

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



ITEM: 3.67
(ID # 15552)

MEETING DATE:

Tuesday, June 29, 2021

FROM: TLMA - AVIATION:

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/AVIATION: Consent to Assignment and Assumption of Sublease and Bill of Sale between Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001, and Diamond Aero Corporation, a California Corporation, at Jacqueline Cochran Regional Airport, CEQA Exempt, District 4. [\$0] (Direct the Clerk of the Board to file the Notice of Exemption)

RECOMMENDED MOTION: That the Board of Supervisors:

1. **Find** that the project is exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Existing Facilities exemption, and Section 15061 (b)(3), "Common Sense" exemption;
2. **Approve** the attached Consent to Assignment and Assumption of Sublease, relating to that certain Sublease Assignment, dated April 12, 2021 between Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001 (Assignor) and Diamond Aero Corporation, a California Corporation (Assignee) for Hangar C-23 at Jacqueline Cochran Regional Airport, as more specifically set forth in the attached Assignment, and authorize the Chair of the Board to execute the same on behalf of the County;

Continued on Page 2

ACTION: Policy

Charissa Leach, TLMA Director

6/22/2021

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez, and Hewitt
Nays: None
Absent: None
Date: June 29, 2021
xc: Aviation, Recorder

Kecia R. Harper
Clerk of the Board

By
Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

3. **Approve** the attached Consent to Bill of Sale, relating to that certain Bill of Sale, dated April 9, 2021, between Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001 (Seller) and Diamond Aero Corporation, a California Corporation (Buyer) for Hangar C-23 at Jacqueline Cochran Regional Airport, as more specifically set forth in the attached Bill of Sale, and authorize the Chair of the Board to execute the same on behalf of the County;
4. **Authorize** the Assistant County Executive Officer/TLMA, or designee, to execute any additional documents necessary for the Consent to Assignment and Assumption of Sublease and Consent to Bill of Sale, subject to approval as to form by County Counsel; and
5. **Direct** the Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) days of approval by the Board of Supervisors.

Continued on Page 3

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year 2020/21	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001, as Assignor and Diamond Aero Corporation, a California Corporation, as Assignee, entered into that certain Sublease Assignment dated April 12, 2021 ("Assignment") relating to that certain sublease dated April 13, 2005, between Signature Flight Support Corporation, a Delaware Corporation, as sublessor and successor in interest to La Quinta FBO Two LLC, a Delaware limited liability company and Dennis Jensen and Roya Jensen Trustees, The Jensen Family Trust, dated April 27, 2001, as sublessee and successor in interest to MW Properties LLC, a California limited liability company. This sublease is subject to the terms of a Master Lease Agreement dated January 13, 2004, between Riverside County, as lessor and Signature Flight Support Corporation, as successor in interest to La Quinta FBO Two LLC, as lessee. On November 13, 2019, Signature Flight Support Corporation assigned its rights, title and interest under the Master Lease, as well as the Sublease to TRM CA Holdings, LLC, a Delaware limited liability company. Assignor, desires to assign, and Assignee desires to assume, all of Sublessee's rights, title, interest, and obligations under the sublease.

Diamond Aero Corporation, a California Corporation, has also acquired from Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001 an aircraft hangar space located on the Leased Premises, the sale of which is memorialized in that certain Bill of Sale dated April 9, 2021 ("Bill of Sale").

The sublease pertains to that certain ground space identified as Hangar C-23 ("Leased Premises") located at 86400 Lightning Street, Thermal, California 92274 at the Jacqueline Cochran Regional Airport. A copy of the Assignment and Bill of Sale are attached to the consent documents. The Assignment and Bill of Sale require County approval under the Master Lease. Diamond Aero Corporation will not change the existing use of the Leased Premises. The Assignment and Bill of Sale will not impact the terms of the Sublease.

Pursuant to the California Environmental Quality Act (CEQA), the Assignment and Bill of Sale were reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Section 15301, Class 1 – Existing Facilities exemption, and State CEQA Guidelines Section 15061(b)(3), General Rule or "Common Sense" exemption. The proposed project, the

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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assignment of lease rights under an existing Lease and sale of the existing hangar, is the leasing of property involving existing facilities and no expansion of an existing use will occur. In addition, it can be seen with certainty that there is no possibility that the proposed project may have a significant effect on the environment since it is merely a continuation of existing use.

Staff recommends approval of the attached Consent to Assignment and Assumption of Sublease and Consent to Bill of Sale. The attached Consent to Assignment and Assumption of Sublease and Consent to Bill of Sale have each been approved as to form by County Counsel.

Impact on Residents and Businesses

The Sublease and Bill of Sale will assist in the County's effort to increase airport operations which in turn provides increased patron activities for local businesses.

Additional Fiscal Information

There is no net county cost and no budget adjustment required.

ATTACHMENTS:

Attachment A – Consent to Bill of Sale

Attachment B – Consent to Assignment and Assumption of Sublease

Attachment C – Notice of Exemption

Attachment D – Master Lease



Jason Farin, Principal Management Analyst

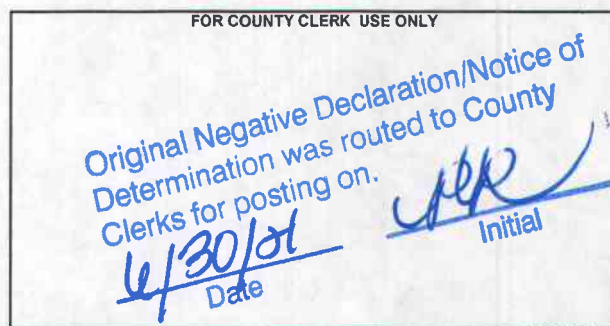
6/23/2021



Gregory L. Priamos, Director County Counsel

6/23/2021

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507



NOTICE OF EXEMPTION

May 13, 2021

Project Name: County of Riverside, Consent to Assignment of Sublease and Bill of Sale between Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001 and Diamond Aero Corporation, a California Corporation, at the Jacqueline Cochran Regional Airport, Thermal

Project Number: ED1910012

Project Location: Hangar C-23, 86400 Lightning Street, south of Airport Boulevard, Assessor's Parcel Number (APN) 759-060-017, Thermal, Riverside County, California, 92274

Description of Project: Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001, as assignor and Diamond Aero Corporation, a California Corporation, as assignee, entered into that certain Sublease Assignment dated April 12, 2021 (Assignment) relating to that certain sublease dated April 13, 2005, between Signature Flight Support Corporation, a Delaware Corporation, as sublessor and successor in interest to La Quinta FBO Two, LLC, a Delaware Corporation and Dennis Jensen and Roya Jensen Trustees, The Jensen Family Trust, dated April 27, 2001, as sublessee. This sublease is subject to the terms of a Master Lease Agreement dated January 13, 2004, between Riverside County, as lessor and Signature Flight Support, as successor in interest to La Quinta FBO Two, LLC, as lessee. On November 13, 2019, Signature Flight Support assigned its rights, title and interest under the Master Lease, as well as the Sublease to TRM CA Holdings, LLC, a Delaware limited liability company. Assignor, desires to assign, and Assignee desires to assume, all of Sublessee's rights, title, interest, and obligations under the sublease.

Diamond Aero Corporation, a California Corporation, has also acquired from Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001 an aircraft hangar space located on the Leased Premises, the sale of which is memorialized in that certain Bill of Sale dated April 9, 2021 (Bill of Sale).

The sublease pertains to that certain ground space identified as Hangar C-23 (Leased Premises) located at 86400 Lightning Street, Thermal, CA 92274 at Jacqueline Cochran Regional Airport. The Assignment and Bill of Sale require County approval under the Master Lease. Diamond Aero Corporation will not change the existing use of the Leased Premises. The Assignment and Bill of Sale will not impact the terms of the Sublease. The approval and consent to the Assignment and Bill of Sale (Agreement) and authorization to execute any additional documents necessary for the implementation of the Agreement is identified as the proposed project under the California Environmental Quality Act (CEQA). No additional direct or indirect physical environmental impacts are anticipated.

Name of Public Agency Approving Project: Riverside County

Name of Person or Agency Carrying Out Project: Riverside County Facilities Management

Attachment C

Notice of Exemption

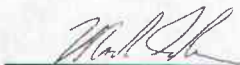
Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or "Common Sense" Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

Reasons Why Project is Exempt: The proposed project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause an impact to an environmental resource of hazardous or critical concern nor would the project involve unusual circumstances that could potentially have a significant effect on the environment. The project is limited to administrative and operation related provisions within the Lease Agreement which would not result in any physical direct or reasonably foreseeable indirect impacts to the environment. and no significant environmental impacts are anticipated to occur.

- **Section 15301 – Class 1 Existing Facilities Exemption:** This categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project, as proposed, is the consent to the Assignment of a Sublease and Bill of Sale. The consent by the County is a contractual requirement of the original Lease Agreement and no physical changes would result from the approval and consent to the Agreement. The consent to the Agreement would result in the continued use of existing infrastructure. The approval of the Agreements will have the same purpose and substantially similar capacity, would be within the existing hangar footprint, would be consistent with the existing land use, and would not result in an increase in capacity. Therefore, the project is exempt as it meets the scope and intent of the Categorical Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **Section 15061 (b) (3) – "Common Sense" Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the "general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment." State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The consent by the County to the Agreement is an administrative function and would result in the continued operation of the airport on the leased premises. No significant direct or indirect environmental impacts would occur. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Therefore, the County of Riverside Facilities Management hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed: _____



Mike Sullivan, Senior Environmental Planner
County of Riverside, Facilities Management

Date: 5-13-2021

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

**Project Name: Consent to Bill of Sale Coupled with Sublease for Hangar C-23 at Cochran
Regional Airport**

Accounting String: 523230-40710-1910700000 - ED1910012

DATE: May 13, 2021

AGENCY: Riverside County

**THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND
HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).**

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: Mike Sullivan, Senior Environmental Planner, Facilities Management

Signature: 

PRESENTED BY: Michelle Moore, Aviation Department, TLMA

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507

Date: May 13, 2021
To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk
From: Mike Sullivan, Senior Environmental Planner, Facilities Management
Subject: **County of Riverside Facilities Management Project # ED1910012**
Consent to Bill of Sale Coupled with Sublease for Hangar C-23 at Cochran
Regional Airport

The Riverside County's Facilities Management's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

After posting, please return the document to:

Mail Stop #2600

Attention: Mike Sullivan, Senior Environmental Planner,
Facilities Management,

3133 Mission Inn Avenue, Riverside, CA 92507

If you have any questions, please contact Mike Sullivan at 955-8009 or email
at msullivan@rivco.org.

Attachment

cc: file

Attachment A
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 Bill of Sale ("Bill of Sale") dated April 9, 2021 between Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001 (Seller), and Diamond Aero Corporation, a California Corporation (Buyer), relating to Hangar C-23 located within TRM CA Holdings, LLC, a Delaware limited liability company's leasehold, at 86400 Lightning St., Thermal, CA 92274 at Jacqueline Cochran Regional Airport. The Bill of Sale is attached hereto as Exhibit A and incorporated herein by this reference.

By consenting to the Bill of Sale, the County neither undertakes nor assumes nor will have any responsibility or duty to Buyer or to any third party to review, inspect, supervise, pass judgment upon or inform Buyer or any third party of any matter in connection with the subject aircraft storage hangar, whether regarding the quality, adequacy or suitability of the subject aircraft storage hangar for Buyer's proposed use, or otherwise. Buyer 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 Buyer's intended use.

[Remainder of Page Intentionally Blank]

[Signatures on Following Page]

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: JUN 29 2021

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

By: Karen S. Spiegel
Karen Spiegel, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

By: [Signature]
Deputy

APPROVED AS TO FORM
GREGORY P. PRIAMOS, County Counsel

By: [Signature]
Wesley Stanfield
Deputy County Counsel

[Diamond Aero Corporation Acknowledgement on Following Page]

Diamond Aero Corporation, a California Corporation, hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Bill of Sale.

By: 

James W. Young
President

Diamond Aero Corporation, a California Corporation

Dated: 5/11/21

EXHIBIT A
BILL OF SALE
(behind this page)

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

THAT, Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001

The undersigned, for lawful and valuable consideration, the receipt of which is hereby acknowledge, does hereby grant, transfer, sell and convey to:

DIAMOND AERO CORPORATION, a California Corporation

The personal property described as:

that certain 60 foot by 60-foot aircraft hangar known as Hangar Unit C-23, located at Jacqueline Cochran Regional Airport, Riverside County, California

Seller does covenant and agree to warrant and defend the title to said property hereby conveyed against the just and lawful claims and demands of all persons whomsoever. This conveyance shall ensure to the benefit of and be binding upon the heirs, assigns, executors and administrators of buyer and seller, respectively.

This bill of sale is expressly conditioned upon receipt of the written consent of the Sublessor and the County of Riverside and subject to provisions contained within the purchase agreement dated, March 19th, 2021.

DATED: April 9, 2021

Seller:

Jensen Family Trust, dated April 27, 2001
54745 Riviera Drive, La Quinta, CA 92253



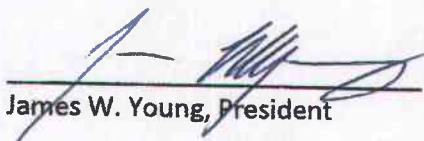
Dennis J. Jensen, Trustee



Roya Jensen, Trustee

Buyer:

Diamond Aero Corporation, a California Corporation
54476 Inverness Way, La Quinta, CA 92253



James W. Young, President

Attachment B
Consent to Assignment and Assumption of Sublease

JUN 29 2021 3.67

CONSENT TO ASSIGNMENT AND ASSUMPTION OF SUBLEASE

(Diamond Aero Corporation dated April 12, 2021, Jacqueline Cochran Regional Airport)

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the assignment of Dennis Jensen and Roya Jensen Trustees, The Jensen Family Trust, dated April 27, 2001, ("Assignor") interest as sublessee in that certain Sublease (defined below) to Diamond Aero Corporation, a California Corporation, as ("Assignee"), as set forth in the Sublease Assignment, dated April 12, 2021, attached hereto as Exhibit A and incorporated herein by this reference ("Assignment"). Pursuant to the Assignment, the Assignor transferred and assigned to Assignee all of Assignor's rights, title, interest and obligations ("Rights and Obligations") under that certain sublease dated April 13, 2005 between Signature Flight Support Corporation, a Delaware Corporation, as sublessor and successor in interest to La Quinta FBO Two LLC, a Delaware limited liability company and Dennis Jensen and Roya Jensen Trustees, The Jensen Family Trust, dated April 27, 2001, as sublessee and successor in interest to MW Properties LLC, a California limited liability company, which is subject to the terms of a Master Lease Agreement dated January 13, 2004, between Riverside County, as lessor and Signature Flight Support Corporation, as successor in interest to La Quinta FBO Two LLC, as lessee. On November 13, 2019, Signature Flight Support Corporation assigned its rights, title and interest under the Master Lease, as well as the Sublease to TRM CA Holdings, LLC, a Delaware limited liability company. The Sublease, to which this Consent applies to, pertains to that certain real property, located within TRM CA Holdings, LLC, leasehold at 86400 Lightning St., Thermal, CA 92274 at Jacqueline Cochran Regional Airport, identified as Hangar C-23. The Sublease is attached hereto as Exhibit B.

In reliance upon the assumption by Assignee of all Rights and Obligations under the Sublease as set forth in the attached Assignment, the County does hereby approve and consent to the assignment of the Rights and Obligations under the Sublease by Assignor to Assignee and Assignee's assumption thereof. Approval and consent hereof by the County shall not be construed to relieve or release Assignor from its duty to comply with any obligations under the Sublease.

[Remainder of Page Intentionally Blank]

[Signature on Following Page]

IN WITNESS WHEREOF, the County of Riverside has executed this Consent to Assignment and Assumption of Sublease as of the date set forth below.

Date: JUN 29 2021

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

By: Karen S. Spiegel
Karen Spiegel, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

By: Yvonne L. Foster
Deputy

APPROVED AS TO FORM:
Gregory P. Priamos, County Counsel

By: Wesley Stanfield
Wesley Stanfield
Deputy County Counsel

Assignment and Assumption of Sublease
(behind this page)

ASSIGNMENT AND ASSUMPTION OF SUBLEASE

THIS ASSIGNMENT AND ASSUMPTION OF SUBLEASE (the "Agreement"), made this 12 day of APRIL, 2021, by and between Dennis Jensen and Roya Jensen, Trustees, The Jensen Family Trust, Dated April 27, 2001, hereinafter referred to as "Assignor," and Diamond Aero Corporation, hereinafter referred to as "Assignee."

WITNESSETH:

WHEREAS, Assignor holds a sublease hold estate in the land described as Unit 23, Phase II of the La Quinta Jet Center, a master planned hangar community located at Jacqueline Cochran Regional Airport, Riverside County, California, that was created by that certain Sublease dated April 13, 2005 between Signature Flight Support Corporation, a Delaware corporation ("Signature"), as successor-in-interest to La Quinta FBO Two, LLC, a Delaware limited liability company ("La Quinta"), as sublessor, and Assignor, as sublessee (the "Sublease"), which is subject to the terms of a Master Lease Agreement dated January 13, 2004, between Riverside County, California, as lessor and owner of the described property, and Signature, as successor-in-interest to La Quinta, as lessee, as amended by that certain First Amendment to Lease dated February 7, 2006, as recorded in the Official Records of Riverside County on September 4, 2008 under recording no. 20080485828 (the "Master Lease"). A copy of the Sublease is attached hereto as Exhibit A. A copy of the Master Lease is attached hereto as Exhibit B.

WHEREAS, the Assignor desires to assign all of Assignor's right, title and interest in and to, and duties and obligations under, the Sublease, and all of Assignor's right, title and interest in and to those certain leasehold improvements located thereon pursuant to the terms and conditions set forth herein below and Assignee desires to accept such assignment and assume all of the Assignor's duties and obligations under the Sublease.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Assignment. Assignor hereby gives, grants, bargains, sells, conveys, transfers and sets over unto Assignee, its successors and assigns, as of the date hereof (the "Effective Date"), all of Assignor's rights under, and its interest as sublessee in and to, the Sublease.

2. Assumption. Assignee hereby accepts the foregoing assignment and, in consideration thereof, Assignee hereby covenants and agrees that, on and after the Effective Date, Assignee will assume the sublessee's duties under the Sublease arising and accruing on and after the Effective Date, and will assume, observe, perform, fulfill and be bound by all terms, covenants, conditions and obligations of the sublessee under the Sublease which arise and accrue on and after the Effective Date in the same manner and to the same extent as if the Assignee were the sublessee named therein.

