THE CITY OF CLEVELAND
BOLIVAR COUNTY
STATE OF MISSISSIPPI

MINUTES OF SPECIAL MEETING HELD ON TUESDAY, AUGUST 18TH, 2020

This special meeting of the Mayor and Board of Aldermen of The City of Cleveland, Mississippi, was duly and legally begun and held remotely via Zoom at 8:00 o'clock a.m. Tuesday, August 18th, 2020, pursuant to the following order of the Mayor and Board, which was posted according to law.

Notice of Special Call Meeting of the
Mayor and Board of Aldermen of the City of Cleveland
August 18, 2020

Pursuant to Mississippi Code Annotated §21-3-21, Mayor Billy Nowell calls a special meeting of the Mayor and Board of Aldermen of the City of Cleveland to discuss the following matters:

1. FYE 2021 Budget Discussions - continued;
2. Approval of MOU with Guaranty Bank and B&P Air;
3. Local Seed Co. 2020 Sales Meeting - Request to hang banners on downtown poles and erect "Welcome Banner" at Hwy 8 and Hwy 61 Intersection (September 14th - 16th); and
4. Employee Action Recommendations.

Join Zoom Meeting:
https://us02web.zoom.us/j/85483432952?pwd=aURBRGVIV2h1KzJ4My9nY3pSRHNlQT09

Meeting ID: 854 8343 2952
Passcode: 459549

Said meeting shall be held on **Tuesday, August 18, 2020 at 8:00 a.m.** via Zoom Video Communications per the following link and call-in information:

Notice of this special meeting shall be delivered to all aldermen who may be found. Notice of this meeting shall be placed in City Hall pursuant to Mississippi Code Annotated §25-41-13 and shall be made a part of the minutes of said special call meeting.

So called this, the 17th day of August, 2020 at 9:00 a.m.

/s/ Billy Nowell
BILLY NOWELL
Mayor City of Cleveland

Present were: Billy Nowell, Mayor; Kirkham Povall, Robert Sanders, Danny Abraham, Theodore "Ted" Campbell, J. Paul Janoush, Gary Gainspoletti and Maurice Smith, Aldermen; Danny Griffith, City Attorney; Dominique Green, City Clerk; Michelle Arbuckle, Deputy City Clerk; Heather Williams, Human Resources Coordinator; Charles "Buster" Bingham, Chief of Police; Kenneth Taylor, Community Development Director.

The meeting was duly opened, and, upon due proclamation first made, the following proceedings were held, to-wit:

ORDER TO APPROVE MEMORANDUM OF UNDERSTANDING WITH GUARANTY BANK AND B&P AIR

After discussion, upon Motion by Alderman Janoush, second by Alderman Campbell, and unanimously adopted, it is ordered to approve a memorandum of understanding with Guaranty Bank and B&P Air as detailed per **EXHIBIT A**.

ORDERED this August 18th, 2020.

ORDER TO APPROVE REQUEST TO HANG BANNERS ON COTTON ROW DECORATIVE LIGHT POLES FOR THE DURATION OF THE LOCAL SEED CO. 2020 SALES MEETING SCHEDULED FOR SEPTEMBER 14TH – 16TH, 2020

After discussion, upon Motion by Alderman Sanders, second by Alderman Janoush, and unanimously adopted, it is ordered to approve a request to hang banners on twelve of the decorative light poles on Cotton Row between Highway 61 and Court Street and a sign at the intersection of Highway 8 and 61 for the duration of the 2020 Local Seed Co. Sales Meeting scheduled for September 14th – 16th, 2020.

ORDERED this August 18th, 2020.

ORDER FOR EXECUTIVE SESSION

After discussion, upon Motion by Alderman Gainspoletti, second by Alderman Sanders, and unanimously adopted, it is ordered that the Board go into closed session to consider going into executive session to discuss a personnel matter in the Community Development Department.

ORDERED this August 18th, 2020.

After discussion, upon Motion by Alderman Gainspoletti, second by Alderman Sanders, and unanimously adopted, it is ordered that the Board go into executive session to discuss a personnel matter in the Community Development Department.

ORDERED this August 18th, 2020.

EXECUTIVE SESSION

Discussions ensued concerning each topic addressed in the above motion. However, no board action was taken, unless as noted otherwise.

Upon motion by Alderman Campbell, second by Alderman Sanders, and unanimously adopted, it is ordered to place Kim Chisolm, Assistant Director of Code Enforcement, on a thirty-day improvement plan for reasons stated per her personnel record on file in the office of Human Resources.

ORDERED this August 18th, 2020.

Upon motion by Alderman Povall, second by Alderman Smith, and unanimously adopted, it is ordered that the Board come out of executive session and re-enter open session.

ORDERED this August 18th, 2020.

ORDER TO ADJOURN

With there being no further business to come before the Board at this session of this special meeting, upon motion duly made by Alderman Povall, second by Alderman Sanders, and unanimously adopted, it is ordered that the special called meeting of August 18th, 2020 thereof be adjourned.

ORDERED this August 18th, 2020.

Billy Nowell
BILLY NOWELL, Mayor

Attest:

Dominique Green
DOMINIQUE GREEN, City Clerk

Minutes approved this 1st day of September, 2020.

