AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Second Amendment to Micar Airport Facilities Lease

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement: Budget Car Rental System, LLC and Gunnison County

Term Begins: 5/20/2016 **Term Ends:** 5/31/2017 **Grant Contract #:**

Summary:

Micar, Inc. intends to assign current Lease Agreement with Gunnison County to Budget Car Rental System, LLC. for the remainder of the term expiring on May 31, 2017.

Fiscal Impact: Stays the same

Submitted by: Stephanie Williams **Submitter's Email Address:** swilliams@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
No concerns. ln

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 6/29/2016

County Attorney Review: (●) Required ( ) Not Required

Comments:
ok - gs

Reveiwed by: GUNCOUNTY1\gstuhr Discharge Date: 6/27/2016 Certificate of Insurance Required Yes (●) No ( )

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 6/29/2016

(●) Consent Agenda ( ) Regular Agenda ( ) Worksession Time Allotted: 0

Agenda Date: 7/5/2016

Revised April 2015

SECOND AMENDMENT TO MICAR AIRPORT FACILITIES LEASE AND RENTAL CAR CONCESSION AGREEMENT – ASSIGNMENT TO BUDGET CAR RENTAL SYSTEM, LLC

THIS SECOND AMENDMENT TO MICAR AIRPORT FACILITIES LEASE AND RENTAL CAR CONCESSION AGREEMENT – ASSIGNMENT TO BUDGET CAR RENTAL SYSTEM, LLC ("Second Amendment") is made and entered into this ____ day of _____, 2016, among the BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF GUNNISON, COLORADO, a political subdivision of the State of Colorado whose address is 200 E. Virginia, Gunnison, Colorado 81230 ("Gunnison County"), MICAR, INC., a New Mexico corporation whose address is 501 Airport Road, Suite 111, Farmington, New Mexico 87401 ("Operator") and BUDGET CAR RENTAL SYSTEM, LLC, a New Jersey limited liability company whose address is 6 Sylvan Way, Parsippany, NJ 07054 ("New Operator").

A. RECITALS

WHEREAS, on June 1, 2012 Gunnison County and Operator entered into the *Airport Facilities Lease and Rental Car Concession Agreement* identified as Gunnison County Legal Instrument No: 2012-116, attached hereto and incorporated herein by reference as Appendix "A" ("Lease Agreement"); and

WHEREAS, on June 16, 2015, to extend the term of the Lease Agreement, Gunnison County and Operator amended the Lease Agreement and entered into an *Amendment to Micar Aiport Facilities Lease and Rental Car Concession Agreement* identified as Gunnison County Legal Instrument No: 2015-100, attached hereto and incorporated herein by reference as Appendix "B" ("First Amendment"); and

WHEREAS, Operator intends to assign its interest in the Lease Agreement and First Amendment to the New Operator; and

WHEREAS, the New Operator intends to confirm its acceptance of the Operator's assignment of its interest in the Lease Agreement and First Amendment; and

WHEREAS, the Operator and New Operator seek Gunnison County's consent for such assignment of the Lease Agreement and First Amendment; and

WHEREAS, the intent of this Second Amendment is to memorialize the above.

B. AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Gunnison County, Operator and New Operator agree to modification of the Lease Agreement and First Amendment thereto as follows:

1. Assignment.

The Operator hereby assigns any and all interest it may have in the Lease Agreement and First Amendment to the New Operator.

The New Operator hereby accepts and assumes any and all rights and obligations set forth under the Lease Agreement and First Amendment.

2. Consent of Assignment.

Pursuant to Section 7.1 of the Lease Agreement Gunnison County consents to Operator's assignment and delegation to the New Operator and the New Operator's acceptance and assumption of all rights and obligations set forth under the Lease Agreement and First Amendment thereto.

3. Effective Date of the Second Amendment.

The effective date of this Second Amendment shall begin retroactive on May 20, 2016 and shall expire, as set forth in and consistent with the First Amendment, May 31, 2017 unless otherwise terminated pursuant to the Lease Agreement.

4. Elimination of Option to Renew.

The opportunity for an option to renew the Lease Agreement pursuant to Section 5.2 of the Lease Agreement is hereby eliminated and omitted.

5. Notice.

Section 9.8 of the Lease Agreement is hereby amended to reflect the New Operator's address as follows:

If to Operator: Budget Car Rental System, LLC
6 Sylvan Way
Parsippany, NJ 07054

6. Reaffirmation and Ratification. Except as modified herein, the terms and conditions of the Lease Agreement and First Amendment thereto are hereby reaffirmed and ratified.

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

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

By _____
Paula Swenson, Chairperson

ATTEST:

_____
Deputy County Clerk

MICAR, INC., a New Mexico corporation

By _____

ATTEST:

_____
Secretary

BUDGET CAR RENTAL SYSTEM, LLC,
a New Jersey limited liability company

By _____

Robert Bouta, Senior Vice President
an authorized representative of Budget Rent A Car System, Inc.

ATTEST:

_____
Secretary

GUNNISON COUNTY LI: 2012-116

AIRPORT FACILITIES LEASE
AND RENTAL CAR CONCESSION AGREEMENT

Between

the

Board of County Commissioners of Gunnison County, Colorado

and

MICAR, Inc

Gunnison Crested Butte Regional Airport
Gunnison, Colorado

June 1, 2012

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AIRPORT FACILITIES LEASE
AND RENTAL CAR CONCESSION AGREEMENT
GUNNISON CRESTED BUTTE REGIONAL AIRPORT

THIS AGREEMENT is made as of June 1, 2012, between the BOARD OF COUNTY COMMISSIONERS OF GUNNISON COUNTY, COLORADO, having its principal office at the 200 E. Virginia Ave Gunnison, Colorado (the "County"), and MICAR, Inc. and having a principal address of 501 Airport Road, Suite 111, Farmington, NM ("Operator").

RECITALS

The parties recite and declare that:

A. County is operator and proprietor of the Gunnison Crested Butte Regional Airport.

B. Automobile rental services at the Airport are desirable for the proper accommodation of passengers arriving at and departing from the Airport.

C. County desires to make said services available at the Airport and Operator is qualified, ready and able to perform or see to the performance of said services.

D. In consideration of the foregoing and of the mutual covenants and agreements herein, County is willing to lease to Operator a portion of the Airport premises, and grant Operator certain non-exclusive rights and privileges.

1. DEFINITIONS As used in this Agreement, defined words and terms shall have the following meanings:

1.1 "Airport" is the Gunnison Crested Butte Regional Airport located in Gunnison, Colorado.

1.2 "Manager" is the manager of the Airport as may be designated from time to time by County.

