

EXHIBIT "B"

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.

Minimum Standards for Fixed Base Operators

Riverside County Airports

RIVERSIDE
C O U N T Y



**County of Riverside
Economic Development Agency**
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Adopted January 30, 2001

EXHIBIT C

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

Table C - RADIO AND AVIONICS REPAIR STATION & SALES

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

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

Table D - FLIGHT INSTRUCTION

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

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<u>LOT SIZE:</u> 500 SF (not necessarily contiguous)		
Classroom space	200 SF or as appropriate to the size of student population	For classroom instruction
Office and lobby areas	300 SF	For phones, restrooms, and space for adequate customer service
Automobile parking	3 spaces per aircraft, 2 for each additional for a maximum of 10 spaces, with landscaping as required by Ord. 348	For students and employees
Other	Any additional space necessary to house all owned or leased aircraft	

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
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EQUIPMENT:

Aircraft	One (1) single-engine aircraft	Available for flight training
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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>
<u>LOT SIZE:</u> 150 SF		
Building space	150 SF	For offices, lobby area, public phone, and restrooms
Tie-down/Hangar space	Adequate number	Storage
Automobile parking	One (1) per employee One (1) per 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

CERTIFICATION:

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

PERSONNEL:

Staff	One (1) commercial, qualified for aircraft type.	For demonstration of aircraft
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HOURS OF OPERATION:

Business Hours	Available for appointment at least 40 hrs/week
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EQUIPMENT:

Minimum equipment required shall be determined during lease negotiations.

INSURANCE:

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>
<u>LOT SIZE:</u> 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
<u>PERSONNEL:</u>		
Staff	One (1) contact person	To be available during the normal work week (M-F, 8am-5pm)
<u>HOURS OF OPERATION:</u>		
Minimum via phone contact	5 days/week, 8 hrs/day	
<u>INSURANCE:</u>		
Refer to Appendix A		
<u>ADDITIONAL GUIDELINES:</u>		
The County and Full Service FBOs shall possess the right to provide and operate the public aircraft storage areas unless circumstances warrant otherwise. No business activities shall be operated from storage areas.		

Table G - AGRICULTURAL APPLICATION

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

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
LOT SIZE: ½ acre or 21,780 SF		
Apron, tie-down area	6,000 SF	Storage
Building space	400 SF	For offices, lobby, public phone, and restrooms
Chemical storage	400 SF	
Automobile parking	Minimum of five (5) parking spaces, with landscaping as required by Ord. 348	For number of employees per shift and average number customers
Landscaping	Specific plans to be determined during lease negotiations	Required around vehicle parking, sidewalks, and buildings
<u>CERTIFICATION:</u>		
Permits and certificates	Must be submitted to 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
<u>PERSONNEL:</u>		
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.	
<u>HOURS OF OPERATION:</u>		
Business Hours	Available for appointment for a minimum of 40 Hrs/week	Services offered 7 days/week
<u>EQUIPMENT:</u>		
To be determined during lease negotiations.		
<u>INSURANCE:</u>		
Refer to Appendix		

Table G - AGRICULTURAL APPLICATION (continued)

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
ADDITIONAL GUIDELINES: Storage and containment of Hazardous Materials		
<p>a. Comply with California Regional Water Quality Control Board Resolution No. 79-38, dated March 14, 1979.</p> <p>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.</p> <p>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).</p> <p>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.</p> <p>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.</p> <p>f. Comply with Riverside County Ordinance No. 615 by completing the reporting form and obtaining a Hazardous Materials Management Permit.</p> <p>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.</p> <p>h. If hazardous wastes are stored 90 days or less, storage area and containment shall meet the following:</p> <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.
<u>CERTIFICATION:</u>		
As applicable for each activity	FAA, State, and local certification and licensing as applicable	For safe and efficient operation of airport and aeronautical activities
<u>PERSONNEL:</u>		
Staff	Sufficient number during normal hours of operation	
Certification & training	Properly trained and, if applicable, certified or licensed to perform the activities or a normal course of operation.	To comply with all applicable regulations
<u>HOURS OF OPERATION:</u>		
Services	To be determined during lease negotiations.	Minimum requirements would be: normal telephone contact five (5) days a week (M-F) eight (8) hours a day.
<u>EQUIPMENT:</u>		
	To be determined during lease negotiations depending on the type of activity proposed.	
<u>INSURANCE:</u>		
Refer to Appendix A		

STORM WATER POLLUTION PREVENTION PLAN

DOCUMENTATION

FRENCH VALLEY AIRPORT

AIRPORT RESEARCH AND DEVELOPMENT FOUNDATION

ARDF

SWPPP

DOCUMENTATION

W.D.I.D.#933s006139

LEASE COPY ONLY

S.W.P.P. MAY BE REVIEWED IN AIRPORTS MANAGERS OFFICE

EXHIBIT D

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 discharges to: eliminate non-storm water discharges; develop and implement a storm water pollution prevention plan; and perform monitoring of discharges to the storm water drainage system.

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

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

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

**PLANNING AND ORGANIZATION POLLUTION PREVENTION
PERSONNEL**

POLLUTION PREVENTION COMMITTEE MEMBERS

Airport Manager/Representative: Tom Turner
Phone: (909) 351-0700 X358
24hr. phone: Pager 909-412-3049

Designated Individuals

NAME: Tom Turner	TITLE: Airports Manager
PHONE: (909) 351-0700 X358	24 hr Phone: Pager (909)412-3049
NAME: Paul Harden	TITLE: Service Worker
PHONE: (909) 538-5164	
NAME: Joe Diorio	TITLE: Owner American Valet Air, F.B.O.
Phone: (909) 677-2756	

SWPPP CERTIFICATION

The SWPPP certification must be signed in accordance with the provisions of Section C9 of the General Permit.

SWPPP CERTIFICATION

The regulations require the above defined person to certify the airport's Storm Water Pollution Prevention Plan.

This is to certify that Tom Turner
Airport: French Valley

Title: Aviation Supervisor

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to ensure 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 for knowing violations.

Signature _____

Title _____

Date _____

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

Description of Significant Material Handling

Significant Materials Treated or Stored

Significant Materials Stored: 1) 12,000 gallons Avgas (underground)
2) 12,000 gallons Jet-A (underground)
3) Used motor oil

Significant Materials Disposed:

- 1) Fuel from underground tanks are used in aircraft. Underground and above ground tanks are regulated by Title 23 of the California Health and Safety Code, E.P.A. underground tank regulations, and Riverside County Ord.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): No significant spills have been reported.

Materials Management Practices:

- 1) All hazardous material spills must be reported to the airport manager, County Hazardous materials Div. Of County Health, and Riverside County Fire. 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 inspections.
 - 3) Insure material handlers have proper licenses and training.
-

Equipment Management Practices:

- 1) All equipment inspected monthly, i.e. fuel trucks, service equip. dispensers etc.
- 2) Preventive maintenance scheduled to prevent leaks.
- 3) Drip pans available to install under leaks.

Vehicle Management Practices:

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

Material Loading, Unloading, and Access Areas:

- 1) All personal are to have proper training or licensing.
- 2) Restrict material handling area to trained personnel only.
- 3) Inspect equipment monthly to insure proper working order and notify responsible party if faulty.