3. Indemnification.

(a) Assignor hereby indemnifies Assignee, and agrees to defend and hold harmless Assignee from and against any and all liability, loss, damage and expense, including,

without limitation, reasonable attorneys' fees, which Assignee may or shall incur under the Sublease by reason of any failure or alleged failure of Assignor to have complied with or to have performed, before the Effective Date, the duties of the sublessee thereunder which were to be performed before the Effective Date.

(b) Assignee hereby indemnifies Assignor and agrees to defend and hold harmless Assignor from and against any and all liability, loss, damage and expense, including without limitation reasonable attorneys' fees which Assignor may or shall incur under the Sublease by reason of any failure or alleged failure of Assignee to comply with or to perform, on or after the Effective Date, all the duties of the sublessee thereunder which are to be performed on or after the Effective Date.

4. Successors and Assigns. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

5. Counterparts. This Agreement may be executed in counterparts which, when taken together, shall constitute an original document. Signatures transmitted via facsimile shall be deemed to be an original and shall constitute due execution and delivery.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first set forth above.

ASSIGNOR:

Dennis Jensen and Roya Jensen, Trustees, The Jensen Family Trust, Dated April 27, 2001

By: 

Dennis Jensen, Trustee

By: 

Roya Jensen, Trustee

ASSIGNEE:

Diamond Aero Corporation

By: 

James W. Young, President

Master Tenant Consent and Acknowledgement to Hangar Sublease Transfer and Assignment

This consent relates to the sale of a 60'x60' aircraft hangar known as C23 by the current sublessee.

TRM CA Holdings LLC, a Delaware Limited Liability Company doing business as **Ross Aviation – Thermal**, hereby consents to the assignment and assumption of all rights, title and interest of Sublessee Dennis Jensen and Roya Jensen, Trustees of the Jensen Family Trust dated April 27, 2001, as Sublessee, to

Diamond Aero Corporation, a California Corporation.

Sublessee acquired Hangar C23 and is the successor in the sublease agreement between La Quinta FBO Two, LLC a Delaware limited liability company, DBA: Million Air La Quinta ("Sublessor") and MW Properties, LLC (Sublessee"). Said sublease was assigned by La Quinta FBO Two, LLC to Signature Flight Support Corporation, a Delaware corporation as Assignee under the Assignment and Assumption of Subleases recorded as instrument No. 08-0485830 on September 4, 2008 of official records of County of Riverside, California.

This consent is required under an assignment of the lease from Signature Flight Support Corporation relating to the master lease of approximately 18.44 acres of improved land and certain improvements located thereon, located at the Jacqueline Cochrane Regional Airport, as more fully described in Exhibit "A" to TRM CA Holdings LLC, a Delaware Limited Liability Company doing business as Ross Aviation – Thermal.

Executed for TRM CA Holdings LLC, a Delaware Limited Liability Company DBA Ross Aviation – Thermal:

Signed: Timothy P. Goulet Date: 4/9/21

(Printed) Timothy P. Goulet

(Title) GM

Exhibit B
Sublease
(behind this page)

ORIGINAL

SUBLEASE

This Sublease is made effective April 13, 2005 ("Commencement Date"), by and between La Quinta FBO Two, LLC, a Delaware limited liability company, ("FBO") DBA: Million Air La Quinta or ("Sublessor"), and MW Properties, LLC, ("Sublessee").

RECITALS

1. Sublessor is the tenant under a Lease effective December of 2003 (the "Lease" or "Master Lease"), by and between La Quinta FBO Two, LLC, a Delaware limited liability company DBA: Million Air La Quinta as Lessee and the County of Riverside ("County"), as Lessor covering an approximate 18.44 acre portion of the Jacqueline Cochrane Regional Airport. A copy of the Master Lease is attached hereto as **Exhibit "A"** and made a part hereof. (The Master Lease covers an area larger than 18.44 acres. The percentage of the rent due under the Master Lease relating to the 7.96 acre project is equal to 43.2 % of total rent under the Master Lease.)

2. Sublessor intends to sublease to Sublessee a portion of the premises covered by the Master Lease and has obtained or will obtain permission from the County to sublease to Sublessee. The hangar number applicable to such portion is **C-23** (the "Premises"). Sublessee intends to sublease such portion from Sublessor.

AGREEMENT

1.0 Premises. Sublessor hereby subleases to Sublessee, and Sublessee hereby subleases from Sublessor, upon the terms and conditions hereinafter set forth, the Premises, identified by the hangar number above, located at the Airport, including the real property described in **Exhibit "B"** said Premises being a portion of the premises currently leased to Sublessor under the Master Lease, to include the right to use certain portions of the Common Area as identified on **Exhibit "B"** as hereinafter further provided. "Common Area" is defined as any portion of the property referred to in Paragraph 3.2.

2.0 Term. This Sublease shall commence on the first day of the month following execution by all parties thereto, and shall terminate in accordance with the Master Lease. If the Sublessor exercises the option to extend the Master Lease as provided in Paragraph 3 of the Master Lease, then the Sublessee shall have the option to extend this sublease for a period of 10 years to coincide with the term of the Master Lease.

3.0 Use. The principal authorized use of the Premises is private, personal hangar facility and office use, and uses related thereto or associated with such private, personal occasional non-aviation related uses as may be approved by Sublessor in its sole and absolute discretion and by the County, all as set forth in Paragraph 4 of the Master Lease; as may be further restricted elsewhere in this Sublease and by the Rules and Regulations incorporated

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herein by reference ("Rules and Regulations"), all as set forth below.

3.1 Authorized Use. Sublessee is authorized to use the Premises for activities attendant to its private and personal hanger operation as may be approved by Sublessor and by the County, and in accordance with the provisions of the Master Lease and this Sublease, and not in conflict with the Sublease.

3.2 Non-Exclusive Use. Sublessor grants to Sublessee, its employees, officers, patrons, and guests jointly in common with others entitled to the use thereof including Sublessor, a non-exclusive license to use the roadways and other Common Areas on the Airport, including use of the landing area and the right of aircraft ingress and egress between the Premises and landing area, to include those areas immediately contiguous to the Premises, as further depicted on Exhibit "B".

4.0 Rent and Charges.

4.01 Initial Rent. Beginning on the Commencement Date, Sublessee shall pay initial rent of \$100.00 (one-hundred Dollars) per month to be paid monthly to the Sublessor at the office of Sublessor without reduction, abatement, deduction, offset or any prior demand therefor in advance of the first day of each month of the term hereof and subject to adjustment, which shall equal one twenty-five (1/25) of the amount due from Sublessor to County under the Master Lease relating to the 6 acre project area only. Payments will be made to the office of the Sublessor at 56850 Higgins Drive Thermal, CA 92274.

4.02. Non-Aviation Related Use License. If Sublessee desires or, wishes to obtain a license from the County authorizing a non-aviation related use. Any such non-aviation use must first be approved by Sublessor prior to Sublessee making application to the County for such non-aviation related use.

4.03. Annual Adjustment. The rent shall be adjusted commencing on the July 1st following the Commencement Date, and each year thereafter during the term, including any extension thereof, as provided in Section 5 of the Master Lease.

5.0 Utilities. Sublessee shall pay all charges for all electricity, gas, water, sewer, trash disposal and other utility services used on or for the subleased Premises, including a pro rata share of the Common Area utilities, if any.

5.01 Common Area Payments. Sublessee shall pay on a one twenty-five (1/25) pro rata basis, all charges for all maintenance, landscaping, sweeping, to include security, common area insurance, management, and other Common Area costs to keep the Common Area in pristine condition on/or for the subleased Premises, including around the exterior of the Premises Sublessee's estimated portion of all utilities, common area sweeping, landscaping charges and other common area charges billed by Sublessor to maintain the Common Area ("Common Area Charges") are one hundred dollars (\$100.00). Said amount shall be subject to annual adjustment

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on January 1st of each year following the Commencement Date.

6.0 Late Payments. If Sublessee shall fail to pay when due, any rent, amounts or charges payable by Sublessee under this Sublease or the Master Lease, then:

6.01 Interest on Past Due Obligations. Such unpaid amount shall bear interest, including common area payments, from the due date to the date of payment at the lesser of one percent (1%) per month or the maximum rate allowed under the applicable usury law.

6.02 Late Charges. Sublessee shall pay to Sublessor an additional sum of ten percent (10%) of any amount which remains due and unpaid 20 days after the due date. Sublessee acknowledges that late payment by Sublessee to Sublessor will cause Sublessor to incur costs not contemplated by this Sublease, including but not limited to, processing and accounting charges, and late charges which may be imposed upon Sublessor, and that the exact amount of such costs is extremely difficult and impracticable to fix. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Sublessor will incur by reason of late payment by Sublessee.

7.0 Use Conditions.

7.01 Non-Exclusive Use. To the extent granted to Sublessor in the Master Lease, Sublessor grants to Sublessee, its employees, officers, patrons and guests jointly and in common with others entitled to the use thereof, a non-exclusive license to use the roadways, and other common areas of the Airport, including the use of the landing area.

7.02 Compliance with Rules, Regulations, Ordinance, Codes and Law. Sublessee shall at Sublessee's sole cost and expense at all times during the term of this Sublease or any renewal or extension thereof comply with and observe all rules, regulations, ordinances, codes and laws which have been or may be promulgated by Sublessor, the County, and the Rules and Regulations attached hereto, or other jurisdictions that relate to the Premises and the use of the facilities of the Airport including, all fire regulations, safety regulations, noise control regulations and security regulations. Such rules, regulations, ordinances, codes, Rules and Regulations and laws are hereby made a part of this Sublease and Sublessee's failure to keep and observe the rules and regulations shall constitute a breach of the terms of this Sublease in like manner as if the same were contained herein. Sublessor and the County reserve the right to amend or supplement the rules, regulations, ordinances, codes and laws and to adopt additional rules, regulations, ordinances, codes and laws applicable to the Premises, to Sublessee's use of the Premises, and the use of the facilities of the Airport. Sublessor shall have no obligation to Sublessee as a result of the violation of any such rules by any other person. Sublessee shall at all times obey the statutes, codes, ordinances, laws and regulations of the United States of America, the State of California, the County and any other governmental entity having jurisdiction, as the same may from time to time be amended during the term of this Sublease.

7.03 Security. Sublessee will acquaint itself with the County's security plan and all Federal Aviation Administration and other security requirements and shall at all times fully abide by the same. If Sublessor or the County is fined for any breach of security as a result of Sublessee's negligence or failure to abide by applicable security requirements, Sublessee shall reimburse Sublessor or the County, as appropriate, for such fine immediately upon demand. Sublessee shall similarly be responsible for the negligence or non-compliance of any of its assignees, subtenants or their licensees, invitees or guests.

7.04 Other Use Restrictions. Sublessee shall not commit or suffer to be committed any waste or any public or private nuisance or any other act or thing which may disturb the quiet enjoyment of any other person or organization at the Airport or upon the Premises or Common Area. Sublessee's method of lighting the Premises and its installation of all exterior light fixtures shall be subject to Sublessor's sole and absolute discretion. Sublessee shall maintain access control to the Premises in conformance with Federal Airport Security regulations, the security plan of the County and other federal and County directives and regulations that may be issued. All motor vehicles parked or operated upon the Premises or Common Area by Sublessee, its officers, employees, guests, patrons, and invitees shall be parked or operated in accordance with the County's and Sublessor's traffic and parking regulations, ordinances and other directives. Sublessee shall at all times maintain the Premises of Sublessee, as well as Common Areas used by Sublessee, in a clean condition, free from any garbage, trash, litter, oil, grease, or any other solvents or any debris not related to the use of the Premises. Any items applicable to the maintenance and support of aircraft, automobiles or related uses to Sublessee's business or office shall not be stored on the exterior of said Premises and shall not be visible from the exterior of the Premises. All maintenance of aircraft shall be at all times for the private, personal use of Sublessee and shall not be for profit, or public use, or sale.

8.0 Maintenance of Premises.

8.01 Delivery. Sublessor agrees to deliver the Premises in working order and Sublessee agrees to accept the Premises in the delivered condition without further additions, modifications or improvements by the Sublessor. Sublessee agrees that Sublessor has made no warranties or representations of any kind respecting the condition of the Premises or utilities located thereon or the use to which the Premises may be put.

8.02 Maintenance Costs. Sublessee at its sole cost and expense shall at all times maintain the Premises and all buildings, structures and improvements thereon in a good state of repair and in a safe, clean, neat and sanitary condition. In the event Sublessee fails to make any repairs required to be made by Sublessee in accordance with the terms of this Sublease, Sublessor shall notify Sublessee of such failure, if within thirty (30) days of such notice, Sublessee has failed to make such repairs, Sublessor shall have the option but not the obligation to make such repairs at the expense of Sublessee. Sublessor shall have the option but not the obligation to make such repairs at the expense of Sublessee. Should Sublessor opt to make said

repairs, Sublessor shall have the right to charge Sublessee, as additional rent due hereunder upon demand, all costs of Sublessor for making such repairs on a pro rata basis. If Sublessee fails to pay all costs to Sublessor for making repairs, Sublessor shall have the right to lien the property for said costs, to include costs of any suit together with reasonable attorneys fees. Sublessor shall have no liability to Sublessee for any damage, inconvenience or interference with the use of the Premises by Sublessee as a result of the making of any repairs made by Sublessor and the rent shall not be abated by reason thereof.

9.0 Delivery of Possession And Completion of Sublessor's Work. Sublessor shall use its good faith efforts to substantially complete the work required to be completed by Sublessor for delivery of the Premises to Sublessee, as described in **Exhibit "C"** to this Sublease (the "Sublessor's Work"). If possession of the Premises (including, without limitation, substantial completion of the Sublessor's Work) is not delivered to Sublessee on or before July 1, 2005 (the "Commencement Date"), either party may thereafter terminate this Sublease by giving written notice to the other party before such possession is delivered (except that such date shall be extended to the extent the delay in possession is caused or contributed by Sublessee, or by force majeure or "Act of God" as set forth in **Exhibit "C"**). Sublessor shall not be liable for any damage caused by any delay in delivery of possession, and, except to the extent this Sublease is terminated in accordance with the preceding sentence, the delay will not affect the validity of this Sublease. Except for any items set forth on a "punch-list" of excepted items delivered to Sublessor on or before the Rent Start Date, Sublessee shall be deemed to have (i) acknowledged that Sublessor's Work has been substantially completed, (ii) accepted the Premises in its then as-is condition with no right to require Sublessor to perform any additional work therein, except for latent defects as to which Sublessor is given written notice within 90 days after Sublessee's knowledge of their existence and except as set forth on the punch list, and (iii) waived any express or implied warranties regarding the condition of the Premises, including any implied warranties of fitness for a particular purpose or merchantability. Following the Rent Start Date, Sublessor and Sublessee shall execute a letter agreement confirming the Rent Start Date and Sublessee's acceptance of the Premises.

10.0 Alterations and Improvements. Sublessee shall not install, make, or suffer to be made, any alterations or improvements to the interior or exterior of the Premises or any part thereof without the prior written consent of Sublessor, such consent shall not be unreasonably withheld or delayed. If in accordance with good construction practices, applicable governmental requirements, the special conditions, plans and specifications approved by Sublessor. Sublessee shall comply with all construction, and labor regulations of Sublessor, and the County and shall provide reasonable insurance coverage required by Sublessor and the County, or other means of surety, to the reasonable satisfaction of Sublessor and the County shall be provided to ensure that, in the event that the Sublessee defaults and is unable to complete construction, there will be funds provided to return the Premises to the original condition and to satisfy any liens for labor and materials that may be brought for work on the Premises. All alterations or improvements performed by Sublessee shall be carried out by licensed contractors and said alterations and improvements shall be carried out in accordance with all applicable laws and regulations.

Sublessee shall at Sublessee's sole cost and expense obtain all necessary permits, licenses and authorizations in connection with the construction. Sublessee's work shall be subject to the general inspection of Sublessor and the County. Sublessee shall provide proof satisfactory to Sublessor and the County that Sublessee's contractor will (a) provide warranties for not less than one year against defects in workmanship, materials, and equipment; (b) carry or cause to be carried worker's compensation insurance covering all of the contractor's and its subcontractor's employees; and (c) carry public liability and property damage insurance which names Sublessor as an additional insured and required thirty (30) days prior written notice to Sublessor before any change in or cancellation of coverage becomes effective. The policy or policies shall contain liability limits of not less than One Million Dollars (\$1,000,000) single limit coverage. All improvements, additions to or alterations of the Premises except movable furniture and trade fixtures shall at the termination of this Sublease remain attached to and become part of the Premises and be surrendered to Sublessor, in good condition, reasonable use and wear excepted, or at the option of Sublessor shall be removed by Sublessee and the Premises restored to the same condition which existed prior to the installation of any alterations, additions or improvements. Sublessor shall have the right to post a notice of non-responsibility for liens arising out of any work performed, materials furnished and obligations incurred by Sublessee. Sublessee agrees to advise Sublessor and the County in writing at least ten (10) business days in advance of the date upon which alterations will commence in order to permit Sublessor or County to post such a notice. Sublessee shall keep the Premises free from any and all liens arising out of any work performed, materials furnished or obligations incurred by Sublessee. Sublessee shall indemnify, defend and hold Sublessor and County harmless against any claim, demand, liability or expense on account of claims for work done or materials supplied for Sublessee or person claiming under it.

11.0 Damage or Destruction. If the improvements to the Premises are damaged or destroyed during the term hereof, Sublessee may repair or rebuild said improvements to the condition immediately prior to the date of damage or destruction, within sixty (60) days after the occurrence of the event causing the damage or destruction. This Sublease shall continue and Sublessee shall diligently complete the repair or rebuilding of said improvements. Sublessee shall apply any insurance proceeds received as a result of damage to the improvements to the repair or replacement of said improvements.

12.0 Condemnation.

12.01 Total Taking. If all the Premises are taken or condemned for a public or quasi-public use, this Sublease shall terminate as of the date of condemnation and Sublessee shall thereupon be released from any liability thereafter occurring hereunder.

12.02 Partial Taking. If any part of the Premises are taken or condemned for a public or a quasi-public use by an entity and there is such a major change in the character of the property as to prevent Sublessee from using the Premises in substantially the same manner as theretofore used then in such event Sublessee may terminate this Sublease as of the date of condemnation by

giving written notice to Sublessor within fifteen (15) days after the date of condemnation. If any part of the Premises are taken or condemned for a public or quasi-public use and either party does not have the power to terminate this Sublease as hereinabove set forth, then this Sublease shall continue in full force and effect except that as to the part so taken this Sublease shall terminate as of the date of condemnation and the annual rent payable hereunder shall be adjusted so that Sublessee shall be required to pay for the remainder of the term only such portion of such rent as the value of the remaining part after condemnation bears to the value of the Premises at the date of condemnation. In the event that the parties are unable to agree upon an appropriate rate of rent, the rent shall be established by such arbitrators as may be agreed upon by the parties, or if there is no such agreement then by arbitration conducted pursuant to the then existing rules of the American Arbitration Association.