Billy Nowell
BILLY NOWELL, Mayor

Attest:

Dominique Green
DOMINIQUE GREEN, City Clerk

EXHIBIT A

2020 AUG 20 AM 10: 51

Janie Stadelbrachen

1763

Filed and Recorded
AUGUST 20 2020 10:51:00AM
Instrument 20201763 Page 1 of 25
Book 2200 Page 1763
Bolivar County
Witness Required

Prepared by:
J. Kirkham Povall, MSB#4459
Povall & Jeffreys, P.A.
P. O. Box 1199
Cleveland, MS 38732
662-843-9948

Return to:
J. Kirkham Povall, MSB#4459
Povall & Jeffreys, P.A.
P. O. Box 1199
Cleveland, MS 38732
662-843-9948

INDEXING INSTRUCTIONS: 0.71 acres, more or less, described by metes & bounds located in Part of SW¼ in NE¼, Section 18, Township 22 North, Range 5 West, located in NP of City of Cleveland, Bolivar Co. (2nd), MS; and,
0.53 acres, more or less, described by metes & bounds located in Part of SW¼ in NE¼, Section 18, Township 22 North, Range 5 West, located in NP of City of Cleveland, Bolivar Co. (2nd), MS.

MEMORANDUM OF UNDERSTANDING

LESSOR: CITY OF CLEVELAND
P. O. Box 1439
Cleveland, MS 38732
662-846-1471

LESSEE/BORROWER: B & P AIR, LLC
P. O. Box 517
Boyle, MS 38730
662-843-8450

LENDER: GUARANTY BANK & TRUST COMPANY
P. O. Box 420
Cleveland, MS 38732
662-843-6000

MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF CLEVELAND
AND
B & P AIR, , LLC, AND GUARANTY BANK & TRUST COMPANY
FOR THE CONSTRUCTION AND FACILITATION OF
A BUILDING AT THE CITY OF CLEVELAND MUNICIPAL AIRPORT

THIS MEMORANDUM OF UNDERSTANDING ("MOU") MADE AND ENTERED INTO the 4th day of August, 2020, by and between THE CITY OF CLEVELAND, ("CITY"), P. O. Box 1439 Cleveland, MS 38732 662-846-1471, a Code Charter Municipality, pursuant to §61-5-11, Mississippi Code Annotated, (effective July 1, 2010), as amended, and B & P AIR, LLC ("B&P") P.O. Box 517 Boyle, MS 38730, 662-843-8450 and GUARANTY BANK & TRUST COMPANY ("BANK") P.O. Box 420, Cleveland, MS 38732, 662-843-6000; and,

WHEREAS, local municipal governments may enter into contractual agreements with third parties including, but not limited to, joint ventures to construct commercial buildings at municipal owned airports; and,

WHEREAS, the City has entered into a Lease Agreement dated August 3, 2020, **("LEASE")** involving the lease of a tract of land located at Cleveland Municipal Airport **("AIRPORT")** which includes existing or previously leased land as described in a Surveyor's Plat marked **Exhibit "A"** and designates newly leased land as described in **Exhibit "B"** for the purposes of permitting B&P to construct a new aircraft hanger at 906 Airport Service Road Cleveland, MS, on the tract described on **Exhibit "B"** at the Airport for the purpose of leasing rental space for privately owned aircraft and other similar commercial aircraft business activities; and,

WHEREAS, the Bank has agreed to provide loan funds in the amount of $265,000.00 to B&P to construct the aircraft hanger building with an initial term of five (5) years and subject to renewal and with an estimated total costs to construct the building of $ 270,000.00 ; and,

WHEREAS, B&P has agreed to contribute the sum of $ 5,000.00 of the total construction costs which will amount to $ 270,000.00 and, with the Bank loaning the difference of $265,000.00 for the total construction costs; and,

WHEREAS, B&P and Bank acknowledge that the City owns fee simple title the property and after the building is constructed the City will own the building; and,

WHEREAS, the City has leased the property to B & P by a written and signed lease dated August 3, 2020, which has been recorded in the records in Book 2200 at page 1611 in the Office of the Chancery Clerk of Bolivar County at Cleveland, Mississippi; and,

WHEREAS, the lease provides a rental term of the property and all improvements when finally completed to B & P for a period of twenty-five (25) years (with an additional optional fifteen (15) year extension) at a rental cost stated therein owed during the term of said Lease with said rental amount to increase according to the rental schedule attached (see copy of Lease attached as Exhibit "C"), with the City retaining fee simple ownership of the land, building and improvements and with B & P being responsible for obtaining and maintaining all insurance and paying all taxes as specified in the Lease; and,

WHEREAS, the parties agree that if B&P defaults in its obligations under the lease, the City will notify the Bank of such default which may include, but not be limited to, failing to pay the rent, maintain insurance or pay all taxes then due, the City will notify Bank of such default and grants Bank ninety (90) days to take possession of the property and improvements, pay all obligations such as delinquent rent, locate a new tenant to take possession of the improvements,

assume the lease and all of its attendant obligations, and apply and obtain a new lease agreement with the City or notify the City that the Bank will take possession and sale or remove all equipment, furniture, machinery, tools or other items of personal property not considered a fixture against which Bank holds a valid and legal UCC-1 secured lien; and,

