

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

224



FROM: Economic Development Agency

SUBMITTAL DATE:
July 17, 2014

SUBJECT: French Valley Airport – Lease Termination and Settlement Agreement Between the County of Riverside and Aviation Sales California, Inc, District 3/District 3, [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Lease Termination and Settlement Agreement between the County of Riverside and Aviation Sales California, Inc.(Aviation Sales), including the settlement payment from Aviation Sales to County in the amount of \$12,500, terminating the Lease (French Valley) dated May 8, 2001 between the County (as lessor) and Aviation Sales (as lessee), as amended by the First Amendment to Lease dated July 27, 2006;
2. Authorize the Chairman of the Board of Supervisors to execute the attached Lease Termination and Settlement Agreement; and

(Continued)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: N/A				Budget Adjustment: No	
				For Fiscal Year: 2014/15	

C.E.O. RECOMMENDATION:

APPROVE

BY:
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FORM APPROVED COUNTY COUNSEL
BY: JHAILA R. BROWN
DATE: 7-22-14

Departmental Concurrence

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 3.17 of 5/8/2001; 3.16 of 6/27/04

District: 3/3

Agenda Number: ..

3-11

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

Economic Development Agency

FORM 11: French Valley Airport – Lease Termination and Settlement Agreement, District 3/District 3, [\$0]

DATE: July 17, 2014

PAGE: 2 of 2

RECOMMENDED MOTION: (Continued)

3. Authorize the Assistant County Executive Officer/EDA, or designee, to execute any additional documents necessary to implement the Lease Termination and Settlement Agreement, subject to approval by County Counsel.

BACKGROUND:

On May 8, 2001, the County of Riverside (County) and Aviation Sales California, Inc (ASC) hereinafter referred to as Parties, entered into that certain Lease (French Valley) covering an approximate 3.93 acre unimproved parcel located at the French Valley Airport, for a period of thirty years. The Parties executed a First Amendment to Lease, on or about June 27, 2006. The Lease and the First Amendment to Lease are hereinafter collectively referred to as the Lease. The leased premises is currently vacant and undeveloped.

Due to the recent economic recession, ASC has notified the County that ASC is unable to continue making payments, including rent, and satisfying other obligations under the Lease, nor is ASC able to make future payments or satisfy other obligations that will become due under the Lease.

After negotiations in good faith, it is the desire of the Parties to terminate and cancel the Lease and resolve the remaining terms and conditions of the Lease through settlement rather than through litigation. The terms of the termination and settlement are set forth in the proposed Lease Termination and Settlement Agreement which is attached. As of May 31, 2014, the total rent outstanding under the Lease is \$38,939.60. Under the proposed Lease Termination and Settlement Agreement ASC agrees to pay to the County \$2,500 for the cost of processing the Lease Termination and Settlement Agreement plus \$10,000 as a one-time payment towards outstanding rent, for a total payment to the County in the amount of \$12,500. Under the proposed Lease Termination and Settlement Agreement ASC is required to vacate and surrender the leased premises as of the date the agreement is approved by the Board.

Staff recommends approval of the Lease Termination and Settlement Agreement. County Counsel has reviewed and approved the attached agreement as to legal form.

Impact on Citizens and Businesses

Opportunity index will increase due to lack of available developable airport property.

SUPPLEMENTAL:

Additional Fiscal Information

No fiscal impact

Contract History and Price Reasonableness

No prior contracts exists other than those stated herein.

ATTACHMENTS

Lease Termination and Settlement Agreement

LEASE TERMINATION AND SETTLEMENT AGREEMENT

THIS LEASE TERMINATION AND SETTLEMENT AGREEMENT (“Agreement”) is entered into between the COUNTY OF RIVERSIDE, a political subdivision of the State of California (hereinafter “County”) and AVIATION SALES CALIFORNIA, INC., a California corporation (hereinafter “ASC”). The County and ASC are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

1. INTRODUCTION

On May 8, 2001, the Parties entered into a “Lease (French Valley Airport)” covering an approximately 3.93 acre unimproved parcel (the “Leased Premises”) located at French Valley Airport, for a period of thirty (30) years. The Parties executed a First Amendment to Lease, on or about June 27, 2006. The Lease (French Valley Airport) and the First Amendment to Lease are hereinafter collectively referred to as the “Lease”. Due to, among other things, the recent economic recession, ASC has notified the County that ASC is unable to continue making payments, including rent, and satisfying other obligations under the Lease nor is ASC able to make future payments or satisfy other obligations that will become due under the Lease. After negotiations in good faith, it is the desire of the Parties to resolve the obligations due under the terms of the Lease through settlement rather than through litigation, including any allegations or claims and liabilities raised in connection with the Lease and any subsequent amendments, or which could have been raised in a legal action, or which could arise from or relate to a legal action, except for those claims as more fully described in paragraph 4 herein, and to avoid incurring costs and expenses arising out of any legal action. In addition, except as to the obligations created by this Agreement, it is the desire of the Parties to settle any and all claims, disputes and/or liabilities which the Parties have or may have against each other which relate to, or in any way could be connected with, the obligations due under the terms of the Lease. Therefore, based on the foregoing, and in consideration of the mutual promises contained herein, the Parties both desire to terminate and cancel the Lease, and the Parties have agreed that all rights and obligations of the Parties under the Lease shall be of no further force or effect as of July 1, 2014. The effective date of this Agreement shall be the date this Agreement is executed by the County (“Effective Date”).

2. NO ADMISSION OF LIABILITY

It is expressly understood, acknowledged and agreed by the Parties, that by reason of entering into this Agreement, the Parties do not admit, expressly or implicitly, any fact or liability of any type or nature, whether or not referred to herein, or the sufficiency of any claims, allegations, assertions, or positions taken or made, or those that could have been raised by any Party with respect to the Lease. Further, the Parties have not made any such admissions and this Agreement is entered into solely by way of compromise and settlement.

3. SETTLEMENT TERMS

In order to alleviate County’s costs to process this Agreement, and to hereby terminate and cancel the Lease, ASC agrees to pay to the County Two Thousand Five-Hundred Dollars (\$2,500.00) (“Termination Cost”). In addition, ASC agrees to pay to the County Ten Thousand Dollars (\$10,000) towards outstanding rent (“Outstanding Rent Cost”). The Termination Cost

and the Outstanding Rent Cost shall be in the form of lawful money of the United States and shall be paid to and received by the County at 3133 Mission Inn Avenue, Riverside, CA 92507, Attn: Airports Division no later than five (5) days after this Agreement is executed by the County. ASC agrees to surrender its interest in and any claims to the Leased Premises as of August 5, 2014 and, in that connection, to execute any documents reasonably requested by the County to surrender ASC's interest in the Leased Premises. On or prior to August 5, 2014, ASC shall restore the Leased Premises, to its original condition as nearly as practicable. ASC further agrees that it will vacate the Leased Premises and surrender possession to the County as of the Effective Date hereof. County shall accept such surrender. The Leased Premises shall be delivered to the County in the same condition as it was at the commencement of the Lease. ASC shall also surrender to the County all keys (such as for service boxes) and other similar items in possession by ASC in connection with the Leased Premises. ASC also agrees that all of ASC's personal property shall be removed from the Leased Premises by August 5, 2014.

4. RELEASE

In consideration of the settlement terms referred to herein, each Party does hereby fully and forever completely release, acquit and discharge the other Party, together with the other Party's past and present employees, agents (whether ostensible or actual), officers, directors, shareholders, successors, assigns, departments, and representatives (collectively "Releasees") from any and all claims, demands, actions, liabilities, damages, wages, costs, attorneys' fees, rights or causes of action, whether known or unknown, present or future, which either Party may have against the other or that may arise in the future from, or are directly or indirectly related to, or are connected in any way with the Lease of the Leased Premises, except that County shall not waive any claims for indemnification, contribution or apportionment of claims or liability brought against the County by any third party resulting from ASC's possession and use of the Leased Premises and/or any damages resulting from any latent or hidden defects or hazardous materials contamination caused by ASC or resulting from ASC's possession and use of the property.

5. NO PRIOR ASSIGNMENT OR TRANSFER

Each Party represents and warrants that there has been no assignment or other transfer of any claims or causes of action which it is releasing pursuant to the terms of this Agreement.

6. INDEMNIFICATION

The Parties and its attorneys hereby agree to release any and all claims and demands, rights and causes of action of any kind that may now have arisen or hereafter may arise as a result of the above incident, and further agree to hold the other Party harmless, and to indemnify it for and against any claim, lien or debt which has or may arise from the incident described herein.

7. MISCELLANEOUS PROVISIONS

A. *Entire Agreement:*

This Agreement constitutes the full and entire agreement between the Parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the Parties; there are no warranties, representations or

other agreements between the Parties except as expressly set forth herein. No amendment hereto shall be binding unless set forth in a writing stating that it is intended to amend this Agreement, executed by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof, whether or not similar, nor shall such waiver constitute a continuing waiver.

B. *Authority to Enter Agreement:*

This Agreement is the result of arms-length negotiations. Each Party to this Agreement represents and warrants to the other that the persons executing this Agreement on behalf of such Party are duly and fully authorized to do so, and that each such Party is acting pursuant to the power and authority granted by their respective principals, and that no further approvals are required to be obtained from any persons or entities. ASC further represents and warrants that there are no outstanding liens or obligations against the Leased Premises and that ASC will defend, indemnify and hold harmless the County against any claims by any third party against the County for any outstanding liens or obligations, should they exist.

C. *Final Agreement:*

The Parties to this Agreement, and each of them, acknowledge that this Agreement and its reduction to final form is the result of extensive good faith negotiations between the Parties.

D. *Binding Agreement:*

This Agreement is and shall be binding upon and shall inure to the benefit of the predecessors, affiliates, subsidiaries, successors, assigns, parties, agents, officers, employees, shareholders, associates, legal representatives, heirs, executives and/or administrators of each of the Parties hereto.

E. *Interpretative Law:*

This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed by and under the laws of the State of California. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable for whatever reason, the remaining provisions not so declared shall nonetheless continue in full force and effect without being impaired in any manner whatsoever.

F. *Paragraph Headings:*

Paragraph headings are for reference only and shall not affect the interpretation of any paragraph hereto.

G. *No Inducement:*

Each of the Parties to this Agreement acknowledges for itself that it has read this Agreement and fully understands its contents and consequences, and has voluntarily

executed it. Each of the Parties also warrants that no promise or inducement has been made or offered by any of the Parties, except as set forth herein, and that this Agreement is not executed in reliance upon any statement or representation of any of the Parties or their representatives, concerning the nature and extent of the injuries, damages or legal liabilities thereof.

