

SUMMARY
OF
THIRD AMENDMENT TO
GRANT AWARD AGREEMENT
BETWEEN
TRIUMPH GULF COAST, INC.
AND
CITY OF PENSACOLA
(Pensacola Airport MRO Project #120)

This summarizes the basic terms of a Third Amendment to Grant Award Agreement (the “**Amendment**”) that has been negotiated between the staffs of Triumph Gulf Coast, Inc. (“**Triumph**”) and the City of Pensacola (“**City**”) under the Triumph Gulf Coast Trust Fund. This summary is intended for notice purposes only and (a) does not constitute an increase to any existing grant, or an approval to increase an existing grant, by Triumph to the City, and (b) does not create any binding obligations on Triumph or the City with respect to (i) any increase of any existing grant, (ii) any approval of an amendment to an existing grant, or (iii) engaging in any further discussions or negotiations with respect to any amendments to any existing grant. The final terms and conditions of the proposed amendments to the existing grant will be contained in the definitive Amendment approved by the Board of Directors of Triumph and the City and executed by Triumph and the City.

EXISTING
GRANT AWARD
AGREEMENT:

That certain Grant Award Agreement dated April 29, 2019, as amended by (i) that certain Extension Agreement approved by Triumph on June 19, 2020, (ii) that certain First Amendment to Grant Award Agreement dated October 8, 2021, and (iii) that certain Second Amendment to Grant Award Agreement dated May 25, 2022 (as amended, the “**Agreement**”).

PURPOSE OF
AMENDMENTS:

(1) Amendment to Project Description. The first recital paragraph on page one of the Agreement is hereby deleted and replaced in its entirety with the following:

"WHEREAS, pursuant to its authority under **Section 288.8017, Florida Statutes**, Triumph has agreed to make a Grant (as defined below) to the City, on and subject to the terms and conditions set forth in this Agreement, to provide partial funding for the Project Titan (as defined below) portion

of an aircraft Maintenance, Repair, Overhaul Aviation Campus (the "**MRO Campus**") at Pensacola International Airport. The planning and construction of the following projects are collectively referred to herein as "**Project Titan**":

- Hangar 2 – approximately 177,000 square feet, with integrated Support Services Center (warehouses/shops/support facilities) of approximately 21,000 square feet
- One to two additional Hangar(s) having between approximately 166,900 and 333,800 square feet with integrated Support Services Center (warehouses/shops/support facilities) and integrated administrative offices
- Aircraft taxiways accessing the hangar aprons
- Aircraft aprons at the hangars
- Automobile ingress and egress roadways and auto parking

(2) Extend Design/Build Contract Deadline/Amendment to Section 3.2:

Section 3.2 of the Agreement is hereby deleted and replaced in its entirety with the following:

"3.2 The City and a qualified construction manager at risk ("CMAR") executing a guaranteed maximum price contract (the "CMAR Contract") for the construction of Hangar 2 and associated elements and the City and a qualified design/build firm (the "Design/Build Firm") executing a guaranteed maximum price contract (the "Design/Build Contract") for the construction of the remaining Hangar(s) and associated elements within the Project Titan budget of \$210,125,000 no later than June 30, 2024. Triumph shall have the right to approve the CMAR Contract and the Design Build Contract in accordance with Section 5.7 below. The City shall provide Triumph with a true, correct, complete, and executed copy of the CMAR Contract and the Design Build Contract. The CMAR Contract was executed on February 28, 2020, and the First Amendment thereto (among other things, providing for the guaranteed maximum price for Hangar 2 and associated elements) was executed on May 27, 2021. In the event that the Design/Build Contract is not in place by June 30, 2024, the Grant shall be deemed automatically rescinded and revoked and this Agreement shall be deemed automatically terminated and the parties shall have no further liabilities or obligations to each other hereunder; provided, however, that in the event that Triumph from time to time in its sole discretion extends such deadline either before the expiration thereof or within one hundred twenty (120) days after the expiration of such deadline, this Agreement shall automatically be deemed reinstated and shall continue in full force and effect subject to such extended deadline. If the CMAR Contract or the Design/Build Contract is procured pursuant to Chapter 255 for construction services and at the time of the competitive solicitation for Project Titan fifty' percent (50%) or more of the cost of Project Titan is to be paid from state appropriated funds, then the City must comply with the requirements of Sections 255.0991 and 255.0992, F.S."