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

- 1) Oil water separators installed; floor drains in hangars and disposed of in the sanitary sewer system.
- 2) Oil and water separators installed at the aircraft wash areas, disposed of into the sanitary sewer system.
- 3) Monthly inspections of all aircraft tie downs, auto parking lots, streets and hangar areas.

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

- 1) Use of dirt roads is restricted to airport employees for inspections and 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 are present.

Airport Industrial Storm Water Treatment Facilities:

- 1) No facilities are now on the airport.

Methods of On-Site Disposal of Significant Materials:

All hazardous materials are disposed of in State approved sites or recycled.
No hazardous materials are disposed of at 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.

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

- 1) All airport roads and parking lots are paved. Some maintenance roads and future development lots are dirt, but have restricted access.
- 2) There are no significant industrial processes on the airport.

Pollutant List

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.

POLLUTANT LIST

TABLE 3-1

Date	Pollutant Present	Use	Quantity Estimate
10-99	Aviation fuels	Aircraft	none
	coolants	Ground vehicles	no spill history
	oil	Aircraft and ground equip.	" " "

Airport Size (acres or square feet): 265 acres

Impervious Area (acres or Square Feet): 48.25 acres

Percentage of Impervious Area (Impervious area/total area x 100): 18.2%

Significant Spills or Leaks

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

Summary of Sampling Data

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

ensure that an appropriate response to the inspection findings has been made. All inspection documentation and records must be maintained with the SWPPP for a period of 5 years. Table 4-1 should be used to record inspection and maintenance activities, and any corrective actions implemented.

Good House keeping

Written Protocol

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

1. Daily inspections of tie down areas to look for leaks and spills.
2. Notices sent to tenants to inform them of problems that need correcting.
3. Vehicle and equipment washing to be done in designated areas only.
4. NO HANGARS, equipment storage, or maintenance buildings will be hosed out. All oil and solvents must be cleaned up using absorbent material or biodegradable solvents or soap.
5. Drip pans and 100 pounds of oil absorbent material stored at each F.B.O. site.
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 overflow.
7. The airport and each co-permittee will train personnel in the proper handling, identification and clean up practices. List of agencies to notify when a spill occurs.
8. The designated airport representative to inspect the airport monthly to include co-permittees leaseholds, notify responsible not in compliance with the storm water plan.
9. All non-paved roads to be restricted to only necessary traffic.
10. All vehicle fueling to take place on paved areas.

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

Spill Prevention and Response

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

See Protocols

Emergency Response Coordinator

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

Designated Individual: Tom Turner
Title: Airport Manager
Phone: (909) 351-0700 X358
24 hr. Phone: Pager #: (909) 412-3049

Alternate: Paul Harden
Title: Maint. Service Worker
Phone: (909) 538-5164

Storm Water Management Practices

1. Daily inspections of tie down areas to look for leaks.
2. Notices sent to tenants informing them of problems that need correcting.
3. Vehicle and equipment washing to be done on wash racks.
4. All hangars and equipment storage areas are to be mopped with soaps and oil and solvent spills material.
5. Drip pans and absorbent material available at all F.B.O.s.
6. Drums and tanks to have canopies and retention areas.

Sediment Control and Erosion Prevention

1. Seed embankments where applicable to prevent erosion.
2. Install hay bails, screens, to trap sediment in earthen ditches.
3. All construction projects to have a S.W.P.P.P.

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 "B"

EXHIBIT B
Exclusions from Common Area Costs

Notwithstanding anything in the Sublease to the contrary, Common Area Costs shall not include the following (and the provisions of this Exhibit B shall control over any contrary or conflicting provision of the Sublease):

(1) Costs of capital improvements and alterations made by Sublessee, except for capital improvements and alterations made by the Sublessor which also improve the structures or hangars built by Sublessee. (The expenses of any capital improvements made by Sublessor not structurally integrated into the structures or hangars built by Sublessee shall not be considered to be Common Area Costs).

(2) Depreciation, amortization and interest payments, all as determined in accordance with generally accepted accounting principles, consistently applied.

(3) Marketing costs including leasing commissions, attorney's fees and other consultant fees in connection with the negotiation and preparation of leases and related agreements.

(4) Expenses in connection with services or other benefits which are not offered to Sublessee or for which Sublessee is charged directly by Sublessor or an independent contractor or a utility, but which are provided to another tenant or occupant of the Project the cost of which is included as Common Area Costs.

(5) Expenses incurred by Sublessor due to the violation by Sublessor or any tenant of the terms and conditions of any lease of space in the Project and penalties or fines incurred as a result of Sublessor's negligence, inability or unwillingness to make payments and/or to file any tax or informational returns when due.

(6) Overhead and profit increment paid to Sublessor or to subsidiaries or affiliates of Sublessor for goods and/or services in the Project to the extent the overhead and profit increment exceeds the cost of such goods and/or services rendered by unaffiliated third parties on a competitive basis for similar projects.

(7) Sublessor's general company overhead and general and administrative expenses and costs associated with the operation of the business of the Sublessor entity, including LLC accounting and legal matters, and any compensation paid to clerks, attendants or other persons in commercial concessions operated by or through landlord.

(8) Expenses incurred in connection with modifying the project to comply with handicap, life, fire and safety and any other laws and codes in effect on or prior to the Commencement Date.

(9) Costs arising from the presence of hazardous or toxic wastes or substances in or about the Project (unless caused by Sublessee or his agents, employees, contractors, guests or permittees), and costs arising from defects in the structure of the building (or improvements thereto) at the project installed by Landlord or repair thereof.

(10) Any bad debt loss, rent loss or reserves of any kind.

(11) Wages and benefits of any employee who does not devote substantially all of his or her employed time to the Project unless such wages and benefits are prorated to reflect time spent on operating and managing the project vis-a-vis time spent on matters unrelated to operating and managing the Project, and in no event any wages or benefits attributable to personnel above the level of Project manager.

(12) Costs arising from the negligence or Willful misconduct of Sublessor or its agents, employees or contractors.

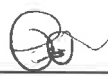
(13) Management fees in excess of customary amounts for other similar airports in southern California.

(14) Any expenses paid by any tenant directly to third parties or as to which Sublessor is otherwise reimbursed by any third party or by insurance proceeds.

(15) Any brokerage fees.

Sublessor shall not collect or be entitled to collect Common Area Costs from its tenants in an amount which is in excess of 100% of the Common Area Costs actually paid by Sublessor in connection with the operation of the Project (inclusive of any management fee whether paid to Sublessor or a third party) and Sublessor will not "double recover" any Common area costs.

