



ONEIDA COUNTY BOARD OF LEGISLATORS

ONEIDA COUNTY OFFICE BUILDING ♦ 800 PARK AVENUE ♦ UTICA, N.Y. 13501-2977

Gerald J. Fiorini
Chairman
(315) 798-5900

Susan L. Crabtree
Clerk
(315) 798-5901

James M. D'Onofrio
Majority Leader

Michael J. Hennessy
Minority Leader

COMMUNICATIONS FOR DISTRIBUTION OCTOBER 29, 2008

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ONEIDA COUNTY HEALTH DEPARTMENT

Adirondack Bank Building, 5th Floor, 185 Genesee St., Utica, NY 13501

ANTHONY J. PICENTE, JR.
ONEIDA COUNTY EXECUTIVE

NICHOLAS A. DEROSA
DIRECTOR OF HEALTH

ADMINISTRATION

Phone: (315) 798-6400 Fax: (315) 266-6138



Public Health
Prevent. Promote. Protect.

October 15, 2008

RE: 2008-433

Gerald J. Fiorini
Chairman of the Board of Legislators
Oneida County Board of Legislators
800 Park Avenue
Utica, New York 13501

Dear Mr. Fiorini,

Request is hereby made to fast track the request for a supplemental appropriation for the Health Departments Diagnostic and Treatment Clinic. We are requesting that the supplemental appropriation, FN 2008-433, be placed on the October 29, 2008 docket for Public Health, Ways and Means and the Board of Legislators meeting.

Due to the increasing cost of pharmaceuticals, we anticipate a shortage in that account that procures vaccines. In particular the Department has seen increased demand and purchase of newer, high priced adult vaccines, such as Shingles and HPV. The arrival of adult refugees was also greater than anticipated this year.

Should you have any questions or concerns, please feel free to contact me. Thank you for your consideration to this matter.

Sincerely,

Nicholas A. DeRosa
Director of Health

Attachments

Cc: Susan Crabtree

2008 OCT 15 PM 2:01
RECEIVED
ONEIDA COUNTY LEGISLATURE



ONEIDA COUNTY BOARD OF LEGISLATORS

Richard A. Flisnik ♦ 6669 Fox Rd. ♦ Marcy, NY 13403 ♦ 865-8707

October 24, 2008

RE: 2008-453

READ & FILED

Honorable Gerald J. Fiorini
Chairman, Board of Legislators
800 Park Avenue
Utica, New York 13501

Dear Chairman Fiorini:

Included in this week's communications is a proposal for term limits for the County Executive and legislators. I do not support this proposal in its present form. I have previously voiced my objections to Legislators Hennessy and Tanoury.

In principal, I do support term limits for county legislators. I do not feel at this time setting a term limit on the County Executive position is in the best interest of good government.

Respectfully submitted,

Richard Flisnik
Oneida County Legislator
8th District

cc: County Executive, Anthony Picente
Majority Leader, James D'Onofrio
Minority Leader, Michael Hennessy
Legislator Larry Tanoury
Legislator Michael Waterman
Legislator Les Porter

RECEIVED
ONEIDA COUNTY LEGISLATURE
2008 OCT 24 AM 9:27

Oneida County Department of Public Works

ANTHONY J. PICENTE JR.
County Executive

JOHN J. WILLIAMS
Commissioner

6000 Airport Road
Oriskany, New York 13424
Phone:(315) 793-6200
Fax: (315) 768-6299

DIVISIONS:
Buildings & Grounds
Engineering
Highways, Bridges & Structures
Reforestation

October 1, 2008

Anthony J. Picente, Jr.
Oneida County Executive
800 Park Ave.
Utica, NY 13501

FN 2008-458

PUBLIC WORKS

WAYS & MEANS

2008 OCT 14 PM 3:28

RECEIVED
ONEIDA COUNTY LEGISLATURE

Dear County Executive Picente,

Proposals to prepare plans and specifications for Oneida County's 2009 bridge and structure replacement/rehabilitation program were received on August 21, 2008. Funding for the program will be provided through Capital Project H-374. The 2009 bridge and structure replacement/rehabilitation program is broken down into the following groups.

Group 1

Replacement of West Lee-Point Rock Road Bridge (BIN3310740) over Point Rock Creek
Town of Lee

Deck Pavement Rehabilitation of Sheehan Road Bridge BIN 3310370 over E. Branch Fish Creek
Town of Annsville/Ava

Group 2

Replacement of Jug Point Road Structure C1-54 over Black Creek
Town of Verona

Replacement of Jug Point Road Structure C2-54 over Black Creek
Town of Verona

Group 3

Replacement of Bear Creek Road Bridge (BIN 3310670) over Bear Creek
Town of Forestport

Replacement of North Steuben Road Structure C2-74 over Stringer Brook
Town of Steuben

Proposed fees broken down by group are as follows.

	Group 1	Group 2	Group 3
Lochner Engineering Utica, NY	\$42,000.00	\$54,000.00	\$71,000.00
Shumaker Engineering Utica, NY	\$47,100.00	\$44,200.00	\$59,900.00
Barton & Loguidice, P.C. Syracuse, NY	\$59,400.00	\$58,000.00	\$72,900.00
C&S Companies Syracuse, NY	\$62,500.00	\$75,000.00	\$92,000.00

On August 27, 2008, the Oneida County Board of Acquisition and Contract accepted the proposal from Lochner Engineering for \$42,000.00 to prepare plans and specifications for Group 1 and accepted the proposal from Shumaker Engineering for \$104,100.00 to prepare plans and specifications for Group 2 and Group 3.

Please consider the enclosed contract with Shumaker Engineering for \$104,100.00 to prepare plans and specifications to for bridge and structure replacement projects identified in Group 2 and Group 3. If acceptable, please forward to the Oneida County Board of Legislators for considerations.

Thank you for your support.

Sincerely,



John J. Williams
Commissioner of Public Works

cc: Mark E. Laramie, P.E., Deputy Commissioner

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.
County Executive
Date 10/10/08

Oneida County Department: Public Works

Competing Proposal _____
Only Respondent _____
Sole Source RFP X

Oneida County Board of Legislators Contract Summary

Name of Proposing Organization: **Shumaker Engineering, P.C.**
420 Court Street, Suite 200
Utica, NY 13502

Title of Activity or Service: **Consulting Services**

Client Population/Number to be Served: **N/A**

Summary Statements:

1) Narrative Description of Proposed Services:

Consulting Services for Oneida County's 2009 Local Bridge Program, Group 2 and Group 3.

Group 2

Replacement of Jug Point Road Structure C1-54 over Black Creek

Town of Verona

Replacement of Jug Point Road Structure C2-54 over Black Creek

Town of Verona

Group 3

Replacement of Bear Creek Road Bridge (BIN 3310670) over Bear Creek

Town of Forestport

Replacement of North Steuben Road Structure C2-74 over Stringer Brook

Town of Steuben

2) Program/Service Objectives and Outcomes:

Bridge/Structure Replacement

3) Program Design and Staffing Level:

N/A

Total Funding Requested: **\$104,100.00**

Oneida County Department Funding Recommendation: **\$104,100.00**

Account # **H-374**

Proposed Funding Source: Federal _____ State _____ County **100%**

Cost Per Client Served: **N/A**

Past Performance Data: **N/A**

Oneida County Department Staff Comments

ONEIDA COUNTY HEALTH DEPARTMENT

A Ironclack Bank Building, 5th Floor, 185 Genesee St., Utica, NY 13501

ANTHONY J. PICENTE, JR.
ONEIDA COUNTY EXECUTIVE

NICHOLAS A. DEROSA
DIRECTOR OF HEALTH

ADMINISTRATION

Phone: (315) 798-6400 Fax: (315) 266-6138



Public Health
Prevent. Promote. Protect.

7N2008-459

September 22, 2008

Anthony J. Picente, Jr.
Oneida County Executive
800 Park Avenue
Utica, New York 13501

PUBLIC HEALTH

WAYS & MEANS

RECEIVED
ONEIDA COUNTY LEGISLATURE
2008 OCT 14 PM 3:27

Dear Mr. Picente:

Attached are six (6) copies of a contract between Oneida County through its Health Department and the New York State Department of Health – Adolescent tobacco Enforcement Program (ATUPA).

The purpose of this contract is to provide compliance checks where tobacco is sold to underage youth, 15, 16 and 17 year olds, as well as reporting tobacco dealers and vendors without a valid registration, including many other responsibilities listed in the workplan. In 2007, 245 retail tobacco vendors were inspected and 245 compliance checks were performed. The term of this agreement shall become effect October 1, 2008 and remain in effect until September 30, 2009 with reimbursement in the amount of \$78,306. This grant is 100% state funded.

If this contract meets with your approval, please forward to the Board of Legislators for approval.

Sincerely,

Nicholas A. DeRosa
Director of Health

attachments
ry

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.
County Executive

Date 10/10/08

CONTRACT SUMMARY SHEET - ONEIDA COUNTY HEALTH DEPARTMENT

DIVISION: Environmental Health – Adolescent Tobacco Use Prevention Act (ATUPA)

NAME AND ADDRESS OF VENDOR: New York State Department of Health
Bureau of Community Environmental Health
Flanigan Square, 547 River Street
Troy, New York 12180-2216

VENDOR CONTACT PERSON: Michael J. Cambridge, Director

DESCRIPTION OF CONTRACT: Utilizing the New York State Department of Health's Environmental Health Information and Permitting System. (eHIPS) Perform compliance checks with underage youth, 15, 16, or 17 years old, where tobacco is sold, perform re-inspection checks in contract year, report tobacco dealers and vendors without a valid registration to the Bureau of Community Environmental Health and Food Protection, as well as many other duties listed in the workplan section of the contract.

CLIENT POPULATION SERVED: This contract serves to perform compliance checks of underage youth ages 15, 16, or 17 years old. The Health Department submits a quarterly report of compliance checks, complaint investigation, non-registered vendors, enforcement actions and names and addresses of violators penalized and/or fined to the Bureau of Community Sanitation and Food Protection. In 2007, 245 retail tobacco vendors were inspected and 245 compliance checks were performed.

PREVIOUS CONTRACT YEAR: October 1, 2007 through September 30, 2008
TOTAL: \$74,531

THIS CONTRACT YEAR: October 1, 2008 through September 30, 2009
TOTAL: \$78,306

_____ **NEW** **X** **RENEWAL** _____ **AMENDMENT**

FUNDING SOURCE: Grant A4018
State Funds - \$74,531
County Dollars - Previous Grant \$-0-
County Dollars - This Grant \$-0-

SIGNATURE: Nicholas A. DeRosa, Director of Health
DATE: September 22, 2008



ONEIDA COUNTY DEPARTMENT OF PERSONNEL

County Office Building 800 Park Avenue Utica, New York 13501-2986
Phone: (315) 798-5725 Fax: (315) 798-6490 Email: personnel@ocgov.net
Web site: www.ocgov.net

October 8, 2008

7N2008-460

Anthony J. Picente, Jr.
Oneida County Executive
800 Park Avenue
Utica, New York 13501

**HUMAN RESOURCES
WAYS & MEANS**

Dear County Executive Picente:

Attached for your review and approval is correspondence from Lucille A. Soldato, Commissioner of Social Services, requesting the creation of three (3) new Caseworker positions (Grade W25, Step 1 \$29,239) in the division of Children and Adult Services, Cost Center 6011.

As stated in Commissioner Soldato's letter, the three new Caseworkers are necessary to reduce the size of caseloads and to reduce the overdue determinations. Over the course of the last two years, Commissioner Soldato has implemented many new initiatives to improve the Child Protective Services' efficiencies. However, the volume of work has also increased making it necessary to add the new positions to meet New York State regulations for overdue determinations. Funding for the new positions will be supported by New York State 100% funding and through the elimination of part-time positions in the unit. If this funding does not continue into 2009 the County share is estimated at \$36,144.00.

Therefore, I recommend the creation of three (3) positions of Caseworker, Grade W25, Step 1 \$29,239, to Children and Adult Services (Cost Center 6011).

If you concur, I respectfully request this recommendation be forward to the Board of Legislators for their consideration.

Sincerely,

Paulette Z. Nickerson
Commissioner of Personnel

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.
County Executive

Date 10/17/08

Copy: Social Services
County Attorney
Budget

2008 OCT 20 PM 2:51

RECEIVED
ONEIDA COUNTY LEGISLATURE

Anthony J. Picente Jr.
County Executive

Lucille A. Soldato
Commissioner



Oneida County Department of Social Services
Office of Commissioner Lucille A. Soldato
County Office Building
800 Park Ave.
Utica, NY 13501

October 1, 2008

Paulette Nickerson
Commissioner of Personnel
Oneida County
800 Park Ave. Utica, N.Y. 13501

Dear Paulette,

I am requesting the creation of three casework positions for our Children and Adult Services Division.

These positions would be assigned to our Child Protective Services in an effort to reduce caseload size and to reduce our overdue determinations. Presently our child protective caseworkers average 10-14 new reports per month and average 28 open cases at any one time. New York State recommends a caseload size of 12 for child protective caseworkers. Our present rank in terms of overdue determinations, which by state regulation is a 60 day timeframe, is 46 out of a possible 64 as compared to other counties/districts within New York State.

During 2006 and 2007 a number of local initiatives were implemented to improve the caseworker's efficiencies which were:

- Timely filling of vacancies
- Caseworker civil service tests given twice a year instead of once a year
- Development of a training unit for all new caseworkers where supervision is more direct and intensive
- Templates for all standard forms on their computers
- Paralegals to prepare court petitions
- Digital pens for caseworker notes while out in the field
- Laptop computers for emergency duty caseworkers
- The hiring of 5 part-time temporary staff who previously worked for the department

In addition application completion, as well as some clerical duties, was assigned to paraprofessional staff along with reorganization within the division. All of these initiatives have helped however, even with these improvements we are still unable to keep up with the volume of work we are experiencing in this area.

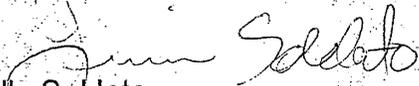
New York State is again offering 1.79 million to support Child Protective Service staff in 2008 and Oneida County has been awarded \$70,847 to support 3 caseworker positions. The funding is available immediately upon approval of our proposal by New York State, and is available through March 2009.

I am anticipating savings realized through our 2009 budget to support these additional positions through 2009 if New York State does not continue the 100% funding. The local share for these positions in the absence of the 100% funding would be \$36,144.00.

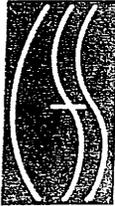
In addition I would eliminate 3 to 4 of the part time positions that are presently in the Services Division.

If you concur with this request please forward to the County Executive and subsequently to the Board of Legislatures for approval.

Sincerely,



Lucille Soldato
Commissioner
Oneida County Department of Social Services



New York State
Office of
Children & Family
Services

www.ocfs.state.ny.us

David A. Paterson
Governor

Gladys Carrión, Esq.
Commissioner

Capital View Office Park
52 Washington Street
Rensselaer, NY 12144

July 23, 2008

Commissioner Lucille Soldato
Oneida County DSS
800 Park Avenue
Utica, NY 13501

Dear Commissioner Soldato:

I am pleased to inform you that your proposal for funding for enhanced CPS staffing has been approved for salary and fringes in the amount of: \$70,847.

The expenditure of the funds must be made by March 31, 2009, and claimed no later than June 30, 2009. Please refer to 08-OCFS-LCM-05 for claiming instructions, and for a list of contacts should you have questions regarding claiming.

I trust these additional funds will help your district achieve or move closer to achieving the recommended CPS caseload size of 12 active investigations per month. We look forward to working with you on this endeavor.

Sincerely,

Gladys Carrión, Esq.
Commissioner

cc: William Gettman
Laura Velez
Sheila Poole
Linda C. Brown
Regional Office Director

Commissioner's Office, Oneida Co.
Dept. of Social Services

JUL 28 2008

RECEIVED



ONEIDA COUNTY

ANTHONY J. PICENTE JR.
COUNTY EXECUTIVE



DEPARTMENT OF FINANCE

County Office Building ♦ 800 Park Avenue ♦ Utica, New York 13501
(315) 798-5750 ♦ Fax: (315) 735-8371 ♦ www.ocgov.net

October 14, 2008

7N 2008-461
INTERNAL AFFAIRS
WAYS & MEANS

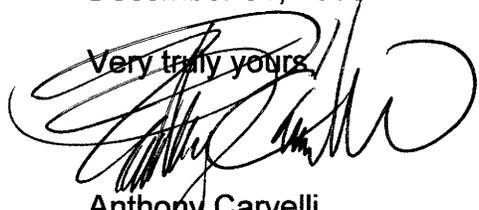
RECEIVED
ONEIDA COUNTY LEGISLATURE
2008 OCT 20 AM 10:32

Mr. Anthony J. Picente
Oneida County Executive
800 Park Avenue
Utica, New York 13501

Dear Mr. Picente:

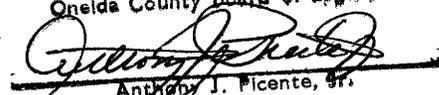
Enclosed, please find a proposed resolution regarding the semi-annual report on Mortgage Tax Receipts.

Please submit this to the Board of Legislators for their approval on or before December 31, 2008.

Very truly yours,

Anthony Carvelli
Commissioner of Finance

AC/bad

Enclosure

Reviewed and Approved for submission to the
Oneida County Board of Legislators by

Anthony J. Picente, Sr.
County Executive
Date 10/17/08

cc: Susan Crabtree, Clerk of the Board



NEW YORK STATE MORTGAGE TAX SEMI-ANNUAL REPORT

COUNTY OF Oneida County FOR THE PERIOD OF April 2008 THROUGH September 2008
 CASH STATEMENT FOR TAXES COLLECTED PURSUANT TO ARTICLE 11

TAX RATE: 0.9443307279

Months	BASIC TAX DISTRIBUTED				TREASURER			ALL OTHER TAXES DISTRIBUTED			
	1 Basic tax collected	2 Interest received by recording officer	3 Recording Officer's expense	4 Refunds or adjustments	5 Amount paid treasurer (Col 1 + Col 2 - Col 3 - Col 4)	6 Interest received by Treasurer	7 Treasurers expense	8 Tax districts share (Col 5 + Col 6 - Col 7)	9 Local Tax	10 Additional Tax CNY	11 Special assistance fund
Oct											
Nov											
Dec											
Jan											
Feb											
Mar											
Apr	347,736.70	21.09	16,599.10	0.00	331,158.69	0.00	331,158.69		150,621.87		153,740.04
May	268,955.00	26.75	16,765.05	0.00	252,216.70	0.00	252,216.70		111,746.24		115,270.37
Jun	276,087.19	37.90	16,758.19	0.00	259,366.90	0.00	259,366.90		114,549.80		119,104.19
Jul	253,002.22	34.98	16,837.27	-155.00	236,044.93	0.00	236,044.93		104,652.41		105,892.49
Aug	277,484.00	41.75	16,769.00	-135.00	260,621.75	0.00	260,621.75		117,971.77		116,505.01
Sep	283,550.52	32.46	16,802.08	-993.00	265,787.90	5,390.00	271,177.90		118,195.68		119,844.46
Totals	1,706,815.63	194.93	100,530.69	-1,283.00	1,605,196.87	5,390.00	1,610,586.87		717,737.77		730,356.56

James S. Arnold
 Recording Officer

[Signature]
 Treasurer

20-13-08

PART II

Credit Statement
(Column 6) This column is the net amount due to each tax district for which the Board of Supervisors shall issue its warrant or warrants.

Distribution Statement
(Column 1 through 5) The "taxes collected" shown in column 2 were produced by mortgages covering real property in the respective tax districts. Additions and deductions to make adjustments and correct errors are recorded in column 3 and 4, respectively. Authority for these additions and deductions is given by the orders of the Taxation Department noted on the bottom of this part.

	2	3	4	5	6
	Taxes Collected	*Additions	*Deductions	Taxes Adj. Corr	Amount Due Tax District
MUNICIPALITY					
ANNNSVILLE	14,206.50	0.00	0.00	14,206.50	13,415.63
AUGUSTA	10,113.50	0.00	0.00	10,113.50	9,550.49
AVA	5,575.50	0.00	0.00	5,575.50	5,265.12
BOONVILLE	25,372.31	0.00	0.00	25,372.31	23,959.85
BRIDGEWATER	7,230.22	0.00	0.00	7,230.22	6,827.72
CAMDEN	30,660.00	0.00	0.00	30,660.00	28,953.18
DEERFIELD	38,283.72	0.00	0.00	38,283.72	36,152.49
FLORENCE	5,877.50	0.00	0.00	5,877.50	5,550.30
FLOYD	26,028.00	0.00	0.00	26,028.00	24,579.04
FORESTPORT	26,050.25	0.00	0.00	26,050.25	24,600.05
KIRKLAND	121,698.10	0.00	-155.00	121,543.10	114,776.88
LEE	48,348.00	0.00	0.00	48,348.00	45,656.50
MARCY	67,459.00	0.00	0.00	67,459.00	63,703.61
MARSHALL	19,139.58	0.00	0.00	19,139.58	18,074.09
NEW HARTFORD	249,666.28	0.00	0.00	249,666.28	235,767.54
PARIS	25,605.22	0.00	0.00	25,605.22	24,179.80
REMSEN	14,789.00	0.00	0.00	14,789.00	13,965.71
ROME	271,974.32	0.00	0.00	271,974.32	256,833.71
SANGERFIELD	13,977.42	0.00	0.00	13,977.42	13,199.31
STEBEN	4,701.00	0.00	0.00	4,701.00	4,439.30
TRENTON	40,325.86	0.00	0.00	40,325.86	38,080.95
UTICA	255,899.50	0.00	-1,128.00	254,771.50	240,588.56
VERNON	86,112.00	0.00	0.00	86,112.00	81,318.21
VERONA	48,891.00	0.00	0.00	48,891.00	46,169.27
VIENNA	45,948.00	0.00	0.00	45,948.00	43,390.11
WESTERN	22,328.35	0.00	0.00	22,328.35	21,085.35
WESTMORELAND	56,065.00	0.00	0.00	56,065.00	52,943.90
WHITESTOWN	124,490.50	0.00	0.00	124,490.50	117,560.20
Total Tax Districts	28				
	1,706,815.63	0.00	-1,283.00	1,705,532.63	1,610,586.87

*See refund, adjustment and special adjustment orders of Commissioner of Taxation and Finance, case numbers



ONEIDA COUNTY DEPARTMENT OF LAW

Oneida County Office Building
800 Park Avenue ♦ Utica, New York 13501-2975
(315) 798-5910 ♦ fax (315) 798-5603

ANTHONY J. PICENTE JR.
COUNTY EXECUTIVE

LINDA M.H. DILLON
COUNTY ATTORNEY

JN 2008-462

October 21, 2008

Anthony J. Picente, Jr.
Oneida County Executive
Oneida County Office Building
800 Park Avenue
Utica, NY 13501

**ECONOMIC DEVELOPMENT
& TOURISM
WAYS & MEANS**

RE: Convention and Visitors Bureau--contract

Dear Mr. Picente:

The annual contract to have the Bureau utilize our net Bed Tax funds expired at the end of September. Attached is proposed contract extending their services through September 2009. If you concur, please forward it to the Board for approval.

Thank you.

Very truly yours,

HJS/mau

Harris J. Samuels
Assistant County Attorney

Attachments

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.

Anthony J. Picente, Jr.
County Executive

Date 10-21-08

2008 OCT 21 PM 3:07
RECEIVED
ONEIDA COUNTY LEGISLATURE

County, thus contributing to the economic impact of tourism and visitors in our communities.

2. The Bureau shall consult and collaborate with area officials, tourism industry representatives, business leadership and others so as to enhance commerce in Oneida County through convention and tourism marketing activities.

3. The Bureau shall operate the Information Center at Exit 31 of the New York State Thruway. This Information Center shall be open to the public as follows:

July 1 - August 31.....9:00 AM - 7:00 PM, Monday - Sunday

Sept 1 - June 30.....9:00 AM - 5:00 PM, Monday - Friday
10:00 AM - 6:00 PM, Saturday - Sunday

However, the Information Center shall be closed on the following holidays: Christmas Day, New Years Day, Thanksgiving Day and Easter.

Information Center programs shall include: attraction and event brochures and promotional literature; travel directions and personalized services when needed and appropriate; assistance in locating overnight lodging; a clean rest stop with accessible washrooms; and additional services required of visitors and travelers entering Oneida County.

4. The Bureau shall conduct the following programs and activities:

- * Attendance and participation in travel related shows and displays;
- * Promotion of Oneida County as a site for meetings and conventions;
- * Assistance of meeting planners;
- * Operation of visitors information displays;
- * Support and promotion of motor coach programs attracting visitors to Oneida County;
- * Management of the NYS Matching Funds Program in Oneida County;
- * Collaboration with other tourism/visitor-related organizations, including an annual contribution to Leatherstocking Country, NY;
- * Preparation of materials for use in promoting tourism, encouraging visitors, attracting meetings/conventions, and marketing Oneida County as a visitor destination;
- * Conduct a Bureau membership program; and
- * Other activities contributing to accomplishing the mission and purposes of the Bureau.

5. The Bureau shall periodically prepare a strategic vision and marketing/promotional plan of action relating to Bureau activities. Such a Plan shall include provisions for measuring the outcomes of Bureau activities and programs, and reporting such information to the community.

6. In accordance with Section 12 of Local Law #3 of 1993, the net revenue of the Oneida County Occupancy Tax shall be paid to the Bureau by the County in order to enable the Bureau to carry on the above-described activities commencing October 1, 2008 through September 30, 2009.

7. The Bureau shall file with the Clerk of the Oneida County Board of Legislators, the Oneida County Comptroller, and the Oneida County Commissioner of Finance, a budget of expenditures and receipts for the period of October 1, 2008 through September 30, 2009.

8. The Bureau hereby agrees that it will refund any excess of receipts in any contract period over its expenditures for that contract period to the Oneida County Commissioner of Finance no later than three months after the end of the contract period except that the Bureau shall be entitled to keep a \$40,000 cash reserve, any legally or contractually dedicated funds it may be holding, and funds being reserved for the purpose of purchasing a vehicle in amounts necessary for that purpose.

9. At such time as this contract, and any renewals thereof, shall expire and the Bureau shall cease performing the activities for the County as described herein, the Bureau's assets shall become County property, and the Bureau shall cooperate in changing title to such assets.

10. The Bureau shall indemnify and hold harmless the County and its officers, agents and employees from any claims, demands, causes of action and judgments arising out of injuries to persons or property of whatever kind or nature as a result of furnishing the services provided for in this Agreement.

11. Pursuant to Oneida County Board of Legislators Resolution No. 249 of May 26, 1999, the Contractor agrees to deliver exclusively to the facilities of the Oneida-Herkimer Solid Waste

Authority, all wastes and recyclables generated within the Authority's service area by performance of this contract by Contractor and any subcontractors. Upon awarding of this contract, and before work commences, the Contractor will be required to provide Oneida County with proof that Resolution No. 249 of 1999 has been complied with, and that all wastes and recyclables in the Oneida-Herkimer Solid Waste Authority's service area which are generated by the Contractor and any subcontractor in performance of this contract will be delivered exclusively to Oneida-Herkimer Solid Waste Authority facilities.

12. This Agreement shall become effective as of October 1, 2008 and shall terminate September 30, 2009.

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

COUNTY OF ONEIDA

By _____
ONEIDA COUNTY EXECUTIVE

**CONVENTION & VISITORS BUREAU FOR
ONEIDA COUNTY, INC.**

By Paul G. [Signature]

**Approved as to form
Oneida County Attorney**

HARRIS J. SAMUELS, ESQ.



ONEIDA COUNTY DEPARTMENT OF LAW

Oneida County Office Building
800 Park Avenue ♦ Utica, New York 13501-2975
(315) 798-5910 ♦ fax (315) 798-5603

ANTHONY J. PICENTE JR.
COUNTY EXECUTIVE

LINDA M.H. DILLON
COUNTY ATTORNEY

JN 2008-463

October 21, 2008

**ECONOMIC DEVELOPMENT
& TOURISM**

Anthony J. Picente, Jr.
Oneida County Executive
Oneida County Office Building
800 Park Avenue
Utica, NY 13501

WAYS & MEANS

RE: Convention and Visitors Bureau--Designation

Dear Mr. Picente:

For a number of years, the County has designated the Bureau as its tourism promotion agency, as discussed in the attached letter from Paul Ziegler. If you wish that arrangement to continue, please ask the Board to pass a resolution to that effect.

Thank you.

Very truly yours,

HJS/mav
Harris J. Samuels
Assistant County Attorney

Attachments

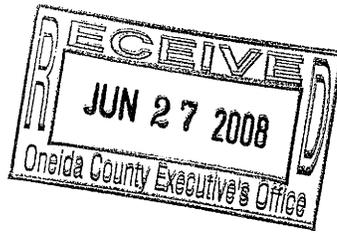
Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.

Anthony J. Picente, Jr.
County Executive

Date 10-21-08

2008 OCT 21 PM 3:07
RECEIVED
ONEIDA COUNTY LEGISLATURE



Oneida County Convention & Visitors Bureau

June 26, 2008

Hon. Anthony Picente
Oneida County Executive
Oneida County Office Building
800 Park Avenue
Utica, NY 13501

The agreement between County of Oneida and the Convention & Visitors Bureau for Oneida County, Inc. expires September 30, 2008. We would appreciate your assistance in renewing the agreement so that we may continue to voucher for the occupancy tax.

Also, in accordance with the New York State Matching Funds program for 2008-2009, we request that the Oneida County Convention & Visitors Bureau be designated the official tourism promotional agency for Oneida County.

This recognition is required by New York State and funding is provided only to those designated agencies. The resolution must be forwarded with the Matching Funds application and we will be submitting the application in August.

Lastly, the Occupancy Tax Local Law expires December 31, 2008. We are hopeful that the law be renewed.

Sincerely,

Paul E. Ziegler, CTP/CTIS
President

Cc: Michael Damsky
Mark Cherry



COUNTY OF ONEIDA
OFFICE OF THE COUNTY EXECUTIVE

ANTHONY J. PICENTE JR.

County Executive
ce@ocgov.net

ONEIDA COUNTY OFFICE BUILDING
800 PARK AVENUE
UTICA, NEW YORK 13501
(315) 798-5800
FAX: (315) 798-2390
www.ocgov.net

JN 2008-464

AIRPORT

WAYS & MEANS

RECEIVED
ONEIDA COUNTY LEGISLATURE
2008 OCT 24 AM 9:27

October 23, 2008

Board of Legislators
Oneida County Office Building
800 Park Avenue, 10th Floor
Utica, New York 13501

Re: Land Lease between the County of Oneida and GLDC
Premises to be allocated for the Construction of the FBO Offices

Honorable Members:

You will recall that the Operating Agreement between the County of Oneida and Freeman Holdings, LLC relating to the management of the Fixed Base Operations at the Airport was previously approved by the Board of Legislators back in August of this year. At that time, the Board was informed that there were additional aspects of the project that had to materialize in order for this venture to proceed.

Over the past several months, the County of Oneida and GLDC have been in negotiations with Freeman regarding two other key elements of this project as follows: (1) a Land Lease between the County of Oneida and GLDC for property upon which GLDC would construct the FBO Offices to be utilized by Freeman, and (2) a Sublease between GLDC and Freeman relative to the rental of the building. Those documents were recently finalized and are now being presented to the Board for its approval.

While these documents are quite voluminous, I will attempt to summarize for you the basic terms of each.

Demised Premises

The County of Oneida would lease to GLDC a parcel measuring 10,770 square feet. The FBO Office Building would be constructed within this parcel. In addition, the County would lease to GLDC the non-exclusive use of a parking lot and an access road. Although the actual location of these parcels has not yet been definitively established, the tentative locations appear on a preliminary site plan. These areas would then be subleased by GLDC to Freeman.

Lease Term

The Lease would be for an initial term of 10 years, with a renewal option for another ten years. The commencement date of the Lease, the Sublease (between GLDC and Freeman) and the Operational Agreement for the Fixed Base Operations (between the County and Freeman) would all run concurrently with one another. The term would commence once the Buildings (the FBO Offices and the General Aviation Hangar), and the appurtenant facilities (the parking areas and access road) are available for use by Freeman.

Lessor/Lessee/Sublessee Responsibilities

GLDC would be responsible for the maintenance and upkeep of the FBO Office Building, while the County would be responsible for maintenance of the parking lot and the access road, including plowing/snow removal.

GLDC would pay rent to the County calculated at the rate of \$0.20 per square foot multiplied by the total square footage of land area. In addition, GLDC would pay all real estate taxes, payments in lieu of taxes, and other assessments, if any. These obligations are then shifted by GLDC to Freeman under the Sublease. In addition, GLDC (and/or Freeman) would pay all utilities, including fuel, steam, heat, hot water, janitorial, services, etc.

Turnover

While GLDC is constructing the FBO Offices, the building itself will be "fit out" by Freeman. According to the terms of the Sublease, Freeman will surrender possession of the Premises to GLDC upon conclusion and/or termination of the lease, together with all of Freeman's personal property. Any property surrendered by Freeman to GLDC pursuant to the Sublease will be turned over by GLDC to the County pursuant to the primary Land Lease.

Repayment of Construction Cost for the FBO Offices

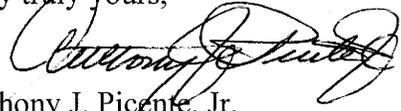
Pursuant to the terms of the Sublease, Freeman is paying to GLDC, in the form of rent, the construction costs for the FBO Offices. The construction cost is amortized over twenty years as more particularly spelled out in the Sublease. If Freeman should default under the terms of the Sublease, or, if Freeman should elect not to renew for the Sublease for the second ten years, the County of Oneida would be obligated to perform Freeman's obligations under the Sublease.

Ultimately, in the event this should occur, the County could purchase the building for the amount of the remaining debt due on GLDC's construction loan, or the County could locate a substitute FBO operator to take over Freeman's obligations under the Sublease.

I fully appreciate all of the support that the Board has lent to this project from its inception and would ask that you continue your support by approving the Land Lease that is being submitted for your approval. I am asking that the Board approve of the land lease at its **November 12, 2008** regular session

Should you have any questions or concerns regarding the proposed Land Lease, I am available to discuss those concerns in greater detail. Thank you for your continued support.

Very truly yours,



Anthony J. Picente, Jr.
Oneida County Executive

Cc: Steven J. Dimeo
Joseph E. Saunders, Esq.

w/encl

742008-464

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease"), dated as of _____, 2008 (the "Effective Date"), is by and between the **COUNTY OF ONEIDA**, a New York municipal corporation with its principal offices at the County Office Building, 800 Park Avenue, Utica, New York 13501 (the "Lessor") and **GRIFFISS LOCAL DEVELOPMENT CORPORATION**, a New York local development corporation with its offices at 153 Brooks Road, Rome, New York 13441 (the "Lessee").

WITNESSETH:

WHEREAS, Lessee desires to lease the Demised Premises (as such term is hereinafter defined) from Lessor and develop the Project (as such term is hereinafter defined) thereon; and

WHEREAS, Lessor is willing to lease the Demised Premises (as such term is hereinafter defined) to Lessee upon the terms, covenants and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the sum of One and 00/100 Dollars (\$1.00), paid by Lessee to Lessor, and other good and valuable consideration, the payment, receipt and legal sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 As used in this Lease, the following underlined capitalized words in this Section "1.1" shall have the following meanings:

1.1.1 Access Road – means that certain 24+ foot wide access road to be constructed by Lessor, at Lessor's own cost and expense, within the bounds of the parcel of land designated as "Parcel D" on the Survey Map. The Access Road shall also include that certain pick-up/drop-off area to be constructed by Lessor, at Lessor's own cost and expense, adjacent to the northerly entrance to the Building.

1.1.2 Access Road Plans and Specifications – means those certain final plans and specifications, to be prepared by Lessor's Architect, for the construction of the Access Road (within the bounds of the parcel of land designated as "Parcel D" on the Survey Map).

1.1.3 Actual Project Cost – means all construction or "hard" costs and all non-construction or "soft" costs actually incurred or paid for by Lessee in connection with the Project including, without limitation, (i) all costs of surveying, legal, engineering, architectural and other professional services (e.g., the costs of test borings, environmental assessments, environmental remediations, surveys, maps, estimates, plans and specifications), and of supervising construction as well as the performance of all other duties required by or consequent upon the proper construction of, and the making of the alterations, renovations, additions and improvements in connection with the design, construction and/or completion of the Project; (ii) all costs paid or incurred for labor, materials, services, supplies, machinery, equipment and other

25

expenses and to contractors, subcontractors, suppliers, builders and materialmen; (iii) all costs of surety bonds and of insurance that may be required or necessary during the construction phase of the Project; (iv) all costs of title work and/or title insurance (including owner's and/or loan policies of title insurance); (v) all costs of and/or related to obtaining and closing upon the Financing of the Project, including appraisal fees, lender's application and commitment fees, lender's attorneys' fees and disbursements, and recording and/or filing taxes, charges and fees, etc.; (vi) the interest due and payable on the Financing during the construction phase of the Project; (vii) all costs incurred or paid in connection with the preparation of this Lease and the other Lease Documents and the Sublease and the other Sublease Documents, including the fees and disbursements of Lessee's attorneys; (viii) all costs of and/or related to the Agency Transaction including the Agency's fees, and the fees and disbursements of the Agency's attorneys and Lessee's attorneys in connection with the Agency Transaction; (ix) all costs which Lessee shall be required to pay, under the terms of any contract or contracts, for the design, construction and/or completion of the Project, including any amounts required to reimburse Lessee for advances made for any item otherwise constituting a Project cost or for any other costs incurred and for work done which are properly chargeable to the Project; and (x) all other costs and expenses relating to the design, construction, financing, management and completion of the Project.

1.1.4 Agency – means the Oneida County Industrial Development Agency, a New York public benefit corporation with its offices at 153 Brooks Road, Rome, New York 13441, and its successors and assigns.

1.1.5 Agency Transaction – shall have the meaning ascribed to such term in Section “27.1” hereof.

1.1.6 Air Force – means the United States of America, acting by and through the Secretary of the Air Force and/or the Air Force Real Property Agency (f/k/a Air Force Base Conversion Agency).

1.1.7 Air Force Deed – means that certain New York Quitclaim Deed from The United States of America, acting by and through the Secretary of the Air Force to the Oneida County Industrial Development Agency dated August 12, 2005 and recorded on September 30, 2005 in the Oneida County Clerk's Office as Instrument No. 2005-020891.

1.1.8 Airport – means that certain 1,593± acre portion of the Base owned by the County and commonly known and referred to as the Oneida County Airport at the former Griffiss Air Force Base. At present, the Airport is certificated under Part 139 of the FAA Regulations as a Class IV airport.

1.1.9 Airport Rules and Regulations – shall have the meaning ascribed to such term in Section “3.1” hereof.

1.1.10 Base – means the former Griffiss Air Force Base, Rome, New York.

1.1.11 Building – means that certain 9,200± square foot building to be constructed on the Land by Lessee, at Lessee’s own cost and expense, pursuant to the provisions of this Lease (and the Sublease). The Building shall include any and all alterations and replacements thereof, additions thereto and substitutions therefor. The Building shall also include that portion of the Building Connector to be constructed by Lessee.

1.1.12 Building Connector – means that certain enclosed building connector connecting the General Aviation Hangar to the Building. Lessor, at its own cost and expense, shall construct that portion of the Building Connector which is to extend from the northeasterly face of the main portion of the General Aviation Hangar to the northeasterly boundary of Parcel B and Lessee, at its own cost and expense, shall construct that portion of the Building Connector which is to extend from the southwesterly face of the main portion of the Building to the southwesterly boundary of Parcel A so that the portions of the Building Connector constructed by Lessor and Lessee, respectively, meet at the Line of Demarcation situate on the Common Boundary.

1.1.13 Closing on Option Property - shall have the meaning ascribed to such term in Section “48.1” hereof.

1.1.14 Commencement Date – means the first day of the Term, as is more particularly set forth in Section “4.1” below.

1.1.15 Commencement Date of Sublease – means the “Commencement Date” of the Sublease, as the term “Commencement Date” is defined in the Sublease.

1.1.16 Commencement Date of Operating Agreement – means the “Commencement Date” of the Operating Agreement, as the term “Commencement Date” is defined in the Operating Agreement.

1.1.17 Common Boundary – means the common boundary line between Parcel A on the northeast and Parcel B on the southwest.

1.1.18 Construction Period – means the period of time from the Effective Date up to, but not including, the Commencement Date.

1.1.19 County – means the County of Oneida, a New York municipal corporation with its principal offices at the County Office Building, 800 Park Avenue, Utica, New York 13501, and its successors and assigns. The County and Lessor are one and the same entity.

1.1.20 Deadline Date for Lessee’s Final Plans and Specifications – shall have the meaning ascribed to such term in Section “5.2” hereof.

1.1.21 Demised Premises – means, collectively, the Land, the Building (including Lessee’s portion of the Building Connector), and the Related Improvements.

1.1.22 EDGE – means Economic Development Growth Enterprises Corporation, a New York not-for-profit corporation with its principal offices at 153 Brooks Road, Rome, New York 13441, and its successors and assigns. At present, EDGE provides staff services to Lessee pursuant to an agreement between them.

1.1.23 Effective Date – means the day and year first above written.

1.1.24 Expiration/Termination Date Balance – means the sum of (a) the Unpaid Balance of Financing plus (b) the Maintenance and Repair Costs Overrun (both measured as of the expiration or earlier termination of this Lease.

1.1.25 FAA – means the Federal Aviation Administration, an agency of the United States Government, and its successors.

1.1.26 Financing – means, collectively, the Institutional Financing and Internal Financing.

1.1.27 General Aviation Hangar – means that certain 15,000± square foot general aviation hangar to be constructed by Lessor, at Lessor's own cost and expense, within the bounds of the parcel of land designated as "Parcel B" on the Survey Map. The General Aviation Hangar shall include that portion of the Building Connector which is to be constructed by Lessor.

1.1.28 General Aviation Hangar Plans and Specifications – means those certain final plans and specifications, to be prepared by Lessor's Architect, for the construction of the General Aviation Hangar (within the bounds of the parcel of land designated as "Parcel B" on the Survey Map).

1.1.29 GUSC – means Griffiss Utility Services Corporation, a New York local development corporation with offices at 153 Brooks Road, Rome, New York 13441, and its successors and assigns.

1.1.30 Institutional Financing – means, collectively, all loans, borrowings and/or other financings and/or re-financings (including construction loans and permanent loans) obtained or to be obtained by Lessee from one or more banking organizations, trust companies, insurance companies, economic development agencies and/or lenders and/or other institutional lenders (collectively, the "Institutional Lenders") for the purposes of financing and/or re-financing all or some portion of the design, construction and completion of the Project and/or the Actual Project Cost.

1.1.31 Institutional Lenders – shall have the meaning ascribed to such term in Section "1.1.30" hereof.

1.1.32 Internal Financing – means, collectively, all equity investments which Lessee makes for the purpose of financing and/or re-financing all or some portion of the design, construction and completion of the Project and/or the Actual Project Cost, which equity

investments Lessee elects, for its own accounting and/or other purposes, to treat as internal loans and/or borrowings (amortized over a period of time not to exceed, in the aggregate, 20 years, and at a fixed rate of interest not to exceed 7.5% per annum). Lessee, in its sole discretion, may evidence the Internal Financing with one or more promissory notes and/or otherwise make such notation or notations thereof in its books and records (including, without limitation, its financial statements) as it deems appropriate.

1.1.33 Land – means that certain 10,770± square foot parcel of land designated as Parcel “A” on the Site Plan and also designated as “Parcel A” on the Survey Map. The Building (including Lessee’s portion of the Building Connector) and the Related Improvements are to be constructed by Lessee on the Land pursuant to the provisions of this Lease (and the provisions of the Sublease), all at Lessee’s own cost and expense.

1.1.34 Lease – means this Lease Agreement by and between Lessor and Lessee with respect to the Land and the other matters set forth herein, as the same may be supplemented and/or amended by Lessor and Lessee from time to time. A memorandum of this Lease is to be recorded in the Oneida County Clerk’s Office.

1.1.35 Lease Documents – means this Lease, that certain memorandum of this Lease, dated as of the Effective Date, by and between Lessor and Lessee, and any other documents executed and delivered by the parties hereto in connection with or pursuant to this Lease.

1.1.36 Lease Year – means each period of twelve (12) consecutive months occurring during the Term, the first Lease Year to commence on the Commencement Date and each subsequent Lease Year to commence on each subsequent anniversary of the Commencement Date. By way of illustration, if the Commencement Date were October 1, 2009, the first Lease Year would run from October 1, 2009 through and including September 30, 2010. The second Lease Year would run from October 1, 2010 through and including September 30, 2011, and so on.

1.1.37 Lessee – means Griffiss Local Development Corporation, a New York local development corporation with its offices at 153 Brooks Road, Rome, New York 13441, and its permitted successors and assigns.

1.1.38 Lessee’s Architect – means C&S Engineers, Inc., with its principal offices at 409 Col. Eileen Collins Boulevard, Syracuse, New York 13212.

1.1.39 Lessee’s Blanket Insurance Policy – shall have the meaning ascribed to such term in Section “14.5” hereof.

1.1.40 Lessee’s Construction Commencement Date – shall have the meaning ascribed to such term in Section “5.3” hereof.

1.1.41 Lessee's Final Plans and Specifications – means those certain final plans and specifications, to be prepared by Lessee's Architect, for the construction by Lessee on the Land of the Building (including Lessee's portion of the Building Connector) and the Related Improvements, as more particularly described in Section "5.2" hereof. Lessee's Final Plans and Specifications shall be annexed hereto and made a part hereof as **Exhibit D**.

1.1.42 Lessee's Insurance - shall have the meaning ascribed to such term in Section "14.5" hereof.

1.1.43 Lessee's Maintenance and Repair Budget – means the aggregate amount budgeted by Lessee to cover the cost of maintaining, repairing and/or replacing all or any portion of the Building (including Lessee's portion of the Building Connector) and the Related Improvements for the period of time from the Commencement Date through and including the date when measured, all as set forth in Lessee's Maintenance and Repair Budget annexed hereto and made a part here of as **Exhibit J**.

1.1.44 Lessee's Post-Commencement Date Plans and Specifications – any plans and specifications for improvements, additions and/or modifications to the Demised Premises by Lessee prepared pursuant to the provisions of Article 7 below.

1.1.45 Lessee's Proposed Plans and Specifications – means those certain proposed plans and specifications, to be prepared by Lessee's Architect, for the construction by Lessee of the Building and the Related Improvements (including Lessee's portion of the Building Connector).