(3) Revise Funding Procedures/ Amendment to Section 4.1: Section 4.1 of the Agreement is hereby deleted and replaced in its entirety with the following:

“4.1 Disbursement. Subject to the satisfaction of the contingencies set forth in Sections 3.1 through 3.4 above and in Section 4.2 below, the Grant will be drawn down generally in accordance with the budget attached hereto as Exhibit "C" and incorporated herein (the "Budget"). The parties acknowledge that the Budget may be updated and modified from time to time as the design and construction of Project Titan proceed, based on prudent financial management, the requirements and limitations of the various funding sources, and other considerations; provided that in no event shall the City exceed the limitations of clauses (2) and (3) below. As provided herein, the Grant shall be used only to pay a portion of the amounts due and owing from time to time by the City for design, construction and project management. Not more than once per calendar month, the City shall submit an application for disbursement in the form of Exhibit "D" attached hereto and incorporated herein ("Application for Disbursement") for an amount not to exceed the amounts set forth in items (2) and (3) below with respect to the amounts then due and owing from time to time by the City to Design/Build Firm under and in accordance with the Design/Build Contract, together with (i) documentation evidencing the extent of completion of each eligible element of Project Titan and the cost of each eligible element of Project Titan incurred to that point, together with an updated Budget, an updated contract construction schedule in a form reasonably acceptable to Triumph and the City, progress reports from the architect/engineer, and (if available) aerial photographs, (ii) documentation and invoices in detail sufficient for a proper pre-audit and post-audit thereof, including, but not limited to, records of the Project account described in Section 7.1 below, and (iii) in order for Triumph to calculate compliance with the limitations set forth in items (2) and (3) below, documentation regarding the cumulative amounts paid and the amounts to be paid by other funding sources with respect to the amounts then due to the Design/Build Firm under the Design/Build Contract. In addition to the conditions set forth in Section 4.2 below. Triumph's obligation to disburse Grant funds pursuant to an Application for Disbursement shall be subject to the following limitations:

(1) Prior to disbursement of any Grant funds, the City shall provide proof of substantial completion of Project Titan Element 1, which consist of the construction of a second Hangar on the MRO Campus.

(2) At any point in time prior to the completion of Project Titan, the cumulative amount disbursed by Triumph shall not exceed fifty percent (50%) of the total cumulative amount disbursed for Project Titan by all funding sources (including Triumph) shown on the Budget; and

(3) Upon completion of Project Titan, the cumulative amount disbursed by Triumph shall not exceed thirty-one and 41/100 percent (31.41%) of the total cumulative amount disbursed for Project Titan by all funding sources including Triumph (i.e., \$66,000,000, \$210,125,000). To the extent that, upon completion of Project Titan, Triumph has disbursed an amount in excess of thirty-one and 41/100 percent (31.41%) of the total cumulative amount disbursed for Project Titan by all funding sources including Triumph, the City shall upon demand by Triumph repay such excess.”

(4) Extension of Completion Deadline/Amendment to Section 5.1. The “Completion Deadline” as defined in Section 5.1 of the Agreement is hereby extended and shall hereafter mean and refer to December 31, 2026.

(5) Amendment to Budget: The Budget attached to the Agreement as Exhibit "C" is hereby deleted and replaced with Budget attached hereto as Exhibit "C" and incorporated herein, and all references in the Agreement to the Funding Schedule or the Budget shall hereafter mean and refer to the Budget set forth in Exhibit "C" attached hereto.