SUBLESSOR

FRENCH VALLEY HANGARS, LLC  [initials]

SUBLESSEE

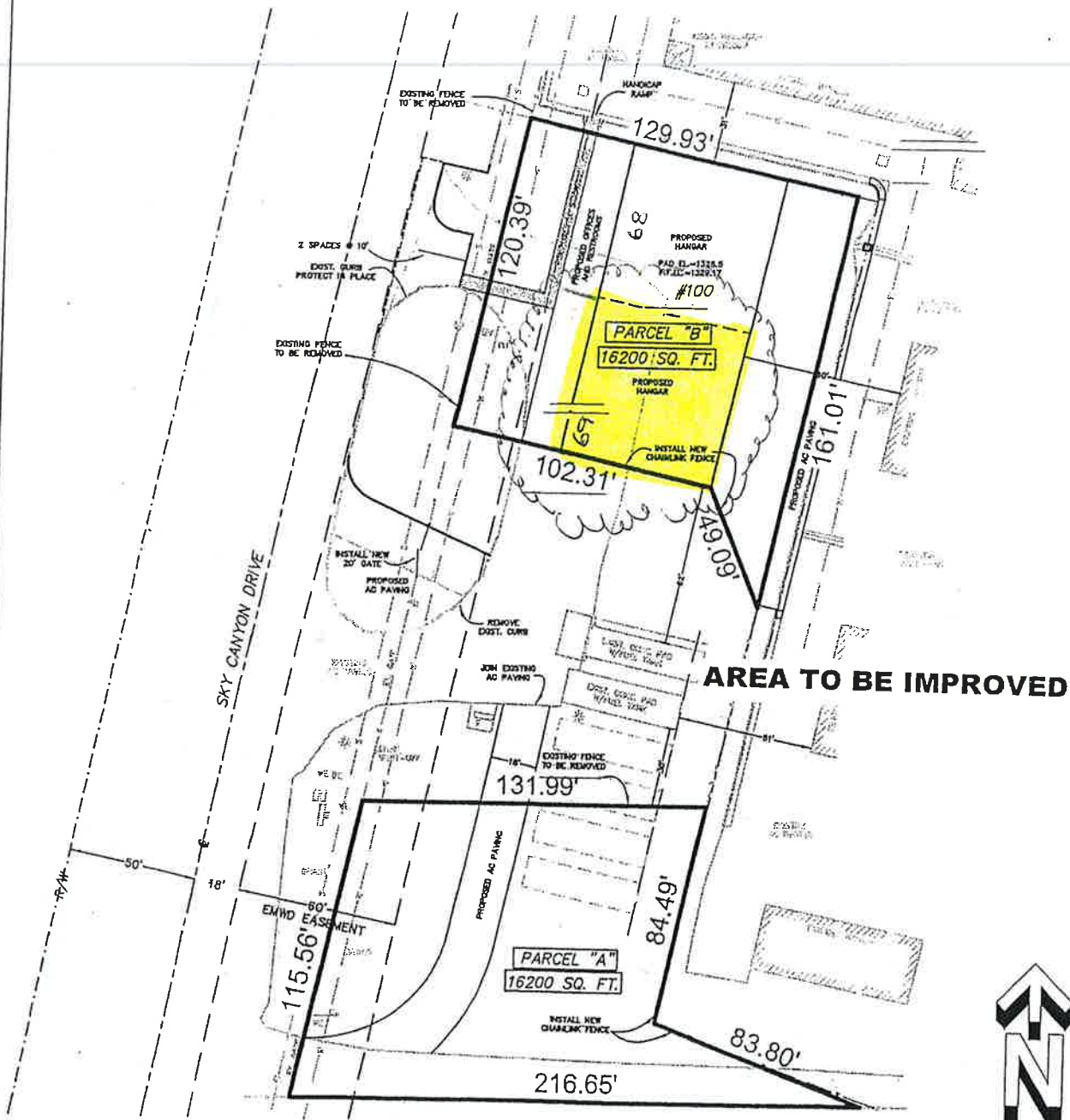
 AMERICAN VALET AIR INC/DIORIO LIVING TRUST dated April 12, 1990

SBN initials]

EXHIBIT "C"

FRENCH VALLEY HANGARS L.L.C
LEASEHOLD REVISION

EXHIBIT "C"



AREA TO BE IMPROVED



SCALE: 1"=60'

FRENCH VALLEY HANGARS LLC WILL REALIGN ANY AND ALL GATES, CHANGE GRADES AND PAVING TO ACCEPT ANY AND ALL FUEL TRUCKS FOR THE FUEL FARM ACTIVITIES.

APN 958-080-010 (POR.)
GRADING PLAN for GENERAL AVIATION HANGARS
FRENCH VALLEY HANGARS L.L.C
PORTION SW 1/4, SEC. 7, T7S, R3W
RIVERSIDE COUNTY, CALIFORNIA

531

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



FROM: Economic Development Agency

SUBMITTAL DATE:
July 21, 2006

SUBJECT: Amendments to Aviation Ground Leases at French Valley Airport

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the First Amendment to Lease between the County of Riverside and AHM, LLC, and the Second Amendment to Lease between the County of Riverside and French Valley Hangars, LLC;
2. Authorize the Chairman to execute the Amendments to Lease; and
3. Authorize the Assistant County Executive Officer/EDA or designee to execute any additional documents required by the Amendments.

BACKGROUND: The Economic Development Agency has received the following Amendments to Lease at French Valley Airport between the County of Riverside and: 1) AHM, LLC, as Lessee, First Amendment to Lease, dated June 6, 2006, to the 1.914 acre Lease dated April 25, 2005; 2) French Valley Hangars, LLC, as Lessee, Second Amendment to Lease, dated July 21, 2006, to the 3.5 acre Lease dated June 4, 2002, and amended on October 21, 2003. (Continued page 2)

Departmental Concurrence

Robin Zimpfer
Robin Zimpfer

RZ:JC:DL:CC:DS:HO
S:\EDCOM\AIRPORTS\APPRAISAL\2005REAPPRAISAL\F11
Amendments FVH AHM 21 jul 06.doc

Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2007/08

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

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

C.E.O. RECOMMENDATION: APPROVE
FORM APPROVED COUNTY COUNSEL

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

JUL 03 2007

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

BY: *Gordon V. Woo*
Gordon V. Woo

On motion of Supervisor Stone, seconded by Supervisor Buster and duly carried
IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Wilson and Ashley
Nays: None
Absent: Tavaglione
Date: July 17, 2007
xc: EDA

Nancy Romero
Clerk of the Board
BY: *Nancy Romero*
Deputy

Prev. Agn. Ref.: Apr 25, 2000 3.11; Jun 04, 2002 3.21; Sep 12, 2003 3.13 | District: 3rd | Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.21
Form 11 (Rev 06/2003)

Policy Policy
Consent Consent
Per Exec. Ofc.:

Gordon V. Woo

SECOND AMENDMENT TO LEASE
French Valley Airport

This Second Amendment to Lease ("Amendment:") is entered into by and between the County of Riverside (hereinafter "County"), and French Valley Hangars, LLC, a California limited liability company, (herein called "Lessee"), with reference to the following:

RECITALS

A. WHEREAS, County and Lessee, are parties to that certain lease (hereinafter the "Lease") approved by the Board of Supervisors of the County of Riverside ("Board") on June 4, 2002, wherein Lessee agreed to lease from County, approximately 3.5 acres of property ("Leased Premises") located at the French Valley Airport; and

B. WHEREAS, the Lease was amended by a First Amendment to Lease approved by the Board on October 21, 2003; and

C. WHEREAS, the County and Lessee now desire to modify the Lease and First Amendment thereto 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 monthly rent shall be \$3,557.40.