1.3 "Agreement" is this Airport Facilities Lease and Rental Car Concessions Agreement.

1.4 "Employee" is any employee, officer, or director of Operator, or any other individual who operates a vehicle or provides other service at the Airport for Operator, and includes an individual Operator.

1.5 "Gross Revenue" is the gross amount charged to customers for and in connection with the rental of vehicles by Operator at the Airport, including charges for time and mileage, but excluding only any amounts separately stated and collected from customers by Operator for (a) sales and other taxes, (b) collision or accident waiver, (c) collision or accident insurance, and (d) gasoline purchased by customers.

1.5.1 For purposes of this definition, rentals shall be deemed to have been made at the Airport if the customer order is received and processed at the Airport, even though the vehicle is dropped off by the customer elsewhere. However, in instances of delivery of Operator owned vehicles from the Airport, for rental at other car rental branch offices owned and operated by Operator, or where a vehicle is rented from another branch office, outside of Gunnison County,

Colorado, even though the order is received at the Airport, then the vehicle shall not be deemed to have been rented at the Airport.

1.5.2 If any charge, fee or amount designed to recover, in whole or part, the Airport Use Fee set forth in Subsection 3.1.2 of this Agreement, is separately stated, as authorized and limited in Subsection 3.12.3 of this Agreement, or if any other fees or surcharges are imposed by Operator, any and all such amounts shall be included in Gross Revenue.

1.6 "Premises" is a collective terms which refers to the Terminal Premises and assigned parking spaces.

1.7 "Solicitation" is any communication or attempt communication for the purpose of encouraging a potential customer to conduct business with Operator. Solicitation includes, but is not limited to, distribution of hand bills, mime and oral communication, the display of signs, other than pre-arranged reservations.

1.8 "Terminal" is the existing Passenger Terminal Building at the Airport.

1.9 "Terminal Premises" consist of exclusive use space, counter and office space, leased to Operator, as described in subsection 2.2.1 of this Agreement, and as depicted on Exhibit 1, or such substitute space as may be authorized and assigned hereunder.

2. USE OF AIRPORT FACILITIES

2.1 Operational Rights.

2.1.1 Subject to the terms and conditions of this Agreement, Operator is granted the right to conduct and operate a non-exclusive car rental concession at the Airport, and use the Premises in conjunction with Operator's car rental concession at the Airport. In its operations from the Airport, Operator may utilize the following brand name or names: "Avis". The brand name(s) under which Operator conducts its operations on and from the Airport may not be changed without the prior written approval of County, provided, however, that if such brand(s) are extinguished by merger or nationwide change in brand identity, no such County approval shall be required. Operator shall not be entitled to any greater rights or obligations under this Agreement by virtue of operating under two brand names rather than one.

2.1.2 Operator's use of the Airport or any portion thereof, may be temporarily restricted by the Manager to the extent the Manager deems necessary to protect or enhance public health or safety, in the event of emergency or as necessary for security.

2.2 Terminal Building and Parking Space. County grants Operator use of the following space in and adjacent to the Terminal:

2.2.1 Exclusive use of the Terminal Premises identified in **Exhibit 1** hereto as Space Number 117, consisting of approximately189 square feet and common use space consisting of 56.5 square feet;

2.2.2 Joint use with others of roads useful in the conduct, operation and maintenance of Operator's concession under this Agreement;

2.2.3 Use of 19 "ready" parking spaces, being spaces 110 through 117 and 124 through 134 for rental cars, or such substitute spaces at location or locations designated from time to time by the Manager and reasonably convenient to the Terminal. **Exhibit 2**

2.2.4 Use of such "return" rental car parking spaces, in the same location as the "ready" parking spaces as designated by the operator..

2.2.5 Use of that portion of the gravel/overflow parking lot designated for Operator's use by Manager.

2.3 Substitute Space. If County elects to expand or remodel the Terminal in such a way that the Terminal Space (rental car counters/offices) will be affected, County reserves the right, to assign other or different office/counter space in the Terminal to Operator, and to assign temporary space inside or outside the Terminal during construction, if necessary. The reasonable third party costs of any such move shall be paid by County, but in no event shall County be liable for any consequential or other damages suffered by Operator as a result of relocation. Such substitute space, including temporary space, to the extent practicable, will be no less conveniently located relative to the substitute locations of other on-Airport rental car operators. Such substitute space (and to the extent practicable temporary space) will be of no less square footage than Operator's space assigned under this Agreement. This Agreement shall continue in effect with respect to such substitute space.

2.4 Right of Ingress and Egress. Operator shall have at all times the full and free right of ingress to and egress from the Premises for Operator, its employees, customers, guests and other invitees.

2.5 Public Address and Paging System. Operator and others similarly authorized shall have the right to use the public address and paging system in the Terminal for paging, and similar purposes, subject to reasonable policies established by the Manager.

2.6 Limitation on Uses.

2.6.1 Operator's uses of the Airport authorized and granted in this Agreement shall be limited to providing automobile rental service at the Airport, and arranging for such services for the public using the Airport, at locations other than Gunnison County, Colorado.

2.6.2 Operator may park automobiles at the Airport, on areas other than those designated for its exclusive use, only at locations and at times, if any, specified from time to time by the Manager. Operator's vehicles parked in an area other than those designated for Operator's use shall be promptly moved by Operator to an authorized location when so directed by the Manager.

2.6.3 Operator agrees that it shall pay contract damages of $100 for each breach by it of the prohibitions set forth in Subsection 2.6.2 above, provided, however, that if more than two such breaches occur during any 12-month period, contract damages shall increase to $200 for the third and each subsequent breach during the same 12-month period. Operator agrees to pay such damages within fifteen (15) days of notification of breach by the Manager. If Operator wishes to appeal the notification of breach, it may do so by filing a written appeal to County within said fifteen (15) day period. If the Manager's determination of breach is upheld by County, Operator shall pay contract damages due within fifteen (15) days of notification of County's determination.

2.6.4 Operator agrees that the Terminal Premises are part of the Terminal, which is closed during certain hours of the day and evening and utilized expressly for purposes relating to members of the public traveling by commercial airlines. Operator agrees its use proposed for the Terminal Premises is consistent with the use of the Terminal for the intended purpose and accept the closure of the Terminal during hours when it is not required by County in the exercise of its sole discretion for such purposes. If Operator unlocks the Terminal during closed periods, Operator shall be responsible for re-locking the Terminal and assuring that only the employees and/or customers enter the Terminal.