H. *Counterparts*

This Agreement may be executed in counter-parts with the same effect as if all original signatures were placed on one document and all of which together shall be one and the same Agreement.

I. *Additional Documents:*

The Parties agree to cooperate fully to take any and all steps, perform any acts, and execute any additional documents consistent with the terms and conditions of this Agreement, which may be needed or required to effectuate the terms, intent, conditions, covenants, and provisions of this Agreement.

J. *Venue:*

Venue for enforcement of this Agreement shall be in the Superior Court of the State of California, County of Riverside, Riverside Branch.

[Remainder of Page Intentionally Blank]

[Signatures on Following Page]

WE HEREBY CERTIFY THAT WE HAVE READ THIS LEASE TERMINATION AND SETTLEMENT AGREEMENT AND FULLY UNDERSTAND THE SAME, AND IN WITNESS WHEREOF WE HAVE EXECUTED AND DELIVERED THIS AGREEMENT.

COUNTY OF RIVERSIDE,
a political subdivision of the
State of California

AVIAIATION SALES CALIFORNIA, INC.,
a California corporation

Jeff Stone, Chairman
Board of Supervisors



David Domenico, President

Date: 7/17/14

Date: _____



Louis Domenico, Jr., Vice-President

Date: 7/17/14

ATTEST:

KECIA HARPER-IHEM
Clerk of the Board

Deputy

FORM APPROVED:

PAMELA J. WALLS
County Counsel



By: Jhaila Brown, Deputy

1 4. Use.

2 (a) The Leased Premises is leased hereby for the express limited purpose
3 of providing the following services: aircraft maintenance; aircraft sales, rental, and leasing;
4 and aircraft storage. The Lessee shall provide said services in conformance with the
5 County's January 30, 2001 Minimum Standards for Fixed Base Operators including, but
6 not limited to, the requirements and standards established by Section IV, Scope of
7 Services, Table B (Aircraft Maintenance), Table E (Aircraft Sales, Rental, and Leasing),
8 and Table F (Aircraft Storage). A copy of the County's January 30, 2001 Minimum
9 Standards for Fixed Base Operators is attached hereto as Exhibit "B" and incorporated by
10 reference herein. The Lessee's operations and services shall also be subject to applicable
11 federal, state, and local laws, rules, and regulations.

12 (b) The Leased Premises shall not be used for any purpose other than in
13 paragraph 4(a) without first obtaining the written consent of County, which consent shall
14 not be unreasonably withheld.

15 5. Rent.

16 (a) Commencing after the construction rate reduction period referred to
17 in paragraph 5(b) below, Lessee shall pay to County as base rent for the use and
18 occupancy of the Leased Premises monthly rent equal to two thousand nine hundred fifty
19 dollars (\$2,950.00). Said rent is due and payable in advance on the first of each month.

20 (b) During construction of the Leased Premises, Lessee shall pay a
21 monthly rent equal to one thousand four hundred seventy five dollars (\$1,475.00),
22 commencing upon lease execution and continuing for a period of twelve (12) months.

23 (c) Beginning July 1, 2005, and every fifth (5th) year thereafter, the
24 Lessee's monthly rent (and the rent of all similarly situated French Valley Airport tenants)
25 shall be adjusted to an amount equivalent to one-twelfth (1/12th) of eight percent (8%) of
26 the appraised fair market land value for the highest and best current use of the Leased
27 Premises, excluding improvements constructed at the Lessee's expense. A property
28 appraisal for this purpose is to be performed by an independent certified appraiser,

10/10

1 selected in accordance with Paragraph 5(d) below; the appraisal is to be acquired by the
2 County. Once established, said rent shall be adjusted annually in the manner set forth in
3 Paragraph 5(e) below.

4 (d) Not later than one hundred twenty (120) days prior to the
5 commencement of the first day of each rental adjustment period as specified in Paragraph
6 5(c) above, the Parties shall select one appraiser who shall be a member in good standing
7 with the American Institute of Real Estate Appraisers, unless otherwise mutually agreed
8 upon, in writing, by the Parties. Within forty five (45) days after the selection of this
9 appraiser, the appraiser shall prepare and submit an appraisal, in writing, of the current fair
10 market land value of the Leased Premises to the County and the Lessee; the term "fair
11 market land value" as used herein means the amount of money a willing buyer would pay
12 to a willing seller for the Leased Premises based on the current use of the Leased
13 Premises. The current fair market land value established in such appraisal shall be the
14 basis for the adjustment of the rent to be effective on the first day of each monthly rental
15 rate adjustment as specified in Paragraph 5(c) above. In the event the parties hereto fail,
16 for any reason, to select an appraiser as provided, and within the time as required above,
17 the parties hereto not later than ninety (90) days prior to the commencement of the first
18 month of each five (5) year period, shall each submit the names of two (2) appraisers, each
19 a member in good standing with the American Institute of Real Estate Appraisers, to an
20 arbitrator experienced in commercial leases and appraisals, to be selected by the Judicial
21 Arbitration and Mediation Service (JAMS) or the successor organization. The arbitrator
22 shall then select the appraiser who shall conduct the appraisal as specified herein. The
23 decision of the arbitrator shall be final and binding upon all parties. The parties shall each
24 pay fifty percent (50%) of the fees charged by the arbitrator and the arbitration service, and
25 each party shall be responsible for their own attorneys' fees.

26 (e) Beginning July 1, 2001 and at each July 1st thereafter, the rent shall
27 be increased by two and one-half percent (2½%). The flat two and one-half percent (2½%)
28 annual increase shall not occur over the course of the year during which the basic annual



1 rent is re-established as described in Paragraph 5(c) above.

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

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

9 (b) Employ and maintain on the Leased Premises sufficient personnel
10 who are trained and skilled in order to competently perform the tasks related to the
11 services being offered.

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

16 (d) Operate the Leased Premises and the facilities thereon in a
17 progressive and efficient manner, charging fair and reasonable prices for each unit or
18 service, said prices being competitive with prices charged by other Fixed Base Operators
19 in the Southern California area. Upon request from the County, the Lessee shall furnish
20 the County with a schedule of all prices for each unit of service offered for sale or lease to
21 the general public.

22 (e) Provide janitorial services at its own expense.

23 (f) Provide for transient aircraft parking guidance, positioning of wheel
24 chocks and tie-downs, fire guard for engine starts (upon request from aircraft operators),
25 and baggage handling on a routine and reasonable basis.

26 (g) Have available and provide, on a routine and reasonable basis,
27 standardized ground service equipment for aircraft weighing thirty thousand pounds
28 (30,000) or less gross weight. Service equipment shall include, but not be limited to, wheel

1 chocks, tie-down ropes or chains, aircraft jacks, tow bars, auxiliary power units, and aircraft
2 tugs.

3 (h) Not engage in the painting of aircraft (other than small "spot painting"
4 jobs in connection with repairs) within any buildings, unless or until it has established
5 therein a regular paint shop which is adequately enclosed and vented, and has been
6 inspected and approved, in writing, by representatives of the Federal Aviation
7 Administration and the County's Fire Department, and all applicable permits (including air
8 quality permits) have been obtained.

9 (i) Observe the Taxiway Object Free Area adjacent to the Leased
10 Premises to allow the passage of taxiing aircraft.

11 (j) Maintain the Leased Premises, approaches thereto, and
12 improvements now or hereafter located thereon, in good and sanitary order, condition, and
13 repair, and upon any termination of this Lease, the Lessee shall surrender said Leased
14 Premises and improvements thereon in such condition, reasonable use and wear thereof
15 and damages by fire, acts of God, war, civil insurrection, or by the elements excepted.

16 7. Permits, Licenses and Taxes. The Lessee shall secure, at its expense, all
17 necessary permits and licenses as it may be required to obtain, and the Lessee shall pay
18 all fees and taxes levied or required by any authorized public entity. The Lessee
19 recognizes and understands that this Lease may create a possessory interest subject to
20 property taxation and that the Lessee may be subject to the payment of property taxes
21 levied on such interest.

22 8. On-Site Improvements.

23 (a) The Lessee, at its sole cost and expense, shall construct, or cause to
24 be constructed, the following improvements upon the Leased Premises at a minimum: one
25 (1) hangar (herein called "Hangar 1") of approximately ten thousand (10,000) square feet,
26 office space of approximately two thousand (2,000) square feet, parking for approximately
27 twenty (20) automobiles, approximately ten thousand (10,000) square feet of ramp space,
28 and associated landscaping and improvements, all in accordance with County

1 requirements. The Lessee, in the design of said improvements, shall take into account the
2 drainage flow patterns specified on the County's Drainage Area Map for the French Valley
3 Airport, as shown on Exhibit "C", which is attached hereto and incorporated herein by this
4 reference. The Lessee may construct additional improvements and structures upon the
5 Leased Premises, provided that written consent therefor has been obtained from the
6 County, which consent shall not be unreasonably withheld. The Lessee shall obtain
7 performance, material, and labor payment bonds in the amounts required by law and
8 approved by the County, and shall furnish the County with copies thereof prior to the
9 commencement of such construction.

10 (b) All improvements are to be constructed or installed at the Lessee's
11 sole cost. The Lessee shall pay for construction of any required utility extensions and
12 hookups and any access road improvements. The Lessee shall pay for all drainage
13 improvements required to comply with the French Valley Airport Master Drainage Plan.
14 This Lease is subject to the provisions set forth in Exhibit "D", the Storm Water Pollution
15 Prevention Plan for French Valley Airport, attached hereto and by this reference made a
16 part of this Lease. All proposed improvements are to be submitted to the County for review
17 and approval prior to the start of any construction.

18 (c) Any improvements, alterations, and installation of fixtures to be
19 undertaken by the Lessee shall have the prior written approval of the County after the
20 Lessee has submitted to the County proposed plot and building plans, and specifications
21 therefor, in writing. In addition, the Lessee understands and agrees that such
22 improvements, alterations, and installation of fixtures may be subject to County Ordinance
23 Nos. 348 and 457, as well as other applicable County ordinances, and that the Lessee
24 shall fully comply with such ordinances prior to the commencement of any construction in
25 connection therewith.

26 (d) Upon termination or expiration of this Lease, all improvements,
27 alterations, and fixtures shall remain or become, as the case may be, the property of the
28 County, with the exception of trade fixtures as that term is used in Section 1019 of the Civil



1 Code; provided, however, that the Lessee shall have the full and exclusive use and
2 enjoyment of such improvements, alterations, and fixtures during the term of this Lease.
3 At or prior to the expiration of this Lease, Lessee shall remove, at its expense, such trade
4 fixtures and restore said Leased Premises to their original shape and condition as nearly
5 as practicable. In the event that the Lessee does not so remove such trade fixtures, they
6 shall become the property of the County for no further consideration of any kind, and the
7 Lessee shall execute any documents that may be required or necessitated conveying its
8 interest in such improvements, alterations, and fixtures to the County.