WHEREAS, the parties agree that if B&P defaults in its obligations to Bank in repaying the debt, maintaining insurance or any other legal obligations, the Bank will notify the City of B&P's such default which may include, but not be limited to, failing to pay the indebtedness under a promissory note, maintain insurance or pay all taxes then due, the Bank will notify City of such default and the City will grant the Bank ninety (90) days to take possession of the property and improvements, pay all obligations such as delinquent rent, locate a new tenant to take possession of the improvements, assume the lease and all of its attendant obligations, and apply a new lease agreement with the City or the Bank will notify the City that the Bank will take possession and sale or remove all equipment, furniture, machinery, tools or other items of personal property not considered a fixture against which Bank holds a valid and legal UCC-1 secured lien; and,

WHEREAS, the City and B&P enter into this MOU to memorialize their agreements as follows:

WITNESETH:

I. The City shall:

a. Sign a Lease with B&P for the property on which a building will be constructed with loan funds advanced by Bank with the Lease Agreement attached as Exhibit "C" to this MOU .

b. Coordinate the construction phase of the building consistent with the building codes of the City, State of Mississippi and all other federal agencies.

c. Comply with the provisions identified above in this MOU, including, but not limited to, all notice provisions to Bank if B&P defaults in its obligations under the lease agreement.

2. B&P shall:

a. Contribute $ 5,000.00 towards the construction of the subject building at the Cleveland Municipal Airport and sign all documents and lien instruments required by Bank to construct the improvements.

b. Execute and sign the Lease Agreement attached as Exhibit "C" to this MOU and abide by the terms of said Lease Agreement.

c. Construct the building on the property to a completion and operate a aircraft hanger rental business consistent with the plans approved by the Bank and City.

d. Abide, follow and comply with all of its obligations owed the City in the lease agreement or its obligations owed the Bank.

3. Bank shall:

a. Loan $ 265,000.00 in loan funds to B&P to construct the aircraft hanger structure on the land consistent with the representations made by B&P to secure the loan and perfect all UCC secured liens permitted by law so as to acquire a secured lien against all equipment, furniture, machinery, tools

or other items of personal property not considered a fixture against which Bank may hold and obtain a valid and legal UCC-1 secured lien.

b. Comply with the notice requirements identified above in this MOU to the City if B&P defaults in its obligations to Bank.

4. It is understood that this MOU contains all agreements reached between the parties and supersedes any and all prior agreements, arrangements, or understandings between the parties relating to the subject matter. No oral understandings, statements, promises, or inducements contrary to the terms of this MOU exist. This MOU cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent or employee of the City, either before or after the execution of this MOU shall affect or modify any terms or obligations hereunder.

5. No amendment to this MOU shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both parties.

6. This MOU shall be governed by the laws of the State of Mississippi.

7. Each party has the full power and authority to enter into and perform this MOU, and the person signing this MOU on behalf of each party has been properly authorized and empowered to enter into this MOU. The persons executing this MOU represent they have the authority to sign this MOU.

THIS MOU is made and signed by the City of Cleveland, MS, by Order of the Mayor and Board of Aldermen of the City of Cleveland adopted August 4, 2020, B&P Air, LLC, through its duly authorized Members and Guaranty Bank & Trust Company through its duly authorized officer, all for the purpose of approving the MOU

with the original filed for record and recorded in the land records in the Office of the Chancery Clerk of Bolivar County at Cleveland, Mississippi.

WITNESS our official signatures in triplicate, each copy being considered an original, as of August 4th, 2020.

THE CITY OF CLEVELAND, MISSISSIPPI

By: Billy Nowell
BILLY NOWELL, Mayor

ATTEST:

Dominique Green
DOMINIQUE GREEN, City Clerk

(SEAL)

STATE OF MISSISSIPPI
COUNTY OF BOLIVAR

THIS DAY PERSONALLY APPEARED before me the undersigned authority in and for the above jurisdictions, **Billy Nowell and Dominique Green,** who acknowledged before me they are the Mayor and City Clerk, respectively, of the City of Cleveland, Mississippi, and that as such officers they signed, executed and delivered the within named instrument, they were so authorized to sign and act for and on behalf of the Mayor and Board of Aldermen of the City of Cleveland, MS, for the purposes therein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL on this the 4th day of August, 2020.

Melissa Lott
NOTARY PUBLIC

My Commission Expires: March 16, 2022

STATE OF MISSISSIPPI NOTARY PUBLIC ID # 80416 MELISSA LOTT Commission Expires March 16, 2022 BOLIVAR COUNTY

WITNESS our official signatures in triplicate, each copy being considered an original, as of August 6th, 2020.

B & P AIR, LLC

By: _____
BERN PREWITT, JR., Member,

By: _____
IKE BRUNETTI, Member,

STATE OF MISSISSIPPI
COUNTY OF BOLIVAR

THIS DAY PERSONALLY APPEARED before me the undersigned authority in and for the state and county aforesaid and within my jurisdiction, the within and above named **Bern Prewitt, Jr., and Ike Brunetti,** who acknowledged before me that they are the Members of B & P Air, LLC, a Mississippi Limited Liability Company, that they signed, executed and delivered the above and foregoing Memorandum of Understanding in the manner and on the date as therein stated and that they were so authorized to act in the premises.

GIVEN UNDER MY HAND AND OFFICIAL SEAL on this the 6th day of August, 2020.