3. OBLIGATIONS OF OPERATOR

3.1 Rentals and Charges. Operator agrees to pay County rentals and charges for the use of the Premises and for services and privileges granted under this Agreement, according to the following schedule:

3.1.1 As space rental for exclusive use of Terminal Premises identified in Paragraph 2.2.1 above, an annual rental, payable monthly, computed on a per square foot basis as follows:

189 sq/ft. Counter/Office

$34.14 x 189 sq/ft = $6,452.46 yr. = $537.71 mo.

Concession common area calculated at 30% of the exclusive use space:

56.5 sq/ft common area

$34.14 x 56.5 sq/ft=$1,928.91 yr.= $160.75 mo.

Such rental rate shall be automatically increased as of each June 1 during the term of this Agreement by three percent (3%) over such rental due in the prior year.

3.1.2 For each assigned parking space rented by Operator under Paragraphs 2.2.3 and 2.2.4 above, Operator shall pay an additional $25.00 per space per month.

$25.00 x 19 spaces = $475 per month

County may, from time to time, adjust the monthly price for parking spaces; however, during the term of this Agreement, fees for spaces will not exceed thirty dollars ($30.00) per space.

3.1.3 As an Airport concession fee, Operators shall pay a minimum annual guaranteed amount "MAG") of $61,000 for the first year of this Agreement (June 1, 2012 - May 31, 2013), $61,000 for the second year of this Agreement (June 1, 2013 – May 31, 2014) and $61,000 for the third year of this Agreement (June 1, 2014 – May 31, 2015), or ten percent (10%) of Operator's Gross Revenue, whichever is greater.

3.1.4 If any rental, fee or charge is not paid within the calendar month of the due date, Operator shall pay, in addition to such delinquent payment, a late charge of $200.00 will be assessed on the delinquent payments and interest will accrue on the delinquent payment at a rate of one percent (1%) per month on all delinquent balances.

3.1.5 All payments shall be made payable to "Gunnison County". Payments should be sent or delivered to the Finance Office, 200 East Virginia Avenue, Gunnison, CO 81230.

3.2 Terms and Conditions of Payment.

3.2.1 On or before the 20th day of each month which follows a month falling in the term of this Agreement, Operator shall furnish County a statement of Gross Revenue for the immediately preceding month, and shall simultaneously pay County 10% of such Gross Revenue.

3.2.2 If any monthly Gross Revenue payment made under Section 3.2.2 above does not equal or exceed 8.33% (1/12th) of the MAG paid to County that month, then in addition to the Gross Revenue payments made or due, Operator shall simultaneously pay County the amount by which 8.33% (1/12th) of the relevant MAG exceeds the monthly Gross Revenue payment made.

3.2.3. Within 90 days after May 31st of each year during the term hereof, Operator shall furnish County a statement of Operator's Gross Revenue for the preceding contract year, certified by a principal or an appropriate corporate officer. Operator shall simultaneously pay to County the excess MAG rental, if any, due for such preceding calendar year over and above the rental theretofore paid. If Operator shall have paid to County, during the preceding Agreement year, MAG payments in excess of those due under Section 3.1.4 above, County shall credit Operator for said excess amount against future payments, except that if this Agreement shall have expired and Operator has not been awarded a successor agreement, County shall refund such excess MAG payment to Operator within thirty (30) days after receipt of Operator's statement of Gross Revenue.

3.2.4 County reserves the right to conduct audits of Operator's books of account and records, which audits may be conducted upon reasonable notice to Operator and during Operator's normal weekday business hours. In performing said audits, County shall be entitled to review, and Operator shall be obligated to provide County, all of the books of account and records that Operator is obligated to maintain pursuant hereto, as well as other documents and files in Operator's possession, custody or control at the time County advises Operator of its desire to audit Operator's records, that County, or its auditor, believe, in their sole discretion, are useful, relevant or necessary to determine or verify the correct amount of gross revenues enjoyed by Operator, and the correct amount of percentage rental owed by Operator to County, for the period involved. Should Operator fail to maintain the books of account and records required to be maintained pursuant hereto, or should Operator fail to permit County or its auditor to review Operator's books and records, and other documents and files, as required by this subparagraph, said default is agreed by the parties to be a material breach of this Agreement and Operator agrees to pay, as liquidated damages for such breach, an additional amount equal to fifty (50%) percent of the verifiable costs, fees and charges due from Operator hereunder for the period in question. If any audit shows that percentage rentals and other charges, that should have been paid to County by Operator pursuant to this Agreement, were understated or underpaid for any period involved, Operator shall, within thirty (30) days notice of any such deficiency, pay to County the full amount underpaid, plus eighteen percent (18%) interest, on such underpayment from the time said underpayment should have been paid to the time said underpayment is fully paid. In addition, if the amount of underpayment exceeds exactly one (1.0%) percent of the total annual percentage rental that was owed by Operator to County for the audit period involved, Operator, in addition to paying County the underpayment owed and interest accrued thereon, shall within thirty (30) days' notice reimburse County for the cost of the audit not to exceed Fifteen Hundred Dollars ($1,500.00). If

the audit discloses overpayment of the percentage rentals paid to County by Operator, County shall refund the amount of overpayment to Operator within thirty (30) days of said audit. County shall hold all information obtained from any such audit in confidence, except as may be necessary to enforce County's rights under this Agreement, except with respect to tax proceedings, and except with respect to any legal requirements or Court Order to disclose said information.

3.2.5 Payments required under this Agreement shall be accompanied by financial and other information on Operator's operations at the Airport on such reports or forms as the Manager may reasonably require.

3.3 Abatement of Minimum Guarantee.

3.3.1 In the event that one of the following conditions exists, the MAG provided in section 3.1.4 shall be abated for the period of time the condition exists:

3.3.1.1 If, during any year of this Agreement (June 1 – May 31), the number of deplaning passengers at the Airport falls below seventy percent (70%) of the number of deplaning passengers at the Airport for the preceding Agreement year, the minimum annual guarantee for each year shall be reduced to a sum equal to seventy percent (70%) of the minimum annual guarantee.

3.3.1.2 If the Terminal is partially damaged so as to render the Terminal Premises untenantable, as more fully set forth in subsection 6.4.1 of this Agreement.

3.3.2 In any event, and notwithstanding the provisions of 3.3.1 above, Operator shall pay County 10% of its Gross Revenues during the period of time any condition set forth in 3.3.1 above continues to exist. County shall return to Operator a just proportion of any minimum guarantee payment which may have been paid in advance for a month or portion thereof which falls within the period of abatement.