9 9. Off-Site Improvements.

10 (a) The County and the Lessee herein acknowledge that the Lessee has
11 no fee title interest in or to the Leased Premises.

12 (b) It is understood by the parties hereto that water and sewer utility
13 services will be available immediately west of the Leased Premises, but in order for the on-
14 site improvements required in paragraph 8 herein to be fully usable and operational, the
15 Lessee, at its expense, shall extend and/or connect, or cause to be extended and/or
16 connected, any utility service facilities that may be required or desired by the Lessee in the
17 use, operation, and maintenance of such on-site improvements. If necessary, the County
18 shall grant right-of-way utility easements to the Lessee for the construction of such utility
19 improvements. After such extensions and/or connections have been made, the Lessee
20 shall be responsible for payment for the use of any utility services, including, without
21 limitation, all electricity, gas, telephone, cable television, sewer, and water service.

22 (c) The Lessee shall obtain, or cause to be obtained, performance,
23 material and labor, and payment bonds in the amounts required by law and determined by
24 the County, and shall furnish the County with copies thereof prior to the commencement
25 of such off-site improvements.

26 10. Compliance with Law. The Lessee shall, at its sole cost and expense,
27 comply with all of the requirements of all governmental agencies now in force, or which
28 may hereafter be in force, pertaining to the Leased Premises, and any improvements

1 hereafter constructed or maintained thereon, and the Lessee shall faithfully observe all
2 ordinances now or hereafter in force in the use of the Leased Premises.

3 11. County's Reserved Rights.

4 (a) The Leased Premises are accepted by the Lessee subject to any and
5 all existing recorded easements or other encumbrances, the locations of which are
6 indicated in Exhibit "E" (Utility Easement Locations), attached hereto and by this reference
7 made a part of this Lease. The County shall have the right to enter upon the Leased
8 Premises and to install, lay, construct, maintain, repair, and operate such sanitary sewers,
9 drains, storm water sewers, pipelines, manholes, connections, water, oil and gas pipelines,
10 and telephone and telegraph power lines and such other facilities and appurtenances
11 necessary or convenient to use in connection therewith, over, in, upon, through, across,
12 and along the Leased Premises or any part thereof. The County also reserves the right
13 to grant franchises, easements, rights of way, and permits in, over, and upon, along, or
14 across any and all portions of said Leased Premises as the County may elect; provided,
15 however, that no right of the County provided for in this paragraph shall be so executed as
16 to interfere unreasonably with the Lessee's use hereunder, or impair the security of any
17 secured creditor of the Lessee. The County shall cause the surface of the Leased
18 Premises to be restored to its original condition (as they existed prior to any such entry)
19 upon the completion of any construction by the County or its agents. In the event that such
20 construction renders any portion of the Leased Premises unusable, the rent shall abate pro
21 rata as to such unusable portion during the period of such construction. Any right of the
22 County set forth in this paragraph shall not be exercised unless a prior written notice of
23 thirty (30) days is given to the Lessee; provided, however, in the event such right must be
24 exercised by reason of emergency, then the County shall give the Lessee such notice in
25 writing as is reasonable under the existing circumstances.

26 (b) The County reserves the right to further develop or improve the aircraft
27 operating area of French Valley Airport as it deems appropriate. The County reserves the
28 right to take any action it considers necessary to protect the aerial approaches of the



1 French Valley Airport against obstruction, together with the right to prevent the Lessee from
2 erecting, or permitting to be erected, any building or other structure on the French Valley
3 Airport which, in the opinion of the County, would limit the usefulness of the French Valley
4 Airport or constitute a hazard to aircraft.

5 (c) During time of war or national emergency, the County shall have the
6 right to lease the landing area of the French Valley Airport, or any part thereof, to the
7 United States Government for military use and, if such lease is executed, the provisions
8 of this Lease, insofar as they are inconsistent with the provisions of such lease to the
9 Government, shall be suspended. In that event, a just and proportionate part of the rent
10 hereunder shall be abated, and the period of such closure shall be added to the term of
11 this Lease, or any extensions thereof, so as to extend and postpone the expiration thereof
12 unless the Lessee otherwise elects to terminate this Lease.

13 (d) Notwithstanding any provisions herein, this Lease shall be subordinate
14 to the provisions of any existing or future agreement between the County and the United
15 States relative to the operation or maintenance of the French Valley Airport, the terms and
16 execution of which have been or may be required as a condition precedent to the
17 expenditure or reimbursement to the County of Federal funds for the development of said
18 airport.

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

22 12. Inspection of Premises. The County, through its duly authorized agents, shall
23 have, at any time during normal business hours, the right to enter the Leased Premises for
24 the purpose of inspecting, monitoring and evaluating the obligations of Lessee hereunder
25 and for the purpose of doing any and all things which it is obligated and has a right to do
26 under this Lease.

27 13. Quiet Enjoyment. The Lessee shall have, hold, and quietly enjoy the use of
28 the Leased Premises so long as the Lessee shall fully and faithfully perform the terms and



1 conditions that the Lessee is required to do under this Lease.

2 14. Compliance with Government Regulations. The Lessee shall, at the Lessee's
3 sole cost and expense, comply with the requirements of all local, state, and federal
4 statutes, regulations, rules, ordinances, and orders now in force or which may be hereafter
5 in force which pertain to the Leased Premises. The final judgment, decree, or order of any
6 Court of competent jurisdiction, or the admission of the Lessee in any action or
7 proceedings against the Lessee, whether the Lessee be a party thereto or not, that the
8 Lessee has violated any such statutes, regulations, rules, ordinances, or orders in the use
9 of the Leased Premises, shall be conclusive of that fact as between the County and the
10 Lessee.

11 15. Discrimination or Segregation.

12 (a) The Lessee shall not discriminate in the Lessee's recruiting, hiring,
13 promotion, demotion, or termination practices on the basis of race, religious creed, color,
14 national origin, ancestry, sex, age, physical handicap, medical condition, or marital status
15 with respect to its use of the Leased Premises hereunder, and the Lessee shall comply
16 with the provisions of: the California Fair Employment and Housing Act (Government Code
17 Sections 12900 et seq.); the Federal Civil Rights Act of 1964 (P.L. 88-352) and all
18 amendments thereto; Executive Order No. 11246 (30 Federal Register 12319), as
19 amended; and all Administrative Rules and Regulations issued pursuant to said Acts and
20 orders.

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

28 (c) The Lessee assures that it will undertake an affirmative action program

1 as required by 49 CFR, Part 21, to ensure that no person shall, on the grounds of race,
2 creed, color, national origin, or sex, be excluded from participating in any employment
3 activities covered in 49 CFR, Part 21 with respect to its use of the Leased Premises. The
4 Lessee further assures that no person shall be excluded on these grounds from
5 participating in or receiving services or benefits of any program or activity covered herein
6 with respect to its use of the Leased Premises. The Lessee further assures that it will
7 require that its subcontractors and independent contractors provide assurance to the
8 Lessee that they similarly will undertake affirmative action programs and that they will
9 require assurances from their subcontractors and independent contractors, as required by
10 49 CFR, Part 21, to the same effect with respect to their use of the Leased Premises.

11 16. Termination by County. The County shall have the right to terminate this
12 Lease on 30 days written notice served on the Lessee, provided the Lessee has not cured
13 or taken affirmative steps to cure the default within said 30 days, in the event that:

14 (a) A petition is filed for voluntary or involuntary bankruptcy for the
15 adjudication of Lessee as debtors.

16 (b) The Lessee makes a general assignment, or the Lessee's interest
17 hereunder is assigned involuntarily or by operation of law, for the benefit of creditors.

18 (c) The Lessee abandons the Leased Premises.

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

23 (e) The Lessee fails, or refuses, to meet its rental obligations, or any of
24 them, hereunder or as otherwise provided by law.

25 (f) The Lessee fails to maintain insurance coverage required herein and
26 to provide evidence of coverage to the County.

27 17. Termination by Lessee(s). The Lessee shall have the right to terminate this
28 Lease in the event that the County fails to perform, keep, or observe any of its duties or

1 obligations hereunder; provided, however, that the County shall have thirty (30) days in
2 which to correct its breach or default after written notice thereof has been served on it by
3 the Lessee; provided, further, however, that in the event such breach or default is not
4 corrected, the Lessee may elect to terminate this Lease in its entirety or as to any portion
5 of the premises affected thereby, and such election shall be given by an additional thirty
6 (30) day written notice to the County.

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

20 19. Insurance. The Lessee shall procure and maintain or cause to be
21 maintained, at its sole cost and expense, the following insurance coverages during the
22 term of this Lease. The procurement and maintenance of the insurance required below
23 will not diminish or limit the Lessee's obligation to indemnify or hold the County harmless.

24 (a) Workers' Compensation. Workers' Compensation Insurance as
25 prescribed by the laws of the State of California. The policy shall include Employers'
26 Liability including Occupational Disease with limits not less than \$1,000,000 per person per
27 accident. The policy shall be endorsed, if applicable, to provide a Borrowed
28 Servant/Alternate Employer Endorsement and Waiver of Subrogation in favor of the County



1 of Riverside, Special Districts, Directors, Officers, Board of Supervisors, elected officials,
2 employees, agents, and representatives.

3 (b) Airport Commercial General Liability. Airport Commercial General
4 Liability insurance coverage, including but not limited to, premises liability, contractual
5 liability, products and completed operations, contingent liability, personal and advertising
6 injury and, if liquor is sold, liquor law liability covering claims which may arise from or out
7 of the Lessee's performance of its obligations hereunder. The policy shall name the
8 County of Riverside, Specials Districts, Directors, Officers, Board of Supervisors, elected
9 officials, employees, agents, and representatives as Additional Insureds. The policy's limit
10 of liability shall not be less than \$2,000,000 per occurrence combined single limit and
11 \$2,000,000 in the aggregate. If such insurance contains a general aggregate limit, it shall
12 apply separately to this agreement or be no less than two (2) times the occurrence limit.
13 Such insurance will include Medical Payments for a limit of \$5,000 and Fire Legal Liability
14 for a limit of \$300,000.

15 (c) Vehicle Liability. If the Lessee's vehicles or mobile equipment are
16 used in the performance of the obligations under this Lease, the Lessee shall maintain
17 liability insurance for all owned, non-owned, or hired vehicles so used in an amount not
18 less than \$1,000,000 per occurrence combined single limit. The policy shall name the
19 County of Riverside, Specials Districts, Directors, Officers, Board of Supervisors, elected
20 officials, employees, agents, and representatives as Additional Insureds. This coverage
21 may be included in the Airport Commercial General Liability policy.