13.0 Assignments and Subleases.

13.01 Generally. No portion of the Premises or of Sublessee's interest in this Sublease may be acquired by any other person or entity, whether by sale, assignment, mortgage, sublease, transfer, without the express written approval of the Sublessor. Sublessor has the right to grant or withhold its consent as provided in Section 13.05 below. Any attempted transfer without consent shall be void and shall constitute a non-curable breach of this Sublease. If Sublessee is a partnership or limited liability company any cumulative transfer of more than twenty percent (20%) of the partnership or limited liability company interests shall require Sublessor's consent. If Sublessee is a corporation, any change in the ownership of a controlling interest of the voting stock of the corporation shall require Sublessor's consent.

13.02 Sublessee Affiliate. Sublessee may assign this Sublease or sublease the Premises without Sublessor's consent, to any corporation which controls, is controlled by or is under common control with Sublessee, or to any corporation resulting from the merger of or consolidation with Sublessee ("Sublessee's Affiliate"). In such case, any Sublessee's Affiliate shall assume in writing all of Sublessee's obligations under this Sublease.

13.03 No Release of Sublessee. No transfer permitted by this Article Thirteen, whether with or without Sublessor's consent, shall release Sublessee or change Sublessee's primary liability to pay the rent and to perform all other obligations of Sublessee under this Sublease. Sublessor's acceptance of rent from any other person is not a waiver of any provision of this Article Thirteen. Consent to one transfer is not a consent to any subsequent transfer. If Sublessee's transferee defaults under this Sublease, Sublessor may proceed directly against Sublessee without pursuing remedies against the transferee. Sublessor may consent to subsequent assignments or modifications of this Sublease by Sublessee's transferee, without notifying Sublessee or obtaining its consent. Such action shall not relieve Sublessee's liability under this Sublease.

13.04 First Offer to Sublessor. At all times during the term of this Sublease, prior to making any transfer of Sublessee's interest other than as provided in Paragraph 13.01 or 13.02,

any proposed transfer of the Sublease and the Premises shall first be offered to Sublessor, who shall have three (3) days to accept or reject any offer to sublease or purchase the Sublease and/or Premises. Sublessee shall provide a copy of any offer to purchase the Sublease or Premises immediately upon receipt by Sublessee.

13.05 Sublessor's Consent. Sublessee's request for consent to any transfer described in Section 13.01 shall set forth in writing the details of the proposed transfer, including the name, business of the prospective transferee, financial details of the proposed transfer (e.g., the term of and the rent and security deposit payable under any proposed assignment or sublease), and any other information Sublessor deems relevant. Sublessor shall have the right to withhold consent, or to grant consent, in its sole and absolute discretion based on the following factors: (i) the business of the proposed assignee or Sublessee (ii) and the proposed use of the Premises; and (ii) Sublessee's compliance with all of its obligations under the Sublease. Sublessor's consent to any such transfer shall not be unreasonably withheld.

13.06 No Merger. No merger shall result from Sublessee's sublease of the Premises under this Article Thirteen, Sublessee's surrender of this Sublease or the termination of this Sublease in any other manner. In any such event, Sublessor may terminate any or all subleases or succeed to the interest of Sublessee as Sublessor under any or all subleases.

14.0 Default.

14.01 Event of Default. Each of the following events shall be an event of default hereunder by Sublessee and a breach of this Sublease: (a) the failure by Sublessee to pay Sublessor any rent or other charges due under this Sublease as and when the same become due; (b) the failure by Sublessee to perform or observe any other agreements, terms, covenants or conditions, or Rules and Regulations attached hereto and made a part hereof, as such Rules and Regulations may be amended from time to time by Sublessor; (c) the filing by or against Sublessee in any court pursuant to any statute of the United States or of any state of a petition in bankruptcy or insolvency or for reorganization or arrangement or for the appointment of a receiver or trustee of all or any portion of Sublessee's property if within thirty (30) days after the commencement of any such proceedings against Sublessee or after such assignment for the benefit of creditors such petition shall not have been dismissed or such assignment shall not have been revoked; (d) the transfer of Sublessee's interest in this Sublease to any person, firm or corporation whether voluntarily or by operation of law except in the manner expressly permitted in this Sublease; or (e) vacating or abandoning the Premises by Sublessee at any time during the term hereof.

14.02 Sublessor's Remedies. In the event of default as described in section 14.01, Sublessor shall notify Sublessee in writing that Sublessee is in default, and Sublessee will then have a cure period of thirty (30) days from date of notice from Sublessor to cure such an event. Sublessor shall have the following remedies if Sublessee fails to correct default. The remedies are not exclusive; they are cumulative and in addition to any remedies now or later allowed by

law. Sublessor can continue this Sublease in full force and effect. Sublessor can enter the Premises and relet them or any part of them to third parties for Sublessee's account. No act by Sublessor in reletting the Premises allowed by this section shall terminate this Sublease. In the event of Sublessee's default and Sublessor's reentering of the Premises Sublessee agrees to pay Sublessor as an additional item of damages, the cost of repairs, alterations, redecorating, Sublease commissions and Sublessor's other expenses incurred in reletting the Premises to a new tenant.

14.03 Sublessor's Default. In the event Sublessor fails to keep its Master Lease current with the County, to include failure to make any payments of rent to County as and when due, and Sublessee has been making payments directly to Sublessor, Sublessee shall have the right, after giving Sublessor thirty (30) days notice to cure, to make the payments, directly to County. If Sublessor does not cure within the applicable time period, Sublessee shall have the right to enter into a direct Lease with County.

14.04 Attorneys Fees. In the event of any action at law or in equity between Sublessor and Sublessee arising out of or concerning this Sublease or any right or obligation derived therefrom, then in addition to all other relief at law or in equity, the prevailing party shall be entitled to recover from the unsuccessful party reasonable attorneys fees and costs incurred therein by the prevailing party.

15.0 Indemnity and Insurance

15.01 Waiver. This Sublease is made upon the express condition that Sublessee hereby waives all claims against Sublessor for damages to property or for injuries or death to any person or persons from any cause.

15.02 Indemnity. Sublessee hereby agrees to and shall indemnify and defend Sublessor and the County of Riverside against and hold Sublessor and the County of Riverside harmless from any and all claims, demands, actions, damages, liability and expense in connection with or for loss of or damage to property or injury or death to any person from any cause whatsoever while in, upon, or about the Premises or any such claims, demands or the like, arising from or out of any occurrence in, upon or at the Premises from or in connection with the occupancy or use by Sublessee of the Premises or any part thereof or from or in connection with the business conducted by Sublessee in the Premises or occasioned wholly or in part by any act or omission of Sublessee, its agents, contractors, employees, licensees or concessionaires.

15.03 Insurance Coverage. During the term of this Sublease including any extension or renewal thereof, Sublessee at its cost shall at all times maintain in full force and effect comprehensive public liability insurance and property damage insurance (each more particularly described below) upon the Premises and upon all aircraft, and automobiles operated by Sublessee at the Airport.

15.03. Hangar keeper's Liability (Ground Coverage). Should Sublessee's operations include care or custody of aircraft stored on the Premises, Sublessee shall maintain Hangar keeper's legal liability insurance in an amount sufficient to fully cover the replacement value of all aircraft however, in no event shall the limit of liability be less than \$1,000,000 for which said custody is assumed while on the ground.

15.03.02 Hangar keeper's Liability (Flight Coverage). Should Sublessee's operations include care, custody or custody of aircraft stored on the Premises that will be flight tested or used in commercial flight operations, Sublessee shall maintain Hangar keeper's legal liability insurance in an amount sufficient to fully cover the replacement value of all aircraft however, in no event shall the limit of liability be less than \$1,000,000 for which said custody is assumed while on the ground.

15.03.03 Aircraft Liability. Sublessee, and Sublessee's affiliates, sublessees, and licensees, shall maintain aircraft liability insurance which shall provide combined single limit for bodily injury and property damage for all aircraft owned, leased or operated by any of them from the Premises with minimum limits of One Million Dollars (\$1,000,000). Proof of insurance will be required to show Sublessor to be named as an additional insured.

15.03.04 Fire Insurance. Sublessee shall maintain fire insurance covering the Premises and all improvements, including protection against perils included within the classification standard fire and extended coverage together with insurance against vandalism and malicious mischief; in an amount sufficient to fully cover the replacement cost of all improvements.

15.04 Other Insurance Requirements. Sublessee, and Sublessee's affiliates, sublessees, and licensees, shall maintain any additional and applicable insurance coverage as required by the County. All policies shall name Sublessor, and the County as an additional insured. Insurance shall be with a company or companies satisfactory to Sublessor and the County in the amounts of not less than that specified herein or in minimum amounts as may be subsequently adjusted by Sublessor or the County in the exercise of their commercial business judgment and consistent with airport industry practice for similar kinds of activities. Sublessee shall at all times during the term of this Sublease, including any extension or renewal hereof, provide Sublessor and the County with a certificate from the insurance carrier or carriers insuring Sublessee as set forth therein. Insurance policies shall not be subject to cancellation except after notice to Sublessor and the County by registered mail at least thirty (30) days prior to such cancellation. Where policies have normal expirations during the term of this Sublease or any extension thereof written evidence of renewal shall be furnished to Sublessor and the County thirty (30) days prior to such expiration.

15.05 Waiver of Subrogation. The parties release each other and their respective authorized representatives from any claims for damage to any person or to the Premises and to the fixtures, personal property, Sublessee improvements and alterations by Sublessor or Sublessee in or on the Premises that are caused by or result from risks insured against under any

insurance policy carried by either party and in force at the time of any such damage to the extent of the insurance proceeds received from such policy. Each party shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. If the insurance cannot be obtained or the party in whose favor a waiver of subrogation is desired refuses to pay the additional premium charged the other party is relieved of the obligation to obtain a waiver of subrogation right with respect to the particular insurance involved.

16.0 Hazardous Substances. The provisions of this section, which govern Sublessee's, obligations with regard to hazardous substances, as defined below, shall survive termination of this Sublease.

16.01 Responsibility for and Definition of Hazardous Substances. Sublessee agrees to indemnify, defend, protect and hold Sublessor free and harmless from and against any and all claims, liability, loss, damage, actions or causes of action, costs and expenses (including attorney's fees) arising from or in connection with the presence of any Hazardous Substances other than those which can be shown to have been present in, on or under the Premises prior to the Commencement Date. Furthermore, Sublessee shall, at Sublessee's sole cost and expense, be responsible for the receiving, use, storage, handling, transportation, generation, spillage, migration, discharge, release, and disposition of all hazardous waste, toxic substances, or related materials including, without limitation, gasoline, oil, grease, battery acid, diesel fuel, flammable, combustible, explosive, corrosive, caustic, carcinogenic or radioactive matter, or any other Hazardous Substances to the extent any such are used, stored, brought onto, located on or shipped from within the Premises in connection with Sublessee's occupancy and use thereof, in accordance with all applicable rules, regulations, orders, ordinances, statutes, codes and laws. For purposes of this Sublease, "Hazardous Substances" shall include, but not be limited to petroleum or petroleum related materials and/or substances defined as "hazardous substances", hazardous materials", "hazardous waste" or "toxic substances" in any federal, state or local laws or regulations adopted or publications promulgated pursuant to said laws (hereinafter collectively referred to as the "Laws"). Sublessee shall at Sublessee's sole cost and expense, comply fully with all requirements of the Laws applicable to Sublessee's use of the Premises and obligations contained herein.

16.02 Cleanup of Hazardous Substances. In the event of a release, leak, spill, or threatened or actual contamination or deterioration of the Premises or groundwater by a Hazardous Substance, other than those which can be shown to have been present in, on or under the Premises prior to the Commencement Date, whether the result of an act or omission of Sublessee or its agents, employees, contractors, licensees, or invitees or any other third parties, Sublessee shall, immediately notify Sublessor, the County, and all appropriate health, safety and environmental regulatory agencies. Sublessee hereby covenants and agrees to implement and complete, at its sole cost and expense, and to the satisfaction of Sublessor and the County, all investigation and remediation measures required by such agency or agencies. If Sublessee fails to

take such action, Sublessor may, but shall not be obligated, to, take such action. In such event, all costs incurred by Sublessor or the County with respect to such cleanup activities shall be for the account of Sublessee and Sublessee shall promptly make reimbursement therefore. Sublessee shall not take any remedial action in response to the presence of any Hazardous Substances in any way connected with the Premises, nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Substances in any way connected with the Premises without first notifying the Sublessor and the County of Sublessee's intention to do so and affording Sublessor and the County ample opportunity to appear, intervene or otherwise appropriately assess and protect its interest and respect thereto.

16.03 Hazardous Substances from Subtenants or Assignees. As between Sublessor and Sublessee, Sublessee shall bear responsibility for the presence of any Hazardous Substances as a result of a subtenant's or assignee's activities, whether before, during or after construction, in or around any part of the Premises or the soil, groundwater or soil vapor on or under the Premises. Upon demand by Sublessor, Sublessee shall defend any investigation, action or proceeding alleging the presence of any Hazardous Substances in any such location, which affects the Premises or which is brought or commenced against Sublessor or the County, whether alone or together with Sublessee or any other person, all at Sublessee's own cost and by counsel to be approved by Sublessor. In the alternative, Sublessor or the County may elect to conduct its own defense at the expense of Sublessee.

16.04 Compliance Regarding Hazardous Substances. Sublessee shall comply and cause all occupants of the Premises to comply with all statutes, codes, regulations, rules, ordinances, orders and other laws governing or applicable to Hazardous Substances as well as the recommendations of any qualified environmental engineer or other expert which apply or pertain to the Premises, Sublessee's use of the Premises or of the facilities of the Airport. Sublessee acknowledges that the presence of Hazardous Substances may permanently and materially impair the value and use of the Premises.

16.05 Notice Regarding Hazardous Substances. Sublessee shall promptly notify Sublessor and the County if Sublessee knows, suspects or believes that there may be any Hazardous Substances in or around the Premises, or in the soil, groundwater or soil vapor on or under the Premises, or that Sublessee or the Premises may be subject to any threatened or pending investigation by any governmental agency under any statute, code, regulation, rule, ordinance, order or other law pertaining to any Hazardous Substance.

16.06 Site Visits, Observations and Testing. Sublessor, the County, and their agents and representatives shall have the right from time to time to enter and visit the Premises to make observations of the Premises, take and remove soil or groundwater samples, and conduct tests. Sublessor is under no duty, however, to visit or observe the Premises or to conduct tests. No site visit, observation or testing by Sublessor shall result in a waiver of any default of Sublessee or impose any liability on Sublessor. In no event shall any site visit, observation or testing by Sublessor be a representation that Hazardous Substances are or are not present in, on or under the

Premises or that there has been compliance with any statute, code, regulation, rule, ordinance, order or other law pertaining to Hazardous Substances. Neither Sublessee nor any other party is entitled to rely on any site visit, observation or testing by Sublessor. Sublessor shall not be obligated to disclose to Sublessee or any other party any report or finding made as a result, or in connection with, any site visit, observation or testing by Sublessor. Sublessor shall not be obligated to disclose to Sublessee or any other party any report or finding made as a result, or in connection with, any site visit, observation or testing by Sublessor. In each instance, Sublessor shall give Sublessee reasonable notice before entering the Premises.

17.0 Sublessee Rights and Obligations. Sublessor grants to Sublessee all rights and benefits with respect to the Premises that are granted to Sublessor under the terms of the Master Lease. Sublessee assumes and agrees to perform all obligations and duties with respect to the Premises that have been assumed by Sublessor in the Master Lease. Sublessee shall have the right at any time to take any action required to be taken, but not timely taken, by Sublessor, which may be necessary to prevent or cure a default under the terms of the Master Lease. To the extent that the County fails or refuses to perform its obligations under the Master Lease with respect to the leased Premises, Sublessor shall perform such obligations. Further, Sublessor agrees not to modify or surrender the Master Lease as it relates to this Sublease and the Premises, without the prior consent of Sublessee, and any modification or surrender made without such consent shall be null and void and shall have no effect on the rights of Sublessee under this Sublease.

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

Sublessor

La Quinta FBO Two, LLC
DBA: Million Air La Quinta
56850 Higgins Drive
Thermal, CA 92274

Sublessee

MW Properties, LLC
P.O. Box 12566
Reno, NV 89510

19.0 Taxes. In the event a possessory interest tax or property tax is levied by the appropriate County or State taxing authority, Sublessee shall be solely responsible for payment of Sublessee's pro rata share of such tax.

20.0 Protection of Lenders.

20.01 Subordination. Sublessor shall have the right to subordinate this Sublease to any deed of trust or mortgage encumbering the Premises, any advances made on the security thereof and any renewals, modifications, consolidations, replacements or extensions thereof, whenever made or recorded. Sublessee shall cooperate with Sublessor and any lender which is acquiring a security interest in the Premises or the Sublease. Sublessee shall execute such further documents

and assurances as such lender may require, provided that Sublessee's obligations under this Sublease shall not be increased in any material way (the performance of ministerial acts shall not be deemed material), and Sublessee shall not be deprived of its rights under this Sublease. Sublessee's right to quiet possession of the Premises during the Sublease Term shall not be disturbed if Sublessee pays the rent and performs all of Sublessee's obligations under this Sublease and is not otherwise in default. If any beneficiary or mortgagee elects to have this Sublease prior to the lien of its deed of trust or mortgage and gives written notice thereof to Sublessee, this Sublease shall be deemed prior to such deed of trust or mortgage whether this Sublease is dated prior or subsequent to the date of said deed of trust or mortgage or the date of recording itself.

20.02 Attornment. If Sublessor's interest in the Premises is acquired by any beneficiary under a deed of trust, mortgage, or purchaser at a foreclosure sale, Sublessee shall attorn to the transferee of or successor to Sublessor's interest in the Premises and recognize such transferee or successor as Sublessor under this Sublease. Sublessee waives the protection of any statute or rule of law which gives or purports to give Sublessee any right to terminate this Sublease or surrender possession of the Premises upon the transfer of Sublessor's interest.

20.03 Signing of Documents. Sublessee shall sign and deliver any instrument or documents necessary or appropriate to evidence any such attornment or subordination or agreement to do so. Sublessee has ten (10) days to do so after written request.