2. Subparagraph 5 (d), page 3 of the Lease, shall be deleted in its entirety and replaced with the following subparagraph:

"5 (d) Base Rent Adjustment - Beginning July 1, 2015 and on July 1 of every fifth (5th) year thereafter, that portion of the monthly Base Rent for the Land shall be adjusted to one-twelfth (1/12) of eight percent (8%) of the then-current aviation fair market value of the Land. Said aviation fair market value

shall be for the Land only and shall not include the value of the Improvements or other structures placed on the Leased Premises by Lessee. In no event will application of this paragraph result in a monthly Base Rent amount for the Land which is lower than the highest previous monthly Base Rent for the Land.

The aviation fair market value for the Land will be established by a property appraisal performed by an independent appraiser, knowledgeable and experienced in the valuation of aviation property within the southern California Counties of Riverside, San Bernardino, San Diego and Los Angeles. The appraiser shall be certified by, and be, in good standing with the Appraisal Institute of Chicago IL with a current designation of "MAI" and the appraisal shall be conducted in strict compliance with the Uniform Standards of Professional Appraisal Practice ("USPAP").

No less than two hundred and forty (240) days prior to the rent adjustment date, County will notify by US Mail, potentially affected Lessees of its intent to issue a Request for Qualifications and Proposal ("RFQP") and submit a copy of the Draft RFQP form it intends to use. It will be the responsibility of the Lessees to establish amongst themselves a process for forming a committee to comment on the Draft RFQP and to select up to two-fifths (2/5) of the appraisers that will be invited to respond to the RFQP. In the event a majority of Lessees participating in the selection process are unable to form a committee, comment on the Draft RFQP, select the designated number of appraisers or give the County written notice thereof within two hundred ten (210) days prior to the rent adjustment date, then County will select all of the appraisers to which the RFQP is sent. No less than one hundred and eighty (180) days prior to the rent adjustment date, County will give reasonable consideration to the comments received from the Lessee's Committee and shall issue a Final RFQP to a

minimum of five (5) appraisers meeting the foregoing qualifications. Upon receipt of the responses to the RFQP, the County shall offer the responses to the Lessee's Committee for viewing and comment for a period of fourteen (14) days, and after reasonable consideration of the comments made, County shall select the appraiser pursuant to the County's established guidelines. The cost of the appraisal and related processes shall be borne by the County. The cost, if any, of forming and operating the Lessee's Committee shall be borne by the Lessee Committee members.

Once established, the adjusted monthly Base Rent for the Land shall be adjusted annually in the manner set forth in Paragraph 5 (d) below."

3. Subparagraph 5 (e), page 3, is hereby deleted in its entirety and replaced with the following subparagraph:

"(d) Beginning July 1, 2006, and at each July 1st thereafter, except for dates coinciding with the appraisals conducted every fifth year as referenced in paragraph 5(d) above, the Base Rent shall be adjusted by the percentage change, in the Consumer Price Index, All Urban Consumers, Los Angeles-Riverside-Orange County Area for the twelve month period ending three months before the month of rent adjustment under this paragraph. In no event will application of this paragraph result in a monthly Base Rent amount lower than the highest previous monthly Base Rent amount."

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK

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

Dated: July 21, 2006

LESSEE:

FRENCH VALLEY HANGARS, LLC,
a California limited liability company

Michael Leon Amos
By: Michael Leon Amos
Its: Member

Philip Roy
By: Philip Roy
Its: Member

Dated: JUL 17 2007

COUNTY OF RIVERSIDE

John Tagliano
By: John Tagliano
Chairman, Board of Supervisors
JOHN TAGLIANO

(SEAL)

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

ATTEST:
Nancy Romero, Clerk of the Board

By: Gordon V. Ubo 7/3/07
Deputy

By: Lana Schlemmer
Deputy

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



FROM: Economic Development Agency

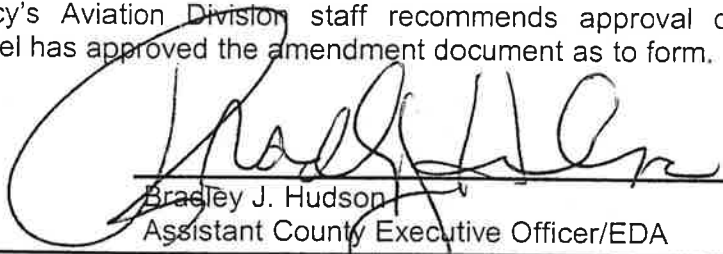
SUBMITTAL DATE:
September 25, 2003

SUBJECT: First Amendment to Lease between the County of Riverside, as Lessor, and French Valley Hangars, LLC, a California Limited Liability Company, as Lessee, entered into June 4, 2002. - French Valley Airport, Third District.

RECOMMENDED MOTION: That the Board of Supervisors approve the First Amendment to Lease between the County and French Valley Hangars, LLC, a California Limited Liability Company, and authorize the Chairman to execute the First Amendment to Lease.

BACKGROUND: The Economic Development Agency is in receipt of a First Amendment to the Lease agreement between the County, as Lessor and French Valley Hangars, LLC, a California Limited Liability Company, as Lessee. Lessee occupies three and one half (3.5) acres of land at French Valley Airport and has developed aircraft storage hangars for lease. County and Lessee wish to amend the Lease to expand the use provision of the Lease to permit aviation related businesses and uses, which are described in the County's Fixed Base Operators Minimum Standards, beyond aircraft storage hangars. Any use other than aircraft storage would require the installation of floor drains, oil water separators and restrooms. The amendment also updates the CPI specified for annual rental adjustments and makes a minor correction relating to insurance coverage limits.

The Economic Development Agency's Aviation Division staff recommends approval of this First Amendment to Lease. County Counsel has approved the amendment document as to form.


Bradley J. Hudson
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	NA
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NA
	Annual Net County Cost:	\$ 0	For Fiscal Year:	NO

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

C.E.O. RECOMMENDATION:

County Executive Office Signature

Dep't Recomm.: Policy
Per Exec. Ofc.: Policy

 Consent
 Consent

Prev. Agn. Ref.: June 4, 2002 3.21 | **District:** 3 | **Agenda Number:**

1 FIRST AMENDMENT TO LEASE
2 FRENCH VALLEY AIRPORT
3

4 The COUNTY OF RIVERSIDE, herein called County, and FRENCH VALLEY
5 HANGARS, LLC, a California Limited Liability Company, herein called Lessee, hereby
6 agree to amend the Lease between the County of Riverside and French Valley
7 Hangars, LLC approved by the Board of Supervisors of the County of Riverside on
8 June 4, 2002, for 3.5 acres of land at French Valley Airport, County of Riverside,
9 California, as follows:

10 1. Paragraph 4(a), substitute the following language:

11 (a) The Leased Premises is leased hereby for the following purposes:

12 (1) Providing all services accorded to a Full Service Fixed Based
13 Operator, as described in the County's Minimum Standards for Fixed Base Operators,
14 Exhibit C, Minimum Standards, attached hereto and by this reference made a part of
15 this Lease, provided that all applicable provisions of the FBO Minimum Standards are
16 met and that, for any use other than aircraft storage, floor drains, oil water separators
17 and toilets are first installed.

18 (2) Providing aircraft self-fueling facilities and any other service
19 usually associated with aircraft self-fueling servicing operations.