22 (d) Aircraft Hull and Liability Insurance. Aircraft Hull for the full
23 replacement value of all aircraft stored by the Lessee in the Leased Premises and the
24 contents thereof. The policy shall be endorsed to include the County of Riverside, Special
25 Districts, Directors, Officers, Elected Officials, employees, agents, and representatives as
26 Additional Insureds. The Lessee may elect to self-insure or un-insure the hull portion of
27 the coverage required herein; however, if the Lessee elects not to acquire commercial
28 insurance for the hull, the Lessee agrees to hold the County of Riverside harmless and not

1 make any claim against the County of Riverside for loss or damage to the hull of his aircraft
2 for any reason whatsoever regardless of any negligence of the County that may have
3 contributed to said loss or damage. Aircraft Liability Coverage and commercial general
4 liability insurance including, but not limited to, premises liability and contractual liability with
5 a limit of liability for bodily injury (including death) and property damage of at least
6 \$1,000,000 with a per seat limit of not less than \$100,000. Coverage shall apply to all
7 owned aircraft and all non-owned or hired aircraft operated by the Lessee. The policy shall
8 be endorsed to include the County of Riverside, Special Districts, Directors, Officers,
9 Elected Officials, employees, agents, and representatives as Additional Insureds.

10 (e) Products Liability Insurance. If the Lessee provides maintenance and
11 repair services under the terms of this Lease, the Lessee shall provide Products Liability
12 Insurance, including completed operations not otherwise covered by the Airport
13 Commercial General Liability policy, with a limit of not less than \$1,000,000 any one
14 occurrence combined single limit and in the annual aggregate.

15 (f) Hangar Keepers Liability Insurance (Ground Coverage). Hangar
16 Keepers Liability Insurance providing coverage for aircraft in the care, custody, or control
17 of the Lessee, with a limit equal to the replacement value of all aircraft hulls controlled by
18 the Lessee while on the ground; provided, however, that in no event shall the limit of
19 liability be less than \$1,000,000.

20 (g) Hangar Keepers Liability Insurance (Flight Coverage). If applicable,
21 the Lessee shall provide Hangar Keepers Liability Insurance providing coverage for aircraft
22 in the care, custody, or control of the Lessee with a limit equal to the replacement value
23 of the highest valued hull that may be flight tested by the Lessee; provided, however, that
24 in no event shall the limit of liability be less than \$1,000,000.

25 (h) Property (Physical Damage).

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

1 for property that the Lessee owns or is contractually responsible for. The policy shall
2 include Business Interruption, Extra Expense, and Expediting Expense to cover the actual
3 loss of business income sustained during the restoration period.

4 2) Boiler and Machinery insurance coverage on a full replacement
5 cost value basis. The policy shall provide Business Interruption, Extra Expense, and
6 Expediting Expense coverage as well as coverage for off-premises power failure.

7 (i) Insurance for Sub-Lessee's. The Lessee shall require each of its Sub-
8 Lessee's to meet all insurance requirements imposed upon the Lessee. These
9 requirements, with the approval of the County's Risk Manager, may be modified to reflect
10 the activities associated with the Sub-Lessee.

11 (j) General Insurance Provisions - All lines:

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

15 2) Insurance deductibles or self-insured retentions must be
16 declared by the Lessee's insurance carrier(s), and such deductibles and retentions shall
17 have the prior written consent of the County's Risk Manager. Failure of the Lessee's
18 carriers to declare deductibles or self insured retentions to the County shall waive any
19 obligation of the County, as additional insured, to honor said deductibles or self insured
20 retentions in the event of the Lessee's insolvency. Upon notification of deductibles or self
21 insured retentions unacceptable to the County, and at the election of the County's Risk
22 Manager, the Lessee's carriers shall either: 1) reduce or eliminate such deductibles or self-
23 insured retentions as respects this Lease with the County, or 2) procure a bond which
24 guarantees payment of losses and related investigations, claims administration, and
25 defense costs and expenses.

26 3) The Lessee shall cause its insurance carrier(s) to furnish the
27 County of Riverside with either 1) a properly executed original Certificate(s) of Insurance
28 indicating coverage as required herein, or 2) if requested to do so in writing by the County



1 Risk Manager, provide original Certified copies of policies showing such insurance is in full
2 force and effect. Further, said Certificate(s) and policies of insurance shall contain the
3 covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the
4 County of Riverside prior to any material modification, cancellation, expiration, or reduction
5 in coverage of such insurance. In the event of a material modification, cancellation,
6 expiration, or reduction in coverage, this Lease shall terminate forthwith, unless the County
7 receives, prior to such effective date, another properly executed original Certificate of
8 Insurance, evidencing coverages set forth herein and the insurance required herein is in
9 full force and effect. The Lessee shall not commence operations until the County has been
10 furnished original Certificate(s) of Insurance as required in this paragraph. The original
11 Certificate of Insurance shall be signed by an individual authorized by the insurance carrier
12 to do so on its behalf.

13 4) It is understood and agreed to by the parties hereto and the
14 insurance company(s) that the Certificate(s) of Insurance and policies shall so covenant
15 and shall be construed as primary insurance, and the County's insurance and/or
16 deductibles and/or self-insured retentions or self-insured programs shall not be construed
17 as contributory.

18 (k) County's Reserved Rights-Insurance. If, during the term of this Lease
19 or any extension thereof, there is a material change in the scope of services or
20 performance of work, the County reserves the right to adjust the types of insurance
21 required under this Lease and the monetary limits of liability for the insurance coverages
22 currently required herein, if, in the EDA Executive Director's reasonable judgment, upon
23 advise of the County Risk Manager, the amount or type of insurance carried by the Lessee
24 has become inadequate. The Lessee agrees to notify the County of any plan or change
25 of plan for the Lessee's operations, and such notification shall occur prior to implementing
26 any such change.

27 20. Hold Harmless.

28 (a) The Lessee represents that it has inspected the Leased Premises,



1 accepts the condition thereof, and fully assumes any and all risks associated with the use
2 thereof. The County shall not be liable to the Lessee, its officers, agents, employees,
3 subcontractors, or independent contractors for any personal injury or property damage
4 suffered by them which may result from hidden, latent, or other dangerous conditions in,
5 on, upon, or within the Leased Premises; provided, however, that such dangerous
6 conditions are not caused by the sole negligence of County, its elected officials, officers,
7 agents, or employees.

8 (b) The Lessee shall indemnify and hold the County, its elected officials,
9 officers, agents, employees, and independent contractors free and harmless from any
10 liability whatsoever, based or asserted upon any act or omission of the Lessee, its officers,
11 agents, employees, subcontractors, and independent contractors, for property damage,
12 bodily injury, or death, or any other element of damage of any kind or nature, relating to
13 or in any way connected with or arising from its use and responsibilities in connection
14 therewith of the Leased Premises or the condition thereof, and the Lessee shall defend,
15 at its expense, including without limitation attorney fees, expert fees, and investigation
16 expenses, the County, its elected officials, officers, agents, employees, and independent
17 contractors in any legal action based upon such alleged acts or omissions. The obligation
18 to indemnify and hold the County free and harmless herein shall survive until any and all
19 claims, actions, and causes of action with respect to any and all such alleged acts or
20 omissions are fully and finally barred by the applicable statute of limitations. The Lessee
21 covenants to hold the County harmless from any and all losses, claims, or damages
22 resulting from the Lessee's violation of any term, provision, covenant, or condition of this
23 Lease, or the use, misuse, or neglect of the Leased Premises, improvements, and
24 appurtenances, and from all claims arising out of any alleged defective or unsafe condition
25 thereof, except with respect to any claims arising out of the conduct of the County. The
26 County shall not be liable to the Lessee, nor to any other person or entity, for any damage
27 or injury occasioned by any defect in the Leased Premises, its improvements, or
28 appurtenances. Without limiting or qualifying the foregoing, it is agreed that the Lessee



1 shall notify the County immediately, in writing, of any damage or injury to the Leased
2 Premises, its improvements, or to any appurtenances, or to any sidewalk or curb abutting
3 thereon, or as to any other condition which may expose the Lessee or the County to public
4 liability.

5 (c) The County shall indemnify and hold the Lessee, its officers, agents,
6 employees, and independent contractors free and harmless from any liability whatsoever,
7 based or asserted upon any act or omission of the County, its elected officials, officers,
8 agents, employees, subcontractors, and independent contractors for property damage,
9 bodily injury, or death, or any other element of damage of any kind or nature, relating to
10 or in any way connected with or arising from its use and responsibilities in connection
11 therewith of the Leased Premises or the condition thereof, and the County shall defend,
12 at its expense, including without limitation attorney fees, expert fees, and investigation
13 expenses, the Lessee, its, agents, employees, and independent contractors in any legal
14 action based upon such alleged acts or omissions. The obligation to indemnify and hold
15 the Lessee free and harmless herein shall survive until any and all claims, actions, and
16 causes of action with respect to any and all such alleged acts or omissions are fully and
17 finally barred by the applicable statute of limitations.

18 (d) The specified insurance limits required in Paragraph 19 herein shall
19 in no way limit or circumscribe Lessee's obligations to indemnify and hold County free and
20 harmless herein.

21 21. Assignment. The Lessee cannot assign, sublet, mortgage, hypothecate, or
22 otherwise transfer in any manner any of its rights, duties, or obligations hereunder to any
23 person or entity without the written consent of the County being first obtained, which
24 consent shall not be unreasonably withheld.

25 22. Right to Encumber/Right to Cure.

26 (a) Notwithstanding the provisions of Paragraph 21 herein, the County
27 does hereby consent to and agree that the Lessee may encumber or assign, or both, for
28 the benefit of a lender, herein called Encumbrancer, this Lease, the leasehold estate, and



1 the improvements thereof by a deed of trust, mortgage, or other security-type instrument,
2 herein called trust deed, to assure the payment of the promissory note of the Lessee if the
3 Encumbrancer is an established bank, savings and loan association, or insurance
4 company, and the prior written consent of County shall not be required:

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

7 (2) To any subsequent transfer by the Encumbrancer if the
8 Encumbrancer is an established bank, savings and loan association, or insurance
9 company, and is the purchaser at such foreclosure sale, or is the assignee under an
10 assignment in lieu of foreclosure; provided, however, that in either such event the
11 Encumbrancer forthwith gives notice to the County in writing of any such transfer, setting
12 forth the name and address of the transferee, the effective date of such transfer, and the
13 express agreement of the transferee assuming and agreeing to perform all of the
14 obligations under this Lease, together with a copy of the document by which such transfer
15 was made.