20.04 Estoppel Certificates.

20.04.01 Unless Sublessee has entered into a direct lease with the County, upon Sublessor's written request, Sublessee shall execute, acknowledge and deliver to Sublessor a written statement certifying: (i) that none of the terms or provisions of this Sublease have been changed (or if they have been changed, stating how they have been changed); (ii) that this Sublease has not been canceled or terminated; (iii) the last date of payment of the Base Rent and other charges and the time period covered by such payment; (iv) that Sublessor is not in default under this Sublease (or, if Sublessor is claimed to be in default, stating why); and (v) such other representations or information with respect to Sublessee.

20.04.02 If Sublessee does not deliver such statement to Sublessor within ten (10) days, Sublessor, and any prospective purchaser or encumbrancer, may conclusively presume and rely upon the following facts: (i) that the terms and provisions of this Sublease have not been changed except as otherwise represented by Sublessor, (ii) that this Sublease has not been canceled or terminated except as otherwise represented by Sublessor; (iii) that not more than one year's Base Rent or other charges have been paid in advance, and (iv) that Sublessor is not in default under the Sublease. In such event, Sublessee shall be estopped from denying the truth of such facts.

21.0 Time. Time is of the essence.

22.0 Entire Agreement. This Sublease contains all agreements between Sublessor and Sublessee with respect to any matter mentioned herein. This Sublease may be modified only by a writing signed by the parties in interest at the time of the modification.

23.0 Applicable Law. This Sublease shall be governed by the laws of the State of California.

24.0 No Waiver. Sublessor's waiver of any provision of this Sublease shall not be deemed a waiver of any other provision hereof, or of any subsequent breach by Sublessee of the same or any other provision. Sublessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Sublessor's consent to, or approval of, any subsequent act by Sublessee.

25.0 Partial Invalidity. The invalidity or unenforceability of any provision of this Sublease or the application thereof to any person or circumstances shall in no way affect the validity of any other provision or its application to any other person or circumstances.

26.0 Interpretation. The captions of the Sections of this Sublease are to assist the parties in reading this Sublease and are not a part of the terms or provisions of this Sublease. Whenever required by the context of this Sublease, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter genders shall each include the other. In any provision relating to the conduct, acts or omissions of Sublessee, the term "Sublessee" shall include Sublessee's agents, employees, contractors, invitees, successors or others using the Premises with Sublessee's expressed or implied permission.

27.0 Corporate Authority; Partnership Authority. If Sublessee is a corporation, each person signing this Sublease on behalf of Sublessee represents and warrants that he or she has full authority to do so and that this Sublease binds the corporation. Within thirty (30) days after this Sublease is signed, Sublessee shall deliver to Sublessor a certified copy of a resolution of Sublessee's Board of Directors authorizing the execution of this Sublease or other evidence of such authority reasonably acceptable to Sublessor. If Sublessee is a partnership or limited liability company, each person or entity signing this Sublease for Sublessee represents and warrants that he or it is a general partner of the partnership or Manager of the limited liability company, that he or she has full authority to sign for the partnership and that this Sublease binds the partnership and all general partners of the partnership. Sublessee shall give written notice to Sublessor of any general partner's or manager's withdrawal or addition. Within thirty (30) days after this Sublease is signed, Sublessee shall deliver to Sublessor a copy of Sublessee's recorded statement of partnership, certificate of limited partnership or Articles of Organization.

28.0 Joint and Several Liability. All parties signing this Lease as Sublessee shall be jointly and severally liable for all obligations of Sublessee.

29.0 Force Majeure. If Sublessor cannot perform any of its obligations due to events beyond Sublessor's control, the time provided for performing such obligations shall be extended by a period of time equal to the duration of such events. Events beyond Sublessor's control include, but are not limited to, acts of God, war, terrorism, civil commotion, labor disputes, strikes, fire, flood or other casualty, shortages of labor or material, government regulation or restriction and weather conditions.

30.0 Execution of Lease. This Lease may be executed in counterparts and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument.

31.0 Negotiated Agreement. The parties hereby acknowledge, agree and understand that this Sublease and its wording have been arrived at through a process of negotiation between the parties in which each party participated to the fullest extent desired by that party and that neither party is to be deemed the party who prepared this Lease or the party who caused any uncertainty to exist within the meaning of California Civil Code Section 1654.

In witness whereof, the parties hereto have executed this Sublease as of the day and year first above written.

SUBLESSOR:

La Quinta FBO Two, LLC,
a Delaware limited liability company
DBA: Million Air La Quinta

By 

LESSEE

By 

Mike Winkel
MW Properties, LLC

**Master Lease
(behind this page)**

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



ITEM: 3.34
(ID # 11343)

MEETING DATE:

Tuesday, November 19, 2019

FROM: SUPERVISOR V. MANUEL PEREZ:

SUBJECT: Supervisor V. Manuel Perez: Consent to Lease Assignment and Assumption Agreement between Signature Flight Support Corporation and TRM CA Holdings, LLC; Consent to Bill of Sale, Assignment and Assumption between Signature Flight Support Corporation, as seller, and TRM CA Holdings, LLC, as buyer; Approval of Ground Lessor Estoppel, all Relating to the First Amended Lease at the Jacqueline Cochran Regional Airport between County and Signature Flight Support Corporation, District 4 [\$0], CEQA Exempt (Clerk of the Board to File the Notice of Exemption)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 and Section 15601(b)(3);
2. Approve the attached Consent to Bill of Sale, Assignment and Assumption, pertaining to the sale of assets owned by Signature Flight Support Corporation to TRM CA Holdings, LLC, and authorize the Chairman of the Board to execute the same on behalf of the County;
3. Approve the attached Consent to Lease Assignment and Assumption Agreement, and authorize the Chairman of the Board to execute the same on behalf of the County ;

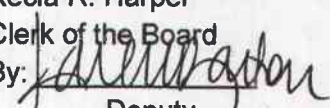

Supervisor V. Manuel Perez, Supervisor 11/15/2019

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: November 19, 2019
xc: Supvr. Perez, EDA

Kecia R. Harper
Clerk of the Board

By: 
Deputy

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

4. Approve the attached Ground Lessor Estoppel, and authorize the Chairman of the Board to execute the same on behalf of the County;
5. Authorize the Assistant County Executive Officer/ECD, or designee, to execute any other related documents and administer all actions necessary to complete this transaction, subject to approval by County Counsel; and
6. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) days of approval by the Board of Supervisors.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: 2019/20	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside, as landlord, and Signature Flight Support Corporation, a Delaware corporation ("Signature"), as lessee, entered into that certain First Amended Lease, dated November 2, 2010 ("Lease"), pursuant to which Signature leases approximately 14.87 acres of improved land, including, but not limited to a maintenance hangar of approximately 36,000 square feet, and an office building of approximately 2,500 square feet commonly referred to as the "flight services building" (collectively, "County Owned Improvements"), and improvements made by Signature, all located at the Jacqueline Cochran Regional Airport in Thermal, California ("JCRA"). The term of the Lease is set to expire on January 31, 2034.

Signature, as seller, and TRM CA Holdings, LLC, a Delaware limited liability company, doing business as Ross Aviation ("Ross Aviation"), as buyer, have negotiated a Bill of Sale, Assignment of Assumption ("Bill of Sale"), whereby, among other things, Signature will sell and transfer to Ross Aviation all of its right, title and interest in, to and under all of the assets, properties, rights, contracts and claims used in or related to its fixed base operation at JCRA (the "Business"), of every kind, nature, character and description, tangible and intangible, personal and real wherever located (other than the "Excluded Assets", as defined in the attached Consent to Bill of Sale, Assignment and Assumption). Signature, as lessee, will also assign its rights, title and interest in, to and under the Lease to Ross Aviation, and Ross Aviation will assume all obligations, covenants, conditions and agreements of the Lease

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

("Assignment"). The Assignment will be memorialized by a Lease Assignment and Assumption Agreement ("Assignment Agreement").

Pursuant to Section 27 of the Lease, all assignments of the Lease require the prior written consent of the County. Staff recommends the Board of Supervisors approves (i) the attached Consent to Bill of Sale, Assignment and Assumption, pertaining to the sale of assets owned by Signature to Ross Aviation, and (ii) the attached Consent to Lease Assignment and Assumption Agreement, both of which are attached hereto. The Assignment and Bill of Sale, and the respective County consent documents, do not modify the Lease.

As a condition to financing the acquisition and assignment set forth in the Assignment Agreement and Bill of Sale, Ross Aviation has requested the execution of the attached Ground Lessor Estoppel by the County. Staff recommends approval of the attached Ground Lessor Estoppel. The Ground Lessor Estoppel does not amend the Lease.

Pursuant to the California Environmental Quality Act (CEQA), the project was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines 15301,

Class 1 – Existing Facilities exemption, and State CEQA Guidelines 15061(b)(3), General Rule or "Common Sense" exemption. The proposed project, the Assignment, Bill of Sale, and Ground Lessor Estoppel, relates to the Lease involving existing facilities where no expansion of an existing use will occur. In addition, it can be seen with certainty that there is no possibility that the proposed project may have a significant effect on the environment since it is merely a continuation of existing use and will only have administrative and operational impacts.

County Counsel has reviewed and approved as to form the attached Consent to Bill of Sale, Assignment and Assumption, Consent to Lease Assignment and Assumption Agreement, and Ground Lessor Estoppel.

Impact on Citizens and Businesses

The Consent to Bill of Sale, Assignment and Assumption, Consent to Lease Assignment and Assumption Agreement, and the Ground Lessor Estoppel will continue to support the County's effort to increase airport operations at the Jacqueline Cochran Regional Airport.

SUPPLEMENTAL:

Additional Fiscal Information

There is no net County cost and no budget adjustment required.

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

Attachments:

- Site Map
- Consent to Bill of Sale, Assignment and Assumption
- Consent to Lease Assignment and Assumption Agreement
- Ground Lessor Estoppel
- Notice of Exemption (NOE)



Original Negative Declaration/Notice of
Determination was routed to County
Clerks for posting on.

11/21/19
Date

bb
Initial

NOTICE OF EXEMPTION

November 13, 2019

Project Name: County of Riverside, Consent to Lease Assignment and Assumption Agreement, Bill of Sale, and Ground Lessor Estoppel between Signature Flight Support Corporation and TRM CA Holdings, LLC, Relating to the First Amended Lease at the Jacqueline Cochran Regional Airport between County and Signature Flight Support Corporation, Thermal

Project Number: ED1910012

Project Location: 56850 Higgins Drive, south of Airport Boulevard, Assessor's Parcel Number (APN) 759-060-017, Thermal, Riverside County, California, 92274 (See attached exhibit)

Description of Project: The County of Riverside, as landlord, and Signature Flight Support Corporation, a Delaware corporation (Signature), as lessee, entered into that certain First Amended Lease, dated November 2, 2010 (Lease Agreement), pursuant to which Signature leases approximately 14.87 acres of improved land, including, but not limited to a maintenance hangar of approximately 36,000 square feet, and an office building of approximately 2,500 square feet commonly referred to as the flight services building, and improvements made by Signature, all located at the Jacqueline Cochran Regional Airport in Thermal, California. The term of the Lease Agreement is set to expire on January 31, 2034. Signature, as seller, and TRM CA Holdings, LLC, a Delaware limited liability company, doing business as Ross Aviation (Ross Aviation), as buyer, have negotiated a Bill of Sale, Assignment of Assumption, whereby, among other things, Signature will sell and transfer to Ross Aviation all of its right, title and interest in, to and under all of the assets, properties, rights, contracts and claims used in or related to its fixed base operation at Jacqueline Cochran Airport of every kind, nature, character and description, tangible and intangible, personal and real wherever located, as defined in the attached Consent to Bill of Sale, Assignment and Assumption. Signature, as lessee, will also assign its rights, title and interest in, to and under the Lease to Ross Aviation, and Ross Aviation will assume all obligations, covenants, conditions and agreements of the Lease (Assignment). The Assignment will be memorialized by a Lease Assignment and Assumption Agreement. Pursuant to Section 27 of the Lease, all assignments of the Lease require the prior written consent of the County. Staff recommends the Board of Supervisors approves (i) the attached Consent to Bill of Sale, Assignment and Assumption, pertaining to the sale of assets owned by Signature to Ross Aviation, and (ii) the attached Consent to Lease Assignment and Assumption Agreement, both of which are attached hereto. The Assignment and Bill of Sale, and the respective County consent documents, do not modify the Lease. As a condition to financing the acquisition and assignment set forth in the Assignment Agreement and Bill of Sale, Ross Aviation has requested the execution of the attached Ground Lessor Estoppel by the County. Staff recommends approval of the attached Ground Lessor Estoppel. The Consent to Assignment of Lease and Assumption Agreement, Bill of Sale and Ground Lease Estoppel is identified as the proposed project under the California Environmental Quality Act (CEQA). No additional direct or indirect physical environmental impacts are anticipated.

Name of Public Agency Approving Project: County of Riverside, Economic Development Agency

Name of Person or Agency Carrying Out Project: County of Riverside, Economic Development Agency, Signature Flight Support Corporation, TRM CA Holdings, LLC

NOV 19 2019 3,34

P.O. Box 1180 • Riverside, California • 92502 • T: 951.955.8916 • F: 951.955.6686

www.riverside.org

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Aviation
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Information Technology
Maintenance
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Economic Development
Edward-Dean Museum
Environmental Planning
Fair & National Date Festival
Foreign Trade
Graffiti Abatement

Parking
Project Management
Purchasing Group
Real Property
Redevelopment Agency
Workforce Development

Exempt Status: State CEQA Guidelines Section 15301 Existing Facilities Exemption, Section 15061(b) (3), General Rule or "Common Sense" Exemption, Codified under Title 14, Article 5 Sections 15061.

Reasons Why Project is Exempt: The proposed project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause an impact to an environmental resource of hazardous or critical concern nor would the project include unusual circumstances which would have a potentially significant effect on the environment. The project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. The project is limited to administrative approval that is required as part of the assignment of the Lease Agreement and Sale and would not result in any physical direct or reasonably foreseeable indirect impacts to the environment. and no significant environmental impacts are anticipated to occur.

- **Section 15301 –Existing Facilities:** This Class 1 categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project, as proposed, is limited to the consent to Bill of Sale and Assignment of existing Lease for approximately 14.87 acres of improved land, including, but not limited to a maintenance hangar of approximately 36,000 square feet, and an office building of approximately 2,500 square feet and improvements made by Signature at Jacqueline Cochran Regional Airport. The changes are limited to the change in ownership and responsibility for the terms of the Lease. The Consent to Bill of Sale, Assignment of Lease and Assumption Agreement, and Ground Lease Estoppel will have the same purpose and substantially similar capacity on the existing facilities at the airport and would be consistent with the existing land use and contractual requirements for the use of the site. Therefore, the project is exempt as it meets the scope and intent of the Categorical Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **Section 15061 (b) (3) – "Common Sense" Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the "general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment." State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The consent to the Bill of Sale Assignment of Lease and Assumption Agreement and execution of the Ground Lease Estoppel are administrative functions, that are required as part of the terms of the Lease at the existing airport and would result in the continued operation of the airport on the leased premises under a different owner. No significant direct or indirect environmental impacts would occur. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Economic Development Agency hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  Date: 11/13/19

Mike Sullivan, Senior Environmental Planner
County of Riverside, Economic Development Agency

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Consent to Assignment and Bill of Sale from Signature to TRM, Jacqueline Cochran Regional Airport, Thermal

Accounting String: 537080-22100-1910700000- ED1910012

DATE: November 13, 2019

AGENCY: Riverside County Economic Development Agency

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: Mike Sullivan, Senior Environmental Planner, Economic Development Agency

Signature:



PRESENTED BY: Jose Ruiz, Real Property Agent III, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: November 13, 2019

To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk

From: Mike Sullivan, Senior Environmental Planner, Project Management Office

Subject: **County of Riverside Economic Development Agency Project # ED1910012**
Consent to Assignment and Bill of Sale from Signature to TRM, Jacqueline Cochran Regional
Airport, Thermal

The Riverside County's Economic Development Agency's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

After posting, please return the document to:

Mail Stop #1330

Attention: Mike Sullivan, Senior Environmental Planner,

Economic Development Agency,

3403 10th Street, Suite 400, Riverside, CA 92501

If you have any questions, please contact Mike Sullivan at 955-8009 or email at msullivan@rivco.org.

Attachment

cc: file

CONSENT TO BILL OF SALE, ASSIGNMENT AND ASSUMPTION

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the Bill of Sale, Assignment and Assumption ("Bill of Sale"), substantially in the form attached hereto as Exhibit "A", between Signature Flight Support Corporation, a Delaware corporation, ("Seller"), and TRM CA Holdings, LLC, a Delaware limited liability company, ("Buyer"); provided, however, that said Bill of Sale includes Buyer's acquisition of all of Seller's right, title and interest in, to and under all of the assets, properties, rights, contracts and claims used in or related to the fixed base operation of Seller at the Jacqueline Cochran Regional Airport located in Thermal, California (the "Business"), of every kind, nature, character and description, tangible and intangible, personal and real wherever located (other than the "Excluded Assets"), as set forth in Exhibit "B" attached hereto and incorporated herein by reference.

By consenting to the Bill of Sale subject to the conditions expressed herein, the County neither undertakes nor assumes nor will have any responsibility or duty to Buyer or to any third party to review, inspect, supervise, pass judgment upon or inform Buyer or any third party of any matter in connection with the acquired assets, whether regarding the quality, adequacy or suitability of the subject assets for Buyer's proposed use, or otherwise. Buyer 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 assets for Buyer's intended use. This consent shall expire within one hundred and eighty (180) days of the date first written below.

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[Signatures on Following Page]

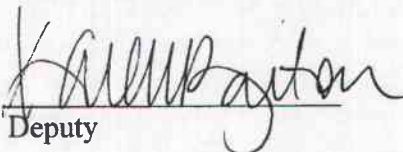
IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Bill of Sale, Assignment and Assumption as of the date set forth below.

Date: NOV 19 2019

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

By: 
Kevin Jeffries, Chairman
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

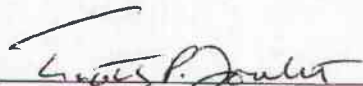
By: 
Deputy

APPROVED AS TO FORM
GREGORY P. PRIAMOS, County Counsel

By: 
Thomas Oh
Deputy County Counsel

[TRM CA Holdings, LLC, Acknowledgement on Following Page]

TRM CA Holdings, LLC, hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Bill of Sale, Assignment and Assumption.

