

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

447



FROM: Economic Development Agency

SUBMITTAL DATE:
August 8, 2013

SUBJECT: Amended and Restated Ground Lease Agreement, Jacqueline Cochran Regional Airport

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Amended and Restated Ground Lease Agreement between the County of Riverside, as Lessor and Ross Tradition LLC, a Delaware limited liability company, as Lessee;
2. Authorize the Chairman of the Board of Supervisors to execute the Amended and Restated Ground Lease Agreement; and
3. Authorize the Assistant County Executive Officer/EDA or designee to execute any additional documents to effectuate the Amended and Restated Ground Lease Agreement.

BACKGROUND: (Commences on Page 2)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2013/14

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: N/A	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY:
Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
 BY: Annie T. Sahhar 7/23/13
 DATE
 Departmental Concurrence

Dept't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 3.11 of 10/17/06; 3.33 of 2/27/07; 3.16 of 3/17/09; **District:** 4/4 **Agenda Number:** 3-23

3-14 of 3/12/13

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND:

Tradition Aviation – TRM, LLC, a California limited liability company, assigned ownership to the improvements, alterations and fixtures located on the 16.66 acre airport property located at Jacqueline Cochran Regional Airport, as well as its rights, interest and title in the lease for the 16.66 premises (Property) to Ross Tradition LLC (Ross), a Delaware limited liability company on February 28, 2013. Tradition Aviation – TRM, LLC originally leased the Property under a lease agreement (Original Lease) dated September 14, 2004, between the County of Riverside and Desert Resorts Aviation, LLC, as amended by First Amendment to Lease dated October 17, 2006, assigned to Tradition Aviation – TRM, LLC on February 27, 2007, and as amended by Second Amendment to Lease dated March 17, 2009.

Per the Original Lease dated September 14, 2004, Tradition Aviation, TRM, LLC was required to build an airport terminal building. Currently, the fixed base operator services are supported only by a mobile/temporary building, rather than the permanent structure contemplated by the Original Lease. Ross has been actively working with County Aviation staff to plan the construction of the airport terminal facility. The Amended and Restated Ground Lease Agreement provides an approximate one-third acre of additional land adjacent to Ross' existing leasehold. This additional land will be the site of the new permanent terminal facility. Ross will have two years to construct the permanent terminal building. Upon completion of the permanent terminal facility, Ross will be required to remove the existing mobile/temporary building and, within seven years, develop the land which the mobile/temporary building currently occupies.

The other remaining terms of the Original Lease have been incorporated into the Amended and Restated Ground Lease Agreement, which expires on September 30, 2034. County Counsel has reviewed the Amended and Restated Ground Lease Agreement and has approved it as to form.

Attachment: Amended and Restated Ground Lease Agreement

1 **AMENDED AND RESTATED GROUND LEASE AGREEMENT**
2 **JACQUELINE COCHRAN REGIONAL AIRPORT**

3
4 THIS AMENDED AND RESTATED GROUND LEASE AGREEMENT (“Lease”) is made
5 and entered into as of the 1st day of July, 2013, (“Effective Date”), by and between the
6 COUNTY OF RIVERSIDE (“County”), a political subdivision of the State of California, and
7 Ross-Tradition Aviation, LLC, a Delaware limited liability company (“Lessee”), with reference
8 to the following:

9 1. Recitals.

10 WHEREAS, County and Lessee are presently landlord and tenant, respectively, under
11 that certain lease agreement, amendments and assignments (the lease agreement, all
12 amendments and assignments are hereinafter collectively referred to as the “Existing Lease”);
13 and

14 WHEREAS, County and Desert Resorts Aviation, LLC, a California limited liability
15 company entered into that certain lease dated September 14, 2004, for approximately twenty
16 five (25) acres of land, and amended by that certain First Amendment to Lease dated October
17 17, 2006, reducing leasehold to 16.66 acres, and assigned to Tradition Aviation-TRM, LLC, a
18 California limited liability company, on February 27, 2007, and amended by that certain
19 Second Amendment to Lease dated March 17, 2009, and assigned to Lessee on March 12,
20 2013, wherein Lessee agreed to lease from County approximately 16.66 acres of the property
21 located at the Jacqueline Cochran Regional Airport (“JCRA”), County of Riverside, State of
22 California, that is, the Existing Lease; and

23 WHEREAS, County and Lessee desire to enter into this Lease for the purposes of (i)
24 amending, supplementing and restating the Existing Lease; and, (ii) granting an increase in
25 Lessee’s leasehold of an additional one-third (1/3) of an acre of County-owned land
26 immediately adjacent to the premises leased pursuant to the Existing Lease at JCRA; and

27 WHEREAS, County desires to lease said property to Lessee for the development of
28 aircraft storage hangars and the construction of facilities necessary for conducting the

1 business of a Full Service Fixed Base Operator, which will provide aircraft servicing,
2 maintenance, and fueling; and

3 WHEREAS, Lessee desires to lease said property for the development of aircraft
4 storage hangars and the construction of facilities necessary for conducting the business of a
5 Full Service Fixed Base Operator, which will provide aircraft servicing, maintenance, and
6 fueling.

7 NOW THEREFORE, for good and valuable consideration, as set forth in Section 41
8 herein, the, County and Lessee hereto agree as follows:

9 1. Effect of Amendment and Restatement. As of the Effective Date, the terms and
10 conditions of the Existing Lease are amended and restated in their entirety and entirely
11 superseded by this Lease (except to the extent of liabilities which arose thereunder prior to
12 the Effective Date). Lessee's tenancy and leasehold interest under the Existing Lease shall
13 be deemed to have continued uninterrupted. The Exhibits attached hereto replace the Exhibits
14 to the Existing Lease.

15 2. Description. The premises leased hereby are located within the Jacqueline
16 Cochran Regional Airport, County of Riverside, State of California and consist of
17 approximately seventeen (17) acres of land, being preliminarily depicted in Exhibit "B-1"
18 attached hereto and incorporated by this reference herein. Said property is hereafter referred
19 to as the "Leased Premises". County and Lessee herein acknowledge that Lessee has no fee
20 title interest in or to the Leased Premises.

21 Within sixty (60) days of the Effective Date of this Lease, Lessee will provide County
22 with a legal description showing the exact number of acres and plat of the Leased Premises,
23 as identified herein above, prepared by a registered civil engineer at Lessee's sole cost and
24 expense. Said plat and legal description will be incorporated in and become a part of this
25 Lease as Exhibit "B-2" and Exhibit "A-1" respectively. The size of the Leased Premises and
26 the Base Rent (as defined below) shall be adjusted to reflect the number of acres as
27 described in the legal description. The monthly Base Rent, as established in paragraph 5
28 below, will be adjusted upon receipt of such legal description and plat by multiplying the

1 number of acres times six hundred and twenty dollars and 91/100ths (\$620.91) (the "Base
2 Rent Rate").

3 Failure to comply with this deadline will constitute a material breach by Lessee and
4 County shall have the right to terminate this Lease.

5 3. Term. This Amended and Restated Lease shall commence August 20, 2013,
6 (the "Effective Date"), and terminate September 30, 2034, subject to paragraph 3(b) below,
7 hereinafter referred to as the "Initial Term".

8 (a) Any holding over by the Lessee after the expiration of this Lease shall be
9 on a day-to-day basis strictly, and continuing tenancy rights shall not accrue to the Lessee.

10 (b) With respect to the Leased Premises, subject to the provisions of
11 paragraphs 5, 8 11(c), 17 and 18 hereof and provided that Lessee, at the time of exercising
12 the option, is in full compliance with the terms of this Lease, to the satisfaction of County,
13 Lessee shall have the option to extend the term of this Lease for an additional period of ten
14 (10) years. Lessee shall notify County in writing of its intention to exercise the option to
15 extend not more than twelve (12) months or less than six (6) from the expiration date of the
16 Initial Term.

17 4. Use. The Leased Premises shall be used for the following purposes and no
18 other without the written permission of County. All of the uses listed under paragraph 4(a)
19 and 4(b) below are permitted uses within the Leased Premises. Lessee shall notify County in
20 writing and provide a detailed description of any additional use and scope of operation prior to
21 commencing said use.

22 (a) Permitted Uses:

23 (1) Sale, retail or wholesale or both, of new and used aircraft, aircraft
24 parts and accessories, including instruments, engines, electronic devices, aircraft fuels and
25 lubricants, airman's navigational and personal supplies, and accessories.

26 (2) Agreed to flight operations, including, but not limited to, flight
27 instruction/training, demonstration of aircraft for sale, charter, air taxi, and flight-testing of
28 aircraft following repair or modification. With regard to charter and air taxi operations, Lessee

1 will submit to County a complete description of the operations and scope of services provided,
2 and County will establish insurance coverage and limits for these operations to be obtained by
3 Lessee prior to commencement of operations. Coverages and limits established for charter
4 and air taxi will be in addition to the coverage required herein.

5 (3) Maintenance, repair, and overhaul of all types of aircraft, aircraft
6 engines, airframes, automatic flight systems, instruments, radio and other electronic
7 equipment, propellers, and all other aircraft components.

8 (4) Painting and upholstering of aircraft.

9 (5) Financing, leasing, renting, and insuring of aircraft.

10 (6) Servicing of aircraft for the purpose of fueling, supplying engine oil
11 and other necessary lubricants and aircraft fluids, checking tire pressures, providing starting
12 units and battery boosters, and any other service usually associated with aircraft servicing
13 operations.

14 (7) Providing aircraft storage inside hangar buildings and on outside
15 tie-down areas.

16 (8) Providing ground school instruction associated with flight training.

17 (9) Leasing or renting of automobiles, and storing and sale of
18 automotive fuel and lubricants for use only in connection with Lessee's equipment and rental
19 automobiles.

20 (10) Operating a restaurant or cafe for the purpose of providing meals
21 and beverages to the general public. If alcoholic beverages are sold, Lessee shall
22 maintain Liquor Liability insurance coverage or Lessee shall require restaurant or cafe
23 sublessee to maintain Liquor Liability insurance coverage as part of sub-lessee's Commercial
24 General Liability insurance.

25 (b) Initial Uses:

26 (1) Lessee shall construct a terminal building necessary for the
27 operation of a Full Service Fixed Base Operator, and shall perform as follows:

28 (i) Within ninety (90) days of the Effective Date of this Lease, and,

1 prior to Lessee's application for building permits, Lessee shall, at its sole cost and expense,
2 provide to the County, a site development plan ("Site Plan"), depicting a new terminal building
3 for County approval. Such plan shall be prepared by a certified draftsman. The design shall
4 be satisfactory to and approved by County, which approval shall not be unreasonably delayed
5 or withheld. The location of the new terminal building shall be on the additional one-third (1/3)
6 of an acre of County aviation property immediately adjacent to the sixteen and two-thirds
7 (16.66) of an acre originally leased by Lessee and as depicted more particularly on Exhibit "B-
8 2", attached hereto. The approved Site Plan, immediately upon its approval, shall be attached
9 hereto and incorporated herein as Exhibit "C-1".

10 (ii) Within ninety (90) days of approval by County of the Site Plan,
11 Lessee shall submit a complete set of construction plans to County in order to obtain building
12 permits.

13 (iii) Within sixty (60) days following issuance of the required
14 County permits, Lessee shall commence construction of the new terminal building.

15 (iv) Lessee shall complete the design, entitlement and construction
16 of the new terminal building within two (2) years of the Effective Date of this Lease.

17 (2) As of the Effective Date of this Lease, a modular building resides
18 on the Leased Premises. Said modular building is presently utilized by Lessee as a
19 temporary terminal facility and a Fixed Base Operator administrative office. Lessee shall
20 remove the modular building and utilize the portion of the Leased Premises where the
21 modular building is presently located as follows:

22 (i) Within one hundred Eighty (180) days of the completion
23 ("Completion") of the new terminal building as described in Section 4(b)(1) herein above,
24 Lessee shall remove, at its sole cost and expense, the modular building located on the
25 Leased Premises. Completion is defined as the date which a Certificate of Occupancy has
26 been issued for the new terminal building.

27 (ii) Within five (5) years of the Effective Date of this Lease, Lessee
28 shall, at its sole cost and expense, submit a reuse site development plan ("Reuse Site Plan")

1 to the County for approval. The Reuse Site Plan shall be limited to that area and areas
2 adjacent to the property vacated by the temporary terminal facility mentioned in paragraph
3 4(b)(2) above. Such Reuse Site Plan shall be prepared by a certified draftsman and provided
4 to the County prior to Lessee's application for building permits, and, such Reuse Site Plan
5 shall be satisfactory and subject to County approval, which shall not be unreasonably delayed
6 or withheld. The approved Reuse Site Plan, immediately upon its approval, shall be attached
7 hereto and incorporated herein as Exhibit "D-1".

8 (iii) Within ninety (90) days of approval by County of the Reuse
9 Site Plan, Lessee shall submit a complete set of construction plans to County in order to
10 obtain building permits.

11 (iv) Within sixty (60) days following issuance of the required
12 County permits, Lessee shall commence construction of the improvements contained in the
13 Reuse Site Plan.

14 (v) Lessee shall complete the design, entitlement and construction
15 of the improvements contained in the Reuse Site Plan within seven (7) years of the Effective
16 Date of this Lease.

17 The Leased Premises shall not be used for any purpose other than those uses
18 described in paragraph 4(a) and 4(b) without first obtaining the written consent of County,
19 which consent shall not be unreasonably withheld. The County's approval of any change in
20 the use of the Leased Premises may, at County's sole election, place additional reasonable
21 specific requirements on Lessee including, but not limited to, the types, limits, and conditions
22 of insurance provided under this Lease.

23 5. Rent. Lessee shall pay to County as base rent for the use and occupancy of the
24 Leased Premises monthly rent ("Base Rent") equal ten thousand five hundred fifty-five dollars
25 and 47/100ths (\$10,555.47); provided that the Base Rent shall be adjusted to be effective as of
26 July 1, 2013 following the completion of the survey provided for in paragraph 2 above, by
27 multiplying the number of acres determined by the survey times the Base Rent Rate Said
28 Base Rent is due and payable in advance on the first of each month. The Base Rent shall be

1 considered delinquent, if not paid by the fifteenth (15th) of the month. If the Base Rent
2 becomes delinquent, Lessee will be charged a late fee equivalent to ten percent (10%) of the
3 delinquent rental amount, exclusive of late fees, for each month that rent is delinquent.