16 (3) Any Encumbrancer described in Paragraph 22(a)(2) above
17 which is the transferee under the provisions of Paragraph 22(a)(1) above shall be liable to
18 perform the obligations and duties of Lessee under this Lease only so long as such
19 transferee holds title to the leasehold. Any subsequent transfer of this leasehold
20 hereunder, except as provided for in Paragraph 22(a)(2) above, shall not be made without
21 the prior written consent of the County, and shall be subject to the conditions relating
22 hereto as set forth in Paragraph 22 herein.

23 (4) The Lessee shall give the County prior notice of any such trust
24 deed, and shall accompany such notice with a true copy of the trust deed and note secured
25 thereby.

26 (b) Right of Encumbrancer to Cure. The County agrees that it will not
27 terminate this Lease because of any default or breach hereunder on the part of the Lessee
28 if the Encumbrancer under the trust deed, within ninety (90) days after service of written



1 notice on the Encumbrancer by the County of its intention to terminate this Lease for such
2 default or breach, shall:

3 (1) Cure such default or breach if the same can be cured by the
4 payment or expenditure of money provided to be paid under the terms of this Lease;
5 provided, however, that for the purpose of the foregoing, the Encumbrancer shall not be
6 required to pay money to cure the bankruptcy or insolvency of Lessee; or,

7 (2) If such default or breach is not so curable, cause the trustee
8 under the trust deed to commence and thereafter diligently to pursue to completion steps
9 and proceedings for judicial foreclosure, the exercise of the power of sale under and
10 pursuant to the trust deed in the manner provided by law, or accept from the Lessee an
11 assignment in lieu of foreclosure, and keep and perform all of the covenants and conditions
12 of this Lease requiring the payment or expenditure of money by the Lessee until such time
13 as said leasehold shall be sold upon foreclosure pursuant to the trust deed, be released
14 or reconveyed thereunder, be sold upon judicial foreclosure, or be transferred by deed in
15 lieu of foreclosure.

16 23. Estoppel Certificate. Each party shall, at any time during the term of this
17 Lease, within ten (10) days of written Notice (or as soon as reasonably possible) from the
18 other party, execute and deliver a statement in writing certifying that this Lease is
19 unmodified and in full force and effect, or if modified, stating the nature of such
20 modification. The statement shall include other details requested by the other party as to
21 the date to which rent and other charges have been paid, and the knowledge of the other
22 party concerning any uncured defaults with respect to obligations under this Lease and the
23 nature of such defaults, if they are claimed. Any such statement may be relied upon
24 conclusively by any prospective purchaser, encumbrancer, or sublessee of the Leased
25 Premises, the building(s), or any portion thereof.

26 24. Toxic Materials. During the term of this Lease and any extensions thereof,
27 the Lessee shall not violate any federal, state, or local law, ordinance, or regulation relating
28 to industrial hygiene or to the environmental condition on, under, or about the Leased

1 Premises, including, but not limited to, soil, air, and groundwater conditions. Further, the
2 Lessee, its successors, assigns, and sublessees, shall not use, generate, manufacture,
3 produce, store, or dispose of on, under, or about the Leased Premises, or transport to or
4 from the Leased Premises, any flammable explosives, asbestos, radioactive materials,
5 hazardous wastes, toxic substances, or related injurious materials, whether injurious by
6 themselves or in combination with other materials (collectively, "hazardous materials"). For
7 the purpose of this Lease, hazardous materials shall include, but not be limited to,
8 substances defined as "hazardous substances," "hazardous materials," or "toxic
9 substances" in the Comprehensive Environmental Response, Compensation and Liability
10 Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials
11 Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and
12 Recovery Act, 42 U.S.C. Section 6901, et seq.; those substances defined as "hazardous
13 wastes" in Section 25117 of the California Health and Safety Code or as "hazardous
14 substances" in Section 25316 of the California Health and Safety Code; and in the
15 regulations adopted in publications promulgated pursuant to said laws.

16 25. National Pollution Discharge Elimination System (NPDES) Permit. The
17 Lessee acknowledges, understands, and agrees that it shall comply with California State
18 Water Resources Control Board general permit requirements relating to storm water
19 discharges associated with activities such as aircraft rehabilitation, mechanical repairs,
20 fueling, lubrication, cleaning, painting, and deicing. The Lessee further acknowledges,
21 understands, and agrees that it shall participate as a co-permittee under said general
22 permit in the French Valley Airport Storm Water Pollution Prevention Plan (SWPPP) as
23 noted in Exhibit "D", including without limitation, the Best Management Practices, Best
24 Available Technology Economically Achievable, and Best Conventional Pollutant Control
25 Technology.

26 26. Free from Liens. The Lessee shall pay, when due, all sums of money that
27 may become due for any labor, services, material, supplies, or equipment, alleged to have
28 been furnished or to be furnished to the Lessee, in, upon, or about the Leased Premises,



1 and which may be secured by a mechanics, materialmen's, or other lien against the
2 Leased Premises or the County's interest therein, and will cause each such lien to be fully
3 discharged and released at the time the performance of any obligation secured by such
4 lien matures or becomes due; provided, however, that if the Lessee desire to contest any
5 such lien, it may do so, but notwithstanding any such contest, if such lien shall be reduced
6 to final judgment, and such judgment or such process as may be issued for the
7 enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter
8 expires, then and in such event, the Lessee shall forthwith pay and discharge said
9 judgment.

10 27. Employees and Agents of Lessee. It is understood and agreed that all
11 persons hired or engaged by the Lessee shall be considered to be employees or agents
12 of the Lessee and not of the County.

13 28. Binding on Successors. The Lessee, its assigns and successors in interest,
14 shall be bound by all the terms and conditions contained in this Lease, and all of the
15 parties thereto shall be jointly and severally liable hereunder.

16 29. Right of First Refusal. Providing that the Lessee faithfully performs all of the
17 conditions and covenants contained herein, and is not in default of this Lease at the date
18 of expiration, and further providing that the County offers the Leased Premises for lease
19 at any time during the twelve (12) months subsequent to said expiration, the Lessee, its
20 successor or assigns shall have the first right of refusal to enter into a new lease
21 agreement with the County under the final terms being offered by the County to any
22 prospective lessee. Issuance of a Request for Proposals or Bid or similar issuance does
23 not constitute an offering of lease terms. The County shall provide the Lessee written
24 notice, by United States mail, that the Leased Premises are available for lease, and the
25 terms of the proposed lease, and the Lessee shall have thirty (30) days from the postmark
26 of said notice to give written notice of acceptance of the proposed lease under the terms
27 and conditions contained in said notice. Should the Lessee fail to notify the County of
28 acceptance of said lease agreement within the thirty (30) days set forth herein, the Lessee

1 shall be deemed to have rejected said offer to lease, and the County shall be released
2 from any further obligation hereunder.

3 30. Waiver of Performance. No waiver by the County at any time of any of the
4 terms and conditions of this Lease shall be deemed or construed as a waiver at any time
5 thereafter of the same or of any other terms or conditions contained herein or of the strict
6 and timely performance of such terms and conditions.

7 32. Severability. The invalidity of any provision of this Lease as determined by
8 a court of competent jurisdiction shall in no way affect the validity of any other provision
9 hereof.

10 33. Venue. Any action at law or in equity brought by either of the parties hereto
11 for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a
12 Court of competent jurisdiction in the County of Riverside, State of California, and the
13 parties hereby waive all provisions of law providing for a change of venue in such
14 proceedings to any other County.

15 34. Attorneys' Fees. In the event of any litigation or arbitration between the
16 Lessee and the County to enforce any of the provisions of this Lease or any right of either
17 party hereto, the unsuccessful party to such litigation or arbitration agrees to pay to the
18 successful party all costs and expenses, including reasonable attorneys' fees, incurred
19 therein by the successful party, all of which shall be included in and as a part of the
20 judgment or award rendered in such litigation or arbitration.

21 35. Notices and Correspondence. Any notices or correspondence required or
22 desired to be served upon or delivered to the other party shall be addressed as set forth
23 below:

24 COUNTY

25 County of Riverside
26 Economic Development Agency
27 3525 14th Street
28 Riverside, CA 92501
Attn: Executive Director

LESSEE

Aviation Sales California, Inc.
37552 Winchester Road, Hangar 40
Murrieta, CA 92563
Attn: Regional Manager/General Manager

-and-

Aviation Sales, Inc.
12260 East Control Tower Road
Englewood, CO 80112
Attn: President

1
2
3
4 or to such other addresses as from time to time shall be designated by the respective
5 parties.

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

9 37. County's Representative. The County hereby appoints the Economic
10 Development Agency's Executive Director or his designee as its authorized representative
11 to administer this Lease.

12 38. Acknowledgment of Lease by County. Upon execution of this Lease by the
13 parties hereto, this Lease shall be acknowledged by the County in such a manner that it
14 will be acceptable by the County Recorder for recordation purposes, and thereafter, the
15 Lessee shall cause this Lease to be recorded in the office of the County Recorder of
16 Riverside County forthwith and furnish the County with a conformed copy thereof.

17 39. Agent for Service of Process. It is expressly understood and agreed that in
18 the event the Lessee is not a resident of the State of California or it is an association or
19 partnership without a member or partner resident of the State of California, or it is a foreign
20 corporation, then in any such event, the Lessee shall file with the County's clerk, upon its
21 execution hereof, a designation of a natural person residing in the State of California,
22 giving his or her name, residence and business addresses, as its agent for the purpose of
23 service of process in any court action arising out of or based upon this Lease, and the
24 delivery to such agent of a copy of any process in any such action shall constitute valid
25 service upon Lessee. It is further expressly understood and agreed that if for any reason
26 service of such process upon such agent is not feasible, then in such event the Lessee
27 may be personally served with such process out of the County and that such service shall
28 constitute valid service upon Lessee. It is further expressly understood and agreed that

1 Lessee is amenable to the process so served, submits to the jurisdiction of the Court so
2 obtained and waives any and all objections and protests thereto.

3 40. FAA Consent to Lease. The Lessee acknowledges that French Valley Airport
4 was transferred to the County by the Federal Government and, as such, may require FAA
5 consent to the Lease.

6 41. Entire Lease. This Lease is intended by the parties hereto as a final
7 expression of their understanding with respect to the subject matter hereof and as a
8 complete and exclusive statement of the terms and conditions thereof and supersedes any
9 and all prior and contemporaneous leases, agreements and understandings, oral or
10 written, in connection therewith. This Lease may be changed or modified only upon the
11 written consent of the parties hereto.

12 42. Construction of Lease. The parties hereto negotiated this Lease at arms
13 length and with the advise of there respective attorneys, and no provisions contained
14 herein shall be construed against the County solely because it prepared this Lease in its
15 executed form.

