

THIRD AMENDMENT TO
GRANT AWARD AGREEMENT
(Pensacola Airport MRO/Project #120)

THIS THIRD AMENDMENT TO GRANT AWARD AGREEMENT (this "Amendment") is made and entered into as of as of the Effective Date (as defined below), by and between TRIUMPH GULF COAST, INC., a Florida not-for-profit corporation ("Triumph") and CITY OF PENSACOLA, a Florida municipal corporation ("City").

WITNESSETH:

WHEREAS, Triumph and City are parties to 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"). All capitalized terms herein shall have the meanings set forth in the Agreement; and

WHEREAS, City has requested that certain amendments be made to the Agreement; and

WHEREAS, Triumph is agreeable to certain amendments to the Agreement as described herein.

NOW, THEREFORE, in consideration of the mutual covenants, promises herein and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged. Triumph and City hereby agree as follows:

1. Amendment to Project Description in First Recital. 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

which, subject to the above modified description, is further described in the City's Updated Application for Funds submitted to Triumph on July 5, 2018 (the "Grant Application"), which Grant application is incorporated herein by reference. In the event of a conflict between a provision of the Grant Application and a provision of this Agreement, the provision of this Agreement shall control. The parties acknowledge that Project Titan is in its design phase and that the details of the elements of Project Titan may change. Notwithstanding such changes, MRO Lessee's ability to satisfy the performance metrics of Section 8.4 below shall not be materially adversely affected, and the MRO Lessee shall continue to be responsible for achieving the performance metrics described in Section 8.4."

- 2. 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. 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 Exhibit "C":** 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.

6. **No Other Amendments.** Except as expressly provided above, the Agreement shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment be executed effective as of August 30, 2023 (the "Effective Date").

CITY OF PENSACOLA
a Florida municipal corporation

By: 
D.C. Reeves, Mayor

TRIUMPH GULF COAST, INC.
a Florida not-for-profit corporation

By: 
David M. Bear, Chairman

Approved as to Content:

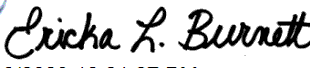

Matthew F. Coughlin, Airport Director

By: 
Reynolds Henderson, Treasurer

Approved as to Form:

BEGGS & LANE, RLLP,
Interim Legal Counsel

By: 
John P. Daniel, Partner


Attest: 8/30/2023 12:21:27 PM
Ericka L. Burnett, City Clerk

Attest: 
Susan Skelton, Secretary

[Affix City Seal]



CONSENT OF VT MOBILE AEROSPACE ENGINEERING, INC.

VT Mobile Aerospace Engineering, Inc. hereby gives its consent to the foregoing Third Amendment to Grant Award Agreement (Pensacola Airport MRO / Project #120) and agrees that nothing contained in such Third Amendment shall be construed or operate to alter or diminish in any respect the obligations of VT Mobile Aerospace Engineering, Inc. under that certain Performance Agreement dated April 29, 2019, between Triumph Gulf Coast, Inc. and VT Mobile Aerospace Engineering, Inc., which obligations are hereby ratified and affirmed.

This the ____ day of _____, 2023.

VT MOBILE AEROSPACE ENGINEERING, INC.,
an Alabama corporation

By: Stephan Lin
Name: Stephan Lin
Title: Director

Exhibit “C”
Budget

(see attached)