3.4 Gross Revenue Efforts. If Operator maintains multiple locations for the rental of vehicles in Gunnison County, Colorado, it shall:

3.4.1 For purposes of Gross Revenue determination and maximization, use its best efforts to ensure that its customers arriving in Gunnison County by air transportation are rented vehicles at the Airport;

3.4.2 To facilitate audit authorized by subparagraph 3.2.8 of this Agreement, utilize customer invoices for rentals at the Airport which are clearly distinguishable, including but not necessarily limited to separate lettering or numbering systems, from customer invoices for rentals at other Gunnison County locations; and

3.4.3 As the presumed amount of undetected deferral, pay an amount equal to ten (10) times the value of Gross Revenue determined by audit to have been deferred to Operator's other Gunnison County locations, if any.

3.5 Maintenance of Premises.

3.5.1 During the term of this Agreement, Operator shall maintain and keep the Premises in good repair and clean condition in accordance with applicable laws, rules and regulations.

3.5.2 Operator shall ensure that trash generated by its operations is immediately placed in covered containers, that no fugitive trash is generated, that the Premises are policed for trash on a daily basis, and that trash and other wastes are disposed of lawfully and promptly. Operator shall not store hazardous wastes on the Premises except in strict compliance with Federal, State and local laws and regulations.

3.6 Liability and Hazard Insurance. Operator shall at all times during the Term of this Agreement carry and maintain, in full force and effect and at its sole cost and expense, the following insurance policies:

3.6.1 Worker's Compensation Insurance in accordance with Colorado and Federal law which adequately protects all labor employed by Operator during the term of this Agreement.

3.6.2 Comprehensive General Liability Insurance or the equivalent in an amount not less than $1,000,000 each occurrence and $2,000,000 aggregate for Bodily Injury Liability and $500,000 for Property Damage Liability.

3.6.3 Comprehensive automobile liability insurance on all vehicles used at or rented from the Airport, in an amount no less than $150,000 for any injury to one person in any single occurrence and in an amount no less than $600,000 for any injury to two or more persons in any single occurrence.

3.6.4 With respect to the insurance required by paragraphs 3.6.1 through 3.6.3, Operator shall furnish County with a certificate of insurance which shall provide that County and Airport are insured under said policies and that the policies cannot be cancelled or materially modified except upon ten days advance written notice to County. An initial such certificate of insurance is annexed as **Exhibit 3**.

3.6.5 If at any time during the term of this Agreement Operator shall fail to obtain an maintain insurance required in subparagraphs 3.6.1 through 3.6.4, County may effect such insurance by taking out policies in companies satisfactory to County. The amount of the premium or premiums paid for such insurance by County shall be immediately payable by Operator to County upon receipt of notice that such premiums have, in fact, been paid.

3.6.6 Operator may insure in such amounts as it deems appropriate with respect to any other risk, including risk to personal property or trade fixtures located on the Premises;

3.7 Indemnification of County. Operator agrees to indemnify and hold County harmless against all liability for injuries to persons or damage to property caused by Operator's negligent operations at and from the Airport, or negligent use or occupancy of the Premises, other than injuries or damage caused by the gross negligence or willful misconduct of County.

3.8 Operator's Other Obligations. Operator hereby covenants and agrees, that with respect to operations authorized under this Agreement:

3.8.1 It will furnish good, prompt and efficient service, adequate to meet all reasonable demands for car rental service at the Airport, on a fair and reasonable basis, and to charge prices for

such services in accordance with its usual standards, on a basis substantially similar to that charged by it for similar services at airports of comparable size within the region;

3.8.2 Rental automobiles shall be maintained at Operator's sole expense, in good operative order, free from known mechanical defects, free from any manufacturer's recall notices which may materially affect safety, and in clean, neat and attractive condition, inside and outside.

3.8.3 It shall be responsible for the installation of any telephone or fax services, high speed internet, etc., required by Operator and shall pay for such service and installation.

3.8.4 It shall not store objects or material of any kind whatsoever on the top of or outside of any Premises leased to Operator. Operator shall not store, use or maintain on the Premises any motor oil, grease, gasoline or other flammable or hazardous material.

3.8.5 During the term of this Agreement its hours of operation shall be adequate to service scheduled flights, seven days a week. Operator shall provide during normal commercial terminal hours (6:30 a.m. to 10:30 p.m. local time) a working cell phone number which will be predominately posted on its counter for any walk up customers, customers with rental car difficulties, or a means to contact Operator's representative should the need arise.

3.8.6 Its employees performing services at the Airport shall at all times be neat, clean and courteous; be appropriately and modestly dressed; and be adequately trained in customer relations and safety in a manner, frequency and level appropriate to the positions they hold

3.8.7 It shall not permit its agents, servants or employees so engaged, to conduct business in a loud, noisy, boisterous, offensive or objectionable manner, or to solicit business outside the Premises in any manner whatsoever except through the use of authorized signs;

3.8.8 It shall abide by and be subject to all rules and regulations which are now, or may from time to time be, promulgated by County concerning management, operation or use of the Airport; comply with all City and County regulations and ordinances, all State and Federal regulations and laws, and all applicable sales and use tax requirements, effective at the time of this Agreement and throughout the Primary and Renewal Terms hereunder.

3.8.9 It will keep or cause to be kept true, accurate and complete records of business conducted at the Airport and at all other of Operator's locations within Gunnison County;

3.8.10 It will meet all expenses in connection with the use of the Premises and the rights and privileges herein granted, including without limitation taxes, permit fees, license fees and assessments lawfully levied or assessed upon the Premises or structures and improvements situated thereon, and that it will secure all such permits and licenses;

3.8.11 It will furnish, install, operate and maintain the Premises and the furniture, fixtures and equipment installed therein and thereon, all in good order, condition and repair, and upon termination of this Agreement will deliver up the Premises to County in good order, condition and repair, reasonable wear and tear excepted;

3.8.12 It shall attempt in good faith to meet the reasonable needs of fixed based Operators at the Airport and their Customers for the provision of rental vehicles.

3.8.13 It will acquire all necessary permits and licenses associated with Operator's lawful operation of its business on the Airport and in the Terminal.

3.9 Parking and Operation of Vehicles. Operator agrees to observe the following requirements with respect to parking and operation of Vehicles at the Airport:

3.9.1 Operator shall adhere to traffic laws, posted signs and pavement markings.

3.9.2 Rental Cars shall not be left unattended in loading and unloading spaces except as may be necessary to assist a passenger with baggage. If a vehicle is left unattended, it may be removed by County to a holding area.

3.9.3 In the Ready/Return Paved Lot, Operators are responsible for signage, snow removal between vehicles, and towing of any vehicles that do not belong in their assigned area. County will provide snow removal in the driving lanes, secondary to snow removal in movement areas, ramps in the Air Operations Area and streets and sidewalks in front of the Airport Terminal.