By: 
Name: Tim Goulet
Its: General Manager

Dated: 11-13-19

EXHIBIT A
BILL OF SALE, ASSIGNMENT AND ASSUMPTION
(Behind this page)

BILL OF SALE, ASSIGNMENT AND ASSUMPTION

This BILL OF SALE, ASSIGNMENT AND ASSUMPTION ("Bill of Sale") is entered into as of [•], 2019 (the "Effective Date"), between TRM CA Holdings, LLC, a Delaware limited liability company ("Buyer") and Signature Flight Support Corporation, a Delaware corporation ("Seller"). Unless otherwise indicated, capitalized terms used herein but not otherwise defined herein shall have the respective meanings set forth in the Purchase Agreement (as defined below).

WHEREAS, reference is made to that certain Asset Purchase Agreement, dated as of [•], 2019 (as it may be amended, the "Purchase Agreement"), between Buyer and Seller, providing for, among other things, the transfer to Buyer of the Assets by Seller for consideration in the amount and on the terms and conditions set forth in the Purchase Agreement; and

WHEREAS, to carry out the intent and purpose of the Purchase Agreement, Seller and Buyer are executing and delivering this instrument evidencing the vesting in Buyer of all of Seller's right, title and interest in and to the Assets, free and clear of all Liens, and Buyer's assumption of the Assumed Liabilities, on the terms and conditions set forth in the Purchase Agreement, in addition to such other instruments that Buyer shall have otherwise received or may hereafter receive pursuant to the Purchase Agreement.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions of this Bill of Sale, the parties hereto agree as follows:

1. Assets to Be Transferred. Pursuant to Section [•] of the Purchase Agreement and subject to the terms and conditions of the Purchase Agreement, Seller hereby sells, conveys, assigns, transfers and delivers, free and clear of all Liens other than for Taxes not yet due and payable, the Assets to have and to hold the same unto Buyer, its successors and assigns forever. Notwithstanding anything to the contrary contained herein or in the Purchase Agreement, the Assets shall specifically not include the Excluded Assets, which shall remain the property of Seller.

2. Liabilities to Be Assumed. Pursuant to Section [•] of the Purchase Agreement and subject to the terms and conditions of the Purchase Agreement, Buyer hereby assumes the Assumed Liabilities and agrees to discharge or perform when due all of the Assumed Liabilities. Notwithstanding anything to the contrary contained herein or in the Purchase Agreement, the Assumed Liabilities shall specifically not include the Excluded Liabilities, which shall remain the liabilities and obligations of Seller.

3. Miscellaneous. The provisions of this Bill of Sale are subject, in all respects, to the terms and conditions of the Purchase Agreement and all of the representations and warranties, covenants, and agreements contained therein, all of which will survive the execution and delivery of this Bill of Sale to the extent set forth in the Purchase Agreement. Nothing in this Bill of Sale, express or implied, is intended to or shall be construed to modify, expand or limit in any way the terms of the Purchase Agreement. To the extent that any provision of this Bill of Sale conflicts with or is inconsistent with the terms of the Purchase Agreement, the Purchase Agreement shall govern. This Bill of Sale may be executed in one or more counterparts, including by facsimile signature or other electronic transmission, each of which shall be deemed an original, and all of which shall constitute one and the same agreement. The terms and provisions set forth in Section [•] [*Jurisdiction; Waiver of Jury Trial*] of the Purchase Agreement shall apply, *mutatis mutandis*, to this Bill of Sale, and are hereby expressly incorporated by reference with the same force and effect as if set forth herein.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Buyer and Seller have executed this Bill of Sale as of the Effective Date.

TRM CA Holdings, LLC, a Delaware limited liability company

By: _____
Name:
Title:

Signature Flight Support Corporation, a Delaware corporation

By: _____

Name:

Title:

EXHIBIT A
Transferred Contracts

EXHIBIT B

The assets that TRM CA Holdings, LLC ("Purchaser") intends to acquire from Signature Flight Support Corporation ("Seller"), consist of all of Seller's right, title and interest in, to and under all of the assets, properties, rights, contracts and claims used in or related to the fixed base operation of Seller at the Jacqueline Cochran Regional Airport located in Thermal, California (the "Business"), of every kind, nature, character and description, tangible and intangible, personal and real wherever located (other than the "Excluded Assets"), including the following:

- a) all accounts receivable arising out of the operation of the Business;
- b) the current assets included in the definition of Net Working Capital;
- c) all fuel held in inventory;
- d) all interests in leasehold and real property rights, including in the Ground Lease and in any concessions, buildings, improvements, easements, terminal space, hangars and ramp areas;
- e) all interests in tangible property used in the Business, including interests in and to inventory, machinery and equipment, materials, supplies, fixtures, fittings, furniture, computers and related cabling and hardware (including software), automobiles, trucks, aircraft tugs, deicers and related equipment, general aviation fuel tank farms for jet aviation fuel and aviation gas and related fueling and maintenance equipment, tractors, rolling stock and other vehicles, tools, spare parts and supplies, gift shop inventory and other tangible personal property used in the Business, whether owned or leased, whether or not fully depreciated or expensed;
- f) all legally binding contracts, agreements, subcontracts, leases, licenses and purchase orders or other legally binding arrangement or understandings related to the Business (the "Transferred Contracts"), including all rights existing under the Transferred Contracts;
- g) all transferable licenses, permits and authorizations of the Business (the "Transferred Permits");
- h) all intangible assets used in or related to the Business, including customer and supplier lists and correspondence, telephone and facsimile numbers and listings, but excluding any trademarks, trade names, logos and domain names utilizing the name "Signature" or its related logo;
- i) copies of all Transferred Contracts and Transferred Permits, and all material documentation and correspondence with respect thereto, all personnel files of employees of the Business hired by Purchaser, all surveys, drawings or designs, and all operating data, marketing, selling, promotional, financial and other books, ledgers, files, reports, plans, records, manuals and other materials, documents, or correspondence wherever located (in any form or medium, whether written, electronic data or otherwise) related to the Business, but excluding any such items to the extent (i) they are exclusively related to any Excluded Assets or Excluded Liabilities or (ii) any law prohibits their transfer, provided, however, that to the extent (A) any such documents also relate to or are commingled with information contained in the Excluded Assets or Excluded Liabilities, or (B) the transfer of ownership thereof of any such documents to Purchaser would be prohibited by Law, the original information in such documents shall not be an Asset and shall be retained by Seller, with accurate copies thereof (which may include redactions made by Seller to the extent necessary to exclude information not related to the Business) to be provided to Purchaser at Closing;

- j) all rights to bring an action and to obtain refunds, rights of recovery, rights of setoff and rights of recoupment of any kind of Seller against third parties relating to any Asset or related to the Business accruing or arising at any time prior to, on or after the Closing Date, whether choate or inchoate, known or unknown, contingent or otherwise;
- k) any and all insurance proceeds from third parties to the extent arising out of or pertaining to damages, destruction or loss of any Assets prior to the Closing and to the extent any damage or destruction that remains unrepaired, or to the extent any Assets remain un-replaced, on the Closing Date; and
- l) The goodwill, and going concern value, of the Business.

Purchaser will not acquire from Seller the following "Excluded Assets":

- a) all cash and cash equivalents and any and all bank accounts;
- b) intercompany receivables, which is a current asset excluded from the definition of Net Working Capital;
- c) personnel files of employees who are not offered employment by Purchaser;
- d) (i) the minute books, member records, articles or certificate of organization and operating agreements of Seller, (ii) other documents and correspondence that relate to Seller's corporate organization and maintenance thereof, and (iii) Seller's tax returns and records relating to state and federal income taxes;
- e) all assets of any corporate service function of Seller or any of its affiliates;
- f) all insurance policies (and related prepaid expenses) of Seller and the Business, and, except as provided clause (k) of the definition of "Acquired Assets", all rights to insurance claims and proceeds, if any;
- g) all employee benefit plans of any kind, and all rights, assets, properties and contracts with respect to any such benefit plans;
- h) all monies to be received by Seller under the definitive purchase agreement;
- i) all tax credits and refunds due to Seller;
- j) all Intellectual Property (as will be defined in the definitive purchase agreement) owned or used by Seller or any affiliated entity including domain names, trade names and marks;
- k) all enterprise resource planning (ERP) systems; and
- l) all other assets not used exclusively for the Business.


CONSENT TO LEASE ASSIGNMENT AND ASSUMPTION AGREEMENT

Signature Flight Support Corporation, a Delaware corporation, ("Assignor") and TRM CA Holdings, LLC, a Delaware limited liability company, ("Assignee") have negotiated a Lease Assignment and Assumption Agreement ("Agreement"), whereby, among other things, Assignor will transfer and assign to Assignee ("Assignment") all of Assignor's rights, title, interest and obligations ("Rights and Obligations") under that certain First Amended Lease, dated November 2, 2010, executed by and between the County of Riverside ("County"), a political subdivision of the State of California, as Lessor, and Assignor, as Lessee ("Lease"). The Lease pertains to that certain real property located within the Jacqueline Cochran Regional Airport, County of Riverside, State of California ("Airport"), as more particularly described in Exhibit "A" of the Lease, and consists of approximately 14.87 acres of improved land, including, but not limited to a maintenance hangar of approximately 36,000 square feet, and an office building of approximately 2,500 square feet commonly referred to as the "flight services building" (collectively, "County Owned Improvements"), and improvements made by Assignor, all located at the Airport. The form Agreement is attached hereto as Exhibit "A".

In reliance upon the Agreement and the assumption by Assignee of all Rights and Obligations under the Lease pursuant to the Assignment, the County does hereby consent to the Agreement in substantially the form attached hereto and the assignment of the Rights and Obligations by Assignor to Assignee and Assignee's assumption thereof. Consent thereof by the County shall not be construed to relieve or release (i) Assignor from its duty to comply with any obligations under the Lease prior to effectiveness of the Assignment, (ii) Assignor from any of its liability under the Lease arising, accruing, or being incurred prior to effectiveness of the Assignment, or (iii) Assignee from its duty to comply with any obligations under the Lease from and after effectiveness of the Assignment. This consent shall expire within one hundred and eighty (180) days of the date first written below.

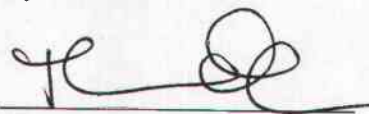
Date: NOV 19 2019

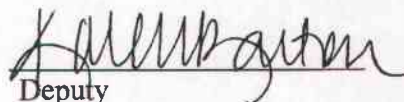
LESSOR:
COUNTY OF RIVERSIDE

By: 
Kevin Jeffries, Chairman
Board of Supervisors

APPROVED AS TO FORM
Gregory P. Priamos
County Counsel

ATTEST:
KECIA R. HARPER
Clerk of the Board

By: 
Thomas Oh
Deputy County Counsel

By: 
Deputy

LEASE ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS LEASE ASSIGNMENT AND ASSUMPTION AGREEMENT ("Assignment") is dated as of [____], 2019 (the "Effective Date") by and between Signature Flight Support Corporation, a Delaware corporation ("Assignor"), and TRM CA Holdings, LLC, a Delaware limited liability company ("Assignee").

WITNESSETH:

WHEREAS, pursuant to that certain Asset Purchase Agreement ("Purchase Agreement") dated [•], 2019, between Assignor and Assignee, Assignor has agreed to assign and convey to Assignee all of its right, title and interest in and to the First Amended Lease effective November 2, 2010, by and between the County of Riverside, a political subdivision of the State of California ("County") and Assignor (collectively, the "Lease"), and Assignee has agreed to assume each and every one of the obligations of Assignor under the Lease arising from and after the Effective Date; and

WHEREAS, the property subject to the Lease is described on Exhibit A attached hereto.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Assignment; Sale. Assignor, as of the Effective Date, hereby assigns, transfers and sets over to Assignee all of Assignor's rights, title and interest in, to and under the Lease, and shall be hereafter released from all further liability therefor arising, accruing or being incurred from and after the Effective Date.
2. Assumption. Assignee hereby assumes and agrees to faithfully abide by, perform and discharge each and every obligation, covenant, condition and agreement of the Lease to be performed by the Assignor under the Lease first arising, accruing or being incurred from and after the Effective Date.
3. Consent. The County has consented to the assignment and assumption of the Lease pursuant to that certain Consent to Asset Purchase Agreement dated [•], 2019, attached hereto as Exhibit B.
4. Binding Effect. This Assignment shall be binding upon and shall inure to the benefit of all successors and assigns, respectively, of Assignor and Assignee.
5. Governing Law. This Assignment shall be construed in accordance with the laws of the State of California without regard to conflict or choice of law principles.
6. Counterparts. This Assignment may be executed in one or more counterparts which, when taken together, shall be deemed an original and constitute one and the same agreement.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

ASSIGNOR:

Signature Flight Support Corporation, a Delaware corporation

By: _____
Name:
Title:

ASSIGNEE:

TRM CA Holdings, LLC, a Delaware limited liability company

By: _____
Name:
Title:

California All Purpose Acknowledgment Form

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____)
County of _____) §

On _____, 2019 before me, _____
a Notary Public, personally appeared _____ who proved to me on
the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and
acknowledged to me that he executed the same in his authorized capacity(ies), and that by his signature
on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct

WITNESS my hand and official seal.

Signature of Notary

(Affix seal here)

California All Purpose Acknowledgment Form

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF _____)
County of _____) §

On _____, 2019 before me, _____
a Notary Public, personally appeared _____ who proved to me on
the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and
acknowledged to me that he executed the same in his authorized capacity(ies), and that by his signature
on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct

WITNESS my hand and official seal.

Signature of Notary

(Affix seal here)

EXHIBIT "A" – LEGAL DESCRIPTION JCRA LEASE – COUNTY OF RIVERSIDE

PARCEL "B"

A PARCEL OF LAND LYING WITHIN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER (SW1/4 NW1/4) AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER (NW1/4 SW1/4) OF SECTION 21, AND BEING A PART OF PARCEL 9 AND PARCEL 15 OF LOT LINE ADJUSTMENT NO. 3843, RECORDED JUNE 27, 1996, AS INSTRUMENT NO. 239254, OF OFFICIAL RECORDS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND ALSO LYING WITHIN THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER (SE1/4 NE1/4) AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER (NE1/4 SE1/4) OF SECTION 20, ALL IN TOWNSHIP 6 SOUTH, RANGE 8 EAST OF THE SAN BERNARDINO MERIDIAN, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SECTION CORNER COMMON TO SECTIONS 16, 17, 20 AND 21, TOWNSHIP 6 SOUTH, RANGE 8 EAST OF THE SAN BERNARDINO MERIDIAN, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAID POINT BEING ON THE CENTERLINES OF AIRPORT BOULEVARD (56TH AVENUE) AND HIGGINS DRIVE;

THENCE S00°00'13"W ALONG THE WEST LINE OF THE NORTHWEST QUARTER (NW1/4) OF SAID SECTION 21 AND THE CENTERLINE OF SAID HIGGINS DRIVE, A DISTANCE OF 1944.84 FEET TO THE CENTERLINE INTERSECTION OF SAID HIGGINS DRIVE AND AVENGER BOULEVARD;

THENCE CONTINUING S00°00'13"W ALONG THE CENTERLINE OF SAID HIGGINS DRIVE, A DISTANCE OF 304.63 FEET;

THENCE S89°58'13"E, A DISTANCE OF 33.00 FEET TO THE EASTERLY LINE OF SAID HIGGINS DRIVE;

THENCE CONTINUING S89°58'13"E, A DISTANCE OF 34.61 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING S89°58'13"E, A DISTANCE OF 538.34 FEET;

THENCE N00°00'16"W, A DISTANCE OF 271.98 FEET TO THE SOUTHERLY LINE OF SAID AVENGER BOULEVARD;

THENCE N89°59'44"E ALONG THE SOUTHERLY LINE OF SAID AVENGER BOULEVARD, A DISTANCE OF 325.30 FEET;

THENCE S00°01'29"W, A DISTANCE OF 861.87 FEET;

THENCE N89°49'37"W, A DISTANCE OF 930.89 FEET TO THE WEST LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SAID SECTION 21;

THENCE CONTINUING N89°49'37"W, A DISTANCE OF 164.62 FEET;

THENCE N00°01'11"E, A DISTANCE OF 130.02 FEET;

THENCE S89°49'37"E, A DISTANCE OF 100.09 FEET;

Scale: N/A

Assessor's Parcel Number(s): 759-060-017, 019

Section 21, Township 6 South, Range 8 East

Date Exhibit Prepared: 5/4/2009

Page 1 of 2

THENCE N01°31'09"W, A DISTANCE OF 155.69 FEET;

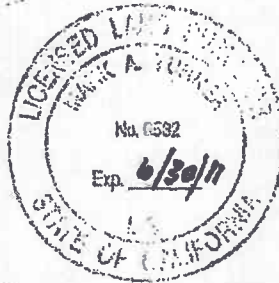
THENCE N89°57'32"E, A DISTANCE OF 68.63 FEET TO THE WEST LINE OF THE NORTHWEST QUARTER (NW1/4) OF SAID SECTION 21;

THENCE CONTINUING N89°57'32"E, A DISTANCE OF 67.53 FEET;

THENCE N00°01'11"E, A DISTANCE OF 301.38 FEET TO THE TRUE POINT OF BEGINNING.

SAID PARCEL CONTAINS 14.87 ACRES, MORE OR LESS;

AS SHOWN ON THE ATTACHED EXHIBIT "B" WHICH IS MADE A PART HEREOF BY THIS REFERENCE HEREON.



Mark A. Turner

Scale: N/A

Assessor's Parcel Number(s): 759-060-017, 019

Section 21, Township 6 South, Range 8 East

Date Exhibit Prepared: 5/4/2009

Page 2 of 2

EXHIBIT B

COUNTY'S CONSENT

[see attached]

GROUND LESSOR ESTOPPEL

THIS GROUND LESSOR ESTOPPEL (this "Estoppel") dated as of November 19, 2019 is made by the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("Landlord"), for the benefit of TRM CA HOLDINGS, LLC, a Delaware limited liability company, a wholly owned subsidiary of Ross Aviation Holdings, LLC, a Delaware limited liability company ("Ross").

WITNESSETH:

WHEREAS, Ross and Signature Flight Support Corporation ("Tenant") have proposed to enter into an Asset Purchase Agreement (the "Asset Purchase Agreement") pursuant to which Ross will acquire all right, title and interest of Tenant in and to that certain First Amended Lease by and between the Landlord and Tenant, dated November 2, 2010, attached hereto as Exhibit A, (the "Lease") for the lease of approximately 14.87 acres of land located on a portion of the Jacqueline Cochran Regional Airport located in Thermal, California, County of Riverside, as more particularly described in Exhibit A of the Lease (the "Premises");

WHEREAS, as a condition to the closing of the transactions under the Asset Purchase Agreement, Ross and Tenant have requested that Landlord deliver this Estoppel.