4 (a) Commencing on July 1, 2014 the Base Rent Rate shall be adjusted to six
5 hundred seventy-six dollars and 67/100th (\$676.67) per acre and is calculated as follows, with
6 the number of acres subject to adjustment to the number of acres set forth on the survey to be
7 obtained pursuant to paragraph 2 above:

8 *July 1, 2014 to June 20, 2015 (\$676.67 per acre) x (17 acres) = \$11,503.39 per month*

9 (b) In addition to the Base Rent required herein, Lessee shall pay to County
10 a fuel flowage fee in an amount equal to twelve cents (\$0.12) per gallon of fuel sold. The fee
11 is subject to a timely payment discount of two cents (\$0.02) per gallon applied to the
12 payments received within twenty (20) days of the date of invoice. A late fee of ten percent
13 (10%) shall be assessed to all payments received after the due date (30 days of invoice date)
14 and to any unpaid balance, exclusive of late fees.

15 (c) Base Rent Adjustment - Beginning July 1, 2015 and every fifth (5th) year
16 thereafter, the Base Rent shall be adjusted to one-twelfth (1/12) of eight percent (8%) of the
17 then-current fair market value of the Leased Premises. Said fair market value shall be for the
18 land and shall not include the value of the structures placed on the Leased Premises. In no
19 event will application of this paragraph result in a monthly rental amount lower than the
20 highest previous monthly rental amount.

21 A property appraisal for the purpose of establishing the adjusted Base Rent is to
22 be performed by an independent certified appraiser, knowledgeable in aviation appraising and
23 in good standing with the American Institute of Real Estate Appraisers. The appraiser is to be
24 procured and paid for by County. Once established, said rent shall be adjusted annually in
25 the manner set forth in Paragraph 5 (d) below.

26 (d) Consumer Price Index - Beginning July 1, 2016, and at each July 1st
27 thereafter, except for dates coinciding with the appraisals conducted every fifth year as
28 referenced in 5(c) above, the Base Rent shall be adjusted by the percentage change in the

1 Consumer Price Index, All Urban Consumers, Los Angeles-Riverside-Orange County Area for
2 the twelve month period ending three months before the month of rent adjustment under this
3 paragraph. In no event will application of this paragraph result in a monthly rental amount
4 lower than the highest previous monthly rental amount.

5 6. Additional Obligations of Lessee. Lessee shall, during the term of this Lease and
6 any extensions thereof:

7 (a) Observe and obey, and compel its employees, agents, invitees,
8 sublessees, and those doing business with it to observe and obey, all such rules and
9 regulations of County which are now in effect or which may hereafter be promulgated,
10 provided that such rules and regulations may not unduly interfere or conflict with the rights
11 and privileges granted to Lessee in this Lease or any later amendments;

12 (b) Employ and maintain on the Leased Premises sufficient personnel who
13 are trained and skilled in order to competently perform the tasks related to the services being
14 offered;

15 (c) Operate the Leased Premises and perform services for the use and
16 benefit of the general public without discrimination on the grounds of race, religion, color or
17 national origin or in any manner prohibited by Part 15 of the Federal Aviation Administration
18 Regulations;

19 (d) Provide services to the general public seven (7) days per week during the
20 term of this Lease on a minimum hourly basis each day from 8:00A.M., local time, to
21 5:00P.M., local time, and Lessee shall not make any changes relative to such minimum hourly
22 schedule unless approval is first obtained from County in writing;

23 (e) Operate the Leased Premises and the facilities thereon in a progressive
24 and efficient manner, charging fair and reasonable prices for each unit or service, said prices
25 being competitive with prices charged by other fixed based operators at Jacqueline Cochran
26 Regional Airport and other County airports, and, upon request from County, Lessee shall
27 furnish County with a schedule of all prices for each unit or service offered for sale or lease to
28 the general public;

1 (f) Provide janitorial services for interior, exterior, and grounds at Lessee's
2 own expense;

3 (g) Provide for transient aircraft parking guidance, positioning of wheel
4 chocks and tie-downs, fireguard for engine starts (upon request from aircraft operators), and
5 baggage handling on a routine and reasonable basis;

6 (h) Provide aircraft recovery and removal services within the airport air
7 operating area, and have available and provide, as needed, standardized ground service
8 equipment for aircraft weighing eighty-thousand (80,000) pounds or less gross weight upon
9 request of the aircraft owners or County (standardized ground service equipment shall
10 include, but not be limited to, wheel chocks, tie-down ropes or chains, aircraft jacks, tow bars,
11 auxiliary power units, and aircraft tugs);

12 (i) Not engage in the painting of aircraft (other than small 'spot' painting jobs
13 in connection with repairs) within any buildings, unless or until it has established therein a
14 regular paint shop which is adequately enclosed and vented, and has been inspected and
15 approved, in writing, by representatives of the Federal Aviation Administration and County's
16 Fire and Building and Safety Departments, meet all other local, state and federal laws and
17 regulations, and all applicable permits have been obtained; Maintain a comfortable, well-
18 furnished pilot's lounge and clean sanitary restroom facilities for both men and women; such
19 restroom facilities shall be properly and continuously supplied with soap, towels, toilet tissue
20 and any other supplies required by state, federal or local laws and ordinances;

21 (j) Provide aviation fuel and lubricants for both piston and jet engine aircraft
22 for sale to the general public, unless Lessee is precluded from providing such fuel and
23 lubricants due to causes beyond its control relating to its suppliers' fuel shortages, work
24 stoppages (excluding Lessee's employment force), acts of God, acts of war, civil disorders or
25 other similar acts;

26 (k) Observe the Taxiway Object Free Area adjacent to their leasehold to
27 allow the passage of taxiing aircraft; the Taxiway Object Free Area boundary for Taxiway F is
28 one hundred ten (110) feet from the centerline of the taxiway; and

1 (l) Maintain the Leased Premises, approaches thereto, and improvements
2 now or hereafter located thereon, in good, safe and sanitary order, condition, and repair, and
3 upon any termination of this Lease, Lessee agrees to surrender said Leased Premises and
4 improvements thereon in such good, safe and sanitary condition, reasonable use and wear
5 thereof and damages by fire, acts of God, war, civil insurrection, or by the elements excepted.

6 7. Permits, Licenses and Taxes. Lessee shall secure, at its expense, all necessary
7 permits and licenses as it may be required to obtain regarding the construction, operation,
8 maintenance, and termination or abandonment of activities upon the Leased Premises, and
9 Lessee shall pay for all fees and taxes levied or required by any authorized public entity.
10 Lessee recognizes and understands that this Lease may create a possessory interest subject
11 to property taxation and that Lessee may be subject to the payment of property taxes levied
12 on such interest.

13 8. On-Site Improvements

14 (a) Lessee, at its expense, shall construct, or cause to be constructed,
15 improvements described in a Site Plan and Reuse Site Plan showing the location and
16 dimensions of all planned improvements. Improvements shall conform to the Riverside
17 County Airports Minimum Standards for Fixed Based Operators, the Site Plan and the Reuse
18 Site Plan, Exhibit E, Exhibit C-1 and Exhibit D-1, respectively, attached hereto and by this
19 reference incorporated herein, and will include a terminal building, aircraft storage hangars,
20 facilities necessary for conducting the business of a Full Service Fixed Base Operator such as
21 a maintenance hangar, associated landscaping, vehicular parking and improvements, all in
22 accordance with County requirements. Lessee shall perform the required planning and
23 development of said capital improvements in accordance with paragraphs 4(b) stated herein.

24 In the event of a Force Majeure delay or delays caused by the negligence, willful
25 misconduct or bad faith of County or delay in the permitting or County's approval process not
26 caused by the negligence or lack of reasonable diligence of Lessee in seeking such approval
27 the two (2) year and seven (7) year period to complete the new terminal and capital
28 improvements associated with the Site Plan and the Reuse Site Plan, respectively, and

1 identified herein, will be tolled as provided for below.

2 "Force Majeure" means fires, explosions, strikes being conducted on an
3 industry-wide basis and that are not limited to Lessee's Development, unusual adverse
4 weather conditions, war, hostilities, invasion, riot, civil insurrection, civil war, terrorist acts,
5 ionizing radiation, contamination by radioactivity on the Leased Premises from any nuclear
6 fuel, radioactive toxic explosive or nuclear explosive, epidemics, quarantine, plague, and any
7 other event beyond the reasonable control of Lessee (other than bad weather generally,
8 insufficiency of funds, or changes in the economic or business climate).

9 "Force Majeure Delay" means a delay due to Force Majeure that, in each case,
10 (a) materially adversely affects the performance by Lessee of its obligations hereunder, (b) is
11 not reasonably foreseeable and is beyond Lessee's reasonable control, (c) despite the
12 exercise of reasonable diligence, cannot be prevented, avoided or removed by Lessee and is
13 not attributable to the negligence, willful misconduct or bad faith of Lessee, and (d) is not the
14 result of the failure of Lessee to perform any of its obligations under this Lease.
15 Notwithstanding the foregoing, a Force Majeure Delay shall not be deemed to have occurred
16 unless Lessee has notified County of such occurrence of a Force Majeure within fifteen (15)
17 days after such occurrence and has provided County with the details of such event and the
18 length of the anticipated delay within an additional fifteen (15) days thereafter. During the
19 occurrence and continuance of a Force Majeure Delay, Lessee shall be excused from
20 performance of its obligation under this Lease to the extent the Force Majeure prevents
21 Lessee from performing such obligations and any time periods for completion set forth herein
22 shall be extended by the same number of days that the Force Majeure Delay continues.

23 Construction Obligations: Lessee shall obtain performance, material, and labor
24 payment bonds in the amounts required by law and determined by County, and shall furnish
25 County with copies thereof prior to the commencement of such construction.

26 (a) All improvements are to be completed at Lessee's sole cost. Lessee shall
27 pay for construction of any required utility extensions and hookups (including all related fees
28 and charges) and any access road improvements. Plans for all improvements are to be

1 submitted to County for approval prior to start of any construction.

2 (b) Any improvements, alterations, and installation of fixtures to be
3 undertaken by Lessee shall have the prior written approval of the County after Lessee has
4 submitted to County proposed plot and building plans, and specifications therefor, in writing.
5 In addition, Lessee understands and agrees that such improvements, alterations, and
6 installation of fixtures may be subject to County Ordinance Nos. 348 and 457, as well as other
7 applicable County ordinances, and that Lessee shall fully comply with such ordinances prior to
8 the commencement of any construction in connection therewith.

9 (c) Legal Conveyance of all improvements, alterations, and fixtures
10 constructed by the Lessee on the Leased Premises shall remain with the Lessee until the
11 Lease is terminated, legally relinquished, abandoned or upon the expiration of lease. Upon
12 termination, relinquishment, abandonment or upon the expiration of the Lease, legal title to all
13 improvements constructed by the Lessee shall cease to exist and all interest associated
14 therewith reverts to the County. Lessee shall execute any agreements that may be required
15 or necessitated to convey Lessee's interest in all improvements and alterations to County. .]
16 Lessee shall have the full and exclusive use and enjoyment of such improvements,
17 alterations, and fixtures during the term of this Lease. At or prior to the expiration of this
18 Lease, Lessee shall remove, at its expense, such trade fixtures and restore said Leased
19 Premises to their original shape and condition as nearly as practicable. In the event Lessee
20 does not so remove such trade fixtures, they shall become the property of the County for no
21 further consideration of any kind, and Lessee shall execute any documents that may be
22 required or necessitated conveying its interest in such fixtures to County.

23 9. Off-Site Improvements

24 (a) County shall provide the following off-site improvements to serve the site:
25 (1) water, (2) sewer, and (3) a paved access road. Connections to said off-site improvements
26 shall be the sole cost and responsibility of Lessee as described in Paragraph 9(c).
27 Additionally, Lessee shall be responsible for any improvements beyond those listed in this
28 paragraph, including, but not limited to, electricity, telephone, data/internet, cable and gas

1 service.

2 (b) Lessee shall pay a sewer connection fee and a monthly sewer service fee
3 to County. The amount of the fees shall be according to the fee schedule in effect at the time
4 of Lease execution. The monthly sewer service fee will be adjusted from time to time and be
5 based upon County's sewer service payments to the Coachella Valley Water District and
6 County's cost of repairing, maintaining, and administering the airport's sewer system.

7 (c) It is understood by the parties hereto that utility services are available in
8 the general vicinity of the Leased Premises, but in order for the on-site improvements required
9 in Paragraph 8 herein to be fully usable and operational, Lessee, at its expense, shall extend
10 and/or connect, or cause to be extended and/or connected, to such utility service facilities that
11 may be required or desired by Lessee in the use, operation, and maintenance of such on-site
12 improvements. Lessee shall pay all related fees and charges related to such utility extensions
13 and hookups. After such extensions and/or connections have been made, Lessee shall be
14 responsible for payment for the use of such utility services, without limitation, all electricity,
15 gas, telephone and water.

16 (d) Lessee shall obtain, or cause to be obtained performance, material, and
17 labor and payment bonds in the amounts required by law and determined by County and shall
18 furnish County with copies thereof prior to the commencement of such off-site improvements.

19 10. Compliance with Law. Lessee shall, at its sole cost and expense, comply with
20 all of the requirements of all governmental agencies now in force, or which may hereafter be
21 in force, pertaining to the Leased Premises, and any improvements hereafter constructed or
22 maintained thereon, and Lessee shall faithfully observe all laws and ordinances now or
23 hereafter in force in the use of the Leased Premises.

24 11. County's Reserved Rights.

25 (a) The Leased Premises are accepted by Lessee subject to any and all
26 existing easements or other encumbrances, and County shall have the right to enter upon the
27 Leased Premises and to install, lay, construct, maintain, repair and operate such sanitary
28 sewers, drains, storm water sewers, pipelines, manholes, connections, water, oil and gas

1 pipelines, and telephone and telegraph power lines and such other facilities and
2 appurtenances necessary or convenient to use in connection therewith, over, in, upon,
3 through, across and along the Leased Premises or any part thereof. County also reserves the
4 right to grant franchises, easements, rights of way and permits in, over and upon, along or
5 across any and all portions of said Leased Premises as County may elect; provided, however,
6 that no right of the County provided for in this paragraph shall be executed so as to interfere
7 unreasonably with Lessee's use hereunder, or impair the security of any secured creditor of
8 Lessee. County shall cause the surface of the Leased Premises to be restored to its original
9 condition (as they existed prior to any such entry) upon the completion of any construction by
10 County or its agents. In the event such construction renders any portion of the Leased
11 Premises unusable, the rent shall abate pro rata as to such unusable portion during the period
12 of such construction. Any right of County set forth in this paragraph shall not be exercised
13 unless a prior written notice of thirty (30) days is given to Lessee; provided, however, in the
14 event such right must be exercised by reason of emergency, then County shall give Lessee
15 such notice in writing as is reasonable under the existing circumstances.

