions, LLC  
d/b/a Basler Flight Service, Inc.  
Attn: General Manager  
525 W. 20th Avenue  
Oshkosh, WI 54902

or to such other addresses as the parties may designate to each other in writing from time to time.

31. RELATIONSHIP OF LESSOR AND OPERATOR.

It is expressly understood that LESSOR shall not be construed or held as a partner or associate of OPERATOR in the conduct of its business, and it being expressly understood and agreed that the relationship between the parties hereto is and shall at all times remain that of LESSOR and OPERATOR.

32. COVENANTS TO BE BINDING

The covenants, conditions and terms of this Agreement shall be binding upon the respective parties hereto, and on their heirs, executors, administrators and assigns.

**SIGNATURE PAGE TO FOLLOW**

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day  
and year first above written.

WINNEBAGO COUNTY (LESSOR)

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Jon Doemel  
County Executive

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Susan T. Ertmer  
County Clerk

BASLER TURBO CONVERSIONS, LLC d/b/a BASLER FLIGHT SERVICE (OPERATOR)

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Rod McNeil  
President, Basler Flight Service

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Justin Rust  
General Manager, Basler Flight Service