1.1.46 Lessee's Work – means the work Lessee is required to perform, or to have performed, according to Lessee's Final Plans and Specifications, in connection with the construction of the Building (including Lessee's portion of the Building Connector) and the Related Improvements on the Land so to make the same substantially ready for occupancy, all as is more particularly set forth in Article 5 below. Lessee's Work shall be performed at Lessee's own cost and expense.

1.1.47 Lessee's Work Punch List – shall have the meaning ascribed to such term in Section "5.4" hereof.

1.1.48 Lessor – means the County of Oneida, a New York municipal corporation with its principal offices at the County Office Building, 800 Park Avenue, Utica, New York 13501, and its successors and assigns.

1.1.49 Lessor's Architect – means C&S Engineers, Inc., with its principal offices at 409 Col. Eileen Collins Boulevard, Syracuse, New York 13212.

1.1.50 Lessor's Construction Commencement Date – shall have the meaning ascribed to such term in Section "4A.2" hereof.

1.1.51 Lessor's Final Plans and Specifications – means, collectively, the General Aviation Hangar Plans and Specifications, the Access Road Plans and Specifications, the Parking Lot Plans and Specifications, and the Utility Plans and Specifications, all as more particularly described in Section “4A.1” hereof. Lessor's Final Plans and Specifications shall be annexed hereto and made a part hereof as **Exhibit C**.

1.1.52 Lessor's Proposed Plans and Specifications – means those certain proposed plans and specifications, to be prepared by Lessor's Architect, for the construction of the General Aviation Hangar, the Access Road, the Parking Lot, and the Utilities.

1.1.53 Lessor's Work – means the work Lessor is required to perform, or to have performed, according to Lessor's Final Plans and Specifications, in connection with the construction of the General Aviation Hangar, the Access Road, the Parking Lot, and the Utilities so as to make each substantially ready for occupancy or use, as the case may be, all as is more particularly set forth in Article 4A below. Lessor's Work shall be performed at Lessor's own cost and expense.

1.1.54 Lessor's Work Punch List – shall have the meaning ascribed to such term in Section “4A.3” hereof.

1.1.55 Line of Demarcation – means that certain 8 to 16+foot long portion of the Common Boundary where those portions of the Building Connector to be built by Lessor and Lessee, respectively, meet.

1.1.56 List of Sublessee's Building Personalty – means that certain list of Sublessee's Building Personalty which shall be annexed hereto and made a part hereof as **Exhibit G**, as the same may be updated from time to time.

1.1.57 Maintenance and Repair Costs Overrun – means, as of the date when measured, the aggregate amount by which Lessee's costs of maintaining, repairing and/or replacing all or any portion of the Building (including Lessee's portion of the Building Connector) and the Related Improvements for the period of time from the Commencement Date through and including the date when measured exceeds Lessee's Maintenance and Repair Budget for the same period of time. At Lessee's option, the Lessee's costs of maintaining, repairing and/or replacing all or any portion of the Building and the Related Improvements shall include any costs incurred by Lessee in making the repairs and/or alterations described in Section “17.3” hereof.

1.1.58 New Sublease – shall have the meaning ascribed to such term in Section “7A.2” hereof.

1.1.59 Operating Agreement – means that certain Griffiss Air Field Operational and Management Agreement for Fixed Base Operator, dated as of August 27, 2008, by and between Lessor and Sublessee relating to the provision and/or management of fixed base operations at the Airport. A copy of the Operating Agreement shall be annexed hereto as **Exhibit I**.

1.1.60 Opinion – means the opinion given by Lessor’s counsel to Lessee, Lessee’s counsel, the Institutional Lenders and the Title Insurers, dated as of the Effective Date or as of any other date reasonably requested by the Opinion recipients. The Opinion shall be in substantially the same form as the sample Opinion which shall be annexed hereto and made a part hereof as **Exhibit F**, or in such other form as may be reasonably requested by the Opinion recipients.

1.1.61 Option Exercise Notice - shall have the meaning ascribed to such term in Section “48.2” hereof.

1.1.62 Option Expiration Date - shall have the meaning ascribed to such term in Section “48.3” hereof.

1.1.63 Option Property – shall have the meaning ascribed to such term in Section “48.1” hereof.

1.1.64 Option Property Closing Date - shall have the meaning ascribed to such term in Section “48.1” hereof.

1.1.65 Option to Purchase - shall have the meaning ascribed to such term in Section “48.1” hereof.

1.1.66 Original Term –means that certain ten (10) year original term of this Lease more particularly described in Section “4.1” hereof. By way of illustration, if the Commencement Date were October 1, 2009, the Original Term hereof would run from October 1, 2009 to September 30, 2019, inclusive.

1.1.67 Original Term of Sublease – means the “Original Term” of the Sublease, as the term “Original Term” is defined in the Sublease.

1.1.68 Parcel A – means that certain 10,770± square foot parcel of land designated as “Parcel A” on the Site Plan and also designated as “Parcel “A” on the Survey Map. Parcel A (as the same is designated on the Survey Map) is the same as the Land for the purposes of this Lease. Parcel A is the parcel of land upon which the Building (including Lessee’s portion of the Building Connector) and the Related Improvements are to be constructed by Lessee pursuant to the provisions of this Lease (and the provisions of the Sublease).

1.1.69 Parcel B – means that certain parcel of land designated as “Parcel B” on the Site Plan and also designated as “Parcel “B” on the Survey Map. Parcel B (as the same is designated on the Survey Map) is the parcel of land upon which the General Aviation Hangar is to be constructed by Lessor pursuant to the provisions of this Lease.

1.1.70 Parcel C – means that certain parcel of land designated as “Parcel C” on the Site Plan and also designated as “Parcel “C” on the Survey Map. Parcel C (as the same is

designated on the Survey Map) is the parcel of land upon which the Parking Lot is to be constructed by Lessor pursuant to the provisions of this Lease.

1.1.71 Parcel D – means that certain parcel of land designated as “Parcel D” on the Site Plan and also designated as “Parcel “D” on the Survey Map. Parcel D (as the same is designated on the Survey Map) is the parcel of land upon which the Access Road is to be constructed by Lessor pursuant to the provisions of this Lease.

1.1.72 Park – the Griffiss Business & Technology Park, Rome, New York, which Park is a part of the lands comprising the Base.

1.1.73 Parking Lot – means that certain surface parking lot containing at least twenty-five (25) standard-size parking spaces. The Parking Lot is to be constructed by Lessor, at Lessor’s own cost and expense, within the bounds of the parcel of land designated as “Parcel C” on the Survey Map. Lessor reserves the right to relocate the Parking Lot (or any portion thereof) to an area which is situate reasonably near to the Building, all at Lessor’s own cost and expense.

1.1.74 Parking Lot Plans and Specifications – means those certain final plans and specifications, to be prepared by Lessor’s Architect, for the construction of the Parking Lot (within the bounds of the parcel of land designated as “Parcel C” on the Survey Map).

1.1.75 Permitted Alterations – any non-structural alterations costing less than \$50,000.00 in the aggregate (when measured over the Term hereof), made by Lessee to the Demised Premises from and after the Commencement Date in accordance with the provisions of Article 7 hereof.

1.1.76 Permitted Exceptions – means all notices, easements, rights-of-way, conditions, covenants, restrictions and agreements of record insofar as they pertain to the Demised Premises including, without limitation, those set forth in the Air Force Deed, this Lease, the Sublease, all applicable laws, rules and regulations (including the Airport Rules and Regulations), all encroachments from or into the Demised Premises and any state of facts that a physical inspection and an accurate survey of the Demised Premises (prepared after the Building and the Related Improvements, and any additions or alterations thereto and/or replacements thereof have been constructed) would disclose, and all above ground and underground utility lines, pipes, conduits, apparatus and/or equipment.

1.1.77 PILOT Payments – shall have the meaning ascribed to such term in Section “9.1” hereof.

1.1.78 Project – means that certain project consisting of the design, construction and completion by Lessee on the Land of the Building (including Lessee’s portion of the Building Connector), and the Related Improvements.

1.1.79 Purchase and Sale Agreement – shall have the meaning ascribed to such term in Section “48.1” hereof.

1.1.80 Purchase Price - shall have the meaning ascribed to such term in Section "48.1" hereof.

1.1.81 Related Improvements – means any improvements (e.g., sidewalks, utility connections, etc.) other than the Building (including Lessee's portion of the Building Connector), to be constructed on the Land by Lessor pursuant to the provisions of this Lease (and the provisions of the Sublease).

1.1.82 Renewal Term – means that certain ten (10) year renewal term of this Lease more particularly described in Section "4.2" hereof. The tenth (10th) anniversary of the Commencement Date, i.e., the first (1st) day of the eleventh (11th) Lease Year, would be the first (1st) day of the Renewal Term. By way of illustration, if the Commencement Date were October 1, 2009, the first (1st) day of the Renewal Term hereof would be October 1, 2019.

1.1.83 Renewal Term of Sublease – means the "Renewal Term" of the Sublease, as the term "Renewal Term" is defined in the Sublease.

1.1.84 Site Plan – means that certain site plan entitled "Site Plan, Corporate Hangar, FBO Building" made by Lessor's Architect dated _____, 2008. A copy of the Site Plan shall be annexed hereto and made a part hereof as Exhibit A.

1.1.85 Sublease – means that certain Sublease Agreement, dated as of _____, 2008, by and between Lessee, as sublessor, and Sublessee, as sublessee, with respect to the Demised Premises and the other matters set forth therein. A memorandum of the Sublease is to be recorded in the Oneida County Clerk's Office. A copy of the Sublease shall be annexed hereto and made a part hereof as Exhibit B.

1.1.86 Sublease Documents – means the Sublease, that certain memorandum of the Sublease, dated as of the Effective Date (as such term is defined in the Sublease), by and between Sublessor and Sublessee, that certain Environmental Compliance Agreement (as such term is defined in the Sublease), dated as of the Effective Date (as such term is defined in the Sublease), by and among Lessor, Lessee and Sublessee, and any other documents executed and delivered by the parties to the Sublease in connection with or pursuant to the Sublease

1.1.87 Sublessee – means Freeman Holdings of New York, L.L.C., a New York limited liability company with its principal offices at Main Terminal - Forbes Field, Topeka, Kansas 66619, and its permitted successors and assigns.

1.1.88 Sublessee's Architect – means Ashton Smith, with his offices at Million Air Alexandria, 1037 Billy Mitchell Boulevard, Suite 2502, Alexandria, Louisiana 71303-5637.

1.1.89 Sublessee's Building Personalty – means all machinery, equipment, furniture, furnishings and other items of tangible and intangible personal property (excluding inventory) placed or to be placed by Sublessee on, at or in the Demised Premises at any time

during the Construction Period (as such term is described in the Sublease) or thereafter during the Term of Sublease, whether the same are now owned or hereafter acquired by Sublessee, including, without limitation, all of the items listed on the List of Sublessee's Building Personalty (as the same may be updated from time to time), together with all additions thereto, substitutions therefor, and replacements thereof.

1.1.90 Sublessee's Design Development – means that certain design development for the Building (including Lessee's portion of the Building Connector) and the Related Improvements to be prepared by Sublessee's Architect, as more particularly described in Section "5.1" of the Sublease.

1.1.91 Sublessee's Final Pre-Commencement Date Plans and Specifications – means those certain final plans and specifications, to be prepared by Sublessee's Architect, for the construction and/or installation in the Building by Sublessee of Sublessee's Pre-Commencement Date Improvements, as more particularly described in Section "6.2" of the Sublease. Sublessee's Final Pre-Commencement Date Plans and Specifications shall be annexed hereto and made a part hereof as **Exhibit E**.

1.1.92 Sublessee's Pre-Commencement Date Improvements– means the furniture, fixtures, equipment and other leasehold improvements to be constructed and/or installed in the Building or affixed and/or attached thereto by Sublessee, at Sublessee's own cost and expense, prior to the Commencement Date of Sublease.

1.1.93 Sublessee's Pre-Commencement Date Work – means the work Sublessee is required to perform, or to have performed, in the Building prior to the Commencement Date of Sublease according to Sublessee's Final Pre-Commencement Date Plans and Specifications. Sublessee's Pre-Commencement Date Work shall be performed at Sublessee's own cost and expense.

1.1.94 Sublessee's Proposed Pre-Commencement Date Plans and Specifications - means those certain proposed plans and specifications, to be prepared by Sublessee's Architect, for the construction and/or installation in the Building by Sublessee of Sublessee's Pre-Commencement Date Improvements.

1.1.95 Sublessee's Turnover Obligation to Sublessor – means Sublessee's obligation to turn over and transfer Sublessee's Building Personalty to Sublessor upon the expiration or earlier termination of either the Operating Agreement or the Sublease, or in the event that Sublessee vacates or is removed from the Airport or the Demised Premises, all as is more particularly set forth in Section "48.2" of the Sublease.

1.1.96 Sublessor – means Griffiss Local Development Corporation, a New York local development corporation with its offices at 153 Brooks Road, Rome, New York 13441, and its permitted successors and assigns. Lessee and Sublessor are one and the same entity.

1.1.97 Survey Map – means that certain survey map to be prepared by Lessor's Architect, at Lessor's own cost and expense, depicting (among other things) the location of

Parcel A, Parcel B, Parcel C and Parcel D, and describing the perimeter boundaries of each such parcel by bearings and distances. The Survey Map shall be prepared in accordance with the requirements applicable to an ALTA/ACSM Land Title Survey (including any optional survey responsibilities and specifications designated by Lessee) and shall be certified to Lessor, Lessee, Sublessee, the Institutional Lenders and the Title Insurers. A copy of the Survey Map shall be annexed hereto and made a part hereof as **Exhibit A-1**.

1.1.98 Term – the Original Term of this Lease and, if and when in effect, the Renewal Term of this Lease, unless expressly stated otherwise or unless the context clearly indicates otherwise.

1.1.99 Term of Sublease – means the “Term” of the Sublease, as the term “Term” is defined in the Sublease.

1.1.100 Title Insurers – means any title insurance company or companies requested by Lessee to issue title insurance policies (including leasehold owner’s policies and/or loan policies) in connection with this Lease and/or the Financing.

1.1.101 Transferred Building Personality – shall have the meaning ascribed to such term in Section “57A.1” hereof.

1.1.102 Unpaid Balance of Financing – means, as of the date in question, the amount necessary to pay off the Financing, in full, including, without limitation, all principal, interest, and other sums then due thereon (e.g. prepayment penalties, breakage fees, etc.).

1.1.103 Utilities – means the utilities to be constructed by Lessor, at Lessor’s own cost and expense, in order to provide domestic and fire suppression water service, sanitary and storm sewer service, electric service, natural gas service, steam service, telecommunications services and such other utility services as may be required by Lessee to the utility connection points (collectively, the “Utility Connection Points”) specified in Lessee’s Final Plans and Specifications, each of which Utility Connection Points shall be located on the boundary of the Land within five (5) feet of the Building. The Utilities shall be of sufficient capacity to meet applicable codes and satisfy Lessee’s requirements. The Utilities shall not include the electrical transformer, water, natural gas and/or steam reducing valves, utility meters and any related items of equipment which are to be constructed and/or installed at, in or on the Demised Premises by Lessee as part of Lessee’s Work.

1.1.104 Utilities Plans and Specifications – means those certain final plans and specifications, to be prepared by Lessor’s Architect, for the construction of the Utilities (within the bounds of the Base wherever the same may be necessary).

1.1.105 Utility Connection Points – shall have the meaning ascribed to such term in Section “1.1.103” hereof.

ARTICLE 2 – LEASE

2.1 Subject to the terms and conditions of this Lease, Lessor hereby leases to Lessee, and Lessee hereby rents and leases from Lessor, the Demised Premises. During the Term hereof, Lessee and Lessee's employees, customers, contractors, and invitees, shall also have the non-exclusive right (in common with others) to use (a) the Access Road (for the purposes of ingress to the Demised Premises from Ellsworth Road and egress from the Demised Premises to Ellsworth Road, by means of vehicular and pedestrian traffic) and (b) the Parking Lot (for the purpose of parking passenger vehicles). Lessee's occupancy and/or use of the Demised Premises and its non-exclusive use of the Access Road and the Parking Lot provided for under this Section "2.1" shall be subject to all easements, agreements, rights, rights-of-way, conditions, restrictions and/or covenants (whether or not of record) applicable to and/or affecting the Airport, the Demised Premises, the Access Road or the Parking Lot, or any part of any of them, now or at any future times including, without limitation, any covenants, conditions or restrictions imposed by the Air Force by deed (including the Air Force Deed), easement, license or otherwise, provided, however, that with respect to any such future easements, agreements, rights, rights of way, conditions, restrictions and/or covenants, the same do not have a material adverse effect on Lessee's possession, use and enjoyment of the Demised Premises and its non-exclusive use of the Access Road and the Parking Lot during the Term. Lessee's occupancy and/or use of the Demised Premises and its non-exclusive use of the Access Road and the Parking Lot shall also be subject to all governmental laws, rules and regulations, and any state of facts that an accurate survey would disclose.

2.2 During the Construction Period, Lessee and Lessee's employees, contractors and invitees shall have such access to the Land as may be necessary, in Lessee's sole discretion, to enable Lessee to construct the Building and the Related Improvements on the Land and otherwise undertake and perform the Project.

ARTICLE 3 – RESTRICTIONS ON USE

3.1 Subject to and in accordance with all rules, regulations, laws, ordinances, statutes and requirements of all governmental authorities and the Board of Fire Underwriters and any similar bodies having jurisdiction thereof, including, without limitation, any Rules and Regulations and Minimum Standards for the Airport promulgated by Lessor (collectively, the "Airport Rules and Regulations"), the Demised Premises shall be used as the main location for fixed based operations conducted at the Airport, and for accessory uses reasonably related thereto, and for no other purpose.

3.2 Lessor hereby warrants and represents to Lessee that the execution and delivery of this Lease, the Sublease and the Operating Agreement do not require the consent or approval of any governmental authority or agency including, without limitation, the FAA, which has not heretofore been obtained.

3.3 Lessor hereby warrants and represents to Lessee that the Building and the Related Improvements (if constructed according to Lessee's Final Plans and Specifications) will comply with all applicable laws, rules and regulations including, without limitation, the Airport Rules and Regulations and with the applicable provisions of the Air Force Deed. Lessor further warrants and represents that the use of the Demised Premises for the purposes specified in

Section "3.1" above is permitted under all applicable laws, rules and regulations including, without limitation, the FAA regulations and the Airport Rules and Regulations, and with the applicable provisions of the Air Force Deed.

3.4 Lessor warrants and represents to Lessee that, on or before the date that Lessee commences Lessee's Work, Lessor will have good and marketable title to Parcel A, Parcel B, Parcel C and Parcel D, free and clear of all liens and encumbrances, except for this Lease, the Sublease, and the covenants, conditions, restrictions, etc. contained in the Air Force Deed.

ARTICLE 3A – SITE PLAN AND SURVEY MAP

3A.1 The Site Plan depicts the anticipated location and the approximate size and dimensions of Parcel A, Parcel B, Parcel C and Parcel D. The final location and actual size and dimensions of Parcel A, Parcel B, Parcel C and Parcel D shall be depicted in the Survey Map and may vary from what is depicted on the Site Plan. Lessor shall arrange for Lessor's Architect to prepare the Survey Map and furnish the same to Lessor and Lessee (and Sublessee) within thirty (30) days after the Effective Date.

3A.2 From and after the date that Lessor's Architect furnishes the Survey Map to Lessor and Lessee (and Sublessee), Lessor and Lessee shall review the same and shall work with one another (and with Sublessee) to make whatever changes thereto may be necessary or desirable. If, within fifteen (15) days after the date that Lessor's Architect furnishes the Survey Map to Lessor and Lessee (and Sublessee), Lessor and Lessee (and Sublessee) are unable to agree upon the Survey Map, then, and in such event, either Lessor or Lessee may terminate this Lease by giving written notice of such termination to the other.

3A.3 If Lessor and Lessee (and Sublessee) agree upon the Survey Map, they shall evidence such agreement by initialing each sheet of the Survey Map, and shall cause the same to be annexed hereto and made a part hereof as **Exhibit A-1**, or they shall provide some other written evidence of such agreement in form and content which is mutually satisfactory to Lessor and Lessee (and Sublessee). Within ten (10) days after they agree upon the Survey Map, Lessor and Lessee shall execute a supplement to and/or amendment of this Lease whereby they acknowledge the location, perimeter boundary and size of each of Parcel A, Parcel B, Parcel C and Parcel D.

ARTICLE 4 – TERM

4.1 The original term (the "Original Term") of this Lease, shall commence on the date (the "Commencement Date") which is the earlier of (i) the first (1st) day of the first (1st) full month following the date that Lessee has "substantially completed" Lessee's Work (in accordance with Section "5.4" hereof) and gives Lessor notice thereof together with a copy of the temporary or permanent Certificate of Occupancy for the Demised Premises issued by the municipal agency or other governmental authority having jurisdiction thereof (provided, however, that Lessor has "substantially completed" the General Aviation Hangar, the Access Road, the Parking Lot, and the Utilities to the point where they are available for use) or (ii) October 1, 2009, and shall continue for a period of ten (10) years unless sooner terminated in

accordance with the provisions hereof. Notwithstanding anything to the contrary herein contained, Lessor and Lessee agree to coordinate (with one another and with Sublessee) the Commencement Date with the Commencement Date of Sublease and the Commencement Date of Operating Agreement so that the Commencement Date, the Commencement Date of Sublease and the Commencement Date of Operating Agreement are all the same date. Within ten (10) days after the Commencement Date, Lessor and Lessee shall execute a supplement to and/or amendment of this Lease acknowledging and fixing the Commencement Date thereby establishing for the record the beginning date of the Original Term.

4.2 In the event that Lessee is not then in default of any of Lessee's obligations under this Lease, upon the expiration of the Original Term Lessee shall have the option to extend this Lease for a renewal term (the "Renewal Term") of ten (10) years upon all of the same terms and conditions as were applicable during the Original Term, except that Lessee shall have no further option to extend this Lease upon the expiration of the Renewal Term. In order to exercise its option to extend for the Renewal Term, Lessee shall give Lessor written notice thereof at least eleven (11) months prior to the expiration of the Original Term.

ARTICLE 4A – LESSOR'S WORK

4A.1 Within ninety (90) days after the date that Sublessee furnishes Sublessee's Design Development to Lessor and Lessee, Lessor shall furnish Lessee (and Sublessee) with Lessor's Proposed Plans and Specifications. From and after the date that Lessor furnishes Lessee (and Sublessee) with Lessor's Proposed Plans and Specifications, Lessor and Lessee shall review the same and work with one another (and with Sublessee) to make whatever changes thereto that are necessary or desirable in order to develop Lessor's Final Plans and Specifications. If Lessor and Lessee (and Sublessee) are unable to agree upon Lessor's Final Plans and Specifications on or before the date (the "Deadline Date for Lessor's Final Plans and Specifications") which is thirty (30) days after the date Lessor furnishes Lessee (and Sublessee) with Lessor's Proposed Plans and Specifications, then, and in such event, either Lessor or Lessee may terminate this Lease by giving written notice of such termination to the other. If Lessor and Lessee (and Sublessee) agree upon Lessor's Final Plans and Specifications, they shall evidence such agreement by initialing each page of Lessor's Final Plans and Specifications, and shall cause the same to be annexed hereto and made a part hereof as **Exhibit C**, or they shall provide some other written evidence of such agreement in form and content which is mutually satisfactory to Lessor and Lessee (and Sublessee).

4A.2 Within sixty (60) days after the date that Lessor and Lessee (and Sublessee) have agreed upon Lessor's Final Plans and Specifications, or as soon thereafter as weather conditions reasonably permit, whichever date is later ("Lessor's Construction Commencement Date"), Lessor shall, at its own cost and expense, commence performing Lessor's Work. Without limiting the generality of the foregoing sentence, on or before Lessor's Construction Commencement Date, Lessor shall, at its own cost and expense, commence construction of (a) the General Aviation Hangar (within the bounds of the parcel of land designated as "Parcel B" on the Survey Map) in accordance with the General Aviation Hangar Plans and Specifications, (b) the Parking Lot (within the bounds of the parcel of land designated as "Parcel C" on the Survey Map) in accordance with the Parking Lot Plans and Specifications, (c) the Access Road

(within the bounds of the parcel of land designated as "Parcel D" on the Survey Map) in accordance with the Access Road Plans and Specifications, and (d) the Utilities (within the bounds of the Base wherever the same may be necessary) in accordance with the Utility Plans and Specifications. All construction shall be performed in a first-class and workmanlike manner in compliance with all applicable federal, state and local laws, rules, regulations, orders and codes. All materials used shall be new and of first-class quality. Lessor shall "substantially complete" Lessor's Work within six (6) months after Lessor's Construction Commencement Date, and shall "fully complete" Lessor's Work within a reasonable time thereafter.

4A.3 Lessor's Work shall be deemed "substantially completed" upon the occurrence of all of the following: (i) construction by Lessor of each component part of Lessor's Work in accordance with the set of Lessor's Plans and Specifications applicable thereto to the extent that the remaining work to be done consists solely of a list of minor details of construction, mechanical adjustments, decoration or the like (the "Lessor's Work Punch List") which will not interfere with the use and enjoyment of the General Aviation Hangar, the Parking Lot, the Access Road, and the Utilities, as the case may be, (ii) the issuance of a temporary or permanent Certificate of Occupancy with respect to the General Aviation Hangar by the municipal agency or other governmental authority having jurisdiction thereof, and (iii) certification by Lessor's Architect that Lessor's Work has been "substantially completed" as aforesaid, except for Lessor's Work Punch List items.

4A.4 At or about the time that Lessor's Work is "substantially completed", Lessee and Lessor (and Sublessee) shall jointly prepare the Lessor's Work Punch List and Lessor shall submit said Lessor's Work Punch List to the general contractor and/or other contractors who performed Lessor's Work so that said general contractor and/or other contractors may complete the same. Lessor shall see to it that the items on the Lessor's Work Punch List are "fully completed" by said general contractor and/or other contractors to the reasonable satisfaction of Lessee (and Sublessee) within a reasonable time after the Lessor's Work has been "substantially completed".

4A.5 Lessor shall keep Lessee (and Sublessee) apprised of the progress of Lessor's Work and shall invite Lessee (and Sublessee) to attend the periodic construction meetings which Lessor intends to hold with the general contractor and/or other contractors while Lessor's Work is underway. Lessor shall endeavor to give Lessee (and Sublessee) at least fifteen (15) days' notice of the date upon which it expects that Lessor's Work will be "substantially complete".

4A.6 Notwithstanding anything to the contrary contained in this Lease, Lessor shall have no obligation to perform Lessor's Work during the winter.

4A.7 From and after the date that it "substantially completes" the Access Road, and thereafter and throughout the Term hereof, Lessor shall maintain and repair the Access Road, and keep the same open as if it were a dedicated County road open to the general public, all at Lessor's own cost and expense. Without limiting the generality of the foregoing, Lessor shall take such steps as may be reasonably necessary to remove snow and ice from the Access Road and sand or salt the same.

4A.8 From and after the date that it “substantially completes” the Parking Lot, and thereafter and throughout the Term hereof, Lessor shall maintain and repair the Parking Lot, all at Lessor’s own cost and expense. Without limiting the generality of the foregoing, Lessor shall take such steps as may be reasonably necessary to remove snow and ice from the Parking Lot and sand or salt the same.

4A.9 From and after the date that it “substantially completes” the Utilities, and thereafter and throughout the Term hereof, Lessor shall maintain and repair the Utilities, all at Lessor’s own cost and expense.

ARTICLE 5 – LESSEE’S WORK

5.1 Pursuant to the Sublease, Sublessee is supposed to furnish Sublessee’s Design Development to Lessee and Lessor within forty-five (45) days after the Effective Date (as such term is defined in the Sublease). Within ninety (90) days after its receipt of Sublessee’s Design Development, Lessee shall furnish Lessor (and Sublessee) with Lessee’s Proposed Plans and Specifications (which shall be based on Sublessee’s Design Development).

5.2 From and after the date that Lessee furnishes Lessee’s Proposed Plans and Specifications to Lessor (and Sublessee), Lessee and Lessor shall review the same and shall work with one another (and with Sublessee) to make whatever changes thereto that may be necessary or desirable in order to develop Lessee’s Final Plans and Specifications. If Lessee and Lessor (and Sublessee) are unable to agree upon Lessee’s Final Plans and Specifications on or before the date (the “Deadline Date for Lessee’s Final Plans and Specifications”) which is thirty (30) days after the date Lessee furnishes Lessor (and Sublessee) with Lessee’s Proposed Plans and Specification, then, and in such event, either Lessee or Lessor may terminate this Lease by giving written notice of such termination to the other. If Lessee and Lessor (and Sublessee) agree upon Lessee’s Final Plans and Specifications, they shall evidence such agreement by initialing each page of said Lessee’s Final Plans and Specifications, and shall cause the same to be annexed hereto and made a part hereof as **Exhibit D**, or they shall provide some other written evidence of such agreement in form and content which is mutually satisfactory to Lessor and Lessee (and Sublessee).

5.3 Within sixty (60) days after the date Lessor and Lessee (and Sublessee) have agreed upon Lessee’s Final Plans and Specifications, or as soon thereafter as weather conditions reasonably permit, whichever date is later (the “Lessee’s Construction Commencement Date”), Lessee shall, at its own cost and expense, commence performing Lessee’s Work in accordance with said Lessee’s Final Plans and Specifications. All construction shall be performed in a first-class and workmanlike manner in compliance with all applicable federal, state and local laws, rules, regulations, orders and codes. All materials used shall be new and of first-class quality. Lessee shall “substantially complete” Lessee’s Work within six (6) months after Lessee’s Construction Commencement Date, and shall “fully complete” Lessee’s Work within a reasonable time thereafter.

5.4 Lessee’s Work shall be deemed “substantially completed” upon the occurrence of all of the following: (i) construction by Lessee of Lessee’s Work in accordance with Lessee’s

Final Plans and Specifications to the extent that the remaining work to be done consists solely of a list of minor details of construction, mechanical adjustments, decoration or the like (the "Lessee's Work Punch List") which will not interfere with Lessee's use and enjoyment of the Demised Premises, (ii) the issuance of a temporary or permanent Certificate of Occupancy for the Demised Premises by the municipal agency or other governmental authority having jurisdiction thereof, and (iii) certification by Lessee's Architect that Lessee's Work has been "substantially completed" as aforesaid, except for Lessee's Work Punch List items.

5.5 At or about the time that Lessee's Work is "substantially completed", Lessee and Lessor (and Sublessee) shall jointly prepare the Lessee's Work Punch List and Lessee shall submit said Punch List to the general contractor and/or other contractors who performed Lessee's Work so that said general contractor and/or other contractors may complete the same. Lessee shall see to it that the items on the Lessee's Work Punch List are "fully completed" by said general contractor and/or other contractors to the reasonable satisfaction of Lessee (and Sublessee) within a reasonable time after the Lessee's Work has been "substantially completed".

5.6 Lessee shall keep Lessor (and Sublessee) apprised of the progress of Lessee's Work and shall invite Lessor (and Sublessee) to attend the periodic construction meetings which Lessee intends to hold with the general contractor and/or others while Lessee's Work is underway. Lessee shall endeavor to give Lessor (and Sublessee) at least fifteen (15) days' advance notice of the date upon which it expects that Lessee's Work will be "substantially completed".

5.7 Lessor shall reasonably cooperate with Lessee to facilitate Lessee's construction, maintenance and operation of the Building and the Related Improvements during the Construction Period and thereafter and throughout the Term, including, without limitation, Lessor's executing (as owner of the Land) documents related to the granting of entitlements, easements, zoning changes, or similar matters affecting the Land, all of which must be reasonably satisfactory in form and content to Lessee.

5.8 Notwithstanding anything to the contrary contained in this Lease, Lessee shall have no obligation to perform Lessee's Work during the winter.

ARTICLE 6 – SUBLESSEE'S PRE-COMMENCEMENT DATE IMPROVEMENTS

6.1 Pursuant to the Sublease, Sublessee is supposed to furnish Lessor (and Lessee) with Sublessee's Proposed Pre-Commencement Date Plans and Specifications within fifteen (15) days after the date that Sublessee receives Lessee's Proposed Plans and Specifications.

6.2 From and after the date that Sublessee furnishes Sublessee's Proposed Pre-Commencement Date Plans and Specifications to Lessor (and Lessee), Lessor and Lessee shall review the same and shall work with one another (and with Sublessee) to make whatever changes thereto that may be necessary or desirable in order to develop Sublessee's Final Pre-Commencement Date Plans and Specifications. If Lessee and Lessor (and Sublessee) are unable to agree upon Sublessee's Final Pre-Commencement Date Plans and Specifications on or before the Deadline Date for Lessee's Final Plans and Specifications, then, and in such event, either

Lessor or Lessee may terminate this Lease by giving written notice of such termination to the other. If Lessor and Lessee (and Sublessee) agree upon Sublessee's Final Pre-Commencement Date Plans and Specifications, they shall evidence such agreement by initialing each page of said Sublessee's Final Pre-Commencement Date Plans and Specifications, and shall cause the same to be annexed hereto and made a part hereof as Exhibit E, or they shall provide some other written evidence of such agreement in form and content which is mutually satisfactory to Lessor and Lessee (and Sublessee).

6.3 When, in Lessee's sole judgment, the construction of the Building has progressed to the point where it is reasonably practicable for Sublessee to commence Sublessee's Pre-Commencement Date Work, Lessee shall so notify Sublessee by means of a Notice to Proceed (as such term is defined in the Sublease), and, simultaneously therewith, notify Lessor. Upon receiving the Notice to Proceed from Lessee, Sublessee is supposed to, at its own cost and expense, commence performing Sublessee's Pre-Commencement Date Work in accordance with said Sublessee's Final Pre-Commencement Date Plans and Specifications. All construction is supposed to be performed by Sublessee in a first-class and workmanlike manner in compliance with all applicable federal, state and local laws, rules, regulations, orders and codes. All materials used by Sublessee are supposed to be of new and of first-class quality and shall not be subject to any lien, encumbrance, conditional sales contract or the like. Sublessee is supposed to coordinate Sublessee's Pre-Commencement Date Work with Lessee so that it does not unreasonably hinder, delay or otherwise interfere with Lessee's Work, and is supposed to "substantially complete" the same within the time period specified in the Sublease.

ARTICLE 7 – LESSEE'S POST-COMMENCEMENT DATE IMPROVEMENTS

7.1 With the exception of non-structural alterations (the "Permitted Alterations") costing less than Fifty Thousand Dollars (\$50,000.00) in the aggregate (when measured over the Term hereof), from and after the Commencement Date Lessee shall not improve, construct, renovate, make additions to, demolish, modify, remove or alter the Demised Premises or any part thereof without the prior written consent of Lessor, which consent shall not be unreasonably withheld, delayed or conditioned. Lessee shall make or perform any improvements, construction, renovations, additions, demolition, modifications, removal or alterations permitted hereunder (i.e., the "Permitted Alterations") or consented to by Lessor, at Lessee's own cost and expense, subject to the following conditions:

7.1.1 Such work shall be performed in a first class workmanlike manner, and shall not weaken or impair the structural strength of the Demised Premises, or any part thereof or change the purposes for which the Demised Premises may be used.

7.1.2 Such work shall be accomplished according to Lessee's Post-Commencement Date Plans and Specifications which shall be first submitted to and, except in the case of Lessee's Post-Commencement Date Plans and Specifications relating to Permitted Alterations, approved by the Lessor, which approval shall not be unreasonably withheld, delayed or conditioned. Before the commencement of such work:

- (i) Lessee's Post-Commencement Date Plans and Specifications shall be filed with and approved by all governmental departments or authorities having jurisdiction thereof, and all such work shall be done subject to and in accordance with the requirements of law and local regulations of all governmental departments or authorities having jurisdiction, and Lessee shall obtain any and all necessary building permits and any other required permits and/or authorizations and immediately furnish Lessor with copies thereof; and
- (ii) except in the case of Permitted Alterations, Lessee shall, if requested, give Lessor surety company performance and payment bonds from a responsible insurance company authorized to do business in the State of New York, in the amount specified by Lessor, guarantying (a) the completion of such work in accordance with Lessee's Post-Commencement Date Plans and Specifications therefor, free and clear of all liens, encumbrances, security agreements, chattel mortgages and conditional bills of sale, and (b) payment of the cost of such work and containing such other terms and provisions as may be required by Lessor; and
- (iii) if required by Lessor, any contract or agreement for labor, services, materials or supplies in connection with any alterations, building construction, reconstruction, building, rebuilding, renovation, replacement, change, addition or improvement shall provide that the contractor or supplier shall not place any mechanic's lien against the Demised Premises or any part thereof or any of the equipment thereof. Lessee shall deliver to Lessor either a duplicate original of such contract or a written waiver by the architect, engineer, contractor, materialman, mechanic, person or corporation named in such contract of all right of lien which he, she or it might otherwise have upon or against the Demised Premises or any part thereof or any equipment therein, or the interest of Lessor in any of the foregoing on account of any work, labor, materials or other thing done or provided with respect thereto.

7.2 Nothing contained in Section "7.1" or elsewhere in this Lease shall be deemed or construed in any way as constituting the consent or request of Lessor, expressed or implied, for the performance of any labor or the furnishing of any materials for the specific improvement, alteration or repair of or to the Demised Premises, or as giving Lessee the right, power or authority to contract for or permit the rendering of any services or the furnishing of any material that would give rise to the filing of any liens against the Demised Premises or any part thereof.

ARTICLE 7A - ADDITIONAL LESSOR OBLIGATIONS.

7A.1 Lessor hereby assumes and agrees to perform all of Sublessee's duties, covenants, and obligations under and pursuant to the Sublease during the Original Term of Sublease and, if Sublessee exercises its option to renew the Sublease, during the Renewal Term of Sublease, including, without limitation, Sublessee's covenant and obligation to pay Sublessor the annual minimum rent due in each Sublease Year (as such term is defined in the Sublease) thereunder, with Lessor's performance of Sublessee's duties, covenants and obligations to take effect immediately upon the earliest of the following to occur:

(a) Sublessee defaults under the Sublease (and fails to cure such default within the applicable period of notice and/or grace provided to it therein, if any) and Lessee notifies Lessor of such uncured default and demands that Lessor commence performing Sublessee's duties, covenants and obligations under the Sublease; (b) Sublessee defaults under the Operating Agreement (and fails to cure such default within the applicable period of notice and/or grace provided to it therein, if any) and Lessee notifies Lessor of such uncured default and demands that Lessor commence performing Sublessee's duties, covenants and obligations under the Sublease; or

(c) Lessor or Sublessee terminates the Operating Agreement (or said Operating Agreement is otherwise terminated) prior to the expiration of the then current term thereof, and Sublessor demands that Lessor commence performing Sublessee's duties, covenants and obligations under the Sublease.

7A.2 If Sublessee fails to exercise its option to renew the Sublease for the Renewal Term of Sublease or otherwise extend the Sublease for a ten (10) year period of time commencing on the tenth (10th) anniversary of the Commencement Date of Sublease, or fails to exercise its option to renew or otherwise extend the Operating Agreement for a ten (10) year period of time commencing on the tenth (10th) anniversary of the Commencement Date of Operating Agreement, then, and in any of such events, Lessor shall be deemed to have exercised its Option to Purchase in accordance with Article 48 hereof. Notwithstanding the foregoing, Lessor may rescind said exercise of its Option to Purchase by entering into a new sublease (the "New Sublease") with Lessee, whereby Lessee, as sublessor, subleases the Demised Premises to Lessor, as sublessee, upon all of the same terms, covenants and conditions as would have been applicable during the Renewal Term of Sublease if Sublessee had exercised its option to renew the same for said Renewal Term of Sublease.

7A.3 Notwithstanding anything to the contrary contained in this Lease, in the event that Lessor agrees to, authorizes or permits the sale, conveyance or other transfer of the Demised Premises, or any interest therein, without Lessee's prior written consent, Lessor shall be deemed to have exercised its Option to Purchase in accordance with Article 48 hereof.

7A.4 Nothing contained in this Lease shall be deemed to relieve Sublessee of its duties, covenants and obligations under the Sublease, or its duties, covenants and obligations under the Operating Agreement.

ARTICLE 8 – ANNUAL MINIMUM RENT

8.1 During each Lease Year of the Original Term hereof and, if Lessee exercises its option to extend pursuant to Section "4.2" above, during each Lease Year of the Renewal Term hereof, Lessee shall pay to Lessor, without notice from or demand by Lessor, and without offset or deduction by Lessee, annual minimum rent at the rate of twenty cents per square foot (\$0.20/square foot) times the number of square feet comprising the Land (as depicted on the Survey Map), in equal monthly installments, in advance, with the first such monthly installment being due on the Commencement Date and each subsequent monthly installment being due on the same day each month as the day of the month on which the Commencement Date falls.

8.2 Within ten (10) days after the parties agree upon the Survey Map (as set forth in Section "3A.2" hereof), Lessor and Lessee shall execute a supplement to and/or amendment of this Lease acknowledging the amount of the annual minimum rent (and corresponding monthly installments thereof) due hereunder, which supplement and/or amendment shall include a rent schedule in substantially the same form as the rent schedule annexed hereto and made a part hereof as **Exhibit K**. By way of illustration, if the Survey Map depicts the Land as having an area of 10,770 square feet, the annual minimum rent due in each Lease Year of the Original Term hereof and, if Lessee exercises its option to extend pursuant to Section "4.2" hereof, the annual minimum rent due in each Lease Year of the Renewal Term hereof, would be the sum of \$2,154.00, payable in monthly installments of \$179.50.

ARTICLE 9 – REAL ESTATE TAXES, ASSESSMENTS, ETC.

9.1 Lessee shall bear, pay and discharge punctually during the Term all real estate taxes, payments in lieu of real estate taxes ("PILOT Payments"), assessments, and other governmental charges assessed or levied against or otherwise imposed upon or payable with respect to the Demised Premises and provide Lessor with evidence of the real estate taxes, PILOT Payments, assessments, and other governmental charges so due and the payment thereof within thirty (30) days following the last day the same were payable without interest and/or penalties accruing thereon. For the purposes of this Section "9.1", a real estate tax, PILOT Payment, assessment, or other governmental charge shall be deemed imposed, levied or charged on the first day such real estate tax, PILOT Payment, assessment or other governmental charge becomes due and payable. In the event Lessee desires to challenge the amount of the assessed valuation of the Demised Premises for real estate tax or PILOT Payment purposes, Lessor agrees to cooperate in signing any documents necessary for the purpose of such challenge, provided, however, Lessee holds Lessor harmless from, and indemnifies Lessor against, any cost or expense which Lessor incurs in connection with such challenge. Real estate taxes, PILOT Payments, assessments, and other governmental charges which cover a period falling both within and outside of the Term shall be paid by Lessor if the last day for paying the same without interest and/or penalties accruing thereon falls before or after the Term and shall be paid by Lessee, as additional rent, if such last day falls within the Term, but in either event, the same shall be equitably prorated between Lessor and Lessee and the party who did not pay the same shall reimburse the other therefore within thirty (30) days after the party who did not pay the same is given evidence of the amount of the real estate tax, PILOT Payment, assessment or other governmental charge and of payment thereof.

ARTICLE 10 – ENVIRONMENTAL PROTECTION

10.1 Lessee shall comply, at its own cost and expense, with all Federal, State, and local environmental laws, regulations, and standards that are or may become applicable to Lessee's activities at, on, over, under or in the Demised Premises.

10.2 Lessee shall be responsible for obtaining, at its own cost and expense, any environmental permits required by law, rule or regulation for Lessee's operations at or in the Demised Premises under this Lease, independent of any existing permits.

10.3 During the Construction Period and during the Term hereof, Lessee shall, to the extent permitted under applicable law, indemnify, defend, and hold harmless Lessor, against and from any damages, costs, expenses (including reasonable attorneys' fees, reasonable environmental engineers' fees and reasonable experts' fees), liabilities, fines, or penalties resulting from releases, discharges, emissions, spills, storage, treatment, disposal, or any other acts or omissions by Lessee, at, on, over, under or in the Demised Premises giving rise to Lessor liability, civil or criminal, or responsibility under Federal, State, or local environmental laws.

ARTICLE 11 – UTILITIES AND SERVICES

11.1 Lessee shall, at Lessee's own cost and expense, provide and pay for all utilities and services used or consumed by Lessee or others at, in or on the Demised Premises, including, but not limited to, steam, gas, water, electricity, sewer service, telecommunications service, solid waste disposal service, janitorial service, snow removal, building maintenance and grounds maintenance. Lessee shall pay for all such utilities and services before payment therefor becomes delinquent, and shall indemnify Lessor against and hold Lessor harmless with respect to all such charges.

ARTICLE 12 – REPAIRS

12.1 Lessee shall, at its own cost and expense, undertake and make such repairs as may be necessary to keep the Demised Premises in good order and repair, except for any of such repairs which are necessitated by the act or omission of Lessor or Lessor's agents, servants, employees, contractors and/or invitees.

12.2 Lessor shall, at its own cost and expense, undertake and perform such items of maintenance and make such repairs as are necessitated by the act or omission of Lessor or Lessor's agents, servants, employees, contractors and/or other invitees.

ARTICLE 13 – COMPLIANCE WITH LAWS AND REGULATIONS

13.1 Lessee shall, at Lessee's own cost and expense, execute and comply with all laws, orders, ordinances and regulations at any time issued or in force applicable to the Demised Premises, made by any governmental body and each and every department, official and bureau thereof, and by the appropriate Board of Fire Underwriters or similar authority relating to Lessee's use and occupancy of the Demised Premises or any condition caused therein, thereat or thereon by Lessee. The provisions of this Section "13.1" shall require, even if not specifically

required by law, Lessee to remove and dispose of, at its own cost and expense, any hazardous waste, originated and/or generated as a result of Lessee's use and occupancy of the Demised Premises.

ARTICLE 14 – INSURANCE

14.1 Lessee shall, at Lessee's own cost and expense, at all times during the Construction Period and the during the Term, maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type, including, but not necessarily limited to:

(a) the same policies of insurance and/or insurance coverages which Sublessee is obligated to maintain pursuant to the terms and provisions of the Operating Agreement (naming Lessor, Lessee, EDGE and GUSC as additional insureds thereunder, except as to the Workers' Compensation policy); and

(b) a fire insurance policy with extended coverage endorsement on all of Sublessee's trade fixtures, equipment and other personal property located at or in the Demised Premises in an amount equal to the full replacement cost thereof.