16 (b) County reserves the right to further develop or improve the aircraft
17 operating area of Jacqueline Cochran Regional Airport as it deems appropriate. County
18 reserves the right to take any action it considers necessary to protect the aerial approaches of
19 the Jacqueline Cochran Regional Airport against obstruction, together with the right to prevent
20 the Lessee from erecting or permitting to be erected, any building or other structure on the
21 Jacqueline Cochran Regional Airport, which in the reasonable opinion of County, would limit
22 usefulness of the Jacqueline Cochran Regional Airport or constitute a hazard to aircraft.

23 (c) During the time of war or national emergency, County shall have the right
24 to lease the landing area of the Jacqueline Cochran Regional Airport, or any part thereof, to
25 the United States Government for military use and, if such lease is executed, the provisions of
26 this Lease insofar as they are inconsistent with the provisions of such lease to the
27 Government, shall be suspended. In that event, a just and proportionate part of the rent
28 hereunder shall be abated, and the period of such closure shall be added to the term of this

1 Lease, or any extensions thereof, so as to extend and postpone the expiration thereof unless
2 Lessee otherwise elects to terminate this Lease.

3 (d) Notwithstanding any revisions herein, this Lease shall be subordinate to
4 the provisions of any existing or future agreement between County and the United States,
5 relative to the operation or maintenance of the Jacqueline Cochran Regional Airport, the
6 terms and execution of which have been or may be required as a condition precedent to the
7 expenditure or reimbursement to County of Federal funds for the development of said airport.

8 (e) This Lease is subject to the provisions set forth in Exhibit "F" (Federally
9 Required Lease Provisions), attached hereto and by this reference made a part of this Lease.

10 12. Inspection of Premises. County, through its duly authorized agents, shall have,
11 upon reasonable notice, during normal business hours, the right to enter the Leased Premises
12 for the purpose of inspecting, monitoring and evaluating the obligations of Lessee hereunder
13 and for the purpose of doing any and all things which it is obligated and has a right to do
14 under this provided that the inspection does not unreasonably interfere with Lessee's
15 business.

16 13. Quiet Enjoyment. Lessee shall have, hold, and quietly enjoy the use of the
17 Leased Premises so long as Lessee shall fully and faithfully perform the terms and conditions
18 that the Lessee is required to do under this Lease.

19 14. Compliance with Government Regulations. Lessee shall, at Lessee's sole cost
20 and expense, comply with the requirements of all local, state, and federal statutes,
21 regulations, rules, ordinances, and orders now in force or which may be hereafter in force,
22 pertaining to the Leased Premises. The final judgment, decree, or order of any Court of
23 competent jurisdiction, or the admission of Lessee in any action or proceedings against
24 Lessee, whether Lessee be a party thereto or not, that Lessee has violated any such statutes,
25 regulations, rules, ordinances, or orders in the use of the Leased Premises, shall be
26 conclusive of that fact as between County and Lessee.

27 15. Discrimination or Segregation

28 (a) Lessee shall not discriminate in Lessee's recruiting, hiring, promotion,

1 demotion or termination practice on the basis of race, religious creed, color, national origin,
2 ancestry, sex, age, physical handicap, medical condition, or marital status with respect to its
3 use of the Leased Premises hereunder, and Lessee shall comply with the provisions of the
4 California Fair Employment and Housing Act (Government Code Sections 12900 et seq.), the
5 Federal Civil Rights Act of 1964 (P. L. 88-352), and all amendments thereto, Executive Order
6 No. 11246 (30 Federal Register 12319), as amended, and all Administrative Rules and
7 Regulations issued pursuant to said Acts and orders with respect to its use of the Leased
8 Premises.

9 (b) Lessee shall not discriminate against or cause the segregation of any
10 person or group of persons on account of race, religious creed, color, national origin,
11 ancestry, sex, age, physical handicap, medical condition, or marital status in the occupancy,
12 use, tenure or enjoyment of the Leased Premises, nor shall Lessee, or any person claiming
13 under or through Lessee, establish or permit any such practice or practices of discrimination
14 or segregation with reference to the selection, location, number, use, or occupancy of any
15 persons within the Leased Premises.

16 (c) Lessee assures that it will undertake an affirmative action program as
17 required by 49 CFR, Part 21, to insure that no person shall on the grounds of race creed,
18 color, national origin, or sex be excluded from participating in any employment activities
19 covered in 49 CFR, Part 21, with respect to its use of the Leased Premises. Lessee further
20 assures that no person shall be excluded on these grounds from participating in or receiving
21 services or benefits of any program or activity covered herein with respect to its use of the
22 Leased Premises. Lessee further assures that it will require that its subcontractors and
23 independent contractors provide assurance to Lessee that they similarly will undertake
24 affirmative action programs and that they will require assurances from their subcontractors
25 and independent contractors, as required by 49 CFR, Part 21, to the same effect with respect
26 to their use of the Leased Premises.

27 16. Termination by County. County shall have the right to terminate this Lease
28 forthwith:

1 (a) In the event a petition is filed for voluntary or involuntary bankruptcy for
2 the adjudication of Lessee as debtors.

3 (b) In the event that Lessee makes a general assignment, or Lessee's
4 interest hereunder is assigned involuntarily or by operation of law, for the benefit of creditors.

5 (c) In the event of abandonment of the Leased Premises by Lessee.

6 (d) In the event Lessee fails or refuses to perform, keep or observe any of
7 Lessee's duties or obligations hereunder; provided, however, that Lessee shall have thirty
8 (30) days in which to correct Lessee's breach or default after written notice thereof has been
9 served on Lessee by County.

10 (e) In the event Lessee fails, or refuses, to meet its rental obligations, or any
11 of its obligations hereunder, or as otherwise provided by law.

12 (f) With respect to the undeveloped phases, as provided for in Paragraph
13 8(a), if Lessee fails to complete construction of all phases of the development within the time
14 periods required herein.

15 (g) Failure of Lessee to maintain insurance coverage required herein and to
16 provide evidence of coverage to the County.

17 (h) Failure of the Lessee to require all tiers of sublessees and/or contractors
18 to indemnify the County and to have appropriate insurance coverages and/or failure by
19 Lessee to monitor each sublessee and/or contractor for current and correct Certificates of
20 Insurance and required endorsements throughout the term of this lease.

21 17. Termination by Lessee. Lessee shall have the right to terminate this Lease in
22 the event County fails to perform, keep or observe any of its duties or obligations hereunder;
23 provided, however, that County shall have thirty (30) days in which to correct its breach or
24 default after written notice thereof has been served on it by Lessee; further provided,
25 however, that in the event such breach or default is not corrected, Lessee may elect to
26 terminate this Lease in its entirety or as to any portion of the premises affected thereby, and
27 such election shall be given by an additional thirty (30) day written notice to County.

28 18. Eminent Domain. If any portion of the Leased Premises shall be taken by

1 eminent domain and a portion thereof remains which is usable by Lessee, in its discretion, for
2 the purposes set forth in Paragraph 4 herein, this Lease shall, as to the part taken, terminate
3 as of the date title shall vest in the condemnor, or the date prejudgment possession is
4 obtained through a court of competent jurisdiction, whichever is earlier, and the rent payable
5 hereunder shall abate pro rata as to the part taken; provided, however, in such event County
6 reserves the right to terminate this Lease as of the date when title to the part taken vests in
7 the condemnor or as of such date of prejudgment possession. If all of the Leased Premises
8 are taken by eminent domain, or such part be taken so that the Leased Premises are
9 rendered unusable for the purposes set forth in Paragraph 4 herein, this Lease shall
10 terminate. If a part or all of the Leased Premises be so taken, all compensation awarded
11 upon such taking shall be apportioned between County and Lessee according to law.

12 19. Hold Harmless/Indemnification. Lessee shall indemnify and hold harmless the
13 County of Riverside, its Agencies, Boards, Districts, Special Districts and Departments, their
14 respective directors, officers, Board of Supervisors, elected and appointed officials,
15 employees, agents and representatives (the "Indemnified Parties") from any liability
16 whatsoever, including but not limited to, property damage, bodily injury, or death, based or
17 asserted upon any services of Lessee, its officers, employees, subcontractors, agents or
18 representatives arising out of or in any way relating to this Agreement and Lessee shall
19 defend at its sole expense and pay all costs and fees, including but not limited to, attorney
20 fees, cost of investigation, defense and settlements or awards, on behalf of the Indemnified
21 Parties in any claim or action based upon such liability.

22 With respect to any action or claim subject to indemnification herein by Lessee, Lessee
23 shall, at Lessee's sole cost, have the right to use counsel of their choice and shall have the
24 right to adjust, settle, or compromise any such action or claim without the prior consent of
25 County; provided, however, that any such adjustment, settlement or compromise in no
26 manner whatsoever limits or circumscribes Lessee's indemnification to the Indemnified
27 Parties as set forth herein.

28 Lessee's obligation hereunder shall be satisfied when Lessee has provided County the

1 appropriate form of dismissal relieving County from any liability for the action or claim
2 involved.

3 The specified insurance limits required in this Agreement shall in no way limit or
4 circumscribe Lessee's obligations to indemnify and hold harmless the Indemnified Parties
5 herein from third party claims.

6 In the event there is conflict between this clause and California Civil Code Section
7 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation
8 shall not relieve the Lessee from indemnifying the Indemnified Parties to the fullest extent
9 allowed by law.

10 Lessee shall require each sub-lessee and/or contractor of every tier to indemnify the
11 County of Riverside as respects any claims arising from their sub-lease and/or contract.

12 20. Insurance. Lessee shall procure and maintain or cause to be maintained, at
13 its sole cost and expense, the following insurance coverages during the term of this Lease.
14 These requirements, with the approval of the County's Risk Manager, may be modified to
15 reflect the activities associated with the Lessee provided that any changes are reasonable in
16 nature and consistent with industry standards. The procurement and maintenance of the
17 insurance required below will not diminish or limit Lessee's obligation to indemnify or hold the
18 County harmless. Lessee agrees to have in place insurance coverage as it is required and
19 applicable. This Paragraph shall not be construed to require Lessee to have all insurance
20 required under this provision, in place from the date of Commencement of this Lease

21 (a) Workers Compensation. Lessee shall maintain statutory Workers'
22 Compensation Insurance (Coverage A) as described by the laws of the State of California.
23 Policy shall include Employers' Liability (Coverage B) including Occupational Disease with
24 limits not less than \$1,000,000 per person per accident. Policy shall be endorsed to provide a
25 Waiver of Subrogation in favor of the County of Riverside its Agencies, Boards, Districts,
26 Special Districts, and Departments, their respective directors, officers, Board of Supervisors,
27 employees, elected or appointed officials, agents or representatives.

28 (b) Airport General Liability. Lessee shall maintain Airport General Liability

1 Insurance coverage including, but not limited to, premises/operations liability, contractual
2 liability, products and completed operations liability, independent contractors, personal and
3 advertising injury liability covering all claims or lawsuits of any nature whatsoever which may
4 arise from or out of Lessee's performance under the terms of the lease agreement. Policy
5 shall name all the County of Riverside its Agencies, Boards, Districts, Special Districts, and
6 Departments, their respective directors, officers, Board of Supervisors, employees, elected or
7 appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability
8 shall not be less than \$25,000,000 per occurrence combined single limit and in the annual
9 aggregate as applicable. The policy shall be endorsed to provide Hangar Keeper's Legal
10 Liability Insurance (Ground and In-Flight) providing coverage for aircraft in the care, custody
11 or control of the Lessee. Policy shall include coverage for the Named Insured's use of
12 unlicensed vehicles on Airport Premises.

13 (c) Vehicle Liability. Lessee shall maintain liability insurance for all owned,
14 non-owned, or hired vehicles used in the performance of this Lease in an amount not less
15 than \$1,000,000 per occurrence combined single limit. The policy shall be endorsed to name
16 all the County of Riverside, its Agencies, Boards, Districts, Special Districts, and Departments,
17 their respective directors, officers, Board of Supervisors, employees, elected or appointed
18 officials, agents, or representatives. This coverage may be included in the Airport General
19 Liability policy. Proof of the foregoing coverage will be required before issuing vehicle gate
20 cards.

21 (d) Aircraft Hull and Liability Insurance.

22 1) Aircraft Hull: Lessee agrees to indemnify and hold harmless the
23 County from any and all losses, claims, or damage to any aircraft owned by Lessee and all
24 losses, claims, or damage to any aircraft where Lessee has agreed under contract to be
25 responsible for any physical damage to the aircraft. Lessee hereby agrees that this
26 indemnification and hold harmless includes, but is not limited to, losses, claims or damage to
27 any of Lessee's aircraft caused directly or indirectly by the County.

28 2) Aircraft Liability: Lessee shall provide Aircraft Liability insurance for all

1 owned and non-owned aircraft operated by the Lessee in an amount not less than \$5,000,000
2 combined single limit per occurrence for bodily injury, including death and property damage
3 and coverage shall include, but is not limited to, products/completed operations and
4 contractual liability. The policy will be endorsed to name all the County of Riverside, its
5 Agencies, Boards, Districts, Special Districts, and Departments, its respective directors,
6 officers, Board of Supervisors, employees, elected or appointed officials, agents or
7 representative as Additional Insureds.

8 (e) Pollution Liability Insurance. Lessee shall, during the term of this lease,
9 maintain or caused to be maintained Commercial Automobile Liability Insurance including an
10 MCS-90 Endorsement covering all vehicles used to transport fuel to the Airport for Lessee's
11 operations with limits of not less than \$5,000,000 each accident. If Lessee subcontracts this
12 operation, then Lessee shall require the subcontractor to maintain this insurance.