Beth S. Peeples
NOTARY PUBLIC

My Commission Expires:
5-7-2022

STATE OF MISSISSIPPI BETH S. PEEPLES ID # 80166 NOTARY PUBLIC Commission Expires May 7, 2022 BOLIVAR COUNTY

WITNESS the official signature in triplicate, each copy being considered an original, as of August 6th, 2020.

GUARANTY BANK & TRUST COMPANY

By: _____ President

ANDY LEE, President of Cleveland Branch

STATE OF MISSISSIPPI
COUNTY OF BOLIVAR

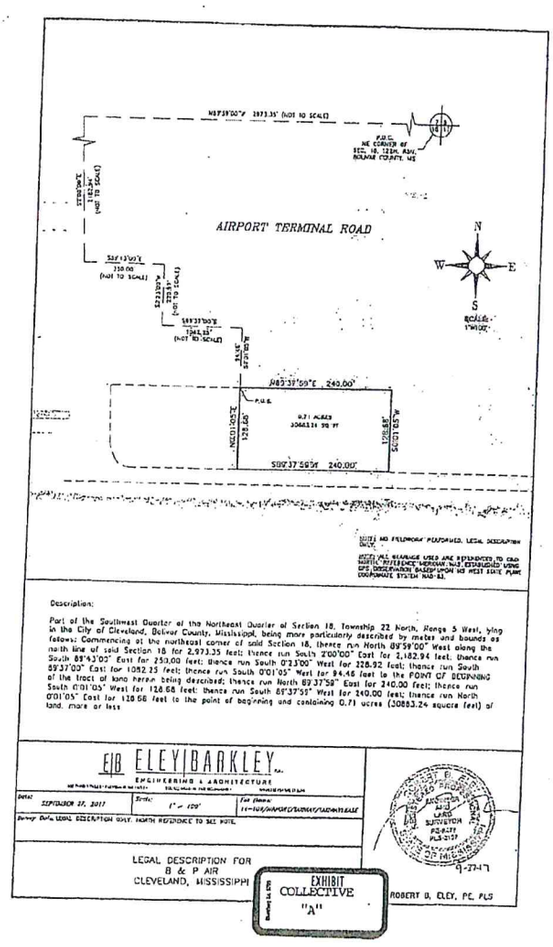
THIS DAY PERSONALLY APPEARED before me the undersigned authority in and for the state and county aforesaid and within my jurisdiction, the within and above named **Andy Lee**, who acknowledged before me that he is the President of the Cleveland Branch of the Guaranty Bank & Trust Company, that he signed, executed and delivered the above and foregoing Memorandum of Understanding in the manner and on the date as therein stated and that he was so authorized to act in the premises.

GIVEN UNDER MY HAND AND OFFICIAL SEAL on this the 6th day of August, 2020.

_____
NOTARY PUBLIC

My Commission Expires:
3-18-2024

STATE OF MISSISSIPPI NOTARY PUBLIC ID # 45056 WANDA SUE TEDDER Commission Expires March 18, 2024 BOLIVAR COUNTY



Description:

Part of the Southwest Quarter of the Northeast Quarter of Section 18, Township 22 North, Range 5 West, lying in the City of Cleveland, Bolivar County, Mississippi, being more particularly described by metes and bounds as follows: Commencing at the northeast corner of said Section 18, thence run North 89°59'00" West along the north line of said Section 18 for 2,973.35 feet; thence run South 2°00'00" East for 2,182.94 feet; thence run South 88°43'03" East for 253.00 feet; thence run South 0°23'00" West for 228.92 feet; thence run South 89°37'00" East for 1082.25 feet; thence run South 0°01'05" West for 94.46 feet to the POINT OF BEGINNING of the tract of land herein being described; thence run North 89°37'58" East for 240.00 feet; thence run South 0°01'05" West for 128.68 feet; thence run South 89°37'58" West for 240.00 feet; thence run North 0°01'05" East for 128.68 feet to the point of beginning and containing 0.71 acres (30883.24 square feet) of land, more or less.

EJB ELEY|BARKLEY
ENGINEERING & ARCHITECTURE

Date: SEPTEMBER 27, 2017	Scale: 1" = 100'	For Client: 17-1145/BARKLEY/ALTMAN/TERMINAL

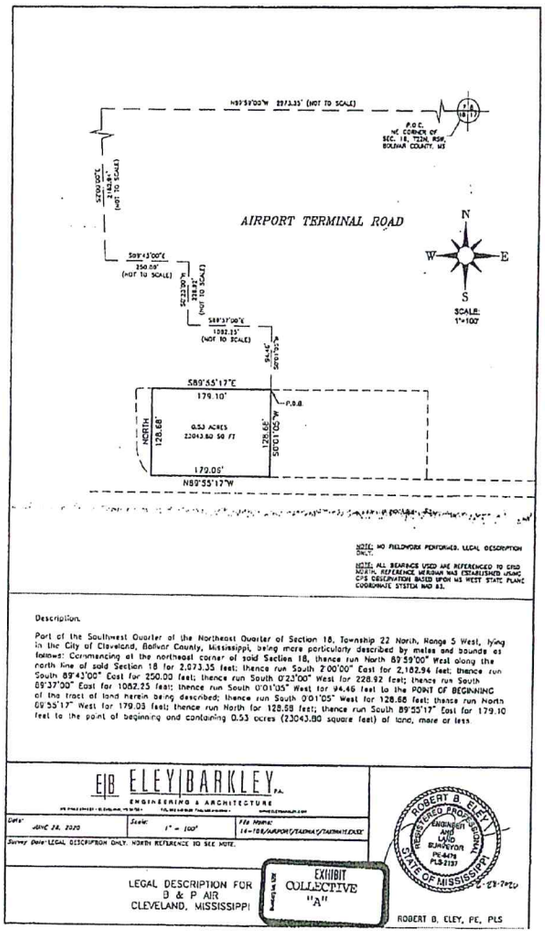
Survey Only, LEGAL DESCRIPTION ONLY. NORTH REFERENCE TO SEE NOTE.