14.2 Intentionally Omitted.

14.3 Intentionally Omitted.

14.4 Lessee shall, upon the Effective Date, deliver to Lessor, together with proof of payment of the premium therefor, duplicate originals or a certificate of all policies of insurance required to be provided by Lessee under this Article 14, which policies shall include an endorsement which states that such insurance may not be materially reduced or canceled except on at least thirty (30) days' prior written notice to Lessor, the Agency, EDGE, GUSC, and Lessor's designees. All such policies shall be written by one or more responsible insurance companies "admitted" in the State of New York and shall waive any rights of subrogation on the part of the insurer against Lessor, the Agency, EDGE, GUSC and Lessor's designees. At least twenty (20) days prior to expiration of each such policy, Lessee shall deliver to Lessor a duplicate original or a certificate of all policies procured in replacement or renewal thereof, which policy or policies, if in replacement, shall have a similar cancellation provisions.

14.5 During the Term, Lessee shall arrange for and maintain replacement value property and casualty insurance (the "Lessee's Insurance") with respect to the Demised Premises, and provide proof thereof to Lessor. Lessee shall bear the cost and expense and pay for that portion of Lessee's Insurance. Lessee, at its election, may satisfy its obligation to arrange for and maintain Lessee's Insurance by either (i) obtaining a separate policy of property and casualty insurance for the Demised Premises or by designating the Demised Premises as an insured property on any blanket policy of property and casualty insurance ("Lessee's Blanket Insurance Policy") which it keeps in force with respect to its properties in the Park. All policies of Lessee's Insurance so

obtained and maintained by Lessee shall be written by one or more responsible insurance companies authorized to do business in the State of New York.

14.6 Lessor shall not be liable for any damage to or destruction of any of Lessee's goods, merchandise, fixtures, equipment and/or leasehold improvements, by fire or other casualty, no matter how caused, it being understood that Lessee will look solely to Lessee's insurer for reimbursement and not to Lessor.

14.7 Notwithstanding anything to the contrary herein contained, once each Lease Year, Lessor, acting in its reasonable discretion, may adjust the policy limits, coverages, deductibles, and other provisions of the various policies of insurance which Lessee is required to provide Lessor under this Lease (taking into consideration levels of inflation, risk of loss, premium expenses, and other relevant factors, including the then practice of other prudent property owners in the vicinity of the Demised Premises) and may require Lessee to furnish one or more additional insurance coverages.

ARTICLE 15 – CASUALTY LOSS

15.1 Lessee shall give Lessor immediate notice of any fire or other damage to, or destruction of, the Demised Premises. Lessee shall, at Lessee's own cost and expense, in the event of damage to or destruction of the Demised Premises by fire or other cause, repair or rebuild the same within a reasonable time (Lessee's recovery of insurance proceeds shall be a factor considered in determining a reasonable time) provided, that if such cause is not insured against under Lessee's Insurance or otherwise and is due to the fault of Lessor or Lessor's agents, servants, employees, or invitees, Lessee shall have no such duty to repair or rebuild. No claim shall be made by Lessee against Lessor in any case for compensation or damages by reason of interruption of Lessee's business, practice or occupation as a result of any damage to, or destruction of, the Demised Premises by fire or other cause, or arising from the necessity of repairing and rebuilding the same. Lessee shall be entitled to equitable abatement of rent during any period of time that Lessee is unable to use the Demised Premises for those purposes permitted under Section "3.1" by reason of damage thereto or destruction thereof by fire or other cause. Notwithstanding any provision of this Section "15.1" hereinbefore to the contrary, if more than fifty percent (50%) of the Demised Premises, or if such damage or destruction to the Demised Premises shall occur during the last Lease Year of the Term and there is no renewal right which Lessee has elected, or can elect, to exercise, Lessee shall have the right, upon notice to Lessor, to terminate this Lease, upon which termination neither Lessee nor Lessor shall have any further rights or obligations under this Lease except as may be expressly provided for herein, provided, however, that Lessor shall not be relieved of any obligation of which Lessor was in default at the time of such termination, which obligation shall survive such termination, and provided further, that Lessee shall be entitled to receive, as Lessee's sole and exclusive property, all insurance proceeds payable by reason of such damage to or destruction of the Demised Premises. In order to exercise the right of termination provided by this Section "15.1", Lessee shall give Lessor notice thereof within thirty (30) days after damage to or destruction of the Demised Premises by fire or other cause.

15.2 In the event that the Demised Premises are damaged or destroyed, Lessee shall have the right to terminate this Lease (i) if such damage or destruction materially impairs Lessee's ability

to make use of the Demised Premises in the customary operation of Lessee's business thereat and (ii) the Demised Premises cannot within a period of twelve (12) months be repaired or restored to the same or better condition than they were in immediately prior to the occurrence of such damage or destruction.

ARTICLE 16 – NEGATIVE COVENANT

16.1 Lessee shall not deface or disfigure the Demised Premises or any part thereof or suffer the same to be done. Lessee shall not do anything, or suffer anything to be done, which causes or may cause structural injury to the Demised Premises or any part thereof provided, however, that Lessee shall not be liable for any structural injury to the Demised Premises or any part thereof by reason of any act performed with Lessor's prior written consent and not performed in a negligent fashion.

ARTICLE 17 – EMINENT DOMAIN

17.1 If the whole of Demised Premises shall be taken and condemned by any competent authority for any public use or purpose, the Term shall cease at the time of such taking or condemnation.

17.2 If part, but not the whole, of Demised Premises shall be taken and condemned by any competent authority for any public use or purpose, and Lessee is unable to substantially use the Demised Premises for the uses it was making thereof immediately prior to such taking or condemnation, the Term shall cease at the time of such taking or condemnation.

17.3 If part, but not the whole, of Demised Premises shall be taken and condemned by any competent authority for any public use or purpose, and Lessee is still substantially able to use the Demised Premises for the uses it was making thereof immediately prior to such taking or condemnation, this Lease and the Term shall continue and rent shall be equitably abated; provided, however, that in such event, Lessee shall, at Lessee's own cost and expense, make all necessary repairs or alterations to Demised Premises so as to constitute that portion of Demised Premises not taken a complete architectural unit and as nearly similar in character to Demised Premises immediately prior to the taking, provided, however, that more than one (1) Lease Year remains in the Term at the time of the taking and provided further that such repairs or alterations are reasonably feasible. If, during the period of any such repair or alterations, Lessee is prevented from using the Demised Premises in whole or in part by reason thereof, rent shall be equitably abated while Lessee is so prevented.

17.4 Any award resulting from any taking or condemnation of any part or the whole of Demised Premises by any competent authority for any use or purpose shall belong to, and be the sole and exclusive property of, Lessee. Lessor hereby assigns to Lessee all right and claim which Lessor may otherwise have to such award and agrees to execute any and all instruments or other documents which at any time may be necessary or requested therefor.

17.5 If the Term shall cease due to a taking or condemnation as provided in this Article 17, rent, minimum or additional, shall be apportioned accordingly to the date the Term ceases.

17.6 Notwithstanding anything to the contrary contained in this Article 17, if the award resulting from any taking or condemnation of the Demised Premises is equal to or greater than an amount equal to the sum of (a) the then Unpaid Balance of Financing, plus (b) the Maintenance and Repairs Costs Overrun, if any, plus (c) the attorneys' fees and disbursements incurred by Lessee in connection with the condemnation proceeding, if any, then, and in such event, Lessee shall allocate and distribute the condemnation award as follows:

First, Lessee shall pay off the Financing, in full;

Second, Lessee shall reimburse itself for the Maintenance and Repair Costs Overrun, if any;

Third, Lessee shall reimburse itself for the attorneys' fees and disbursements incurred by it in the condemnation proceeding, if any, and

Last, Lessee shall pay over the remaining balance of condemnation award to Lessor.

If, on the other hand, the condemnation award is less than an amount equal to the sum of (a) the Unpaid Balance of Financing, plus (b) the Maintenance and Repair Costs Overrun, if any, plus (c) the attorneys' fees and disbursements incurred by Lessee in connection with the condemnation proceeding, then, and in such event, Lessee may apply such condemnation award as required by the Institutional Lenders or otherwise as it sees fit.

ARTICLE 18 – CONDITION OF DEMISED PREMISES

18.1 Lessee will inspect, know, and accept the condition and state of repair of the Demised Premises as of the date it takes occupancy thereof. It is understood and agreed that the Demised Premises are leased to Lessee in their "AS IS, WHERE IS" condition and "WITH ALL FAULTS" and without any representation or warranty by Lessor concerning their condition and without obligation on the part of Lessor to make any alterations, repairs, improvements or additions thereto except as specifically set forth in this Lease. It is further understood and agreed that by taking occupancy, Lessee shall be deemed to have accepted the Demised Premises in their then existing "AS IS WHERE IS" condition and state of repair and "WITH ALL FAULTS" then existing, subject only to the completion by Lessee of the items on the Lessee's Work Punch List to the reasonable satisfaction of Lessee. Lessor shall not be liable for any latent or patent defects in the Demised Premises. Lessor shall not be liable for any business losses or lost profits or opportunity or any other loss, expense or damage attributable or incident to the condition or state of repair of the Demised Premises. Lessee acknowledges that Lessor has not made any representation or warranty, express or implied, concerning the condition and/or state of repair of the Demised Premises, nor any agreement or promise to alter, improve, adapt or repair the Demised Premises which has not been specifically and expressly set forth in this Lease.

ARTICLE 19 – LESSOR’S NON-LIABILITY

19.1 Lessor shall not be liable to Lessee for any shortage or failure of heat, utilities or services at or in the Demised Premises or for interference with other incorporeal hereditaments, unless such shortage, failure or interference is due to the act or omission of Lessor, its employees, agents, servants, contractors or representatives. No diminution or abatement of annual minimum rent or additional rent or any of Lessee’s other obligations hereunder shall be allowed for any reason or circumstance whatsoever unless expressly provided for in this Lease. No interruption or curtailment of any utilities including, without limitation, steam, water, electricity, sewer and/or telecommunications services shall be deemed a constructive eviction.

19.2 No claim shall be made by Lessee against Lessor in any case for compensation or damages by reason of interruption of Lessee’s business or occupation as a result of any damage to, or destruction of, the Demised Premises or any part thereof by fire or any other cause (unless due to the act or omission of Lessor, its employees, agents, servants, contractors or representatives), or arising from the necessity of repairing and rebuilding the same.

19.3 Lessor shall not be liable to Lessee for any loss or damage occasioned by or through the acts or omissions of other owners, tenants or occupants of the Airport, the Park or the Base (besides Lessor).

ARTICLE 20 – INSPECTION

20.1 Lessor and its agents or designated representatives shall be permitted to enter the Demised Premises at all reasonable times during Lessee’s usual business or office hours, and in the case of an emergency, at any time, for the purpose of inspecting the Demised Premises and making any necessary repairs thereto or rebuilding the same or performing any work therein which Lessor desires to perform that may be necessary by reason of Lessee’s default under the terms of this Lease. Nothing herein shall imply any duty on the part of Lessor to do any work which under any provision of this Lease which Lessee is required to perform, and the performance thereof by Lessor shall not constitute a waiver of any default by Lessee. Lessor shall be not liable for inconvenience, annoyance, disturbance, loss of business or other damage to Lessee by reason of making such repairs or performing any such work on or in the Demised Premises, or on account of bringing materials, supplies, tools, or equipment into or to the Demised Premises during the course of such work, and the obligations of Lessee under this Lease shall not thereby be relieved, diminished or otherwise affected in any manner.

20.2 During the last eleven (11) months of the Original Term, provided that Lessee has not exercised its right to extend for the Renewal Term, Lessor shall have the right, at reasonable times, upon prior notice to Lessee, provided it does not unreasonably interfere with the business or occupation of Lessee, to enter the Demised Premises and show the same to prospective lessees thereof and may, during such final eleven (11) month period, affix to any suitable part of the Demised Premises a notice of letting of the Demised Premises or any part thereof and shall have the right to keep the same affixed without hindrance or molestation, provided no such sign

shall unreasonably interfere with light coming into the Demised Premises or with any sign of Lessee at the Demised Premises.

20.3 During the last eleven (11) months of the Renewal Term, Lessor shall have the right, at reasonable times, upon prior notice to Lessee, provided it does not unreasonably interfere with the business or occupation of Lessee, to enter the Demised Premises and show the same to prospective lessees thereof and may, during such final eleven (11) month period, affix to any suitable part of the Demised Premises a notice of letting of the Demised Premises or any part thereof and shall have the right to keep the same affixed without hindrance or molestation, provided no such sign shall unreasonably interfere with light coming into the Demised Premises or with any sign of Lessee at the Demised Premises.

20.4 Lessee shall permit an inspection of the Demised Premises by or on behalf of prospective purchasers of all or any portion of the Demised Premises at all reasonable times upon prior notice to Lessee, provided such inspection does not unreasonably interfere with the business or occupation of Lessee and Lessor may, at any time, affix to any suitable part of the Demised Premises a notice that the Demised Premises or some portion thereof is for sale and shall have the right to keep the same affixed without hindrance or molestation, provided no such sign shall unreasonably interfere with light coming into the Demised Premises or with any sign of Lessee at the Demised Premises.

ARTICLE 21 – MECHANIC’S LIEN

21.1 If a notice of mechanic’s lien be filed against the Demised Premises or any part thereof for, or purporting to be for, labor or materials alleged to have been furnished to or for the Demised Premises at the request of Lessee, Lessee shall remove or discharge the same within forty-five (45) days thereafter, and if Lessee shall fail to remove or discharge such lien within such forty-five (45) day period, Lessor shall have the right, but not the obligation, to pay the amount of such lien, or discharge the same by deposit or bonding proceedings, without regard to the validity of such lien, and, in the event of such deposit or bonding proceedings, Lessor may require the lienor to prosecute an appropriate action to enforce the lienor’s claim. In such case, Lessor may pay any judgment recovered on such claim. Any liability or expense paid by Lessor as provided in this Section “21.1” shall be deemed additional rent and shall be due and payable from Lessee to Lessor concurrently with the next monthly installment of annual minimum rent due after Lessor gives Lessee notice of such payment by Lessor.

ARTICLE 22 – ATTORNMENT

22.1 In the event the Demised Premises or any part thereof or interest therein is sold voluntarily or pursuant to any mortgage foreclosure sale, or pursuant to the exercise of any power of sale under any mortgage made by Lessor covering the Demised Premises or any part thereof, Lessee shall attorn to the purchaser at such sale and recognize such purchaser as the “Lessor” under this Lease.

ARTICLE 23 – OPERATING AGREEMENT

23.1 The Operating Agreement, a copy of which shall be annexed hereto as **Exhibit I**, may not be amended or modified without Lessee's prior written consent.

23.2 Lessor acknowledges and agrees that to the extent that the Operating Agreement affects or relates to the Demised Premises or Lessee's rights under this Lease, it shall be subject and subordinate to the Sublease (which Sublease, in turn, is subject and subordinate to this Lease). This subordination shall be self-operative. However, Lessor shall execute and deliver such agreements, documents and/or instruments as Lessee may request to confirm, evidence and/or implement said subordination (including, without limitation, a subordination agreement by and among Lessor, Lessee and Sublessee).

23.3 Lessor immediately shall notify Lessee in the event that Sublessee defaults under the Operating Agreement (which default is not cured within the applicable period notice and/or grace provided to Sublessee therein, if any) or in the event that either Lessor or Sublessee terminates the Operating Agreement (or said Operating Agreement is otherwise terminated).

ARTICLE 24 – ASSIGNMENT AND SUBLETTING

24.1 Lessee shall not, whether voluntarily, involuntarily, or by operation of law, assign this Lease, sublet all or any part of the Demised Premises or permit any other person to occupy the same without Lessor's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Lessor's consent to any assignment or subletting shall not release Lessee from any of its obligations hereunder including, without limitation, the payment of minimum rent, additional rent or other sums provided for herein. Lessor's acceptance of rent, additional rent or other sums from any other person shall not be deemed a waiver of any provision hereof or a consent to the assignment or subletting of the Demised Premises.

24.2 If Lessee is a corporation, then the sale, issuance or transfer of any voting capital stock of Lessee or any corporate entity which directly or indirectly controls Lessee (unless Lessee is a corporation whose stock is traded on the New York Stock Exchange, the American Stock Exchange, NASDAQ or any other nationally recognized exchange) which shall result in a change in the voting control of Lessee or the corporate entity which controls Lessee shall be deemed to be a prohibited assignment of this Lease. If Lessee is a partnership, a limited liability company or an unincorporated association, then the sale, issuance or transfer of a majority interest therein, or the transfer of a majority interest in or a change in the voting control of any partnership, limited liability company or unincorporated association or corporation which directly or indirectly controls Lessee, or the transfer of any portion or all of any general partnership or managing partnership interest, or membership interest shall be deemed to be a prohibited assignment of this Lease.

24.3 Notwithstanding anything to the contrary contained in this Lease, Lessor hereby consents to the Sublease, a copy of which shall be annexed hereto and made a part hereof as **Exhibit B**.

ARTICLE 25 – NOTICE

25.1 All notices, demands or other communications hereunder shall be in writing and shall be either delivered personally or sent by certified mail postage prepaid, return receipt requested or by a nationally recognized overnight courier service (e.g., UPS, Airborne or Federal Express) paid by shipper, receipt requested, addressed as follows or to such other address as either party may specify in writing to the other:

If to Lessor:

County of Oneida
Department of Aviation
Oneida County Airport
592 Hangar Road
Rome, New York 13441
Attention: Commissioner of Aviation

With a copy (which shall not constitute notice) to:

Oneida County
Department of Law
County Office Building
800 Park Avenue
Utica, New York 13501
Attention: County Attorney

If to Lessee:

Griffiss Local Development Corporation
153 Brooks Road
Rome, New York 13441
Attention: Mr. Steven J. DiMeo, Its Authorized Representative

With a copy (which shall not constitute notice) to:

Saunders Kahler, L.L.P.
185 Genesee Street, Suite 1400
Utica, New York 13501-2194
Attention: Joseph E. Saunders, Esq.

25.2 In the event that Sublessee defaults under the Operating Agreement, or the Operating Agreement is terminated by either Lessor or Sublessee, Lessor shall give written notice thereof to Lessee. Lessor shall give Lessee a copy of any notice of default and/or notice of termination which it gives to, or receives from, Sublessee within five (5) days after Lessor gives or receives the same.

ARTICLE 26 – PAYMENT

26.1 All payments or evidence of payment required to be made or provided by Lessee to Lessor shall be made and provided to Lessor at its offices at the Oneida County Airport, 592 Hangar Road, Suite 200, Rome, New York 13441, marked “Attention: Commissioner of Aviation” or at such other place or places of which Lessor may from time to time give notice to Lessee. All payments shall be in lawful money of the United States of America. With the exception of annual minimum rent, all monetary sums due to Lessor from Lessee pursuant to this Lease shall be deemed additional rent. No payment to, or receipt by, Lessor of a lesser amount than the amount then required to be paid hereunder shall be deemed to be other than on account of the earliest amount of any obligations then due hereunder, notwithstanding any notation, legend or instruction of Lessee to the contrary, which notations, legends or instructions shall be null and void. No endorsement or statement on any check or other communication accompanying a check for payment of any amounts payable hereunder shall be deemed an accord and satisfaction, and Lessor may accept such check in payment without prejudice to Lessor’s right to recover the balance of any sums owed by Lessee hereunder or to pursue any other remedy available in this Lease, or under law or at equity, against Lessee.

26.2 Lessee shall not withhold any rent, additional rent or other sums due to Lessor for any reason. In the event Lessee has a good faith claim against or dispute with Lessor, Lessee shall deliver all rent, additional rent and other sums currently due to Lessor together with a letter of protest identifying each and every claim against or dispute with Lessor and itemizing all sums in dispute.

26.3 In the event that Lessee shall pay any rent, additional rent or other charge under protest, Lessor and Lessee shall resolve the dispute in the following manner: as soon as reasonably convenient, and in no event later than thirty (30) days after Lessee’s protest, the parties shall negotiate and attempt in good faith for a period of at least thirty (30) days to resolve the dispute. Thereafter, if the matter remains unresolved, each of the parties may, subject to the provisions of this Lease, exercise any rights or remedies available to it at law or in equity.

ARTICLE 27 – SUBORDINATION TO LESSOR – AGENCY TRANSACTION

27.1 Lessor has advised Lessee that Lessor may, in the future, enter into one or more sale-leaseback, lease-leaseback or other arrangements or agreements with the Agency (the “Agency Transaction”) relating to all or some portion of the Airport (including the Demised Premises) for the purpose of obtaining one or more forms of financial assistance from the Agency including, without limitation, relief from sales tax and/or mortgage recording tax. This Lease automatically shall be subject and subordinate to each such sale-leaseback, lease-leaseback or other arrangement or agreement between the Agency and Lessor. This subordination shall be self-operative. However, Lessee shall execute and deliver such agreements, documents and/or instruments as the Agency, and/or Lessor may request to consummate said sale-leaseback, lease-leaseback, or other arrangement or agreement as well as to confirm and/or evidence said subordination.

ARTICLE 28 – HOLDOVER

28.1 Should Lessee continue to occupy the Demised Premises after expiration of the Term, or after a forfeiture incurred, whether with or without the consent of Lessor, then, unless expressly provided otherwise in a writing signed by Lessor, such tenancy shall be from month-to-month and in no event from year-to-year or term-to-term, and such month-to-month tenancy shall be under all the terms, covenants and conditions of this Lease, including, in the case of expiration, one and one-half (1½) times the monthly rent payable immediately preceding such expiration and, in the case of forfeiture, one and one-half (1½) times the monthly rent which would thereafter have been payable but for such forfeiture.

ARTICLE 29 – CHANGES

29.1 This Lease may not be amended, modified or changed, except by a written instrument executed by both Lessor and Lessee expressly so providing.

ARTICLE 30 – DEFAULT

30.1 If, before or after the commencement of the Term, Lessee shall file in any court pursuant to any statute, either of the United States or of any state, a petition in bankruptcy or insolvency, or for reorganization or arrangement, or for appointment of a receiver or trustee of all or any portion of Lessee's property, or a petition in bankruptcy or insolvency shall be filed against Lessee in any court pursuant to any statute, either of the United States or of any state and such petition shall not be dismissed within thirty (30) days after the filing thereof, the Term shall thereby, at the option of Lessor, cease, and Lessee shall immediately quit and surrender the Demised Premises to Lessor, and in that case, neither Lessee nor anybody claiming under Lessee shall be entitled to possession, or to go into possession, of the Demised Premises, except for the temporary purpose of removing any alterations or personalty which it is permitted or required to remove under this Lease.

30.2 If, after commencement of the Term, (i) any of the events mentioned in the immediately preceding Section "30.1" shall occur, (ii) the Demised Premises become vacant, abandoned or deserted for a period of thirty (30) days or more, (iii) the Demised Premises are used for some purpose other than a use permitted under this Lease or for some purpose restricted under this Lease, and any such use continues for more than thirty (30) days after notice from Lessor, (iv) any execution, attachment or other process of law which deprives Lessee of Lessee's estate created by this Lease is issued and Lessee fails to vacate or set aside such execution, attachment or other process within thirty (30) days after such issuance, (v) Lessee shall default in fulfilling any of the covenants or provisions of this Lease relating to insurance for more than fifteen (15) days after notice from Lessor, (vi) Lessee shall fail to pay any item of annual minimum rent or additional rent or any part of either for a period of more than fifteen (15) days after the same is first due and payable, (vii) Lessee shall default in removal of a mechanic's lien within the forty-five (45) day time period specified in Article 21 hereof, or (viii) Lessee shall be in default with respect to any other term, covenant, condition or provision of this Lease or any of the Lease Documents for more than thirty (30) days after notice from Lessor, then, in any of such events, the Term shall thereby, at the option of Lessor, on the day specified in a notice to Lessee of exercise of such option, cease, and Lessee shall immediately quit and surrender the

Demised Premises to Lessor, but Lessee shall remain liable as hereinafter provided in Section "30.3".

30.3 If Lessor has exercised the option to cause the Term to cease as hereinbefore provided in this Article 30, Lessor may immediately or at any time thereafter, re-enter the Demised Premises and remove all persons and all or any property therefrom, either by summary proceedings or by any suitable action or proceeding at law, or by force or otherwise, without being liable, in the case of summary proceedings, for indictment, prosecution or damages therefor, and may repossess and enjoy the Demised Premises. Whether or not Lessor exercises such option to cause the Term to cease, Lessor may either relet the Demised Premises or any part or parts thereof for Lessor's own account, or may, at Lessor's option, relet the Demised Premises or any part or parts thereof as the agent of Lessee, and, in either such event, receive the rents therefrom, applying the same first to payment of such expenses as Lessor may have incurred in reletting, then to the fulfillment of Lessee's covenants herein and, if there be any excess then remaining, such excess shall belong to Lessee. Lessee shall remain liable for any deficiency. Lessor may relet the Demised Premises for a term extending beyond the Term and Lessee shall nevertheless remain liable as hereinafter provided. In the event the Term shall cease as provided in this Article 30, then whether or not the Demised Premises be relet, Lessee shall remain liable for, and Lessee hereby agrees to pay to Lessor until the time when this Lease would have expired but for such termination or early expiration, the equivalent of the amount of all the annual minimum rent and additional rent reserved herein, less the avails of reletting, if any, and the same shall be due and payable by Lessee to Lessor on the several rent days above specified, that is, upon each of such rent days Lessee shall pay to Lessor the amount of the deficiency then existing. Lessee hereby expressly waives any and all right of redemption granted by or under any present or future laws in case Lessee shall be dispossessed by judgment or warrant of any court or judge and Lessee shall waive and hereby waives all right to trial by jury in any summary proceedings hereafter instituted by Lessor against Lessee with respect to the Demised Premises. The words "re-enter" and "re-entry" as used in this Lease are not restricted to their technical legal meanings.

30.4 If not already provided in this Lease, if Lessee shall default in performing any covenant contained in this Lease on Lessee's part to be performed, Lessor shall have the right, but not the obligation, immediately or at any time thereafter, without notice, to perform the same for the account of Lessee, and, in the event Lessor pays any monies in connection with such performance on account of Lessee, the amount thereof shall be deemed additional rent due and payable concurrently with the next monthly installment of annual minimum rent following Lessor giving Lessee notice of such payment.

30.5 In the event of the breach by Lessee of any of the terms, covenants, conditions and provisions of this Lease, Lessor shall have the right of injunction and a right to invoke any remedy at law or in equity as if re-entry, summary proceedings and other remedies were not provided herein.

30.6 In the event the Demised Premises shall become vacant by reason of Lessee's removal therefrom, whether with respect to a default or not, Lessor shall have no obligation to attempt to relet the Demised Premises or to repair any damages thereto caused by Lessee.

30.7 Notwithstanding anything to the contrary herein contained, in the event the Term shall cease as provided in this Article 30 due to Lessee's failure to pay any item of annual minimum rent or additional rent or any part of either for a period of more than fifteen (15) days after the same is first due and payable, or otherwise due to a default by Lessee (which default continues beyond the applicable period of notice and/or grace set forth herein, if any), then whether or not the Demised Premises be relet, Lessee shall remain liable for, and Lessee hereby agrees to pay to Lessor until the time when this Lease would have expired but for such termination or early expiration, the equivalent of the amount of all the annual minimum rent and additional rent reserved herein, less the avails of reletting, if any, and the same shall be immediately due and payable, in full, by Lessee to Lessor upon notice and demand by Lessor.

30.8 No receipt of monies by Lessor from or for the account of Lessee or from anyone in possession or occupancy of the Demised Premises after the termination of this Lease or after the giving of any notice of termination shall reinstate, continue or extend the Term or affect any notice given to Lessee prior to the receipt of such money.

ARTICLE 31 – WAIVER

31.1 Failure of Lessor to insist in any one or more instances upon strict performance of any of the covenants of this Lease which Lessee is required to perform, or to exercise any option herein contained, shall not be considered or construed as a waiver or relinquishment for the future of such covenants or option, but the same shall continue and remain in full force and effect. Receipt by Lessor of annual minimum rent or additional rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach and no waiver by Lessor of any provision of this Lease or any of the other Lease Documents shall be deemed to have been made unless made in accordance with the provisions of Section "31.3" hereof. Any written consent by Lessor required under this Lease shall not, if given, be construed as a waiver of the need for such consent in the future. No act or thing done by Lessor or Lessor's agents during the Term shall be deemed an acceptance of a surrender of the Demised Premises and no agreement to accept such surrender shall be valid unless in writing signed by Lessor. No employee of Lessor or of Lessor's agents shall have any power to accept the keys of said Demised Premises prior to the termination of the Lease. The delivery of keys to any employee of Lessor or of Lessor's agents shall not operate as a termination of the Lease or a surrender of the Demised Premises.

31.2 Failure of Lessee to insist in any one or more instances upon strict performance of any of the covenants of this Lease which Lessor is required to perform, or to exercise any option herein contained, shall not be considered or construed as a waiver or relinquishment for the future of such covenants or option, but the same shall continue and remain in full force and effect. No waiver by Lessee of any provision of this Lease shall be deemed to have been made unless clearly expressed in writing, signed by Lessee. Any written consent by Lessee required under this Lease shall not, if given, be construed as a waiver of the need for such consent in the future.

31.3 Lessor may unilaterally waive, release or terminate any of the Lessee's covenants, duties or obligations under this Lease or under any of the other Lease Documents provided,

however, that, in order to be effective, any such waiver, release or termination must (a) be in writing and signed by an authorized representative of Lessor, (b) clearly state the particular covenant, duty or obligation of Lessee which Lessor is waiving, releasing or terminating, and (c) recite that such waiver, release or termination is being made pursuant to this Section "31.3".

ARTICLE 32 – GENERAL

32.1 Any covenant mentioned in this Lease to be performed by Lessee shall be performed, unless otherwise provided and if not already so stated, at Lessee's own cost and expense, and shall be deemed a condition as well as a covenant. Any covenant mentioned in this Lease to be performed by Lessor shall be performed, unless otherwise provided and if not already so stated, at Lessor's own cost and expense, and shall be deemed a condition as well as a covenant. All monetary sums due to Lessor under this Lease which do not constitute annual minimum rent shall be deemed to constitute additional rent.

ARTICLE 33 – REAL ESTATE BROKER

33.1 Lessor and Lessee each warrant and represent to the other that no real estate broker or any other person entitled to commissions has been instrumental in bringing about this Lease. Furthermore, if any person makes claim for such commissions and either party is required to pay for the same or incur any expense in connection therewith on account of it being established that such person was retained by the other party or acted at the other party's request, expressed or implied, the party responsible therefor shall hold the other party harmless therefrom and indemnify such other party for any payment or expense which such other party is required to so make or incur.

ARTICLE 34 – INVALIDITY

34.1 If any provision of this Lease is held invalid, illegal or unenforceable,

(a) the validity, legality and enforceability of the remaining provisions of this Lease shall not be affected or impaired in any way; and

(b) the parties shall negotiate in good faith in an attempt to agree to another provision (instead of the provision held to be invalid, illegal or unenforceable) that is valid, legal and enforceable and carries out the parties' intentions to the greatest lawful extent under this Lease.

ARTICLE 35 – INDEMNITY

35.1 Lessee agrees to indemnify and save Lessor harmless from and against any and all claims, demands, costs, expenses (including reasonable attorneys' fees and disbursements) and liabilities (except such as result from the intentional or negligent act of Lessor or Lessor's agents, servants or employees or the failure of Lessor to perform any act or do anything required of Lessor under this Lease) for or in connection with any accident, injury or damage whatsoever caused to any person or property arising or occurring at, under or in the Demised Premises or

any part thereof, directly or indirectly out of the business or occupation conducted, or the improvements made by the Lessee at, under or in the Demised Premises or arising from any act or omission of Lessee or any contractor, subcontractor, materialman, supplier, vendor or concessionaire of Lessee or their respective agents, servants and employees or in any other respect associated with, occurring at, under or in, or relating to the Demised Premises.

The indemnity contained in this Section 35.1 shall survive the expiration or termination of this Lease, and Lessee's obligations hereunder shall apply whenever the Lessor suffers or incurs claims, demands, costs, expenses or liabilities for the actions or omissions of Lessee or any contractor, subcontractor, materialman, supplier, vendor or concessionaire of Lessee or their respective agents, servants or employees, of the types described in this Section 35.1, regardless of when such actions or omissions occur.

35.2 Lessor agrees to indemnify and save Lessee harmless from and against any and all claims, demands, costs, expenses (including reasonable attorneys' fees and disbursements) and liabilities (except such as result from the intentional or negligent act of Lessee or Lessee's agents, servants or employees or the failure of Lessee to perform any act or do anything required of Lessee under this Lease) for or in connection with any accident, injury or damage whatsoever caused to any person or property arising or occurring at, under or in the Demised Premises or any part thereof, directly or indirectly out of the business or occupation conducted, or the improvements made by the Lessor at, under or in the Demised Premises or arising from any act or omission of Lessor or any contractor, subcontractor, materialman, supplier, vendor or concessionaire of Lessor or their respective agents, servants and employees or in any other respect associated with, occurring at, under or in, or relating to the Demised Premises.

The indemnity contained in this Section 35.2 shall survive the expiration or termination of this Lease, and Lessor's obligations hereunder shall apply whenever the Lessee suffers or incurs claims, demands, costs, expenses or liabilities for the actions or omissions of Lessor or any contractor, subcontractor, materialman, supplier, vendor or concessionaire of Lessor or their respective agents, servants or employees, of the types described in this Section 35.2, regardless of when such actions or omissions occur.

ARTICLE 36 – MORTGAGES

36.1 Notwithstanding anything to the contrary contained in this Lease, Lessor acknowledges and agrees that Lessor shall not mortgage, hypothecate, grant a lien upon or security interest in, or otherwise encumber, its fee interests and/or other interests in Parcel A, Parcel B, Parcel C, and/or Parcel D, or any part of any of them.

36.2 Notwithstanding anything to the contrary contained in this Lease, Lessee shall have the right to grant one or more leasehold mortgages and/or assignments of its interest in this Lease and/or other leases arising from or relating to the Demised Premises, without Lessor's prior consent. If Lessee grants any leasehold mortgages and/or assignments of its interest in this Lease and/or other leases arising from or relating to the Demised Premises, so long as such leasehold mortgage(s) and/or assignment(s) remain in effect the following provisions will apply:

(a) **Lease Surrender.** There shall be no cancellation, surrender, acceptance of surrender, or modification of this Lease, without each leasehold mortgagee's and/or assignee's prior written consent.

(b) **Notice of Default, Cure.** Lessor shall, upon serving on Lessee any notice of default or any other notice under this Lease, simultaneously serve a copy of such notice upon each leasehold mortgagee and/or assignee, and no notice of such default shall be deemed to have been duly given until a copy thereof has been so served. Each leasehold mortgagee and/or assignee shall thereupon have the same time within which to remedy or cause to be remedied the defaults complained of as is allowed to Lessee, and Lessor shall accept such performance by or at the instigation of each leasehold mortgagee and/or assignee as if such performance had been accomplished by Lessee.

(c) **Due Diligence, Cure.** For the purpose of this Article, no default by Lessee in the performance of work to be performed, acts to be done, or conditions to be remedied, which cannot reasonably be completed within the grace period, shall be deemed to exist, if steps, in good faith, have been commenced promptly to rectify the same, and are prosecuted to completion with diligence and continuity.

(d) **Leasehold Mortgagee Assignee Compliance.** Notwithstanding any other provision herein, Lessor may not terminate this Lease while any leasehold mortgage and/or assignment remains in effect, if, within ten (10) days after the date of service of a notice to terminate this Lease for any reason, a leasehold mortgagee and/or assignee has paid Lessor all rent and additional rent and has complied, or taken reasonable steps to comply, with the requirements of this Lease so as to cure the default or defaults claimed by Lessor. In such case, any notice of termination by Lessor shall be void.

(e) **Extension of Time to Cure.** If Lessor elects to terminate this Lease by reason of any default of Lessee, each leasehold mortgagee and/or assignee shall not only have and be subrogated to all rights of Lessee with respect to curing such default, but shall also have the right to postpone and extend the specified date for the termination of this Lease as fixed by Lessor in its notice of termination, for a period of not more than six (6) months, if: (1) the leasehold mortgagee and/or assignee cures any existing default, and meanwhile pays the rent and additional rent and performs all of Lessee's other obligations under this Lease; (2) no further defaults accrue hereunder during such extended period; or (3) if the nature of the default is such that the leasehold mortgagee and/or assignee is unable to take reasonable steps to cure the same, the leasehold mortgagee and/or assignee immediately proceeds to acquire Lessee's interest in this lease by foreclosure of its leasehold mortgage and/or assignment or otherwise.

(f) **Insurance.** The name of each leasehold mortgagee and/or assignee may be added to the "mortgagee clause" of any and all insurance policies required to be carried by Lessee hereunder. Subject to the provisions of any fee mortgage, Lessor will make available jointly to Lessee and to each leasehold mortgagee and/or assignee, all insurance or condemnation proceeds to which Lessee may be entitled hereunder, for purposes of restoration of the Demised Premises.

(g) **Estoppel Certificate.** Lessor, within ten (10) days after a written request by Lessee or any leasehold mortgagee and/or assignee, shall furnish a written statement, duly acknowledged, that this Lease is in full force and effect and that Lessee is not in default hereunder. If there is a default, the statement shall specify the nature thereof claimed by Lessor.

(h) **Extension of Lease.** Lessor shall notify each leasehold mortgagee and/or assignee if Lessee fails to exercise any extension or renewal option hereunder. Each leasehold mortgagee may exercise any such option on Lessee's behalf, within ten (10) days after receipt of such notice, provided that Lessee's indebtedness to each leasehold mortgagee and/or assignee has not been fully paid.

(i) **Lease Modifications.** In the event Lessee, at any time, seeks to obtain or modify a leasehold mortgage and/or assignment, then Lessor agrees to amend this Lease from time to time to the extent requested by the leasehold mortgagee and/or assignee, provided that the form and content of such amendments are reasonably satisfactory to Lessor and that such proposed amendments do not reduce the annual minimum rent hereunder or similarly materially and adversely affect the rights of Lessor hereunder or its interest in the Demised Premises.

(j) **Additional Instruments.** Lessor agrees to execute such agreements, documents and/or instruments (e.g.,, recognition and non-disturbance agreements) as may be reasonably requested by any leasehold mortgagee and/or assignee. Nothing contained herein shall obligate Lessor to sign any leasehold mortgage and/or assignment or to mortgage or otherwise encumber its fee estate in any property.

ARTICLE 37 – SIGNS

37.1 Lessee shall not place or install any signs on the exterior walls of the Building or elsewhere within the Demised Premises or permit the placement or installation of such signs without Lessor's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned. Any sign installed by Lessee shall conform in every way with the rules and regulations of any governmental, department or agency having jurisdiction thereover, and with any law of the state, county and/or municipality with regard thereto. No sign placed by Lessee or others on the exterior of the Building or elsewhere within the Demised Premises with Lessor's consent shall be "flashing" or "animated" or one which would otherwise have variations in the intensity of illumination, except with Lessor's prior written consent.

ARTICLE 38 – RELATIONSHIP

38.1 Nothing contained in this Lease shall be deemed or construed to create the relationship of principal and agent, partnership or joint venture, or any other relationship between Lessor and Lessee, except that of landlord and tenant.

ARTICLE 39 – ONEIDA COUNTY AIRPORT

39.1 Sublessee acknowledges that the Airport is currently certificated under Part 139 of the FAA Regulations as a Class IV Airport. Nothing contained herein shall be deemed to

limit or restrict the ability of Lessor or any other qualified airfield operator (e.g., an Airport Authority) from operating the Airport as a public airport.

39.2 This Lease shall be subordinate to the provisions of any existing or future agreements between Lessor and the United States of America relative to the operation and 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. All provisions of this Lease shall be subordinate to any right of the United States of America to lease or otherwise assume control over the Airport, or any part thereof, during time of war or national emergency for military use and any provisions of this Lease inconsistent with the provisions of such lease to, or assumption of control by, the United States of America shall be suspended.

39.3 This Lease shall be amended by the parties from time to time in order to comply with Federal laws, regulations or policies as they may be enacted, issued or amended from time to time. The parties agree that nothing in this Lease shall compel a party to comply with a provision that is then in violation of or conflict with Federal laws, regulations or policies as they may be enacted, issued or amended from time to time.

ARTICLE 40 – QUIET ENJOYMENT

40.1 Except as may otherwise be provided herein, Lessee, upon paying the annual minimum rent and additional rent and other charges provided for by this Lease, and performing all the other terms of this Lease on Lessee's part to be performed, shall quietly have, hold and enjoy the Demised Premises during the Term without hindrance or molestation, subject, however, to the reservations and conditions of this Lease, the Agency Transaction and any mortgage to which this Lease is now or hereafter may be subordinate.

ARTICLE 41 – CAPTIONS

41.1 The Article and Section captions contained in this Lease are for convenience only and do not define, limit or construe the contents of such Articles and Sections and are in no way to be construed as part of this Lease.

ARTICLE 42- REFERENCES

42.1 Wherever in this Lease the singular number is used, the same shall include the plural, and the masculine, feminine and neuter gender shall include each other, if otherwise applicable or appropriate. Any reference in this Lease to "Section" or "Article", unless expressly indicated otherwise, refers to a Section or Article of this Lease.

ARTICLE 43 – SURVIVAL.

43.1 Any provision of this Lease which by its nature should survive the expiration or earlier termination of this Lease shall survive such expiration or earlier termination, even if not expressly so stated.

ARTICLE 44 – LATE CHARGES; INTEREST

44.1 In the event that any payment provided herein shall become overdue for a period in excess of fifteen (15) days, a late charge of five cents (5¢) for each dollar so overdue shall become immediately due to Lessor as liquidated damages for failure to make prompt payment. Said late charge shall be additional rent and shall be payable together with the next installment of annual minimum rent.

44.2 Any item of annual minimum rent and additional rent becoming due under this Lease and not paid when due shall bear interest from the date upon which the Lessor gives the Lessee written notice that such payment is past due until received by the Lessor in immediately available funds at the lesser of (i) four percent (4%) per annum above the prime rate announced from time to time by Bank of America or its successor or (ii) the highest lawful rate of interest permitted by law at the time.

ARTICLE 45 – BENEFIT

45.1 This Lease shall be binding upon and inure to the benefit of the Lessor and its successors and assigns, and Lessee and its permitted successors and assigns. If there be more than one person jointly referred to as “Lessee”, each such person so jointly referred to shall be jointly and severally liable for all of the covenants, agreements and obligations of this Lease required to be performed or observed by the Lessee.

ARTICLE 46 – ATTORNEYS’ FEES

46.1 Except as may otherwise be provided in this Lease, in the event Lessee retains one or more attorneys to bring any legal action (whether informally by way of telephone conferences, meetings, correspondence, etc. or formally by way of an arbitration or administrative proceeding or court proceeding) to recover any monies due from Lessor under this Lease, or to compel Lessor to perform any other covenant and/or condition which Lessor is obligated to perform under this Lease, or in the event Lessee retains one or more attorneys to defend against any obligation imposed or intended to be imposed upon Lessee on account of Lessor’s failure or alleged failure to perform Lessor’s obligations under this Lease or on account of any other act or failure to act on the part of Lessor, Lessor shall be responsible for, and pay to Lessee, all reasonable attorneys’ fees and any other reasonable costs and disbursements incurred by Lessee in connection therewith, provided, however, that Lessee is the successful or prevailing party.

ARTICLE 47- LESSEE’S CONTINGENCIES

47.1 Lessee’s obligation to perform under this Lease is expressly contingent upon each of the following occurring (or being waived by Lessee, in writing), within one hundred eighty (180) days after the Effective Date:

(a) Lessee’s having obtained the execution and delivery by Sublessee of the Sublease, in form and content satisfactory to Lessee, in its sole discretion;

(b) Lessee's having obtained the execution and delivery by Lessor and Sublessee of the Operating Agreement, in form and content satisfactory to Lessee, in its sole discretion;

(b) Lessee's having obtained an unconditional commitment for, and closing upon, the Institutional Financing, which Institutional Financing shall be in such amounts and otherwise on such terms and conditions as are satisfactory to Lessee, in its sole discretion; and

(c) Lessee's having obtained the approval of this Lease by its Board of Directors.

If Lessee is unable or fails to obtain each and every one of the items described above within one hundred eighty (180) days after the Effective Date, Lessee may terminate this Lease whereupon neither party shall have any further rights or obligations under this Lease except as may be expressly provided for herein.

ARTICLE 48 – LESSOR'S OPTION TO PURCHASE

48.1 At any time during the Term hereof, up to but not including the Option Expiration Date (as hereinafter defined), Lessor shall have the option to purchase (the "Option to Purchase") from Lessee the following property (collectively, the "Option Property"): (a) Lessee's leasehold estate, as lessee, under and pursuant to this Lease, (b) Lessee's leasehold estate, as sublessor, under and pursuant to the Sublease, and (c) all of Lessee's right, title and interest in and to the Building and the Related Improvements. The purchase price (the "Purchase Price") for the Option Property shall be an amount equal to the sum of (x) the Unpaid Balance of the Financing, measured as of the Option Property Closing Date (as hereinafter defined) plus (y) the Maintenance and Repair Costs Overrun, both measured as of the Option Property Closing Date (as hereinafter defined). If Lessor exercises its Option to Purchase, then, and in such event, its purchase of the Option Property shall be subject to the Permitted Exceptions and upon the other terms and conditions set forth and contained in the Purchase and Sale Agreement (the "Purchase and Sale Agreement") to be annexed hereto and made a part hereof as **Exhibit H**. The closing (the "Closing on Option Property") shall take place on a business day (the "Option Property Closing Date") occurring within ninety (90) days following the date on which Lessee receives the Option Exercise Notice (as hereinafter defined).

48.2 If Lessor elects to exercise its Option to Purchase, it shall give written notice thereof (the "Option Exercise Notice") to Lessee. Upon Lessee's receipt of the Option Exercise Notice, Lessor and Lessee shall execute and deliver the Purchase and Sale Agreement, and date the same as of the same date as the Option Exercise Notice, and thereafter proceed to perform the same in accordance with its terms.

48.3 Notwithstanding anything to the contrary herein contained, the Option to Purchase shall automatically expire and terminate on the date (the "Option Expiration Date") which is the earliest of (a) the date this Lease expires, (b) the date that this Lease terminates or is terminated, regardless of the reason therefor, and (c) the date which is the day preceding the twenty-first (21st) anniversary of the Effective Date.