NOW THEREFORE, in consideration of the covenants and premises contained herein and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Landlord hereby certifies to Ross as follows:

- (a) Landlord is the owner of the fee simple estate in the Premises and is the landlord under the Lease;
- (b) Landlord has not given any notice of default to Tenant, other than as to any default(s) that have been cured. Landlord has no actual knowledge of any fact or circumstance that, with the passage of time or the giving of notice, or both, would constitute a default under the Lease;
- (c) The Lease is in full force and effect and in accordance with its terms and has not been further assigned, supplemented, modified or otherwise amended, except as indicated in Exhibit A;
- (d) To the best of Landlord's actual knowledge, each of the obligations on Tenant's part to be performed to date under the Lease or under any other agreement in connection with the Lease have been performed;
- (e) To the best of Landlord's actual knowledge, Tenant has no offsets, counterclaims, defenses, deductions or credits whatsoever with respect to the Lease or any amounts owing under any other agreement in connection with the Lease;
- (f) There are, with respect to the Lease, no security deposits or prepaid rent or liens;

(g) There do not exist any other agreements concerning the Premises, whether oral or written, between Landlord and Tenant (or their respective predecessors or successors) under the Lease, except as set forth in Exhibit A;

(h) The base rent currently payable by Tenant under the Lease is \$15,664.00 per month and has been paid through November 2019;

(i) The current term of the Lease shall expire on January 31, 2034;

(j) The execution of this Estoppel by Landlord does not amend the Lease or waive any of Landlord's rights under the Lease; and

(k) To the best of Landlord's actual knowledge, Landlord has not received written notice of any pending eminent domain proceedings or other governmental actions or any judicial actions of any kind against the Landlord's interest in the Premises.

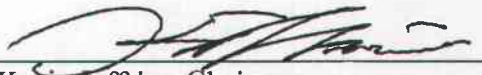
This Estoppel and the representations and agreements made herein are given with the understanding that this Estoppel constitutes a material inducement for Ross in consummating the transactions contemplated by the Asset Purchase Agreement and that Ross has relied hereon in consummating such transactions.

[balance of page intentionally left blank]

IN WITNESS WHEREOF, the Landlord has caused this Estoppel to be executed as of the day and year first above written.

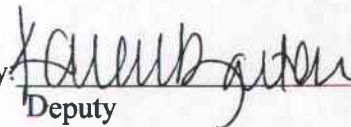
LANDLORD:

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

By: 
Kevin Jeffries, Chairman
Board of Supervisors

ATTEST:

Kecia R. Harper
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
GREGORY P. PRIAMOS
County Counsel

By: 
Thomas Oh
Deputy County Counsel

EXHIBIT A

LEASE

First Amended Lease between the County of Riverside, a political subdivision of the State of California, and Signature Flight Support Corporation, a Delaware Corporation, commencing on November 2, 2010.

1 FIRST AMENDED LEASE
2 JACQUELINE COCHRAN REGIONAL AIRPORT
3

4 This First Amended Lease ("Lease") is entered into by and between the County of
5 Riverside, a political subdivision of the State of California, ("County"), and Signature Flight
6 Support Corporation, a Delaware corporation, ("Lessee"), under the following terms and
7 conditions:

8 1. Recitals.

9 (a) County owns approximately fourteen and 87/100 (14.87) acres of improved
10 land and certain improvements located thereon and owned by County, including, but not limited
11 to a terminal building/office building/maintenance hangar of approximately 36,000 square feet
12 and an office building of approximately 2,500 square feet commonly referred to as the "flight
13 services building" (collectively and hereinafter referred to as the "County Improvements"), as
14 well as improvements made by Lessee, all located at the Jacqueline Cochran Regional Airport,
15 County of Riverside, State of California ("Leased Premises").

16 (b) County desires to lease said property to Lessee for the operation of a Full
17 Service Fixed Base Operator business.

18 (c) Lessee desires to lease said property from County for the operation of a Full
19 Service Fixed Base Operator business.

20 (d) Lessee is the Assignee of that certain Lease dated January 13, 2004
21 ("Original Lease") by and between the County of Riverside, as Lessor, and LaQuinta FBO Inc.,
22 a Delaware corporation doing business as Million Air LaQuinta, as Lessee, as subsequently
23 amended pursuant to that First Amendment to Lease dated February 7, 2006, and assigned to
24 Signature Flight Support Corporation on January 20, 2006, with respect to approximately
25 eighteen and 44/100 (18.44) acres of land, including existing improvements and an obligation
26 to construct improvements, at the Jacqueline Cochran Regional Airport in Thermal, California.

27 (e) Pursuant to the terms and conditions of the Original Lease set forth in
28 Section 1(d) herein, Lessee was required to develop certain property in a phased development.

1 If phases remained undeveloped as of May 31, 2008, the County had an option to take back
2 that undeveloped property hereinafter known as the "Returned Phases", described and
3 sometimes referred to as Parcel "A" on Exhibit "G", attached hereto and by this reference
4 incorporated herein. The County timely exercised its option to take back the Returned Phases,
5 and thus the Leased Premises in this First Amended Lease represents a reduction from 18.44
6 acres to 14.87 acres. Pursuant to the Original Lease, the Returned Phases reverted back to
7 the County and required this amendment to reflect the reduced acreage and rent. The Original
8 Lease further required that such amendment shall include easements satisfactory to the
9 County through Lessee's initial phases providing access to future development of the Returned
10 Phases and to Taxiway A from The Returned Phases. It is the intent of the Parties that the
11 Occupants of Parcel "A" shall have the same rights of ingress and egress to Taxiways A and F
12 as the Occupants on the Leased Premises. Occupants is defined as a party pursuant to a
13 fully-executed and approved written lease, sublease, tenant agreement or a month-to-month
14 agreement on Parcel "A" or Leased Premises.

15 (f) This First Amended Lease replaces and supersedes all prior leases for the
16 subject property, including any amendments thereto

17 2. Description. The premises leased hereby consist of approximately fourteen and
18 87/100 (14.87) acres of improved land and certain improvements located thereon and owned
19 by County, including, but not limited to a terminal building/office building/maintenance hangar
20 of approximately 36,000 square feet and an office building of approximately 2,500 square feet
21 commonly referred to as the "flight services building" (collectively and hereinafter referred to as
22 the "County Improvements"), all located at the Jacqueline Cochran Regional Airport, County of
23 Riverside, State of California, being more fully described in Exhibit "A", attached hereto and
24 incorporated herein by reference. All other improvements have been built by Lessee. Said
25 property is hereafter referred to as the "Leased Premises." County and Lessee herein
26 acknowledge that Lessee has no fee title interest in or to the Leased Premises.

27 3. Term. This Lease shall commence on the date the last party approves and
28 executes this Lease and expires on January 31, 2034. The Lease term for the Original Lease

1 dated January 13, 2004 was for thirty (30) years which commenced on February 1, 2004 and
2 was set to terminate on January 31, 2034. The Parties intend that the term for this Lease shall
3 not add any time and expire as originally agreed.

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

6 (b) With respect to the Leased Premises, subject to the provisions of
7 paragraphs 5, 9, 12(c), 19 and 21 hereof and provided that Lessee at the time of exercising the
8 option is in full compliance with the terms of this Lease, Lessee shall have the option to extend
9 the term of this Lease for an additional period of ten (10) years ("Renewal Term). Lessee shall
10 notify County in writing of its intention to exercise the option to extend not more than twelve
11 (12) months or fewer than six (6) months from the expiration date of the initial term.

12 4. Non Exclusive Right. It is understood and agreed that nothing herein contained
13 will be construed to grant or authorize the granting of an exclusive right within the meaning of
14 Section 308 of the Federal Aviation Act of 1958. (49 U.S.C.1349a). It is further understood that
15 nothing in this Agreement shall be construed to allow any Party to perform any act in
16 contravention and/or violation of FAA Order 5190.6A Airport Compliance Requirements, dated
17 October 2, 1989, as amended from time to time and the FAA Grant Assurances.

18 5. Use. Lessee shall make available the services of a "Full Service Fixed Base
19 Operator" ("FBO") in accordance with the Minimum Standards for Fixed Base Operators
20 Riverside County Airports, including any amendments thereto, attached hereto and
21 incorporated herein by this reference as Exhibit "C." The Leased Premises may be used for
22 the following purposes and for no other without the written consent of County.

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

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

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

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

8 (d) Painting and upholstering of aircraft.

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

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

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

15 (h) Providing ground school instruction associated with flight training.

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

18 (j) Providing catering services and associated provisioning (e.g.
19 newspapers, coffee, ice, catered meals for customers).

20 (k) Sale of advertising space inside the terminal buildings and other
21 buildings within the Leased Premises, subject to the consent of County, which shall not be
22 unreasonably withheld, conditioned or delayed.

23 (l) Leasing of office space for aviation related purposes.

24 (m) Operating a restaurant or cafe for the purpose of providing meals and
25 beverages to the general public. If alcoholic beverages are sold, Lessee shall maintain Liquor
26 Liability or Lessee shall require a restaurant or cafe sublessee to maintain Liquor Liability as
27 part of sublessee's Commercial General Liability insurance.
28

1 (n) Construction of facilities, including a terminal building and maintenance
2 hangar, necessary for the operations of a FBO providing aircraft servicing, maintenance and
3 fueling.

4 (o) Construction of buildings for the storage of aircraft.

5 (p) Cleaning of aircraft interior and exterior.

6 (q) Hosting of special events on the Leased Premises or allowing others to
7 host events on the Leased Premises, with the authorization of the County through its special
8 event permit procedure.

9 The Leased Premises shall not be used for any purpose other than those described
10 above without first obtaining the written consent of County, which consent shall not be
11 unreasonably withheld. The County's approval of any change in the Use of the Leased
12 Premises may, at County's sole election, place additional specific requirements on Lessee
13 including, but not limited to, the types, limits and conditions of insurance provided under this
14 Lease.

15 6. Rent and Fuel Flowage Fee.

16 (a) Base Rent: Commencing upon the first day of the month after lease
17 execution by all parties, Lessee shall pay to County the sum of seven thousand one hundred
18 thirty-three and 73/100 dollars (\$7,133.73) as the Base Rent for the Leased Premises.

19 The Base Rent is due and payable in advance on or before the first of
20 the appropriate month during the term of this Lease Agreement and shall be considered
21 delinquent, if not paid by the 15th of the month. If the monthly rent becomes delinquent, Lessee
22 will be charged a late fee equivalent to ten percent (10%) of the delinquent rental amount,
23 exclusive of late fees, for each month that rent is delinquent.(b) Base Rent Adjustment:

24 (1) Commencing July 1, 2010 and every July 1 through July 1, 2014,
25 the Base Rent will be adjusted as follows:

26 July 1, 2010-June 30, 2011 (\$479.74 per acre) x (14.87 acres) =\$7,133.73

27 July 1, 2011-June 30, 2012 (\$522.74 per acre) x (14.87 acres) =\$7,773.14

28 July 1, 2012-June 30, 2013 (\$569.76 per acre) x (14.87 acres) =\$8,472.33

1 July 1, 2013-June 30, 2014 (\$620.91 per acre) x (14.87 acres) = \$9,232.93

2 July 1, 2014-June 30, 2015 (\$639.54 per acre) x (14.87 acres) = \$9,509.96

3 (2) Beginning July 1, 2015 and on July 1 of every fifth (5th) year
4 thereafter, the monthly Base Rent shall be adjusted to one-twelfth (1/12) of eight percent (8%)
5 of the then-current aviation fair market value of the Land. Said aviation fair market value shall
6 be for the Land only and shall not include the value of the Improvements or other structures
7 placed on the Leased Premises by Lessee. In no event will application of this paragraph result
8 in a monthly Base Rent amount for the Land which is lower than the highest previous monthly
9 Base Rent for the Land.

10 The aviation fair market value for the Land will be established by a
11 property appraisal performed by an independent appraiser, knowledgeable and experienced in
12 the valuation of aviation property within the southern California Counties of Riverside, San
13 Bernardino, San Diego and Los Angeles. The appraiser shall be certified by, and be, in good
14 standing with the Appraisal Institute of Chicago IL with a current designation of "MAI" and the
15 appraisal shall be conducted in strict compliance with the Uniform Standards of Professional
16 Appraisal Practice ("USPAP"). In the event that the MAI designation ceases to exist, the
17 successor designation as designated by the Appraisal Institute of Chicago IL or its successor
18 organization, if any, shall be utilized.

19 No less than two hundred and forty (240) days prior to the rent
20 adjustment date, County will notify by US Mail, potentially affected Lessees of its intent to issue
21 a Request for Qualifications and Proposal ("RFQP") and submit a copy of the Draft RFQP form
22 it intends to use. It will be the responsibility of the Lessees subject to the reappraisal to
23 establish amongst themselves a process for forming a committee to comment on the Draft
24 RFQP and to select up to two-fifths (2/5) of the appraisers that will be invited to respond to the
25 RFQP. In the event a majority of Lessees participating in the selection process are unable to
26 form a committee, comment on the Draft RFQP, select the designated number of appraisers or
27 give the County written notice thereof within two hundred ten (210) days prior to the rent
28 adjustment date, then County will select all of the appraisers to which the RFQP is sent. No

1 less than one hundred and eighty (180) days prior to the rent adjustment date, County will give
2 reasonable consideration to the comments received from the Lessee's Committee and shall
3 issue a Final RFQP to a minimum of five (5) appraisers meeting the foregoing qualifications.
4 Upon receipt of the responses to the RFQP, the County shall offer the responses to the
5 Lessee's Committee for viewing and comment for a period of fourteen (14) days, and after
6 reasonable consideration of the comments made, County shall select the appraiser pursuant to
7 the County's established guidelines. The cost of the appraisal and related processes shall be
8 borne by the County. The cost, if any, of forming and operating the Lessee's Committee shall
9 be borne by the Lessee Committee members.

10 Once established, the adjusted monthly Base Rent for the Land shall be
11 adjusted annually in the manner set forth in Section 6(b)(2) above. In no event will application
12 of this paragraph result in a monthly rental amount lower than the highest previous monthly
13 rental amount.

14 (3) Consumer Price Index - Beginning July 1, 2016, and at each July
15 1 thereafter, except for dates coinciding with the appraisals conducted every fifth year as
16 referenced in 6(a) above, the rent shall be adjusted by the percentage change in the Consumer
17 Price Index, All Urban Consumers, Los Angeles-Riverside-Orange County Area for the twelve
18 month period ending three months before the month of rent adjustment under this paragraph. In
19 no event will application of this paragraph result in a monthly rental amount lower than the
20 highest previous monthly rental amount.

21 (c) Fuel Flowage Fee. Lessee shall pay to County a fuel flowage fee in
22 an amount established by the Board of Supervisors for the County of Riverside (the "Board")
23 through a County Resolution, a County Ordinance or such other action as the Board may
24 decide from time to time. The fuel flowage fee, the calculation of the fuel flowage fee, the time
25 of payment and the method used to collect and report the amount of fuel transacted by Lessee
26 shall be subject to periodic review and adjustment by the Board of Supervisors to reflect
27 conditions then existing and the financial needs of the County's airports system. The County
28 may implement any such adjustments in the fuel flowage fee at any time. Such new or

1 adjusted fuel flowage fees shall be effective upon adoption by the County Board of
2 Supervisors. Implementation of the new or adjusted fuel flowage fees shall not be pre-
3 conditioned upon amendment of any existing Lease. As of the date of this Lease fuel flowage
4 fees have been established according to County Resolution No. 2008-362, attached hereto as
5 Exhibit "E" and incorporated herein by this reference. The current fuel flowage fee (which was
6 effective as of July 1, 2008) is assessed at the rate of \$0.12 per gallon of fuel sold. The fee is
7 subject to a timely payment discount of \$0.02 per gallon applied to payments received within
8 twenty (20) days of the date of invoice. A late fee of ten per cent (10%) shall be assessed to all
9 payments received after the due date (30 days of invoice date).

10 (d) Rent Abatement: In the event of damage or destruction of all or any part
11 of the Leased Premises, or the improvements thereon, the rental payments shall be reduced
12 pro rata during the period the Leased Premises or the improvements thereon are unfit for
13 normal use; provided, however, that such damage or destruction is not caused by Lessee, its
14 officers, agents, employees, independent contractors, subcontractors or invitees.

15 7. Additional Obligations of Lessee. Lessee shall, during the term of this Lease
16 and any extensions thereof:

17 (a) Provide or make available, in part on the Leased Premises, the services
18 required of a Full Service FBO as set forth in Exhibit "C", Minimum Standards for Fixed Base
19 Operators Riverside County Airports. Lessee shall provide or make available, at a minimum,
20 aircraft maintenance and repair; aircraft fueling for both piston and jet aircraft; flight instruction
21 via Lessee's employees or a qualified third party provider; transient aircraft parking guidance;
22 positioning of wheel chocks and tie downs; fireguard for engine starts; baggage handling upon
23 request; have available and provide standardized ground service equipment and recovery
24 equipment for aircraft weighing up to 80,000 lbs (service and delivery equipment shall include,
25 but not be limited to, wheel chocks, tie-down ropes or chains, aircraft jacks, tow bars, auxiliary
26 power units and aircraft tugs); and a pilots' lounge and restrooms.

27 (b) Provide services to the general public seven (7) days per week during
28 the term of this Lease, at a minimum of nine (9) hours per day, 8:00 a.m. to 5:00 p.m., local

1 time. Any change in the minimum hourly schedule must be approved by County in writing prior
2 to implementation.