3.9.4 In the overflow/gravel lot, it shall be the responsibility of Operator to assure the spaces are utilized properly including signage, towing of any unauthorized vehicles and snow removal between vehicles. All vehicles in the overflow/gravel area must remain operational at all times.

3.10 Conduct and Qualification of Employees.

3.10.1 Operator shall make all Employees aware of Operator's responsibilities under this Agreement.

3.10.2 Operator shall have the discretion, subject to the provisions of this Agreement, to employ and terminate personnel assisting Operator under this Agreement, provided that Operator shall always maintain an adequate number of employees to fulfill the obligations herein. Personnel must demonstrate professional and courteous conduct at all times while at the Airport.

3.10.3 Operator agrees to pay all wages, all applicable Federal and State withholding taxes, Social Security payments (FICA) Unemployment and Worker's Compensation for all of its employees. Any breach of these provisions shall be deemed a material breach of this Agreement.

3.10.4 Operator and its Employees shall not engage in solicitation at the Airport. Operator and its Employees are expressly forbidden from engaging in any form of solicitation with individuals or groups other than the pre-arranged reservation and shall not loiter in the Terminal or its environs nor enter the sterile area.

3.10.5 Employees shall at all times have a neat, clean and modest appearance. Clothing shall include shoes and shirts and may bear reasonable insignia indicating affiliation with Operator.

3.10.6 Operator shall ensure that all Employees attend orientation sessions which the Airport Manager may schedule from time to time.

3.10.7 Operator shall educate and orient each of its employees which will drive Operator's vehicles on the Airport, with respect to speed limits, parking restrictions, lane use, and vehicular safety and courtesy on the Airport; it shall ensure that employee drivers of its vehicles on

the Airport comply with Airport rules and posted signs relating to vehicle operation, and operate such vehicles in a safe, courteous and non-reckless manner; it shall periodically monitor its employees' compliance with the requirements of this paragraph; it shall ensure payment of any and all citations issued to its employees relating to vehicular operation on the Airport; and, that, after notice and opportunity for hearing before the Manager, it shall pay contract damages to County of $100 for each breach by its employees of this paragraph 3.8.9, with respect to Airport speed limits, and traffic rules while operating one of Operator's vehicles. Operator may appeal any such decision of the Manager to County by filing a written appeal within seven days of such decision, and the decision of the Manager shall be stayed until the appeal is decided by County; and

3.11 New Government Regulation. In the event County is required to make additional direct expenditures in connection with the implementation of any future federal regulation imposed upon County as a result of Operator's operation during the term of this Agreement, County may call a conference for the purpose of discussing and determining methods of compliance and recovery from Operator and other affected lessees of cost so incurred, and Operator agrees to attend and negotiate in good faith regarding its participation in recovery of such costs.

3.12 Signage. Operator agrees to the following:

3.12.1 Operator shall receive prior written approval from the Airport Manager of all signage. Operator's request must include the area to be displayed, color and size. Any signage displayed without prior written approval may be removed and discarded without liability to County.

3.12.2 Total signage on Operator's concession space must not exceed fifteen (15) square feet total in the concession area. An additional removable sign giving customers instructions or information when the counter space is not staffed may also be utilized. One sign per parking space in the paved lot no larger than 18" x 16" square for one space or 18" x 24" square for two space sign. One sign in the gravel/overflow lot no larger than a 12" x 18".

3.13 Security. Upon execution of this Agreement Operator shall post with County, and Operator must thereafter continuously maintain for the entire term of this Agreement, acceptable security in an amount equal to fifty percent (50%) of the dollar value of its average guaranteed minimum annual concession rental for the concession term (i.e., the guaranteed minimum full term concession rental set forth on Concessionaire's bid proposal divided by 36 months x 12 months x 50%), to cover Operator's performance of all of its obligations under this Agreement for the entire concession term. As used in this paragraph, the term "acceptable security" shall mean a performance bond, irrevocable letter of credit, or certificate of deposit that is in a form and with a financial institution (if applicable) acceptable to County. Operator shall be responsible for paying all required fees, premiums or other costs associated with obtaining and maintaining the acceptable security. In the event Operator defaults in any of its rental or other monetary obligations to County hereunder, County shall be entitled to collect any and all damages or costs it incurs from the acceptable security provided.

3.14 Costs of Operation. Operator shall contract for the provision of all water, utility and other services to the Service Facility and shall pay all costs associated with such initial and continuing services. All other costs of operations on the Premises, including taxes and assessments shall be the responsibility of Operator.

3.15 Discrimination and Fair Trade.

3.15.1 Operator shall furnish service to Airport Customers on a fair, reasonable, and nondiscriminatory basis.

3.15.2 Operator shall not make any false or misleading statement of fact to any Airport Customer or potential Airport Customer concerning the price of vehicles rented, amounts to be paid by Airport Customers, or any service or vehicle provided.

3.15.3 If Operator separately states, invoices or collects, as an addition to the vehicle rental rate, any surcharge,. fee, or other amount (collectively, the "Fee"), whether the same is related to the Airport Use Fee or otherwise, the Fee shall be disclosed to the Airport Customer at the earliest opportunity. Operator shall not represent or characterize any Fee as a tax, facility charge or fee imposed by County on Airport Customers or individual transactions with Airport Customers. Any separately stated fee designed to recover all or part of the Airport Use Fee from Airport customers shall be characterized on the invoice and/or contract as an "operating," "location," "concession recoupment" or "concession recovery" fee or charge.

3.16 Immigration. Operator certifies that it does not and will not knowingly contract with or employ illegal aliens to work under this Agreement.

3.16.1 Operator certifies that it will require its subcontractors to certify that they do not knowingly contract with or employ illegal aliens to work under this Agreement.

3.16.2 Operator certifies that it will attempt to verify the eligibility of its employees and subcontractors to work through the Basic Pilot Employment Verification Program administered by the Social Security Administration and Department of Homeland Security.

3.16.3 Operator agrees to comply with the provisions of C.R.S. 8-17.5-101 et seq., and comply with all reasonable requests made in the course of an investigation under said statute by the Colorado Department of Labor and Employment.

3.17 Hazardous Materials Indemnity.

3.17.1 The term "Hazardous Materials" means any hazardous, toxic or dangerous substance, waste, contaminant, pollutant, gas or material, including, without limitation, gasoline, waste oil and other petroleum products and constituents thereof, which are now or may become regulated under any federal, state or local statute, regulation, ordinance or other law now or hereafter in effect, including, without limitation, any substance, waste or material which is now or hereafter (a) designated as a "hazardous substance" under the Federal Water Pollution Control Act and/or the Comprehensive Environmental Response, Compensation, and Liability Act, (b) designated as a hazardous waste or regulated substance pursuant to the Resource Conservation and Recovery Act, (c) designated or listed as a hazardous material under the Hazardous Material Transportation Act, or (d) is in any way regulated as a hazardous material or toxic substance under the laws of the state wherein the Premises is located.