ARTICLE 49 – MEMORANDUM OF LEASE

49.1 This Lease shall not be recorded. If requested by either Lessor or Lessee, the parties hereto shall execute a memorandum of this Lease in proper form for the purpose of recording (together with any other documents which may be required in order to record such memorandum) and cause the same to be recorded at Lessee's cost and expense. Such memorandum shall not be deemed to modify or change any provision of this Lease.

ARTICLE 50 – FURTHER ASSURANCES

50.1 At and after the Effective Date, upon the request of either party, the other party shall take such action and execute and deliver to such requesting party such further instruments, documents or agreements as are reasonably required in order to complete and otherwise effect and carry out the terms and intentions of this Lease.

ARTICLE 51 – GOVERNING LAW

51.1. All matters arising out of or relating to this Lease shall be governed by and construed in accordance with the law of the State of New York, without reference to its choice of law rules or principles.

ARTICLE 52 – COUNTERPARTS

52.1 This Lease may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

ARTICLE 53 – ESTOPPEL CERTIFICATES

53.1. Lessee shall, within ten (10) days after a request by Lessor, execute, acknowledge and deliver to Lessor a written statement certifying that this Lease is unmodified and in full force and effect (or that it is in full force and effect as modified, listing the instruments of modification), the dates to which the rent and other charges have been paid, whether or not to the best of Lessee's knowledge, Lessor is in default hereunder (and, if so, specifying the nature of each default), and whether or not the Lessee has any offset, counterclaim or defense (and, if so, specifying the nature of such offset, counterclaim or defense).

53.2. Lessor shall, within ten (10) days after a request by Lessee, execute, acknowledge and deliver to Lessee a written statement certifying that this Lease is unmodified and in full force and effect (or that it is in full force and effect as modified, listing the instruments of modification), the dates to which the rent and other charges have been paid, whether or not to the best of Lessor's knowledge, Lessee is in default hereunder (and, if so, specifying the nature of each default), and whether or not the Lessor has any offset, counterclaim or defense (and, if so, specifying the nature of such offset, counterclaim or defense).

ARTICLE 54 – FORCE MAJEURE

54.1. If Lessee is delayed, hindered or prevented from performing any act required under this Lease by reason of construction delays, strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive government laws or regulations, riots, insurrections, the act, failure to act or default of Lessor, war, terrorist act, or other reason beyond Lessee's control, then performance of the act shall be excused for the period of the delay. In that event, the period for the performance of the act shall be extended for a period equivalent to the period of the delay.

54.2 If Lessor is delayed, hindered or prevented from performing any act required under this Lease by reason of construction delays, strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive government laws or regulations, riots, insurrections, the act, failure to act or default of Lessee, war, terrorist act, or other reason beyond Lessor's control, then performance of the act shall be excused for the period of the delay. In that event, the period for the performance of the act shall be extended for a period equivalent to the period of the delay.

ARTICLE 55 – WAIVER OF JURY TRIAL

55.1. Lessor and Lessee hereby waive, to the extent not prohibited by law, the right to a jury trial in any action, summary proceeding or legal proceeding between them arising out of or relating to this Lease.

ARTICLE 56- OWNERSHIP OF BUILDING AND RELATED IMPROVEMENTS

56.1 During the Construction Period and the Term of this Lease, the Building and the Related Improvements constructed by Lessee, including, without limitation, all additions, alterations and improvements thereto or replacements thereof, and all appurtenant fixtures, machinery and equipment installed therein, shall be the property of Lessee. At the expiration or earlier termination of this Lease, the Building and the Related Improvements, and all additions, alterations and improvements thereto or replacements thereof and all appurtenant fixtures, machinery and equipment installed therein shall become the property of Lessor, upon the payment by Lessor to Lessee of the Expiration/Termination Date Balance.

ARTICLE 57 – SURRENDER UPON EXPIRATION OR EARLIER TERMINATION

57.1 Upon the expiration or earlier termination of this Lease, Lessor shall pay the Expiration/Termination Date Balance to Lessee whereupon Lessee shall surrender to Lessor the Demised Premises (including the Building and the Related Improvements). The property surrendered by Lessee to Lessor shall be surrendered in its then "AS IS" condition, "WITH ALL FAULTS" (as of the date of surrender) and without representation or warranty of any kind by Lessee. Lessee shall not remove any additions, alterations or improvements to the Demised Premises or replacements thereof made during or before the Term of this Lease, it being the intent of the parties that, upon the expiration or earlier termination hereof and payment of the Expiration/Termination Date Balance by Lessor to Lessee, Lessor shall receive the Building and the Related Improvements (including any such additions, alterations, improvements and/or replacements). At the request of Lessor, Lessee shall assign to Lessor Lessee's interest in any subleases of any portion or the Demised Premises

with a term continuing beyond the term of this Lease (but the foregoing shall not be construed as the consent of Lessor to any such sublease).

ARTICLE 57A – TRANSFERRED BUILDING PERSONALTY

57A.1 Under the Sublease, Sublessee is obligated to turn over and transfer Sublessee's Building Personalty to Sublessor upon the expiration or earlier termination of the Sublease, or in the event that Sublessee vacates or is removed from the Demised Premises or the Airport (defined in the Sublease as the "Sublessee's Turnover Obligation to Sublessor"), which Sublessee's Turnover Obligation to Sublessor is more particularly set forth in Section "48.2" of the Sublease. In the event that Sublessee performs Sublessee's Turnover Obligation to Sublessor and Lessee actually receives any items of Sublessee's Building Personalty (the "Transferred Building Personalty"), Lessee shall turn over and transfer such Transferred Building Personalty to Lessor upon the expiration or earlier termination of this Lease or as soon thereafter as is practicable. It is understood and agreed that with respect to any items of Transferred Building Personalty turned over and transferred to Lessor by Lessee, Lessor shall be deemed to have accepted such items of Transferred Building Personalty in their then "AS IS", "WHERE IS" condition and state of repair and "WITH ALL FAULTS" then existing, and without any representation or warranty whatsoever by Lessee, either express or implied.

ARTICLE 58 – MISCELLANEOUS

58.1 Lessor and Lessee acknowledge and agree that this Lease has been freely negotiated by both parties and that in any controversy dispute or contest over the meaning, interpretation, validity, or enforceability of this Lease or any of its terms and provisions, there shall be no inference, presumption or conclusion drawn whatsoever against either party by virtue of that party having drafted this Lease or any portion thereof.

58.2 Any and all rights and remedies which the Lessor may have under this Lease and at law or in equity shall be cumulative and shall not be deemed inconsistent with each other, and any two or more or all of such rights and remedies may be exercised at the same time.

58.3 Lessor represents and warrants to Lessee that (i) the execution and delivery by Lessor of this Lease and the other Lease Documents were duly authorized by all necessary Lessor legal action, (ii) that each of the Lease and the other Lease Documents was duly executed and delivered by Lessor's duly authorized officer, and (iii) that each of the Lease Documents is Lessor's legal and valid binding obligation and is enforceable against Lessor in accordance with its respective terms. Upon the execution and delivery of the Lease, Lessor shall furnish Lessee, the Institutional Lenders and the Title Insurers with the opinion of Lessor's counsel (the "Opinion") in substantially the same form as the sample Opinion annexed hereto as **Exhibit F**, or in such other form as may be reasonably requested by the Opinion recipients.

ARTICLE 59 – ENTIRE AGREEMENT

59.1 This Lease (including the exhibits hereto) contains the entire agreement of the parties with respect to the subject matter hereof and no oral statement or written matter prior to the date of this Lease shall have any effect or force. The submission by Lessor of the within Lease in draft form shall be deemed submitted solely for Lessee's consideration and not for acceptance, and execution shall confer no rights or impose any obligations, including brokerage obligations, upon either Lessor or Lessee or assignees unless and until Lessor and Lessee shall both have executed this Lease and duplicate originals thereof shall have been delivered to and received by each.

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IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease as of the day and year first above written.

LESSOR:

COUNTY OF ONEIDA

By: _____
Anthony J. Picente, Jr.
County Executive

LESSEE:

GRIFFISS LOCAL DEVELOPMENT CORPORATION

By: _____
Steven J. DiMeo
Its Authorized Representative

LAND LEASE-LIST OF EXHIBITS

EXHIBIT A	SITE PLAN (to be provided)
EXHIBIT B	SURVEY MAP (to be provided)
EXHIBIT C	SUBLEASE AGREEMENT (provided herein)
EXHIBIT D	LESSOR'S FINAL PLANS AND SPECS (to be provided)
EXHIBIT E	SUBLESSEE'S FINAL PLANS AND SPECS (to be provided)
EXHIBIT F	OPINION LETTER OF LESSOR'S COUNSEL (provided herein)
EXHIBIT G	LIST OF SUBLESSEE'S BUILDING PERSONALTY (to be provided)
EXHIBIT H	PURCHASE AND SALE AGREEMENT (to be provided)
EXHIBIT I	OPERATING AGREEMENT (provided herein)
EXHIBIT J	LESSEE'S MAINTENANCE AND REPAIR BUDGET (to be provided)
EXHIBIT K	RENT SCHEDULE (to be provided)

SUBLEASE-LIST OF EXHIBITS

EXHIBIT A	SITE PLAN (to be provided)
EXHIBIT A-1	SURVEY MAP (to be provided)
EXHIBIT B	ENVIRONMENTAL COMPLIANCE AGREEMENT (provided herein)
EXHIBIT C	OPINION OF SUBLESSEE'S COUNSEL (provided herein)
EXHIBIT D	SUBLESSOR'S FINAL PLANS AND SPECS (to be provided)
EXHIBIT E	SUBLESSEE'S FINAL PLANS AND SPECS (to be provided)
EXHIBIT F	OPERATING AGREEMENT (provided herein)
EXHIBIT G	LIST OF SUBLESSEE'S BUILDING PERSONALTY (to be provided)
EXHIBIT H	LAND LEASE (provided herein)

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (the "Sublease"), dated as of _____, 2008 (the "Effective Date"), is by and between **GRIFFISS LOCAL DEVELOPMENT CORPORATION**, a New York local development corporation with its offices at 153 Brooks Road, Rome, New York 13441 (the "Sublessor") and **FREEMAN HOLDINGS OF NEW YORK, L.L.C.**, a New York limited liability company with its principal offices at Main Terminal – Forbes Field, Topeka, Kansas 66619 (the "Sublessee").

WITNESSETH:

WHEREAS, Sublessor desires to sublease the Demised Premises (as hereinafter defined) to Sublessee; and

WHEREAS, Sublessee desires to rent and sublease the Demised Premises (as hereinafter defined) from Sublessor, all upon the terms, covenants and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the sum of One and 00/100 Dollars (\$1.00), paid by Sublessee to Sublessor, and other good and valuable consideration, the payment, receipt and legal sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 As used in this Sublease, the following underlined capitalized words in this Section "1.1" shall have the following meanings:

1.1.1 Access Road – means that certain 24+/- foot wide access road to be constructed by Prime Lessor, at Prime Lessor's own cost and expense, within the bounds of the parcel of land designated as "Parcel D" on the Survey Map. The Access Road shall also include that certain pick-up/drop-off area to be constructed by Prime Lessor at Prime Lessor's own cost and expense, adjacent to the northerly entrance to the Building.

1.1.2 Actual Project Cost – means all construction or "hard" costs and all non-construction or "soft" costs actually incurred or paid for by Sublessor in connection with the Project including, without limitation, (i) all costs of surveying, legal, engineering, architectural and other professional services (e.g., the costs of test borings, environmental assessments, environmental remediations, surveys, maps, estimates, plans and specifications), and of supervising construction as well as the performance of all other duties required by or consequent upon the proper construction of, and the making of the alterations, renovations, additions and improvements in connection with the design, construction and/or completion of the Project; (ii) all costs paid or incurred for labor, materials, services, supplies, machinery, equipment and other expenses and to contractors, subcontractors, suppliers, builders and materialmen; (iii) all costs of surety bonds and of insurance that may be required or necessary during the construction phase of the Project; (iv) all costs of title work and/or title insurance (including owner's and/or loan policies of title insurance); (v) all costs of and/or related to obtaining and closing upon the

Financing of the Project, including appraisal fees, lender's application and commitment fees, lender's attorneys' fees and disbursements, and recording and/or filing taxes, charges and fees, etc.; (vi) the interest due and payable on the Financing during the construction phase of the Project; (vii) all costs incurred or paid in connection with the preparation of the Prime Lease and the other Prime Lease Documents and this Sublease and the other Sublease Documents, including the fees and disbursements of Sublessor's attorneys; (viii) all costs of and/or related to the Agency Transaction including the Agency's fees, and the fees and disbursements of the Agency's attorneys and Sublessor's attorneys in connection with the Agency Transaction; (ix) all costs which Sublessor shall be required to pay, under the terms of any contract or contracts, for the design, construction and/or completion of the Project, including any amounts required to reimburse Sublessor for advances made for any item otherwise constituting a Project cost or for any other costs incurred and for work done which are properly chargeable to the Project; and (x) all other costs and expenses relating to the design, construction, financing, management and completion of the Project.

1.1.3 Agency – means the Oneida County Industrial Development Agency, a New York public benefit corporation with its offices at 153 Brooks Road, Rome, New York 13441, and its successors and assigns.

1.1.4 Agency Transaction – shall have the meaning ascribed to such term in Section “27.1” hereof.

1.1.5 Air Force – means the United States of America, acting by and through the Secretary of the Air Force and/or the Air Force Real Property Agency (f/k/a Air Force Base Conversion Agency).

1.1.6 Air Force Deed – means that certain New York Quitclaim Deed from The United States of America, acting by and through the Secretary of the Air Force to the Oneida County Industrial Development Agency dated August 12, 2005 and recorded on September 30, 2005 in the Oneida County Clerk's Office as Instrument No. 2005-020891.

1.1.7 Airport – means that certain 1,593± acre portion of the Base owned by the County and commonly known and referred to as the Oneida County Airport at the former Griffiss Air Force Base. At present, the Airport is certificated under Part 139 of the FAA Regulations as a Class IV airport.

1.1.8 Airport Rules and Regulations – shall have the meaning ascribed to such term in Section “3.1” hereof.

1.1.9 Base – means the former Griffiss Air Force Base, Rome, New York.

1.1.10 Building – means that certain 9,200± square foot building to be constructed on the Land by Sublessor, at Sublessor's own cost and expense, pursuant to the provisions of this Sublease (and the Prime Lease). The Building shall include any and all alterations and replacements thereto and substitutions therefor. The Building shall also include that portion of the Building Connector to be constructed by Sublessor.

1.1.11 Building Connector – means that certain enclosed building connector connecting the General Aviation Hangar to the Building. Prime Lessor, at its own cost and expense, shall construct that portion of the Building Connector which is to extend from the northeasterly face of the main portion of the General Aviation Hangar to the northeasterly boundary of Parcel B and Sublessor, at its own cost and expense, shall construct that portion of the Building Connector which is to extend from the southwesterly face of the main portion of the Building to the southwesterly boundary of Parcel A so that the portions of the Building Connector constructed by Prime Lessor and Sublessor, respectively, meet at the Line of Demarcation situate on the Common Boundary.

1.1.12 Commencement Date – means the first day of the Term, as is more particularly set forth in Section “4.1” below.

1.1.13 Commencement Date of Prime Lease – means the “Commencement Date” of the Prime Lease, as the term “Commencement Date” is defined in the Prime Lease.

1.1.14 Commencement Date of Operating Agreement – means the “Commencement Date” of the Operating Agreement, as the term “Commencement Date” is defined in the Operating Agreement.

1.1.15 Common Boundary – means the common boundary line between Parcel A on the northeast and Parcel B on the southwest.

1.1.16 Construction Period – means the period of time from the Effective Date up to, but not including, the Commencement Date.

1.1.17 County – means the County of Oneida, a New York municipal corporation with its principal offices at the County Office Building, 800 Park Avenue, Utica, New York 13501, and its successors and assigns. The County and the Prime Lessor are one and the same entity.

1.1.18 Deadline Date for Sublessor’s Final Plans and Specifications – shall have the meaning ascribed to such term in Section “5.2” hereof.

1.1.19 Demised Premises – means, collectively, the Land, the Building (including Sublessor’s portion of the Building Connector), and the Related Improvements.

1.1.20 EDGE – means Economic Development Growth Enterprises Corporation, a New York not-for-profit corporation with its principal offices at 153 Brooks Road, Rome, New York 13441, and its successors and assigns. At present, EDGE provides staff services to Sublessor pursuant to an agreement between them.

1.1.21 Effective Date – means the day and year first above written.

1.1.22 Environmental Compliance Agreement – means the Environmental Compliance and Indemnification Agreement, dated as of the Effective Date, to be entered into by, between and among Prime Lessor, Sublessor, and Sublessee. The Environmental

Compliance Agreement shall be in substantially the same form as the sample Environmental Compliance Agreement which shall be annexed hereto and made a part hereof as **Exhibit B**.

1.1.23 FAA – means the Federal Aviation Administration, an agency of the United States Government, and its successors.

1.1.24 Financing – means, collectively, the Institutional Financing and Internal Financing.

1.1.25 General Aviation Hangar – means that certain 15,000± square foot general aviation hangar to be constructed by Prime Lessor, at Prime Lessor's own cost and expense, within the bounds of the parcel of land designated as "Parcel B" on the Survey Map. The General Aviation Hangar shall include that portion of the Building Connector which is to be constructed by Prime Lessor.

1.1.26 GUSC – means Griffiss Utility Services Corporation, a New York local development corporation with offices at 153 Brooks Road, Rome, New York 13441, and its successors and assigns.

1.1.27 Institutional Financing – means, collectively, all loans, borrowings and/or other financings and/or re-financings (including construction loans and permanent loans) obtained or to be obtained by Sublessor from one or more banking organizations, trust companies, insurance companies, economic development agencies and/or lenders and/or other institutional lenders (collectively, the "Institutional Lenders") for the purpose of financing and/or re-financing all or some portion of the design, construction and completion of the Project and/or the Actual Project Cost.

1.1.28 Institutional Lenders – shall have the meaning ascribed to such term in Section "1.1.27" hereof.

1.1.29 Internal Financing – means, collectively, all equity investments which Sublessor makes for the purpose of financing and/or re-financing all or some portion of the design, construction and completion of the Project and/or the Actual Project Cost, which equity investments Sublessor elects, for its own accounting and/or other purposes, to treat as internal loans and/or borrowings (amortized over a period of time not to exceed, in the aggregate, 20 years, and at a fixed rate of interest not to exceed 7.5% per annum). Sublessor, in its sole discretion, may evidence the Internal Financing with one or more promissory notes and/or otherwise make such notation or notations thereof in its books and records (including, without limitation, its financial statements) as it deems appropriate.

1.1.30 Land – means that certain 10,770± square foot tract or parcel of land designated as "Parcel A" on the Site Plan and also designated as "Parcel A" on the Survey Map. The Building (including Sublessor's portion of the Building Connector) and the Related Improvements are to be constructed by Sublessor on the Land pursuant to the provisions of this Sublease, all at Sublessor's own cost and expense.

1.1.31 Line of Demarcation – means that certain 8 to 16± foot long portion of the Common Boundary where those portions of the Building Connector to be built by Prime Lessor and Sublessor, respectively, meet.

1.1.32 List of Sublessee's Building Personalty – means that certain list of Sublessee's Building Personalty which shall be annexed hereto and made apart hereof as **Exhibit G**, as the same may be updated from time to time. Upon Sublessor's request, which request may be made at any time and from time to time, Sublessee shall update the List of Sublessor's Building Personalty and shall promptly furnish a copy of the same to Sublessor and Prime Lessor.

1.1.33 Million Air – means Million Air Interlink, Inc., a Delaware corporation with its principal offices at _____, and its successors and assigns.

1.1.34 Million Air's Franchise Requirements – shall have the meaning ascribed to such term in Section "5.1" hereof.

1.1.35 Notice to Proceed – shall have the meaning ascribed to such term in Section "6.3" hereof.

1.1.36 Operating Agreement – means that certain Griffiss Air Field Operational and Management Agreement for Fixed Base Operator, dated as of August 27, 2008, by and between Prime Lessor and Sublessee relating to the provision and/or management of fixed base operations at the Airport. A copy of the Operating Agreement shall be annexed hereto and made a part hereof as **Exhibit F**.

1.1.37 Opinion – means the opinion given by Sublessee's counsel to Sublessor and Sublessor's counsel, dated as of the Effective Date. The Opinion shall be in substantially the same form as the sample Opinion which shall be annexed hereto and made a part hereof as **Exhibit C**.

1.1.38 Original Term – means that means that certain ten (10) year original term of this Sublease more particularly described in Section "4.1" hereof. By way of illustration, if the Commencement Date were October 1, 2009, the Original Term hereof would run from October 1, 2009 to September 30, 2019, inclusive.

1.1.39 Parcel A – means that certain 10,770± square foot parcel of land designated as "Parcel A" on the Site Plan and also designated as "Parcel A" on the Survey Map. Parcel A (as the same is designated on the Survey Map) is the same as the Land for the purposes of this Sublease. Parcel A is the parcel of land upon which the Building (including Sublessor's portion of the Building Connector) and the Related Improvements are to be constructed by Sublessor pursuant to the provisions of this Sublease (and the provisions of the Prime Lease).

1.1.40 Parcel B – means that certain parcel of land designated as "Parcel B" on the Site Plan and also designated as "Parcel B" on the Survey Map. Parcel B (as the same is designated on the Survey Map) is the parcel of land upon which the General Aviation Hangar is to be constructed by Prime Lessor pursuant to the provisions of the Prime Lease.

1.1.41 Parcel C – means that certain parcel of land designated as “Parcel C” on the Site Plan and also designated as “Parcel C” on the Survey Map. Parcel C (as the same is designated on the Survey Map) is the parcel of land upon which the Parking Lot is to be constructed by Prime Lessor pursuant to the provisions of the Prime Lease.

1.1.42 Parcel D – means that certain parcel of land designated as “Parcel D” on the Site Plan and also designated as “Parcel D” on the Survey Map. Parcel D (as the same is designated on the Survey Map) is the parcel of land upon which the Access Road is to be constructed by Prime Lessor pursuant to the provisions of the Prime Lease.

1.1.43 Park – the Griffiss Business & Technology Park, Rome, New York, which is a part of the lands comprising the Base.

1.1.44 Parking Lot – means that certain surface parking lot containing at least twenty-five (25) standard-size parking spaces. The Parking Lot is to be constructed by Prime Lessor within the bounds of the parcel of land designated as “Parcel C” on the Survey Map. Prime Lessor has reserved the right to relocate the Parking Lot (or any portion thereof) to an area which is situate reasonably near to the Building, all at Lessor’s own cost and expense.

1.1.45 Permitted Alterations – any non-structural alterations costing less than \$50,000.00, in the aggregate (when measured over the Term hereof), made by the Sublessee to the Demised Premises from and after the Commencement Date in accordance with the provisions of Article 7 hereof.

1.1.46 PILOT Payments – shall have the meaning ascribed to such term in Section “9.1” hereof.

1.1.47 Prime Lease – that certain lease agreement to be entered into by and between the County, as lessor, and Sublessor, as lessee, with respect to the Land and the other matters set forth therein, as the same may be supplemented and/or amended from time to time. A memorandum of the Prime Lease is to be recorded in the Oneida County Clerk’s Office. A copy of the Prime Lease shall be annexed hereto and made a part hereof as **Exhibit H**.

1.1.48 Prime Lease Documents – means the Prime Lease, that certain memorandum of the Prime Lease, dated as of the Effective Date (as such term is defined in the Prime Lease), by and between Prime Lessor and Sublessor, and any other documents executed and delivered by the parties to the Prime Lease in connection with or pursuant to the Prime Lease.

1.1.49 Prime Lessor – means the County and any successor-in-title to the County with respect to the Land.

1.1.50 Prime Lessor’s Architect – means C&S Engineers, Inc., with its principal offices at 409 Col. Eileen Collins Boulevard, Syracuse, New York 13212.

1.1.51 Project – means that certain project consisting of the design, construction and completion by Sublessor on the Land of the Building (including Sublessor’s portion of the Building Connector), and the Related Improvements.

1.1.52 Project Budget – means the sum of Two Million Dollars (\$2,000,000.00).

1.1.53 Project Cost Overrun – means the amount by which the total Actual Project Cost exceeds the Project Budget. By way of illustration, if the total Actual Project Cost were \$2,235,135.00, the Project Cost Overrun would be \$235,135.00 (i.e., \$2,235,135.00 - \$2,000,000.00 = \$235,135.00).

1.1.54 Project Cost Underrun – means the amount by which the Project Budget exceeds the total Actual Project Cost. By way of illustration, if the total Actual Project Cost were \$1,187,580.00, the Project Cost Underrun would be \$112,420.00 (i.e., \$2,000,000.00 - \$1,187,580.00 = \$112,420.00).

1.1.55 Punch List – shall have the meaning ascribed to such term in Section “5.4” hereof.

1.1.56 Related Improvements – means any improvements (e.g., sidewalks, utility connections, etc.) other than the Building (including Sublessor’s portion of the Building Connector), to be constructed on the Land by Sublessor, at Sublessor’s own cost and expense, pursuant to the provisions of this Sublease (and the provisions of the Prime Lease).

1.1.57 Renewal Term – means that certain ten (10) year renewal term of this Sublease more particularly described in Section “4.2” hereof. The tenth (10th) anniversary of the Commencement Date, i.e., the first (1st) day of the eleventh (11th) Sublease Year, would be the first (1st) day of the Renewal Term. By way of illustration, if the Commencement Date were October 1, 2009, the first (1st) day of the Renewal Term hereof would be October 1, 2019.

1.1.58 Site Plan – means that certain site plan entitled “Site Plan, Corporate Hangar, FBO Building” made by Prime Lessor’s Architect dated _____, 2008. A copy of the Site Plan is annexed hereto and made a part hereof as **Exhibit A**.

1.1.59 Sublease – means this Sublease by and between the Sublessor, as sublessor, and the Sublessee, as sublessee, with respect to the Demised Premises and the other matters set forth herein, as the same may be supplemented and/or amended from time to time.

1.1.60 Sublease Documents – means this Sublease, that certain memorandum of this Sublease, dated as of the Effective Date, by and between Sublessor and Sublessee, that certain Environmental Compliance Agreement, dated as of the Effective Date, by and among Sublessor, Sublessee, the County and, if applicable, the Agency, and any other documents executed and delivered by the parties hereto in connection with or pursuant to this Sublease.

1.1.61 Sublease Year – means each period of twelve (12) consecutive months occurring during the Term, the first Sublease Year to commence on the Commencement Date and each subsequent Sublease Year to commence on each subsequent anniversary of the Commencement Date. By way of illustration, if the Commencement Date were September 1, 2009, the first Sublease Year would run from September 1, 2009 through and including August 31, 2010. The second Sublease Year would run from September 1, 2010 through and including August 31, 2011.

1.1.62 Subleaseable Office Space Area – means that portion of the Building which is designated on Sublessor’s Final Plans and Specifications as the “Subleaseable Office Space Area”.

1.1.63 Sublessee – means Freeman Holdings of New York, L.L.C., a New York limited liability company with its principal offices at Main Terminal – Forbes Field, Topeka, Kansas 66619, and its permitted successors and assigns.

1.1.64 Sublessee’s Architect – means Ashton Smith, with his offices at Million Air Alexandria, 1037 Billy Mitchell Boulevard, Suite 2502, Alexandria, Louisiana 71303-5637.

1.1.65 Sublessee’s Building Personalty – means all machinery, equipment, furniture, furnishings and other items of tangible and intangible personal property (excluding inventory) which are placed or to be placed by Sublessee on, at or in the Demised Premises at anytime during the Construction Period or thereafter during the Term hereof, whether the same are now owned or hereafter acquired by Sublessee, including, without limitation, all of the items listed on the List of Sublessee’s Building Personalty (as the same may be updated from time to time), together with all additions thereto, substitutions therefor, and replacements thereof.

1.1.66 Sublessee’s Design Development – means that certain design development for the Building (including Sublessor’s portion of the Building Connector) and the Related Improvements to be prepared by Sublessee’s Architect, as more particularly described in Section “5.1” hereof.

1.1.67 Sublessee’s Final Pre-Commencement Date Plans and Specifications – means those certain final plans and specifications, to be prepared by Sublessee’s Architect, for the construction and/or installation in the Building of Sublessee’s Pre-Commencement Date Improvements, as more particularly described in Section “6.2” hereof. Sublessee’s Final Pre-Commencement Date Plans and Specifications shall be annexed hereto and made a part hereof as **Exhibit E**.

1.1.68 Sublessee’s Post-Commencement Date Plans and Specifications – any plans and specifications for improvements, additions and/or modifications to the Demised Premises by Sublessee prepared pursuant to the provisions of Article 7 below.

1.1.69 Sublessee’s Pre-Commencement Date Improvements– means the furniture, fixtures, equipment and other leasehold improvements to be constructed or installed in the Building or affixed and/or attached thereto by Sublessee, at Sublessee’s own cost and expense, prior to the Commencement Date.

1.1.70 Sublessee’s Pre-Commencement Date Work – means the work Sublessee is required to perform, or to have performed, in the Building prior to the Commencement Date according to Sublessee’s Final Pre-Commencement Date Plans and Specifications. Sublessee’s Pre-Commencement Date Work shall be performed at Sublessee’s own cost and expense.

1.1.71 Sublessee’s Proposed Pre-Commencement Date Plans and Specifications - means those certain proposed plans and specifications, to be prepared by Sublessee’s Architect, for the construction and/or installation in the Building of Sublessee’s Pre-Commencement Date Improvements.

1.1.72 Sublessee's Turnover Obligation to Sublessor – means Sublessee's obligation to turn over and transfer Sublessee's Building Personalty to Sublessor upon the expiration or earlier termination of either the Operating Agreement or this Sublease, or in the event that Sublessee vacates or is removed from the Airport or the Demised Premises, all as is more particularly set forth in Section "48.2" hereof.

1.1.73 Sublessor – means Griffiss Local Development Corporation, a New York local development corporation with its offices at 153 Brooks Road, Rome, New York 13441, and its successors and assigns.

1.1.74 Sublessor's Architect – means C&S Engineers, Inc., with its principal offices at 409 Col. Eileen Collins Boulevard, Syracuse, New York 13212.

1.1.75 Sublessor's Blanket Insurance Policy – shall have the meaning ascribed to such term in Section "14.5" hereof.

1.1.76 Sublessor's Construction Commencement Date – shall have the meaning ascribed to such term in Section "5.3" hereof.

1.1.77 Sublessor's Final Plans and Specifications – means those certain final plans and specifications, to be prepared by Sublessor's Architect, for the construction by Sublessor on the Land of the Building (including Sublessor's portion of the Building Connector) and the Related Improvements, as more particularly described in Section "5.2" hereof. Sublessor's Final Plans and Specifications shall be annexed hereto and made a part hereof as **Exhibit D**.

1.1.78 Sublessor's Insurance - shall have the meaning ascribed to such term in Section "14.5" hereof.

1.1.79 Sublessor's Proposed Plans and Specifications – means those certain proposed plans and specifications, to be prepared by Sublessor's Architect, for the construction by Sublessor on the Land of the Building (including Sublessor's portion of the Building Connector) and the Related Improvements.

1.1.80 Sublessor's Work – means the work Sublessor is required to perform, or to have performed, according to Sublessor's Final Plans and Specifications, in connection with the construction of the Building (including Sublessor's portion of the Building Connector) and the Related Improvements on Land so to make the same ready for Sublessee's occupancy thereof, all as is more particularly set forth in Article 5 below. Sublessor's Work shall be performed at Sublessor's own cost and expense.

1.1.81 Survey Map – means that certain survey map to be prepared by Prime Lessor's Architect, at Prime Lessor's own cost and expense, depicting (among other things) the final size and location of Parcel A, Parcel B, Parcel C and Parcel D, and describing the perimeter boundaries of each such parcel by bearings and distances. The Survey Map shall be prepared in accordance with the requirements applicable to an ALTA/ACSM Land Title Survey (including any optional survey responsibilities and specifications designated by Sublessor) and shall be

certified to Prime Lessor, Sublessor, Sublessee, the Institutional Lenders and the Title Insurers. A copy of the Survey Map shall be annexed hereto and made a part hereof as **Exhibit A-1**.

1.1.82 Term – the Original Term of this Sublease and, if and when in effect, the Renewal Term of this Sublease, unless expressly stated otherwise or unless the context clearly indicates otherwise.

1.1.83 Utilities – means the utilities to be constructed by Prime Lessor, at Prime Lessor’s own cost and expense, in order to provide domestic and fire suppression water service, sanitary and storm sewer service, electric service, natural gas service, steam service, telecommunications service, and such other utility services as may be required by Sublessor to the utility connection points (collectively, the “Utility Connection Points”) specified in Sublessor’s Final Plans and Specifications, each of which Utility Connection Points shall be located on the boundary of the Land within five (5) feet of the Building. The Utilities shall be of sufficient capacity to meet applicable codes and satisfy Sublessor’s requirements. The Utilities shall not include the electrical transformer, water, natural gas and/or steam reducing valves, utility meters and any related items of equipment which are to be constructed on and/or installed at, in or on the Demised Premises by Sublessor as part of Sublessor’s Work.

1.1.84 Utilities Plans and Specifications – means those certain final plans and specifications, to be prepared by Prime Lessor’s Architect, for the construction of the Utilities (within the bounds of the Base wherever the same may be necessary).

1.1.85 Utility Connection Points – shall have the meaning ascribed to such term in Section “1.1.83” hereof.

Capitalized terms used herein which are not otherwise defined herein and which are defined in the Prime Lease shall have the meanings ascribed to them in the Prime Lease.

ARTICLE 2 – SUBLEASE

2.1 Subject to the terms and conditions of the Prime Lease and this Sublease, Sublessor hereby subleases to Sublessee, and Sublessee hereby rents and subleases from Sublessor, the Demised Premises. During the Term hereof, Sublessee and Sublessee’s employees, customers and invitees shall also have the non-exclusive right (in common with others) to use (a) the Access Road for the purposes of ingress to the Demised Premises from Ellsworth Road and egress from the Demised Premises to Ellsworth Road by means of vehicular traffic and pedestrian traffic) and (b) the Parking Lot (for the purpose of parking passenger vehicles). Sublessee’s use and occupancy provided under this Section “2.1” shall be subject to all easements, agreements, rights, rights-of-way, conditions, restrictions and/or covenants (whether or not of record) applicable to and/or affecting the Airport, the Demised Premises, the Access Road or the Parking Lot, or any part of any of them, now or at any future times including, without limitation, any covenants, conditions or restrictions imposed by the Air Force by deed (including the Air Force Deed), easement, license or otherwise, provided, however, that with respect to any such future easements, agreements, rights, rights of way, conditions, restrictions and/or covenants, the same do not have a material adverse effect on Sublessee’s possession, use and enjoyment of the Demised Premises during the Term. Sublessee’s occupancy and/or use of the Demised Premises and its non-exclusive use of the Access Road and the Parking Lot shall

also be subject to all governmental laws, rules and regulations, and any state of facts that an accurate survey would disclose.

2.2 During the Construction Period (after Sublessor gives Sublessee the Notice to Proceed), Sublessee and Sublessee's employees, contractors, and invitees shall have such access to the Land as may be reasonably necessary to enable Sublessee to make Sublessee's Pre-Commencement Date Improvements to the Building.

2.3 This Sublease is and shall continue to be subject and subordinate to all of the terms, covenants, conditions and provisions of the Prime Lease. The Sublessee shall not take any action or fail to take any action which would cause a default under the Prime Lease. To the extent that the Prime Lease expressly imposes any duty or obligation upon a sublessee, Sublessee shall perform such duty or obligation insofar as the same relates to the Demised Premises. Without limiting the generality of the foregoing, and notwithstanding anything to the contrary in the Prime Lease or this Sublease, if this Sublease has not sooner expired or terminated, it shall terminate on the expiration or earlier termination of the Prime Lease. In case of any conflict between any of the provisions of the Prime Lease and any of the provisions of this Sublease, the provisions of the Prime Lease will control. In the event that the Prime Lessor gives Sublessor written notice that the Sublessor is in default under the Prime Lease, Sublessor shall endeavor to furnish a copy thereof to the Sublessee as soon as is reasonably practicable. Nothing contained in the Prime Lease and/or the other Prime Lease Documents shall relieve Sublessee of its obligations under this Sublease.

ARTICLE 3 – RESTRICTIONS ON USE

3.1 Subject to and in accordance with all rules, regulations, laws, ordinances, statutes and requirements of all governmental authorities and the Board of Fire Underwriters and any similar bodies having jurisdiction thereof, including, without limitation, any Rules and Regulations and Minimum Standards for the Airport promulgated by Prime Lessor (the "Airport Rules and Regulations"), Sublessee shall use the Demised Premises as the main location for fixed based operations conducted at the Airport, and for accessory uses reasonably related thereto, and for no other purpose.

ARTICLE 4A – SITE PLAN AND SURVEY MAP

4A.1 The Site Plan depicts the anticipated location and the approximate size and dimensions of Parcel A, Parcel B, Parcel C and Parcel D. The final location and actual size and dimensions of Parcel A, Parcel B, Parcel C and Parcel D shall be depicted on the Survey Map and may vary from what is depicted on the Site Plan. Sublessor shall arrange for Prime Lessor's Architect to prepare the Survey Map and furnish the same to Sublessor and Sublessee (and Prime Lessor) within thirty (30) days after the Effective Date.

4A.2 From and after the date that Prime Lessor's Architect furnishes the Survey Map to Sublessor and Sublessee (and Prime Lessor), Sublessor and Sublessee shall review the same and shall work with one another (and with Prime Lessor) to make whatever changes thereto may be necessary or desirable. If, within fifteen (15) days after the date that Prime Lessor's Architect furnishes the Survey Map to Sublessor and Sublessee (and Prime Lessor), Sublessor and Sublessee (and Prime Lessor) are unable to agree upon the Survey Map, then, and in such event,

either Sublessor or Sublessee may terminate this Sublease by giving written notice of such termination to the other.

4A.3 If Sublessor and Sublessee (and Prime Lessor) agree upon the Survey Map, they shall evidence such agreement by initialing each sheet of the Survey Map, and shall cause the same to be annexed hereto and made a part hereof as **Exhibit A-1**, or they shall provide some other written evidence of such agreement in form and content which is mutually satisfactory to Sublessor and Sublessee (and Prime Lessor). Within ten (10) days after they agree upon the Survey Map, Sublessor and Sublessee shall execute a supplement to and/or amendment of this Sublease whereby they acknowledge the location, perimeter boundary and size of each of Parcel A, Parcel B, Parcel C and Parcel D.

ARTICLE 4 – TERM

4.1 The original term (the “Original Term”) of this Sublease shall commence on the date (the “Commencement Date”) which is the earlier of (i) the first (1st) day of the first (1st) full month following the date that Sublessor has “substantially completed” Sublessor’s Work (in accordance with Section “5.4” hereof) and gives Sublessee notice thereof together with a copy of the temporary or permanent Certificate of Occupancy for the Demised Premises issued by the municipal agency or other governmental authority having jurisdiction thereof (provided, however, that Prime Lessor has “substantially completed” the General Aviation Hangar, the Access Road, the Parking Lot, and the Utilities to the point where they are available for use) or (ii) October 1, 2009, and shall continue for a period of ten (10) years unless sooner terminated in accordance with the provisions hereof. Notwithstanding anything to the contrary herein contained, Sublessor and Sublessee agree to coordinate (with one another and with Prime Lessor) the Commencement Date with the Commencement Date of Prime Lease and the Commencement Date of Operating Agreement so that the Commencement Date, the Commencement Date of Prime Lease and the Commencement Date of Operating Agreement are all the same date. Within ten (10) days after the Commencement Date, Sublessor and Sublessee shall execute a supplement to and/or amendment of this Sublease acknowledging and fixing the Commencement Date thereby establishing for the record the beginning date of the Original Term.

4.2 In the event that Sublessee is not then in default of any of Sublessee’s obligations under this Sublease and provided that Sublessee first shall have either renewed the Operating Agreement, or arranged with Prime Lessor for an extension of the Operating Agreement, for a period of ten (10) years commencing on the tenth (10th) anniversary of the Commencement Date) then, upon the expiration of the Original Term, Sublessee shall have the option to extend this Sublease for a renewal term (the “Renewal Term”) of ten (10) years upon all of the same terms and conditions as were applicable during the Original Term (a) except as hereinafter provided as to annual minimum rent and (b) except that Sublessee shall have no further option to extend this Sublease upon the expiration of the Renewal Term. In order to exercise its option to extend for the Renewal Term, Sublessee shall give Sublessor written notice thereof at least twelve (12) months prior to the expiration of the Original Term.

ARTICLE 5 – SUBLESSOR’S WORK

5.1 Sublessee shall furnish Sublessee’s Design Development to Sublessor (and Prime Lessor) within forty-five (45) days after the Effective Date. Sublessee’s Design Development shall meet, in all respects, with the requirements of the franchise agreement entered into or to be entered into by and between Million Air, as franchisor, and Sublessee, as franchisee (collectively, “Million Air’s Franchise Requirements”). If, within forty-five (45) days after the Effective Date, Sublessee fails to furnish Sublessor (and Prime Lessor) with Sublessee’s Design Development, then, and in such event, Sublessor may terminate this Sublease by giving written notice of such termination to Sublessee. Within ninety (90) days after its receipt of Sublessee’s Design Development, Sublessor shall furnish Sublessee (and Prime Lessor) with Sublessor’s Proposed Plans and Specifications (which shall be based on Sublessee’s Design Development).

5.2 From and after the date that Sublessor furnishes Sublessor’s Proposed Plans and Specifications to Sublessee (and Prime Lessor), Sublessor and Sublessee shall review the same and shall work with one another (and with Prime Lessor) to make whatever changes thereto that may be necessary or desirable in order to develop Sublessor’s Final Plans and Specifications. If, Sublessor and Sublessee (and Prime Lessor) are unable to agree upon Sublessor’s Final Plans and Specifications on or before the date (the “Deadline Date for Sublessor’s Final Plans and Specifications”) which is thirty (30) days after the date Sublessor furnishes Sublessee (and Prime Lessor) with Sublessor’s Proposed Plans and Specifications, then, and in such event, either Sublessor or Sublessee may terminate this Sublease by giving written notice of such termination to the other. If Sublessor and Sublessee (and Prime Lessor) agree upon Sublessor’s Final Plans and Specifications, they shall evidence such agreement by initialing each page of said Sublessor’s Final Plans and Specifications, and shall cause the same to be annexed hereto and made a part hereof as **Exhibit D**, or they shall provide some other written evidence of such agreement in form and content which is mutually satisfactory to Sublessor and Sublessee (and Prime Lessor). Sublessee’s agreement upon Sublessor’s Final Plans and Specifications shall also constitute its certification to Sublessor (and Prime Lessor) that said Sublessor’s Final Plans and Specifications meet, in all respects, with Million Air’s Franchise Requirements.

5.3 Within sixty (60) days after the date that Sublessor and Sublessee (and Prime Lessor) have agreed upon Sublessor’s Final Plans and Specifications, or as soon thereafter as weather conditions reasonably permit, whichever date is later (the “Sublessor’s Construction Commencement Date”), Sublessor shall, at its own cost and expense, commence performing Sublessor’s Work in accordance with said Sublessor’s Final Plans and Specifications. All construction shall be performed in a first class and workmanlike manner in compliance with all applicable federal, state and local laws, rules, regulations, orders and codes. All materials used shall be new and of first-class quality. Sublessor shall “substantially complete” Sublessor’s Work within six (6) months after Sublessor’s Construction Commencement Date, and shall “fully complete” Sublessor’s Work within a reasonable time thereafter.

5.4 Sublessor’s Work shall be deemed “substantially completed” upon the occurrence of all of the following: (i) construction by Sublessor of Sublessor’s Work in accordance with Sublessor’s Final Plans and Specifications to the extent that the remaining work to be done consists solely of a list of minor details of construction, mechanical adjustments, decoration or

the like (the "Punch List") which will not interfere with Sublessee's use and enjoyment of the Demised Premises, (ii) the issuance of a temporary or permanent Certificate of Occupancy for the Demised Premises by the municipal agency or other governmental authority having jurisdiction thereof, and (iii) certification by Sublessor's Architect that Sublessor's Work has been "substantially completed" as aforesaid, except for Punch List items.

5.5 At or about the time that Sublessor's Work is "substantially completed", Sublessor and Sublessee (and Prime Lessor) shall jointly prepare the Punch List and Sublessor shall submit said Punch List to the general contractor and/or other contractors who performed Sublessor's Work so that said general contractor and/or other contractors may complete the same. Sublessor shall see to it that the items on the Punch List are "fully completed" by said general contractor and/or other contractors to the reasonable satisfaction of Sublessee within a reasonable time after the Sublessor's Work has been "substantially completed".

5.6 Sublessor shall keep Sublessee (and Prime Lessor) apprised of the progress of Sublessor's Work and shall invite Sublessee (and Prime Lessor) to attend the periodic construction meetings which Sublessor intends to hold with the general contractor and/or other contractors while Sublessor's Work is underway. Sublessor shall endeavor to give Sublessee (and Prime Lessor) at least fifteen (15) days' advance notice of the date upon which it expects that Sublessor's Work will be "substantially completed".

5.7 Notwithstanding anything to the contrary contained in this Sublease, Sublessor shall have no obligation to perform Sublessor's Work during the winter.

ARTICLE 6 – SUBLESSEE'S PRE-COMMENCEMENT DATE IMPROVEMENTS

6.1 Sublessee shall furnish Sublessor (and Prime Lessor) with Sublessee's Proposed Pre-Commencement Date Plans and Specifications within fifteen (15) days after the date that Sublessee receives Sublessor's Proposed Plans and Specifications.

6.2 From and after the date that Sublessee furnishes Sublessee's Proposed Pre-Commencement Date Plans and Specifications to Sublessor (and Prime Lessor), Sublessee and Sublessor shall review the same and shall work with one another (and with Prime Lessor) to make whatever changes thereto that may be necessary or desirable in order to develop Sublessee's Final Pre-Commencement Date Plans and Specifications. If Sublessor and Sublessee (and Prime Lessor) are unable to agree upon Sublessee's Final Pre-Commencement Date Plans and Specifications on or before the Deadline Date for Sublessor's Final Plans and Specifications, then, and in such event, either Sublessor or Sublessee may terminate this Sublease by giving written notice of such termination to the other. If Sublessor and Sublessee (and Prime Lessor) agree upon Sublessee's Final Pre-Commencement Date Plans and Specifications, they shall evidence such agreement by initialing each page of said Sublessee's Final Pre-Commencement Date Plans and Specifications, and shall cause the same to be annexed hereto and made a part hereof as **Exhibit E**, or they shall provide some other written evidence of such agreement in form and content which is mutually satisfactory to Sublessor and Sublessee (and Prime Lessor).