Exhibit C**Pensacola International Airport - Project Titan (#120)**

Detail of Project Account to Date

	Planning and Construction	Total
Project Total	210,125,000.00	
Pre-award	952,541.00	952,541.00
Calendar Year 2019	3,243,970.00	3,243,970.00
Calendar Year 2020	2,270,586.00	2,270,586.00
Calendar Year 2021	13,860,338.00	13,860,338.00
Calendar Year 2022	40,761,730.00	40,761,730.00
Calendar Year 2023	5,229,981.00	5,229,981.00
Calendar Year 2024	53,161,000.00	53,161,000.00
Calendar Year 2025	61,841,404.00	61,841,404.00
Calendar Year 2026	28,803,450.00	28,803,450.00
Calendar Year 2027	-	-
Project Total	210,125,000.00	210,125,000.00
Triumph	66,000,000.00	
Calendar Year 2019	-	-
Calendar Year 2020	-	-
Calendar Year 2021	-	-
Calendar Year 2022	-	-
Calendar Year 2023	750,000.00	750,000.00
Calendar Year 2024	24,037,500.00	24,037,500.00
Calendar Year 2025	28,043,750.00	28,043,750.00
Calendar Year 2026	13,168,750.00	13,168,750.00
Calendar Year 2027	-	-
Triumph Total	66,000,000.00	66,000,000.00
City of Pensacola	18,200,000.00	
Pre-award	36,286.00	36,286.00
Calendar Year 2019	1,495,474.00	1,495,474.00
Calendar Year 2020	683,692.00	683,692.00
Calendar Year 2021	1,020,196.00	1,020,196.00
Calendar Year 2022	841,242.00	841,242.00
Calendar Year 2023	1,228,067.00	1,228,067.00
Calendar Year 2024	2,295,000.00	2,295,000.00
Calendar Year 2025	7,307,856.00	7,307,856.00
Calendar Year 2026	3,292,187.00	3,292,187.00
Calendar Year 2027	-	-
City of Pensacola Total	18,200,000.00	18,200,000.00
Escambia County	11,800,000.00	
Pre-award	36,286.00	36,286.00
Calendar Year 2019	-	-
Calendar Year 2020	167,062.00	167,062.00
Calendar Year 2021	732,553.00	732,553.00
Calendar Year 2022	841,242.00	841,242.00
Calendar Year 2023	870,632.00	870,632.00
Calendar Year 2024	496,000.00	496,000.00
Calendar Year 2025	5,364,037.00	5,364,037.00
Calendar Year 2026	3,292,188.00	3,292,188.00
Calendar Year 2027	-	-
Escambia County Total	11,800,000.00	11,800,000.00

Exhibit C (continued)**Pensacola International Airport - Project Titan (#120)**

Detail of Project Account to Date

	Planning and Construction	Total
VT MAE	35,000,000.00	
Pre-award	879,969.00	879,969.00
Calendar Year 2019	1,748,496.00	1,748,496.00
Calendar Year 2020	567,484.00	567,484.00
Calendar Year 2021	1,463,248.00	1,463,248.00
Calendar Year 2022	3,954,114.00	3,954,114.00
Calendar Year 2023	503,203.00	503,203.00
Calendar Year 2024	2,295,000.00	2,295,000.00
Calendar Year 2025	14,538,161.00	14,538,161.00
Calendar Year 2026	9,050,325.00	9,050,325.00
VT MAE Total	35,000,000.00	35,000,000.00
Florida Department of Transportation (FDOT)	48,000,000.00	
Calendar Year 2019	-	-
Calendar Year 2020	-	-
Calendar Year 2021	4,760,173.00	4,760,173.00
Calendar Year 2022	10,771,648.00	10,771,648.00
Calendar Year 2023	1,843,079.00	1,843,079.00
Calendar Year 2024	24,037,500.00	24,037,500.00
Calendar Year 2025	6,587,600.00	6,587,600.00
Calendar Year 2026	-	-
FDOT Total	48,000,000.00	48,000,000.00
Legislature - Governor's Job Growth Fund (DEO)	18,875,000.00	
Calendar Year 2019	-	-
Calendar Year 2020	852,348.00	852,348.00
Calendar Year 2021	5,765,657.00	5,765,657.00
Calendar Year 2022	12,256,995.00	12,256,995.00
Calendar Year 2023	-	-
Calendar Year 2024	-	-
Calendar Year 2025	-	-
Calendar Year 2026	-	-
DEO Total	18,875,000.00	18,875,000.00
Federal EDA	12,250,000.00	
Calendar Year 2019	-	-
Calendar Year 2020	-	-
Calendar Year 2021	118,511.00	118,511.00
Calendar Year 2022	12,096,489.00	12,096,489.00
Calendar Year 2023	35,000.00	35,000.00
Calendar Year 2024	-	-
Calendar Year 2025	-	-
Calendar Year 2026	-	-
EDA Total	12,250,000.00	12,250,000.00