16 ///

17 ///

18 ///

19 ///

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

1 ///

2 COUNTY OF RIVERSIDE

3 Date: MAY 08 2001

(SEAL)

4
5 By: [Signature]
6 Chairman, Board of Supervisors

7 Approved as to Form:

Attest:

8 APR 18 2001

9 By: [Signature]
10 Joe S. Rank, Assistant County Counsel
11 Dep. Co Counsel

By: [Signature]
Gerald A. Maloney, Clerk of the Board

11 AVIATION SALES CALIFORNIA, INC.

12 Date: 4/3/01

14 By: [Signature]
15 Title: President

17 By: [Signature]
18 Title: Vice President

19 Attachments:

- 20 1. Exhibit A - Legal Description
- 21 2. Exhibit B - FBO Minimum Standards
- 22 3. Exhibit C - Drainage Area Map for the French Valley Airport
- 23 4. Exhibit D - Storm Water Pollution Prevention Plan
- 24 5. Exhibit E - Utility Easement Locations
- 25 6. Exhibit F - Federally Required Lease Provisions

F:\Shared\EDCOM\AIRPORTS\FRVALLEY\Aviation Sales, Inc\ASILease1.wpd

5/8/01 3.17

EXHIBIT "A"
LEGAL DESCRIPTION

EXHIBIT "A"

**AMENDED LOT 3
LEGAL DESCRIPTION
FRENCH VALLEY AIRPORT FIXED BASE OPERATOR (FBO) SITE**

Lot 3 of Parcel 1 as described by Exhibit "A" of the lease agreement dated February 29, 2000 between the County of Riverside and Valley Airport Associates, a California Limited Liability Company. Said Lot 3 of said Parcel 1, lying within French Valley Airport, being a portion of Section 7, Township 7 South, Range 2 West, San Bernardino Meridian, Riverside County, State of California, more particularly described as follows:

COMMENCING at the southwest corner of said Section 7 as shown by Record of Survey filed in Book 57, Page 81, Official Records of said County;

Thence South $89^{\circ}53'17''$ East, a distance of 999.66 feet along the southerly line of said Section 7 as shown by said Record of Survey;

Thence leaving said section line North $12^{\circ}17'07''$ East, a distance of 3200.67 feet to a point being the prolongation of the southerly line of the most westerly line of said Lot 3, being also the northerly line of The Fire Station Parcel;

Thence at a right angle South $77^{\circ}42'53''$ East, a distance of 32.00 feet along said line to the POINT OF BEGINNING;

Thence at a right angle North $12^{\circ}17'07''$ East, a distance of 293.77 feet to the northwesterly corner of said Lot 3;

Thence at a right angle South $77^{\circ}42'53''$ East, a distance of 444.83 feet to the northeasterly corner of said Lot 3;

Thence at a right angle South $12^{\circ}17'07''$ West, a distance of 552.00 feet to the beginning of a curve, concave northwesterly, having a radius of 10.00 feet;

Thence southwesterly and westerly along said curve through a central angle of $90^{\circ}00'00''$, an arc length of 15.71 feet;

Thence North $77^{\circ}42'53''$ West, a distance of 80.63 feet;

Thence North $42^{\circ}56'11''$ West, a distance of 88.11 feet to the easterly line of said Fire Station Parcel;

EXHIBIT "A"

Thence North $12^{\circ}17'07''$ East along said easterly line of The Fire Station Parcel, a distance of 125.47 feet;

Thence South $77^{\circ}42'53''$ West, a distance of 47.50 feet;

Thence North $12^{\circ}17'07''$ East, a distance of 27.50 feet;

Thence North $77^{\circ}42'53''$ West, a distance of 47.50 feet;

Thence North $12^{\circ}17'07''$ East, a distance of 65.00 feet to the northeasterly corner of said Fire Station Parcel;

Thence North $77^{\circ}42'53''$ West along the northerly line of said Fire Station Parcel, a distance of 281.83 feet to the POINT OF BEGINNING, as shown on Exhibit "B" Plat attached hereto and made part hereof.

Basis of Bearing: The southerly line of said Section 7 as shown by Record of Survey filed in Book 57, Page 81, Official Records of said County, being North $89^{\circ}53'17''$ West.

Contains 3.93 acres, more or less

RLW/blt
LEGAL/J800/807-23F
2/21/01

EXHIBIT "B"

**COUNTY OF RIVERSIDE
MINIMUM STANDARDS FOR
FIXED BASE OPERATORS**

Minimum Standards for Fixed Base Operators

Riverside County Airports

RIVERSIDE
C O U N T Y



**County of Riverside
Economic Development Agency**
3525 Fourteenth Street
Riverside CA 92501
Phone: (909) 955-8916
Fax: (909) 955-6686

Adopted January 30, 2001

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	DEFINITIONS	1
III.	AIRPORT RULES AND REGULATIONS	3
	A. Lease	3
	B. Airport Layout	3
	C. Signs	3
	D. Building Design, Construction, and/or Alterations	4
	E. Inspections	4
	F. Flying Clubs	4
	G. Waiver from Minimum Standards	4
	H. Civil Rights	4
	I. Insurance	5
	J. Lot Size	5
	K. Outdoor Storage	5
	L. Maintenance	5
IV.	SCOPE OF SERVICES	6
	A. Full Service FBO	7
	B. Aircraft Maintenance	8
	C. Radio and Avionics Repair Station & Sales	9
	D. Flight Instruction	10
	E. Aircraft Sales, Rental, and Leasing	11
	F. Aircraft Storage	12
	G. Agricultural Application	13
	H. Other Aeronautical Activities	15

APPENDIX A - INSURANCE REQUIREMENTS

APPENDIX B - FUELING STANDARDS

I. INTRODUCTION

Riverside County is the owner (sponsor) of the following six airports in Riverside County: Blythe, Chiraco Summit, Desert Center, Desert Resorts 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 six (6) airports owned by Riverside County: Blythe, Chiraco Summit, Desert Center, Desert Resorts 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, Chiraco Summit, Desert Center, Desert Resorts 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 developed 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 provide 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, Desert Resorts 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 ALPs and Master Plans will not be approved.

C. Signs

All signs (commercial, traffic, services, advertising, etc.) must receive written approval from the EDA Executive Director 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 EDA Executive Director.

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 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 EDA Executive Director.

The County reserves the right to require a Performance Bond or 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. Inspections, under this provision, may be conducted by County staff, County contractors, the FAA, and/or the State of California.

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 EDA Executive Director expressing their hardship to conform with the Minimum Standards. The EDA Executive Director 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 EDA Executive Director 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 EDA Executive Director 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 EDA Executive Director 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 EDA Executive Director, 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 EDA Executive Director.

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 FBO's 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 DRRRA (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 FBO's 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 Ord. 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
CERTIFICATION:		
As applicable for each activity	FAA, State, and/or other responsible agency as applicable	For safe and efficient operation of airport and aeronautical activities
PERSONNEL:		
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
HOURS OF OPERATION:		
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
EQUIPMENT:		
Aeronautical operations	Refer to tables for equipment required for each activity	
FBOs providing aircraft fueling and servicing	Refer to Airport Fueling Standards	
INSURANCE:		
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>
LOT SIZE: 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.

REQUIREMENT

MINIMUM STANDARD

PURPOSE / OTHER

LOT SIZE: 150 SF

Repair station

150 SF

Automobile parking

One (1) space per 150 SF, with landscaping as required by Ord. 348

CERTIFICATION:

Station

Authorized repair station and certified under FAR Part 145

PERSONNEL:

Staff

One (1) FAA certified repairman

Certification & training

Proper certification and training

To comply with all applicable regulations

HOURS OF OPERATION:

Business Hours

Available for appointment for at least 40 hrs/week

EQUIPMENT:

Sufficient inventory and equipment available to perform maintenance and repairs to manufacturers' specifications.

INSURANCE:

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.

REQUIREMENT

MINIMUM STANDARD

PURPOSE / OTHER

LOT SIZE: 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	

PERSONNEL:

Staff	One (1) certified flight instructor	To be available during normal hours of operation
	One (1) qualified ground school instructor	For classroom instruction

HOURS OF OPERATION:

Business Hours	Available for appointment for at least 40 hrs/week
----------------	--

EQUIPMENT:

Aircraft	One (1) single-engine aircraft	Available for flight training
----------	--------------------------------	-------------------------------

INSURANCE:

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 involves the sale of new aircraft through franchises or licensed dealerships (if required by local, county, or state authority) or distributorship (either on 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. An 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>
LOT SIZE: 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 50 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

CERTIFICATION:

Permits and certificates	Must be submitted to EDA Executive Director or Designee prior to operations.	
Renewals	Furnished to EDA Executive Director or Designee as received.	
Agricultural Application Operator	Procure and maintain FAR Part 137 Commercial Agricultural Operators Certificate.	
Hazardous Materials Management Permit	Possess Hazardous Materials Management Permit	County Ordinance No. 615

PERSONNEL:

Staff	Minimum number to be determined during lease negotiations.
Certification & training	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.

HOURS OF OPERATION:

Business Hours	Available for appointment for a minimum of 40 Hrs/week	Services offered 7 days/week
----------------	--	------------------------------

EQUIPMENT:

To be determined during lease negotiations.

INSURANCE:

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: <ol style="list-style-type: none"> 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 EDA Executive Director 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 EDA Executive Director 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>
LOT SIZE: 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.
CERTIFICATION:		
As applicable for each activity	FAA, State, and local certification and licensing as applicable	For safe and efficient operation of airport and aeronautical activities
PERSONNEL:		
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
HOURS OF OPERATION:		
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.
EQUIPMENT:		
	To be determined during lease negotiations depending on the type of activity proposed.	
INSURANCE:		
Refer to Appendix A		

EXHIBIT "C"

**DRAINAGE AREA MAP FOR
THE FRENCH VALLEY AIRPORT**

EXHIBIT "D"

**STORM WATER POLLUTION
PREVENTION PLAN FOR THE
FRENCH VALLEY AIRPORT**

FRENCH VALLEY 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 933S006139

STORM WATER POLLUTION PREVENTION PLAN
DOCUMENTATION

AIRPORT RESEARCH AND DEVELOPMENT FOUNDATION
ARDF

SWPPP
DOCUMENTATION

TO BE PLACED ON FILE FOR REVIEW

JUNE 1992

STORM WATER POLLUTION PREVENTION PLAN

INTRODUCTION AND PURPOSE

The California airport group members have submitted their Notices of Intent (NOIs) and are now in the compliance phase of the California General Permit. The General Permit requires airport dischargers 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 are not being achieved.