6.3 When, in Sublessor's sole judgment, the construction of the Building has progressed to the point where it is reasonably practicable for Sublessee to commence

Sublessee's Pre-Commencement Date Work, Sublessor shall give written notice thereof to Sublessee (the "Notice to Proceed"). Upon receiving Sublessor's Notice to Proceed, Sublessee shall, at its own cost and expense, commence performing Sublessee's Pre-Commencement Date Work in accordance with said Sublessee's Final Pre-Commencement Date Plans and Specifications and diligently proceed with such work so that the same is "substantially completed" either on or before the date that Sublessor's Work is "substantially completed" or on or before the date which is sixty (60) days after the date that Sublessor gives Sublessee the Notice to Proceed, whichever date last occurs. All construction shall be performed in a first-class and workmanlike manner in compliance with all applicable federal, state and local laws, rules, regulations, orders and codes. All materials used by Sublessee shall be new and of first-class quality and shall not be subject to any lien, encumbrance, conditional sales contract or the like. Sublessee shall coordinate Sublessee's Pre-Commencement Date Work with Sublessor so that it does not unreasonably hinder, delay or otherwise interfere with Sublessor's Work.

6.4 As they are constructed, Sublessee's Pre-Commencement Date Improvements shall become a part of the Building and shall be deemed to belong to and be the property of Sublessor.

ARTICLE 7 – SUBLESSEE'S POST-COMMENCEMENT DATE IMPROVEMENTS

7.1 With the exception of non-structural alterations (the "Permitted Alterations") costing less than Fifty Thousand Dollars (\$50,000.00) in the aggregate (when measured over the Term hereof), from and after the Commencement Date Sublessee shall not improve, construct, renovate, make additions to, demolish, modify, remove or alter the Demised Premises or any part thereof without the prior written consent of Prime Lessor and Sublessor, which consents shall not be unreasonably withheld, delayed or conditioned. Sublessee shall make or perform any improvements, construction, renovations, additions, demolition, modifications, removal or alterations permitted hereunder or consented to by Prime Lessor and Sublessor, at Sublessee's own cost and expense, subject to the following conditions:

7.1.1 Such work shall be performed in a first class workmanlike manner, and shall not weaken or impair the structural strength of the Demised Premises, or any part thereof or change the purposes for which the Demised Premises may be used.

7.1.2 Such work shall be accomplished according to Sublessee's Post-Commencement Date Plans and Specifications which shall be first submitted to and, except in the case of Sublessee's Post-Commencement Date Plans and Specifications relating to Permitted Alterations, approved by Prime Lessor and Sublessor, which approval shall not be unreasonably withheld, delayed or conditioned. Before the commencement of such work:

- (i) Sublessee's Post-Commencement Date Plans and Specifications shall be filed with and approved by all governmental departments or authorities having jurisdiction thereof, and all such work shall be done subject to and in accordance with the requirements of law and local regulations of all governmental departments or authorities having jurisdiction, and Sublessee shall obtain any and all necessary building permits and any other required permits

and/or authorizations and immediately furnish Sublessor and Prime Lessor with copies thereof; and

- (ii) except in the case of Permitted Alterations, Sublessee shall, if requested, give Prime Lessor and/or the Sublessor surety company performance and payment bonds from a responsible insurance company authorized to do business in the State of New York, in the amount specified by Prime Lessor and/or Sublessor, guarantying (a) the completion of such work in accordance with Sublessee's Post-Commencement Date Plans and Specifications therefor, free and clear of all liens, encumbrances, security agreements, chattel mortgages and conditional bills of sale, and (b) payment of the cost of such work and containing such other terms and provisions as may be required by Prime Lessor and/or Sublessor; and
- (iii) if required by Prime Lessor and/or Sublessor, any contract or agreement for labor, services, materials or supplies in connection with any alterations, building construction, reconstruction, building, rebuilding, renovation, replacement, change, addition or improvement shall provide that the contractor or supplier shall not place any mechanic's lien against the Demised Premises or any part thereof or any of the equipment thereof. Sublessee shall deliver to Prime Lessor and/or Sublessor either a duplicate original of such contract or a written waiver by the architect, engineer, contractor, materialman, mechanic, person or corporation named in such contract of all right of lien which he, she or it might otherwise have upon or against the Demised Premises or any part thereof or any equipment therein, or the interest of Prime Lessor and/or Sublessor in any of the foregoing on account of any work, labor, materials or other thing done or provided with respect thereto.

7.2 Nothing contained in Section "7.1" or elsewhere in this Sublease shall be deemed or construed in any way as constituting the consent or request of Prime Lessor and/or Sublessor, expressed or implied, for the performance of any labor or the furnishing of any materials for the specific improvement, alteration or repair of or to the Demised Premises, or as giving Sublessee the right, power or authority to contract for or permit the rendering of any services or the furnishing of any material that would give rise to the filing of any liens against the Demised Premises or any part thereof.

7.3 As they are constructed, Sublessee's Post-Commencement Date Improvements shall become a part of the Building and shall be deemed to belong to and be the property of Sublessor.

ARTICLE 8 – ANNUAL MINIMUM RENT

8.1 During each Sublease Year of the Original Term hereof and, if Sublessee exercises its option to extend pursuant to Section "4.2" above, during each Sublease Year of the

Renewal Term hereof, Sublessee shall pay to Sublessor, without notice from or demand by Sublessor, and without offset or deduction by Sublessee, annual minimum rent in equal monthly installments, in advance, in accordance with the following Rent Schedule (which Rent Schedule is subject to adjustment upward (as set forth in Section "8.2.1" hereof) or downward (as set forth in Section "8.2.2" hereof), with the first such monthly installment being due on the Commencement Date and each subsequent monthly installment being due on the same day each month as the day of the month on which the Commencement Date falls.

RENT SCHEDULE

ORIGINAL TERM

<u>Sublease Year</u>	<u>Annual Minimum Rent</u>	<u>Monthly Installment</u>
1 st Sublease Year	\$177,500.00	\$14,791.67
2 nd Sublease Year	\$177,500.00	\$14,791.67
3 rd Sublease Year	\$177,500.00	\$14,791.67
4 th Sublease Year	\$177,500.00	\$14,791.67
5 th Sublease Year	\$177,500.00	\$14,791.67
6 th Sublease Year	\$197,500.00	\$16,458.33
7 th Sublease Year	\$197,500.00	\$16,458.33
8 th Sublease Year	\$197,500.00	\$16,458.33
9 th Sublease Year	\$197,500.00	\$16,458.33
10 th Sublease Year	\$197,500.00	\$16,458.33

RENEWAL TERM

<u>Sublease Year</u>	<u>Annual Minimum Rent</u>	<u>Monthly Installment</u>
11 th Sublease Year	\$210,000.00	\$17,500.00
12 th Sublease Year	\$210,000.00	\$17,500.00
13 th Sublease Year	\$210,000.00	\$17,500.00
14 th Sublease Year	\$210,000.00	\$17,500.00
15 th Sublease Year	\$210,000.00	\$17,500.00
16 th Sublease Year	\$230,000.00	\$19,166.67
17 th Sublease Year	\$230,000.00	\$19,166.67
18 th Sublease Year	\$230,000.00	\$19,166.67
19 th Sublease Year	\$230,000.00	\$19,166.67
20 th Sublease Year	\$230,000.00	\$19,166.67

8.2 Within sixty (60) days after the Project is "fully completed", Sublessor shall certify to Sublessee (and Prime Lessor) the total Actual Project Cost thereof and the amount of any Project Cost Overrun or Project Cost Underrun. If requested by Sublessee (or Prime Lessor), Sublessor shall furnish Sublessee (and Prime Lessor) with such documentation as may

be reasonably necessary in order for Sublessee (and Prime Lessor) to verify the total Actual Project Cost, as certified to Sublessee by Sublessor.

8.2.1 For each \$100.00 (or fractional part thereof) of a Project Cost Overrun, the annual minimum rent due during the Term (as set forth on the above Rent Schedule) shall be adjusted so as to increase the same by (a) \$8.87 for the 1st through the 5th Sublease Years, inclusive, (b) \$9.87 for the 6th through the 10th Sublease Years, inclusive, (c) \$10.50 for the 11th through the 15th Sublease Years, inclusive, and (d) \$11.50 for the 16th through the 20th Sublease Years, inclusive.

8.2.1.1 By way of illustration, if there is a Project Cost Overrun in the amount of \$235,135.00, the annual minimum rent due during the Term shall be adjusted so as to increase the same by (a) \$20,862.24 for the 1st through the 5th Sublease Years, inclusive, thereby bringing the total annual minimum rent due during each of such Sublease Years to \$198,362.24 (payable in monthly installments of \$16,530.18), (b) \$23,214.24 for the 6th through the 10th Sublease Years, inclusive, thereby bringing the total annual minimum rent due during each of such Sublease Years to \$220,714.24 (payable in monthly installments of \$18,392.85), (c) \$24,696.00 for the 11th through the 15th Sublease Years, inclusive, thereby bringing the total annual minimum rent due during each of such Sublease Years to \$234,696.00 (payable in monthly installments of \$19,558.00), and (d) \$27,048.00 for the 16th through the 20th Sublease Years, inclusive, thereby bringing the total annual minimum rent due during each of such Sublease Years to \$257,048.00 (payable in monthly installments of \$21,420.66).

8.2.2 Conversely, for each \$100.00 (or fractional part thereof) of a Project Cost Underrun, the annual minimum rent due during the Term (as set forth on the above Rent Schedule) shall be adjusted so as to reduce the same by (a) \$8.87 for the 1st through the 5th Sublease Years, inclusive, (b) \$9.87 for the 6th through the 10th Sublease Years, inclusive, (c) \$10.50 for the 11th through the 15th Sublease Years, inclusive, and (d) \$11.50 for the 16th through the 20th Sublease Years, inclusive.

8.2.2.1 By way of illustration, if there is a Project Cost Underrun in the amount of \$112,420.00, the annual minimum rent due during the Term shall be adjusted so as to reduce the same by (a) \$9,978.75 for the 1st through the 5th Sublease Years, inclusive, thereby bringing the total annual minimum rent due during each of such Sublease Years to \$167,521.25 (payable in monthly installments of \$13,960.10), (b) \$11,103.75 for the 6th through the 10th Sublease Years, inclusive, thereby bringing the total annual minimum rent due during each of such Sublease Years to \$186,396.25 (payable in monthly installments of \$15,533.02), (c) \$11,812.50 for the 11th through the 15th Sublease Years, inclusive, thereby bringing the total annual minimum rent due during each of such Sublease Years to \$198,187.50 (payable in monthly installments of \$16,515.62), and (d) \$12,937.50 for the 16th through the 20th Sublease Years, inclusive, thereby bringing the total annual minimum rent due during each of such Sublease Years to \$217,062.50 (payable in monthly installments of \$18,088.54).

8.2.3 In the event that the annual minimum rents (and corresponding monthly installments thereof) set forth on the above Rent Schedule are to be adjusted upward (pursuant to Section "8.2.1" above) or downward (pursuant to Section "8.2.2" above), the parties shall execute a supplement to and/or amendment of this Sublease adjusting the annual minimum rents

(and corresponding monthly installments thereof) set forth on the above Rent Schedule accordingly.

ARTICLE 9 – REAL ESTATE TAXES, ASSESSMENTS, ETC.

9.1 Sublessee shall bear, pay and discharge punctually during the Term all real estate taxes, payments in lieu of real estate taxes (“PILOT Payments”), assessments, and other governmental charges assessed or levied against or otherwise imposed upon or payable with respect to the Demised Premises and provide Sublessor with evidence of the real estate taxes, PILOT Payments, assessments, and other governmental charges so due and the payment thereof within fifteen (15) days following the last day the same were payable without interest and/or penalties accruing thereon. For the purposes of this Section “9.1”, a real estate tax, PILOT Payment, assessment, or other governmental charge shall be deemed imposed, levied or charged on the first day such real estate tax, PILOT Payment, assessment or other governmental charge becomes due and payable. In the event Sublessee desires to challenge the amount of the assessed valuation of the Demised Premises for real estate tax or PILOT Payment purposes, Sublessor agrees to cooperate in signing any documents necessary for the purpose of such challenge, provided, however, Sublessee holds Sublessor harmless from, and indemnifies Sublessor against, any cost or expense which Sublessor incurs in connection with such challenge. Real estate taxes, PILOT Payments, assessments, and other governmental charges which cover a period falling both within and outside of the Term shall be paid by Sublessor if the last day for paying the same without interest and/or penalties accruing thereon falls before or after the Term and shall be paid by Sublessee, as additional rent, if such last day falls within the Term, but in either event, the same shall be equitably prorated between Sublessor and Sublessee and the party who did not pay the same shall reimburse the other therefore within fifteen (15) days after the party who did not pay the same is given evidence of the amount of the real estate tax, PILOT Payment, assessment or other governmental charge and of payment thereof.

ARTICLE 10 – ENVIRONMENTAL PROTECTION

10.1 Sublessee shall comply, at its own cost and expense, with all Federal, State, and local environmental laws, regulations, and standards that are or may become applicable to the Demised Premises and/or to Sublessee’s activities at, on, over, under or in the Demised Premises.

10.2 Sublessee shall be solely responsible for obtaining, at its own cost and expense, any environmental permits required by law, rule or regulation for its operations at or in the Demised Premises under this Sublease, independent of any existing permits.

10.3 Sublessee shall, to the extent permitted under applicable law, indemnify, defend, and hold harmless Prime Lessor and Sublessor and each of them, against and from any damages, costs, expenses (including reasonable attorneys’ fees, reasonable environmental engineers’ fees and reasonable experts’ fees), liabilities, fines, or penalties resulting from releases, discharges, emissions, spills, storage, treatment, disposal, or any other acts or omissions by Sublessee, its officers, agents, employees, contractors, or licensees, or the invitees of it, or any of them, at, on, over, under or in the Demised Premises or within the vicinity thereof giving rise to Prime Lessor, Sublessor and/or Agency liability, civil or criminal, or responsibility under Federal, State, or local environmental laws. Sublessee shall execute and deliver to Prime Lessor and

Sublessor an Environmental Compliance Agreement in substantially the same form as the sample Environmental Compliance Agreement annexed hereto and made a part hereof as **Exhibit B**. In case of any conflict between the provisions of this Sublease and the provisions of the Environmental Compliance Agreement, the provisions of the Environmental Compliance Agreement will control. This Article shall survive the expiration or termination of this Sublease, and Sublessee's obligations hereunder shall apply whenever Prime Lessor, and/or Sublessor incur costs or liabilities for Sublessee's actions of the types described in this Article 10.

ARTICLE 11 – UTILITIES AND SERVICES

11.1 Sublessee shall, at Sublessee's own cost and expense, provide and pay for all utilities and services used or consumed by Sublessee or others at, in or about the Demised Premises, including, but not limited to, steam, gas, water, electricity, sewer service, telecommunications service, solid waste disposal service, janitorial service, snow removal, building maintenance and grounds maintenance. Sublessee shall pay for all such utilities and services before payment therefore becomes delinquent, and shall indemnify Sublessor against and hold Sublessor harmless with respect to all such charges.

ARTICLE 12 –REPAIRS

12.1 Sublessor shall, at its own cost and expense, undertake and make such repairs as may be necessary to keep the Building's structure, the Building's roof, the Building's exterior lighting, the Building's heating, ventilation and air conditioning systems, and the sidewalks located on the Land, in good order and repair, except for any of such repairs which are necessitated by the act or omission of Sublessee or Sublessee's agents, servants, employees, contractors and/or invitees.

12.2 Sublessee shall, at its own cost and expense, undertake and make (a) such repairs as may be necessary to keep the Demised Premises in good order and repair and which are not expressly and specifically required to be made by Sublessor under Section "12.1" above and (b) all repairs which are necessitated by the act or omission of Sublessee or Sublessee's agents, servants, employees, contractors and/or other invitees.

ARTICLE 13 – COMPLIANCE WITH LAWS AND REGULATIONS

13.1 Sublessee shall, at Sublessee's own cost and expense, execute and comply with all laws, orders, ordinances and regulations at any time issued or in force applicable to the Demised Premises, made by any governmental body and each and every department, official and bureau thereof, and by the appropriate Board of Fire Underwriters or similar authority relating to Sublessee's use and occupancy of the Demised Premises or any condition caused therein, thereat or thereon by Sublessee. The provisions of this Section "13.1" shall require, even if not specifically required by law, Sublessee to remove and dispose of, at its own cost and expense, any hazardous waste, originated and/or generated as a result of Sublessee's use and occupancy of the Demised Premises or otherwise existing at the Demised Premises by virtue of Sublessee's act or omission.

ARTICLE 14 – INSURANCE

14.1 Sublessee shall, at Sublessee's own cost and expense, at all times during the Construction Period and the during the Term, maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type, including, but not necessarily limited to:

(a) the same policies of insurance and/or insurance coverages which Sublessee is obligated to maintain pursuant to the terms and provisions of the Operating Agreement (naming Prime Lessor, Sublessor, EDGE and GUSC as additional insureds thereunder, except as to the Workers' Compensation policy); and

(b) a fire insurance policy with extended coverage endorsement on all of Sublessee's trade fixtures, equipment and other personal property located at or in the Demised Premises in an amount equal to the full replacement cost thereof.

14.2 Intentionally Omitted.

14.3 Intentionally Omitted.

14.4 Sublessee shall, on the Effective Date, deliver to Sublessor, together with proof of payment of the premium therefor, duplicate originals or a certificate of all policies of insurance required to be provided by Sublessee under this Article 14, which policies shall include an endorsement which states that such insurance may not be canceled except on at least thirty (30) days' prior written notice to Prime Lessor, Sublessor, EDGE, GUSC, and Sublessor's designees. All such policies shall be written by one or more responsible insurance companies "admitted" in the State of New York and shall waive any rights of subrogation on the part of the insurer against Prime Lessor, Sublessor, EDGE, GUSC and Sublessor's designees. At least twenty (20) days prior to expiration of each such policy, Sublessee shall deliver to Sublessor a duplicate original or a certificate of all policies procured in replacement or renewal thereof, which policy or policies, if in replacement, shall have a similar cancellation provisions.

14.5 During the Term, Sublessor shall arrange for and maintain replacement value property and casualty insurance (the "Sublessor's Insurance") with respect to the Demised Premises, and provide proof thereof to Sublessee. Sublessee shall bear the cost and expense and pay for that portion of Sublessor's Insurance. Sublessor, at its election, may satisfy its obligation to arrange for and maintain Sublessor's Insurance by either (i) obtaining a separate policy of property and casualty insurance for the Demised Premises or by designating the Demised Premises as an insured property on any blanket policy of property and casualty insurance ("Sublessor's Blanket Insurance Policy") which it keeps in force with respect to its properties in the Park. In the event that Sublessor elects to insure the Demised Premises under Sublessor's Blanket Insurance Policy, Sublessee shall pay to Sublessor, as additional rent, that portion of the total annual premium for Sublessor's Blanket Insurance Policy which is allocable to insuring the Demised Premises, which allocation shall be determined by Sublessor on the basis of data furnished to it by its insurer. Each Sublease Year, Sublessee shall pay the additional rent required by this Section "14.5" within thirty (30) days after Sublessor gives Sublessee notice of the amount thereof and an invoice therefor (which may be the same document). All policies of Sublessor's Insurance so obtained and maintained by Sublessor shall be written by one or more responsible insurance companies

authorized to do business in the State of New York.

14.6 Sublessor shall not be liable for any damage to or destruction of any of Sublessee's goods, merchandise, fixtures, equipment and/or leasehold improvements, by fire or other casualty, no matter how caused, it being understood that Sublessee will look solely to Sublessee's insurer for reimbursement and not to Sublessor.

14.7 Notwithstanding anything to the contrary herein contained, Sublessor, acting in its reasonable discretion, may from time to time adjust the policy limits, coverages, deductibles, and other provisions of various policies of insurance which Sublessee is required to provide Sublessor under this Sublease (taking into consideration levels of inflation, risk of loss, premium expenses, and other relevant factors, including the then practice of other prudent property owners in the vicinity of the Demised Premises) or if necessary to comply with the requirements of the Institutional Lenders, and may require Sublessee to furnish one or more additional insurance coverages.

ARTICLE 15 – CASUALTY LOSS

15.1 Sublessee shall give Sublessor immediate notice of any fire or other damage to, or destruction of, the Demised Premises. Sublessor shall, at Sublessor's own cost and expense, in the event of damage to or destruction of the Demised Premises by fire or other cause, repair or rebuild the same within a reasonable time (Sublessor's recovery of insurance proceeds shall be a factor considered in determining a reasonable time) provided, that if such cause is not insured against under Sublessor's Insurance or otherwise and is due to the fault of Sublessee or Sublessee's agents, servants, employees, or invitees, Sublessor shall have no such duty to repair or rebuild. No claim shall be made by Sublessee against Sublessor in any case for compensation or damages by reason of interruption of Sublessee's business, practice or occupation as a result of any damage to, or destruction of, the Demised Premises by fire or other cause, or arising from the necessity of repairing and rebuilding the same. Sublessee shall be entitled to equitable abatement of rent during any period of time that Sublessee is unable to use the Demised Premises for those purposes permitted under Section "3.1" by reason of damage thereto or destruction thereof by fire or other cause. Notwithstanding any provision of this Section "15.1" hereinbefore to the contrary, if more than fifty percent (50%) of the Demised Premises, or if such damage or destruction to the Demised Premises shall occur during the last Sublease Year of the Term and there is no renewal right which Sublessee has elected, or can elect, to exercise, Sublessor shall have the right, upon notice to Sublessee, to terminate this Sublease, upon which termination neither Sublessor nor Sublessee shall have any further rights or obligations under this Sublease except as may be expressly provided for herein, provided, however that Sublessee shall not be relieved of any obligation of which Sublessee was in default at the time of such termination, which obligation shall survive such termination, and provided further, that Sublessor shall be entitled to receive, as Sublessor's sole and exclusive property, all insurance proceeds payable by reason of such damage to or destruction of the Demised Premises. In order to exercise the right of termination provided by this Section "15.1", Sublessor shall give Sublessee notice thereof within thirty (30) days after damage to or destruction of the Demised Premises by fire or other cause.

15.2 In the event that the Demised Premises is damaged or destroyed, Sublessee shall have the right to terminate this Sublease (i) if such damage or destruction materially impairs

Sublessee's ability to make use of the Demised Premises in the customary operation of Sublessee's business thereat and (ii) the Demised Premises cannot within a period of twelve (12) months be repaired or restored to the same or better condition than they were in immediately prior to the occurrence of such damage or destruction.

ARTICLE 16 – NEGATIVE COVENANT

16.1 Sublessee shall not deface or disfigure the Demised Premises or any part thereof or suffer the same to be done. Sublessee shall not do anything, or suffer anything to be done, which causes or may cause structural injury to the Demised Premises or any part thereof provided, however that Sublessee shall not be liable for any structural injury to the Demised Premises or any part thereof by reason of any act performed with Sublessor's prior written consent and not performed in a negligent fashion.

16.2 Sublessee shall not permit any noxious or other annoying odors to emanate out of the Demised Premises or otherwise disturb the other owners, lessees or occupants of the Airport, the Park or the Base.

ARTICLE 17 – EMINENT DOMAIN

17.1 If the whole of Demised Premises shall be taken and condemned by any competent authority for any public use or purpose, the Term shall cease at the time of such taking or condemnation.

17.2 If part, but not the whole, of Demised Premises shall be taken and condemned by any competent authority for any public use or purpose, and Sublessee is unable to substantially use the Demised Premises for the uses it was making thereof immediately prior to such taking or condemnation, the Term shall cease at the time of such taking or condemnation.

17.3 If part, but not the whole, of Demised Premises shall be taken and condemned by any competent authority for any public use or purpose, and Sublessee is still substantially able to use the Demised Premises for the uses it was making thereof immediately prior to such taking or condemnation, this Sublease and the Term shall continue and rent shall be equitably abated; provided, however, that in such event, Sublessor shall, at Sublessor's own cost and expense, make all necessary repairs or alterations to Demised Premises so as to constitute that portion of Demised Premises not taken a complete architectural unit and as nearly similar in character to Demised Premises immediately prior to the taking, provided, however, that more than one (1) Sublease Year remains in the Term at the time of the taking and provided further that such repairs or alterations are reasonably feasible. If, during the period of any such repair or alterations, Sublessee is prevented from using the Demised Premises in whole or in part by reason thereof, rent shall be equitably abated while Sublessee is so prevented.

17.4 Any award resulting from any taking or condemnation of any part or the whole of Demised Premises by any competent authority for any use or purpose shall belong to, and be the sole and exclusive property of, Sublessor. Sublessee hereby assigns to Sublessor all right and claim which Sublessee may otherwise have to such award and agrees to execute any and all instruments or other documents which at any time may be necessary or requested therefor. Notwithstanding any provision of this Section "17.4" hereinbefore to the contrary, Sublessee

may make any separate claim with the condemning authority which it is permitted by law to make provided, however, that said separate claim does not reduce or adversely effect the amount of Sublessor's award.

17.5 If the Term shall cease due to a taking or condemnation as provided in this Article 17, rent, minimum or additional, shall be apportioned accordingly to the date the Term ceases.

ARTICLE 18 – CONDITION OF DEMISED PREMISES

18.1 Sublessee will inspect, know, and accept the condition and state of repair of the Demised Premises as of the date it takes occupancy thereof. It is understood and agreed that the Demised Premises are subleased to Sublessee in their "AS IS, WHERE IS" condition and "WITH ALL FAULTS" and without any representation or warranty by Prime Lessor or Sublessor concerning their condition and without obligation on the part of Prime Lessor or Sublessor to make any alterations, repairs, improvements or additions thereto except as specifically set forth in this Sublease. It is further understood and agreed that by taking occupancy, Sublessee shall be deemed to have accepted the Demised Premises in their then existing "AS IS, WHERE IS" condition and state of repair and "WITH ALL FAULTS" then existing, subject only to the completion by Sublessor of the items on the Punch List to the reasonable satisfaction of Sublessee. Neither Prime Lessor nor Sublessor shall be liable for any business losses or lost profits or opportunity or any other loss, expense or damage attributable or incident to the condition or state of repair of the Demised Premises. Sublessee acknowledges that neither Prime Lessor nor Sublessor has made any representation or warranty, express or implied, concerning the condition and/or state of repair of the Demised Premises, nor any agreement or promise to alter, improve, adapt or repair the Demised Premises which has not been specifically and expressly set forth in this Sublease.

18.2 Notwithstanding anything to the contrary contained in Section 18.1 above, in the event that Sublessor receives any warranties from contractors, subcontractors, mechanics, materialmen and/or suppliers in connection with the construction of the Building (including Sublessor's portion of the Building Connector) and/or the Related Improvements and/or any component parts thereof, Sublessor shall, if so requested by Sublessee, either (a) pursue any claim for breach or warranty which Sublessee reasonably deems legitimate or (b) assign the warranty in question to Sublessee to the extent necessary in order for Sublessee to pursue such claim for breach of warranty.

ARTICLE 19 – PRIME LESSOR'S/SUBLESSOR'S NON-LIABILITY

19.1 Notwithstanding anything to the contrary contained in this Sublease, neither Prime Lessor nor Sublessor shall be liable to Sublessee for any shortage or failure of heat, utilities or services at or in the Demised Premises or for interference with other incorporeal hereditaments, regardless of the cause therefor. No diminution or abatement of annual minimum rent or additional rent or any of Sublessee's other obligations hereunder shall be allowed for any reason or circumstance whatsoever unless expressly provided for in this Sublease. No interruption or curtailment of any utilities including, without limitation, steam, water, electricity, sewer and/or telecommunications services shall be deemed a constructive eviction.

19.2 No claim shall be made by Sublessee against Sublessor in any case for compensation or damages by reason of interruption of Sublessee's business or occupation as a result of any damage to, or destruction of, the Demised Premises or any part thereof by fire or any other cause, or arising from the necessity of repairing and rebuilding the same.

19.3 Sublessor shall not be liable to Sublessee for any loss or damage occasioned by or through the acts or omissions of other owners, tenants or occupants of the Airport, the Park or the Base.

ARTICLE 20 – INSPECTION

20.1 Prime Lessor, Sublessor and their respective agents or designated representatives shall be permitted to enter the Demised Premises at all reasonable times during Sublessee's usual business or office hours, and in the case of an emergency, at any time, for the purpose of inspecting the Demised Premises and making any necessary repairs thereto or rebuilding the same or performing any work therein which Prime Lessor or Sublessor desires to perform that may be necessary by reason of Sublessee's default under the terms of this Sublease. Nothing herein shall imply any duty on the part of Prime Lessor or Sublessor to do any work which under any provision of this Sublease the Sublessee is required to perform, and the performance thereof by Prime Lessor or Sublessor shall not constitute a waiver of any default by Sublessee. Neither Prime Lessor nor Sublessor shall be liable for inconvenience, annoyance, disturbance, loss of business or other damage to Sublessee by reason of making such repairs or performing any such work on or in the Demised Premises, or on account of bringing materials, supplies, tools, or equipment into or to the Demised Premises during the course of such work, and the obligations of Sublessee under this Sublease shall not thereby be relieved, diminished or otherwise affected in any manner.

20.2 During the last twelve (12) months of the Original Term, provided that Sublessee has not exercised its right to extend for the Renewal Term, Sublessor shall have the right, at reasonable times, upon prior notice to Sublessee, provided it does not unreasonably interfere with the business or occupation of Sublessee, to enter the Demised Premises and show the same to prospective lessees thereof and may, during such final twelve (12) month period, affix to any suitable part of the Demised Premises a notice of letting of the Demised Premises or any part thereof and shall have the right to keep the same affixed without hindrance or molestation, provided no such sign shall unreasonably interfere with light coming into the Demised Premises or with any sign of Sublessee at the Demised Premises.

20.3 During the last twelve (12) months of the Renewal Term, Sublessor shall have the right, at reasonable times, upon prior notice to Sublessee, provided it does not unreasonably interfere with the business or occupation of Sublessee, to enter the Demised Premises and show the same to prospective lessees thereof and may, during such final twelve (12) month period, affix to any suitable part of the Demised Premises a notice of letting of the Demised Premises or any part thereof and shall have the right to keep the same affixed without hindrance or molestation, provided no such sign shall unreasonably interfere with light coming into the Demised Premises or with any sign of Sublessee at the Demised Premises.

20.4 Sublessee shall permit an inspection of the Demised Premises by or on behalf of prospective purchasers of all or any portion of the Demised Premises at all reasonable times

upon prior notice to Sublessee, provided such inspection does not unreasonably interfere with the business or occupation of Sublessee and Prime Lessor and/or Sublessor may, at any time, affix to any suitable part of the Demised Premises a notice that the Demised Premises or some portion thereof is for sale and shall have the right to keep the same affixed without hindrance or molestation, provided no such sign shall unreasonably interfere with light coming into the Demised Premises or with any sign of Sublessee at the Demised Premises.

ARTICLE 21 – MECHANIC’S LIEN

21.1 If a notice of mechanic’s lien be filed against the Demised Premises or any part thereof for, or purporting to be for, labor or materials alleged to have been furnished to or for the Demised Premises at the request of Sublessee, Sublessee shall remove or discharge the same within thirty (30) days thereafter, and if Sublessee shall fail to remove or discharge such lien within such thirty (30) day period, Sublessor shall have the right, but not the obligation, to pay the amount of such lien, or discharge the same by deposit or bonding proceedings, without regard to the validity of such lien, and, in the event of such deposit or bonding proceedings, Sublessor may require the lienor to prosecute an appropriate action to enforce the lienor’s claim. In such case, Sublessor may pay any judgment recovered on such claim. Any liability or expense paid by Sublessor as provided in this Section “21.1” shall be deemed additional rent and shall be due and payable from Sublessee to Sublessor concurrently with the next monthly installment of annual minimum rent due after Sublessor gives Sublessee notice of such payment by Sublessor.

ARTICLE 22 – ATTORNMENT

22.1 In the event the Demised Premises or any part thereof or interest therein is sold voluntarily or pursuant to any mortgage foreclosure sale, or pursuant to the exercise of any power of sale under any mortgage made by Sublessor covering the Demised Premises or any part thereof, Sublessee shall attorn to the purchaser at such sale and recognize such purchaser as the “Sublessor” under this Sublease.

ARTICLE 23 – SUBORDINATION TO MORTGAGES

23.1 This Sublease shall be subject and subordinate in lien to the lien of any mortgages now existing or which Prime Lessor and/or Sublessor and/or the Agency may hereafter place upon the Demised Premises or upon any of their respective interests therein and/or appurtenant thereto, and to all terms, conditions or other provisions of such mortgage(s), and to any renewals, extensions, modifications or replacements thereof. This subordination shall be self-operative. However, Sublessee agrees to execute, acknowledge and deliver any and all documents which may be reasonably requested by Prime Lessor and/or Sublessor and/or the Agency and/or the Institutional Lenders in order to confirm and/or evidence the aforesaid subordination.

23.2 Sublessee shall not act or fail to act in a manner which would cause a default under any mortgages now existing or which any of the Prime Lessor and/or Sublessor and/or the Agency may hereafter place upon the Demised Premises.

23.3 Sublessee acknowledges and agrees that the Prime Lessor and/or Sublessor and/or the Agency shall have the right to mortgage, hypothecate, grant a lien upon or security interest in, or otherwise encumber, their respective leasehold interests and/or fee interests and/or other interests in the Demised Premises.

ARTICLE 24 – ASSIGNMENT AND SUBLETTING

24.1 Sublessee shall not, whether voluntarily, involuntarily, or by operation of law, assign, mortgage or encumber this Sublease (or Sublessee's interest hereunder), sublet all or any part of the Demised Premises or permit any other person to occupy the same without Sublessor's prior written consent. Sublessor's consent to any assignment or subletting shall not release Sublessee from any of its obligations hereunder including, without limitation, the payment of minimum rent, additional rent or other sums provided for herein. Sublessor's acceptance of rent, additional rent or other sums from any other person shall not be deemed a waiver of any provision hereof or a consent to the assignment or subletting of the Demised Premises. Notwithstanding the above, Sublessee may sub-sublease office space located within the Subleaseable Office Space Area of the Building to individuals and/or entities whose business or profession is aviation-oriented provided, however, that Sublessee obtains Sublessor's prior written consent to any such sub-sublease, which consent shall not be unreasonably withheld, conditioned or delayed.

24.2 If Sublessee is a corporation, then the sale, issuance or transfer of any voting capital stock of Sublessee or any corporate entity which directly or indirectly controls Sublessee (unless Sublessee is a corporation whose stock is traded on the New York Stock Exchange, the American Stock Exchange, NASDAQ or any other nationally recognized exchange) which shall result in a change in the voting control of Sublessee or the corporate entity which controls Sublessee shall be deemed to be a prohibited assignment of this Sublease. If Sublessee is a partnership, a limited liability company or an unincorporated association, then the sale, issuance or transfer of a majority interest therein, or the transfer of a majority interest in or a change in the voting control of any partnership, limited liability company or unincorporated association or corporation which directly or indirectly controls Sublessee, or the transfer of any portion or all of any general partnership or managing partnership interest, or membership interest shall be deemed to be a prohibited assignment of this Sublease.

ARTICLE 25 – NOTICES

25.1 All notices, demands or other communications hereunder shall be in writing and shall be either delivered personally or sent by certified mail postage prepaid, return receipt requested or by a nationally recognized overnight courier service (e.g., UPS, Airborne or Federal Express) paid by shipper, receipt requested, addressed as follows or to such other address as either party may specify in writing to the other:

If to Sublessor:

Griffiss Local Development Corporation
153 Brooks Road
Rome, New York 13441
Attention: Mr. Steven J. DiMeo, Its Authorized Representative

With a copy (which shall not constitute notice) to:

Saunders Kahler, L.L.P.
185 Genesee Street, Suite 1400
Utica, New York 13501-2194
Attention: Joseph E. Saunders, Esq.

If to Sublessee:

Freeman Holdings of New York, L.L.C.
Main Terminal-Forbes Field
Topeka, Kansas 66619
Attention: Mr. F.B. Freeman, Its Managing Member

With a copy (which shall not constitute notice) to:

Thomas W. Cline, Esq.
P.O. Box 67
Gainesville, MO 65655

ARTICLE 26 – PAYMENT

26.1 All payments or evidence of payment required to be made or provided by Sublessee to Sublessor shall be made and provided to Sublessor at its 153 Brooks Road, Rome, New York 13441 offices marked “Attention: Chief Financial Officer” or at such other place or places of which Sublessor may from time to time give notice to Sublessee. All payments shall be in lawful money of the United States of America. With the exception of annual minimum rent, all monetary sums due to Sublessor from Sublessee pursuant to this Sublease shall be deemed additional rent. No payment to, or receipt by, Sublessor of a lesser amount than the amount then required to be paid hereunder shall be deemed to be other than on account of the earliest amount of any obligations then due hereunder, notwithstanding any notation, legend or instruction of Sublessee to the contrary, which notations, legends or instructions shall be null and void. No endorsement or statement on any check or other communication accompanying a check for payment of any amounts payable hereunder shall be deemed an accord and satisfaction, and Sublessor may accept such check in payment without prejudice to Sublessor’s right to recover the balance of any sums owed by Sublessee hereunder or to pursue any other remedy available in this Sublease, or under law or at equity, against Sublessee.

26.2 Sublessee shall not withhold any rent, additional rent or other sums due to Sublessor for any reason. In the event Sublessee has a good faith claim against or dispute with Sublessor, Sublessee shall deliver all rent, additional rent and other sums currently due to Sublessor together with a letter of protest identifying each and every claim against or dispute with Sublessor and itemizing all sums in dispute.

26.3 In the event that Sublessee shall pay any rent, additional rent or other charge under protest, Sublessor and Sublessee shall resolve the dispute in the following manner: as

soon as reasonably convenient, and in no event later than fifteen (15) days after Sublessee's protest, the parties shall negotiate and attempt in good faith for a period of at least thirty (30) days to resolve the dispute. Thereafter, if the dispute remains unresolved, each of the parties may, subject to the provisions of this Sublease, exercise any rights and remedies available to it at law or in equity.

ARTICLE 27 – SUBORDINATION TO PRIME LESSOR AND/OR SUBLESSOR – AGENCY TRANSACTION

27.1 Sublessor has advised Sublessee that Prime Lessor and/or Sublessor may, in the future, enter into one or more sale-leaseback, lease-leaseback or other arrangements or agreements with the Agency (each, an "Agency Transaction") relating to all or some portion of the Airport (including the Demised Premises) for the purpose of obtaining one or more forms of financial assistance from the Agency including, without limitation, relief from sales tax and/or mortgage recording tax. This Sublease automatically shall be subject and subordinate to each such sale-leaseback, lease-leaseback or other arrangement or agreement between the Agency and Prime Lessor and/or Sublessor. This subordination shall be self-operative. However, Sublessee shall execute and deliver such agreements, documents and/or instruments as the Agency, Prime Lessor and/or Sublessor may request to consummate each such sale-leaseback, lease-leaseback, or other arrangement or agreement (including, without limitation, the Agency's standard environmental compliance and indemnification agreement for sublessees) as well as to confirm and/or evidence said subordination.

ARTICLE 28 – HOLDOVER

28.1 Should Sublessee continue to occupy the Demised Premises after expiration of the Term, or after a forfeiture incurred, whether with or without the consent of Sublessor, then, unless expressly provided otherwise in a writing signed by Sublessor, such tenancy shall be from month-to-month and in no event from year-to-year or term-to-term, and such month-to-month tenancy shall be under all the terms, covenants and conditions of this Sublease, except that Sublessee shall pay to Sublessor (a) in the case of expiration, one and one-half (1½) times the monthly rent payable immediately preceding such expiration and, (b) in the case of forfeiture, one and one-half (1½) times the monthly rent which would thereafter have been payable but for such forfeiture. Nothing contained in this Sublease shall be deemed to authorize any holdover by Sublessee.

ARTICLE 29 – CHANGES

29.1 This Sublease may not be amended, modified or changed, except by a written instrument executed by both Sublessor and Sublessee expressly so providing and consented to by Prime Lessor, in writing.

ARTICLE 30 – DEFAULT

30.1 If, before or after the commencement of the Term, Sublessee shall file in any court pursuant to any statute, either of the United States or of any state, a petition in bankruptcy or insolvency, or for reorganization or arrangement, or for appointment of a receiver or trustee of all or any portion of such person's property, or a petition in bankruptcy or insolvency shall be

filed against Sublessee in any court pursuant to any statute, either of the United States or of any state and such petition shall not be dismissed within thirty (30) days after the filing thereof, the Term shall thereby, at the option of Sublessor, cease, and Sublessee shall immediately quit and surrender the Demised Premises to Sublessor, and in that case, neither Sublessee nor anybody claiming under Sublessee shall be entitled to possession, or to go into possession, of the Demised Premises, except for the temporary purpose of removing any alterations or personalty which it is permitted or required to remove under this Sublease, unless so ordered by a Court with jurisdiction over the subject matter.

30.2 If, after commencement of the Term, (i) any of the events mentioned in the immediately preceding Section "30.1" shall occur, (ii) the Demised Premises become vacant, abandoned or deserted for a period of thirty (30) days or more, (iii) the Demised Premises are used for some purpose other than a use permitted under this Sublease or for some purpose restricted under this Sublease, and any such use continues for more than thirty (30) days after notice from Sublessor, (iv) any execution, attachment or other process of law which deprives Sublessee of Sublessee's estate created by this Sublease is issued and Sublessee fails to vacate or set aside such execution, attachment or other process within thirty (30) days after such issuance, (v) Sublessee shall default in fulfilling any of the covenants or provisions of this Sublease relating to insurance for more than ten (10) days after notice from Sublessor, (vi) Sublessee shall fail to pay any item of annual minimum rent or additional rent or any part of either for a period of more than ten (10) days after the same is first due and payable, (vii) Sublessee shall default in removal of a mechanic's lien within the thirty (30) day time period specified in Article 21 hereof, (viii) Sublessee shall be in default under the Operating Agreement (beyond the applicable period of notice and/or grace set forth therein, if any); (ix) either Prime Lessor or Sublessee shall terminate the Operating Agreement, (x) Sublessee acts or fails to act in a manner which causes a default under the Prime Lease or the other Prime Lease Documents; or (xi) Sublessee shall be in default with respect to any other term or provision of this Sublease or any of the Sublease Documents for more than thirty (30) days after notice from Sublessor, then, in any of such events, the Term shall thereby, at the option of Sublessor, on the day specified in a notice to Sublessee of exercise of such option, cease, and Sublessee shall immediately quit and surrender the Demised Premises to Sublessor, but Sublessee shall remain liable as hereinafter provided in Section "30.3".

30.3 If Sublessor has exercised the option to cause the Term to cease as hereinbefore provided in this Article 30, Sublessor may immediately or at any time thereafter, re-enter the Demised Premises and remove all persons and all or any property therefrom, either by summary proceedings or by any suitable action or proceeding at law, or by force or otherwise, without being liable, in the case of summary proceedings, for indictment, prosecution or damages therefor, and may repossess and enjoy the Demised Premises. Regardless of the foregoing, Sublessor acknowledges that in the event criminal activities occur, Sublessee does not have the authority nor ability to grant immunity from criminal prosecution. Whether or not Sublessor exercises such option to cause the Term to cease, Sublessor may either relet the Demised Premises or any part or parts thereof for Sublessor's own account, or may, at Sublessor's option, relet the Demised Premises or any part or parts thereof as the agent of Sublessee, and, in either such event, receive the rents therefrom, applying the same first to payment of such expenses as Sublessor may have incurred in reletting, then to the fulfillment of Sublessee's covenants herein and, if there be any excess then remaining, such excess shall belong to Sublessor. Sublessee shall remain liable for any deficiency. Sublessor may relet the Demised Premises for a term

extending beyond the Term and Sublessee shall nevertheless remain liable as hereinafter provided. Any funds so collected shall be applied against any monies Sublessee is obligated to pay on this Sublease. In the event the Term shall cease as provided in this Article 30, then whether or not the Demised Premises be relet, Sublessee shall remain liable for, and Sublessee hereby agrees to pay to Sublessor until the time when this Sublease would have expired but for such termination or early expiration, the equivalent of the amount of all the annual minimum rent and additional rent reserved herein, less the avails of reletting, if any, and the same shall be due and payable by Sublessee to Sublessor on the several rent days above specified, that is, upon each of such rent days Sublessee shall pay to Sublessor the amount of the deficiency then existing. Sublessee hereby expressly waives any and all right of redemption granted by or under any present or future laws in case Sublessee shall be dispossessed by judgment or warrant of any court or judge. The words "re-enter" and "re-entry" as used in this Sublease are not restricted to their technical legal meanings.

30.4 If not already provided in this Sublease, if Sublessee shall default in performing any covenant contained in this Sublease on Sublessee's part to be performed, Sublessor shall have the right, but not the obligation, immediately or at any time thereafter, without notice, to perform the same for the account of Sublessee, and, in the event Sublessor pays any monies in connection with such performance on account of Sublessee, the amount thereof shall be deemed additional rent due and payable concurrently with the next monthly installment of annual minimum rent following Sublessor giving Sublessee notice of such payment.

30.5 In the event of the breach by Sublessee of any of the covenants and conditions of this Sublease, Sublessor shall have the right of injunction and a right to invoke any remedy at law or in equity as if re-entry, summary proceedings and other remedies were not provided herein.

30.6 In the event the Demised Premises shall become vacant by reason of Sublessee's removal therefrom, whether with respect to a default or not, Sublessor shall have no obligation to attempt to relet the Demised Premises or to repair any damages thereto caused by Sublessee. Sublessee acknowledges that Sublessee has a better ability than Sublessor to seek a potential replacement sublessee for the Demised Premises. If Sublessee believes that Sublessor should consider a replacement sublessee for the Demised Premises, then Sublessee shall locate such replacement sublessee. Sublessor shall not unreasonably refuse to re-let the Demised Premises to any such replacement sublessee located by Sublessee provided, however, that such replacement sublessee is financially sound, is qualified to run, and has a substantial history of running, fixed based operations at one (1) or more public airports, and has been generally successful in doing so, and provided further that Prime Lessor and such replacement sublessee have agreed to enter into an Operational and Management Agreement for Fixed Based Operator with respect to the Airport.