LEGAL DESCRIPTION FOR
B & P AIR
CLEVELAND, MISSISSIPPI

EXHIBIT COLLECTIVE "A"

ROBERT B. ELEY, PE, PLS

9-27-17



2020 AUG -4 PM 3:06

IN BOOK ____ PAGE ____
BRENETT N. HAYNES
CHANCERY CLERK
Janie Todesbacher

1611

Filed And Recorded
AUGUST 4 2020 03:06:50PM
Instrument 220001611 Page 1 of 14
Book 2200 Page 1611
Bolivar County
Brenett Haynes

GRANTOR:
City of Cleveland
P. O. Box 1439
Cleveland, MS 38732
Telephone: 662-846-1471

GRANTEE:
B & P Air, LLC
P. O. Box 517
Boyle, MS 38730
Telephone:

PREPARED BY/RETURN TO:
Daniel J. Griffith, MS Bar No. 8366
Jacks Griffith Luciano, P.A.
P. O. Box 1209
Cleveland, MS 38732
Telephone: 662-843-6171

INDEXING INSTRUCTIONS: Two (2) parcels by M&B in the SE 1/4 of the NE 1/4 of S18, T22N, R5W Cleveland Not platted

LEASE AGREEMENT

EXHIBIT "B"

LEASE AGREEMENT

THIS LEASE, made and entered into this 3rd day of August, 2020, by and between the City of Cleveland, Post Office Box 1439, Cleveland, Mississippi 38732, hereinafter referred to as Lessor, and B & P Air, LLC, P. O. Box 517, Boyle, Mississippi 38730, hereinafter referred to as Lessee,

WITNESSETH:

NOW, THEREFORE, pursuant to Section 61-5-11, Mississippi Code of 1972, and in consideration of the mutual benefits, promises, and covenants exchanged between the Parties as hereinafter contained, Lessor and Lessee agree and covenant unto each other as follows, to-wit:

1. Lessor hereby leases to Lessee certain real property and all improvements located thereon at the Cleveland Municipal Airport as shown on collective **Exhibit "A"** attached hereto and made apart hereof.

2. The initial term of this agreement shall be for a period of twenty-five years commencing on the 14th day of July, 2020 and continuing through the 13th day of July, 2045, unless terminated earlier under the provisions of this Agreement. Lessee shall have the option, exercisable upon at least 180 days, but not more than 360 days, notice to the Lessor prior to the termination date of the initial period or of an option period to extend the term of this Agreement for one additional period of fifteen years from the termination date, upon the same terms and conditions as are contained in this Agreement.

3. Lessee shall pay Lessor the sum of $1,544.16 (30,883.24 sq. ft x 0.05¢) plus $1,152.19 (23,043.80 sq.ft. x 0.05¢) per year for a total lease payment of $2,696.35 beginning on July 1, 2020, and on the same day of each year thereafter. The first payment shall

be due on the date of signing of this lease and succeeding payments shall be due on the same day of each succeeding year at the office of the City Clerk. Lessor may, from time to time, designate other places of payment by written notice to Lessee. The rent shall increase as shown in Exhibit B, Payment Schedule for the duration of the lease and during any renewal term. In addition, within thirty (30) days after receiving notice of the annual cost for hazard insurance applicable to said improvements, Lessee shall reimburse Lessor for such insurance cost. Lessee shall secure and maintain liability insurance coverage in the amount of One Million ($1,000,000.00) Dollars and shall include Lessor as an additional insured in said policy. Lessee shall provide annually to Lessor a copy of an insurance endorsement that describes the coverage and Lessee as an additional insured. Lessee also shall procure and maintain "replacement value" hazard insurance for the leased premises sufficient to insure the premises against any and all hazards or perils, and any special causes of loss. Lessee shall be responsible for all applicable deductibles for hazard insurance and all other types of insurance. Lessee shall also make the Lessor an additional insured under its hazard insurance policy and annually provide the Lessor with a certificate of insurance for same. Lessee shall obtain all insurance prior to the start of the subject construction on the premises. If there is any event during construction, which is a covered event under the hazard insurance policy, Lessee shall be allowed to use any monies obtained from insurance to complete the construction project. The rent shall increase in accordance with the Schedule of Rents attached hereto as **Exhibit "B"**.

4. The leased premises are to be used now or in the future for services pertinent to the general aviation industry and use and shall be regulated through the Airport Commission in its use by the Minimum Standards and Rules and Regulations attached.

5. As further consideration of this lease, Lessee agrees and binds himself:

A. To pay punctually all applicable and appropriate City, State, County, and Federal licenses, taxes and permits necessary to the conduct of its business.