PLANNING AND ORGANIZATION

POLLUTION PREVENTION PERSONNEL

POLLUTION PREVENTION COMMITTEE MEMBERS

Airport Manager/Representative Thomas Turner
Dutys: Overall airport compliance. SWPPP inspections and reports.
Phone (714) 929-4361 24 hr Phone (619) 244-4772

Designated Individuals

Name COMARCO Title AIRPORT MANAGMENT & MAINT.
Phone 696-2023 24 hr Phone _____

Dutys: daily inspections and maintenance of drainage stuctures

Name Steve Egnew Title Airport Maintenance & Operations Worker II
Phone (714) 929-4361 24 hr Phone (714) 926-3405

Dutys: Daily inspections.

Name Brian Gallagher Title Owner: Airmech, F.B.O.
Phone (714) 696-0160 24 hr Phone _____

Dutys: FBO compliance.

Name Joe Diorio Title F.B.O. operater
Phone 677-2756 24 hr Phone _____
Dutys: FBO compliance

Name _____ Title _____
Phone _____ 24 hr Phone _____

Name _____ Title _____
Phone _____ 24 hr Phone _____

NPDES PERMIT REQUIREMENT CHECKLIST

FRENCH VALLEY AIRPORT

Initial & Date

NOI & Fee Sent to SWRCB

3/26/92

SWPPP Complete

9/22/92

Monitoring Plan Complete

11/12/92

Group Monitoring Agreement (if appropriate)

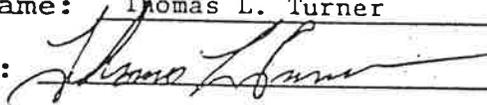
A.A.A.E.

Other: PERMIT # 9335006139.

5/19/92
MO, 3.31

This is to certify that the above mentioned items have been prepared and completed under my direction and supervision in compliance with the NPDES General Industrial/Construction Permit.

Printed Name: Thomas L. Turner

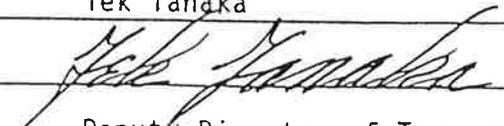
Signature:  Date: 2/1/93

Title: Airport Operations & Maintenance Supervisor

SWPPP Certification

"I certify under penalty of law that this document and all attachments were prepared under my direction and supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment." In addition, I certify that the provisions of the permit, including the development and implementation of a Storm Water Pollution Plan and a Monitoring Program Plan, will be complied with.

Printed Name: Tek Tanaka

Signature:  Date: 2-18-93

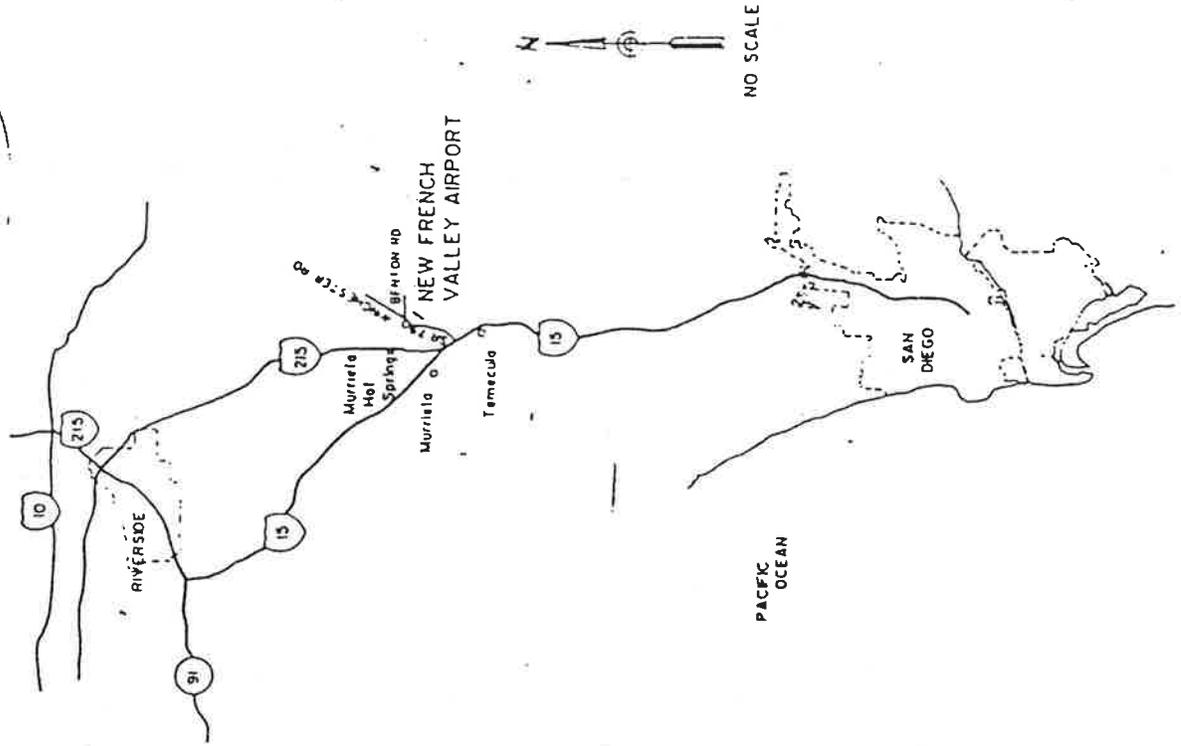
Title: Deputy Director of Transportation

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



VICINITY MAP

Description of Significant Material Handling

Significant Materials Treated or Stored

Significant Materials Stored:

- 1.) 12,000 Gallons of AvGas Maximum (Underground Tanks).
- 2.) 12,000 Gallons Jet - A Maximum (Underground Tanks).
- 3.) Used Motor Oil.

Significant Materials Disposed:

- 1.) Fuel from underground tank are used in aircraft. Underground and above-ground tanks are regulated by Title 23 of the California Health and Safety Code, EPA Underground Tank Regulations, and Riverside County Ordinance No. 617.
- 2.) Used motor oil is recycled through a licensed contractor.

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

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

MAY 8, 1998 NO SIGNIFICANT SPILLS HAVE BEEN REPORTED

Materials Management Practices:

- 1.) All hazardous material spills must be reported to airport management, County Health Department, and County Fire Department to insure immediate and proper clean-up and disposal. Liquid absorbent materials are stored at the airport.
- 2.) Areas where materials are stored and/or have the possibility to spill are inspected monthly, with spot inspections during the daily airport safety 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 preventive maintenance.
- 2.) Cleaning vehicles with only biodegradable solvents and soaps, in designated areas only.
- 3.) Routine daily inspections on vehicles.

Material Loading, Unloading, and Access Areas:

- 1.) Insure all personnel are trained and/or have proper licensing.
- 2.) Restrict material handling areas to trained personnel only.
- 3.) Inspect equipment monthly to insure it is working properly and that the responsible party is notified so that repairs can be made on faulty equipment.

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

- 1.) Oil water separators at floor drains. RNTORS SANITARY SEWER SYSTEM
- 2.) E.B.S. Unit at aircraft wash racks. RNTORS SANITARY SEWER SYSTEM
- 3.) Monthly inspections of all aircraft tiedowns, auto parking lots, streets, and hangar areas.

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

- 1.) Use of dirt roads restricted to airport employees for inspections and/or emergency response to aircraft accidents.
- 2.) Monthly inspections of all drains, ditches, flood control berms, and outfalls to insure no dry weather signs of runoff water is present.

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 underground tanks or in fuel trucks.
- 2.) Motor vehicle oils are stored inside buildings.
- 3.) Used oils are stored in County Health approved above-ground tanks with retention basins.

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 and future development lots are unpaved, but are restricted to use.

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

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 is a 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.

Airport Size

Airport Size (acres or square feet):

265 Acres

Impervious Area (acres or square feet):

34.45 Acres

39.24 AC.
5-10-93 ~~R~~

48.25 TOTAL
+9.01 ACRES
9-11-96

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

13%

15.76
APPROX.
5-10-93 ~~R~~

18.2%
9-11-96

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.

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 the tiedown areas to look for leaks and spills.
- 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 be wiped from ail 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 biodegradeable solvents and soap, then disposed of properly.
- 5.) Drip pans and 100 lbs. of liquid absorbent material stored at each F.B.O. site 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, 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 simolify clean-up if a spill does occur. Also keeps clean-up cost down.

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

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 ~~Paul Hardin~~ JAKA BOGOWAN
Title ~~Lead Airport Operations and Maintenance Worker~~ AIRPORT MANAGER
Phone ~~(714) 929-4361~~ 909-696-7023 24 hr Phone ~~(714) 925-4376~~

Alternate ~~Steve Egnew~~ LARRY HAYNE
Title ~~Airport Operations and Maintenance Worker II~~ AIRPORT SUPERVISOR
Phone ~~(714) 929-4361~~ 24 hr Phone ~~(714) 926-3405~~
909-929-5189

Alternate Tom Turner
Title Airport Operations and Maintenance Supervisor
Phone ~~(714) 929-4361~~ 24 hr Phone (619) 244-4772
909-955-6735

Storm Water Management Practices

- 1.) Daily inspections of tiedown 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 be wiped from all surfaces before washing. WASH RACKS ARE TO BE USED.
- 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 and 100 lbs. 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 (next page

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 preventive scheduled maintenance to prevent leaks.
- 14.) Drip pans installed under areas where leaks may occur.
- 15.) Scheduled preventive maintenance.
- 16.) Cleaning vehicles with only biodegradeable 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.
- 23.) Rip-rap all applicable outfalls, embankments and drain ditches.
- 24.) Keep cracks in parking lots and tiedowns filled with crack fillers.
- 25.) Take annual soil samples at outfalls.

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 subject 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

Inspections

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.

EXHIBIT "E"
UTILITY EASEMENT LOCATIONS

EX IT "B"
PORTION SECTION 7, T.7S., R.2W., SBM
RECORD OF SURVEY BK. 57. PG. 81
RECORDS OF RIVERSIDE COUNTY

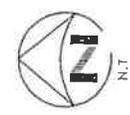


INDUSTRIAL SITE PARCEL 2
 AS DESCRIBED BY EXHIBIT
 "A-1" OF LEASE AGREEMENT
 DATED NOVEMBER 14, 1995
 AND ASSIGNED TO DOMENIGONI
 FAMILY TRUST ON AUGUST
 7, 1996 (COUNTY OF
 RIVERSIDE LEASOR)



6' VERIZON EASEMENT

P.O.B.