30.7 Notwithstanding anything to the contrary herein contained, in the event the Term shall cease as provided in this Article 30 due to Sublessee's failure to pay any item of annual minimum rent or additional rent or any part of either for a period of more than ten (10) days after the same is first due and payable, or otherwise due to a default by Sublessee (which default continues beyond the applicable period of notice and/or grace set forth herein, if any), then whether or not the Demised Premises be relet, Sublessee shall remain liable for, and Sublessee hereby agrees to pay to Sublessor until the time when this Sublease would have expired but for

such termination or early expiration, the equivalent of the amount of all the annual minimum rent and additional rent reserved herein, less the avails of reletting, if any, and the same shall be immediately due and payable, in full, by Sublessee to Sublessor upon notice and demand by Sublessor.

30.8 No receipt of monies by Sublessor from or for the account of Sublessee or from anyone in possession or occupancy of the Demised Premises after the termination of this Sublease or after the giving of any notice of termination shall reinstate, continue or extend the Term or affect any notice given to Sublessee prior to the receipt of such money.

ARTICLE 31 – WAIVER

31.1 Failure of Sublessor to insist in any one or more instances upon strict performance of any of the covenants of this Sublease which Sublessee is required to perform, or to exercise any option herein contained, shall not be considered or construed as a waiver or relinquishment for the future of such covenants or option, but the same shall continue and remain in full force and effect. Receipt by Sublessor of annual minimum rent or additional rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach and no waiver by Sublessor of any provision of this Sublease or any of the other sublease documents shall be deemed to have been made unless made in accordance with the provisions of Section “31.3” hereof. Any written consent by Sublessor required under this Sublease shall not, if given, be construed as a waiver of the need for such consent in the future. No act or thing done by Sublessor or Sublessor’s agents during the Term shall be deemed an acceptance of a surrender of the Demised Premises and no agreement to accept such surrender shall be valid unless in writing signed by Sublessor. No employee of Sublessor or of Sublessor’s agents shall have any power to accept the keys of said Demised Premises prior to the termination of the Sublease. The delivery of keys to any employee of Sublessor or of Sublessor’s agents shall not operate as a termination of the Sublease or a surrender of the Demised Premises.

31.2 Failure of Sublessee to insist in any one or more instances upon strict performance of any of the covenants of this Sublease which Sublessor is required to perform, or to exercise any option herein contained, shall not be considered or construed as a waiver or relinquishment for the future of such covenants or option, but the same shall continue and remain in full force and effect. No waiver by Sublessee of any provision of this Sublease shall be deemed to have been made unless clearly expressed in writing, signed by Sublessee. Any written consent by Sublessee required under this Sublease shall not, if given, be construed as a waiver of the need for such consent in the future.

31.3 Sublessor may unilaterally waive, release or terminate any of the Sublessee’s duties or obligations under this Sublease or under any of the other Sublease Documents provided, however, that, in order to be effective, any such waiver, release or termination must (a) be in writing and signed by an authorized representative of Sublessor, (b) clearly state the particular duty or obligation of Sublessee which Sublessor is waiving, releasing or terminating, and (c) recite that such waiver, release or termination is being made pursuant to this Section “31.3”.

ARTICLE 32 – GENERAL

32.1 Any covenant mentioned in this Sublease to be performed by Sublessee, shall be performed, unless otherwise provided and if not already so stated, at Sublessee's own cost and expense and shall be deemed a condition as well as a covenant. Any covenant mentioned in this Sublease to be performed by Sublessor shall be performed, unless otherwise provided and if not already so stated, at Sublessor's own cost and expense and shall be deemed a condition as well as a covenant. All monetary sums due to Sublessor under this Sublease which do not constitute annual minimum rent shall be deemed to constitute additional rent.

ARTICLE 33 – REAL ESTATE BROKER

33.1 Sublessor and Sublessee each warrant and represent to the other that no real estate broker or any other person entitled to commissions has been instrumental in bringing about this Sublease. Furthermore, if any person makes claim for such commissions and either party is required to pay for the same or incur any expense in connection therewith on account of it being established that such person was retained by the other party or acted at the other party's request, expressed or implied, the party responsible therefor shall hold the other party harmless therefrom and indemnify such other party for any payment or expense which such other party is required to so make or incur.

ARTICLE 34 – INVALIDITY

34.1 If any provision of this Sublease is held invalid, illegal or unenforceable,

(a) the validity, legality and enforceability of the remaining provisions of this Sublease shall not be affected or impaired in any way; and

(b) the parties shall negotiate in good faith in an attempt to agree to another provision (instead of the provision held to be invalid, illegal or unenforceable) that is valid, legal and enforceable and carries out the parties' intentions to the greatest lawful extent under this Sublease.

ARTICLE 35 – INDEMNITY

35.1 Sublessee agrees to indemnify and save Sublessor harmless from and against any and all claims, demands, costs, expenses (including reasonable attorneys' fees and disbursements) and liabilities (except such as result from the intentional or negligent act of Sublessor or Sublessor's agents, servants or employees or the failure of Sublessor to perform any act or do anything required of Sublessor under this Sublease) for or in connection with any accident, injury or damage whatsoever caused to any person or property arising or occurring at, under or in the Demised Premises or any part thereof, directly or indirectly out of the business or occupation conducted, or the improvements made by the Sublessee at, under or in the Demised Premises or arising from any act or omission of Sublessee or any contractor, subcontractor, materialman, supplier, vendor or concessionaire of Sublessee or their respective agents, servants and employees or in any other respect associated with, occurring at, under or in, or relating to the Demised Premises.

The indemnity contained in this Section 35.1 shall survive the expiration or termination of this Sublease, and Sublessee's obligations hereunder shall apply whenever Sublessor suffers or incurs claims, demands, costs, expenses or liabilities for the actions or omissions of Sublessee or any contractor, subcontractor, materialman, supplier, vendor or concessionaire of Sublessee or their respective agents, servants or employees, of the types described in this Section 35.1, regardless of when such actions or omissions occur.

ARTICLE 36 – SECURITY

36.1 Sublessor shall have no obligation of any kind to keep the Demised Premises or the Parking Lot secure or to keep any other premises at the Base secure.

ARTICLE 37 – SIGNS

37.1 Sublessee shall not place or install any signs on the exterior walls of the Building or elsewhere on or within the Demised Premises without Prime Lessor's and Sublessor's prior written consent, which consents shall not be unreasonably withheld, delayed or conditioned. Any sign installed by Sublessee shall conform in every way with the rules and regulations of any governmental, department or agency having jurisdiction thereover, and with any law of the state, county and/or municipality with regard thereto and with the Airport Rules and Regulations. No sign placed by Sublessee on the exterior of the Building or elsewhere on or within the Demised Premises with Prime Lessor's and Sublessor's consent shall be "flashing" or "animated" or one which would otherwise have variations in the intensity of illumination, except with Prime Lessor's and Sublessor's prior written consent.

ARTICLE 38 – RELATIONSHIP

38.1 Nothing contained in this Sublease shall be deemed or construed to create the relationship of principal and agent, partnership or joint venture, or any other relationship between Sublessor and Sublessee, except that of sub-landlord and sub-tenant.

ARTICLE 39 – LIMITED OBLIGATIONS

39.1 Sublessee acknowledges and agrees that Sublessor shall have no obligations whatsoever with respect to the Demised Premises, the General Aviation Hangar, the Access Road, the Parking Lot and/or the Utilities except to the extent that such obligations are specifically and expressly set forth in this Sublease.

ARTICLE 40 – QUIET ENJOYMENT

40.1 Except as may otherwise be provided herein or in the Prime Lease, Sublessee, upon paying the annual minimum rent and additional rent and other charges provided for by this Sublease, and performing all the other terms of this Sublease on Sublessee's part to be performed, shall quietly have, hold and enjoy the Demised Premises during the Term without hindrance or molestation, subject, however, to the reservations and conditions of this Sublease, the Prime Lease, the Agency Transaction, if any, and any mortgage to which this Sublease is now or hereafter may be subordinate.

ARTICLE 41 – CAPTIONS

41.1 The Article and Section captions contained in this Sublease are for convenience only and do not define, limit or construe the contents of such Articles and Sections and are in no way to be construed as part of this Sublease.

ARTICLE 42- REFERENCES

42.1 Wherever in this Sublease the singular number is used, the same shall include the plural, and the masculine, feminine and neuter gender shall include each other, if otherwise applicable or appropriate. Any reference in this Sublease to “Section” or “Article”, unless expressly indicated otherwise, refers to a Section or Article of this Sublease.

ARTICLE 43 – EXCULPATION

43.1 The term “Sublessor” as used in this Sublease shall mean Griffiss Local Development Corporation so long as it has not transferred or conveyed its right, title and interest in the Demised Premises or any of its interests therein including, without limitation, its interest in the Option Property (as such term is defined in the Prime Lease) and, should it make any such transfer or conveyance, Griffiss Local Development Corporation shall thereupon be entirely released from all covenants and other obligations of the Sublessor under this Sublease (except for covenants or obligations upon which the Sublessor is in default on the date of such conveyance) and the term “Sublessor” shall apply to the grantee of such conveyance, and the benefits of this Section “43.1” shall apply to such grantee and subsequent grantees, if any. The release of Sublessor described herein shall be self-operative. However, Sublessee shall execute and deliver such agreements, releases, documents and/or instruments as Sublessor may request to confirm and/or evidence such release.

43.2 Sublessor shall not be responsible or liable to Sublessee for any injury or damage resulting from acts or omissions of persons occupying property adjoining the Demised Premises, or for any injury or damage resulting to Sublessee or its property from bursting, stoppage, or leaking of water, gas, sewer or steam pipes, except when such loss or damage arises from the willful or negligent misconduct of Sublessor, its agents, servants, or employees, or from Sublessor’s failure within a reasonable period of time after being given access to the Demised Premises by Sublessee to make the repairs required of it pursuant to Section “12.1” above.

43.3 In the event of any default by Sublessor in performing any of Sublessor’s obligations under this Sublease, Sublessor shall have no personal liability on account thereof and Sublessee shall, as Sublessee’s sole remedy, look solely to Sublessor’s right, title and interest in the Demised Premises or to any insurance proceeds received by Sublessor relating to the Demised Premises.

ARTICLE 44 – LATE CHARGES; INTEREST

44.1 In the event that any payment provided herein shall become overdue for a period in excess of ten (10) days, a late charge of five cents (5¢) for each dollar so overdue shall become immediately due to Sublessor as liquidated damages for failure to make prompt

payment. Said late charge shall be additional rent and shall be payable together with the next installment of annual minimum rent.

44.2 Any item of annual minimum rent and additional rent becoming due under this Sublease and not paid when due shall bear interest from the date upon which the Sublessor gives the Sublessee written notice that such payment is past due until received by the Sublessor in immediately available funds at the lesser of (i) four percent (4%) per annum above the prime rate announced from time to time by Bank of America or its successor or (ii) the highest lawful rate of interest permitted by law at the time.

ARTICLE 45 – BENEFIT

45.1 This Sublease shall be binding upon and inure to the benefit of the Sublessor and its successors and assigns, and Sublessee and its permitted successors and assigns. If there be more than one person jointly referred to as “Sublessee”, each such person so jointly referred to shall be jointly and severally liable for all of the covenants, agreements and obligations of this Sublease required to be performed or observed by the Sublessee.

ARTICLE 46 – ATTORNEYS’ FEES

46.1 Except as may otherwise be provided in this Sublease, in the event Sublessor retains one or more attorneys to bring any legal action (whether informally by way of telephone conferences, meetings, correspondence, etc. or formally by way of an arbitration or administrative proceeding or court proceeding) to recover any monies due from Sublessee under this Sublease, or to compel Sublessee to perform any other covenant and/or condition which Sublessee is obligated to perform under this Sublease, or in the event Sublessor retains one or more attorneys to defend against any obligation imposed or intended to be imposed upon Sublessor on account of Sublessee's failure or alleged failure to perform Sublessee's obligations under this Sublease or on account of any other act or failure to act on the part of Sublessee, Sublessee shall be responsible for, and pay to Sublessor, all reasonable attorneys’ fees and any other reasonable costs and disbursements incurred by Sublessor in connection therewith, provided, however, that Sublessor is the successful or prevailing party. The amount of such attorneys’ fees and other costs and disbursements shall be deemed additional rent and shall be due and payable by Sublessee to Sublessor on the first (1st) day of the month following Sublessor giving Sublessee notice of the amount thereof and demand therefor.

46.2 Except as may otherwise be provided in this Sublease, in the event Sublessee retains one or more attorneys to bring any legal action (whether informally by way of telephone conferences, meetings, correspondence, etc. or formally by way of an arbitration or administrative proceeding or court proceeding) to recover any monies due from Sublessor under this Sublease, or to compel Sublessor to perform any other covenant and/or condition which Sublessor is obligated to perform under this Sublease, or in the event Sublessee retains one or more an attorneys to defend against any obligation imposed or intended to be imposed upon Sublessee on account of Sublessor's failure or alleged failure to perform Sublessor's obligations under this Sublease, or on account of any other act or failure to act on the part of Sublessor, Sublessor shall be responsible for, and pay to Sublessee, all reasonable attorneys’ fees and any other reasonable costs and disbursements incurred by Sublessee in connection therewith, provided, however, that Sublessee is successful or prevailing party. The amount of such

attorneys' fees and other costs and disbursements shall be due and payable by Sublessor to Sublessee on the first (1st) day of the month following Sublessee giving Sublessor notice of the amount thereof and demand therefor.

ARTICLE 47- SUBLESSOR'S CONTINGENCIES

47.1 Sublessor's obligation to perform under this Sublease is expressly contingent upon each of the following occurring (or being waived by Sublessor, in writing) within one hundred eighty (180) days after the Effective Date:

(a) Sublessor's having obtained the execution and delivery by Prime Lessor of the Prime Lease, in form and content satisfactory to Sublessor, in its sole discretion;

(b) Sublessor's having obtained the execution and delivery by Prime Lessor and Sublessee of the Operating Agreement, in form and content satisfactory to Sublessor, in its sole discretion;

(c) Sublessor's having obtained an unconditional commitment for, and closing upon, the Institutional Financing, which Institutional Financing shall be in an amount and otherwise on terms and conditions satisfactory to Sublessor, in its sole discretion;

(d) Sublessor's having obtained the approval of this Sublease by its Board of Directors; and

(e) Sublessor's having obtained all required consents, approvals, permits, variances and/or authorizations necessary for it to undertake the Project including, without limitation, the consent, approval, permit, variance and/or authorization of the New York State Department of State, the Federal Aviation Administration, the Air Force, and the New York State Department of Environmental Conservation and the time period for appealing or otherwise challenging each such consent, approval, permit, variance and/or authorization having expired without any such appeal or challenge having been filed, commenced, interposed or otherwise brought.

If Sublessor is unable or fails to obtain each and every one of the items described above within one hundred eighty (180) days after the Effective Date, Sublessor may terminate this Sublease whereupon neither party shall have any further rights or obligations under this Sublease except as may be expressly provided for herein.

ARTICLE 48 – SUBLESSEE'S SURRENDER AND TURN-OVER OBLIGATIONS

48.1 Upon the expiration or earlier termination of this Sublease, Sublessee shall surrender the Demised Premises (together with any alterations, additions and improvements thereto made by Sublessee including, without limitation, Sublessee's Pre-Commencement Date Improvements and Sublessee's Post-Commencement Date Improvements, if any) to Sublessor in as good condition and repair as they were in on the Commencement Date, or may have been put during the continuance hereof, ordinary wear and tear and damage by fire or the elements beyond Sublessee's control excepted.

48.2 Upon the expiration or earlier termination of this Sublease or the Operating Agreement, or if Sublessee vacates the Demised Premises or is removed therefrom, Sublessee shall turnover, deliver and transfer unto Sublessor, quietly and peaceably, all of Sublessee's Building Personalty (the "Sublessee's Turnover Obligation to Sublessor"). Sublessee's Building Personalty shall be turned-over, delivered and transferred by Sublessee to Sublessor in sound condition and in a good and usable state of repair, subject only to normal wear and tear and natural depreciation occurring after the acquisition thereof by Sublessee. Sublessee shall execute and deliver such bills of sale, assignments, conveyances and/or other instruments as Sublessor shall reasonably request in order to evidence and/or confirm that Sublessee has turned-over, delivered and transferred Sublessee's Building Personalty to Sublessor.

48.3 Sublessee's obligations under this Article 48 shall survive the expiration or earlier termination of this Sublease.

ARTICLE 48A – ONEIDA COUNTY AIRPORT

48A.1 Sublessee acknowledges that the Airport is currently certificated under Part 139 of the FAA Regulations as a Class IV Airport. Nothing contained herein shall be deemed to limit or restrict the ability of Prime Lessor or any other qualified airfield operator (e.g., an Airport Authority) from operating the Airport as a public airport.

48A.2 This Sublease shall be subordinate to the provisions of any existing or future agreements between Prime Lessor and the United States of America relative to the operation and 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. All provisions of this Sublease shall be subordinate to any right of the United States of America to lease or otherwise assume control over the Airport, or any part thereof, during time of war or national emergency for military use and any provisions of this Sublease inconsistent with the provisions of such lease to, or assumption of control by, the United States of America shall be suspended.

48A.3 This Sublease shall be amended by the parties from time to time in order to comply with Federal laws, regulations or policies as they may be enacted, issued or amended from time to time. The parties agree that nothing in this Sublease shall compel a party to comply with a provision that is then in violation of or conflict with Federal laws, regulations or policies as they may be enacted, issued or amended from time to time.

ARTICLE 48B – OPERATING AGREEMENT

48B.1 The Operating Agreement, a copy of which shall be annexed hereto as **Exhibit F**, may not be amended or modified as it pertains to the Sublease or the Demised Premises without Sublessor's prior written consent.

48B.2 Sublessee acknowledges and agrees that to the extent that the Operating Agreement affects or relates to the Demised Premises or Sublessor's rights under this Sublease, it shall be subject and subordinate to this Sublease (which Sublease, in turn, is subject and subordinate to the Prime Lease). This subordination shall be self-operative. However, Sublessee shall execute and deliver such agreements, documents and/or instruments as Sublessor may

request to confirm, evidence and/or implement said subordination (including, without limitation, a subordination agreement by and among Prime Lessor, Sublessor and Sublessee).

48B.3 Sublessee immediately shall notify Sublessor in the event that Prime Lessor defaults under the Operating Agreement (which default is not cured within the applicable period notice and/or grace provided to Sublessee therein, if any) or in the event that either Prime Lessor or Sublessee terminates the Operating Agreement (or said Operating Agreement is otherwise terminated).

ARTICLE 49– MEMORANDUM OF SUBLEASE

49.1 This Sublease shall not be recorded. If requested by either the Sublessor or the Sublessee, the parties hereto shall execute a memorandum of this Sublease in proper form for the purpose of recording (together with any other documents which may be required in order to record such memorandum) and cause the same to be recorded at Sublessee's cost and expense. Such memorandum shall not be deemed to modify or change any provision of this Sublease.

ARTICLE 50 – FURTHER ASSURANCES

50.1 At and after the Effective Date, upon the request of either party, the other party shall take such action and execute and deliver to such requesting party such further instruments, documents or agreements as are reasonably required in order to complete and otherwise effect and carry out the terms and intentions of this Sublease. Notwithstanding the above, Sublessee shall not be entitled to any further assurances if it is in default hereunder.

ARTICLE 51 – GOVERNING LAW; FORUM

51.1. All matters arising out of or relating to this Sublease shall be governed by and construed in accordance with the law of the State of New York, without reference to its choice of law rules or principles.

51.2 Any party bringing an action or proceeding against the other party arising out of or relating to this Sublease shall bring such action or proceeding in either the United States District Court for the Northern District of New York or in a court of competent jurisdiction of the State of New York sitting in the County of Oneida.

ARTICLE 52 – COUNTERPARTS

52.1 This Sublease may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

ARTICLE 53 – SUBLESSEE ESTOPPEL CERTIFICATES

53.1. Sublessee shall, within ten (10) days after a request by Sublessor, execute, acknowledge and deliver to Sublessor a written statement certifying that this Sublease is unmodified and in full force and effect (or that it is in full force and effect as modified, listing the instruments of modification), the dates to which the rent and other charges have been paid, whether or not to the best of Sublessee's knowledge, Sublessor is in default hereunder (and, if so, specifying

the nature of each default), and whether or not the Sublessee has any offset, counterclaim or defense (and, if so, specifying the nature of such offset, counterclaim or defense).

ARTICLE 54 – FORCE MAJEURE

54.1. If Sublessor is delayed, hindered or prevented from performing any act required under this Sublease by reason of construction delays, strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive government laws or regulations, riots, insurrections, the act, failure to act or default of Sublessee, war, terrorist act, or other reason beyond Sublessor's control, then performance of the act shall be excused for the period of the delay. In that event, the period for the performance of the act shall be extended for a period equivalent to the period of the delay.

ARTICLE 55 – RIGHTS AND REMEDIES

55.1. Subject to the provisions of this Sublease, each party will have and may exercise any rights and remedies available to it at law or in equity. Notwithstanding anything to the contrary contained in this Sublease, the parties may agree (but shall not be obligated) to enter into binding arbitration in lieu of an action in law or equity.

ARTICLE 56- BANKRUPTCY AND INSOLVENCY

56.1 Sublessee's interest in this Sublease shall not pass to any trustee or receiver or assignee for the benefit of creditors or otherwise by operation of law, except as may specifically be provided pursuant to the Bankruptcy Code (11 USC 101, et. seq.), as the same may be amended from time to time.

(a) Upon the filing of a petition by or against Sublessee under the Bankruptcy Code, Sublessee, as debtor and as debtor-in-possession, and any trustee who may be appointed with respect to the assets of or estate in bankruptcy of Sublessee agree to pay monthly in advance on the first (1st) day of each month, as reasonable compensation for the use and occupancy of the Demised Premises an amount equal to all annual minimum rent, additional rent and other charges otherwise due pursuant to this Sublease.

(b) Sublessee, as debtor and as debtor-in-possession, and any trustee who may be appointed with respect to the assets of or estate in bankruptcy of Sublessee, agree that they will take all steps necessary to cause the Bankruptcy Court to enter an order, within sixty (60) days of the date of commencement of the bankruptcy proceeding, declaring this Sublease to be either assumed or rejected. Sublessee, as debtor and as debtor-in-possession, and any such trustee hereby agree to consent to any and all actions of Sublessor taken with regard to the procurement of such an order. In the event that such an order shall not be entered within the time period set forth above, then Sublessee, as debtor and as debtor-in-possession, and any such trustee hereby specifically agree to consent to the entry by such Bankruptcy Court of an order rejecting this Sublease.

(c) Included within and in addition to any other conditions or obligations imposed upon Sublessee or its successor in the event of assumption and/or assignment of this Sublease are the following: (i) the cure of any monetary defaults and reimbursement of

pecuniary loss within not more than thirty (30) days of assumption and/or assignment; (ii) the deposit of an additional sum equal to not less than three (3) months' annual minimum rent, which sum shall be determined by Sublessor, in its sole discretion, to be a necessary deposit to secure the future performance under the Sublease of Sublessee or its assignee; (iii) the use of the Demised Premises as set forth in Article 3 of this Sublease; and (iv) obtaining the prior written consent of any mortgagee to which this Sublease may have been assigned as collateral security.

ARTICLE 57 – MISCELLANEOUS

57.1 Sublessor and Sublessee acknowledge and agree that this Sublease has been freely negotiated by both parties and that in any controversy dispute or contest over the meaning, interpretation, validity, or enforceability of this Sublease or any of its terms and provisions, there shall be no inference, presumption or conclusion drawn whatsoever against either party by virtue of that party having drafted this Sublease or any portion thereof.

57.2 Any and all rights and remedies which the Sublessor may have under this Sublease and at law or in equity shall be cumulative and shall not be deemed inconsistent with each other, and any two or more or all of such rights and remedies may be exercised at the same time.

57.3 Sublessee covenants and agrees to keep all terms and conditions of this Sublease confidential and not discuss rents, terms and conditions with any existing or future tenants and/or occupants of the Airport, the Park and/or the Base (except to the extent required by law). Breach of this confidentiality agreement by Sublessee shall, at Sublessor's option, be deemed a default under this Sublease.

57.4 With respect to any provision of this Sublease which provides, in effect, that Sublessor shall not unreasonably withhold, delay or condition any consent or approval, Sublessee's remedy shall be an action or proceeding to enforce any such provision, or for specific performance, injunction or declaratory judgment and reasonable damages as supported by evidence. The parties may agree to binding arbitration as a means to expedite resolution of the claim or claims.

57.5 Sublessee represents and warrants to Sublessor that (i) the execution and delivery by Sublessee of each of the Sublease Documents were duly authorized by all necessary manager and/or member and/or limited liability company action, (ii) that each of the Sublease Documents was duly executed and delivered by Sublessee's duly authorized representative, and (iii) that each of the Sublease Documents is Sublessee's legal and valid binding obligation and is enforceable against Sublessee in accordance with its respective terms. Upon the execution and delivery of the Sublease and the other Sublease Documents, Sublessee shall furnish Sublessor with the opinion of Sublessee's counsel (the "Opinion") in substantially the same form as the sample Opinion annexed hereto and made a part hereof as **Exhibit C**.

ARTICLE 58 – SURVIVAL

58.1 Notwithstanding anything to the contrary contained in this Sublease, Sublessee's indemnity obligations, and all other rights and obligations of the parties that by their nature would arise after the expiration or termination of this Sublease, or after Sublessee vacates or is

removed from the Demised Premises, shall survive such expiration, termination, vacation or removal.

ARTICLE 59 – ENTIRE AGREEMENT

59.1 This Sublease (including the exhibits hereto) contains the entire agreement of the parties with respect to the subject matter hereof and no oral statement or written matter prior to the date of this Sublease shall have any effect or force. The submission by Sublessor of the within Sublease in draft form shall be deemed submitted solely for Sublessee's consideration and not for acceptance, and execution shall confer no rights or impose any obligations, including brokerage obligations, upon either Sublessor or Sublessee or assignees unless and until Sublessor and Sublessee shall both have executed and delivered this Sublease. Sublessee acknowledges that Sublessor, its agents, employees and representatives, have made no representations, warranties or promises, express or implied, with respect to the Demised Premises or any other matter whatsoever except as may be expressly set forth herein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Sublessor and Sublessee have executed this Sublease the day and year first above written.

SUBLESSOR: GRIFFISS LOCAL DEVELOPMENT CORPORATION

By: _____
Steven J. DiMeo
Its Authorized Representative

SUBLESSEE: FREEMAN HOLDINGS OF NEW YORK, L.L.C.

By: _____
F.B. Freeman, Jr.
Its Managing Member

COUNTY OF ONEIDA,
and
GRIFFISS LOCAL DEVELOPMENT CORPORATION,
and
FREEMAN HOLDINGS OF NEW YORK, L.L.C.

ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION
AGREEMENT

Dated as of _____, 2008

SUBLEASE

EXHIBIT B

ON FILE IN CLERKS
OFFICE

[LETTERHEAD OF THOMAS W. CLINE, ESQ.]

SUBLEASE

EXHIBIT C

Griffiss Local Development Corporation
153 Brooks Road
Rome, New York 13441

Saunders Kahler, L.L.P.
185 Genesee Street, Suite 1400
Utica, New York 13501

RE: Sublease Agreement between Griffiss Local Development Corporation, as
sublessor,
and Freeman Holdings of New York, L.L.P., as sublessee

Ladies and Gentlemen:

I have acted as counsel to Freeman Holdings of New York, L.L.P. (the "Sublessee") in connection with that certain sublease transaction (the "Sublease Transaction") between the Sublessee and Griffiss Local Development Corporation (the "Sublessor").

In connection with the Sublease Transaction, I have examined the original or an executed counterpart of the following documents, all of which are dated as of _____, 2008:

1. Sublease Agreement (including the exhibits thereto) between Sublessor and Sublessee;
2. Memorandum of Sublease Agreement between Sublessor and Sublessee;
and
3. Environmental Compliance and Indemnification Agreement by, between and among the Sublessor, the Sublessee, and the County of Oneida.

The above-referenced documents and any other documents executed and delivered by the Sublessor and the Sublessee in connection with the Sublease are hereinafter collectively referred to as the "Sublease Transaction Documents". Capitalized terms used herein which are not otherwise defined herein and which are defined in the Sublease Transaction Documents shall have the meanings ascribed to them in the Sublease Transaction Documents.

In addition, I have examined originals (or copies certified or otherwise identified to my satisfaction) of such other instruments, certificates and documents as I have deemed necessary or appropriate for the purposes of the opinion rendered below. In such examination, I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as originals and the conformity to the original documents of all documents submitted to me as copies. I have relied upon the aforementioned instruments, certificates and documents as to any facts which were not independently established.

Based on the foregoing, I am of the opinion that:

- (A) The Sublessee is a limited liability company duly organized and validly existing in good standing under the laws of the State of New York and possesses full power and authority to own its property, to do its business in the State of New York and in all other jurisdictions in which it does business, and to execute and deliver the Sublease Transaction Documents to which it is a party and to carry out and perform its obligations thereunder.
- (B) The execution and delivery by the Sublessee of each of the Sublease Transaction Documents to which it is a party has been duly authorized by all necessary limited liability company, manager, member action and/or other legal action of the Sublessee. Each of the Sublease Transaction Documents to which it is a party has been duly executed and delivered by the duly authorized representative of the Sublessee, and is a legal and valid binding obligation of the Sublessee, enforceable against the Sublessee in accordance with its respective terms.
- (C) The execution and delivery by the Sublessee of each of the Sublease Transaction Documents to which it is a party, the execution and compliance with the provisions of each, and the consummation of the transactions contemplated therein do not and will not conflict with or constitute, on the part of the Sublessee, a breach of or default under its Articles of Organization or Operating Agreement or a breach of or default under any indenture, mortgage, deed of trust, bank loan or credit agreement or other agreement or instrument known to me to which the Sublessee is a party or by which any of its property may be bound or affected for which a valid consent has not been secured; nor is any approval or action by any governmental authority or agency required in connection with the execution and performance thereof by the Sublessee which has not been obtained.
- (D) So far as is known to me, there are no actions, suits or proceedings at law or in equity, or by or before any governmental instrumentality or other agency now pending or, to my knowledge, threatened against or affecting the Sublessee or any of its property as to which there is a reasonable possibility of an adverse determination and which, if adversely determined, would materially affect the assets, business or financial condition of the Sublessee taken as a whole or which calls into question the validity of the Sublease Transaction Documents or the consummation of the transactions contemplated thereby.

The foregoing opinions are qualified only to the extent (i) that the enforceability of the Sublease Transaction Documents may be limited by bankruptcy, reorganization, insolvency and similar laws affecting creditors' rights generally and moratorium laws from time to time in effect; (ii) certain

provisions of the Sublease Transaction Documents may be unenforceable in whole or in part under the laws of the State of New York, but the inclusion of such provisions does not affect the validity of any of the Sublease Transaction Documents and the Sublease Transaction Documents contain adequate provision for enforcing performance by the Sublessee, as provided for in the Sublease Transaction Documents; and (iii) as such enforcement may be limited by equitable principles generally applied.

I advise you that this opinion is limited to the laws of the State of New York and of the United States of America and I do not purport to express any opinion herein concerning any law other than the laws of such state and the federal law of the United States.

Very truly yours,

Thomas W. Cline

[LETTERHEAD OF COUNTY ATTORNEY]

_____, 2008

Griffiss Local Development Corporation
153 Brooks Road
Rome, New York 13441

Saunders Kahler, L.L.P.
185 Genesee Street, Suite 1400
Utica, New York 13501

[Insert Names and Addresses of Institutional Lenders]

[Insert Name and Address of Title Insurer]

RE: Lease Agreement between the County of Oneida, as lessor,
and Griffiss Local Development Corporation, as lessee

Ladies and Gentlemen:

I have acted as counsel to the County of Oneida (the "Lessor") in connection with that certain lease transaction (the "Lease Transaction") between the Lessor and Griffiss Local Development Corporation (the "Lessee").

In connection with the Lease Transaction, I have examined the original or an executed counterpart of the following documents, all of which are dated as of _____, 2008:

1. Lease Agreement (including the exhibits thereto) between Lessor and Lessee;
2. Memorandum of Lease Agreement between Lessor and Lessee; and
3. Environmental Compliance and Indemnification Agreement by, between and among the County of Oneida, Griffiss Local Development Corporation and Freeman Holdings of New York, L.L.C.

The above-referenced documents and any other documents executed and delivered by the Lessor and the Lessee in connection with the Lease are hereinafter collectively referred to as the "Lease Transaction Documents". Capitalized terms used herein which are not otherwise defined herein and which are defined in the Lease Transaction Documents shall have the meanings ascribed to

them in the Lease Transaction Documents.

In addition, I have examined originals (or copies certified or otherwise identified to my satisfaction) of such other instruments, certificates and documents as I have deemed necessary or appropriate for the purposes of the opinion rendered below. In such examination, I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as originals and the conformity to the original documents of all documents submitted to me as copies. I have relied upon the aforementioned instruments, certificates and documents as to any facts which were not independently established.

Based on the foregoing, I am of the opinion that:

- (A) The Lessor is a municipal corporation duly organized and validly existing in good standing under the laws of the State of New York and possesses full power and authority to own its property, to do its business in the State of New York and in all other jurisdictions in which it does business, and to execute and deliver the Lease Transaction Documents to which it is a party and to carry out and perform its obligations thereunder.
- (B) The execution and delivery by the Lessor of each of the Lease Transaction Documents to which it is a party has been duly authorized by all necessary municipal corporation legislative and/or executive action and/or other legal action of the Lessor. Each of the Lease Transaction Documents to which it is a party has been duly executed and delivered by the duly authorized officer of the Lessor, and is a legal and valid binding obligation of the Lessor, enforceable against the Lessee in accordance with its respective terms.
- (C) The execution and delivery by the Lessor of each of the Lease Transaction Documents to which it is a party, the execution and compliance with the provisions of each, and the consummation of the transactions contemplated therein do not and will not conflict with or constitute, on the part of the Lessor, a breach of or default under its Charter or a breach of or default under any indenture, mortgage, deed of trust, bank loan or credit agreement or other agreement or instrument known to me to which the Lessee is a party or by which any of its property may be bound or affected for which a valid consent has not been secured; nor is any approval or action by any governmental authority or agency required in connection with the execution and performance thereof by the Lessor which has not been obtained.
- (D) So far as is known to me, there are no actions, suits or proceedings at law or in equity, or by or before any governmental instrumentality or other agency now pending or, to my knowledge, threatened against or affecting the Lessor or any of its property as to which there is a reasonable possibility of an adverse determination and which, if adversely determined, would materially affect the assets, business or financial condition of the Lessor taken as a whole or which calls into question the validity of the Lease Transaction Documents or the consummation of the transactions contemplated thereby.

The foregoing opinions are qualified only to the extent (i) that the enforceability of the Lease Transaction Documents may be limited by bankruptcy, reorganization, insolvency and similar laws affecting creditors' rights generally and moratorium laws from time to time in effect; (ii) certain

provisions of the Lease Transaction Documents may be unenforceable in whole or in part under the laws of the State of New York, but the inclusion of such provisions does not affect the validity of any of the Lease Transaction Documents and the Lease Transaction Documents contain adequate provision for enforcing performance by the Lessee, as provided for in the Lease Transaction Documents; and (iii) as such enforcement may be limited by equitable principles generally applied.

I advise you that this opinion is limited to the laws of the State of New York and of the United States of America and I do not purport to express any opinion herein concerning any law other than the laws of such state and the federal law of the United States.

Very truly yours,

**GRIFFISS AIR FIELD
OPERATIONAL AND MANAGEMENT AGREEMENT
FOR
FIXED BASE OPERATOR**

This Operational and Management Agreement ("Agreement") entered into as of the 21st day of August, 2008, by and between the **County of Oneida, NY**, a municipal corporation with its principal offices at 800 Park Avenue, Utica, New York 13501, (hereinafter "County"), and **Freeman Holdings of New York, LLC**, a New York Limited Liability Company with its principal offices at _____ (hereinafter "Freeman"), consists of the following recitals, promises, covenants and conditions:

RECITALS:

WHEREAS, the County of Oneida, NY presently controls, manages and operates the Griffiss Air Field (hereinafter "Airport") at the former Griffiss Air Force Base in the City of Rome, County of Oneida and State of New York; and

WHEREAS, one aspect of the management and operation of the Airport involves providing aviation services to the general public, which services are commonly referred to as Fixed Base Operations (hereinafter "FBO"); and

WHEREAS, the County of Oneida, NY desires to contract out the Fixed Base Operations at the Airport by engaging the services of a responsible third party to provide for aviation services to the general public; and

WHEREAS, Freeman has expertise in the field of Fixed Base Operations and desires to perform and provide those services for the County of Oneida, NY at the Airport, all as more particularly set forth in this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants herein contained, and for other good and valuable consideration in hand paid by each to the other, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

**SECTION 1
TERM**

1.1 The initial term of this Operational and Management Agreement shall be for a period of ten (10) years, which term shall commence on the first day of the month immediately following the month in which a Certificate of Occupancy is issued for the FBO Office Building to be constructed by Griffiss Local Development Corporation ("GLDC") upon County-owned property pursuant to a separate Land Lease, which property and Building will thereafter be sub-leased by GLDC to **Freeman** for use in connection with the FBO. Between the date of execution of this Agreement and the Commencement Date, **Freeman** agrees perform the scope of services set forth herein on an interim basis in accordance with the terms contained in a Transitional Agreement, a copy of which is appended hereto and marked as **Exhibit 1**.

1.2 Except as otherwise herein provided, **Freeman** shall have the option to renew this Agreement upon the same terms and conditions as herein contained for an additional ten (10) year period, provided, however, that Freeman is not in default of its obligations hereunder. The Renewal Period is defined as the period beginning on the first day of the month following the expiration of the initial ten (10) year term and continuing for a period of ten (10) years thereafter. Should **Freeman** elect to exercise its option to renew this Agreement, **Freeman** shall give written notice to the County at least twelve (12) months prior to the expiration of the initial term, which notice shall be given in accordance with Section 17.5 herein.

1.3 If **Freeman** does not exercise its option to renew this Agreement in accordance with Section 1.2, **Freeman** shall be obligated to continue to provide the same scope and quality of FBO services provided for herein beyond the expiration of the initial term for a period not to exceed eight (8) months or until such time as the County locates and contracts with a new FBO provider satisfactory to the County, whichever occurs sooner. In this event, **Freeman** shall continue to make all payments required hereunder and in accordance herewith.

1.4 If **Freeman** does not exercise its option to renew this Agreement in accordance with Section 1.2, the County shall have the option of allowing **Freeman** to continue to perform the services called for under the terms of this Agreement on a month-to-month basis at the County's sole discretion. In this event, **Freeman** shall continue to make all payments required hereunder and in accordance herewith.

1.5 In order for **Freeman** to exercise its option to renew, **Freeman** must simultaneously renew its obligations to GLDC under any sub-lease for the FBO Offices or other property necessary for the operation of the FBO for the same length of term (or longer) as provided for herein.

SECTION 2 SCOPE OF SERVICES

2.1 **Freeman** shall provide all services commonly and routinely provided in connection with Fixed Base Operations, which services shall include but shall not be limited to the following:

- (A) Assist in the repair, service and maintenance of aircraft.
- (B) Engage in the sale of aviation fuel, oil and other mechanical fluids.
- (C) Provide for parking of aircraft and tie down.

(D) Perform Flight Services Management and handling of all incoming aircraft to the Airport, including, but not limited to recreational flights, charter flights, large passenger and cargo flights, both military and civilian, fixed and rotary wing, transient and based aircraft. Flight Services Management shall include but not be limited to the following:

- (i) Ground handling, including baggage handling, lavatory servicing, aircraft towing and storage, and trash disposal from the aircraft;

- (ii) Cabin servicing, including cleaning the interior of the aircraft;
- (iii) Refuel, defuel, anti-ice and de-ice for all Airport customers;
- (iv) Catering, including the arrangement for, transportation of, and loading of meals and refreshments into the aircraft;
- (v) Arranging for, in coordination with the County, Aircraft Rescue Fire Fighting ("ARFF") and Air Traffic Control ("ATC") services, when operations require such services; **Freeman** shall provide twenty-four (24) hours advance notice to the County if such services will be required outside of the normal hours of operation, unless emergency circumstances do not allow for same.
- (vi) Management of all hangars identified in Section 4 (Demised Premises), together with any other hangars hereafter constructed and entrusted to **Freeman** hereunder, as well as management of the tie-downs;
- (vii) Collection and distribution of **Landing Fees, Parking and Tie-Down Fees, Fuel Flowage Fees, Hangar Rental Fees**, and any other fees provided for in Section 3 or elsewhere in this Agreement.
- (viii) Provide monthly reports to the County reflecting the total activity, aircraft movements, fueling, passenger count, etc., by flight category.

(E) Manage the FBO buildings, grounds and fuel facilities entrusted to **Freeman** as hereinafter provided and keep the same open and available to the public a minimum of fourteen (14) hours per day, seven (7) days per week. The hours of operation must begin no later than 7:00 a.m. each morning and shall continue until at least 9:00 p.m. each evening. **Freeman** shall have the right to *expand* its hours of operation as it deems appropriate, in its sole discretion.

(F) Operate the Unicom system during **Freeman's** business hours at all times when the Control Tower is not operational. The County shall have the Control Tower operational during the hours of 7:00 a.m. to 9:00 p.m.

(G) Furnish heat, electricity, water, sewerage, internet and telephone services (including a toll-denied line service for public use), flight planning facilities and weather access services to all FBO buildings and grounds entrusted to **Freeman** as hereinafter provided.

(H) Provide for routine cleaning of the FBO buildings and grounds and collection and disposal of all garbage, rubbish and litter created in connection with the FBO.

2.2 **Freeman** shall not make, allow or suffer any unlawful use of the Airport.

2.3 **Freeman** shall submit monthly activity reports to the County throughout the term of this Agreement. Said reports shall provide information on **Freeman's** activity for each calendar month, including total fuel sales and passenger counts, which reports shall be transmitted to the County within twenty (20) days following the end of each preceding calendar month. Said reports shall comply with generally accepted accounting principles and standards.

2.4 **Freeman** shall maintain all such information relating to management of the FBO, including but not limited to books, records, reports, spread sheets, documents, etc., in paper and/or electronic format, throughout the term of this Agreement, and shall preserve all such information for a period of not less than two (2) years following the expiration of this Agreement. All such information required hereunder shall be made available to the County for audit and examination upon ten (10) days notice.

SECTION 3 FEES

3.1 **Fuel Flowage Fees.** **Freeman** shall pay to the County an Airport Fuel Flowage Fee for all fuels purchased by it throughout the term of this Agreement and/or any renewals or extensions hereof. The Fuel Flowage Fee shall be calculated by multiplying the number of gallons of aviation fuels purchased by **Freeman** by the applicable fuel rate in effect during the month in which said purchases occur.

3.2 Hangar Fees.

A. **Freeman** shall pay to the County fifty percent (50%) of the **Net Profit** resulting from the lease, management and operation of any and all hangars entrusted to it under Section 4 of this Agreement, which presently includes the Aircraft Heated Hangar (a/k/a Corporate Hangar) located in the East Bay of Building 100 and the T-Hangars.

B. It is hereby agreed that the County shall have the right to establish the lease rates for the use and occupancy of the T-Hangars, which rates shall be used by **Freeman** in negotiating leases of same. With respect to the Corporate Hangar, **Freeman** shall have the right to negotiate lease/rental rates based on the prevailing market conditions and other factors which, in its discretion, impact the rents to be charged. In the event that **Freeman** wishes to enter into any lease for space in the Corporate Hangar which exceeds one (1) year in duration, said lease must first be approved by the Oneida County Board of Legislators. **Freeman** shall have the right to establish Overnight "Transient" Rates in its sole discretion, which rates typically fluctuate on a day-to-day basis due to a variety of factors. All hangar revenues shall be charged and collected by **Freeman** based on the rates and schedules in effect during the month in which said charges accrue.

C. For purposes of this subdivision 3.2 only, **Net Profit** shall be defined as: Gross Revenue received for the Hangar space, less (a) maintenance expenses and utility charges incurred with respect to the Hangar space only, (b) the pro-rated cost of the property and hangar keeper's insurance as it relates to the Hangar space only, and (c) the pro-rated cost of the real estate taxes incurred (if any) with respect to the Hangar space only. **Freeman** shall maintain separate and independent accounts for (1) the T-Hangars and (2) the Corporate Hangar. Expenses relating to the T-Hangars may not be charged against the revenue for the Corporate Hangar and vice versa.

3.3 **Landing Fees.** **Freeman** shall pay to the County one hundred percent (100%) of all Landing Fees charged to and collected from incoming aircraft. Landing Fees are calculated by multiplying the Certificated Aircraft Maximum Takeoff Weight by the applicable rate in effect during the month in which said landings occur. It is understood and agreed that Military Aircraft

are exempt from payment of Landing Fees; however, the County reserves the right to apply for reimbursement or "usage fees" from the federal government.

3.4 Parking and Tie-down Fees. Freeman shall pay to the County fifty percent (50%) of the gross revenues resulting from all Parking and Tie Downs charged to and collected from incoming aircraft. Parking and Tie-down Fees shall be calculated based on the applicable rate in effect during the month in which said charges accrue.

3.5 Auto rental fees. In the event Freeman offers automobiles for rent, or contracts with a car rental agency to offer automobiles for rent, Freeman agrees to pay to the County one half (1/2) of all commissions received.

3.6 Rates and Fee Schedules. The parties understand, acknowledge and agree that the rates and fees provided for herein are established by the County by Resolution of its Board of Legislators, and that said rates and fees may be changed, by Resolution of said Board of Legislators, from time-to-time. Freeman agrees that it shall charge and collect all fees provided for herein in accordance with the fee schedule in effect as of the date on which said charges accrue. In the event of any change to the rate and fee schedule, the County shall provide a copy of same to Freeman, together with a certified copy of the Oneida County Board Resolution authorizing such change within ten (10) days after adoption thereof. Prior to making any change to the rate and fee schedule, the County shall notify Freeman at least fourteen (14) days prior to any vote thereon by the Board of Legislators so that Freeman may offer its opinions to the County regarding the proposed changes; however, the County shall have no obligation to Freeman to establish the rates recommended or requested by Freeman. It is agreed that the Rates and Fees Schedules do not pertain to fuel pricing and that Freeman shall be entitled to establish fuel prices at its sole discretion.

3.7 Payment and Accounting. All payments provided for in this Section shall be made to the County on a quarterly basis and shall be remitted by Freeman to the County within twenty (20) days following the last day of each quarterly reporting cycle, accompanied by a report reflecting how said payment was calculated.