B. To indemnify and hold harmless Lessor for any and all liability which may arise out of the occupancy of said premises by Lessee or its sub-Lessees or tenants or any accident, injury or negligence on the part of Lessee's agents, employees, invites, tenants, sub-Lessees or assigns.

C. To maintain the leasehold improvements, not to include the payed tie down and parking areas, property in good condition, to make at its own expense all repairs, of any kind, whether ordinary or extraordinary, it being understood, however, that any structural alterations shall be subject to the approval of the Lessor. Certain damages by acts of God, war, or civil disorder may warrant supportive and supplementary maintenance aid by the Lessor at the discretion of the Lessor.

6. The Lessee shall never be construed to be an agent of Lessor and shall not incur any expense chargeable to Lessor.

7. The premises herein leased shall be exclusively for the purposes set forth hereinabove, and Lessee is obligated not to use same for any purpose not specifically authorized or that is unlawful or that tends to injure or depreciate the property or for any use not within compliance with the "Minimum Standards for The Cleveland Municipal Airport", Ordinance Book on file at Cleveland's City Hall. Lessee agrees to remain in exclusive use and control of the improvements during the term of this Lease. Upon termination of the Lease for any reason, all fixtures installed on the premises by either Lessor or Lessee which are attached to the building or grounds shall remain

the property of Lessor. If Lessee installs equipment which may be removed without causing damage to the premises, such property shall remain the property of Lessee and may be removed. Upon termination of the Lease, Lessee shall not commit any waste in removing its equipment nor shall Lessee damage the premises. Any damage caused by Lessee shall be the sole responsibility of Lessee to reimburse Lessor for the cost for repairing said damage.

8. Lessee shall not be entitled to any improvements at the expense of Lessor except as provided for herein and in the attached memorandum of understanding, during the entire term hereof including any extension hereof, unless otherwise specifically provided.

9. At the expiration of this lease, or its termination for any just cause, Lessee is obligated to immediately vacate the premises, and should Lessee fail to do so, he consents to pay as liquidated damages, five times the average rent per day, for each day he remains beyond the date of termination or expiration, plus attorney's fees, costs, etc. Lessee also expressly waives all notice to vacate at the expiration of this lease. Should Lessor allow, or permit, Lessee to remain in the leased premises after the expiration of this lease, this shall not be construed as a renewal of this lease. All property belonging to Lessee remaining on the premises after termination hereof shall be disposed of at the expense of Lessee and any funds realized by sale of any of Lessee's property shall be applied first to monies owed by Lessee to Lessor.

10. All buildings and improvements of whatever nature placed by Lessee on the leased property, except movable trade fixtures and personal property of Lessee, shall become the property of Lessor, either at the end of the initial term plus the option or at termination of this lease, whichever comes first.

11. Lessee may, without prior approval of the City, sub-lease individual hangar space

within any hangar erected on said property. However, Lessee may not sub-lease the entirety of the premises to any individual, corporation or entity without first receiving the approval of the City. Regardless of any sub-lease, in whole or in part of the property herein leased, Lessee shall never be relieved from its primary obligation under this lease to the City of Cleveland.

12. In the event of default by Lessee or in the event Lessee should fail to perform or observe any covenant, agreement or obligation contained in this Lease, and such default(s) shall continue for a period of ten (10) days; or in the event of the insolvency of Lessee or the adjudication of Lessee to be a bankrupt, whether such adjudication be voluntary or involuntary; or in the event a judgment is entered against Lessee that remains unsatisfied for more than thirty (30) days after its entry; or in the event of the abandonment of the leased premises in whole or in part by Lessee, then under any of these contingencies Lessor shall be authorized to terminate the lease, declare the rights of Lessee under this lease forfeited and cancelled, and re-enter and take the possession of the demised premises.

13. Lessee shall not permit nor shall Lessee commit, either directly or indirectly, any activity which is illegal or contrary to the laws and ordinances of the City of Cleveland, State of Mississippi, and United States of America. At all times while in possession of the leased premises, Lessee shall not conduct any activities or permit hazardous conditions to be maintained or stored on its premises. Lessee agrees to refrain from permitting or participating of the commission of an activity that prevents or interferes with the operation of the Airport without the express written approval of the Mayor and Board of Aldermen of the City of Cleveland, Mississippi.

14. Lessor and Lessee agree that the leasehold interest created herein may not be assigned to a third party without the express, written approval of the City of Cleveland, acting through its

Mayor and Board of Aldermen; provided, however, Lessor acknowledges that during the term of any of Lessee's financial obligation to any lending institution, or its assigns and successors, if any, a default by Lessee occurs under the terms of said financial obligation and notice given by said lending institution, Lessor shall permit said lending institution to succeed to possession of the leased premises for a period of ninety (90) days during which time said lending institution shall be obligated to pay all current rents or charges and other rents or charges in arrears under this Lease Agreement and continue paying all rents and charges due under this Agreement for a period of ninety (90) days. Lessor reserves the exclusive right to extend the time granted to said lending institution to continue in possession beyond ninety (90) days. Without an extension or in the event a default occurs by Lessee without any obligation owed to said lending institution or any other lender approved by Lessor, Lessor reserves the exclusive right to immediately take possession of the leased premises, to retain all equipment remaining therein, and pursue all legal remedies permitted by law or equity. Nothing expressed herein shall grant to Lessee the right to assign the terms of this Lease Agreement to any third party other than the conditional right expressed herein.