13 Lessee shall also maintain site-specific Pollution Liability Insurance, covering
14 both sudden and gradual pollution, with limits of not less than \$2,000,000 each pollution
15 condition and \$2,000,000 annual aggregate covering third party claims for bodily injury,
16 property damage and first and third party cleanup expense, for pollution conditions occurring
17 or discovered on-site whether in the soil, water or air, which arise out of Lessee's activities at
18 the Airport. The insurance shall include coverage for loss arising out of the handling of fuel,
19 including the transportation of fuel and refueling of aircraft on-site, arising out of any storage
20 tanks and associated piping, and arising out of the operation, parking and maintenance of
21 aircraft, vehicles on the premises and operations that include any other hazardous materials,
22 waste, and/or work. The policy shall name County as additional insured, and shall not
23 contain an insured v. insured exclusion. The policy shall not contain a deductible or self-
24 insured retention higher than \$25,000.

25 (f) All Risk Property Insurance:

26 (1) All-Risk real and personal insurance coverage, including earthquake
27 and flood if applicable, for the full replacement cost value of building, structures, fixtures,
28 equipment, improvements/alterations and systems on the premises for property that the

1 Lessee owns or is contractually responsible for. Policy shall include Business Interruption,
2 Extra Expense, and Expediting Expense to cover the actual loss of business income
3 sustained during the restoration period. Policy shall name the County of Riverside as a Loss
4 Payee and provide a Waiver of Subrogation in favor of the County of Riverside.

5 (2) Boiler & Machinery insurance coverage on a full replacement cost
6 value basis. Policy shall provide Business Interruption, Extra Expense, and Expediting
7 Expense coverage as well as coverage for off-premises power failure. Policy shall name the
8 County of Riverside as a Loss Payee and contain a Waiver of Subrogation in favor of the
9 County of Riverside.

10 (3) Course of Construction Insurance. During the full term of
11 construction of the planned improvements, Lessee shall purchase and maintain or cause to
12 be maintained All Risk Builder's Risk insurance (Completed Value Form) including earthquake
13 and flood for the entire project, if applicable, including coverage for materials and supplies
14 located on and offsite but to be part of, or used in the construction of, the completed project.
15 Policy shall also include as insured property, scaffolding, false work, and temporary buildings
16 located on the project site, and the cost of demolition and debris removal. If the contractor or
17 others insure scaffolding, false work and temporary buildings separately, evidence of such
18 separate coverage shall be provided to County prior to the start of the work. The Course of
19 Construction coverage limit of insurance shall equal or exceed the highest values exposed to
20 loss at any one time during the project term. Policy shall waive subrogation in favor of all
21 Agencies, Boards, Districts, Special Districts, and Departments of the County of Riverside,
22 their respective directors, officers, Board of Supervisors, employees, elected or appointed
23 officials, agents or representatives.

24 (g) General Insurance Provisions - All Lines:

25 (1) Any insurance carrier providing insurance coverage hereunder
26 shall be admitted to the State of California unless waived, in writing, by the County Risk
27 Manager. Carrier(s) shall have an A.M. BEST rating of not less than an A:VIII (A:8).

28 (2) Insurance deductibles or self-insured retentions must be declared

1 by the Lessee's insurance carrier(s), and such deductibles and retentions shall have the prior
2 written consent from the County Risk Manager. Upon notification of deductibles or self-
3 insured retentions unacceptable to the County, and at the election of the County's Risk
4 Manager, Lessee's carriers shall either: 1) reduce or eliminate such deductibles or self-
5 insured retentions as respects this Lease with the County; or 2) procure a bond which
6 guarantees payment of losses and related investigations, claims administration, and defense
7 costs and expenses.

8 (3) Cause Lessee's insurance carrier(s) to furnish the County of
9 Riverside with either: 1) a properly executed original Certificate(s) of Insurance and certified
10 original copies of Endorsements effecting coverage as required herein; or 2) if requested to do
11 so in writing by the County Risk Manager, provide original certified copies of policies including
12 all Endorsements and all attachments thereto, showing such insurance is in full force and
13 effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the
14 insurance carrier(s) that thirty (30) days written notice shall be given to the County of
15 Riverside prior to any material modification of coverage or cancellation of such insurance. In
16 the event of a material modification of coverage or cancellation of such insurance, this Lease
17 shall terminate forthwith, unless the County of Riverside receives, prior to such effective date,
18 another properly executed original Certificate of Insurance and original copies of
19 endorsements or, if requested, certified original policies, including all endorsements and
20 attachments thereto evidencing coverages set forth herein and the insurance required herein
21 is in full force and effect.

22 Lessee shall not commence operations until the County of Riverside has
23 been furnished original Certificate(s) of Insurance and certified original copies of
24 endorsements or, if requested, policies of insurance including all endorsements and any and
25 all other attachments as required in this Section. An individual authorized by the insurance
26 carrier to do so on its behalf shall sign the endorsements for each policy and the Certificate of
27 Insurance.

28 (4) It is understood and agreed to by the parties hereto and the

1 insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and
2 shall be construed as primary insurance, and the County's insurance and/or deductibles
3 and/or self-insured retentions or self-insured programs shall not be construed as contributory.

4 (5) The County of Riverside's Reserved Rights - Insurance. If during
5 the term of this Lease or any extension thereof, there is a material change in the scope of
6 services or performance of work the County of Riverside reserves the right to adjust the types
7 of insurance required under this Lease and the monetary limits of liability for the insurance
8 coverages currently required herein, if, in the Assistant County Executive Officer - Economic
9 Development Agency's reasonable judgment, upon advice of the County Risk Manager, the
10 amount or type of insurance carried by the Lessee has become inadequate. The Lessee
11 agrees to notify the County of any plan or change of plan for the Lessee's operations and
12 such notification shall occur prior to implementing any such change.

13 Beginning July 1, 2015, and every fifth year thereafter during the term of
14 this Lease, or any extension thereof, County reserves the right to adjust the monetary limits of
15 insurance coverage as required in Paragraph 20, 21 and 22.

16 (6) Lessee shall notify County of any claim made by a third party or
17 any incident or event that may give rise to a claim arising from this Lease. County shall notify
18 Lessee of any claim made by a third party or any incident or event that may give rise to a
19 claim arising from this Lease.

20 21. Insurance for Fuel Suppliers. Lessee shall also require suppliers of fuel to
21 procure, maintain, show evidence and comply with all requirements of insurance as follows:

22 (a) Workers' Compensation. Workers' Compensation Insurance (Coverage
23 A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability
24 (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person
25 per accident. Policy shall be endorsed to provide a Waiver of Subrogation in favor of The
26 County of Riverside, its Agencies, Districts, Special Districts, and Departments, their
27 respective directors, officers, Board of Supervisors, employees, elected or appointed officials,
28 agents or representatives.

1 (b) Commercial General Liability. Commercial General Liability insurance
2 coverage, including but not limited to, premises liability, contractual liability, products and
3 completed operations, personal and advertising injury covering claims which may arise from
4 or out of Supplier's performance of its obligations hereunder. Policy shall name the Lessee,
5 all the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their
6 respective Directors, Officers, Board of Supervisors, elected officials, employees, agents or
7 representatives as Additional Insureds. The policy's limit of liability shall not be less than
8 \$1,000,000 per occurrence combined single limit. If such insurance contains a general
9 aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the
10 occurrence limit.

11 (c) Vehicle Liability. Supplier shall maintain liability insurance for all owned,
12 non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence
13 combined single limit. If such insurance contains a general aggregate limit, it shall apply
14 separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall
15 name the Lessee, County of Riverside, Special Districts, their respective Directors, Officers,
16 Board of Supervisors, elected officials, employees, agents, or representatives as Additional
17 Insureds.

18 (d) Pollution Liability Insurance. Supplier shall, during the term of this lease,
19 maintain Commercial Automobile Liability Insurance including an MCS-90 Endorsement
20 covering all vehicles used to transport fuel to the Airport for Lessee's operations with limits of
21 not less than \$5,000,000 each accident.

22 (e) General Insurance Provisions - All lines: Lessee shall cause Supplier's
23 insurance carrier(s) to furnish the Lessor and the County of Riverside with a properly
24 executed original Certificate(s) of Insurance and certified original copies of Endorsements
25 effecting coverage as required herein. Further, said Certificate(s) and policies of insurance
26 shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall
27 be given to the Lessee and the County of Riverside prior to any material modification,
28 cancellation, expiration or reduction in coverage of such insurance. In the event of a material

1 modification, cancellation, expiration, or reduction in coverage, the Supplier's Agreement shall
2 terminate forthwith, unless the Lessee and the County of Riverside receives, prior to such
3 effective date, another properly executed original Certificate of Insurance and original copies
4 of endorsements or certified original policies, including all endorsements and attachments
5 thereto evidencing coverages set forth herein and the insurance required herein is in full force
6 and effect.

7 Supplier shall not commence operations until the County of Riverside has been
8 furnished original Certificate(s) of Insurance and certified original copies of endorsements or
9 policies of insurance including all endorsements and any and all other attachments as
10 required in this Section. An individual authorized by the insurance carrier to do so on its
11 behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

12 The Supplier's insurance company(s) shall agree and the Certificate(s) of
13 Insurance and policies shall so covenant that coverage provided by them shall be construed
14 as primary insurance, and the Lessee's and the County's insurance and/or deductibles and/or
15 self-insured retentions or self-insured programs shall not be construed as contributory.

16 22. Insurance for Sublessees and Contractors. Lessee shall require each of its
17 Sublessees and Contractors to meet all insurance requirements imposed by this Lease.
18 These requirements, with the approval of the County's Risk Manager, may be modified to
19 reflect the activities associated with the Sublessee or Contractor. On every sublease or
20 contract the Lessee shall have the Sublessee or Contractor name the Lessee and the County
21 by endorsement as an additional insured and/or have the Sublessee or Contractor provide an
22 endorsement waiving subrogation in favor of the Lessee and the County on every Sublessee's
23 or Contractor's insurance policy, as applicable. Certificates and endorsements evidencing
24 compliance with this section will be provided to the County prior to the Sublessee taking
25 occupancy.

26 23. Acceptance of Leased Premises

27 (a) Lessee represents that it has inspected the Leased Premises, accepts
28 the "as is" condition thereof, and fully assumes any and all risks associated to the use thereof.

1 County shall not be liable to Lessee, its officers, agents, employees, subcontractors or
2 independent contractors for any bodily injury, personal injury or property damage suffered by
3 them or others which may result from hidden, latent or other dangerous conditions in, on,
4 upon or within the Leased Premises.

5 24. Assignment and Subletting. Lessee cannot assign, sublet, mortgage,
6 hypothecate or otherwise transfer in any manner any of its rights, duties or obligations
7 hereunder to any person or entity without the written consent of County being first obtained,
8 which consent shall not be unreasonably withheld.

9 Lessee shall submit all documents pertaining to any such transaction referenced in the
10 foregoing paragraph to County for approval prior to entering into such agreements. Lessee
11 will submit executed subleases and all required certificates of insurance and endorsements to
12 insurance policies, as specified in Paragraphs 20, 21 and 22 of this Lease, to County for
13 approval prior to sublessees occupying the subleased premises.

14 In the event of any transfer as provided in this Paragraph, Lessee expressly
15 understands and agrees that it shall remain liable with respect to any and all the obligations
16 and duties contained in this Lease.

17 25. Right to Encumber/Right to Cure.

18 (a) Lessee's Right to Encumber. Notwithstanding provisions of Paragraph
19 24 herein, County does hereby consent to and agree that Lessee may encumber or assign, or
20 both, for the benefit of a lender, herein called Encumbrancer, this Lease, the leasehold estate
21 and the improvements thereof by a deed of trust, mortgage or other security-type instrument,
22 herein called trust deed, to assure the payment of the promissory note of Lessee if the
23 Encumbrancer is an established bank, savings and loan association or insurance company,
24 and the prior written consent of County shall not be required:

25 (1) To a transfer of this Lease at foreclosure under the trust deed,
26 judicial foreclosure, or an assignment in lieu of foreclosure; or

27 (2) To any subsequent transfer by the Encumbrancer if the
28 Encumbrancer is an established bank, savings and loan association or insurance company,

1 and is the purchaser at such foreclosure sale, or is the assignee under an assignment in lieu
2 of foreclosure; provided, however, that in either such event the Encumbrancer forthwith gives
3 notice to County in writing of any such transfer, setting forth the name and address of the
4 transferee, the effective date of such transfer, and the express agreement of the transferee
5 assuming and agreeing to perform all of the obligations under this Lease, together with a copy
6 of the document by which such transfer was made.

7 Any Encumbrancer described in Paragraph 25(a)(2) above which is the transferee
8 under the provisions of Paragraph 25(a)(1) above shall be liable to perform the obligations
9 and duties of Lessee under this Lease only so long as such transferee holds title to the
10 leasehold.

11 Any subsequent transfer of this leasehold hereunder, except as provided for in
12 Paragraph 25(a)(2) above, shall not be made without the prior written consent of County and
13 shall be subject to the conditions relating hereto as set forth in Paragraph 24 herein. Lessee
14 shall give County prior notice of any such trust deed and shall accompany such notice with a
15 true copy of the trust deed and note secured thereby.

16 (b) Right of Encumbrancer to Cure. County agrees that it will not terminate
17 this Lease because of any default or breach hereunder on the part of Lessee if the
18 Encumbrancer under the trust deed, within ninety (90) days after service of written notice on
19 the Encumbrancer by County of its intention to terminate this Lease for such default or breach
20 shall:

21 (1) Cure such default or breach if the same can be cured by the
22 payment or expenditure of money provided to be paid under the terms of this Lease or other
23 performance within such ninety (90) day period; provided, however, that for the purpose of the
24 foregoing, the Encumbrancer shall not be required to pay money to cure the bankruptcy or
25 insolvency of Lessee; or,

26 (2) If such default or breach is not so curable, cause the trustee under
27 the trust deed to commence and thereafter diligently to pursue to completion steps and
28 proceedings for judicial foreclosure, the exercise of the power of sale under and pursuant to

1 the trust deed in the manner provided by law, or accept from Lessee an assignment in lieu of
2 foreclosure, and exercise any other remedies available to it under the trust deed, and keep
3 and perform all of the covenants and conditions of this Lease requiring the payment or
4 expenditure of money by Lessee(s) until such time as said leasehold shall be sold upon
5 foreclosure pursuant to the trust deed, be released or reconveyed thereunder, be sold upon
6 judicial foreclosure or be transferred by deed in lieu of foreclosure.