SECTION 4 PREMISES

4.1 In order to perform the scope of services provided for in this Agreement, the County hereby grants to Freeman a license to use and occupy the following buildings, facilities and grounds situated at the Airport, hereinafter referred to as the "Demised Premises", subject to the terms and conditions of this Agreement:

(A) **FBO Offices.** At present, the Fixed Base Operations Offices ("FBO Offices") are located at the Airport in Building 100, which areas are more particularly shown and identified on the Demo Floor Plan annexed hereto and marked as Exhibit 2. It is understood and agreed by the parties that the FBO Offices will eventually be relocated to a new facility to be constructed by Griffiss Local Development Corporation ("GLDC) under a Land Lease with the County, and it is anticipated that said relocation of the FBO Offices will occur in the spring of 2009. The parties acknowledge and agree that Freeman shall have the right to participate in the design of said FBO Offices and to approve the final design thereof. Once the final design plans and

specifications have been approved by **Freeman**, **Freeman** shall cause a letter to be issued to the County evidencing its acceptance thereof. So long as the FBO Offices are constructed in accordance with the approved design plans and specifications, **Freeman** agrees that it shall have no right to object to the relocation to the new FBO Offices once a Certificate of Occupancy is issued, and that it shall have no right to refuse the relocation or to terminate this Agreement as a result thereof.

(B) **Corporate Hangar.** At present, the FBO has available to it approximately 36,900 square feet of hangar space in the East Bay Hangar located in Building 100 ("Corporate Hangar") which area is more particularly shown and identified on Exhibit 2. It is understood and agreed by the parties that the Corporate Hangar will eventually be relocated to a new facility to be constructed by the County, and it is anticipated that said relocation of the Corporate Hangar will occur in the Spring of 2009. As with the FBO Offices, **Freeman** shall have the right to participate in the design of the Corporate Hangar and to approve the final design thereof. Once the final design plans and specifications have been approved by **Freeman**, **Freeman** shall cause a letter to be issued to the County evidencing its acceptance thereof. So long as the Corporate Hangar is constructed in accordance with the approved design plans and specifications, **Freeman** agrees that it shall have no right to object to the relocation to the new Corporate Hangar once a Certificate of Occupancy is issued, and that it shall have no right to refuse the relocation or to terminate this Agreement as a result thereof.

(C) **T-Hangars.** At present, the FBO has available to it two (2) sets of T-hangars, which are more particularly shown and identified on the aerial map annexed hereto and marked as Exhibit 3. It is understood and agreed by the parties that additional T-hangars will eventually be constructed by the County for potential use and management by **Freeman**. The parties may, upon mutual consent, modify the number of T-Hangars to be managed by **Freeman** pursuant to the terms of this Agreement, in which event Exhibit 3 shall be amended to reflect that agreement. In order for said modification to be binding upon the parties, the amended Exhibit must be countersigned by both parties.

(D) **Fuel Farm.** At present, the FBO has available to it three (3) fuel tanks, each having a 20,000-gallon capacity, which are used to store Jet-A fuel, and one (1) 12,000-gallon fuel tank, which is used to store Avgas. Said tanks are located on the West Ramp and are more particularly shown and identified on Exhibit 3. As an inducement to **Freeman** to enter into this Agreement, the County hereby agrees that it shall be obligated to increase the fuel storage capacity by an additional 100,000 gallons, and that such capacity shall be available to **Freeman** no later than May, 2009. In the event the County does not fulfill its obligation to **Freeman** to provide the increased fuel storage capacity as provided herein, **Freeman** shall have the right to terminate this Agreement. In addition, in order to assure **Freeman** of the County's ability to fulfill its obligation to provide the added fuel storage capacity as hereinabove provided, the County shall create a capital project by Resolution of the Board of Legislators and provide such documentation to **Freeman** no later than January 1, 2009. In the event such documentation is insufficient to enable **Freeman** to secure government fueling contracts and/or to obtain Million Air franchise rights, **Freeman** shall have the right to terminate this agreement. Should it so desire, **Freeman** may, at no expense to the County, relocate the fuel storage areas into one consolidated location.

(E) **Truck and Equipment Parking Areas.** A designated paved area of approximately 10,000 square feet will be made available for parking fuel trucks, ramp vehicles and other

equipment related to **Freeman's** operation of the FBO, which areas presently depicted on **Exhibit 3**. It is understood and agreed that the County shall have the right to relocate or reconfigure the designated parking area as, from time to time, the need may arise in connection with the County's overall management of the Airport. In addition, **Freeman** shall be allowed the use of 25 parking spaces for the FBO Offices and 25 parking spaces for the Corporate Hangar as presently depicted on **Exhibit 3**, at no additional cost. Lastly, the County shall provide a designated parking area for trucks and equipment adjacent to the not yet constructed FBO Office and Corporate Hangar. The exact location of said parking area has yet to be determined and is currently being designed in coordination the FBO Offices and Corporate Hangar. **Freeman** shall have the opportunity to participate in the layout and design of the parking areas. Once the layout and design of the parking area has been approved by **Freeman**, **Freeman** shall issue a letter to the County evidencing its acceptance thereof. In the event additional parking spaces are requested beyond that herein provided, the County shall make its best effort to accommodate **Freeman's** needs, however, no additional parking is guaranteed. Should additional parking spaces be made available, **Freeman** agrees to pay the County for each such space at the rate of \$25.00 per month.

(F) **Apron and Ramps.** **Freeman** shall have the use of the Apron and Ramp Areas for ingress and egress of aircraft and other vehicles utilized in connection with the operation and management of the FBO as more particularly shown and identified on **Exhibit 3**.

(G) **Common Areas for ingress, egress and parking.** **Freeman** shall have the non-exclusive use of the common areas more particularly shown and identified on **Exhibit 3**.

4.2 **Freeman's** use of the Demised Premises is subject to all existing rights-of-way and easements. The County reserves the right in its sole discretion to grant future easements across the Demised Premises for utilities so long as the same do not interfere with **Freeman's** ability to perform its obligations under this Agreement.

4.3 In the event the County requires all or any portion of the Demised Premises for expansion or development of the Airport, the County reserves the right, upon six (6) month's prior written notice, and at the County's expense, to relocate or replace any or all of the buildings or facilities entrusted to **Freeman** hereunder to another generally comparable location at the Airport, if same exists. **Freeman** reserves the right to terminate this Agreement upon ninety (90) days notice to the County in the event **Freeman** has reasonable objections to the proposed new location.

SECTION 5 USE OF DEMISED PREMISES

5.1 It is understood and agreed by and between the parties that the intended use of the Demised Premises is for the establishment of a Fixed Base Operations facility and associated aeronautical activities. This is a material obligation of **Freeman** and is the primary reason the County has elected to enter into this Agreement.

5.2 **Freeman** shall be responsible for the insurance, operation, maintenance, certification and use of the Fuel Farm at **Freeman's** sole cost and expense. **Freeman** shall maintain liability insurance as specified in Section 16 of this Agreement and shall be responsible

for all utility charges and repairs related to the Fuel Farm. Freeman's obligations with respect to the Fuel Farm include, but are not limited to the following:

- A) Fulfill fuel orders;
- B) Provide quality control (QC) checks of ordered fuel;
- C) Provide fuel transfer to/from airport refueler vehicles;
- D) Perform equipment repairs;
- E) Perform routine and periodic fuel quality checks;
- F) Perform routine and periodic fire protection testing and inspections;
- G) Maintenance of the facility Petroleum Bulk Storage registration and fees;
- H) Prepare, implement and maintain the facility Spill Prevention, Control and Countermeasure (SPCC) Plan;

5.3 **Freeman** shall not use any portion of the Demised Premises for any purpose that is unlawful or in violation of any zoning ordinances or any other laws, rules, regulations or ordinances, nor shall it use the Demised Premises for any purpose that tends to injure or depreciate the property. **Freeman** shall not create any nuisance on the Demised Premises or use the Demised Premises to store or dispose of solid or hazardous wastes or other dangerous or toxic substances other than those aviation fuels and fluids specified herein

5.4 **Freeman** shall, at all times, comply with the Airport Rules and Regulations and Minimum Standards, federal, state and municipal laws, ordinances, codes and other regulatory measures now in existence or, as may be hereafter modified or amended, applicable to the specific type of operation contemplated by **Freeman**. **Freeman** shall procure and maintain during the term(s) of this Agreement all licenses, permits and other similar authorizations as may be required for the conduct of its business operations.

SECTION 6 RESERVED FOR FUTURE USE

SECTION 7 CONDITIONS FOR USE OF DEMISED PREMISES

7.1 **Freeman** shall be responsible for all applicable taxes, now or in the future, arising out of or as a consequence of any activity conducted on the Demised Premises. Failure by **Freeman** to pay such taxes when due shall constitute a breach of this Agreement.

7.2 **Freeman** shall at all times, at its sole cost and expense, keep and maintain in good repair the interior of all buildings on the Demised Premises. The interior of the Demised Premises shall include but not be limited to, the operation of entry/exit doors, ventilation filters, sprinkler systems, all interior wall, interior ceilings, floors/floor coverings, wiring, plumbing fixtures, and other interior utility fixtures. **Freeman** shall perform routine service and maintenance on all heating and air conditioning equipment and appurtenances thereto, except to the extent such repairs are occasioned by the gross negligence of the County or its other sublessees or invitees, agents or employees. Upon expiration or termination of this Agreement or any extension or renewal thereof, **Freeman** shall return the Demised Premises to the County in good order and condition, ordinary wear and tear and Acts of God excepted, and upon expiration or termination of this Agreement or any extension or renewal thereof, leasehold

improvements made by **Freeman** shall become the property of the County without further compensation by the County to **Freeman**.

7.3 The County shall keep in good repair and condition all structural portions of the buildings situate on the Demised Premises, with the exception of the new FBO Offices which are to be constructed by GLDC, including but not limited to the exterior, roof, HVAC system and interior walls, except to the extent such repairs are occasioned by the negligence or fault of **Freeman**, its agents, servants, employees, or invitees.

7.4 **Freeman** shall not be allowed to store on the aprons or ramp surplus, broken, or unneeded vehicles or equipment.

7.5 All responsibility of storage, handling, and dispensing of fuels, oils, and any other hazardous material which **Freeman** brings upon or allows to be brought upon the Demised Premises shall be the responsibility and care of **Freeman**. Such responsibility shall include but not be limited to any storage tanks. **Freeman** shall be responsible for compliance with all applicable federal, state, and local laws and regulations relative to the reporting, storage, handling, and dispensing of fuels, oils and any other hazardous materials which **Freeman** brings on or allows to be brought upon the Demised Premises. Any incident reportable under any federal, state, or local laws, rules or regulations shall concurrently be reported to the County. **Freeman** agrees that in performing its obligations under this Agreement, it shall use the most environmentally safe products available.

7.6 Any alterations, improvements and/or changes in the Demised Premises or use thereof shall require the prior approval of the County. The County's approval shall not be unreasonably withheld. Any and all leasehold improvements by **Freeman** shall become the property of the County upon the expiration or termination of this Agreement or any extension or renewal thereof, unless otherwise expressly agreed to by the County.

7.7 **Freeman** agrees that the County, its agents, or employees, may enter upon the Demised Premises at any time during normal business hours and at other reasonable hours during the term of this Agreement or any extension or renewal thereof for the purpose of inspection. **Freeman** shall comply with and enforce to its agents, customers, or employees the Airport Security Plan as approved the Transportation Security Agency.

7.8 Neither the Demised Premises, nor any portion thereof, shall be sublet by **Freeman**, nor shall any rights under this Agreement be assigned, hypothecated or mortgaged by **Freeman** without the advance written consent of the County. Any attempted assignment, subletting, hypothecation or mortgagee of this Agreement shall be of no force and effect, shall confer no rights upon any assignee, sublessee, mortgagee or pledgee, and any such attempt by **Freeman** shall constitute a default hereunder. However, **Freeman** shall have the authority to sublease space to any entity or organization that will provide the services enumerated in Section 2.1(A) hereof for the repair, service and maintenance of aircraft with the prior written consent of the County, which consent will not be unreasonably withheld. Should the County agree to such sublease, **Freeman** acknowledges that any revenues generated thereby would be subject to the revenue sharing provisions set forth in Section 3.2 hereof. Notwithstanding the foregoing, the approval of the County shall not be required for **Freeman** to lease hangar space for aircraft parking for periods within the term of this agreement.

7.9 In the event that **Freeman** shall become bankrupt or insolvent, or should a trustee or receiver be appointed to administer **Freeman's** affairs, neither this agreement nor any interest therein shall become an asset of such trustee or receiver, and, in event of the appointment of a trustee or receiver, this agreement may be terminated by the County without notice from the County.

SECTION 8 AERIAL APPROACHES

8.1 The County reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent **Freeman** from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of the County would limit the usefulness of the airport or constitute a hazard to aircraft, including interference with electronic communications and directional equipment.

SECTION 9 APPURTENANT PRIVILEGES

9.1 **Freeman** shall be entitled, in common with others so authorized, to the use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including the use of landing areas, runways, taxiways, navigational aids and aircraft parking areas designated by the County for public use.

9.2 During the term of this Agreement or any extension or renewal thereof, **Freeman** shall have the right, at its expense, to place in or on the premises a sign or signs identifying **Freeman** as the fixed base operator. Said sign or signs shall be of a size, shape, and design, at a location or locations, as approved by the County. The County's approval shall not be unreasonably withheld. Notwithstanding any other provision of this Agreement, said sign(s) shall remain the property of **Freeman**. **Freeman** shall remove, at its expense, all lettering, signs, and placards so erected on the Demised Premises at the expiration or termination of this Agreement.

SECTION 10 DEFAULT AND TERMINATION

10.1 This Agreement shall be subject to termination by **Freeman** in the event of any one or more of the following:

(A) The default by the County in the performance of any of the terms, covenants, or conditions of this Agreement, and the failure of the County to undertake to remedy such default for a period of thirty (30) days after receipt of notice from **Freeman** to remedy the same.

(B) Damage or destruction of all or a material part of the Demised Premises or Airport facilities necessary to the operation of the **Freeman's** business.

(C) The lawful assumption of the United States, or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part or parts

thereof, in such a manner as to substantially restrict **Freeman** from conducting business operations for a period in excess of ninety (90) days.

10.2 This Agreement shall be subject to termination by the County in the event of any one or more of the following:

(A) The default by **Freeman** in the performance of any of the terms, covenants or conditions of this Agreement, and the failure of **Freeman** to remedy, or undertake to remedy, to the County's satisfaction, such default for a period of thirty (30) days after receipt of notice from the County to remedy the same.

(B) The violation by **Freeman** of any federal, state or local law, rule or regulation and the failure of **Freeman** to remedy, or undertake to remedy, to the County's satisfaction, such violation for a period of thirty (30) days after receipt of notice from the County to remedy the same.

(C) If **Freeman** files a voluntary petition in bankruptcy, including a reorganization plan, makes a general or other assignment for the benefit of creditors, is adjudicated as bankrupt or if a receiver is appointed for the property or affairs of **Freeman** and such receivership is not vacated within thirty (30) days after the appointment of such receiver.

(D) If **Freeman** is in default of any term, covenant or condition contained in this or any other agreement for real or personal property used in connection with the performance of its services hereunder, and such default goes uncorrected for a period of thirty (30) days or such other period as may be provided for in any such collateral agreement.

10.3 This Agreement shall also be subject to termination by the County as otherwise provided in this Agreement.

10.4 Exercise of the rights of termination set forth in Paragraphs A and B, above, shall be by notice to the other party in accordance with Section 17.5.

10.5 Upon termination of this Agreement for any reason, **Freeman** at its sole expense, shall remove from the Demised Premises all signs, trade fixtures, furnishings, personal property, equipment, and materials owned by **Freeman**. If **Freeman** shall fail to do so within thirty (30) days, then the County may effect such removal or restoration at **Freeman's** expense, and **Freeman** agrees to pay the County such expenses promptly upon receipt of an invoice therefore.

10.6 The waiver of any breach, violation or default in or with respect to the performance or observance of the covenants and conditions contained herein shall not be taken to constitute a waiver of any such subsequent breach, violation, or default in or with respect to the same or any other covenant or condition hereof.

SECTION 11 NON-DISCRIMINATION

11.1 Notwithstanding any other inconsistent provision contained in this Agreement, during its performance, **Freeman**, for itself, its employees, agents, successors in interest and assigns, as part of the consideration for the proposed Agreement, covenants and agrees, as a covenant running with the land, that:

(A) No person on the grounds of race, color, religion, sex, or national origin, or physical handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of the Demised Premises.

(B) In the construction of any improvements on, over or under the premises, and the furnishing of services therein or thereon, no person shall be excluded from participation in, denied benefits, or otherwise be subjected to discrimination on the basis of race, color, religion, sex, national origin or physical handicap.

(C) **Freeman** shall use the premises 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, Non-discrimination 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.

(D) In the event of breach of any of the above non-discrimination covenants, the County shall have the right to terminate this Agreement and to re-enter and repossess the premises and hold the same as if the Agreement had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 have been followed and completed, including expiration of appeal rights.

11.2 The Demised Premises are to be operated for the use and benefit of the public. **Freeman** agrees as follows:

(A) To furnish good, prompt and efficient service, adequate to meet all demands for its service at the airport.

(B) To furnish said service on a fair, equal and non-discriminatory basis to all users thereof.

(C) To charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that **Freeman** may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to purchasers.

SECTION 12 AIRPORT RULES, REGULATIONS, AND MINIMUM STANDARDS

12.1 The Rules and Regulations and Minimum Standards promulgated by the County, as amended from time to time, are incorporated herein as if fully stated. In the event of a conflict between said Rules and Regulations and Minimum Standards and the provisions of this Agreement, the provisions of the Rules and Regulations and Minimum Standards will control. The County reserves the right to modify or add to the Rules and Regulations and Minimum Standards.

12.2 **Freeman** acknowledges that it shall be bound by any and all Federal, State and local rules, regulations, laws, ordinances, codes, and all other standards now or hereafter promulgated and which regulate and affect its operations at the Airport, as may be amended from time to time, including but not limited to the following, all of which are incorporated herein by reference and available for review and inspection at the Airport Commissioner's Office:

- A) Airport Certification Manual (ACM), FAA Approved
- B) Airport Security Plan (ASP), TSA Approved
- C) Airport Safety Plan
- D) Airfield Driving Regulation
- E) Airport Layout Plan (ALP)
- F) FAA 49 CFR 139
- G) Wildlife Management Plan
- H) Airport Evacuation Plans
- I) Airport Field Rules and Regulations

SECTION 13 SUBORDINATION

13.1 This Agreement is subordinate to the provisions of any existing or future agreement between the County and the United States, or any agency thereof, relative to the operation and 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 and/or operation of the Airport. The County shall provide reasonable notice to **Freeman** of said proposed agreement. **Freeman** has the right to terminate this Agreement if said subordination effectively prohibits **Freeman** from exercising the fundamental rights conveyed herein.

13.2 The County and Freeman agree that Federal Aviation Administration ("FAA") funding for capital improvements to the airport is important to the future success of both. Therefore, it is agreed that any determination by the Federal Aviation Administration that any terms of this Agreement are not in compliance with FAA policies related to airport rates and charges, shall result in good faith negotiations between the County and **Freeman** to correct any portion of the agreement to which the FAA objects. In the event the good faith negotiations are unsuccessful, the County has the right to cancel, after giving six (6) months written notice, the remainder of the Agreement and to compensate **Freeman** for any undepreciated **Freeman** investment in assets (leasehold improvements and equipment) after reducing for the proceeds received by **Freeman** (or equivalent value if the assets are retained by **Freeman**) from the disposition of the assets.

SECTION 14 INDEMNIFICATION

14.1 **Freeman** shall indemnify and hold harmless the County, from and against any and all claims, demands or suits (including but not limited to, claims, demands or suits for bodily injury, illness, disease, death or loss of services, damage to property of third parties, or wages as well as any costs, expenses and reasonable attorney's fees incurred by the County incident to any such claims) which may be brought against the County or in which the County is named a party defendant or in which any or all such agents, directors, officers, employees, or members of the

Board of Legislators of the County are named party defendant or parties defendant, as the case may be, arising out of any and all claims of liability for any injury or damage to any person or property to the extent arising from **Freeman's** use of the facilities at the Airport, except to the extent such injuries or damages may be caused by the gross negligence of the County, its other sub lessees, agents, employees, directors, officers or Board of Legislators.

14.2 The indemnities herein shall include, without limitation, costs, expenses, fines, and awards occasioned by said loss, including the reasonable fees of an attorney(s) selected by the County to protect its interest, damage, liability, claims, demands or suits, as well as the full amount of any judgment rendered or compromise settlement made, plus court costs and interest. The County agrees to cooperate with **Freeman** and/or its attorneys with regard to **Freeman's** obligations under this paragraph. Notwithstanding the above, the County may notify **Freeman** that it will assume its own defense with respect to a particular claim, in which case the County thereafter shall be responsible for its costs and expenses including attorney's fees in defense of the claim.

14.3 The aforementioned indemnity shall survive until all such matters included or referred to herein have been determined to have prescribed by law.

SECTION 15 INSURANCE

15.1 During the term of this Agreement and any extension or renewal thereof, **Freeman** shall at all times:

- (A) Maintain in full force and effect, policies of insurance as set forth below with the limits of liability not less than the respective amounts hereinafter stated with such policies carried by financially responsible insurance companies, licensed in the State of New York, which are satisfactory to the County;
- (B) Submit to the County prior written notice of any cancellation or non-renewability of any such policy;
- (C) Name the County as an additional insured on all policies, with the exception of the Workmen's Compensation policy;
- (D) Provide the County with certificates of insurance on all policies when they become effective and a copy of each policy including endorsements within ninety (90) days of the commencement of the policy. **Freeman** shall furnish to the County a binder covering the extension of coverage date due to delay in issuance of policy.

15.2 Listed below are the insurance coverages that the **Freeman** is required to carry, with minimum limits of liability:

- (A) A New York State statutory Workmen's Compensation and Employer's Liability policy containing a waiver of subrogation in favor of County.
- (B) In the event the **Freeman** operates automobiles or trucks on the Airport, then **Freeman** shall provide automobile liability insurance covering any automobile,

including but not limited to non-owned, hired and borrowed automobiles with a combined bodily injury / property damage limit of \$10,000,000.

(C) Aircraft liability insurance on all owned, leased, rented or borrowed aircraft, with a combined single limit of \$10,000,000 per occurrence for bodily injury, property damage and passengers.

(D) Aircraft physical damage insurance (all risks) on all aircraft owned, leased, rented or borrowed by **Freeman** and located at the Airport, in amounts equal to the value of the aircraft, which policy shall include a waiver of subrogation in favor of the County.

(E) Airport general liability insurance, including bodily injury, property damage, personal injury, premises and operations, contractual, products and completed operations, and hangar keeper's liability. Coverage must be included for New York State Labor Law losses. The minimum limit of such coverage shall be a combined single bodily injury/personal injury/property damage of \$25,000,000 per occurrence and an aggregate limit of \$50,000,000. Products and completed operations shall have an aggregate limit of \$50,000,000 and shall cover all **Freeman's** operations at the airport. The hangar keepers' liability limit shall be a separate limit of \$100,000,000 per aircraft and \$100,000,000 per occurrence.

15.3 **Freeman** hereby agrees to cause its insurers to waive any subrogation rights it may have against the County, GLDC, or their agents, contractors, subcontractors or employees, which may have been paid by such insurer. This applies to any insurance provided by **Freeman** under this Agreement, whether or not it applies to these parties as "Additional Insureds" and whether or not such insurance may be self-funded and regardless of self-insured retentions or deductibles. **Freeman** will not provide a waiver of subrogation on its worker's compensation policy for any and all claims resulting from environmental contamination or any portion of Griffiss Air Base. Additionally, the County of Oneida will provide **Freeman** with a document of clearance from the EPA that states the site is habitational and contamination levels do not exceed maximum levels.

SECTION 16 ENVIRONMENTAL MATTERS

16.1 The County agrees to defend, indemnify, and hold harmless **Freeman** from and against any and all claims, suits, demands, losses, liabilities, damages, and/or judgments, costs and expenses (including, without limitation, any and all testing and cleanup costs and attorneys' and consultants' fees) (hereinafter referred to as "claims") arising directly or indirectly by reason of a Hazardous Discharge or Environmental Complaint or any environmental protection, health or safety law regulation, or requirement governing the County, its business, operations, assets, equipment, property leaseholds or other facilities, or any prior owner, prior operator, prior tenant, or prior occupant of the Demised Premises, including without limitation, any claims: (a) arising directly or indirectly out of or relating to, any investigatory, removal or remedial action involving the County's facility and required or requested by law or by any governmental Operator having jurisdiction under any law; or (b) arising directly or indirectly on account of or in connection with any claim of injury or actual injury to any person or property, relating, regarding, or in any way pertaining to:

(A) any of the County's obligations under the provisions of this Agreement,

(B) the existence, treatment, storage, disposal, release, spill, generation, removal, manufacture or other handling of any hazardous substances or hazardous wastes on the Demised Premises by the County or any prior owners, prior tenants, or prior occupants of the Demised Premises.

16.2 The indemnification in Section 16.1 shall not apply to the extent such Hazardous Discharge or Environmental Complaint or breach of any environmental protection, health or safety law, regulation or requirement is caused by or the result of actions or operation of **Freeman**, or arises in the course of or is related to **Freeman's** business.

16.3 **Freeman** agrees to defend, indemnify and hold harmless the County from and against any and all claims, suits, demands, losses, liabilities, damages, and/or judgments, costs and expenses (including, without limitation, any and all testing and cleanup costs and attorneys' and consultants' fees) (hereinafter referred to as "claims") arising directly or indirectly by reason of a Hazardous Discharge or Environmental Complaint or any environmental protection, health or safety law, regulation, or requirement governing **Freeman**, its business, operations, assets or equipment, including without limitation any claims: (a) arising directly or indirectly out of, or relating to, any investigatory, removal or remedial action involving **Freeman's** facility and required or requested by law or by any governmental Operator having jurisdiction under any law; or (b) arising directly or indirectly on account of or in connection with any claim of injury or actual injury to any person or property, relating, regarding, or in any way pertaining to:

(A) Any of **Freeman's** obligations under the provisions of this Agreement,

(B) The existence, treatment, storage, disposal, release, spill, generation, removal, manufacture or other handling of any hazardous substances or hazardous wastes on the Demised Premises by **Freeman** caused by or the result of actions or operations of **Freeman**, or arising in the course of or relating to **Freeman's** business, during the term of this Agreement or any extension or renewal hereof, provided that the foregoing indemnity shall not apply to any Hazardous Discharge or Environmental Complaint caused by or related to the County, prior owners, prior operators, prior occupants, or prior tenants of the Demised Premises.

16.4 Each party shall cooperate with the other and/or its attorneys with regard to any obligations required under this Section.

16.5 The aforementioned indemnity provisions shall survive until all such matters included or referred to herein have been determined to have prescribed by law.

16.6 Definitions:

(A) For purposes of the indemnifications as set forth above, the term "Hazardous Discharge" shall include any emission, seepage, leakage, spill, discharge, release or threatened release of any toxic hazardous substances (as defined in 42 U.S.C. 9601 et seq.) or hazardous wastes (as defined in 40 C.F.R. 260) or oil (as defined in 40 C.F.R. 112) or petroleum (as defined in 6 NYCRR Part 612) at or from the Demised

Premises into or upon (i) the air, (ii) surface and subsurface soils or any improvements located thereon, (iii) surface water or ground water, or (iv) the sewer, septic system or waste treatment, storage or disposal system servicing Demised Premises.

(B) For purposes of the indemnifications as set forth above, the term "Environmental Complaint" shall include any complaint, order, directive, claim, citation or notice by any governmental Operator or agency or any person or entity with respect to (i) air emissions, (ii) spills, releases, or discharges to surface and subsurface soils or improvements located thereon, surface water, groundwater, or the sewer, septic system or waste treatment, storage or disposal systems servicing the Demised Premises, (iii) noise emissions, (iv) solid or liquid waste disposal, (v) use, generation, storage, transportation or disposal of toxic or hazardous substances or hazardous wastes (as both said terms are defined hereinabove) or (vi) other environmental, health or safety matters affecting **Freeman** or its operations that occur after the commencement of **Freeman's** use of the Premises.

16.7 Special Provisions:

(A) Throughout the agreement term, **Freeman** shall not undertake or permit and shall immediately and fully inform the County of any environmental activity other (i) in compliance with all applicable laws, (ii) in such a manner as not to present a significant present or potential health risk to the County. If **Freeman** shall breach the representation provided in this section, then, in addition to any other rights and remedies which may be available to the County under this Agreement or otherwise at law or in equity, **Freeman** shall immediately and fully inform the County of any such breach, and the County may require **Freeman** to take all actions, or to reimburse the County for the costs of any and all action taken by the County as are necessary to comply with all applicable laws and to abate any significant present or potential health risk with respect to any environmental activity conducted or permitted or any Hazardous Substances or Hazardous Wastes (as both said terms are defined hereinabove) present at the Demised Premises.

(B) No portion of the Demised Premises may be used for the subsurface disposal or storage of radioactive material and/or for the disposal or subsurface storage of hazardous materials as such term may be defined by the regulations of the U.S. Environmental Protection Agency, or any local or state County. Any and all hazardous material handled or temporarily stored at or on the Demised Premises shall be contained and used in accordance with all applicable laws and regulations.

SECTION 17 MISCELLANEOUS

17.1 It is not the intent of this Agreement to grant to **Freeman** the exclusive right to provide any or all of the services **Freeman** may engage in at any time during the term of the Agreement. Accordingly:

(A) The County reserves the right to grant others certain rights and privileges upon the Airport which may be similar in part or in whole to those granted to **Freeman**, in

accordance with any applicable minimum standards and procedures adopted by the County and amended from time to time for the Airport.

(B) Nothing shall prevent County from entering into subleases with prospective tenants who may be in competition with the rights and privileges granted to **Freeman** hereunder. (However, County agrees not to enter into any sublease, lease, contract or other agreement with any Fixed Base Operator at the Airport, which contains more favorable terms than this Sublease, or to grant any other fixed base operator any rights, privileges or concessions which are not granted to **Freeman** herein, unless identical terms, rights, privileges and concession are concurrently made available to **Freeman**).

(C) Furthermore, County shall not grant to any entity or person the right to provide services as identified in Section 2: Scope of Services of this Agreement with **Freeman** unless said entity or person is required as a condition of the contract to first make a capital investment equal to that invested by **Freeman** into the operation of the Demised Premises, provided that said capital investment requirement shall cease upon the termination of **Freeman's** government fueling contract for cause. For purposes of this subdivision 17.1 (C), **Freeman** shall be required to provide a statement demonstrating its capital investment to the County within thirty (30) days of a request therefor.

17.2 If by reason of force majeure either party is unable in whole or in part to carry out its obligations hereunder, the affected party shall not be deemed in default during the period of such inability.

17.3 This Agreement constitutes the entire understanding between the parties, and as of its effective date supersedes all prior or independent agreements between parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

17.4 If a provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, the entire Agreement shall not be void, but the remaining provision shall continue in effect as nearly as possible in accordance with the original intent of the parties.

17.5 Any notice given by one party to the other in connection with this Agreement shall be in writing and shall be sent by registered mail, return receipt requested, with postage and registration fees prepaid.

If to the County, address to:

Oneida County Airport

592 Hangar Rd

Suite 200

Rome, NY 13441

Attention: Commissioner of Aviation

With a copy to:

Oneida County Executive's Office

Oneida County Office Building
800 Park Avenue
Utica, New York 13501

Oneida County Department of Law
Oneida County Office Building
800 Park Avenue
Utica, New York 13501

If to Freeman, address to:

Freeman Holdings of New York, LLC
Main Terminal – Forbes Field
Topeka, Kansas 66619
Attention: F. B. Freeman, Jr., Managing Member

17.6 Notice shall be deemed to have been received on the date of receipt as shown on the return receipt.

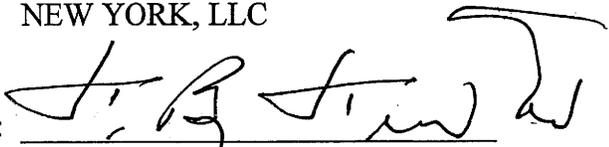
17.7 The headings used in this Agreement are intended for convenience of reference only, and do not define or limit the scope or meaning of any provision of this Agreement.

17.8 This Agreement is to be construed in accordance with the laws of the State of New York.

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

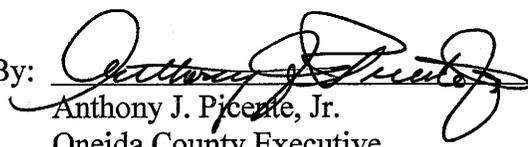
FREEMAN HOLDINGS OF
NEW YORK, LLC

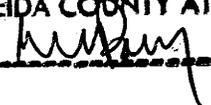
By:

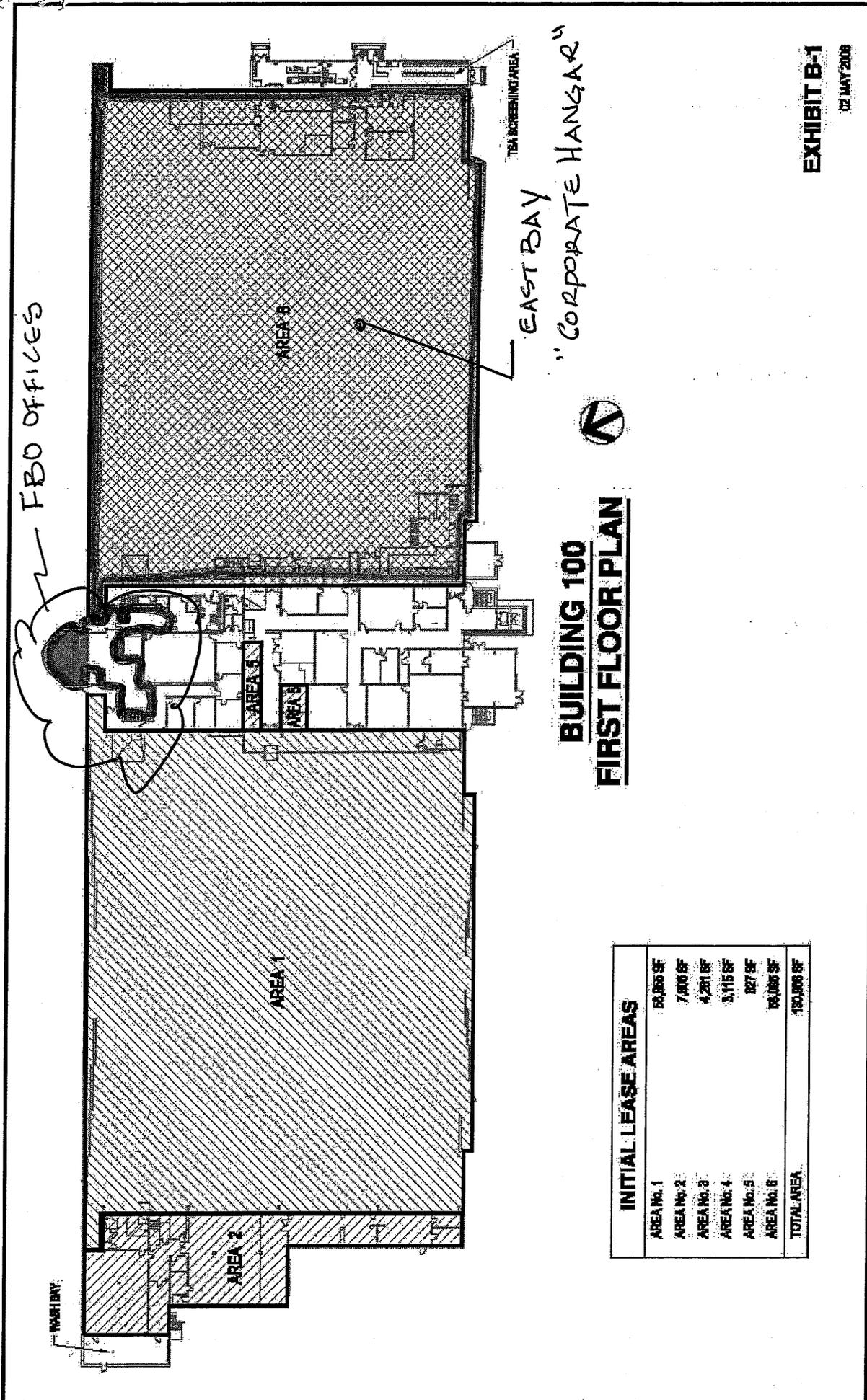

F.B. Freeman, Jr., Managing Member

THE COUNTY OF ONEIDA, NY

By:


Anthony J. Picente, Jr.
Oneida County Executive

Approved As To Form
ONEIDA COUNTY ATTORNEY
By 



**BUILDING 100
FIRST FLOOR PLAN**

INITIAL LEASE AREAS	
AREA No. 1	68,000 SF
AREA No. 2	7,000 SF
AREA No. 3	4,201 SF
AREA No. 4	3,115 SF
AREA No. 5	827 SF
AREA No. 6	100,000 SF
TOTAL AREA	183,943 SF

EXHIBIT B-1

12 MAY 2008

EXHIBIT 2



STATE OF NEW YORK
DEPARTMENT OF AGRICULTURE AND MARKETS

10B Airline Drive, Albany, New York 12235
518-457-8876 Fax 518-457-3087
www.agmkt.state.ny.us

David A. Paterson
Governor

Patrick Hooker
Commissioner

Susan L. Crabtree, Clerk
Oneida County Legislature
County Office Building
800 Park Avenue
Utica, New York 13501

7N2008-465

READ & FILED

Dear Ms. Crabtree:

In accordance with Section 303-a of the Agriculture and Markets Law, the Oneida County Legislature submitted to me, by Resolution No. 201 of 2008, a district review plan to consolidate, with modification Oneida County Agricultural District No. 7.

Following review of the plan and its related documentation, I find that the plan is eligible for districting.

In accordance with the statutory procedures for certification of agricultural district review plans, the Commissioner of Environmental Conservation has determined that the District is consistent with state environmental plans, policies and objectives.

In consideration of my review of the proposal and the determination of the Commissioner of Environmental Conservation, I hereby certify that:

- A. The District is eligible for redistricting.
- B. The District consists predominantly of viable agricultural land.
- C. The plan of the District is feasible.
- D. The District will serve the public interest by assisting in maintaining a viable agricultural industry within the District and the State.

The County is required to complete the next review of Oneida County Agricultural District No. 7 on or before July 16, 2015.

Signed and Sealed at the Town of Colonie,
County of Albany, NY,
This 30th day of September, 2008

PATRICK HOOKER
Commissioner of Agriculture and Markets
of the State of New York

cc: McCrea Burnham, Div. of Lands and Forests, DEC
James Vincent, Chair, Advisory Council on Agriculture
Susan Hoskins, IRIS
Pam Mandryck, Chair, Oneida County AFPB

2008 OCT 23 PM 2:32
RECEIVED
ONEIDA COUNTY LEGISLATURE



ONEIDA COUNTY BOARD OF ELECTIONS

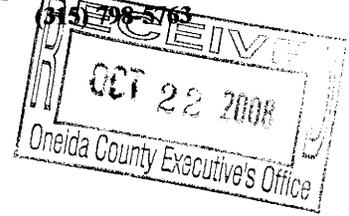
Union Station ♦ 321 Main St. ♦ 3rd Floor
Utica, New York 13501
Fax: (315) 798-6412

Anthony J. Picente Jr.
County Executive

ANGELA PEDONE LONGO
Democratic Commissioner
(315) 798-5761

PATRICIA ANN DI SPIRITO
Republican Commissioner
(315) 798-5763

October 20, 2008



Hon. Anthony J. Picente, Jr.
800 Park Avenue
Utica, New York 13501

742008-466
INTERNAL AFFAIRS

WAYS & MEANS

Dear Mr. Picente:

The HAVA rules state that the County is responsible for the storage and maintenance of all voting machines in Oneida County. Oneida County has already purchased some of the required voting machines and is in the process of purchasing more. These new machines cannot be stored as in the past due to the sensitivity of the electronic equipment in each machine. These machines require an environmentally controlled area with enough room to enable the machine custodians to do the required quarterly maintenance.

The cost of the storage was not included in the original budget because it was originally believed it would be a capital project. Therefore, it is necessary to do a supplemental appropriation to cover the cost which will be incurred to store the new voting machines.

We therefore request your Board's approval for the following 2008 supplemental appropriation:

TO: AA#A1451 Board of Elections HAVA Rent.....\$20,000

This appropriation will be fully supported by revenue from:

RA#A1451-A1241 BOE HAVA Reimb. other Govts.....\$20,000

We respectfully request this legislation to be acted on at your **NOVEMBER 12, 2008** meeting.

Respectfully submitted,

Angela Pedone Longo
Angela Pedone Longo
Election Commissioner

Catherine A. Dumka
Catherine A. Dumka
Deputy Election Commissioner

CC: County Attorney
Comptroller
Budget

RECEIVED
ONEIDA COUNTY LEGISLATURE
OCT 24 AM 9:26

Reviewed and approved for submittal to the
Oneida County Board of Legislators by
Anthony J. Picente, Jr.
Anthony J. Picente, Jr.
County Executive
Date 10/27/08

ONEIDA COUNTY HEALTH DEPARTMENT

A Ironclack Bank Building, 5th Floor, 185 Genesee St., Utica, NY 13501

ANTHONY J. PICENTE, JR.
ONEIDA COUNTY EXECUTIVE

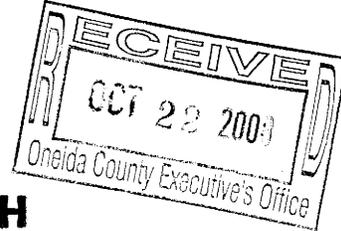
NICHOLAS A. DEROSA
DIRECTOR OF HEALTH

ADMINISTRATION

Phone: (315) 798-6400 Fax: (315) 266-6138



Public Health
Prevent. Promote. Protect.



JN 2008-467

October 20, 2008

PUBLIC HEALTH

Anthony J. Picente, Jr., County Executive
Oneida County Office Building
800 Park Avenue
Utica, New York 13501

WAYS & MEANS

Dear Mr. Picente:

Per Title VI of the state health law "the county health authority is responsible for the services and expenses necessary for the suppression of human rabies". This includes assuming financial responsibility for human postexposure treatment render by providers after third party coverage.

In 2008 we have seen a significant increase in county costs for postexposure treatment as a result of individuals being treated who are either under insured or who have no insurance at all.

We are therefore requesting the following transfer for the 2008 fiscal year.

From: A4018.49559 – West Nile Virus.....	\$ 18,000
To: A4018.495– Other Expenses.....	\$ 18,000

RECEIVED
ONEIDA COUNTY LEGISLATURE
2008 OCT 24 AM 9:25

Please request the Board to act on the above mention at their earliest convenience.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Nicholas A. DeRosa
Director of Public Health

Cc: T. Keeler, Director of Budget

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.
County Executive

Date 10/22/08

ONEIDA COUNTY DEPARTMENT OF HEALTH

Date: 10-20-08

ONEIDA COUNTY BOARD OF LEGISLATORS

APPROPRIATION / SUMMARY

Appropriation _____
Transfer X
Fiscal Year 2008

1.) Appropriation or Transfer Description –

Cost Center: Environmental Health / A4018

From: West Nile Virus..... \$18,000

To: Other Expenses.....\$ 18,000

2.) Activity or Service –

- **The payment to providers for necessary treatment for individuals requiring human post exposure treatment.**
- **The cost of collection, preparation and submission of animal specimens to a laboratory for rabies diagnosis.**

3.) Client population to be served –

Those residents of Oneida County who have been expose to the rabies virus and whose treatment has been authorize.

4.) Explanation of Appropriation /Transfer –

In 2008 we budgeted \$9,700 post exposure treatment. For the period of January 1, 2008 through October 17, 2008 the costs have total \$15,172. While the number of individuals expose to the rabies virus has remain comparatively constant, we are seeing that we have more individuals who are under insured or who have no insurance all.

145

4.) Funding Source –

Our county's allocation for rabies expenses between April 1, 2008 and March 31, 2009 is \$14,504 which includes human treatment, specimen preparation and shipment and pet vaccination clinics. Any costs beyond this are reimbursed at 36%.

Oneida County Department Staff Comments:

ONEIDA COUNTY HEALTH DEPARTMENT

A *Adirondack Bank Building*, 5th Floor, 185 Genesee St., Utica, NY 13501

ANTHONY J. PICENTE, JR.
ONEIDA COUNTY EXECUTIVE

NICHOLAS A. DEROSA
DIRECTOR OF HEALTH

ADMINISTRATION

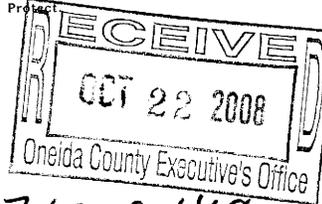
Phone: (315) 798-6400 Fax: (315) 266-6138



Public Health
Prevent. Promote. Protect.

October 20, 2008

Anthony J. Picente Jr., County Executive
Oneida County Office Building
800 Park Avenue
Utica, New York 13501



7N 2008-468

**PUBLIC HEALTH
WAYS & MEANS**

RECEIVED
ONEIDA COUNTY LEGISLATURE
2008 OCT 21 AM 9:24

Dear Mr. Picente:

The Health Department's *Diagnostic and Treatment Clinic* performs health screening and health promotion activities, along with diagnosis and treatment or referral for treatment. Due to the increased volume of new refugee arrivals, the laboratory costs of screening for potentially infectious diseases have also increase. This increase is offset by the Refugee Health Assessment Contract with NYSDOH which reimburses a per capita for each completed assessment.

To accommodate this increase we are requesting the following supplemental appropriation for the **2008** fiscal year.

To: A4012.495 – Other Expenses..... \$30,000

This appropriation will be supported by revenue in:

A2280 – Refugee Testing \$30,000

If you have any questions, please do not hesitate to contact me.

Sincerely,

Nicholas A. DeRosa
Director of Public Health

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.
County Executive

Date 10/22/08

Cc: T. Keeler, Director of Budget

ONEIDA COUNTY DEPARTMENT OF HEALTH

Date: 10-20-08

ONEIDA COUNTY BOARD OF LEGISLATORS

APPROPRIATION / SUMMARY

Appropriation X
Transfer
Fiscal Year 2008

1.) Appropriation or Transfer Description –

Cost Center: Public Health-Clinic/ A4012

To: Other Expenses..... 30,000

2.) Activity or Service –

To support lab costs for screening new refugee arrivals.