3.17.2 In addition to the indemnification set forth in paragraph 3.7 above, and without prejudice to any other rights and remedies thereunder, Operator and its successors, assigns, trustees, beneficiaries and legal representatives shall protect, indemnify, defend and hold harmless County, its officers, employees, representatives, and their respective successors and assigns from

and against all judgments, suits, proceedings, liabilities, losses, costs, judgments, orders, obligations, damages, expenses or claims (whether by third parties or governmental authorities) arising out of or in any way relating to the existence of any Hazardous Material placed on, in or under the Premises by Operator or any party acting for, by or through Operator or with Operator's permission or acquiescence. This indemnity includes, but is not limited to, remedial, removal, response, abatement, cleanup, legal, investigative, and monitoring costs, penalties, fines and disbursements (including, without limitation, attorneys', consultants' and experts' fees) of any kind whatsoever, which may at any time be imposed upon or incurred by any indemnitee arising, directly or indirectly, (i) from requirements of any federal, state or local environmental law; (ii) in connection with claims by government authorities or third parties related to the condition of the Premises; and/or (iii) from the presence or existence of Hazardous Materials on, in or near the Premises, including all consequential damages.

3.17.3 In the event that any investigation, monitoring, containment, cleanup, removal, remediation, restoration or other work of any kind or nature ("Remedial Work") is required, reasonably necessary or desirable under any applicable federal, state or local law or regulation, any judicial order, or by any governmental or non-governmental entity or person because of, or in connection with the current or future presence, suspected presence, release or suspected release of a Hazardous Material in or into the air, soil, groundwater, surface water or soil vapor at, in, about, under or within the Premises (or any portion thereof), Operator, if it has an obligation to indemnify County as set forth above will, within 30 days after written demand for performance thereof by County (or within a shorter period of time as may be required under any applicable law, regulation, order or agreement), commence to perform, or cause to be commenced, and thereafter diligently prosecute to completion, all such Remedial Work. All Remedial Work will be performed by one or more contractors, approved in advance in writing by County, and under the supervision of a consulting engineer approved in advance in writing by County. All costs and expenses of such Remedial Work will be paid by Operator, including without limitation, the charges of such contractor(s) and/or the consulting engineer, and the attorneys' fees and any costs incurred by County in connection with the monitoring or review of such Remedial Work. In the event Operator fails to timely commence or cause to be commenced, or fails to diligently prosecute to completion, such Remedial Work, County may, but will not be obligated to, cause such Remedial Work to be performed, and all costs and expenses thereof, or incurred in connection therewith, will be reimbursed by Operator.

3.17.4 Nothing contained in this indemnification will prevent or in any way diminish or interfere with any rights and remedies, including without limitation, the right to contribution, which County may have against Operator or against any of its predecessors or successors in interest, or any other party under the federal Comprehensive Environmental Response, Compensation, and Liability Act, as it may be amended from time to time, or of other applicable federal, state or local laws.

4. OBLIGATIONS OF COUNTY

4.1 Quiet Enjoyment. County covenants that on paying the rent and performing the covenants herein contained, Operator shall peacefully and quietly have, hold and enjoy the rights granted herein for the agreed term.

4.2 Maintenance and Utilities. During the term of this Agreement, County shall maintain and keep in good repair so much of the Airport as is not under the exclusive control of individual lessees, in accordance with applicable laws, rules and regulations. County shall also maintain and operate sewage and

water facilities, janitorial services, electrical and electronic facilities, and such other appurtenances and services as are now or hereafter connected with the operation of the Terminal at the Airport.

4.3 Access to Premises. County shall provide access within the Airport for extension and maintenance of electrical power, gas and telephone lines to serve the Service Area. County shall also provide a road suitable for vehicular traffic connecting the Service Area with the Terminal, which road Operator is hereby given the right to use, in common with others, for movement of its vehicles.

5. TERM

5.1 Term. Subject to earlier termination as hereinafter provided, the term of this Agreement shall be the three-year period commencing on June 1, 2012, and ending May 31, 2015.

5.2 Option to Renew. County shall have the option to renew or extend this Agreement for an additional period of up to twenty four (24) months, under the same terms and conditions, and subject to the highest annual minimum guarantee as provided in paragraph 3.1.4 for any year of the initial term of this Agreement. County may exercise its option to extend this Agreement by delivering written notice of the same to Operator, at the address set forth above, at least ninety (90) days prior to the end of the initial term hereof.

5.3 Holding Over. Holding over or failure to vacate the Premises at the end of the term shall not be construed to be the granting or exercise of an additional term, but shall create only a month to month tenancy which may be terminated by either party upon 30 days notice to the other.

6. TERMINATION, SURRENDER AND DAMAGES

6.1 Termination by Operator. Operator shall have the right, upon written notice to County, to terminate the Agreement upon the happening of one or more of the following events if said event or events shall then be continuing:

6.1.1 The issuance by any court of competent jurisdiction of any injunction, order or decree preventing or restraining the use by Operator of all or any substantial part of the Premises, or preventing or restraining the use of the Airport for normal airport purposes or the use of any essential part thereof which may be used by Operator and which is necessary for Operator's operations on the Airport, which remains in force for a period of at least 90 days;

6.1.2 If County shall default in fulfilling any of the material terms, covenants or conditions to be fulfilled by it under this Agreement and shall fail to cure said default within 30 days following receipt of written demand from Operator to do so;

6.1.3 If all or a material and essential part of the Airport or Airport facilities shall be destroyed by fire, explosion, earthquake, other casualty, or acts of God or the public enemy;

6.1.4 If the United States Government or any of its agencies shall occupy the Airport or any substantial part thereof to such an extent as to interfere materially with Operator's operation for a period of 30 consecutive days or more.

6.2 Termination by County. County shall have the right to terminate this Agreement in the event of any of the following:

6.2.1 Failure by Operator to make any payment due hereunder within 15 days after notice of the overdue payment is sent to Operator, in which case, County may, at its option, in addition to other remedies, and with or without terminating this Agreement, take possession of so much of Operator's personal property as is reasonably necessary to secure payments of the amounts due and unpaid;

6.2.2 Appointment of a receiver of Operator's assets;

6.2.3 Failure by Operator to conduct business at the Airport for a period of 30 consecutive days without reasonable cause including, but not limited to strikes, work stoppage and equipment failures;

6.2.4 Default in the performance of any covenant or agreement in this Agreement required to be performed by Operator, other than the payment of money or the occurrence of the events described in this paragraph, and the failure of Operator to remedy such default for a period of 30 days after receipt from County of written notice to remedy the same.