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

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

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

15 (f) Operate the Leased Premises and the facilities thereon in compliance
16 with applicable laws, rules and regulations and in an efficient manner, charging fair and
17 reasonable prices for each unit or service, said prices being competitive with prices charged by
18 other full service fixed based operators at Jacqueline Cochran Regional Airport and, upon
19 request from County, Lessee shall furnish County with a schedule of all prices for each unit or
20 service offered for sale or lease to the general public;

21 (g) Provide janitorial services for interior, exterior, and grounds at Lessee's
22 own expense;

23 (h) Not engage in the painting of aircraft (other than small 'spot painting'
24 jobs in connection with repairs) within any buildings, unless or until it has established therein a
25 regular paint shop which is adequately enclosed and vented, and has been inspected and
26 approved, in writing, by representatives of the Federal Aviation Administration and County's
27 Fire and Building and Safety Departments, meet all other local, state and federal laws and
28

1 regulations, and all applicable permits have been obtained. Under no circumstances is aircraft
2 painting permitted without the express, written approval of County;

3 (i) Maintain a comfortable clean sanitary restroom facilities for both men
4 and women; such restroom facilities shall be properly and continuously supplied with soap,
5 towels, toilet tissue and any other supplies required by state, federal or local laws and
6 ordinances;

7 (j) Observe the Taxiway Object Free Area adjacent to their leasehold to
8 allow the passage of taxiing aircraft. The Taxiway Object Free Area boundary for Taxiway A is
9 seventy-five (75) feet from the centerline of the taxiway; and for Taxiway F is one hundred ten
10 (110) feet from the centerline of the taxiway;

11 (k) Upon termination of this Lease, Lessee agrees to surrender said Leased
12 Premises and improvements thereon in such good, safe and sanitary condition, reasonable use
13 and wear thereof, acts of God, war, or civil insurrection, excepted; and

14 (l) On every January 1 and July 1 during the term of this Lease, Lessee
15 shall provide an Aircraft and Sublease Status Report, Exhibit "F", attached hereto and
16 incorporated herein by reference, for all subleases, tenants, and aircraft being stored on the
17 Leased Premises. The report shall be supplied in a form and electronic format acceptable to
18 County and contain at least the following information: Name of the sublessee, the beginning
19 and ending date of the term of the sublease, the size of the subleased land, the size of the
20 subleased space, the aircraft storage hangar number/address, the Aircraft Registration
21 Number, the name of the owner of the aircraft, the type of aircraft and indicate whether or not
22 an aircraft is "based" at the airport (aircraft that spend at least three months of the year at this
23 airport are to be identified in the report as "based aircraft"); and certify compliance with the
24 insurance requirements set forth in Sections 23 and 24 herein. Lessee records and files
25 regarding sublessees and aircraft, including, but not limited to insurance policies and
26 certificates, shall be subject to inspection by County upon forty eight (48) hours written notice
27 to Lessee.
28

1 (m) This Lease is subject to the Minimum Standards for Full Service Fixed
2 Based Operators Riverside County Airports, Exhibit "C," as amended from time to time,
3 attached hereto and by reference incorporated herein.

4 (n) Maintenance.

5 (i) Lessee shall maintain the Leased Premises and the improvements
6 thereon in a neat, safe, orderly and attractive condition during the term of this Lease, and
7 Lessee shall provide for the sanitary handling and disposal of all refuse accumulated as a
8 result of Lessee's use of the Leased Premises and the improvements thereon. In addition, the
9 exterior and interior improvements of the Leased Premises shall be maintained by Lessee in
10 good working condition and repair during the term of this Lease.

11 (ii) In the event of damage or destruction of all or any part of the
12 improvements within or upon the Leased Premises rendering said Leased Premises unusable,
13 for the purposes set forth in Section 5 herein, in whole or in part, Lessee shall repair such
14 damage or destruction with due diligence and without unreasonable delay. Time is of the
15 essence on the repair or replacement of damaged or destroyed improvements.

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

23 9. On-Site Improvements

24 (a) Any improvements, alterations, and installation of fixtures to be
25 undertaken by Lessee shall have the prior written approval of the County after Lessee has
26 submitted to County the proposed site plans, building plans and specifications therefore, in
27 writing. In addition, Lessee understands and agrees that such improvements, alterations, and
28 installation of fixtures may be subject to County Ordinance Nos. 348 and 457, as well as other

1 applicable County ordinances, and that Lessee shall fully comply with such ordinances prior to
2 the commencement of any construction in connection therewith.

3 (b) All improvements are to be completed at Lessee's sole cost. Lessee
4 shall pay for construction of any required utility extensions and hookups (including all related
5 fees and charges) and any access road improvements. Plans for all improvements are to be
6 submitted to County for approval prior to start of any construction.

7 Lessee shall obtain performance, material, and labor payment bonds in
8 the amounts required by law and determined by County, and shall furnish County with copies
9 thereof prior to the commencement of such construction.

10 (c) All improvements, alterations, and fixtures shall remain or become, as
11 the case may be, the property of County, with the exception of trade fixtures as that term is
12 used in Section 1019 of the Civil Code; provided, however, that Lessee shall have the full and
13 exclusive use and enjoyment of such improvements, alterations, and fixtures during the term of
14 this Lease. At or prior to the expiration of this Lease, Lessee shall remove, at its expense,
15 such trade fixtures and restore said Leased Premises to their original shape and condition as
16 nearly as practicable, normal wear and tear excepted. In the event Lessee does not so remove
17 such trade fixtures, they shall become the property of the County for no further consideration of
18 any kind, and Lessee shall execute any documents that may be required or necessitated
19 conveying its interest in such improvements, alterations, and fixtures to County.

20 10. Off-Site Improvements

21 (a) County shall provide the following off-site improvements to serve the
22 site: (1) water, (2) sewer, and (3) a paved access road to the Leased Premises. Connections
23 to said off-site improvements shall be the sole cost and responsibility of Lessee as described in
24 Section 10(c). Additionally, Lessee shall be responsible for any improvements beyond those
25 listed in this section, including, but not limited to, electricity, telephone, and gas service.

26 (b) Lessee shall pay a sewer connection fee for each sewer connection and
27 a monthly sewer service fee to County. The amount of the fees shall be according to the fee
28 schedule in effect at the time of Lease execution. The monthly sewer service fee will be

1 adjusted from time to time and be based upon County's sewer service payments to the
2 Coachella Valley Water District and County's cost of repairing, maintaining, and administering
3 the airport's sewer system.

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

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

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

21 12. County's Reserved Rights.

22 (a) The Leased Premises are accepted by Lessee subject to any and all
23 existing easements or other encumbrances, and County and its agents, employees, or
24 subcontractors shall have the right to enter upon the Leased Premises and to install, lay,
25 construct, maintain, repair and operate such sanitary sewers, drains, storm water sewers,
26 pipelines, manholes, connections, water, oil and gas pipelines, and telephone and telegraph
27 power lines and such other facilities and appurtenances (collectively "Infrastructure") necessary
28 or convenient to use in connection therewith, over, in, upon, through, across and along the

1 Leased Premises or any part thereof. County also reserves the right to grant additional
2 franchises, easements, rights of way permits in, over and upon, along or across any and all
3 portions of said Leased Premises for such Infrastructure as and County may elect; provided,
4 however, that no right of the County provided for in this section shall be executed so as to
5 interfere unreasonably with Lessee's use hereunder, or impair the security of any secured
6 creditor of Lessee. County shall cause the surface of the Leased Premises to be restored to
7 its original condition (as they existed prior to any such entry) upon the completion of any
8 construction by County or its agents. In the event such construction renders any portion of the
9 Leased Premises unusable, the rent shall abate pro rata as to such unusable portion during the
10 period of such construction. County will provide thirty (30) days advance notice, or as soon as
11 is practicable, to Lessee before County exercises any of County's rights set forth in this
12 Section; provided, however, in the event such right must be exercised by reason of emergency,
13 then County shall give Lessee such notice as is reasonable under the existing circumstances.

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

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

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

6 (e) Nothing contained herein shall be construed to prevent County from
7 closing runways, ramps, taxiways or aprons or other Airport property for capital improvement
8 projects from time to time at the reasonable discretion of County and with reasonable written
9 notice to Lessee.

10 (f) This Lease is subject to the provisions set forth in Exhibit "B" (Federally
11 Required Lease Provisions), attached hereto and by this reference made a part of this Lease.

12 13. Taxiways. County reserves a non exclusive easement on any and all taxiways
13 included in the Leased Premises for the public's ingress and egress to ramps and runways for
14 the specific purposes of landing, take-off, and taxiing of aircraft. All such uses shall be in
15 accordance with the laws of the United States of America and the State of California, and the
16 rules and regulations promulgated by their authority with respect to aviation and navigation,
17 and in accordance with all reasonable rules and regulations, applicable ordinances of County.

18 14. Returned Phases. Pursuant to the terms and conditions of the Original Lease,
19 as referenced in Section 1(d) and (e) herein, approximately 3.57 acres of undeveloped Leased
20 Premises reverted back to the County, referred herein as the "Returned Phases". The County
21 and the public (airport users) require access through the previously developed Leased
22 Premises to access taxiways and ramps within the Airport. County reserves a non exclusive
23 easement to allow access through the Leased Premises for use by the Occupants, as defined
24 in Section 1(e) herein, for ingress and egress for Parcel "A" as shown on Exhibit "G". This
25 easement shall allow ingress and egress to Taxiway A through the Leased Premises to the
26 heavy ramp and Taxiway F by way of the ingress and egress access as shown on Exhibit "G".
27 It is the intent of the Parties that the Occupants of Parcel "A" have the same right of access
28 through the Leased Premises to Taxiway A and Taxiway F as the Occupants of Phases 1, 2 &

1 3 of the Leased Premises. The Parties agree that the Occupants of Parcel "A" will use the
2 east/west bound ingress and egress access across the Leased Premises, to be known as the
3 Primary Access. In the event that the Primary Access is unavailable, the north/south bound
4 ingress and egress access across the Leased Premises, known as the Secondary Access, will
5 be used. For purposes of this Lease, "unavailable" shall mean unusable and obstructed due to
6 construction, improvements, or maintenance work that is being performed. The Primary
7 Access shall not be deemed to be unavailable merely because there is a temporary obstruction
8 that can be moved in a timely manner to allow Occupants to use the Primary Access. Primary
9 and Secondary Access are shown on Exhibit "G". The referenced easements shall be in a
10 form satisfactory to the County.

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

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

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

27 18. Discrimination or Segregation
28

1 (a) Lessee shall not discriminate in Lessee's recruiting, hiring, promotion,
2 demotion or termination practice on the basis of race, religious creed, color, national origin,
3 ancestry, sex, age, physical handicap, medical condition, or marital status with respect to its
4 use of the Leased Premises hereunder, and Lessee shall comply with the provisions of the
5 California Fair Employment and Housing Act (Government Code Sections 12900 et seq.), the
6 Federal Civil Rights Act of 1964 (P. L. 88-352), and all amendments thereto, Executive Order
7 No. 11246 (30 Federal Register 12319), as amended, and all Administrative Rules and
8 Regulations issued pursuant to said Acts and orders with respect to its use of the Leased
9 Premises.

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

17 (c) Lessee assures that it will undertake an affirmative action program as
18 required by 49 CFR, Part 21, to insure that no person shall on the grounds of race, creed, color,
19 national origin, or sex be excluded from participating in any employment activities covered in
20 49 CFR, Part 21, with respect to its use of the Leased Premises. Lessee further assures that
21 no person shall be excluded on these grounds from participating in or receiving services or
22 benefits of any program or activity covered herein with respect to its use of the Leased
23 Premises. Lessee further assures that it will require that its subcontractors and independent
24 contractors provide assurance to Lessee that they similarly will undertake affirmative action
25 programs and that they will require assurances from their subcontractors and independent
26 contractors, as required by 49 CFR, Part 21, to the same effect with respect to their use of the
27 Leased Premises.
28

1 19. Termination by County. County shall have the right to terminate this Lease
2 forthwith:

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

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

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

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

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

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

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

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

27 21. Eminent Domain. If any portion of the Leased Premises shall be taken by
28 eminent domain and a portion thereof remains which is usable by Lessee, in its discretion, for

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

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

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

27 Lessee's obligation hereunder shall be satisfied when Lessee has provided County the
28 appropriate form of dismissal relieving County from any liability for the action or claim involved.

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

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

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

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

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

25 (b) Airport Liability. Lessee shall maintain Airport Liability Insurance
26 coverage including, but not limited to, premises/operations liability, contractual liability,
27 products and completed operations liability, independent contractors, personal and advertising
28 injury liability covering all claims or lawsuits of any nature whatsoever which may arise from or

1 out of Lessee's performance under the terms of the lease agreement. Policy shall name all the
2 County of Riverside its Agencies, Districts, Special Districts, and Departments, their respective
3 directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or
4 representatives as Additional Insureds. Policy's limit of liability shall not be less than
5 \$25,000,000 per occurrence combined single limit and in the annual aggregate as applicable.
6 The policy shall be endorsed to provide Hangar Keeper's Legal Liability Insurance (Ground and
7 In-Flight) providing coverage for aircraft in the care, custody or control of the Lessee. Policy
8 shall include coverage for the Named Insured's use of unlicensed vehicles on Airport Premises.
9 The foregoing policy limits of liability are subject to adjustment by County as provided for in
10 Section 5 above.

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

18 (d) Aircraft Hull and Liability Insurance.

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

25 (2) Aircraft Liability - Lessee shall provide Aircraft Liability insurance
26 for all owned and non-owned aircraft operated by the Lessee in an amount not less than
27 \$5,000,000 combined single limit per occurrence for bodily injury, including death and property
28 damage and coverage shall include, but is not limited to, products/completed operations and

1 contractual liability. The policy will be endorsed to name all The County of Riverside, its
2 Agencies, Districts, Special Districts, and Departments, its respective directors, officers, Board
3 of Supervisors, employees, elected or appointed officials, agents or representative as
4 Additional Insureds.

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

10 Lessee shall also maintain site-specific Pollution Liability Insurance, covering
11 both sudden and gradual pollution, with limits of not less than \$2,000,000 each pollution
12 condition and \$2,000,000 annual aggregate covering third party claims for bodily injury,
13 property damage and first and third party cleanup expense, for pollution conditions occurring or
14 discovered on-site whether in the soil, water or air, which arise out of Lessee's activities at the
15 Airport. The insurance shall include coverage for loss arising out of the handling of fuel,
16 including the transportation of fuel and refueling of aircraft on-site, arising out of any storage
17 tanks and associated piping, and arising out of the operation, parking and maintenance of
18 aircraft, vehicles on the premises and operations that include any other hazardous materials,
19 waste, and/or work. The policy shall name County as additional insured, and shall not contain
20 an "insured v. insured" exclusion. The policy shall not contain a deductible or self-insured
21 retention higher than \$500,000.

22 (f) All Risk Property Insurance:

23 (1) All-Risk real and personal insurance coverage, including
24 earthquake and flood if applicable, for the full replacement cost value of building, structures,
25 fixtures, equipment, improvements/alterations and systems on the premises for property that
26 the Lessee owns or is contractually responsible for. Policy shall include Business Interruption,
27 Extra Expense, and Expediting Expense to cover the actual loss of business income sustained
28

1 during the restoration period. Policy shall name the County of Riverside as a Loss Payee and
2 provide a Waiver of Subrogation in favor of the County of Riverside.

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

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

22 (g) General Insurance Provisions – All Lines:

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

26 (2) Insurance deductibles or self-insured retentions must be declared
27 by the Lessee's insurance carrier(s), and such deductibles and retentions shall have the prior
28 written consent from the County Risk Manager. Upon notification of deductibles or self insured

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

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

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

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

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

10 Beginning July 1, 2010, and every fifth year thereafter during the term of
11 this Lease or any extension thereof, County reserves the right to adjust the monetary limits of
12 insurance coverage as required in Sections 23 and 24.

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

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

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

24 (b) Commercial General Liability. Commercial General Liability insurance
25 coverage, including but not limited to, premises liability, contractual liability, products and
26 completed operations, personal and advertising injury covering claims which may arise from or
27 out of Supplier's performance of its obligations hereunder. Policy shall name the Lessee, all the
28 County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective

1 Directors, Officers, Board of Supervisors, elected officials, employees, agents or
2 representatives as Additional Insureds. The policy's limit of liability shall not be less than
3 \$1,000,000 per occurrence combined single limit. If such insurance contains a general
4 aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the
5 occurrence limit.

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

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

17 (e) General Insurance Provisions – All lines: Lessee shall cause
18 Supplier's insurance carrier(s) to furnish the Lessee and the County of Riverside with a
19 properly executed original Certificate(s) of Insurance and certified original copies of
20 Endorsements effecting coverage as required herein. Further, said Certificate(s) and policies
21 of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written
22 notice shall be given to the Lessee and the County of Riverside prior to any material
23 modification, cancellation, expiration or reduction in coverage of such insurance. In the event
24 of a material modification, cancellation, expiration, or reduction in coverage, the Supplier's
25 Agreement shall terminate forthwith, unless the Lessee and the County of Riverside receives,
26 prior to such effective date, another properly executed original Certificate of Insurance and
27 original copies of endorsements or certified original policies, including all endorsements and
28

1 attachments thereto evidencing coverages set forth herein and the insurance required herein is
2 in full force and effect.

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

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

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

22 26. Acceptance of Leased Premises. Lessee represents that it has inspected the
23 Leased Premises, accepts the "as is" condition thereof, and fully assumes any and all risks
24 associated to the use thereof. County shall not be liable to Lessee, its officers, agents,
25 employees, subcontractors or independent contractors for any bodily injury, personal injury or
26 property damage suffered by them or others which may result from hidden, latent or other
27 dangerous conditions in, on, upon or within the Leased Premises.
28

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

5 Lessee shall submit all documents pertaining to any such transaction referenced in the
6 foregoing paragraph to County for approval prior to entering into such agreements. Lessee will
7 submit executed subleases and all required certificates of insurance and endorsements to
8 insurance policies, as specified in Sections 23, 24 and 25 of this Lease, to County for approval
9 prior to sublessees occupying the subleased premises.

10 In the event of any transfer as provided in this Section, Lessee expressly understands
11 and agrees that it shall remain liable with respect to any and all the obligations and duties
12 contained in this Lease.

13 28. Right to Encumber/Right to Cure.

14 (a) Lessee's Right to Encumber. Notwithstanding provisions of Section 28
15 herein, County does hereby consent to and agree that Lessee may encumber or assign, or
16 both, for the benefit of a lender, herein called Encumbrancer, this Lease, the leasehold estate
17 and only the Lessee-owned improvements thereof by a deed of trust, mortgage or other
18 security-type instrument, herein called trust deed, to assure the payment of the promissory
19 note of Lessee if the Encumbrancer is an established bank, savings and loan association or
20 insurance company, and the prior written consent of County shall not be required:

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

23 (2) To any subsequent transfer by the Encumbrancer if the
24 Encumbrancer is an established bank, savings and loan association or insurance company,
25 and is the purchaser at such foreclosure sale, or is the assignee under an assignment in lieu of
26 foreclosure; provided, however, that in either such event the Encumbrancer forthwith gives
27 notice to County in writing of any such transfer, setting forth the name and address of the
28 transferee, the effective date of such transfer, and the express agreement of the transferee

1 assuming and agreeing to perform all of the obligations under this Lease, together with a copy
2 of the document by which such transfer was made.

3 Any Encumbrancer described in Section 28(a)(2) above which is the transferee under
4 the provisions of Section 28(a)(1) above shall be liable to perform the obligations and duties of
5 Lessee under this Lease only so long as such transferee holds title to the leasehold.