3.) Client population to be served –

A physical exam and screening for TB and hepatitis B are provided to individuals referred by the Mohawk Valley Resource Center for Refugees (MVRRCR). The health assessment also includes ova and parasite. Hemoglobin, and pap smear testing.

4.) Explanation of Appropriation /Transfer –

Due to the increase volume of new refugee arrivals, the costs of screening for potentially infectious diseases have increase.

Year	2005	2006	2007	2008 (anticipated)
Assessments	245	296	567	700

5.) Funding Source –

We can support this appropriation by the increase in the number of Refugee Health assessments which we are reimbursed at \$338.50. This rate was established on March 31, 2008 to march 30, 2009 and forward. The previous rate was \$286.74.

Oneida County Department Staff Comments:



ONEIDA COUNTY DEPARTMENT OF SOCIAL SERVICES
County Office Building 800 Park Avenue Utica, NY 13501
Phone (315) 798-5733 Fax (315) 798-5218

2009 OCT 24 AM 9:24
ONEIDA COUNTY LEGISLATURE
RECEIVED

October 20, 2008

Honorable Anthony J. Picente Jr.
Oneida County Executive
800 Park Avenue
Utica, New York 13501

74 2008-469
HUMAN RESOURCES

WAYS & MEANS

Dear Mr. Picente:

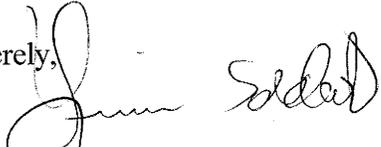
I am submitting the following Purchase of Services Agreement for review and approval by the Board of Legislators per Board Resolutions and Local Law #3 of 2001, amending Article VIII, Section 802 of the Administrative Code.

Enclosed are copies of Purchase of Services Agreement for Thea Bowman House Inc. 731 Lafayette Street, Utica, NY 13502. This Center provides safe Day Care Services for children. The Department pays them for care of children from eligible families. This resource helps to ensure safe care of children while their families participate in training and/or employment.

The term of this Agreement is January 1, 2009 through December 31, 2009 paid at Day Care "Market Rates" as determined by New York State Office of Children and Family Services.

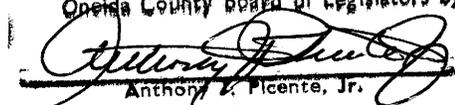
The total paid to Thea Bowman House Inc. for services between October 17, 2007 and October 16, 2008 was \$ 726,077, with a local share of 3.2 % or \$ 23,234.

I am respectfully requesting that this matter be forwarded to the Board of Legislators for action as soon as possible. Thank you for your consideration.

Sincerely,


Lucille A. Soldato
Commissioner

LAS/tms
attachment

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.
County Executive
Date 10/22/08

10/17/08
67101

Oneida Co. Department Social Services

Competing Proposal _____
Only Respondent _____
Sole Source RFP _____

Oneida County Board of Legislators
Contract Summary

Name of Proposing Organization: Thea Bowman House Inc.
731 Lafayette Street
Utica, New York 13502

Title of Activity or Services: Day Care Services

Proposed Dates of Operations: January 1, 2009 through December 31, 2009

Client Population/Number to be Served: Licensed for a total of 77 children 6 weeks - to 12 years.

SUMMARY STATEMENTS

1). Narrative Description of Proposed Services

Day Care Services located: The Thea Bowman House
731 Lafayette Street
Utica, New York 13502

2). Program/Service Objectives and Outcomes

To provide safe quality day care services to eligible low income employed families or public assistance recipients involved in approved educational, vocational job search or work experience activities.

3). Program Design and Staffing Level -

Total Funding Requested: New York State Market Rates

Oneida County Dept. Funding Recommendation: Account # A6055.495

Proposed Funding Source (Federal \$ /State \$ / County \$):

Federal	75.0 %	\$ 544,558
State	21.8 %	\$ 158,285
County	3.2 %	\$ 23,234

The percentages listed are a composite of Title 4A, Title 4F and child development block grants (transitional or low income). Children receiving day care services would be paid by this variety of funding streams.

Cost Per Client Served:

Past performance Served: Paid a total of \$ 726,077 for period October 17, 2007 through October 16, 2008. The Contractor provides service for part-time and full-time daycare with an average of (101) children per month. The Department had a contract with Thea Bowman House since 1996.

O.C. Department Staff Comments:

The Department contracts with a number of Day Care Centers to ensure the availability of services when needed.

Anthony J. Picente Jr.
County Executive



Lucille A. Soldato
Commissioner

ONEIDA COUNTY DEPARTMENT OF SOCIAL SERVICES
County Office Building, 800 Park Avenue, Utica, NY 13501
Phone (315) 798-5733 Fax (315) 798-5218

October 13, 2008

FN2008-470

Honorable Anthony J. Picente Jr.
Oneida County Executive
800 Park Avenue
Utica, New York 13501

**HUMAN RESOURCES
WAYS & MEANS**

RECEIVED
ONEIDA COUNTY LEGISLATURE
2008 OCT 24 AM 9:23

Dear Mr. Picente:

I am submitting the following Purchase of Services Agreement for review and approval by the Board of Legislators per Board Resolutions and Local Law #3 of 2001, amending Article VIII, Section 802 of the Administrative Code.

This is a request to renew Purchase of Services Agreement for United Cerebral Palsy Center Day Care 1020 Mary Street, Utica, New York which we have contracted with since 1992. This center provides safe Day Care Services at (6) sites for children 6 weeks to 12 years.

The Department pays for the care of children from eligible families. This resource helps to ensure safe care of children while their families participate in training and/or employment.

The term of the Agreement is December 1, 2008 through November 30, 2009. The rates for Day Care are the "Market Rates" determined by New York State Office of Children and Family Services.

The total paid to the United Cerebral Palsy Center for Day Care Services for September 19, 2007 through September 18, 2008 was \$ 149,884 with a local share of 3.2% or \$ 4,796.

I am respectfully requesting that this matter be forwarded to the Board of Legislators for action as soon as possible. Thank you for your consideration.

Sincerely,

Lucille A. Soldato
Commissioner

LAS/tms
attachment

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.
County Executive

Date 10/22/08

10/13/08
23102

Oneida Co. Department Social Services

Competing Proposal _____
Only Respondent _____
Sole Source RFP _____

Oneida County Board of Legislators
Contract Summary

Name of Proposing Organization: United Cerebral Palsy Center
1020 Mary Street
Utica, New York 13501

Title of Activity or Services: Day Care Services

Proposed Dates of Operations: 12/1/2008 - 11/30/2009

Client Population/Number to be Served: Licensed for a total of 423 Children 6 weeks to 12 years.

SUMMARY STATEMENTS

1). Narrative Description of Proposed Services

Day Care Services are located at:

New Discoveries Day Care Center
1601 Armory Drive
Utica, New York 13501

New Discoveries Day Care Center
Rainbow Day Care Center
10708 N. Gage Road
Barneveld, New York 13304

New Discoveries Day Care Center
326 Catherine Street
Utica, New York 13501

New Discoveries Day Care Center
130 Brookley Road
Rome, New York 13441

New Discoveries Day Care Center
75 Chenango Avenue
Clinton, New York 13323

New Discoveries Day Care Center
3390 Brooks Lane
Chadwicks, New York 13319

2). Program/Service Objectives and Outcomes

To provide safe quality day care services to eligible low income employed families or public assistance recipients involved in approved educational, vocational job search or work experience activities.

3). Program Design and Staffing Level -

Total Funding Requested: New York State Market Rates.

Oneida County Dept. Funding Recommendation: Account # A6055.495

Proposed Funding Source (Federal \$ /State \$ / County \$):

Federal	75.0 %	\$ 112,413
State	21.8 %	\$ 32,675
County	3.2 %	\$ 4,796

Cost Per Client Served: Paid a total of \$ 149,884 for the period 9/19/07-9/18/08. The Department had an average of (29) children per month.

Past performance Served: The department has held an agreement with United Cerebral Palsy since 1992.

O.C. Department Staff Comments: The Department contracts with a number of providers to insure the availability of services.

Anthony J. Picente Jr.
County Executive



Lucille A. Soldato
Commissioner

ONEIDA COUNTY DEPARTMENT OF SOCIAL SERVICES
County Office Building, 800 Park Avenue, Utica, NY 13501
Phone (315) 798-5733 Fax (315) 798-5218

October 13, 2008

7M2008-471

2008 OCT 24 AM 9:21
RECEIVED
ONEIDA COUNTY LEGISLATURE

Honorable Anthony J. Picente Jr.
Oneida County Executive
800 Park Avenue
Utica, New York 13501

HUMAN RESOURCES
WAYS & MEANS

Dear Mr. Picente:

I am submitting the following Purchase of Services Agreement for review and approval by the Board of Legislators per Board Resolutions and Local Law #3 of 2001, amending Article VIII, Section 802 of the Administrative Code.

This renewal Agreement with Herkimer - Oneida Counties Comprehensive Planning Program will provide Preparation and Monitoring of the Consolidated Services Plan; Data Collection and Analysis; Needs Assessment; Grant Applications; Plan Preparation and Monitoring; and other planning services as needed.

The term of the Agreement is January 1, 2009 through December 31, 2009. The total cost of the Contract is \$ 119,789.00 with a local cost of 25% or \$ 29,947.00.

I am respectfully requesting that this matter be forwarded to the Board of Legislators for action as soon as possible.

Thank you for your consideration.

Sincerely,

Lucille A. Soldato
Commissioner

LAS/tms
Attachment

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by

Anthony J. Picente, Jr.
County Executive
Date 10/22/08

10/13/08
12601

Oneida Co. Department Social Services

Competing Proposal _____
Only Respondent _____
Sole Source RFP _____

Oneida County Board of Legislators
Contract Summary

Name of Proposing Organization:

Herkimer-Oneida Counties Comprehensive Planning Program
Union Station
Utica, New York 13501

Title of Activity or Services: Provide Technical Assistance

Proposed Dates of Operations: January 1, 2009 through December 31, 2009

SUMMARY STATEMENTS

1). Narrative Description of Proposed Services

Assist the Department in satisfying State & County Planning requirements, achieving program goals & objectives. Provides assistance to the department in the area's of: grant proposals consolidated services plan, may assist in the implementation and planning of programs, may assist in the planning and organization of community resources for the department.

2). Program/Service Objectives and Outcomes -

To provide technical assistance & consultation to the Department in the preparation and monitoring of the Consolidated Service Plan and other areas identified by the Department.

3). Program Design and Staffing Level -

60% Principal Planner
70% Chief Planner
35% Secretary/Clerk
5% Senior Planner

Total Funding Requested: \$ 119,789.00

Oneida County Dept. Funding Recommendation: Account #:A6010.49535

Oneida County Department of Public Works

ANTHONY J. PICENTE JR.
County Executive

JOHN J. WILLIAMS
Commissioner

6000 Airport Road
Oriskany, New York 13424
Phone: (315) 793-6200
Fax: (315) 768-6299

DIVISIONS:
Buildings & Grounds
Engineering
Highways, Bridges & Structures
Reforestation

October 17, 2008

Anthony J. Picente, Jr.
Oneida County Executive
800 Park Ave.
Utica, NY 13501

Dear County Executive Picente,

In 2007, Oneida County initiated a Locally Administered Federal Aid Project to repair and paint various bridges throughout Oneida County. All costs are eligible for 80% Federal funding and up to 15% State (Marchiselli) funding. As of this date Oneida County has executed grant agreements with the New York State Department of Transportation for preliminary engineering and design services with costs totaling \$95,000.00 (\$76,000 Federal, \$14,250 State, \$4,750 County). It is now necessary to execute a grant agreement for construction and construction inspection services.

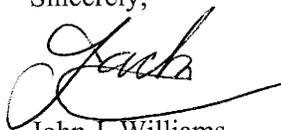
On August 27, 2008 the Oneida County Board of Acquisition and Contract awarded Bid Ref # 1334 - Contract No. 1, Rehabilitation of Judd Road Bridge, to Economy Paving Co in the amount of \$615,599.00 and Contract No. 2, Maintenance Painting and Structural Repairs, to Tioga Construction Company in the amount of \$749,750.00. During the construction phase of the project it will be necessary to provide construction inspection services to insure compliance with the contract documents. On September 24, 2008 the Oneida County Board of Legislators approved an agreement with Barton & Loguidice, the project designer, for construction inspection services in the amount of \$178,000. Therefore, the total cost of construction and construction inspection services is currently \$1,543,349.00

Enclosed is Supplemental Agreement No. 2 to the original grant agreement between Oneida County and the New York State Department of Transportation. When executed, Supplemental Agreement No. 2 will increase the total cost of the project by \$1,543,349.00 and allow the County to be reimbursed up to \$1,466,181.55 (\$1,234,679.20 Federal, \$231,502.35 State) for construction and construction inspection services.

If acceptable, please forward Supplemental Agreement No. 2 to the Oneida County Board of Legislators for consideration. If approved by the Board please return six (6) copies of Supplemental Agreement #2 and two (2) additional signature pages, all with original signatures, for further processing.

Thank you for your support.

Sincerely,



John J. Williams
Commissioner of Public Works

cc: Mark E. Laramie, P.E., Deputy Commissioner

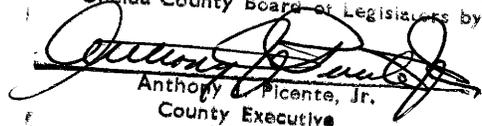
7/12008-472

PUBLIC WORKS

WAYS & MEANS

2008 OCT 24 AM 9:07
FEDERAL
ONEIDA COUNTY LEGISLATURE

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by



Anthony J. Picente, Jr.
County Executive

Date 10/2/08

Oneida County Board of Legislators Contract Summary

Name of Proposing Organization: **New York State Department of Transportation**

Title of Activity or Service: **Grant**

Client Population/Number to be Served: **N/A**

Summary Statements:

1) Narrative Description of Proposed Services:

**Grant - Supplemental Agreement #2 for Construction and Construction Inspection Services:
Bridge Preventive Maintenance and Painting, Various Locations, Oneida County**

2) Program/Service Objectives and Outcomes:

Bridge Preventive Maintenance and Painting, Various Locations, Oneida County

3) Program Design and Staffing Level:

N/A

Total Funding Requested: **\$1,543,349.00**

Oneida County Department Funding Recommendation: **\$1,543,349.00** Account # **H-298**

Proposed Funding Source: Federal **\$1,234,679.20** State **\$231,502.35** County **\$77,168.45**

Cost Per Client Served: **N/A**

Past Performance Data: **N/A**

Oneida County Department Staff Comments

Oneida County Department of Public Works

ANTHONY J. PICENTE JR.
County Executive

JOHN J. WILLIAMS
Commissioner

6000 Airport Road
Oriskany, New York 13424
Phone: (315) 793-6200
Fax: (315) 768-6299

DIVISIONS:
Buildings & Grounds
Engineering
Highways, Bridges & Structures
Reforestation

2008 OCT 21 AM 9:31

RECEIVED
ONEIDA COUNTY LEGISLATURE

October 16, 2008

7N2008-473

Anthony J. Picente, Jr.
Oneida County Executive
800 Park Ave.
Utica, NY 13501

PUBLIC WORKS

WAYS & MEANS

Dear County Executive Picente,

Oneida County is required by law to furnish and maintain adequate court facilities for use by trial courts of the State of New York. Chapter 686 of the Laws of 1996 was enacted to give the State of New York the fiscal responsibility of cleaning court facilities and the performance of minor repairs therein, and the ability to cover the costs thereof.

Chapter 686 of the Laws of 1996 requires the State of New York to contract with Oneida County for the cleaning of court facilities and the performance of minor repairs therein, and to guarantee reimbursement of the costs thereof.

Therefore, please consider the enclosed contract for Chapter 686 Court Cleaning and Minor Repairs, between the Unified Courts System and Oneida County for SFY 2008-2009. This is the first year of a maximum five year term. Receipt of reimbursement for these services was approved and included in the 2008 Buildings & Grounds budget in line A1620 – A3022, State Aid – Court Facilities. Please note that the actual contract amount is determined by actual approved expenses that will be listed on a reimbursement claim form. The estimated maximum reimbursement for SFY 2008-2009 is \$472,278.00.

If you approve, please sign and return an original copy to Mark Laramie for further processing.

Thank you for your support.

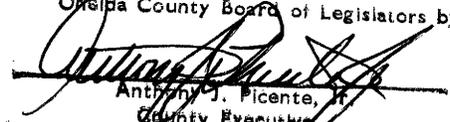
Sincerely,



John J. Williams
Commissioner of Public Works

cc: Mark E. Laramie, P.E., Deputy Commissioner

Reviewed and Approved for submittal to the
Oneida County Board of Legislators by



Anthony J. Picente, Jr.
County Executive
Date 10/22/08



STATE OF NEW YORK
UNIFIED COURT SYSTEM
FIFTH JUDICIAL DISTRICT
ONONDAGA COUNTY COURTHOUSE
600 S. STATE STREET, ROOM 300
SYRACUSE, NEW YORK 13202-3099
(315) 671-2111
FAX: (315) 671-1175

AMY PFAU
Chief Administrative Judge

JAN H. PLUMADORE
Deputy Chief Administrative Judge
Courts Outside New York City

October 1, 2008

JAMES C. TORMEY
District Administrative Judge
Fifth Judicial District

MICHAEL A. KLEIN, ESQ.
District Executive

JAMES P. SHANAHAN
Senior Administrative Assistant

Ms. Karen Bowen
Oneida County
Division of Buildings and Grounds
6000 Airport Road
Oriskany, NY 13424

Dear Karen,

Enclosed please find our new five-year term contract agreement for Chapter 686 Court Cleaning and Minor Repairs, between the Unified Court System and Oneida County for 2008-2009. As soon as your County Executive signs the agreement and has it notarized, **please send it to me.**

As you are aware, the budget is submitted first after the contract is signed by both parties. The correct budget form and reimbursement claim form are attached. Please use these and **only these** for your submission to the courts.

Your actual expenses will be listed on the reimbursement claim form. You are allowed two options for payment on your vouchers. The first one is sending one to us within 6 months, and then again at the end of the fiscal year, which is March 31, 2009. The other option is sending only one reimbursement claim form at the end of the fiscal year.

If you should have any questions or concerns, please contact me at 315-671-2124. Thank you in advance for your cooperation and assistance.

Sincerely,

Angela Albanese

Angela Albanese
Sr. Court Analyst

**AGREEMENT BETWEEN THE
NEW YORK STATE UNIFIED COURT SYSTEM**

AND

County of Oneida

This Agreement, between the New York State Unified Court System, 25 Beaver Street, New York, New York 10004 ("UCS") and the:

County of Oneida

6000 Airport Road

Oriskany, NY 13424

("Municipality"), is for the purpose of obtaining cleaning services for the interior of the:

Oneida County Court Buildings (5)

("Court Facilities") as well as minor and emergency repairs to that facility.

WHEREAS, counties and cities are required by law to furnish and maintain adequate court facilities for use by trial courts of the State of New York; and

WHEREAS, Chapter 686 of the Laws of 1996 was enacted to invest the State of New York with the fiscal responsibility of managing the interior cleaning of COURT FACILITIES and the performance of minor repairs therein, and with the ability to cover the costs thereof; and

WHEREAS, Chapter 686 of the Laws of 1996 requires the State of New York to contract with political subdivisions of the State for the cleaning of court facilities, as well as minor and emergency repairs thereof, and

WHEREAS, MUNICIPALITY is responsible for furnishing and maintaining COURT FACILITIES;

NOW, THEREFORE, in consideration of the promises ~herein contained, the parties agree as follows:

1. **TERM**

A. When signed by the parties and approved by all necessary government agencies, the Agreement shall be effective beginning **April 1, 2008** for a maximum of five (5) years through **March 31, 2013**, unless terminated earlier or extended pursuant to its terms. This term shall consist of parts or Periods (hereinafter "Period"), each of which shall have its own maximum amount of monetary reimbursement by UCS to MUNICIPALITY for that Period, as provided in Section VI and Appendix B of this Agreement.

B. The initial Period of this maximum five-year term shall commence on **April 1, 2008** and terminate on **March 31, 2009**.

C. The parties agree that a change in the dates of each subsequent Period, as well as the maximum compensation and budget for that Period and any revised scope of services for that Period, shall be established by the mutual written agreement of the parties, and shall be subject to approval by the Comptroller of the State of New York in cases where the annual budget increase over the prior Period exceeds four (4) percent.

D. Upon completion of the five-year contract, UCS will submit to the Office of the State Comptroller (OSC) a cumulative reconciliation identifying approved contract amounts and actual expenditures for each budget category listed in Appendix B. Upon OSC review and approval of the reconciliation, OSC will eliminate any remaining contract authority.

11. **EXTENSION AND TERMINATION**

A. This Agreement may be extended only by written agreement of the parties and approval by all necessary government agencies.

B. If at any time the Chief Administrator or her/his designee determines that MUNICIPALITY is not adequately providing services pursuant to this Agreement or that MUNICIPALITY is otherwise violating any material provision(s) of this Agreement, UCS may, upon approval by the Court Facilities Review Board pursuant to section 39-b of the New York State Judiciary Law, implement an alternative plan for the cleaning of the interior of the COURT FACILITIES, including but not limited to, a plan pursuant to which

MUNICIPALITY continues to perform some of the services described in Section III below, and UCS may contract with a third party to perform the remaining services described in Section III below.

III. **SCOPE OF SERVICES**

A. MUNICIPALITY shall, in accordance with the provisions of 22 NYCRR Parts 34.1 and 34.2 provide for the cleaning of the interior of COURT FACILITIES including all facilities used for the transaction of business by state-paid courts and court-related agencies of UCS and by judicial and nonjudicial personnel thereof, including rooms and accommodations the courts and court-related agencies of UCS, the judges, justices and the clerical, administrative and other personnel thereof. Specific tasks to be performed and the cost associated with those tasks shall be delineated in Appendix B.

B. MUNICIPALITY shall be responsible for the performance of all minor repairs to the interior of COURT FACILITIES as are required to replace a part, to put together what is torn or broken, or to restore a surface or finish, where such repairs are needed to preserve and/or to restore the COURT FACILITIES to full functionality.

C. MUNICIPALITY shall be responsible for the performance of emergency repairs to the interior of the COURT FACILITIES necessitated by a sudden and unexpected failure or by some accident or external force, resulting in a situation that

adversely affects the suitability and sufficiency of the COURT FACILITIES for the dignified transaction of the business of the courts.

D. MUNICIPALITY shall maintain and operate the COURT FACILITIES in accordance with 22 NYCRR Parts 34.1 and 34.2.

IV. INSPECTION OF COURT FACILITIES

UCS shall cause an inspection of the COURT FACILITIES to ensure that MUNICIPALITY is complying with 22 NYCRR Parts 34.1 and 34.2, at least quarterly during the initial Period of this Agreement and any subsequent Period thereof and at any such other times as UCS shall deem necessary. At the conclusion of each such inspection, UCS shall notify MUNICIPALITY in writing that the inspection was completed. If UCS finds that MUNICIPALITY is not in compliance with 22 NYCRR Parts 34.1 and 34.2, or has not performed specific tasks as set forth in Appendix B, such written notice shall specify the specific provisions of 22 NYCRR Parts 34.1, 34.2 and/or Appendix B with which MUNICIPALITY is not in compliance. MUNICIPALITY shall correct the deficiency within twenty-four (24) hours after receiving such written notice or within such other Period of time as is mutually agreed upon, in writing, by the parties. MUNICIPALITY shall notify UCS, in writing, when such deficiency is corrected.

V. **MAINTENANCE OF EFFORT**

A. Nothing in this Agreement alters or affects the obligations of MUNICIPALITY to provide goods and services to the COURT FACILITIES pursuant to section 39 of the New York State Judiciary Law.

B. MUNICIPALITY shall certify in each voucher submitted to UCS pursuant to Section VII below that it has complied with section 39 of the New York State Judiciary Law during the Period covered by the voucher.

VI. **MAXIMUM COMPENSATION**

Except as provided in section VII (F) below, the maximum total compensation to MUNICIPALITY from UCS for the services provided pursuant to this Agreement for any Period shall not exceed the amount approved for reimbursement as set forth in Appendix B of this Agreement.

VII. **REIMBURSEMENT AND PAYMENT**

A. On or before May 1 of the initial Period of this Agreement, MUNICIPALITY shall submit to UCS, on a form prescribed by UCS, a proposed itemized interim budget detailing the services to be provided pursuant to this Agreement and the projected costs MUNICIPALITY expects to incur in providing those services during the initial Period of this Agreement. UCS shall notify MUNICIPALITY, in writing, of the extent to which the proposed scope of services and projected costs detailed in such proposed itemized interim budget have been approved for reimbursement in accordance with Chapter 686

of the Laws of 1996 and Chapter 213 of the Laws of 1998 as soon thereafter as is practicable. Pursuant to Section I above, the proposed scope of services and amounts approved for reimbursement shall be appended to this Agreement as Appendix B.

B. On or before August 1 of the Initial Period of this Agreement or any subsequent Period thereof, MUNICIPALITY shall submit to UCS, on a form prescribed by UCS, a proposed itemized budget detailing the services to be provided pursuant to this Agreement and the projected costs MUNICIPALITY expects to incur in providing those services during New York State fiscal year commencing April 1 next thereafter. MUNICIPALITY may include in such proposed itemized budget any unreimbursed balance remaining for services performed pursuant to Section III (C) above during the immediately preceding Period of this Agreement. UCS shall notify MUNICIPALITY, in writing, of the extent to which the projected costs detailed in such proposed itemized budget have been approved for reimbursement in accordance with Chapter 686 of the Laws of 1996 and Chapter 213 of the Laws of 1998 for such next commencing fiscal year no later than the first day of March after the proposed itemized budget has been submitted, or as soon thereafter as is practicable. Pursuant to Section I above, the amounts approved for reimbursement shall be appended to this Agreement as Appendix B.

C. During the term of this Agreement, MUNICIPALITY shall be reimbursed for the costs actually expended in the provision of services pursuant to this Agreement in accordance with and not exceeding the amounts set forth in Appendix B, which is

attached hereto and made a part hereof. Subject to subdivisions E and F below, reimbursement shall be made upon approval by UCS of a voucher submitted to UCS by MUNICIPALITY as described in subdivision D below, in a format approved by UCS and the Office of the State Comptroller.

D. No later than fifteen (15) days after the end of every three (3)-month period during which this Agreement is in effect, MUNICIPALITY shall submit a voucher to UCS in a form approved by UCS, showing the actual expenses incurred by MUNICIPALITY during the immediately preceding three (3)-month period and the amount of reimbursement claimed. Such voucher shall include the certification referred to in Section V above and a certification that MUNICIPALITY is in compliance with the Maintenance and Operations standards set forth in 22 NYCRR Parts 34.1 and 34.2. Upon receipt and approval of the voucher, UCS shall certify said voucher to the State Comptroller for payment of the amount of reimbursement claimed to MUNICIPALITY. Nothing contained herein shall increase the maximum amount payable to MUNICIPALITY as set forth in Appendix B and in Section VI above.

E. Notwithstanding any other provision of this Agreement, MUNICIPALITY shall not be reimbursed for the costs of any services performed pursuant to this Agreement under the following circumstances:

(1) UCS has performed an inspection of the COURT FACILITIES pursuant to Section IV above, and MUNICIPALITY has failed to correct a violation within

twenty-four (24) hours after receiving written notice thereof or within such other period of time as was mutually agreed upon, in writing, by the parties; or,

(2) The need for the services performed pursuant to this Agreement is due to MUNICIPALITY's failure to follow the Maintenance and Operation Standards for Court Facilities set forth in 22 NYCRR Parts 34.1 and 34.2, as determined by UCS; or,

(3) The services performed pursuant to this Agreement will be undertaken in lieu of replacement of a building system that, in accordance with MUNICIPALITY's normal and usual policies, procedures and practice, should be replaced; or

(4) Except as provided in subdivision F of this section, the services performed were not approved for reimbursement pursuant to subdivision A or B of this Section during the New York State fiscal year when the voucher is submitted; or

(5) Pursuant to the New York State laws, rules and regulations to which MUNICIPALITY is subject, and to MUNICIPALITY's own normal and usual policies, procedures and practices, the services to be performed pursuant to this Agreement are being or could be bonded;

F. Notwithstanding that such cost was not approved in advance by UCS pursuant to subdivision A or B of this section, MUNICIPALITY may be reimbursed for

the cost of services performed pursuant to Section III (C) of this Agreement up to the amount of \$15,000 during each Period of this Agreement.

MUNICIPALITY shall submit a request for reimbursement of the cost of such services on a standard voucher to UCS showing an itemized account of the services performed and the costs thereof. Upon receipt and approval of the voucher, UCS shall certify said voucher to the State Comptroller for payment thereof to MUNICIPALITY.

VIII. **AUDITING OF BOOKS**

The Comptroller of the State of New York and UCS shall have the right to perform both pre and post-audits of the books of account of MUNICIPALITY with respect to the expenditures made or expenses incurred pursuant to this Agreement. Such books of account shall be open to inspection by the Comptroller of the State of New York and UCS at any mutually convenient time or times. Financial records of MUNICIPALITY pertaining to this Agreement shall be retained by MUNICIPALITY for a minimum of six (6) years after the expiration of this Agreement.

IX. **NOTICES**

All notices to be given under this Agreement shall be made in writing and delivered either personally or by regular mail to MUNICIPALITY at its address as set forth herein and to UCS, attention:

Michael A. Klein, District Executive
Unified Court System
Fifth District Administrative Office
600 S. State St., Room 300
Syracuse, NY 13202

or to such person or such address as each party may provide in writing from time to time. Any such notice shall be deemed to have been given when delivered, if by personal delivery, or when deposited with the US Postal Service, three (3) days after mailing.

X. MISCELLANEOUS PROVISIONS

A. Appendix A, containing standard terms for New York State contracts, and Appendix B, containing the scope of services to be provided and the budget, are attached hereto and made parts hereof.

B. The terms and conditions of this Agreement, together with its appendices and any documents incorporated herein by reference, represent the full understanding of the parties and no part hereof shall be deleted or changed without the express written consent of the parties.

C. The headings used in this Agreement are for reference purposes only and are not controlling.

D. If any term or provision of this Agreement shall be found to be illegal or unenforceable, then that term or provision shall be deemed stricken and the remaining provisions of this Agreement shall remain in full force and effect.

E. This Agreement and the performance of the obligations of each party hereunder shall be governed by and construed in accordance with the laws rules and regulations of the State of New York.



COUNTY OF ONEIDA
OFFICE OF THE COUNTY EXECUTIVE

ANTHONY J. PICENTE JR.
County Executive
ce@ocgov.net

ONEIDA COUNTY OFFICE BUILDING
800 PARK AVENUE
UTICA, NEW YORK 13501
(315) 798-5800
FAX: (315) 798-2390
www.ocgov.net

JN2008 474

October 28, 2008

Board of Legislators
Oneida County
800 Park Avenue
Utica, New York, 13501

AIRPORT
WAYS & MEANS

RE: Appointment of W. Vernon Gray, III as Commissioner of Aviation

Honorable Members:

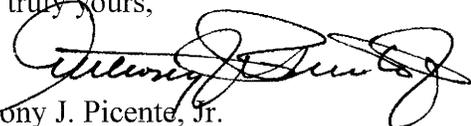
After an exhaustive search for and review of candidates applying for the position of Aviation Commissioner for Oneida County and pursuant to Article IX, Section 901 of the Oneida County Charter, I hereby appoint W. Vernon Gray, III to be the Commissioner of Aviation for Oneida County.

Mr. Gray comes to us with experience both in the military and private sector field of aviation. He was previously the business and operational manager of the Okeechobee Municipal Airport and worked in private industry as a management and operational supervisor for air carrier services. Mr. Gray also has a solid educational background in accounting and management practices.

I ask the Board of Legislators to confirm the appointment of Vernon Gray to the position of Oneida County Commissioner of Aviation at a grade of 49H, step 3 and salary of \$76,753.

Thank you for the Board's kind attention to this request for action.

Very truly yours,


Anthony J. Picente, Jr.
Oneida County Executive

Cc: Hon. George Joseph
W. Vernon Gray, III

2008 OCT 28 PM 2:19
RECEIVED
ONEIDA COUNTY LEGISLATURE

BE SURE TO ANSWER THIS SECTION. Section 50-b of the NYS Civil Law requires that all applicants for examination answer the following questions:

1. Have you any loans made or guaranteed by the New York State Higher Education Services Corporation which are currently outstanding? YES NO
2. If yes, are you presently in default on any such loan? YES NO

EDUCATION: Read examination announcement for educational requirements. If specialized coursework is required, attach transcripts showing the required courses and credit hours you completed.

Have you graduated from high school? YES NO IF YES, NAME AND LOCATION OF HIGH SCHOOL CROSSLAND SENIOR HIGH, CAMP SPRINGS, MD YEAR GRADUATED 1966

Do you have a high school equivalency diploma? YES NO IF YES, ISSUING GOVERNMENTAL AUTHORITY: NUMBER DATE OF ISSUE

	Name of School OR College and Address	Dates of Attendance (Month and Year)		Type of Course or Major Subject	Number of College Credits Rec'd	Type of Degree Rec'd	Date Degree Rec'd
		From	To				
College University, Professional Or Technical School	College of Southern Maryland, Leonardtown, MD	2000	2001	Accounting	12		
	U.S. Navy Senior Enlisted Academy, Newport, RI	1984		Management	18		
	University of Maryland, College Park, MD	1977	78	Accounting	15		
Other Schools Or Special Courses	U.S. Navy Technical Schools, NATTC Lakehurst, NJ (5 schools)	1966	1970	Meteorology			

LICENSES: If a license, or other authorization to practice trade or profession is listed as a requirement on the examination announcement for which you are applying, complete the following and **submit** a copy of license with this application: If not currently licensed check this box.

Name of Trade or Profession	License Number	Granted by (licensing agency)	City or State of
Specialty	Date of License First Issued	Registered From: (Mo./Yr.) To: (Mo./Yr.)	

If required on the announcement: Do you have a valid license to operate a motor vehicle in New York State? YES NO

DESCRIPTION OF EXPERIENCE: Beginning with your most recent employer, list all employment, military service, or volunteer experience that shows you meet the minimum qualifications for the examination. We cannot interpret omissions or vagueness in your favor. You are responsible for an accurate and clear description of your experience. **(Do not send your resume.)** Describe the work which you personally performed. If you supervised, state how many people and the nature of such supervision.

Dates Employed MO YR MO YR 6 /05 to Present	Employer Okeechobee Board of County Commissioners	Address 304 NW 2nd Street	City and State Okeechobee, FL 34972
Hours per week 40+	Job Title Airport & Industrial Park Manager	Supervisor's Name Mr. Lyndon L. Bonner	Supervisor's Title County Administrator
Type of Business County Government			

Responsible for the overall business administration, property management, and operational management of the airport and industrial park facilities.

- Developed and implemented the following: Minimum Standards; Rules and Regulations; Airport Emergency Plan; Airport Security Plan; Storm Water Pollution Prevention Plan; Noise Abatement Procedures; Bird Hazard Management Practices; Airport Pavement Maintenance Plan; Airport/Industrial Park Maintenance Program, Plan and Schedule; Airport/Industrial Park Business Plan.
- Planned and accomplished the following airport development and improvement projects: AWOS commissioning and satellite data communication; Apron Lights; Security Perimeter Fence; 300kw Emergency Generator; Runway/Taxiway Signage; Segmented Circle; Rotating Beacon; Runway 5-23 Rehabilitation and Runway Safety Area (RSA) Improvements; Airport Terminal Building renovation; acquisition of Runway 5-23 RNAV(GPS) Approaches; and, Obstruction Survey for future approaches.
- Provided direction and oversight of airport consultants in the development of the Airport Master Plan, Airport Master Drainage Plan, Joint Automated Capital Improvement Plan (JACIP), and in the planning and accomplishment of airport improvement projects.
- Enforced federal, state and county rules and regulations governing the airport. (CONTINUED NEXT PAGE)

- Performed liaison with the Federal Aviation Administration (FAA) and Florida Department of Transportation (FDOT) for the application and receipt of Grant funds, and monitored the grant projects to ensure compliance with all requirements.
 - Proposed, administered and monitored the operating and capital budgets.
 - Negotiated and administered leases with airport and industrial park tenants.
 - Prepared Requests for Qualifications (RFQ), Requests for Proposals (RFP), and Requests for Bids (RFB); evaluated and recommended the award of contracts; responsible for contract monitoring and compliance, and the validation of invoices.
 - Inspected airport facilities, or reviewed inspection reports, to determine repairs, replacement, or improvements required, and initiated necessary actions. Coordinated the maintenance of all airfield and industrial park facilities and systems.
 - Analyzed, researched, and solved a wide range of problems. Responded to emergencies and implemented appropriate actions. Responsible for pre- and post-hurricane recovery operations. Assisted the FAA and NTSB in accident investigations.
 - Prepared operating reports and summaries.
 - Provided recommendations to the county administrator and board of county commissioners regarding airport and industrial park policies, programs and plans; informed the county administrator on significant issues.
 - Interacted with the news media to promote current and proposed airport projects, provide information on airport operations, respond to questions related to aviation issues, and maintain good public relations.
- 12/2007 – Present: Interim Director, Okeechobee County Road Maintenance Department. Responsible for the management, administration and operations of the Road Maintenance Department comprised of 35 employees, over \$4 million in equipment, and a \$5 million operating budget.

Dates Employed MO YR MO YR 11 / 87 to 11 / 03	Employer AIS Engineering, Inc.	Address 22309 Exploration Drive	City and State Lexington Park, MD 20653
Hours per week 40+	Job Title Project Manager	Supervisor's Name Mr. Stu Ashton	Supervisor's Title Program Manager
		Type of Business Defense Contractor	

Project Manager, Flight Support Program, Naval Air Warfare Center Aircraft Division (NAWCAD), Patuxent River, MD. Responsible for the management, supervision and operation of the military equivalent of a FAA Part 135 and Part 139 air carrier service, utilizing a combination of military and civilian-contractor aircraft types (C-9, C-130, C-12B, BE20, SW-4, PA-31, FA10, JS31, C25B).

- Responsible for the development and implementation of policies and procedures, operational planning, control of aircraft missions, coordination of aircraft maintenance, security, fiscal management, and administration of logistical aircraft and air terminal operations. Directed and coordinated numerous personnel comprised of military and civilian pilots, aircraft handlers, mechanics, administrative assistants and civilian contractors.
- Interpreted and evaluated computer-based meteorological data to determine expected flight weather conditions, potential hazards, and the safety of conducting flight operations. Made final pre-flight authorizations, adjustments, delays and/or cancellations of aircraft, timing and routing in response to aircraft readiness, flight weather conditions, and the status of destination airfields. Briefed military and civilian aircrews on departure, in-flight and destination/divert weather conditions. Monitored in-flight weather conditions and adjusted in-flight schedules and routing as required to avoid adverse weather. Maintained radio communication with aircraft. In the event of an aircraft incident, emergency, malfunction or mishap, initiated and coordinated the responses to the given situation. Initiated over-due aircraft notifications with air traffic control facilities. Entered post-flight data into computerized databases.
- Responsible for air terminal and aircraft security measures to ensure that only authorized personnel boarded aircraft at departure airfields. Verified passenger manifests of departing aircraft. Screened cargo for prohibited hazardous materials and arranged for the safe handling of permitted hazardous materials.
- Operated desktop computers for word processing, spreadsheets, e-mail, Internet and special applications. Designed, implemented and updated the "Logistics Aircraft Scheduling System" (LASS) computer software program via which records were maintained of all aspects of aircraft operations.
- Established the technical and operational requirements for the contractual acquisition of civilian contractor aircraft services by the U.S. Air Force Air Mobility Command, Scott AFB, IL. Served as the Contracting Officer's Technical Representative (COTR). Assisted in the preparation of contract proposals and statements of work. Prepared and submitted contract deliverables and reports.
- Responsible for contract monitoring and compliance, and the validation of invoices for civilian aircraft services. Managed the cost accounting and recovery system for over \$3 million per year in military and civilian aircraft services. Maintained computerized financial records and provided reports, analysis and statements.
- Possess an in-depth working knowledge of flight and operating procedures, instructions and regulations; flight information publications and charts; air traffic control procedures; airport operations; and aviation meteorology. Maintained liaison with U.S. Navy, U.S. Air Force Air Mobility Command, and Federal Aviation Administration (FAA) officials.
- Received letters of commendation/appreciation for superior performance from: Commander Operational Test and Evaluation Force, Nov. 1990; Commander Naval Sea Systems Command, Mar. 1994; Commanding Officer NAS Patuxent River, Apr. 2001; Commander Naval Air Systems Command, Jul. 2002.

Reason for leaving: project cancelled due to government funding reductions and replacement of civilian contractors with military personnel.

Dates Employed MO YR MO YR 6 / 67 to 6 / 87	Employer United States Navy	Address	City and State
Hours per week 40+	Job Title Senior Chief Petty Officer	Supervisor's Name	Supervisor's Title
		Type of Business Active Duty Military	

Manpower, Personnel and Training Administrator: Principal advisor to the Oceanographer of the Navy, Washington, D.C., on enlisted manpower, personnel and training related to the approximately 3,000 enlisted personnel in the Naval Oceanography Program. Developed policy and action recommendations concerning the functional and mission utilization of rating personnel, career progression, basic and advanced training, grade structure, and billet requirements. Reviewed and validated Navy Training Plans for major equipment and systems acquisitions. Reviewed formal school curriculum requirements, initiated curriculum revisions, and validated the requirement for new schools and courses of instruction. Coordinated and conducted joint projects, conferences, meetings and briefings with senior command-level, military organizations and agencies.

Research, Development, Test & Evaluation Project Supervisor/Analyst: Organized and directed environmental support of test and evaluation projects at NATC Patuxent River, Md. Supervised the collection of atmospheric data, analyzed this data for the identification and assessment of environmental effects, and documented results in technical reports.

Office Manager and Aviation Meteorologist: Supervised and managed the operational, technical, administrative, fiscal, supply, training and maintenance functions of assigned shipboard and shore station meteorology offices, generally comprised of 18-30 personnel. Responsible for the provision of meteorological and oceanographic environmental support services, e.g., observations; the receipt and analysis of meteorological data and satellite imagery; the preparation and dissemination of weather forecasts, advisories, warnings and briefings; the preparation of climatology summaries for operational areas; the preparation of specialized products for radar, ESM and sonar sensor systems.

JOB-RELATED SKILLS

- Proficient in the use of Windows 95/98/XP; Microsoft Word, PowerPoint, Excel and Publisher; Adobe Acrobat; the use of the Internet and E-mail; and the computer-based ADDS, UNISYS and WeatherTap meteorological data systems.
- Proficient in the use and operation of desktop computers, printers, scanners; telephone systems; UNICOM Radio; AWOS equipment; airfield vehicles; radio-controlled airfield lighting systems; emergency generator; fire-fighting equipment; security access control systems; CCTV systems; Aircraft Noise and Acoustical Counting instruments and software.

SECURITY BACKGROUND HISTORY

- Security Clearances: SECRET – NAC/DOD 681206; TOP SECRET – SBI/DIS 791210; TOP SECRET/SCI – 800418; SECRET – DISCO 880206.

JOB-RELATED HONORS, AWARDS, MEMBERSHIPS

- Awarded two Navy Commendation Medals and three Navy Achievement Medals by the Secretary of the Navy; a Commander Seventh Fleet Letter of Commendation for Vietnam service; and numerous other letters of commendation and appreciation for superior performance of duties.
- 1983 - Elected to full membership in the American Meteorological Society.
- Nominated by USS NIMITZ in 1983 for the Navy League's "Stephen Decatur Award for Operational Competence."
- Member of the Florida Airport Council and the American Association of Airport Executives.

PROFESSIONAL REFERENCES

- Susan Moore, Program Manager, Federal Aviation Administration, Orlando Airports District Office, 5950 Hazeltine National Drive, Suite 400, Orlando, FL 32822; Phone: 407-812-6331
- Kristi A. Smith, Aviation Agency Liaison, Florida Department of Transportation – District One Office, 801 North Broadway Avenue, Bartow, FL 33831-1249
- Jim Kriss, Vice President, AVCON, Inc., 5555 E. Michigan St., Suite 200, Orlando, Fl 32822; Phone: 407-599-1122

SALARY HISTORY

- Present: \$60,715 + \$5,665 (FY08 COLA and Merit Pay) = \$66,380
- 11/2003: \$62,000
- 6/1987: \$32,000



ONEIDA COUNTY BOARD OF LEGISLATORS

ONEIDA COUNTY OFFICE BUILDING • 800 PARK AVENUE • UTICA, N.Y. 13501-2977

Gerald J. Fiorini
Chairman
(315) 798-5900

Susan L. Crabtree
Clerk
(315) 798-5901

James M. D'Onofrio
Majority Leader

Michael J. Hennessy
Minority Leader

October 28, 2008

RE: FN2008-453

READ & FILED

Oneida County
Board of Legislators
800 Park Avenue
Utica, New York 13501

Honorable Members:

Attached is a communication from Legislator Tanoury that should be made part of Docket FN 2008-453.

Respectfully submitted,

GERALD J. FIORINI
CHAIRMAN OF THE BOARD

PROCESSED
ONEIDA COUNTY LEGISLATURE
2008 OCT 28 PM 2:29



ONEIDA COUNTY BOARD OF LEGISLATORS

Larry Tanoury, Jr., 1632 St. Jane Ave., Utica, New York 13501
Home Phone: 792-6985

October 28, 2008

Hon. Gerald Fiorini
Chairman of the Board
Oneida County Board of Legislators
800 Park Ave.
Utica, New York 13501

Dear Chairman Fiorini:

I am in receipt of Legislator Flisnik's letter to you dated October 24th regarding the term limit proposal (F.N. 2008-453) which has been submitted to the Courts, Laws & Rules Committee.

Mr. Flisnik and I have spoken about his objections to setting a term limit on the office of County Executive. After discussing this with him I fully agree that the intention of this local law should be to place term limits only on the office of County Legislator. Therefore, it is my intention to amend this proposal in the Courts, Laws & Rules Committee at the earliest opportunity.

Respectfully submitted,

LARRY TANOURY, JR.
ONEIDA COUNTY LEGISLATOR, D-25

LT:p

cc: Hon. Anthony J. Picente, Jr., Oneida County Executive
Hon. James M. D'Onofrio, Majority Leader
Hon. Michael J. Hennessy, Minority Leader
Hon. Richard Flisnik, Oneida County Legislator