6.2.5 Failure by Operator to make Gross Revenue efforts required by section 3.4 of this Agreement.

County need not terminate this Agreement upon default, but at its discretion and without terminating the Agreement, may seek specific performance or damages incurred as a result of Operator's default.

6.3 Surrender of Possession.

6.3.1 On the expiration or other termination of this Agreement, Operator's rights to use of the Premises, facilities and services described herein shall cease, and Operator shall vacate the Premises without unreasonable delay.

6.3.2 At the end of the term of this Agreement, Operator shall leave the Premises in good condition with the exception of reasonable wear and tear. Except as otherwise provided in this Agreement, all fixtures, improvements, equipment and other property bought, installed, erected or placed by Operator in, on or about the Airport shall be deemed to be personal and shall remain the property of Operator. Operator shall have the right at any time during the term of this Agreement, or any renewal or extension hereof, and for an additional period of 10 days after the expiration or other termination of this Agreement, to remove any or all of such property from the Airport, subject, however, to Operator's obligation to repair all damage, if any, resulting from such removal. Any and all property not so removed by Operator shall become a part of the land on which it is located and title thereto shall vest in County. County may, however, at its option, require and accomplish the removal of said property at the expense of Operator.

6.4 Damage or Destruction of Premises.

6.4.1 If the Terminal is partially damaged by fire, the elements, the public enemy or other casualty, and the damage is so extensive as to render the Premises tenantable, but said damage is capable of being repaired in 60 days or prior to the termination date, whichever date first occurs, the Premises shall be repaired with due diligence by County at its own cost and expense, and (a) the rent payable under subsection 3.1.1 of this Agreement shall be proportionately paid up to the time of such damage and shall thenceforth abate in the ratio the space rendered untenable bears to the total space leased, and (b) the minimum annual guaranteed amount set forth in

subsection 3.1.2 above shall also be abated; in both cases until such time as the Premises shall be restored to tenantable condition by County. If the Terminal is completely destroyed or the Premises are so damaged that it will remain untenantable for more than 60 days or beyond the termination date of this Agreement, whichever date first occurs, either party may, at its option, cancel so much of this Agreement as relates to the untenantable space, such cancellation to be effective as of the date the Terminal was damaged or destroyed.

6.4.2 In the event that the Premises are rendered untenantable for reasons other than those set forth above, there shall be a reasonable and proportionate abatement of the rentals, fees and charges provided for in this Agreement during the period that the same are so untenantable or unusable.

6.4.3 Notwithstanding any of the foregoing, in the event any damage or destruction is caused by a negligent act or omission by Operator, its sublessees, agents or employees, Operator shall reimburse County for its actual costs incurred in repairing the Premises. Nothing in this Agreement shall be construed as a waiver of the right of County to recover damages from Operator arising out of the fault or negligence of Operator.

6.4.4 In the application of this Section 6.4, County's obligations shall be limited to repair or reconstruction of the Terminal to the extent and of equal quality as obtained at the commencement of operations under this Agreement. Redecoration or replacement of Operator's furniture, equipment and supplies shall be the responsibility of Operator, unless damage thereto is caused solely by a negligent act or omission of County, its agents and employees, in which event County shall be responsible for the redecoration and replacement. Any such redecoration or refurnishing shall be of equivalent quality to that originally existing at the commencement of the Agreement.

6.5 Waiver of County's Lien. County will not claim or have a lien of any kind, be it contractual or statutory, on or against Operator's motor vehicles for non-payment of Rent, default by Operator or any other reason, and County hereby waives any such liens available to County.

7. ASSIGNMENT AND SUBLETTING

7.1 Assignment and Subletting. Operator shall not at any time assign or sublet its rights under this Agreement or any part thereof without the written consent of County; provided, however, that the foregoing shall not prevent the assignment of such rights to any corporation with which Operator may merge or consolidate, or which may succeed to the business of Operator. No such assignment or subletting shall release Operator from its obligations to pay any and all of the rentals and charges and to otherwise perform Operator's obligations under this Agreement. In any event, County may require any proposed assignee to submit qualifying information, and meet the qualifying criteria set forth in the Request for Competitive Bids/On Airport Rental Car Concession, dated September 19, 2007.

7.2 Successors to County. The rights and obligations of County under this Agreement may be assigned by County, at the option of County, and without the necessity for the concurrence of Operator in any such assignment.

8. OTHER AGREEMENTS

8.1 Rules and Regulations. Operator agrees to observe and obey lawful rules and regulations presently existing or hereafter promulgated with respect to use of the Airport and Premises annexed as **Exhibit 4.**

8.2 Agreement Subordinate. This Agreement shall be subordinate to any existing or future agreement between County 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 to the expenditure of federal funds for development of the Airport.

8.3 Non-Discrimination. Operator, in its operations at and use of the Airport, shall not, on the grounds of race, color, national origin or sex, discriminate or permit discrimination against any person or group of persons in any manner prohibited by applicable law, shall abide by the provisions of the non-discrimination provision contained in the Agreement, and shall abide by the provisions of Part 21 of the Rules and Regulations of the Office of the Secretary of Transportation effectuating Title VI of the Civil Rights Act of 1964.

8.4 Inspection by County. County, through its authorized agent, shall have the right at all reasonable times to enter upon the leased Premises to inspect, to observe the performance by Operator of its obligations hereunder, and to do any act which County may be obligated to do or have the right to do under this Agreement, under any other agreement to which County is a party or under applicable law.

8.5 Service Entrances. County shall have no obligation to provide any special service entrances for utilities other than those which presently exist in the Terminal. In the event Operator requires any additional or special service entrances, the same shall be installed at the cost and expense of Operator.

8.6 Improvements on the Premises. Construction plans, specifications, budgets and schedules for all proposed improvements on the Premises shall be submitted by Operator and subject to County approval. County may reject submissions which are not in accordance with applicable codes, rules, regulations, ordinances and statutes, and which are inadequate or incompatible with Airport conditions or inconsistent with Airport architectural style and design or with uses typically made of public use airports. Within thirty (30) days after expiration or sooner termination of this Agreement, at County's sole option, Operator agrees to demolish and remove from the Premises all improvements owned by Operator on the day prior to such termination or expiration, at Operator's sole cost and expense. If adjacent improvements are scheduled for demolition and removal at or about the same time, Operator agrees to participate in joint demolition and removal operations and to promptly pay its proportionate cost of such demolition and removal.