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EXHIBIT “C”

[See Attached]

Exhibit C

Pensacola International Airport - Project Titan (#120)

Budget

	Planning and Construction	Total
Project Total	210,125,000	
Pre-award	952,541	952,541
Calendar Year 2019	3,243,970	3,243,970
Calendar Year 2020	2,270,586	2,270,586
Calendar Year 2021	13,860,338	13,860,338
Calendar Year 2022	40,761,730	40,761,730
Calendar Year 2023	5,229,981	5,229,981
Calendar Year 2024	53,161,000	53,161,000
Calendar Year 2025	61,841,404	61,841,404
Calendar Year 2026	28,803,450	28,803,450
Project Total	210,125,000	210,125,000
Triumph	66,000,000	
Calendar Year 2019	-	-
Calendar Year 2020	-	-
Calendar Year 2021	-	-
Calendar Year 2022	-	-
Calendar Year 2023	750,000	750,000
Calendar Year 2024	24,037,500	24,037,500
Calendar Year 2025	28,043,750	28,043,750
Calendar Year 2026	13,168,750	13,168,750
Triumph Total	66,000,000	66,000,000
City of Pensacola	18,200,000	
Pre-award	36,286	36,286
Calendar Year 2019	1,495,474	1,495,474
Calendar Year 2020	683,692	683,692
Calendar Year 2021	1,020,196	1,020,196
Calendar Year 2022	841,242	841,242
Calendar Year 2023	1,228,067	1,228,067
Calendar Year 2024	2,295,000	2,295,000
Calendar Year 2025	7,307,856	7,307,856
Calendar Year 2026	3,292,187	3,292,187
City of Pensacola Total	18,200,000	18,200,000
Escambia County	11,800,000	
Pre-award	36,286	36,286
Calendar Year 2019	-	-
Calendar Year 2020	167,062	167,062
Calendar Year 2021	732,553	732,553
Calendar Year 2022	841,242	841,242
Calendar Year 2023	870,632	870,632
Calendar Year 2024	496,000	496,000
Calendar Year 2025	5,364,037	5,364,037
Calendar Year 2026	3,292,188	3,292,188
Calendar Year 2027	-	-
Escambia County Total	11,800,000	11,800,000

VT MAE	35,000,000	
Pre-award	879,969	879,969
Calendar Year 2019	1,748,496	1,748,496
Calendar Year 2020	567,484	567,484
Calendar Year 2021	1,463,248	1,463,248
Calendar Year 2022	3,954,114	3,954,114
Calendar Year 2023	503,203	503,203
Calendar Year 2024	2,295,000	2,295,000
Calendar Year 2025	14,538,161	14,538,161
Calendar Year 2026	9,050,325	9,050,325
VT MAE Total	35,000,000	35,000,000

Florida Department of Transportation (FDOT)	48,000,000	
Calendar Year 2019	-	-
Calendar Year 2020	-	-
Calendar Year 2021	4,760,173	4,760,173
Calendar Year 2022	10,771,648	10,771,648
Calendar Year 2023	1,843,079	1,843,079
Calendar Year 2024	24,037,500	24,037,500
Calendar Year 2025	6,587,600	6,587,600
Calendar Year 2026	-	-
FDOT Total	48,000,000	48,000,000

Legislature - Governor's Job Growth Fund (DEO)	18,875,000	
Calendar Year 2019	-	-
Calendar Year 2020	852,348	852,348
Calendar Year 2021	5,765,657	5,765,657
Calendar Year 2022	12,256,995	12,256,995
Calendar Year 2023	-	-
Calendar Year 2024	-	-
Calendar Year 2025	-	-
Calendar Year 2026	-	-
DEO Total	18,875,000	18,875,000

Federal EDA	12,250,000	
Calendar Year 2019	-	-
Calendar Year 2020	-	-
Calendar Year 2021	118,511	118,511
Calendar Year 2022	12,096,489	12,096,489
Calendar Year 2023	35,000	35,000
Calendar Year 2024	-	-
Calendar Year 2025	-	-
Calendar Year 2026	-	-
EDA Total	12,250,000	12,250,000