7 26. Estoppel Certificate. Each party shall, at any time during the term of the Lease,
8 within ten (10) days of written Notice (or as soon as reasonably possible) from the other party,
9 execute and deliver a statement in writing certifying that this Lease is unmodified and in full
10 force and effect, or if modified, stating the nature of such modification. The statement shall
11 include other details requested by the other party as to the date to which rent and other
12 charges have been paid, and the knowledge of the other party concerning any uncured
13 defaults with respect to obligations under this Lease and the nature of such defaults, if they
14 are claimed. Any such statement may be relied upon conclusively by any prospective
15 purchaser, Encumbrancer, or Sublessee of the Demised Premises, the building or any portion
16 thereof.

17 27. Toxic Materials. County to the best of its ability has no actual knowledge of the
18 Premises ever having been used as a waste dump, nor of the past or present existence of any
19 above or below ground storage tanks on the Premises, nor of the current existence on the
20 Premises of asbestos, transformers containing PCB's or any hazardous, toxic or infectious
21 substance whose nature and/or quantity of existence, use, manufacture or effect, render it
22 subject to Federal, state or local regulation, investigation, remediation or removal as
23 potentially injurious to public health or welfare.

24 County shall be responsible for the removal and remediation of any contamination
25 and/or hazardous materials that may be found to have existed on the site prior to the
26 execution of this Lease. During the removal and remediation of any such contamination or
27 hazardous materials, rent shall abate pro rata as to the period of time taken to remove and
28 remediate the area of contamination and for any portion of the Leased Premises that cannot

1 be developed or used for the purposes set forth herein because of cleanup activities.

2 During the term of this Lease and any extensions thereof, Lessee shall not violate any
3 federal, state, or local law, or ordinance or regulation relating to industrial hygiene or to the
4 environmental condition on, under or about the Leased Premises including, but not limited to,
5 soil, air, and groundwater conditions. Further, Lessee, its successors, assigns and Sublessee
6 shall not use, generate, manufacture, produce, store or dispose of on, under, or about the
7 Leased Premises or transport to or from the Leased Premises any flammable explosives,
8 asbestos, radioactive materials, hazardous wastes, toxic substances or related injurious
9 materials, whether injurious by themselves or in combination with other materials (collectively,
10 "hazardous materials"), except fuel and other petroleum products used in Lessee's business
11 in accordance with applicable law. For the purpose of this Lease, hazardous materials shall
12 include, but not be limited to, substances defined as "hazardous substances," "hazardous
13 materials," or "toxic substances" in the Comprehensive Environmental Response,
14 Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the
15 Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource
16 Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; and those substances
17 defined as "hazardous wastes" in Section 25117 of the California Health and Safety Code or
18 as "hazardous substances" in Section 25316 of the California Health and Safety Code; and in
19 the regulations adopted in publications promulgated pursuant to said laws now and in the
20 future.

21 28. National Pollution Discharge Elimination System (NPDES) Permit. Lessee
22 acknowledges, understands and agrees that it shall comply with California State Water
23 Resources Control Board general permit requirements now and in the future relating to storm
24 water discharges associated with activities such as aircraft rehabilitation, mechanical repairs,
25 fueling, lubrication, cleaning, painting and deicing. Lessee further acknowledges,
26 understands and agrees that it shall participate as a co-permittee under said general permit,
27 participate in the Jacqueline Cochran Regional Airport Storm Water Pollution Prevention Plan
28 (SWPPP) as noted in Exhibit "G", attached hereto and by this reference made a part of this

1 Lease, including without limitation, the Best Management Practices, Best Available
2 Technology Economically Achievable, and Best Convention Pollutant Control Technology.

3 29. Free from Liens. Lessee shall pay, when due, all sums of money that may
4 become due for any labor, services, material, supplies, or equipment, alleged to have been
5 furnished or to be furnished to Lessee, in, upon, or about the Leased Premises, and which
6 may be secured by a mechanics, materialmen's or other lien against the Leased Premises or
7 County's interest therein, and will cause each such lien to be fully discharged and released at
8 the time the performance of any obligation secured by such lien matures or becomes due;
9 provided, however, that if Lessee desire to contest any such lien, it may do so, but
10 notwithstanding any such contest, if such lien shall be reduced to final judgment, and such
11 judgment or such process as may be issued for the enforcement thereof is not promptly
12 stayed, or is so stayed, and said stay thereafter expires, then and in such event, Lessee shall
13 forthwith pay and discharge said judgment.

14 30. Employees and Agents of Lessee. It is understood and agreed that all persons
15 hired or engaged by Lessee shall be considered to be employees or agents of Lessee and not
16 of County.

17 31. Binding on Successors. Lessee, its assigns and successors in interest, shall be
18 bound by all the terms and conditions contained in this Lease, and all of the parties thereto
19 shall be jointly and severally liable hereunder.

20 32. Waiver of Performance. No waiver by County at any time of any of the terms
21 and conditions of this lease shall be deemed or construed as a waiver at any time thereafter
22 of the same or of any other terms or conditions contained herein or of the strict and timely
23 performance of such terms and conditions.

24 33. Severability. The invalidity of any provision in this Lease as determined by a
25 court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

26 34. Venue. Any action at law or in equity brought by either of the parties hereto for
27 the purpose of enforcing a right or rights provided for by this Lease shall be tried in a Court of
28 competent jurisdiction in the County of Riverside, State of California, and the parties hereby

1 waive all provisions of law providing for a change of venue in such proceedings to any other
2 County.

3 35. Attorney's Fees. In the event of any litigation or arbitration between Lessee and
4 County to enforce any of the provisions of this Lease or any right of either party hereto, the
5 unsuccessful party to such litigation or arbitration agrees to pay to the successful party all
6 costs and expenses, including reasonable attorney's fees, incurred therein by the successful
7 party, all of which shall be included in and as a part of the judgment or award rendered in
8 such litigation or arbitration.

9 36. Notices. Any notices required or desired to be served by either party upon the
10 other shall be addressed to the respective parties as set forth below:

11
12 **COUNTY:**
13 County of Riverside, EDA
14 Aviation Division
15 3403 10th Street, Suite 300
16 Riverside, CA 92501
17 Attn: Assistant County Executive Officer/EDA

12 **LESSEE:**
13 Ross Tradition, LLC
14 86-400 Lightening St.
15 Thermal, CA 92274-
16 Attn: Jeffrey W. Ross

16 or to such other addresses as from time to time shall be designated by the respective parties

17 37. Paragraph Headings. The paragraph headings herein are for the convenience
18 of the parties only, and shall not be deemed to govern, limit, modify or in any manner affect
19 the scope, meaning or intent of the provisions or language of this Lease.

20 38. County's Representative. County hereby appoints the Assistant County
21 Executive Officer/EDA or his designee as its authorized representative to administer this
22 Lease.

23 39. Agent for Service of Process. It is expressly understood and agreed that, in the
24 event Lessee is not a resident of the State of California or it is an association or partnership
25 without a member or partner resident of the State of California, or it is a foreign corporation,
26 then in any such event, Lessee shall file with County's clerk, upon its execution hereof, a
27 designation of a natural person residing in the State of California, giving his or her name,
28 residence and business addresses, as its agent for the purpose of service of process in any

1 court action arising out of or based upon this Lease, and the delivery to such agent of a copy
2 of any process in any such action shall constitute valid service upon Lessee. It is further
3 expressly understood and agreed that if for any reason service of such process upon such
4 agent is not feasible, then in such event Lessee may be personally served with such process
5 out of this County and that such service shall constitute valid service upon Lessee. It is
6 further expressly understood and agreed that Lessee is amenable to the process so served,
7 submits to the jurisdiction of the Court so obtained and waives any and all objections and
8 protests thereto.

9 40. FAA Consent to Lease. Lessee acknowledges that Jacqueline Cochran
10 Regional Airport was transferred to the County by the Federal Government and, as such, may
11 require FAA consent to the Lease. If so required, the Federal government's approval shall be
12 considered a condition precedent under this Lease.

13 41. Cost Recovery. As consideration and in order to alleviate Lessor's cost to
14 process the Amended and Restated Lease Agreement, Ross Tradition, LLC herein agrees to
15 pay the amount of seven thousand five hundred dollars (\$7,500) to the County of Riverside
16 immediately concurrent with the execution of this Amended and Restated Ground Lease
17 Agreement.

18 ///

19 ///

20 ///

21 [Signatures on the following page]
22
23
24
25
26
27
28

1 42. Entire Lease. This Lease is intended by the parties hereto as a final expression
2 of their understanding with respect to the subject matter hereof and as a complete and
3 exclusive statement of the terms and conditions thereof and supersedes any and all prior and
4 contemporaneous leases, agreements and understandings, oral or written, in connection
5 therewith, including the Existing Lease. This Lease may be changed or modified only upon
6 the written consent of the parties hereto.

7 **COUNTY OF RIVERSIDE:**

ROSS TRADITION LLC:

8
9 By: _____
10 JOHN J. BENOIT
11 Chairman, Board of Supervisors

By: Jeffrey W. Ross
Jeffrey W. Ross, President

11 Date: _____

Date: 7/10/13

13 **ATTEST:**

14 KECIA HARPER-ITEM
15 Clerk of the Board

16 By: _____
17 Deputy

18 **APPROVED AS TO FORM:**

19 PAMELA J. WALLS
20 County Counsel

21 By: Annie T. Sahhar
22 Annie T. Sahhar, Deputy

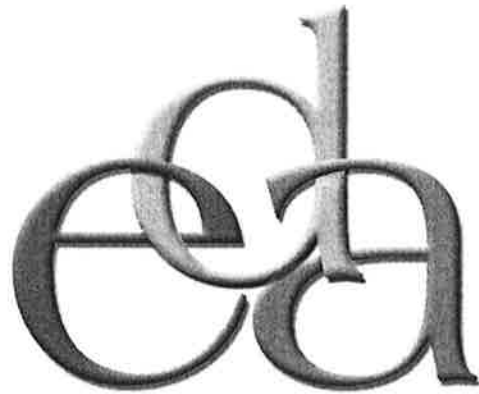
23 **Attachments:**

- 24 Exhibit A-1: Leasehold Legal Description
- 25 Exhibit B-1: Preliminary Leasehold Depiction
- 26 Exhibit B-2: Leasehold Depiction
- 27 Exhibit C-1: Approved Site Plan
- 28 Exhibit D-1: Approved Reuse Site Plan
- Exhibit E: Riverside County Minimum Standards for Fixed Base Operators
- Exhibit F: Federally Required Lease Provisions
- Exhibit G: Storm Water Pollution Prevention Plan

Exhibit B-1
Preliminary Leasehold Depiction



**Minimum Standards
for
Fixed Base Operators**
Riverside County Airports



RIVERSIDE COUNTY
Economic Development Agency

**County of Riverside
Economic Development Agency**
1325 Spruce St., Suite 400
Riverside CA 92507
Phone: (951) 955-8916
Fax: (951) 955-6686

Adopted January 30, 2001

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	DEFINITIONS	2
III.	AIRPORT RULES AND REGULATIONS	3
A.	Lease	3
B.	Airport Layout	4
C.	Signs	4
D.	Building Design, Construction, and/or Alteration	4
E.	Inspections	5
F.	Flying Clubs	5
G.	Waiver from Minimum Standards	5
H.	Civil Rights	5
I.	Insurance	6
J.	Lot Size	6
K.	Outdoor Storage	7
L.	Maintenance	7
IV.	SCOPE OF SERVICES	7
A.	Full Service FBO	8
B.	Aircraft Maintenance	9
C.	Radio and Avionics Repair Station & Sales	10
D.	Flight Instruction	11
E.	Aircraft Sales, Rental, and Leasing	12
F.	Aircraft Storage	13
G.	Agricultural Application	14
H.	Other Aeronautical Activities	16

I. INTRODUCTION

Riverside County is the owner (sponsor) of the following five airports in Riverside County: Blythe, Chiriaco Summit, Jacqueline Cochran Regional, French Valley, and Hemet-Ryan. The Riverside County Economic Development Agency (EDA) is the county agency responsible for operation of the County's airports.

Minimum standards are established to promote and attract a professional level of aviation services to the County's airports while safeguarding the public's interest. The Minimum Standards provide a framework that strengthens the relationship between the Sponsor and the Fixed Base Operator (FBO). They offer information, advice and, where necessary, they provide strict regulation so that both the prospective and experienced FBO may have a firmer understanding of the many considerations, which contribute to a safe, successful and useful operation. The standards are intended to be the minimum requirements for those wanting to provide aeronautical services to the public at Riverside County airports. Operators are encouraged to exceed the minimum requirements.

FBOs are responsible for complying with the Minimum Standards and shall be familiar with revisions made to the Standards. All FBOs on the airports must comply with the standards herein as well as all applicable government regulations; however, leases executed prior to August 16, 1988, are exempt until lease renegotiations. The County's airports are subject to federal, state and local rules and regulations. The County has adopted local rules and regulations to implement Federal Aviation Administration (FAA) requirements and to provide for safe and orderly operation on the airports. Local rules and regulations governing airport activities include, but are not limited to, applicable portions of the following:

1. Ordinance No. 576 - Rules and Regulations for Operation of County Airports
2. Fixed Base Operator Minimum Standards
3. County Airport Fueling Standards
4. Special Event Permit Policy
5. Airport Design Standards

Federal and state rules and regulations include, but are not limited to: FAA Grant Assurances; FAA Order 5190.6A - Airport Compliance Requirements; Federal Airport Regulations (FAR's); State Aeronautics Act (PUC § 21000); Government Code § 50470 - 50478; ADA Regulations; the California Environmental Quality Act (CEQA); and the National Environmental Policy Act (NEPA).

II. DEFINITIONS

AERONAUTICAL ACTIVITY - Any activity or service that involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations.

AGREEMENT, LEASE, OR PERMIT - A contractual agreement between the EDA and an entity granting a concession or otherwise authorizing the conduct of certain activities which is in writing, executed by both parties, and enforceable by law.