8.7 Disadvantaged Business Enterprise.

8.7.1 It is the policy of County that disadvantaged business enterprises ("DBEs"), including firms owned and controlled by minorities and/or women as defined in 49 C.F.R. Part 23, shall have maximum opportunity to participate in the performance of its leases.

8.7.2 In the performance of this Agreement, Operator hereby assures that no person shall be excluded from participation, denied benefits or otherwise discriminated against by

Operator in connection with the award and performance of any contract, including leases, covered by 49 C.F.R. Part 23 on the grounds of race, color, national origin or sex.

8.7.3 Operator assures that it will include this section 9.7 in all subleases and cause all sublessees to similarly include clauses in further subleases.

8.7.4 Operator agrees that it shall comply with federal laws and regulations which now, or may hereafter, impose upon Operator, or require County to impose upon Operator, requirements that a portion of Operator's subcontracts and/or purchase contracts be awarded to DBE enterprises, including, but not limited to, the purchase of rental car fleets. Operator shall comply with applicable provisions of County's FAA-approved DBE Concession Plan as it now exists, or as it may hereafter be amended.

8.8 Condemnation. Nothing contained in this Agreement shall be deemed to limit or restrict in any way such lawful rights as Operator may have now or in the future to maintain claims against the federal, state or municipal government, or any department or agency thereof, or against any interstate body, commission or authority, or other public or private body exercising governmental powers, for damages or compensation by reason of the taking or occupation, by condemnation or otherwise, of all or a substantial part of the Premises, including Fixed Improvements, or of all or a material part of the Airport.

8.9 Liens. Operator shall immediately cause to be removed any and all liens of any nature arising out of or imposed because of any repair performed by Operator or any of its contractors or subcontractors upon the Premises or Fixed Improvements or arising out of or because of the performance of any work or labor upon or the furnishing of any materials for use on the Premises.

8.10 Force Majeure. Neither County nor Operator shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of strikes, boycotts, labor disputes, embargoes, shortage of material, vehicles, fuel or tires as the result of governmental decree, acts of God, acts of the public enemy, acts of superior governmental authority, weather condition, riots, rebellion, sabotage or any other circumstances for which it is not responsible or which is not under its control.

8.11 Reserved Rights of County. County reserves the right to offer incentives from time-to-time to rental car operators for their increased use of high mile-per-gallon vehicles at the Airport. By way of example but not limitation, County may decide to make available additional vehicle storage spaces to Operator or operators which achieve certain fuel efficiency fleet goals. If offered, no such incentive shall reduce the rights of other Operator under this Agreement.

9. MISCELLANEOUS PROVISIONS

9.1 Headings. The section headings contained in this Agreement are for convenience in reference and are not intended to define or limit the scope of any provision.

9.2 Time of Essence. Time is of the essence in this Agreement.

9.3 Attorneys' Fees. In any litigation to enforce the provisions of this Agreement, the court may award reasonable attorney fees and costs to the prevailing party.

9.4 Non-Waiver. Waiver by either party of or the failure of either party to insist upon the strict performance of any provision of this Agreement shall not constitute a waiver of the right or prevent any such party from requiring the strict performance of any provision in the future.

9.5 Limitation of Benefit. This Agreement does not create in or bestow upon any other person or entity not a party to this Agreement any right, privilege or benefit unless expressly provided in this Agreement. This Agreement does not in any way represent, nor should it be deemed to imply, any standard of conduct to which the parties expect to conform their operations in relation to any person or entity not a party.

9.6 Severability. Any covenant, condition or provision herein contained that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this Agreement, but such deletion shall in no way affect any other covenant, condition or provision herein contained so long as such deletion does not materially prejudice County or Operator in their rights and obligations contained in valid covenants, conditions or provisions.

9.7 Effect of Agreement. All covenants, conditions and provisions in this Agreement shall extend to and bind the successors of the parties hereto, the assigns of County and to the permitted assigns of Operator.

9.8 Notices. Notices and demands provided for herein shall be sufficient if sent by Certified Mail, Return Receipt Requested, postage prepaid, or via Federal Express, to the addresses set forth below or to such other addresses as the parties may from time to time designate in writing:

If to County: Airport Manager
Gunnison Crested Butte Regional Airport
519 W. Rio Grande
Gunnison, CO 81230

If to Operator: Michael Skelton
501 Airport Road, Suite 111
Farmington, New Mexico 87401

9.9 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, and any action to enforce or interpret its provisions shall be brought in a court in and for Gunnison County, Colorado, or the United States District Court for the District of Colorado.

9.10 Governmental Immunity. Nothing in this Agreement is, or shall be construed to be, a waiver, in whole or in part, by County of governmental immunity provided by the Colorado Governmental Immunity Act or otherwise.

9.11 Entire Agreement. This Agreement embodies the entire agreement between the parties hereto concerning the subject matter hereof and supersedes all prior conversations, proposals, negotiations, understandings and agreements, whether written or oral.

9.12 Modification of Agreement. This Agreement may not be altered, modified or changed in any manner whatsoever except by a writing signed by both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

COUNTY OF COUNTY COMMISSIONERS
OF GUNNISON COUNTY, COLORADO

By: _____
Hap Channell, Chairperson

By: _____
Paula Swenson, Commissioner

_____
Phil Chamberland, Commissioner

Attest: _____

GUNNISON COUNTY SEAL COLORADO

BY _____

Michael Skelton
President

Attest: _____

AMENDMENT TO MICAR AIRPORT FACILITIES LEASE AND RENTAL CAR CONCESSION AGREEMENT

THIS AMENDMENT to the Micar, Inc. Airport Facilities Lease and Rental Car Concession Agreement amends that certain Airport Facilities Lease and Rental Car Concession Agreement between the Board of County Commissioners of Gunnison County, Colorado and the Micar, Inc. entered into on June 1, 2012, identified as Gunnison County Legal Instrument No. 2012-116 (herein "Agreement") as follows:

1. Extension of Term. The term of the Agreement is from June 1, 2012 through May 31, 2015. Section 5.2 of said Agreement provides for an extension of the initial term for two (2) additional years. The undersigned parties herein agree to extend the initial term from June 1, 2015 to May 31, 2017.

2. Reaffirmation and Ratification of Agreement. Except as expressly identified herein, all terms and conditions of the above referenced Agreement are hereby reaffirmed and ratified.

Entered into this 16th day of June, 2015.

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

By: _____
Paula Swenson, Chairperson

ATTEST:

THE MICAR, Inc.

By: _____
Michael Skelton

APPENDIX B