20 2. Paragraph 5(e), page 3 of 28, line 27 delete "LA-Anaheim Area for the twelve
21 month period ending two months" and insert "Los Angeles-Riverside-Orange County
22 Index for the period ending three months".

23 3. Paragraph 25, subsection II, page 3 of 28, line 26 delete "and \$300,000 in the
24 aggregate".

25 4. All other provisions of the Lease, not otherwise affected by this Amendment,
26 shall remain the same.

27 5. Construction of Amendment: The parties hereto negotiated this Amendment at
28 arms length and with the advice of their respective attorneys, and no provisions

1 contained herein shall be construed against County solely because it prepared this
2 First Amendment in its executed form.

3
4 Date: 9/03/03 LESSEE
5 FRENCH VALLEY HANGARS, LLC,
6 a California Limited Liability Company

7 By: Michael Leon Amos member By: Philip Roy member
8 Michael Leon Amos, Member Philip Roy, Member
9

10
11 Date: OCT 21 2003 COUNTY OF RIVERSIDE
12
13 By: [Signature]
14 Chairman, Board of Supervisors
15 JOHN [Signature]

16 ATTEST: NANCY ROMERO, Clerk of the Board FORM APPROVED:
17 WILLIAM C. KATZENSTEIN, County Counsel

18 By: [Signature] Deputy By: Gordon V. Woo 10/6/03
19 Deputy
20 (SEAL)

10/2/03

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

808



SUBMITTAL DATE:
October 23, 2007

FROM: Economic Development Agency

SUBJECT: Third Amendment to Lease French Valley Airport

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Third Amendment to the Lease between the County of Riverside, as Lessor, and French Valley Jet Center, LLC, as Lessee, dated June 4, 2002, as amended by First Amendment to Lease October 21, 2003, and by Second Amendment to Lease July 17, 2007;
2. Authorize the Chairman of the Board to execute the Third Amendment to Lease; and
3. Authorize the Assistant County Executive Officer/EDA or designee to execute any additional documents required by the Third Amendment to Lease.

BACKGROUND: The Economic Development Agency has received a Third Amendment to the Lease between the County of Riverside, as Lessor, and French Valley Jet Center, LLC, as Lessee, dated June 4, 2002, as amended by First Amendment to Lease October 21, 2003, and by Second Amendment to Lease July 17, 2007. Lessee desires to build additional aircraft storage hangars on 16,200 square feet of its leasehold but is unable to do so because of certain setback requirements of County.

(Continued on page 2)

Robin Zimpfer
Robin Zimpfer
Assistant County Executive Officer/EDA

RZ:DL:CC:DS:HO ^{DR}
S:\EDCOM\AIRPORTS\FRVALLEY\French Valley Hangars\3RD AMD TO
LSE F11 23 oct 07.doc

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

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

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

C.E.O. RECOMMENDATION: APPROVE

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Wilson and Ashley
Nays: None
Absent: Tavaglione
Date: November 20, 2007
xc: EDA

Nancy Romero
Clerk of the Board
BY: *Nancy Romero*
Deputy

Prev. Agn. Ref.: Apr 25, 2000 3.11; Jun 04, 3.21; Sep 12, 2003 3.23, Jul 17, 2007 3.21

District: 3rd

Agenda Number:

3.22

FORM APPROVED COUNTY COUNSEL
 BY: *Gordon V. Woo* 10/30/07
 DATE: 11/30/07
 Departmental Concurrence

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

BACKGROUND (continued):

County owns an equal amount of land that is suitable for development adjacent to the Leasehold and has agreed to adjust the boundaries of the Leasehold and to exchange one parcel for the other. Lessee has agreed to make improvements to the land exchanged as required by County.

Economic Development Agency staff recommends the Board of Supervisors approve the Third Amendment to Lease. County Counsel has reviewed the amendment and approved it as to form.

FORM 11 INCORRECT.
SHOULD BE FOR
FRENCH VALLEY HANGARS
LLC. ACTUAL
AMENDMENT IS
CORRECT - DISREGARD
ERROR ON FORM 11
PER HO - AMENDMENT
IS CONTROLLING DOCUMENT

THIRD AMENDMENT TO LEASE
French Valley Airport

This Third Amendment to Lease ("Amendment:") is entered into by and between the County of Riverside (hereinafter "County"), and French Valley Hangars, LLC, a California limited liability company, (herein called "Lessee"), with reference to the following:

RECITALS

A. WHEREAS, County and Lessee, are parties to that certain lease (hereinafter the "Lease") approved by the Board of Supervisors of the County of Riverside ("Board") on June 4, 2002, wherein Lessee agreed to lease from County, approximately 3.5 acres of property ("Leased Premises") located at the French Valley Airport; and

B. WHEREAS, the Lease was amended by a First Amendment to Lease approved by the Board on October 21, 2003; and

C. WHEREAS, the Lease was amended by a Second Amendment to Lease approved by the Board on July 17, 2007; and

D. WHEREAS Lessee is unable to develop the southwest corner of it site because of County setback requirements relating above ground fuel tanks; and

E. WHEREAS County has an equal amount of land nearby which is suitable for development; and

F. WHEREAS County and Lessee have agreed to adjust the boundaries of Lessee's Leasehold and exchange one parcel for the other:

G. 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. Section 2 Description of the Lease shall be modified as follows:

Add the following paragraph:

"The Lease Premises shall be modified by adjusting the leasehold boundary according to Exhibits A, attached hereto incorporated herein by this reference. County's Parcel A will be exchanged for Lessee's Parcel B.

Lessee shall realign the fuel farm access road as shown on ~~as shown on~~ Exhibit A1, attached hereto and incorporated by this reference.

Lessee will improve Lessee's Parcel B according to the specifications attached hereto as Exhibit B.

The current Rent payable by Lessee and any other provisions of the Lease, as heretofore amended, not otherwise affected by this Third Amendment shall remain the same."

(Balance of page intentionally left blank.)

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

Dated: 10/2/07

LESSEE:

FRENCH VALLEY HANGARS, LLC,
a California limited liability company



By: Michael Leon Amos
Its: Member



By: Philip Roy
Its: Member

Dated: 10/2/07

COUNTY OF RIVERSIDE

By: 
Chairman, Board of Supervisors
JOHN TAVAGLIONE

(SEAL)