AIRPORT - Includes the following five (5) airports owned by Riverside County: Blythe, Chiriaco Summit, Jacqueline Cochran Regional, French Valley, and Hemet-Ryan, and its environs, such as, the property, buildings, facilities, and improvements within the exterior boundaries of each airport as it now exists or as it may hereafter be extended, enlarged, or modified.

AIRPORT SPONSOR - The designated entity or duly authorized representative, appointed by the Board of Supervisors, to manage the operation and development of Blythe, Chiriaco Summit, Jacqueline Cochran Regional, French Valley, and Hemet-Ryan airports.

ALP - Airport Layout Plan

APPLICANT - A person, persons, firm, partnership, or corporation desiring to acquire the use of a portion of an airport, or to establish or use any facility on an airport for an aeronautical activity or special event and who shall apply in writing and in the manner or form prescribed for authorization to establish such activities.

CEQA - California Environment Quality Act

COUNTY - County of Riverside, the FAA authorized airport sponsor.

EDA - Riverside County Economic Development Agency, the County agency designated to oversee and manage the County airports.

EQUIPMENT - All machinery, together with the supplies, tools, and apparatus necessary for the safe and proper procedure of the activity being performed.

FAA - Federal Aviation Administration

FAR - Federal Aviation Regulation

FIXED BASE OPERATOR (FBO) - Any person, firm, partnership, corporation, association, limited partnership, or any other legal entity duly licensed and authorized by written agreement with the Airport Sponsor (the County) to provide specific aeronautical services at an Airport, under strict compliance with such agreement and pursuant to these and all applicable regulations and standards.

FUEL - FAA authorized aviation fuel, including jet fuel

FUEL FARM - Any portion of an Airport, authorized by the Airport Sponsor, as an area in which gasoline or any other type of fuel may be stored.

FULL SERVICE FBO - An FBO which provides certain essential aeronautical services (e.g. aircraft maintenance and repair, flight instruction, fueling of aircraft, transient aircraft parking guidance, positioning of wheel chocks and tie-downs, fireguard for engine starts, baggage handling, standardized ground service and recovery equipment, pilots' lounge, and restrooms), subject to restrictions agreed to during lease negotiations (see Table A below for complete guidelines).

LIMITED SERVICE FBO - An FBO which provides certain of the aeronautical services provided by a Full Service FBO, subject to restrictions imposed by leasehold size requirements and to restrictions agreed to during lease negotiations (see Tables B through H below for complete guidelines).

MINIMUM STANDARDS - The qualifications and criteria set forth herein as the minimum requirements to be met as a condition for an FBO to conduct an aeronautical activity on an EDA sponsored airport.

NEPA - National Environmental Policy Act

THE BOARD - The Riverside County Board of Supervisors

TLMA - Transportation and Land Management Agency

III. AIRPORT RULES AND REGULATIONS

A. Lease

All revenue generating, commercial and/or business activities, at County operated airports are required to secure a lease approved by the County Board of Supervisors (the "Board") prior to commencement of any commercial activity.

Prospective lessees should begin the process by requesting a meeting with County staff. The purpose of the initial meeting is to introduce staff, show the available sites,

and answer any questions. At the conclusion of this meeting the prospective lessee will be asked to submit a Lease Application and proposal.

Upon receipt of a lease application and proposal, County staff will review the proposal and will provide a written response. Once an agreement has been reached on the deal points and development proposal, a lease will be prepared for execution by the lessee. The lease shall be executed in three counterparts and all three copies shall be returned to the County. The County will then schedule the lease for consideration at the next available Board of Supervisors' meeting. ***Please be advised that the County Board of Supervisors is the only entity that can make a binding lease commitment and development may not proceed until the Board has approved the lease.***

Exclusive rights for any aeronautical activity will not be issued at any County airport. This is to ensure that airport patrons are offered competitive market prices for services.

B. Airport Layout

All new leases and new airport development shall comply with the current FAA approved Airport Layout Plan (ALP) for each airport. In addition, Jacqueline Cochran Regional, French Valley, and Hemet-Ryan airports have adopted Airport Master Plans and all new development shall comply with those master plans. Lessee proposals that conflict with ALP's and Master Plans will not be approved.

C. Signs

All signs (commercial, traffic, services, advertising, etc.) must receive written approval from the Assistant County Executive Officer / EDA or Designee prior to their placement. The request for approval should include the size, location, and design of sign. All outdoor advertising shall comply with County Ordinance No. 348 and applicable federal and state laws. FAA Form 7460-1, *Building Design, Construction, and/or Alteration*, must be submitted to the FAA Western Pacific Region for review and determination, with a copy of the form sent to the Assistant County Executive Officer / EDA

D. Building Design, Construction, and/or Alterations

All design, construction and/or alterations shall be in compliance with Airport Design Guidelines. The County reserves the right to review and approve all architectural design of all construction or alterations to be performed on County operated airports.

The County reserves the right to review and approve the design and construction methods of all development at the County operated airports. All buildings shall comply with local codes and regulations as to their construction. FAA Form 7460-1, *Building Design, Construction, and/or Alteration*, must be submitted to the FAA for their review

and assessment with a copy of the form submitted to the Assistant County Executive Officer / EDA.

The County reserves the right to require a Material and Performance Bonds or a Letter of Credit prior to the construction of any facility for the return of funds expended by the County in the event that the applicant defaults on any obligations.

E. Inspections

The County reserves the right to make periodic inspections of the leased premises during reasonable hours to ensure lease compliance and Lessee's adherence with all applicable regulations. County staff, County contractors, the FAA, and/or the State of California may conduct inspections, under this provision.

F. Flying Clubs

All flying clubs located at Riverside County operated airports shall be nonprofit organizations. All rights shall be equally shared between members. No member shall share in profits, earnings, salaries, or other forms of compensation. The Flying Club shall not be engaged in any type of commercial operation. A copy of the Flying Club's Charter and By-laws, or other comparable documents, must be filed with the Aviation Division. Flying clubs must submit annual financial reports and furnish the County with proof of insurance of the types listed on Appendix A.

A minimum of one (1) aircraft, properly certified, is required for a flying club. Flight instruction shall only be offered to club members. The instructor must be a club member or an instructor who is a lessee on the airport for the purpose of flight instruction.

G. Waiver from Minimum Standards

Any tenant or prospective tenant wishing to waive any minimum standard set forth in the approved Minimum Standards must submit a letter to the Assistant County Executive Officer / EDA expressing their hardship to conform with the Minimum Standards. The Assistant County Executive Officer/EDA has the discretion of approving or disapproving the waiver as it would apply to the future viability of the airport, subject to applicable provisions, which may be contained in the tenant's lease approved by the Board. Waivers may be granted on a temporary basis, and may be withdrawn or terminated at the Director's discretion.

H. Civil Rights

All individuals using the County operated airports must comply with all the provisions of the Federal Civil Rights Act of 1964. The tenant or prospective tenant shall ensure

there shall be no discrimination in the availability of any services or commodities based on race, religious creed, color, national origin, ancestry, sex, age, physical handicap, medical condition or marital status.

I. Insurance

The FBO shall procure, maintain and pay premiums during the term of the agreement for insurance of the types and the minimum limits set forth by the County for each aeronautical activity. The FBO shall obtain and maintain insurance (See Appendix A), which contains an endorsement that the "County of Riverside, including its elected officials, officers, employees, and agents" are named as additional insured. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California unless such requirement is waived, in writing, by the Assistant County Executive Officer / EDA and/or the County Risk Manager. Each insurance company shall have an A.M. BEST rating of not less than A:VIII (A:8).

Proof of insurance must be submitted to the Assistant County Executive Officer / EDA prior to commencement of operations and upon each insurance renewal. The FBO shall provide either 1) a properly executed original Certificate(s) of Insurance and 'certified original' copies of Endorsements effecting coverage as required herein, or 2) if requested to do so in writing by the Assistant County Executive Officer / EDA and/or County Risk Manager, provide original Certified copies of policies including all endorsements and all attachments thereto, showing such insurance is in full force and effect. Certificate(s) shall contain the covenant that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration, or reduction in coverage of such insurance. Certificates of Insurance and the policies shall covenant that their coverage is primary and the County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as primary.

If any policy contains a general aggregate limit, it shall apply separately to the Agreement with the County or be less than two (2) times the occurrence limit. All insurance policies are subject to review by the County's Department of Risk Management. The Assistant County Executive Officer / EDA, upon the advice of the County Risk Manager, reserves the right to increase the limits, or require additional insurance coverage, beyond those set forth in these Minimum Standards, subject to applicable provisions of the tenant's lease.

J. Lot Size

Lot sizes may vary according to the type of operation. If available, aircraft tie-downs and hangar space, as well as automobile parking spaces, may be leased from the County to meet these minimum standards. The number of aircraft, hangar, or automobile parking spaces shall be determined during lease negotiations.

K. Outdoor Storage

No outside storage will be permitted except behind enclosed block walls, screened from public view, or as approved by the Assistant County Executive Officer / EDA.

L. Maintenance

Lessee shall be responsible for the adequate maintenance of leased property and in compliance with all applicable Federal, State and Local health and safety regulations.

IV. SCOPE OF SERVICES

Each aeronautical activity has a separate scope of services. The services required of a Full-Service FBO include the Minimum Standards for all combinations of aeronautical activities. The cumulative effect of the Minimum Standards will not equate to any minimum standard greater than that applicable to the Full-Service FBO.

Table A - FULL SERVICE FBO

Each airport shall have a minimum of one (1) Full Service FBO. Mandatory Requirements: Full Service FBOs shall provide: aircraft maintenance & repair; flight instruction; fueling of aircraft; transient aircraft parking guidance; positioning of wheel chocks and tie-downs; fireguard for engine starts; baggage handling upon request; have available and provide standardized ground service equipment and recovery equipment for aircraft weighing up to 30,000 lbs at FVA, 40,000 lbs at HRA, and 80,000 lbs at JCRA (service and recovery equipment shall include, but not be limited to, wheel chocks, tie-down ropes or chains, aircraft jacks, tow bars, auxiliary power units, and aircraft tugs); pilots' lounge; and restrooms. Optional Requirements: In addition to the required services listed in the preceding sentence, Full Service FBOs may provide: aircraft sales or leasing (including financing), sales of aircraft parts and supplies, radio and avionics sales and repair, aircraft storage hangars and tie-downs, painting and upholstering of aircraft, leasing or renting of automobiles, and operating a restaurant or café.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
LOT SIZE: 3 acres or 130,680 SF		
Hangar area	14,000 SF	For aircraft storage
Outside storage area	30,000 SF	For tie-down or apron parking
Building space	2,000 SF	For offices, pilots' lounge and briefing area, conference rooms, classrooms, and restrooms
Automobile parking	20 spaces, with landscaping as required by Ordinance 348	For employees per shift and customer parking
Fuel farm	Refer to Fueling Standards	
Landscaping	To be determined during lease negotiations	Landscaping required around vehicle parking, sidewalks, and building
<u>CERTIFICATION:</u>		
As applicable for each activity	FAA, State, and/or other responsible agency as applicable	For safe and efficient operation of airport and aeronautical activities
<u>PERSONNEL:</u>		
Staff	Adequate number	For safe and efficient operation of airport and aeronautical activities
Certification & training	Proper certification and training	To comply with all applicable regulations
<u>HOURS OF OPERATION:</u>		
Business Hours	7 days/week, 10 hrs/day	Or as demand may require
Fueling services	During business hours and emergency situations	One (1) hr response time during non-business hours
<u>EQUIPMENT:</u>		
Aeronautical operations	Refer to tables for equipment required for each activity	
FBOs providing aircraft fueling and servicing	Refer to Airport Fueling Standards	
<u>INSURANCE:</u>		
Refer to Appendix A		

Table B - AIRCRAFT MAINTENANCE

An aircraft airframe, engine, and accessory maintenance and repair FBO shall provide one or a combination of airframe, engine, and accessory overhauls and repair services on aircraft up to and may include business jet aircraft and helicopters. This category shall include the sale of aircraft parts and accessories.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<u>LOT SIZE:</u> ½ acre or 21,780 SF		
Hangar area	6,000 SF	For aircraft storage
Tie-down or apron parking	One (1) per 1,000 SF of hangar space	Outside storage
Building space	400 SF	For offices, public phone, and restrooms
	200 SF	Office storage room
Automobile parking	One (1) per 1,000 SF of hangar area, with landscaping as required by Ord. 348	For employees per shift and customer parking
Landscaping	Specific plans to be determined during lease negotiations	Landscaping required around vehicle parking, sidewalks, and building
<u>CERTIFICATION:</u>		
Station	Authorized repair station and certified under FAR Part 145 or Holder of an FAA inspection authorization under FAR Part 43	
<u>PERSONNEL:</u>		
Staff	Sufficient qualified technicians to meet proposal.	
Certification & training	Proper certification and training	To comply with all applicable regulations
<u>HOURS OF OPERATION:</u>		
Services	5 days/week, 8 hrs/day	
	Services offered for emergency situations	One (1) hr response time during non-business hours
<u>EQUIPMENT:</u>		
Sufficient inventory and equipment available to perform maintenance and repairs to manufacturers' specifications.	Should include but is not limited to tug, tow bar, jacks, and dollies	Operator is encouraged to have the capability of aircraft removal from the airport's operational areas
<u>INSURANCE:</u>		
Refer to Appendix A		

Table C - RADIO AND AVIONICS REPAIR STATION & SALES

A radio and avionics repair station FBO engages in the business of and provides a shop for the repair of aircraft avionics, instruments and accessories for general aviation aircraft. This category also includes the sale of new or used aircraft avionics, instruments and accessories.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
LOT SIZE: 150 SF		
Repair station	150 SF	
Automobile parking	One (1) space per 150 SF, with landscaping as required by Ord. 348	
<u>CERTIFICATION:</u>		
Station	Authorized repair station and certified under FAR Part 145	
<u>PERSONNEL:</u>		
Staff	One (1) FAA certified repairman	
Certification & training	Proper certification and training	To comply with all applicable regulations
<u>HOURS OF OPERATION:</u>		
Business Hours	Available for appointment for at least 40 hrs/week	
<u>EQUIPMENT:</u>		
Sufficient inventory and equipment available to perform maintenance and repairs to manufacturers' specifications.		
<u>INSURANCE:</u>		
Refer to Appendix A		