15. Failure to strictly and promptly enforce these conditions shall not operate as a waiver of Lessor's rights, Lessor expressly reserving the right to always enforce prompt payment of rental, or to cancel this lease regardless of any indulgences or extensions previously granted. The receiving by Lessor, or Lessor's representative of any rent in arrears, or after notice of institution of any suit for possession, or for cancellation of this lease, will not be considered as a waiver of such notice of suit, or of any of the rights of Lessor.

16. Lessor reserves the right to terminate this agreement in the event destruction is so extensive as to render it impractical to restore the premises or impossible because of financial

limitations.

17. Impairment or destruction, either partial or total, of said building by fire or other casualty, shall not have the effect of terminating this lease provided, however, that in case of damage by fire or other casualty, or other cause not the fault of the Lessee which would render said premises unfit for use by the Lessee for purposes stated, the rental, pro rata, for that portion rendered untenantable shall abate for the period same premises remain unfit, as mutually determined by Lessor and Lessee.

18. Any notices, demands, or citations under this lease, may be served personally on Lessee or by mail addressed to Lessee at the within leased premises.

19. The Lessee, his agents and employees will not discriminate against any person or class of persons by reason of race, color, creed, or national origin in providing any services or in the use of any of its facilities provided for the public, in any matter prohibited by Part 15 of the Federal Aviation Regulations.

The Lessee further agrees to comply with such enforcement procedures as the United States might demand that the Lessor take in order to comply with the Sponsor's Assurances.

20. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right, including any rights within the meaning of Section 308(a) of the Federal Aviation Act of 1958, as amended.

21. Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of Lessee in this regard.

22. During the time of war or national emergency Lessor shall have the right to lease the

landing area or any part thereof to the United States Government for military or naval use, and if such lease is executed, the provisions of this instrument insofar as they are inconsistent with provisions of the lease to the Government, shall be suspended.

23. Lessor 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 Lessee from erecting, or permitting to be erected, any building or other structure on the airport which, in the opinion of the Lessor, would limit the usefulness of the airport, constitute a hazard to aircraft, or be inconsistent with codes and/or ordinances regulated by the Lessor.

24. The Lessee, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant and agree, as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

25. The Lessee for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that:

A. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

B. That in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

C. That the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Non in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

This lease made and signed in duplicate, originals in the City of Cleveland, Bolivar County, Mississippi this the 3rd day of August, 2020.

Lessor
THE CITY OF CLEVELAND, MISSISSIPPI
By: Billy Nowell
BILLY NOWELL, Mayor

ATTEST:
Dominique Green
DOMINIQUE GREEN, City Clerk

(SEAL)

Lessee
B & P AIR, LLC

By: _____
BERN PREWITT, JR., Member
Date: 8-3-2020

By: _____
IKE BRUNETTI, Member
Date: 8-3-2020

STATE OF MISSISSIPPI
COUNTY OF BOLIVAR

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said County and State, on this the 3rd day of August, 2020, within my jurisdiction, the within named **BILLY NOWELL** and **DOMINIQUE GREEN**, who acknowledged each and severally that they are the Mayor and City Clerk, respectively, of The City of Cleveland, Mississippi, a municipal corporation of Bolivar County, Mississippi, and that for and on behalf of the said City, and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized by said municipal corporation so to do.

STATE OF MISSISSIPPI NOTARY PUBLIC ID # 80416 MELISSA LOTT Commission Expires March 16, 2022 BOLIVAR COUNTY

Melissa Lott
NOTARY PUBLIC

My Commission Expires:
March 16, 2022

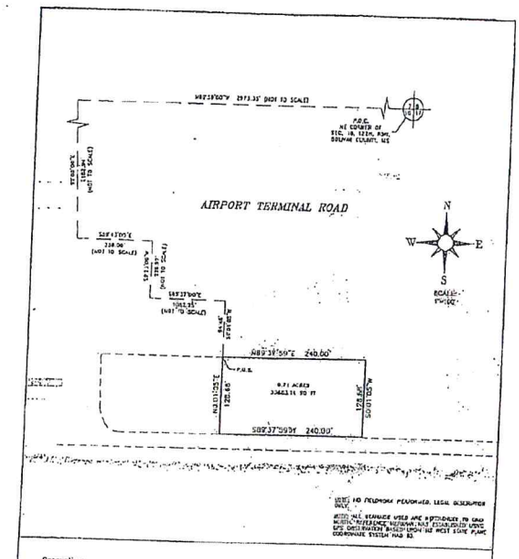
STATE OF MISSISSIPPI
COUNTY OF BOLIVAR

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the aforesaid County and State, on this the 3rd day of August, 2020, within my jurisdiction, the within named **BERN PREWITT and IKE BRUNETTI**, the Members of B & P Air, LLC, personally appeared before me this day and that by the authority duly given and on behalf of B & T Air, LLC as the Members of B & P Air LLC, the foregoing instrument was signed and executed by them for the purposes therein expressed.