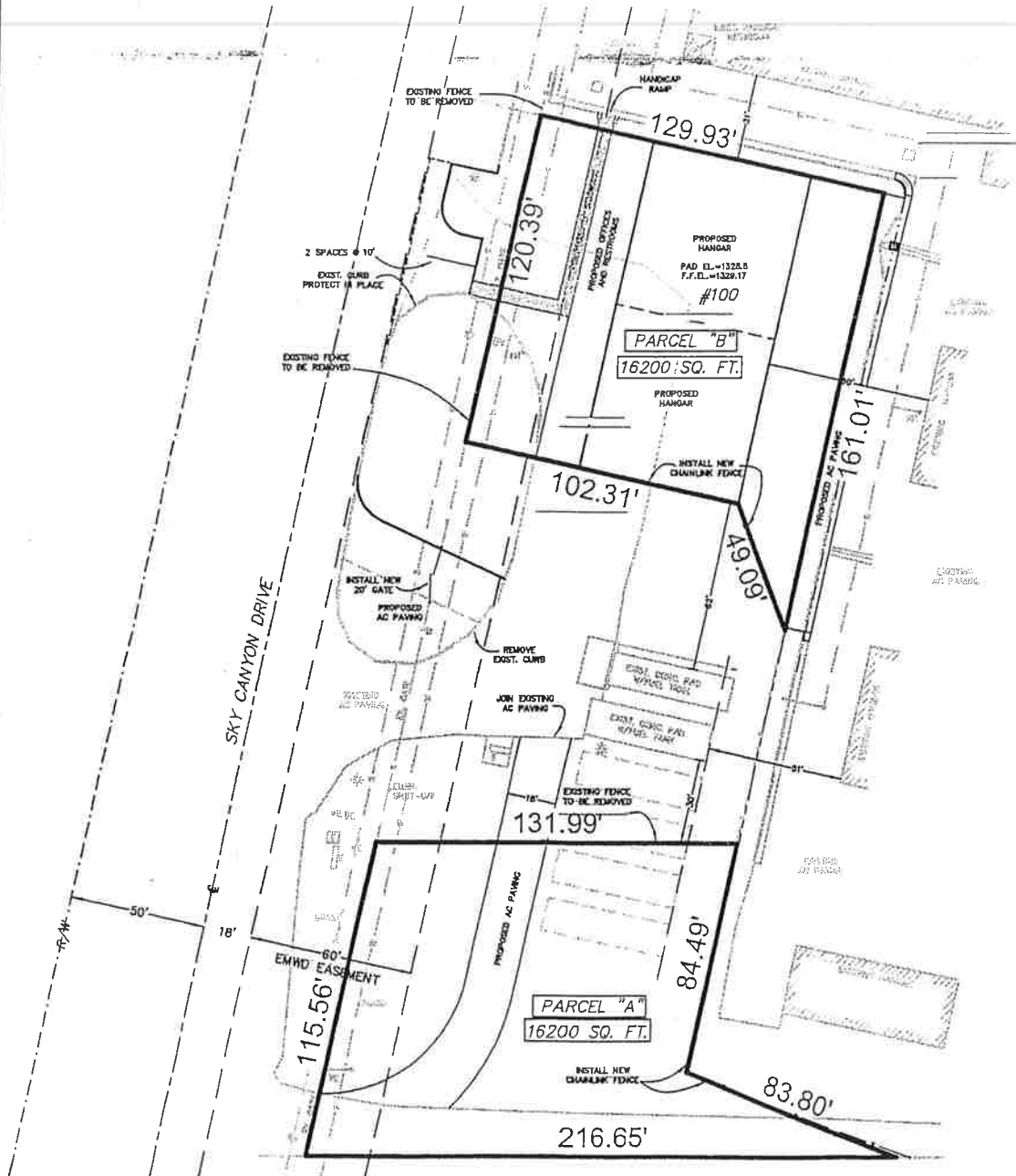
APPROVED AS TO FORM:
Joe S. Rank, County Counsel

ATTEST:
Nancy Romero, Clerk of the Board

By: Gordon V. Ubo 10/30/07
Deputy

By: 
Deputy

FRENCH VALLEY HANGARS L.L.C LEASEHOLD REVISION



SCALE: 1"=60'

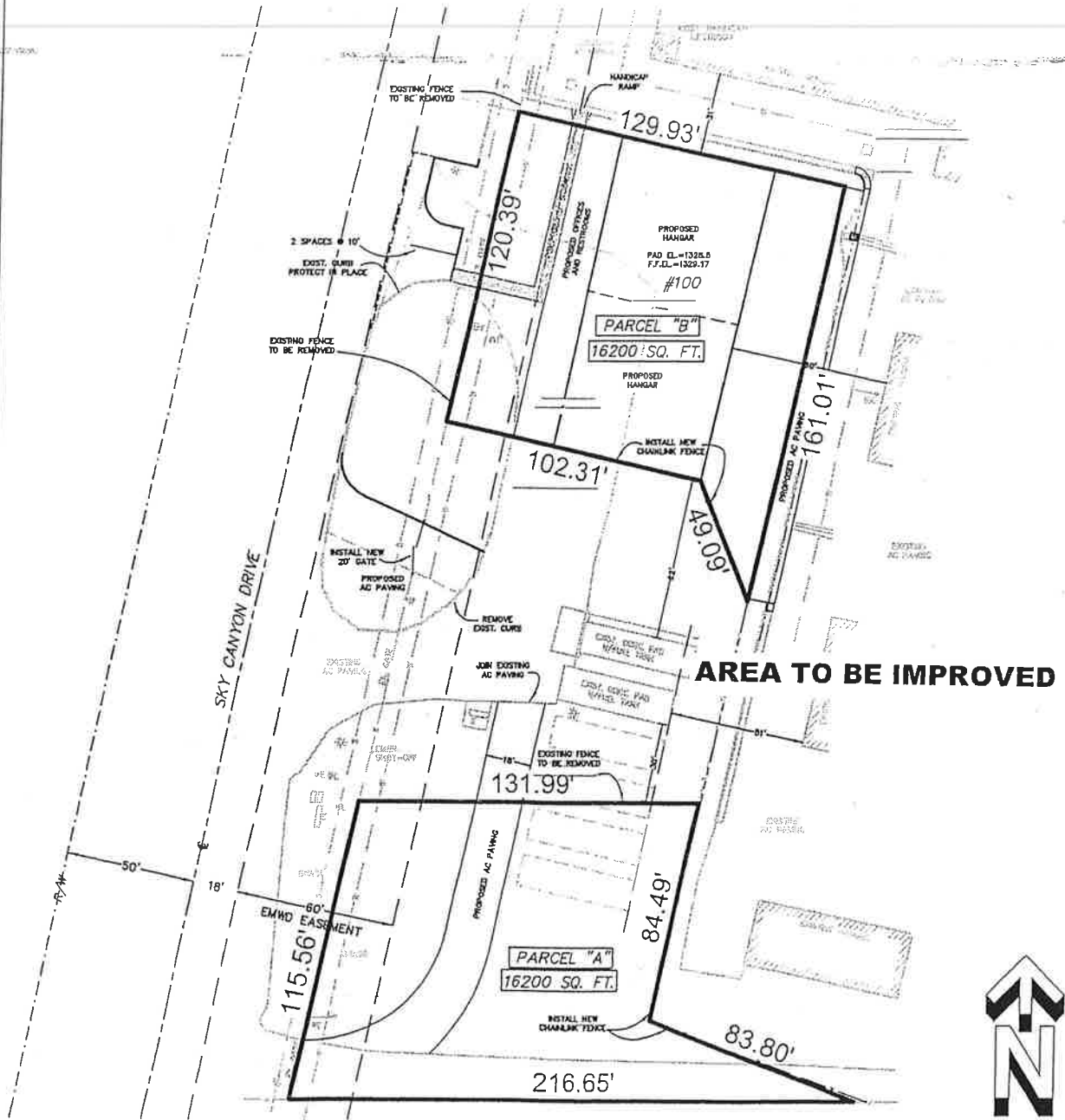
FRENCH VALLEY HANGARS LLC WILL REALIGN ANY AND ALL GATES, CHANGE GRADES AND PAVING TO ACCEPT ANY AND ALL FUEL TRUCKS FOR THE FUEL FARM ACTIVITIES.