Table D - FLIGHT INSTRUCTION

A flight instruction FBO engages in instructing pilots in dual and solo flight training, in fixed and/or rotary wing aircraft, and provides such related ground school instruction as is necessary preparatory to taking a written examination and flight check ride for the category or categories of pilots' licenses and ratings involved.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<u>LOT SIZE:</u> 500 SF (not necessarily contiguous)		
Classroom space	200 SF or as appropriate to the size of student population	For classroom instruction
Office and lobby areas	300 SF	For phones, restrooms, and space for adequate customer service
Automobile parking	3 spaces per aircraft, 2 for each additional for a maximum of 10 spaces, with landscaping as required by Ord. 348	For students and employees
Other	Any additional space necessary to house all owned or leased aircraft	
<u>PERSONNEL:</u>		
Staff	One (1) certified flight instructor	To be available during normal hours of operation
	One (1) qualified ground school instructor	For classroom instruction
<u>HOURS OF OPERATION:</u>		
Business Hours	Available for appointment for at least 40 hrs/week	
<u>EQUIPMENT:</u>		
Aircraft	One (1) single-engine aircraft	Available for flight training
<u>INSURANCE:</u>		
Refer to Appendix A		

Table E - AIRCRAFT SALES AND LEASING

An aircraft sales and/or lease FBO engages in the sale and/or lease of aircraft to the public. New aircraft sales involve the sale of new aircraft through franchises or licensed dealerships (if required by local, county, or state authority) or distributorship (on either a retail or wholesale basis) of an aircraft manufacturer. Aircraft sales FBOs may also engage in the sale of used aircraft. This can be accomplished through various methods, including matching potential purchasers with an aircraft (brokering), assisting a customer in the purchase or sale of an aircraft, or purchasing used aircraft and marketing them to potential purchasers. A new aircraft sales and/or leasing FBO must show capability to support maintenance agreements for aircraft sold or leased. A used aircraft sales FBO may also provide such repair, services, and parts as may be necessary to support the operation of aircraft sold. Some requirements may not be appropriate to the sale of used aircraft because of each aircraft's unique operational history. An aircraft sales FBO may also finance aircraft purchases, subject to the applicable licensing requirements.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<u>LOT SIZE:</u> 150 SF		
Building space	150 SF	For offices, lobby area, public phone, and restrooms
Tie-down/Hangar space	Adequate number	Storage
Automobile parking	One (1) per employee One (1) per 500 SF of leased space With landscaping as required by Ord. 348	For employees per shift and customer parking
Landscaping	Specific plans to be determined during lease negotiations.	Landscaping required around vehicle parking, sidewalks, and buildings
<u>CERTIFICATION:</u>		
New aircraft	Dealers must possess sales and/or distribution franchise from a recognized aircraft manufacturer	
Aircraft available for sale and leasing	Aircraft must hold FAA registration and current airworthiness certificate	
<u>PERSONNEL:</u>		
Staff	One (1) commercial, qualified for aircraft type.	For demonstration of aircraft
<u>HOURS OF OPERATION:</u>		
Business Hours	Available for appointment at least 40 hrs/week	
<u>EQUIPMENT:</u>		
	Minimum equipment required shall be determined during lease negotiations.	
<u>INSURANCE:</u>		
Refer to Appendix A		

Table F - AIRCRAFT STORAGE

An aircraft storage FBO engages in the construction, rental, and maintenance of conventional hangars or multiple T-hangars.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
LOT SIZE: 1acre or 43,560 SF		
Storage area of the following or proportionate combination of:	<ol style="list-style-type: none"> 1. Minimum of ten (10) T-Hangars to max of fourteen (14) per acre, or 2. Apron tie-down space of a minimum of 15 aircraft per acre, or 3. Conventional hangar of 10,000 SF. 4. Box hangars - Plot Plan subject to EDA and BOS approval 	
Automobile parking	One (1) for every two (2) hangars, with landscaping as required by Ord. 348	Automobile parking separate from aircraft storage area
Landscaping	Specific plans to be determined during lease negotiations	Landscaping required around vehicle parking, sidewalks, and buildings
PERSONNEL:		
Staff	One (1) contact person	To be available during the normal work week (M-F, 8am-5pm)
HOURS OF OPERATION:		
Minimum via phone contact	5 days/week, 8 hrs/day	
INSURANCE:		
Refer to Appendix A		
ADDITIONAL GUIDELINES:		
The County and Full Service FBOs shall possess the right to provide and operate the public aircraft storage areas unless circumstances warrant otherwise. No business activities shall be operated from storage areas.		

Table G - AGRICULTURAL APPLICATION

An agricultural application FBO engages in air transportation for hire for the purpose of providing the use of aircraft for agricultural operations such as, but not limited to, crop dusting, seeding, spraying, and bird chasing.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
LOT SIZE: ½ acre or 21,780 SF		
Apron, tie-down area	6,000 SF	Storage
Building space	400 SF	For offices, lobby, public phone, and restrooms
Chemical storage	400 SF	
Automobile parking	Minimum of five (5) parking spaces, with landscaping as required by Ord. 348	For number of employees per shift and average number customers
Landscaping	Specific plans to be determined during lease negotiations	Required around vehicle parking, sidewalks, and buildings
<u>CERTIFICATION:</u>		
Permits and certificates	Must be submitted to Assistant County Executive Officer / EDA or Designee prior to operations. Furnished to EDA Assistant County Executive Officer/EDA or Designee as received.	
Renewals	Procure and maintain FAR Part 137 Commercial Agricultural Operators Certificate.	
Agricultural Application Operator	Possess Hazardous Materials Management Permit	
Hazardous Materials Management Permit		County Ordinance No. 615
<u>PERSONNEL:</u>		
Staff	Minimum number to be determined during lease negotiations. Personnel must be knowledgeable about the safe handling of poisons and agricultural chemicals and the proper disposal of substances intended to be used in operations.	
Certification & training		
<u>HOURS OF OPERATION:</u>		
Business Hours	Available for appointment for a minimum of 40 Hrs/week	Services offered 7 days/week
<u>EQUIPMENT:</u>		
To be determined during lease negotiations.		
<u>INSURANCE:</u>		
Refer to Appendix		

Table G - AGRICULTURAL APPLICATION (continued)

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
ADDITIONAL GUIDELINES: Storage and containment of Hazardous Materials		
a.	Comply with California Regional Water Quality Control Board Resolution No. 79-38, dated March 14, 1979.	
b.	Comply with County Ordinance No. 546, Division VIII-Fire Protection Requirement Buildings; and Division XIV-Fire Protection Requirements relating to storage of flammable or combustible liquids used as motor fuel.	
c.	Comply with the 1982 Uniform Fire Code Article 80-Hazardous Materials (section 80.107, 80.108, 80.109, and 80.111); and Article 86-Pesticides storage (all sections).	
d.	Comply with all hazardous waste regulations which can be found in Title 22 of the California Administrative Code and the California Health and Safety Code.	
e.	Submit a waste management plan addressing the items mentioned below with an explicit clause stating that the applicant shall be held responsible for the safe and proper cleanup of any hazardous waste spills.	
f.	Comply with Riverside County Ordinance No. 615 by completing the reporting form and obtaining a Hazardous Materials Management Permit.	
g.	If hazardous wastes are treated and/or stored more than 90 days, or disposed or on-site, a hazardous waste facility must be obtained from the State Department of Health.	
h.	If hazardous wastes are stored 90 days or less, storage area and containment shall meet the following:	
1.	Tanks and/or containers shall be of sound construction and compatible with waste stored (Title 22, California Administrative Code, Sections 66508, 67242, and 67247).	
2.	Tanks and/or containers shall be designed, constructed, maintained, and operated to minimize the possibility of fire, explosion, or any unplanned sudden, or non-sudden release of hazardous waste or any constituents to the soil, air, or surface waste which could threaten human health or the environment (Title 22, California Administrative Code, Sections 67241, 67243, 67244, 67257, and 67259).	
3.	Storage of on-site hazardous waste containers shall be in a structure that will prevent the contamination of the environment with hazardous waste. Design of the structure shall be submitted to the Assistant County Executive Officer / EDA or Designee and Hazardous Material Division prior to construction.	
4.	If hazardous wastes or materials are to be stored underground, applicant must comply with County Ordinance No. 617 by completing the reporting form and obtaining the proper permits.	
5.	Underground tanks shall be of proper design and construction with approved monitoring systems. Records shall be maintained concerning operations, inspections, and monitoring pursuant to County Ordinance No. 617.	
6.	The applicant must take steps to minimize the quantity, toxicity, or other hazards of the waste generated. Such steps shall be submitted in writing to Assistant County Executive Officer / EDA or Designee.	
7.	The facility shall be in compliance with all statutes, regulations, and ordinances pertaining to the management of hazardous waste.	
8.	Operator must submit a Letter of Credit or Performance Bond covering any clean-up or fines imposed caused by the actions or the operator.	

Table H - OTHER AERONAUTICAL ACTIVITIES

All aeronautical activities that were not included in previous sections are required to comply with these minimum standards. Activities include, but are not limited to, Air Tours, Air Charter, Banner Towing, Gliders, Ultra Lights, Parachuting, Airship Operations, and Ballooning.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<u>LOT SIZE:</u> ½ acre or 21,780 SF		
Building space	400 SF	For offices, lobby area, and restrooms. Additional space may be required depending on the operation
Aircraft storage	To be determined during lease negotiations	Hangar or outside storage to accommodate the operational activities desired.
Automobile parking	Minimum of five (5) parking spaces or 810 SF, with landscaping as required by Ord. 348	For number of employees per shift and average number customers.
Landscaping	Specific plans to be determined during lease negotiations.	Required around vehicle parking, sidewalks, and buildings.
<u>CERTIFICATION:</u>		
As applicable for each activity	FAA, State, and local certification and licensing as applicable	For safe and efficient operation of airport and aeronautical activities
<u>PERSONNEL:</u>		
Staff	Sufficient number during normal hours of operation	
Certification & training	Properly trained and, if applicable, certified or licensed to perform the activities or a normal course of operation.	To comply with all applicable regulations
<u>HOURS OF OPERATION:</u>		
Services	To be determined during lease negotiations.	Minimum requirements would be: normal telephone contact five (5) days a week (M-F) eight (8) hours a day.
<u>EQUIPMENT:</u>		
	To be determined during lease negotiations depending on the type of activity proposed.	
<u>INSURANCE:</u>		
Refer to Appendix A		

FEDERALLY REQUIRED LEASE PROVISIONS

1. The Lessee for himself, his heirs, 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 in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease agreement for a purpose for which a U.S. Department of Transportation (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 Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination 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.
2. 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: (1) 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, (2) 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 subject to discrimination, and (3) that the Lessee 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.
3. That in the event of breach of any of the above nondiscrimination covenants, the County of Riverside, herein called the County, shall have the right to terminate the lease agreement and to reenter and repossess said land and the facilities thereon, and hold the same as if said lease agreement had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed, including expiration of appeal rights.
4. The Lessee shall furnish its accommodations and/or services on a fair, equal, and not unjustly discriminatory basis to all users thereof, and it shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; provided, however, that the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar type of price reductions to volume purchasers.

5. Non-compliance with Provision 4 above shall constitute a material breach thereof, and in the event of such noncompliance, the County shall have the right to terminate this lease agreement and the estate thereby created without liability therefore or, at the election of the County or the United States, either or both said Governments shall have the right to judicially enforce these Provisions.
6. The Lessee agrees that it shall insert the above five provisions in any sublease agreement by which said Lessee grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the premises herein leased.
7. The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Par 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered suborganizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effort.
8. The County reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee and without interference or hindrance.
9. The County reserves the right, but shall not be obligated to the 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 the Lessee in this regard.
10. This lease agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the County and the United States relative to the development, operation, or maintenance of the airport.
11. There is hereby reserved to the County, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises herein leased. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operating on the Jacqueline Cochran Regional Airport.

12. The Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the leased premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the leased premises.
13. The Lessee, by accepting this lease agreement, expressly agrees for itself, its successors and assigns that it will neither erect nor permit the erection of any structure or object, nor permit the growth of any tree, on land leased hereunder with a height that exceeds the height limitation formula specified in Part 77 of the Federal Aviation Regulations without first obtaining the approval of the DOT and the County, which approval can be sought by submitting FAA Form 7460-1 (copy attached). In the event that the aforesaid covenants are breached, the County reserves the right to enter upon the land leased hereunder and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Lessee.
14. The Lessee, by accepting this lease agreement, agrees for itself, its successors and assigns that it will not make use of the leased premises in any manner, which might interfere with the landing and taking off of aircraft from Jacqueline Cochran Regional Airport or otherwise constitute a hazard. In the event that the aforesaid covenant is breached, the County reserves the right to enter upon the premises hereby leased and cause the abatement of such interference at the expense of the Lessee.
15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 USC 1349a)
16. This lease agreement and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of said airport or the exclusive or non-exclusive use of the airport by the United States during time of war or national emergency.

**DESERT RESORTS REGIONAL
AIRPORT**

**STORM WATER POLLUTION PREVENTION
PLAN**

(S.W.P.P.P)

**A.A.A.E. CALIFORNIA AIRPORT GROUP
TO COMPLY WITH THE CALIFORNIA STORM WATER
GENERAL PERMIT**

PERMIT NUMBER W.D.I.D 733S006138

STORM WATER POLLUTION PREVENTION PLAN INTRODUCTION AND PURPOSE

The California airport group members have submitted their Notices of Intent (NOI) and are now in the compliance phase of the California General Permit. The General Permit requires airport discharges to: eliminate non-storm water discharges; develop and implement a storm water pollution prevention plan; and perform monitoring of discharges to the storm water drainage system.

The required Storm Water Pollution Prevention Plan (SWPPP) must emphasize the storm water Best Management Practices (BMPs) and be designed to comply with Best Available Technology Economically Achievable (BAT) and Best Conventional Pollutant Control Technology (BCT). The SWPPP has two major objectives: 1) to identify the source of pollutants that affect the quality of the industrial storm water discharge; and 2) to describe practices which may be implemented to reduce the pollutants in the industrial storm water discharge.

The SWPPP is to be certified and implemented by October 1, 1992. Although the SWPPP is not submitted to the Regional Board, it must be retained on file at the airport for the duration of the permit. The SWPPP must be available for Regional Board and public review. The Regional Board may notify airport representatives if the SWPPP does not meet the minimal requirements. Within 30 days of the notice, the airport must submit a time schedule in which the required changes will be made. Once the changes have been made, the airport will provide written certification to verify the completed change. The documentation should then be retained as part of the SWPPP.