Melissa Lott
NOTARY PUBLIC

My Commission Expires:
March 16, 2022

STATE OF MISSISSIPPI NOTARY PUBLIC ID # 80416 MELISSA LOTT Commission Expires March 16, 2022 BOLIVAR COUNTY



Description:

Part of the Southwest Quarter of the Northeast Quarter of Section 18, Township 22 North, Range 5 West, lying in the City of Cleveland, Bolivar County, Mississippi, being more particularly described by metes and bounds as follows: Commencing at the northeast corner of said Section 18, thence run North 89°39'00" West along the north line of said Section 18 for 2,973.35 feet; thence run South 2°00'00" East for 2,182.94 feet; thence run South 89°43'00" East for 250.00 feet; thence run South 0°23'00" West for 226.92 feet; thence run South 89°37'00" East for 1082.23 feet; thence run South 0°01'05" West for 94.46 feet to the POINT OF BEGINNING of the tract of land herein being described; thence run North 89°37'55" East for 240.00 feet; thence run South 0°01'05" West for 128.68 feet; thence run South 89°37'59" West for 240.00 feet; thence run North 0°01'05" East for 128.68 feet to the point of beginning and containing 0.71 acres (30883.24 square feet) of land, more or less

ELEY|BARKLEY P.A.
ENGINEERING & ARCHITECTURE

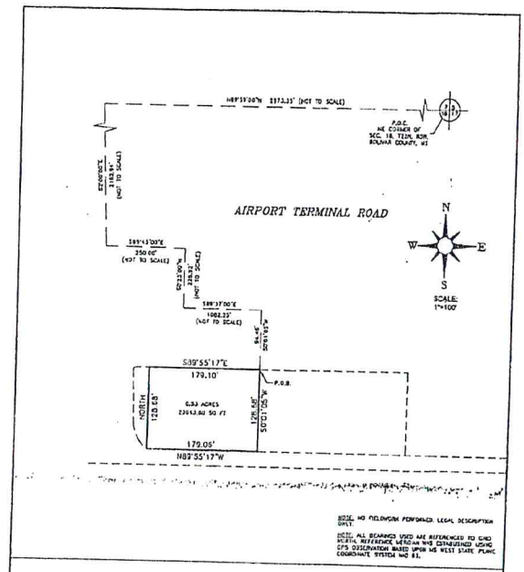
Date: SEPTEMBER 27, 2017 | Scale: 1" = 100' | File Name: 16-105/AIRPORT/ALTA/ALTA/TITLE.DWG

Survey Date: LEGAL DESCRIPTION ONLY. NORTH REFERENCE TO SEE NOTE.

LEGAL DESCRIPTION FOR
B & P AIR
CLEVELAND, MISSISSIPPI

EXHIBIT
COLLECTIVE
"A"

ROBERT B. ELEY, PE, PLS



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ELEY|BARKLEY P.A.
ENGINEERING & ARCHITECTURE

Date: JUNE 28, 2020 | Scale: 1" = 100' | File Name: 16-105/AIRPORT/ALTA/ALTA/TITLE.DWG

Survey Date: LEGAL DESCRIPTION ONLY. NORTH REFERENCE TO SEE NOTE.

LEGAL DESCRIPTION FOR
B & P AIR
CLEVELAND, MISSISSIPPI

EXHIBIT
COLLECTIVE
"A"

ROBERT B. ELEY, PE, PLS

EXHIBIT "B"

PAYMENT TABLE

(53,924.07 SQUARE FEET X 0.05¢ [.01¢ increase after each 5 years period])

Payments for the lease shall follow the schedule listed below. Payments are due on the 1st day of each month.

YEAR	MONTHLY PAYMENT	YEARLY TOTAL
Beginning July 14, 2020	$224.70	= $2,696.35 per year
Beginning July 1, 2021	$224.70	= $2,696.35 per year
Beginning July 1, 2022	$224.70	= $2,696.35 per year
Beginning July 1, 2023	$224.70	= $2,696.35 per year
Beginning July 1, 2024	$224.70	= $2,696.35 per year
Beginning July 1, 2025	$269.62	= $3,235.44 per year
Beginning July 1, 2026	$269.62	= $3,235.44 per year
Beginning July 1, 2027	$269.62	= $3,235.44 per year
Beginning July 1, 2028	$269.62	= $3,235.44 per year
Beginning July 1, 2029	$269.62	= $3,325.44 per year
Beginning July 1, 2030	$314.56	= $3,774.68 per year
Beginning July 1, 2031	$314.56	= $3,774.68 per year
Beginning July 1, 2032	$314.56	= $3,774.68 per year
Beginning July 1, 2033	$314.56	= $3,774.68 per year
Beginning July 1, 2034	$314.56	= $3,774.68 per year
Beginning July 1, 2035	$359.49	= $4,313.93 per year
Beginning July 1, 2036	$359.59	= $4,313.93 per year
Beginning July 1, 2037	$359.59	= $4,313.93 per year
Beginning July 1, 2038	$359.49	= $4,313.93 per year
Beginning July 1, 2039	$359.49	= $4,313.93 per year
Beginning July 1, 2040	$404.43	= $4,853.17 per year
Beginning July 1, 2041	$404.43	= $4,853.17 per year
Beginning July 1, 2042	$404.43	= $4,853.17 per year
Beginning July 1, 2043	$404.43	= $4,853.17 per year
Beginning July 1, 2044	$404.43	= $4,853.17 per year