APN 958-080-010 (POR.)
GRADING PLAN for GENERAL AVIATION HANGARS
FRENCH VALLEY HANGARS L.L.C
PORTION SW 1/4, SEC. 7, T7S, R3W
RIVERSIDE COUNTY, CALIFORNIA

rev13aep07

EXHIBIT A

FRENCH VALLEY HANGARS L.L.C LEASEHOLD REVISION



AREA TO BE IMPROVED



SCALE: 1"=60'

FRENCH VALLEY HANGARS LLC WILL REALIGN ANY AND ALL GATES, CHANGE GRADES AND PAVING TO ACCEPT ANY AND ALL FUEL TRUCKS FOR THE FUEL FARM ACTIVITIES.

APN 958-080-010 (POR.)
GRADING PLAN for GENERAL AVIATION HANGARS
FRENCH VALLEY HANGARS L.L.C
PORTION SW 1/4, SEC. 7, T7S, R3W
RIVERSIDE COUNTY, CALIFORNIA

EXHIBIT B

Fuel Farm Scope of work to be performed by Lessee:

1. Relocate all fencing around fuel farm as needed.
2. Relocate lower gate of fuel farm for new driveway.
3. Grade and compact remaining bare land and new driveways on fuel farm as needed in accordance with a grading plan approved by County
4. Pave new driveways to tie into existing paving for fuel farm.

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

702



FROM: Economic Development Agency

SUBMITTAL DATE:
February 24, 2009

SUBJECT: Amendments to Aviation Leases at County Airports

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Amendment to Lease between the County of Riverside, as Lessor and:
 - 1) Hemet-Ryan Aviation, Inc., as Lessee, First Amendment to Lease dated January 9, 2009, to the Lease dated December 1, 2000;
 - 2) FV Airport Hangars, LLC, as Lessee, Second Amendment to Lease dated January 19, 2009, to the Lease dated January 5, 2005, with French Valley Jet Center, LLC, as Lessee, as amended and assigned;
 - 3) French Valley Hangars, LLC, as Lessee, Fourth Amendment to Lease, dated January 10, 2009, to the Lease dated June 4, 2002, as amended;
 - 4) John Obradovich and Betty Obradovich, Husband and Wife, as Lessee, Third Amendment to Lease dated January 12, 2009, to the Lease dated June 3, 2003, as amended;
 - 5) Tradition Aviation-TRM, LLC, as Lessee, Second Amendment to Lease, dated February 24, 2009, to the Lease dated September 14, 2004, with Desert Resorts Aviation, LLC, as Lessee, as amended and assigned; and
2. Authorize the chairman of the Board of Supervisors to execute the Amendments to Lease.

(Background on next page)

Robin Zimpfer

RZ:DL:CC:DS:HO
S:\EDCOM\AIRPORTS\Fuel Flow Lease Amendments 12 17 08\FUEL FLOWAGE AMENDMENTS FORM 11 02.24.09.doc

Robin Zimpfer
Assistant County Executive Officer/EDA

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

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

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

C.E.O. RECOMMENDATION: APPROVE

BY: *Serena Chow*
Serena Chow

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Wilson, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Wilson and Ashley
Nays: None
Absent: None
Date: March 17, 2009
xc: EDA

Nancy Romero
Clerk of the Board
By: *[Signature]*
Deputy

5008 AMB 11 AM 10: 12
Prev. Agn. Ref.: Nov 14, 2000 3.23; Jun 25, 05 3.12; Jun 4, 02 3.21; June 3, 03 3.11; Sep 14, 04 3.16

District: 3rd and 4th **Agenda Number:**

3.16

FORM APPROVED COUNTY COUNSEL
BY: *Gordon V. Woo*
GORDON V. WOO
DATE: 3/4/09
Departmental Concurrence

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

BACKGROUND:

The Economic Development Agency has received Amendments to Lease from:

- 1) Hemet-Ryan Aviation, Inc., as Lessee,
- 2) FV Airport Holdings, LLC, as Lessee,
- 3) French Valley Hangars, LLC, as Lessee,
- 4) John Obradovich and Betty Obradovich, Husband and Wife, as Lessee, and
- 5) Tradition Aviation, LLC, as Lessee.

These Amendments relate to Resolution No. 2008-362, adopted by the Board of Supervisors on July 24, 2008, which modifies the method for calculation and collection of fuel flowage fees from fuel suppliers at County-owned airports. The Resolution requires that current leases and/or subleases for fuel sellers be amended to reflect the new fee. A copy of Resolution No. 2008-362 is attached as Exhibit A.

Agency staff recommends approval of the Amendments to Lease. County Counsel has reviewed the Amendments to Lease and approved them as to form.

FOURTH AMENDMENT TO LEASE
French Valley Airport

This Fourth Amendment to Lease ("Amendment") is entered into by and between the County of Riverside (hereinafter "County"), and French Valley Hangars, LLC, a California limited liability company, (herein called "Lessee"), with reference to the following:

RECITALS

A. WHEREAS, County and Lessee, are parties to that certain lease (hereinafter the "Lease") dated June 4, 2002, as amended by First Amendment to Lease October 21, 2003, and by Second Amendment to Lease July 17, 2007, and by Third Amendment to Lease dated November 20, 2007, wherein Lessee agreed to lease from County, approximately 3.5 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:

2. Section 5(c), page 2, is hereby deleted, and replaced with the following:

(c) Fuel Flowage Fee: Sublessee shall pay to County a fuel flowage fee in an amount established by the Board of Supervisors for the County of Riverside (the "Board") through a County Resolution, a County Ordinance or such other action as the Board may decide from time to time. The fuel flowage fee, the calculation of the fuel flowage fee, the time of payment and the method used to collect and report the amount of fuel transacted by Sublessee shall be subject to periodic review and adjustment by the Board of Supervisors to reflect conditions then existing and the financial needs of the County's airports system. The County may implement any such adjustments in the fuel flowage fee at any time. Such new or adjusted fuel flowage fees shall be effective upon adoption by the County Board of Supervisors. Implementation of the new or adjusted fuel flowage fees shall not be pre-conditioned

upon amendment of any existing Lease. As of the date of this Lease Amendment fuel flowage fees have been established according to County Resolution No. 2008-362, attached hereto as Exhibit "A" and incorporated by this reference herein. The current fuel flowage fee (which was effective as of July 1, 2008) is assessed at the rate of \$0.12 per gallon of fuel sold. The fee is subject to a timely payment discount of \$0.02 per gallon applied to payments received within twenty (20) days of the date of invoice. A late fee of ten per cent (10%) shall be assessed to all payments received after the due date (30 days of invoice date) and to any unpaid balance, exclusive of late fees.

All other terms and conditions of the Lease shall remain unchanged.