The airport is responsible for amending the SWPPP whenever there is a change in construction, operation, or maintenance, which will affect the quality or quantity of the industrial storm water discharge. The SWPPP should also be amended if the objective of controlling pollutants in the storm water discharge as not being achieved.

PLANNING AND ORGANIZATION

POLLUTION PREVENTION PERSONNEL

POLLUTION PREVENTION COMMITTEE MEMBERS

Airport Manager/Representative: Daryl Shippy

DUTIES: Overall compliance; Inspection of airports.

Phone: (760)863-8247 24-hour Phone: (951) 538-5046

Designated Individuals

Name: Fire Station 39 Title: _____

Phone: (760) 399-5303 24-hour Phone: 9-1-1

Duties: County fire compliance with permit.

Name: Eric Affeldt Title: Manager, La Quinta Air Srvs. F.B.O.

Phone: (760) 399-1855 24-hour Phone: _____

Duties: F.B.O. Compliance.

Name: Chad Wilshire Title: Airport Asset Manager

Phone: 951-955-9802 24-hour Phone: _____

Duties: Airport Compliance

Name: _____ Title: _____

Phone: _____ 24-hour Phone: _____

Duties:

Name: _____ Title: _____

Phone: _____ 24-hour Phone: _____

Duties:

FACILITY DATA COLLECTION

The general permit requires that the following information be gathered in order to determine and evaluate pollution sources:

- Site map
- Topographic map
- Description of significant material handling
- List of pollutants with potential to be present
- Size of airport and percentage of impervious areas
- Spill history
- Summary of existing sampling data

Topographic Map

Description of Significant Material Handling

Significant Materials Treated or Stored

Significant Materials Stored:

1) Jet-A and Avgas stored in underground and above ground tanks.

2) Used motor oil

Significant Materials Disposed:

1) Fuel from underground tank is used in aircraft. Underground and aboveground tanks are regulated by title 23 of the California Health and Safety Code, EPA underground Tank Regulations, and riverside County Ordinance No. 617

2) Fertilizer and pesticides are controlled by EPA, State, and county regulations.

Fertilizers and Pesticides are disposed of off airport property.

3) Used motor oil is recycled through a licensed contractor.

Significant Materials Spilled Or Leaked (in significant quantities to storm water after November 19, 1988):

1) To our knowledge, no materials of significant quantity have been leaked or spilled on airport property.

2) Fuel spill in 1995, overfilled fuel trucks. Topsoil removed by airport staff and disposed of by operator. County Haz - Mat called.

3) Site clean up completed in Feb.1998

Materials Management Practices:

- 1) All hazardous material spills must be reported to the airport manager, County Health and County Fire to insure immediate and proper cleanup and disposal. Liquid absorbent material is stored on site.
 - 2) Areas where materials are stored and or have the possibility to spill are inspected monthly, with spot inspections during daily airport inspections
 - 3) Insure material handlers have proper licenses and or training for each product being used.
-
-
-
-

Equipment Management Practices:

- 1) All equipment inspected monthly.
 - 2) Routine maintenance to repair leaks and preventive maintenance scheduled to prevent leaks.
 - 3) Drip pans installed under areas where leaks may occur.
-
-
-
-

Vehicle Management Practices:

- 1) Scheduled preventative maintenance.
- 2) Cleaning vehicles with biodegradable solvents and soaps, in designated areas only.
- 3) Routine daily inspections of vehicles.

Material Loading, Unloading, and Access Areas:

- 1) Insure all personnel are trained and or have proper license.
- 2) Restrict material-handling areas to trained personnel only.
- 3) Insect equipment monthly to insure it is in proper working order and notify the responsible party if not.

Existing Structural Controls (to reduce pollutants in storm water):

- 1) Monthly inspections of all aircraft tie downs, auto parking lots, streets and hangar areas.
- 2) Daily spot inspections done during routine airport safety inspections.

Existing Non-Structural Controls (to reduce pollutants in storm water):

- 1) Use of dirt roads restricted to airport employees for inspections and maintenance.
- 2) Monthly inspections of all drains, inlets, flood control berms for unauthorized water runoff.

Airport Industrial Storm Water Treatment Facilities:

- 1) No facilities are now on the airport.

Methods of On-Site Disposal of Significant Materials:

- 1) All hazardous materials are disposed of in State approved sites or recycled. No hazardous materials are disposed of on the airport.

Methods of On-Site Storage of Significant Materials:

- 1) Aviation fuels are stored in above ground and under ground tanks or in fuel trucks.
- 2) Motor vehicle oils are stored inside buildings.
- 3) All pesticides and fertilizers are stored in building or on covered concrete slabs.

Activities that Generate Significant Quantities of Dust or Particulates (unpaved access roads or emissions from industrial processes):

1) All main access roads and parking lots are paved. Some airport maintenance roads are dirt but rarely used.

2) There are no significant industrial processes on the airport.

3) Dirt roads are restricted to airport personnel only.

Pollutant Lists

The airport is required to list any pollutants that have a reasonable potential to be present in the storm water discharge in significant quantities. The definition of significant quantities varies depending on the material. In general, a significant quantity of material larger than that consumed within a normal day's operations or a quantity resulting in spills beyond the immediate clean-up capabilities of the individual charged with the use of the materials. For regulated substances, a significant quantity is a "reportable" quantity of those substances. An estimate of the annual quantities of these pollutants in the discharge is also required. List substances and quantities in the following table (Table 3-1) and retain a copy in the SWPPP documentation.

POLLUTANT LIST

TABLE 3-1

Date	Pollutant Present	Use	Quantity Estimate
10/1	Aviation Fuels	20,000 gal. annually	
10/1	Motor oils	300	
10/1	Anti Freeze	Ground vehicles	No significant
10/1	Engine oil	Aircraft and Ground vehicles	Spill history

Airport Size

Airport Size (acres or square feet):

1,723 Acres

Impervious Area (acres or Square Feet):

35.5 Acres

Percentage of Impervious Area (Impervious area/total area x 100):

2 %

Significant Spills or Leaks

Table 3-2 should be used to record the lists described above.

Summary of Sampling Data

Record the sampling event(s) information on Table 3-3 and include only a one-page summary from the sampling data report package.

Airport Size

Airport Size (acres or square feet):

1,723 acres

Impervious Area (acres or Square Feet):

45. Acres Amendment-10-26- 50.75 acres

Percentage of Impervious Area (Impervious area/total area x 100):

3 %

Significant Spills or Leaks

Table 3-2 should be used to record the lists described above.

Summary of Sampling Data

Record the sampling event(s) information on Table 3-3 and include only a one-page summary from the sampling data report package.

SAMPLING EVENT RECORDS TABLE 3-3

Date Sampled	Outfall Sampled	Analysis Performed	Analysis Method	Sampling Team
Nov. 98	1			Tom Turner

STORM WATER MANAGEMENT CONTROLS

This section of the SWPP describes storm water management controls, which are appropriate for the identified potential pollutant sources at the facility

The regulations require the following descriptions and information to be included in the storm water management control portion of the SWPPP:

- Prevention Maintenance and Inspections
- Good Housekeeping
- Spill Prevention and Response
- Storm Water Management Practices
- Sediment and Erosion Prevention
- Employee training

Preventative Maintenance

The preventative maintenance program should include the following:

- Identification of the equipment and systems targeted for the PM program
- Periodic inspections of identified equipment and systems
- Appropriate adjustments, repair, or replacement of parts
- Record keeping documenting inspections and follow-up action

Documentation and retention of records is a critical element of a good preventative maintenance and inspection program. A tracking and follow-up procedure is recommended to ensure that an appropriate response to the inspection findings has been made. All inspection documentation and records must be maintained with the SWPPP for a period of 5 years, Table 4-1 should be used to record inspection and maintenance activities, and any corrective actions implemented.

Good Housekeeping

Written Protocol

The protocols should be developed to meet the site-specific requirements of the airport.

The protocols should cover:

- 1) Daily inspections of tie down areas to look for leaks and spills.
- 2) Notices sent to F.B.O.s and aircraft owners to correct any problems.
- 3) Vehicle and equipment washing to be done in designated areas only.
- 4) No hangars, equipment storage or maintenance facilities are allowed to be hosed out. All oil and fuel will be cleaned by using oil absorbent materials or biodegradable solvents or soaps, then disposed of properly.
- 5) Drip pans and 100 pounds of absorbent material stored at each F.B.O. site near fuel storage and maintenance areas.
- 6) Drums and tanks containing used oil are to store in a covered area with retention.
- 7) The County and each co-Permittees will train all personnel on the proper handling of hazardous materials. List of agency's to notify if a spill occurs.
- 8) The designated airport representative will inspect the airport monthly to include co-Permittees areas to insure compliance with the S.W.P.P.P.
- 9) All unpaved roads restricted to necessary traffic.
- 10) All vehicle fueling to take place on paved areas to simplify clean up if a spill occurs. Also keeps cost down.

A protocol document should be included with the SWPPP document; Table 4-3 can be used for this purpose.

Spill Prevention and Response

Table 4-4 will be used to record the spill control and countermeasures established by the airport. Please add any additional documentation relating to spill prevention countermeasures and control to this document.

See Protocols and Management Practices.

Emergency Response Coordinator

The designated person will be named below. This information should be kept on file as part of the SWPPP documentation.

Designated Individual: Tom Turner

Title: Airport Manager

Phone: (909) 351-0700 x354 24-hour Phone: 909-412-3049

Alternate: Paul Hardin

Title: Airport Operation

Phone: (909) 358-5164 24-hour Phone : pager 909-416-8958

Alternate: Dave English

Title: Airport Maint.

Phone: 909-712-5995 24-hour Phone: pager 909-416-0094

Storm Water Management Practices

- 1) Daily inspections of tie down areas to look for leaks.
- 2) Notices sent to lessees, aircraft and equipment owners to inform them of problems that need correcting.
- 3) Vehicle and equipment washing be done in designated areas. All loose oil needs to be wiped from all surfaces before washing.
- 4) No hangars, equipment storage, or maintenance facilities will be hosed out with water. All oil and fuel leaks will be cleaned up with liquid absorbent materials or biodegradable solvents and soap, then disposed of properly.
- 5) Drip pans of 100lbs. of liquid absorbent material stored at the airport near fueling facilities and maintenance areas.
- 6) Drums and tanks containing used oil, solvents, and coolants checked weekly for material levels. All full containers to be closed and secured to prevent overfilling.
- 7) The County and each Co-Permittee will train personnel in the proper handling, identification, and clean-up practices. List of agencies to notify when a spill does occur, etc.
- 8) The designated airport representative to inspect the airport monthly to include Co-Permittees' leaseholds and notify responsible parties not in compliance with storm water plan.
- 9) All non-paved roads to be restricted to only necessary traffic.
- 10) All vehicle fueling to take place on concrete or asphalt to simplify clean up if a spill does occur.
- 11) All hazardous material spills must be reported to airport management, County Health, and County Fire Dept. to insure immediate and proper clean-up and disposal. Liquid absorbent material is stored at the airport.
- 12) All equipment inspected monthly.
- 13) Routine maintenance to repair leaks and preventive⁴ scheduled maintenance to prevent leaks.
- 14) Drip pans installed under areas where leaks may occur.
- 15) Scheduled preventive maintenance.

- 16) Cleaning vehicles with only biodegradable solvents and soaps, in designated areas only.
- 17) Routine daily inspections on vehicles.
- 18) Insure all personnel are trained and /or have proper licensing.
- 19) Restrict material handling areas to trained personnel only.
- 20) Inspect equipment monthly to insure it is working properly and that the responsible party is noticed so that repair can be made on faulty equipment.
- 21) Require catch basins to be designed into all future construction projects where applicable.
- 22) Rip-rap all applicable outfalls, embankments and drain ditches.
- 23) Keep Cracks in parking lots and tie downs filled with crack fillers.

Sediment Control and Erosion Prevention

- 1) Seed embankments where applicable to prevent erosion.
 - 2) Monitor sediment in basins and ditches; test annually and clean.
-
-
-
-

AMENDMENT SHEET

DATE	PURPOSE OF CHANGE	PAGES AMENDED	SIGNATURE
3-11-93	ADDED RUNWAY & TAXIWAY	7.B - 14	
10-26-98	ADDED TAXIWAY "F"	7.B - 14	
10-26-98	INCREASE SIZE, RETENTION BASIN TO 11 ½ ACERS.		

NON-STORM WATER DISCHARGES

The California General Permit requires non-storm water discharges to be eliminated prior to the implementation of the SWPPP on October 1, 1992. The airports must certify that there are no non-storm water discharges present in the storm water drainage system. All airports in the group must certify and monitor outfalls for dry weather discharges.

The certification page, for non-storm water certification, is provided in the "Non-Storm Water Discharge Screening and Detection Manual." This page should be signed and a copy inserted into the SWPPP documentation. All forms filled out while surveying and evaluating outfalls should also be inserted into this section of the SWPPP document. A record of methods used, dates, and time conducted should be listed on the form.

For methods of detection and screening for non-storm water discharges, the SWPPP Committee should refer to the above referenced document for complete guidance.

If certification is not feasible, due to the inability to eliminate the non-storm water discharge because of the need for significant structural changes, the airport must notify the Regional Board prior to the October 1, 1992 deadline. This notification should include a summary of why the extension in eliminating non-storm water discharges is required and a schedule indicating when non-storm water discharges will be eliminated. The schedule is subjected to modification by the regional board. This is also required if the airport has applied for an NPDES permit for a non-storm water discharge and has not yet received approval. If the airport is unable to eliminate the non-storm water discharge, then a schedule for elimination of the discharge must be submitted to the Regional Board for approval. In no case will the Board allow for the elimination of non-storm water discharges to take longer than 3 years from the date of the NOI submittal.

COMPLIANCE

Inspection

An annual inspection of the airport will be conducted by the Regional Board to verify elements of the SWPPP are accurate and have been implemented. The inspection may yield comments, which require a response to comments by the board and are required to be retained as part of the SWPPP. As listed under Section 311 of the Clean Water Act this SWPPP is considered a report that shall be available to the public.

Amendments to the SWPPP are required to include the signature and title of the person responsible for preparation of the SWPPP and the date.