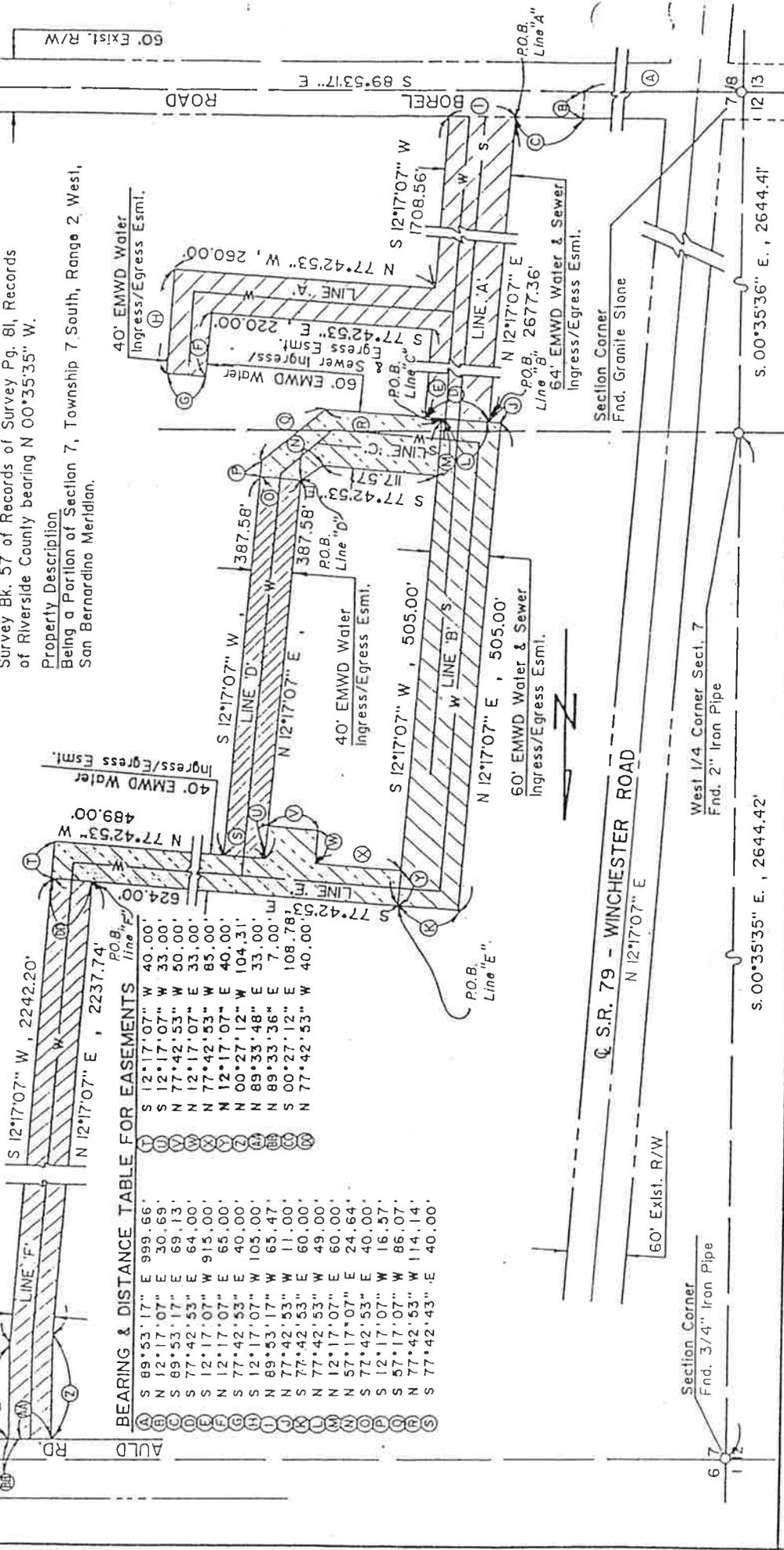
DETAIL
 N.T.S.

REVISIONS		REFERENCES		SCALE	AS SHOWN	DATE
NO.	DATE	INITIAL	DESCRIPTION	DESIGNED	KRIEGER & STEWART	DATE
				DRAWN	STAFF	10/19/00
				TRACED		
				CHECKED	RLW	
				RECORDING DATA		
				INST. NO.	DATE:	
				INST. NO.	DATE:	
				ENGINEERING	RIGHT OF WAY	
				APPROVALS		
				APPROVED _____ DATE _____		
				RIVERSIDE COUNTY REDEVELOPMENT AGENCY RIVERSIDE COUNTY, CALIFORNIA		
				VERIZON GRANT OF EASEMENT PLAT		
				W.O.	C.O.	COORD.
				SHT. 1 OF 1		
				RB-		

Basis of Bearings
 West Line Section 7, T7S, R2W, per the Record of Survey Bk. 57 of Records of Survey Pg. 81, Records of Riverside County bearing N 00°35'35" W.

Property Description
 Being a Portion of Section 7, Township 7 South, Range 2 West, San Bernardino Meridian.

Section 7 T7S, R2W
 French Valley Airport



BEARING & DISTANCE TABLE FOR EASEMENTS

Point	Bearing	Distance
A	S 89°53'17" E	999.66'
B	S 12°17'07" W	40.00'
C	S 12°17'07" E	30.69'
D	S 89°53'17" E	69.13'
E	N 77°42'53" W	60.00'
F	S 77°42'53" E	64.00'
G	S 12°17'07" W	915.00'
H	N 77°42'53" W	85.00'
I	N 12°17'07" E	40.00'
J	S 77°42'53" E	40.00'
K	S 12°17'07" W	103.00'
L	N 89°53'17" W	65.47'
M	S 77°42'53" E	11.00'
N	S 77°42'53" E	60.00'
O	N 77°42'53" W	49.00'
P	N 12°17'07" E	60.00'
Q	N 57°17'07" E	24.64'
R	S 77°42'53" E	40.00'
S	S 12°17'07" W	16.57'
T	S 57°17'07" W	86.07'
U	N 77°42'53" W	114.14'
V	S 77°42'43" E	40.00'

REVISIONS		REFERENCES		SCALE	DATE
NO	DATE	INITIAL	DESCRIPTION	1" = 100'	
				DESIGNED ZAH ENGR.	
				DRAWN	
				TRACED	
				CHECKED BEV TRAIL	3/12/90
				SUBMITTED	
				RECOMMENDED	

EASTERN MUNICIPAL WATER DISTRICT RIVERSIDE COUNTY, CALIFORNIA		WO 89-437
Service Area 43 & 34		CO
E.M.W.D. GRANT EASEMENT PLAT		COORD: 31-K
Property of Riverside County		SHT 1 of 1
APPROVED	<i>William J. Plym</i> INTER ENGINEER	RB-3218

EXHIBIT "E"

EMWD UTILITY EASEMENT
LINE "E"

An easement for water lines over that portion of Section 7, Township 7 South, Range 2 West, San Bernardino Meridian, Riverside County, California, more particularly described as follows:

COMMENCING at the Northwest corner of said Section 7, said corner being a 3/4" I.P. with tag L.S. 3968, "TRUE POINT OF BEGINNING";

Thence, "South 00°35'35" East, (Basis of Bearings being the west line of Section 7, T7S, R2W, SBM per the Record of Survey filed in Book 57 of Records of Survey at page 81, "Records of Riverside County" being "North 00°35'35" West") along said west line a distance of 2644.42 feet" to the west quarter corner of said Section 7;

Thence, continuing "South 00°35'35" East, along said west line a distance of 2644.41 feet" to the southwest corner of said Section 7;

Thence, "South 89°53'17" East, along the south line of said Section 7 a distance of 999.66 feet" to a point;

Thence, departing said south section line North 12°17'07" East, a distance of 30.69 feet" to a point on the western boundary of the French Valley Airport and the north right-of-way line of Borel Road;

Thence, "South 89°53'17" East, a distance of 69.13 feet" along said north right-of-way line to a point;

Thence, "North 12°17'07" East, a distance of 2,677.36 feet" to a point;

Thence, "North 77°42'53" West, a distance of 11.00 feet" to a point;

Thence, "North 12°17'07" East, a distance of 505.00 feet" to a point;

Thence, "South 77°42'53" East, a distance of 60.00 feet" to the "Point of Beginning" of said easement;

Thence, "South 77°42'53" East, a distance of 624.00 feet" to a point;

Thence, "South 12°17'07" West, a distance of 40.00 feet" to a point;

Thence, "North 77°42'53" West, a distance of 489.00 feet" to a point;

Thence, "South 12°17'07" West, a distance of 33.00 feet" to a point;

Thence, "North 77°42'53" West, a distance of 50.00 feet" to a point;

Thence, "North 12°17'07" East, a distance of 33.00 feet" to a point;

Thence, "North 77°42'53" West, a distance of 85.00 feet" to a point;

Thence, "North 12°17'07" East, a distance of 40.00 feet" to the "Point of Beginning".

EXHIBIT "F"

**FEDERAL AVIATION ADMINISTRATION
MANDATORY LEASE PROVISIONS**

EXHIBIT "F"

FEDERAL AVIATION ADMINISTRATION MANDATORY 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 French Valley 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 French Valley 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.

FIRST AMENDMENT TO LEASE
French Valley Airport

This First Amendment to Lease ("Amendment") is entered into by and between the County of Riverside (hereinafter "County"), and Aviation Sales California, a California corporation, (herein called "Lessee"), with reference to the following:

RECITALS

A. WHEREAS, County and Lessee, are parties to that certain lease (hereinafter the "Lease") dated May 8, 2001, wherein Lessee agreed to lease from County, approximately 3.93 acres of property ("Leased Premises") located at the French Valley Airport; and

B. WHEREAS, the County and Lessee now desire to modify the Lease in accordance with the terms and provisions of this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that the Lease shall be modified as follows:

1. Paragraph 5 Rent, page 2, subparagraph (a) shall be modified by adding the following at the end of said paragraph 5(a):

"Commencing July 1, 2005 the Base Monthly Rent shall be \$3,994.45.

2. Subparagraph 5 (c), page 2 of the Lease, the date in line 23 shall be "changed to July 1, 2015."

WHEREFOR, the parties hereto have executed this Amendment as of the dates set forth below.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]

A rectangular stamp with the word "COPY" in a bold, sans-serif font. To the left of the word is a small square containing the letter "C".

JUN 27 2006 3.16

Dated: 3/20/06 RA

LESSEE:

Aviation Sales California, Inc., a
California corporation

David Domenico, President

By: David Domenico
Its: President

Louis Domenico Jr.

By: Louis Domenico Jr.
Its: Vice President

Dated: JUN 27 2006

COUNTY OF RIVERSIDE

By: Bob Buster

Chairman, Board of Supervisors

BOB BUSTER

(SEAL)

APPROVED AS TO FORM:
Joe S. Rank, County Counsel

ATTEST:
Nancy Romero, Clerk of the Board

By: Gordon V. Ubo 6/13/06
Deputy

By: Schlemmer
Deputy