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

Dated: 1-10-09

LESSEE:

French Valley Hangars, LLC
a California limited liability company

By: Michael Leon Amos
Michael Leon Amos, Member

By: Phillip Roy
Phillip Roy, Member

Dated: MAR 17 2009

COUNTY OF RIVERSIDE

By: Jeff Stone
Chairman, Board of Supervisors
JEFF STONE

APPROVED AS TO FORM:

Pamela J. Walls, ~~Interim~~ County Counsel

ATTEST:

Nancy Romero, Clerk of the Board

By: Gordon V. Woo 3/4/09
Deputy

By: C. J. [Signature]
Deputy

1 Board of Supervisors

County of Riverside

2
3 RESOLUTION NO. 2008-362

4 ESTABLISHING FUEL FLOWAGE FEES AND REQUIREMENTS
5 FOR FUEL SELLERS AT COUNTY OWNED AIRPORTS

6 WHEREAS, the County has previously set fuel flowage fees for fuel sellers and self-
7 fuelers (who are also lessees or sub-lessees on the airport who meet certain minimum requirements), at
8 County owned airports as a percentage of the net delivered price, the current fee having been established
9 at five percent (5%) of the total net price paid by Lessee for all aviation and automotive fuel and
10 lubricants received on the Leased Premises by Lessee. The "total net price" shall mean the net price per
11 unit of such fuel and lubricants, excluding taxes imposed thereon by any governmental agency. Said
12 fuel flowage fees are due and payable within thirty (30) days of delivery. In some cases, these fuel
13 flowage fees are subject to a late fee of ten percent of the delinquent amount.

14 WHEREAS, as a result of the current surge in fuel prices and the resultant negative
15 economic impact on airport operations, as well as discussions with County Airport Lessees and fuel
16 sellers, and a review of fuel flowage fees charged by other southern California airport operators, the
17 County desires to change the method of calculating fuel flowage fees from a percentage basis to a fixed
18 price per gallon basis, effective July 1, 2008.

19 WHEREAS, the new fuel flowage fee will continue to provide the County with
20 reasonable revenue to support the maintenance and operation of the County airports, while providing
21 relief to the airport Lessee/fuel seller.

22 WHEREAS, the adoption of the new fuel flowage fee calculation will require that the
23 current leases and/or sub-leases for fuel sellers be amended to reflect the new fee at a subsequent date.

24 NOW, THEREFORE, BE IT RESOLVED that the fuel flowage fee at County owned
25 airports shall be calculated as follows:

- 26 1. The fuel flowage fee will be assessed at the rate of \$0.12 per gallon of fuel sold
27 effective July 1, 2008. Payments shall be due within thirty (30) days of the County's
28 invoice. A timely payment discount of \$0.02 per gallon shall be applied to payments

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received within twenty (20) days of the date of the invoice. A late fee of ten percent (10%) shall be assessed to all payments received after the due date (30 days of invoice).

2. Lessee/fuel seller's fuel systems must comply with the County Airport requirements and specifications. The systems must have a meter according to the County's specifications, which allow the County to monitor and record fuel sales on a monthly basis. Lessee/fuel seller shall, at its own expense, be responsible for obtaining and installing the meter. The meter or metering device must be certified on an annual basis by the Riverside County Agricultural Department, Weights and Measures Division, or other service designated by the County. Such annual certification shall be at the expense of lessee.

3. The County shall take readings from the meters of all fuel systems during the first week of each month. The County shall issue an invoice to Lessee based upon the number of gallons of fuel sold during the previous monthly period. The County reserves the right to audit records of Lessee's fuel sales and receipts. Lessee shall make all such records available for inspection upon three (5) days notice from County to Lessee.

4. Lessees shall have the option to continue to pay fuel flowage fees at the former rate of 5% per gallon for the duration of the current lease or sublease.

5. Fuel sellers, prior to being subject to the new fuel flowage fee calculation, shall be required to enter into amendments of their current leases and/or subleases to reflect the provisions of this resolution.

6. Lessees must at all times comply with applicable local, state and federal laws and regulations, including applicable airport regulations established pursuant to Riverside County Ordinance No. 576.2.

7. The County reserves the right to review this Resolution from time to time, and by Resolution, make any and all such revisions as it deems necessary and appropriate

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]* DATE: 7/18/08

ATTACHMENT C

CONSENT TO BILL OF SALE

CONSENT TO BILL OF SALE

The County of Riverside, a political subdivision of the State of California (County) hereby consents to the attached Bill of Sale dated on or about July 23, 2014, by and between French Valley Hangars, LLC, a California limited liability company (FVH) (as seller) and American Valet Air, Inc., a Delaware corporation and the Diorio Family Trust dated April 12, 1990, Joseph A. Diorio and Susan B. Diorio, Trustees (collectively American Valet Air/Diorio) (as Buyer) relating to the sale of the aircraft storage hangar known as Unit No. 69 (identified as Hangar no. 100), located at French Valley Airport, Murrieta, California. A copy of the Bill of Sale is attached hereto as Exhibit "A."

By consenting to the Bill of Sale, the County neither undertakes nor assumes nor will have any responsibility or duty to American Valet Air/Diorio, or to any third party to review, inspect, supervise, pass judgment upon or inform American Valet Air/Diorio or any third party of any matter in connection with subject aircraft storage hangar, whether regarding the quality or adequacy or suitability of the subject aircraft storage hangar for American Valet Air/Diorio's proposed use or otherwise. American Valet Air/Diorio, and all third parties shall rely upon its or their own judgment regarding such matters. The County makes no representations, express or implied, with respect to the legality, fitness, or desirability of the subject aircraft storage hangar for American Valet Air/Diorio's intended use.

IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Bill of Sale as of the date set forth below.

Date: _____

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

By: _____

Jeff Stone, Chairman
Board of Supervisors

APPROVED AS TO FORM
GREGORY R PRIAMOS, County Counsel

By:  _____
Jhaila R. Brown
Deputy County Counsel

American Valet Air, Inc., a Delaware corporation and Diorio Family Trust dated April 12, 1990, Joseph A. Diorio and Susan B. Dioiro, Trustees, hereby acknowledge and consent to all of the terms set forth in this Consent to Bill of Sale.

<p>American Valet Air, Inc., a Delaware corporation</p> <p>By: <u><i>Joseph A. Diorio, Pres.</i></u> Joseph A. Diorio, President</p> <p>Date: <u><i>9-10-2014</i></u></p>	<p>Diorio Family Trust dated April 12, 1990, Joseph A. Diorio and Susan B. Dioiro, Trustees</p> <p>By: <u><i>Joseph A. Diorio, Trustee</i></u> Joseph A. Diorio, Trustee</p> <p>Date: <u><i>9-10-2014</i></u></p> <p>By: <u><i>Susan B. Diorio, Trustee</i></u> Susan B. Diorio, Trustee</p> <p>Date: <u><i>9-10-2014</i></u></p>
---	---

ATTACHMENT D

BILL OF SALE

6-25-2014

Sales agreement

Seller- French Valley Hangars LLC.

Buyer- American Valet Air Inc. / Joe Diorio Family Trust

Description-Building at 37920 Sky Canyon rd. #1002 unit 69 Murrieta Ca 92563.
60x60 aircraft hangar with attached 60x15 office space shell with no improvements.

Selling Price	\$100,000.00
Down payment	\$20,000.00
Balance due upon signing of lease	\$80,000.00

Seller-French Valley Hangars LLC.

Sho R member Mike Am member

Date 7/17/14

Buyer-American Valet Air Inc. / Joe Diorio Family Trust

Joe Diorio

Date 7-17-14

Susan B. Diorio

7-23-14