6 Any subsequent transfer of this leasehold hereunder, except as provided for in Section
7 28(a)(2) above, shall not be made without the prior written consent of County and shall be
8 subject to the conditions relating hereto as set forth in Section 28 herein. Lessee shall give
9 County prior notice of any such trust deed and shall accompany such notice with a true copy of
10 the trust deed and note secured thereby.

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

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

20 (2) If such default or breach is not so curable, cause the trustee
21 under the trust deed to commence and thereafter diligently to pursue to completion steps and
22 proceedings for judicial foreclosure, the exercise of the power of sale under and pursuant to the
23 trust deed in the manner provided by law, or accept from Lessee an assignment in lieu of
24 foreclosure, and keep and perform all of the covenants and conditions of this Lease requiring
25 the payment or expenditure of money by Lessee(s) until such time as said leasehold shall be
26 sold upon foreclosure pursuant to the trust deed, be released or reconveyed thereunder, be
27 sold upon judicial foreclosure or be transferred by deed in lieu of foreclosure.
28

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

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

17 County shall be responsible for the removal and remediation of any contamination
18 and/or hazardous materials that may be found to have existed on the site prior to the execution
19 of this Lease. During the removal and remediation of any such contamination or hazardous
20 materials, rent shall abate pro rata as to the period of time taken to remove and remediate the
21 area of contamination and for any additional portion of the Leased Premises that cannot be
22 developed because of cleanup activities.

23 During the term of this Lease and any extensions thereof, Lessee shall not violate any
24 federal, state, or local law, or ordinance or regulation relating to industrial hygiene or to the
25 environmental condition on, under or about the Leased Premises including, but not limited to,
26 soil, air, and groundwater conditions. Further, Lessee, its successors, assigns and sublessee
27 shall not use, generate, manufacture, produce, store or dispose of on, under, or about the
28 Leased Premises or transport to or from the Leased Premises any flammable explosives,

1 asbestos, radioactive materials, hazardous wastes, toxic substances or related injurious
2 materials, whether injurious by themselves or in combination with other materials (collectively,
3 "hazardous materials"). For the purpose of this Lease, hazardous materials shall include, but
4 not be limited to, substances defined as "hazardous substances," "hazardous materials," or
5 "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability
6 Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials
7 Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery
8 Act, 42 U.S.C. Section 6901, et seq.; and those substances defined as "hazardous wastes" in
9 Section 25117 of the California Health and Safety Code or as "hazardous substances" in
10 Section 25316 of the California Health and Safety Code; and in the regulations adopted in
11 publications promulgated pursuant to said laws now and in the future.

12 31. National Pollution Discharge Elimination System (NPDES) Permit. Lessee
13 acknowledges, understands and agrees that it shall comply with California State Water
14 Resources Control Board general permit requirements now and in the future relating to storm
15 water discharges associated with activities such as aircraft rehabilitation, mechanical repairs,
16 fueling, lubrication, cleaning, painting and deicing. Lessee further acknowledges, understands
17 and agrees that it shall participate as a co-permittee under said general permit, participate in
18 the Jacqueline Cochran Regional Airport Storm Water Pollution Prevention Plan (SWPPP) as
19 noted in Exhibit "D", attached hereto and by this reference made a part of this Lease, including
20 with out limitation, the Best Management Practices, Best Available Technology Economically
21 Achievable, and Best Convention Pollutant Control Technology.

22 32. Free from Liens. Lessee shall pay, when due, all sums of money that may
23 become due for any labor, services, material, supplies, or equipment, alleged to have been
24 furnished or to be furnished to Lessee, in, upon, or about the Leased Premises, and which may
25 be secured by a mechanics, materialmen's or other lien against the Leased Premises or
26 County's interest therein, and will cause each such lien to be fully discharged and released at
27 the time the performance of any obligation secured by such lien matures or becomes due;
28 provided, however, that if Lessee desire to contest any such lien, it may do so, but

1 notwithstanding any such contest, if such lien shall be reduced to final judgment, and such
2 judgment or such process as may be issued for the enforcement thereof is not promptly stayed,
3 or is so stayed, and said stay thereafter expires, then and in such event, Lessee shall forthwith
4 pay and discharge said judgment.

5 33. Employees and Agents of Lessee. It is understood and agreed that all persons
6 hired or engaged by Lessee shall be considered to be employees or agents of Lessee and not
7 of County.

8 34. Binding on Successors. Lessee, its assigns and successors in interest, shall be
9 bound by all the terms and conditions contained in this Lease, and all of the parties thereto
10 shall be jointly and severally liable hereunder.

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

24 36. Waiver of Performance. No waiver by County at any time of any of the terms
25 and conditions of this lease shall be deemed or construed as a waiver at any time thereafter of
26 the same or of any other terms or conditions contained herein or of the strict and timely
27 performance of such terms and conditions.

28 37. Severability. The invalidity of any provision in this Lease as determined by a

1 court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

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

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

13 40. Notices. Any notices required or desired to be served by either party upon the
14 other shall be in writing and addressed to the respective parties as set forth below. Any notice
15 or demand required under this Lease may be by personal service, courier, United States mail,
16 certified mail /postage prepaid, or facsimile transmittal. Notices served by mail are deemed
17 properly delivered effective the third (3rd) business day and personal service, courier delivery,
18 or facsimile transmittal are deemed served at the time and date of receipt confirmation provided
19 that such notice is addressed to the Party as follows:

20 COUNTY

21 County of Riverside
22 Economic Development Agency
23 3403 Tenth Street, Ste 500
Riverside, CA 92501
Attn: Assistant County Executive Officer

LESSEE

Signature Flight Support Corporation
Attention: Contracts
201 S. Orange Avenue, Suite 1100s
Orlando, FL 32801

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

25 Nothing herein contained shall preclude the giving of any such written notice by
26 personal service, in which event notice shall be deemed given when actually received. The
27 address to which notices shall be mailed as aforesaid to either party may be changed by
28 written notice given by such party to the other as hereinabove provided.

1 41. Section Headings. The Section headings herein are for the convenience of the
2 parties only, and shall not be deemed to govern, limit, modify or in any manner affect the
3 scope, meaning or intent of the provisions or language of this Lease.

4 42. County's Representative. County hereby appoints the Assistant County
5 Executive Officer/AEFD or his designee as its authorized representative to administer this
6 Lease.

7 43. Acknowledgment of Lease by County. Upon execution of this Lease by the
8 parties hereto, County will acknowledge this Lease in such a manner that it will be acceptable
9 by the County Recorder for recordation purposes, if requested, and thereafter, Lessee may
10 cause this Lease to be recorded in the Office of County Recorder of Riverside County forthwith
11 and furnish County with a conformed copy thereof.

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

25 45. Entire Lease. This Lease is intended by the parties hereto as a final expression
26 of their understanding with respect to the subject matter hereof and as a complete and exclusive
27 statement of the terms and conditions thereof and supersedes any and all prior and
28 contemporaneous leases, agreements and understandings, oral or written, in connection

1 therewith. This Lease may be changed or modified only upon the written consent of the parties
2 hereto.

3 46. Construction of Lease. The parties hereto negotiated this Lease at arms length
4 and with the advice of their respective attorneys, and no provisions contained herein shall be
5 construed against County solely because it prepared this Lease in its executed form.

6
7 Date: 9/8/10

SIGNATURE FLIGHT SUPPORT CORPORATION,
a Delaware corporation

8
9 By: [Signature]
10 Name: Joseph I. Goldstein
11 Title: Secretary

By: [Signature]
Name: Maria A. Sastre
Title: Vice President

12 Date: _____

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

13 APPROVED AS TO FORM:

14 [Signature] 7 Sept 2010
15 LEGAL DEPT.

By: _____
Marion Ashley
Chairman, Board of Supervisors

16
17 ATTEST:
18 Clerk of the Board
Kecia Harper-Ihem

FORM APPROVED:
County Counsel
Pamela J. Walls

19 By: _____
20 Deputy

By: [Signature]
Synthia M. Gunzel
Deputy County Counsel

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23 (SEAL)
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Attachments:

1. Exhibit A – Boundary Survey and Legal Description
2. Exhibit B – Federally Required Lease Provisions
2. Exhibit C – Minimum Standards
3. Exhibit D – Storm Water Pollution Prevention Plan
4. Exhibit E – Board of Supervisors Resolution No. 2008-362
5. Exhibit F - Aircraft and Sublease Status Report
6. Exhibit G – Ingress/Egress Access Exhibit

EXHIBIT A

BOUNDARY SURVEY AND LEGAL DESCRIPTION

EXHIBIT "A" – LEGAL DESCRIPTION JCRA LEASE – COUNTY OF RIVERSIDE

PARCEL "A"

A PORTION OF PARCEL 9 OF LOT LINE ADJUSTMENT NO. 3843, RECORDED JUNE 27, 1996, AS INSTRUMENT NO. 239254, OF OFFICIAL RECORDS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND LYING WITHIN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER (SW1/4 NW1/4) OF SECTION 21, TOWNSHIP 6 SOUTH, RANGE 8 EAST OF THE SAN BERNARDINO MERIDIAN, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SECTION CORNER COMMON TO SECTIONS 16, 17, 20 AND 21, TOWNSHIP 6 SOUTH, RANGE 8 EAST OF THE SAN BERNARDINO MERIDIAN, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAID POINT BEING ON THE CENTERLINES OF AIRPORT BOULEVARD (56TH AVENUE) AND HIGGINS DRIVE;

THENCE S00°00'13"W ALONG THE WEST LINE OF THE NORTHWEST QUARTER (NW1/4) OF SAID SECTION 21 AND THE CENTERLINE OF SAID HIGGINS DRIVE, A DISTANCE OF 1944.84 FEET TO THE CENTERLINE INTERSECTION OF SAID HIGGINS DRIVE AND AVENGER BOULEVARD;

THENCE CONTINUING S00°00'13"W ALONG THE CENTERLINE OF SAID HIGGINS DRIVE, A DISTANCE OF 304.63 FEET;

THENCE S89°58'13"E, A DISTANCE OF 33.00 FEET TO THE EASTERLY LINE OF SAID HIGGINS DRIVE AND THE TRUE POINT OF BEGINNING;

THENCE N00°00'13"E ALONG THE EASTERLY LINE OF SAID HIGGINS DRIVE, A DISTANCE OF 257.56 FEET;

THENCE N45°01'36"E ALONG THE EASTERLY LINE OF SAID HIGGINS DRIVE, A DISTANCE OF 19.93 FEET TO THE SOUTHERLY LINE OF SAID AVENGER BOULEVARD;

THENCE N89°59'44"E ALONG THE SOUTHERLY LINE OF SAID AVENGER BOULEVARD, A DISTANCE OF 558.82 FEET;

THENCE S00°00'16"E, A DISTANCE OF 271.98 FEET;

THENCE N89°58'13"W, A DISTANCE OF 572.95 FEET TO THE TRUE POINT OF BEGINNING.

SAID PARCEL CONTAINS 3.57 ACRES, MORE OR LESS;

AS SHOWN ON THE ATTACHED EXHIBIT "B" WHICH IS MADE A PART HEREOF BY THIS REFERENCE HEREON.



Mark A. Turner

Scale: N/A

Assessor's Parcel Number(s): 759-080-017

Section 21, Township 6 South, Range 8 East

Date Exhibit Prepared: 6/9/2010

Page 1 of 1

EXHIBIT "A" – LEGAL DESCRIPTION JCRA LEASE – COUNTY OF RIVERSIDE

PARCEL "B"

A PARCEL OF LAND LYING WITHIN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER (SW1/4 NW1/4) AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER (NW1/4 SW1/4) OF SECTION 21, AND BEING A PART OF PARCEL 9 AND PARCEL 15 OF LOT LINE ADJUSTMENT NO. 3843, RECORDED JUNE 27, 1996, AS INSTRUMENT NO. 239254, OF OFFICIAL RECORDS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND ALSO LYING WITHIN THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER (SE1/4 NE1/4) AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER (NE1/4 SE1/4) OF SECTION 20, ALL IN TOWNSHIP 6 SOUTH, RANGE 8 EAST OF THE SAN BERNARDINO MERIDIAN, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SECTION CORNER COMMON TO SECTIONS 16, 17, 20 AND 21, TOWNSHIP 6 SOUTH, RANGE 8 EAST OF THE SAN BERNARDINO MERIDIAN, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAID POINT BEING ON THE CENTERLINES OF AIRPORT BOULEVARD (56TH AVENUE) AND HIGGINS DRIVE;

THENCE S00°00'13"W ALONG THE WEST LINE OF THE NORTHWEST QUARTER (NW1/4) OF SAID SECTION 21 AND THE CENTERLINE OF SAID HIGGINS DRIVE, A DISTANCE OF 1944.84 FEET TO THE CENTERLINE INTERSECTION OF SAID HIGGINS DRIVE AND AVENGER BOULEVARD;

THENCE CONTINUING S00°00'13"W ALONG THE CENTERLINE OF SAID HIGGINS DRIVE, A DISTANCE OF 304.63 FEET;

THENCE S89°58'13"E, A DISTANCE OF 33.00 FEET TO THE EASTERLY LINE OF SAID HIGGINS DRIVE;

THENCE CONTINUING S89°58'13"E, A DISTANCE OF 34.61 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING S89°58'13"E, A DISTANCE OF 538.34 FEET;

THENCE N00°00'16"W, A DISTANCE OF 271.98 FEET TO THE SOUTHERLY LINE OF SAID AVENGER BOULEVARD;

THENCE N89°59'44"E ALONG THE SOUTHERLY LINE OF SAID AVENGER BOULEVARD, A DISTANCE OF 325.30 FEET;

THENCE S00°01'29"W, A DISTANCE OF 861.87 FEET;

THENCE N89°49'37"W, A DISTANCE OF 930.89 FEET TO THE WEST LINE OF THE SOUTHWEST QUARTER (SW1/4) OF SAID SECTION 21;

THENCE CONTINUING N89°49'37"W, A DISTANCE OF 164.62 FEET;

THENCE N00°01'11"E, A DISTANCE OF 130.02 FEET;

THENCE S89°49'37"E, A DISTANCE OF 100.09 FEET;

Scale: N/A

Assessor's Parcel Number(s): 759-060-017, 019

Section 21, Township 6 South, Range 8 East

Date Exhibit Prepared: 5/4/2009

Page 1 of 2

THENCE N01°31'09"W, A DISTANCE OF 155.69 FEET;

THENCE N89°57'32"E, A DISTANCE OF 68.63 FEET TO THE WEST LINE OF THE NORTHWEST QUARTER (NW1/4) OF SAID SECTION 21;

THENCE CONTINUING N89°57'32"E, A DISTANCE OF 67.53 FEET;

THENCE N00°01'11"E, A DISTANCE OF 301.38 FEET TO THE TRUE POINT OF BEGINNING.

SAID PARCEL CONTAINS 14.87 ACRES, MORE OR LESS;

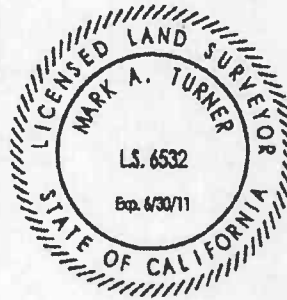
AS SHOWN ON THE ATTACHED EXHIBIT "B" WHICH IS MADE A PART HEREOF BY THIS REFERENCE HEREON.



Mark A. Turner

EXHIBIT "B" - MAP

**JCRA LEASE - COUNTY OF RIVERSIDE
ECONOMIC DEVELOPMENT AGENCY**



THIS DOCUMENT WAS PREPARED
BY ME OR UNDER MY DIRECTION,
BASED ON FIELD SURVEY AND
RECORD INFORMATION.

Mark A. Turner
MARK A. TURNER L.S. 6532
EXP. DATE: 06/30/11

Scale: 1" = 200' 1 i
Assessor's Parcel Number(s): 759-060-017, 019
Section 21, Township 6 South, Range 8 East
Date Exhibit Prepared: 6/9/2010
Sheet 1 of 2

EXHIBIT "B" - MAP

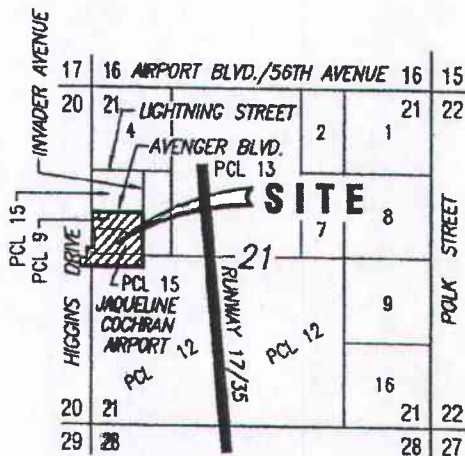
JCRA LEASE - COUNTY OF RIVERSIDE ECONOMIC DEVELOPMENT AGENCY

LEGEND

- SECTION LINE
- 1/4 SECTION LINE
- LEASE BOUNDARY LINE
- P.O.C. POINT OF COMMENCEMENT
- T.P.O.B. TRUE POINT OF BEGINNING
- B.O.B. BASIS OF BEARINGS
- INT. INTERSECTION
- PCL. PARCEL
- C/L CENTERLINE

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS EXHIBIT IS BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER (NW1/4) OF SECTION 21, T.6S., R.8E. S.B.M., COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.
BEING: S89°49'49"E



VICINITY MAP
SEC. 21, T.6S., R.8E. S.B.M.
NTS

LINE TABLE		
LINE	BEARING	LENGTH
L1	S89°58'13"E	33.00'
L2	N00°00'13"E	257.56'
L3	N45°01'36"E	19.93'
L4	S89°58'13"E	67.61'
L5	N00°01'11"E	130.02'
L6	S89°49'37"E	100.09'
L7	N01°31'09"W	155.69'
L8	N89°57'32"E	136.16'
L9	N89°57'32"E	68.63'
L10	N89°57'32"E	67.53'
L11	N00°01'11"E	301.38'
L12	N00°00'13"E	2676.31'
L13	N00°00'13"E	2479.69'



THIS DOCUMENT WAS PREPARED
BY ME OR UNDER MY DIRECTION,
BASED ON FIELD SURVEY AND
RECORD INFORMATION.

Mark A. Turner
MARK A. TURNER L.S. 6532
EXP. DATE: 06/30/11

Scale: 1" = 200'
Assessor's Parcel Number(s): 759-060-017, 019
Section 21, Township 6 South, Range 8 East
Date Exhibit Prepared: 6/9/2010
Sheet 2 of 2

EXHIBIT B

FEDERALLY REQUIRED LEASE PROVISIONS

FEDERALLY REQUIRED LEASE PROVISIONS

1. The Lessee for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease agreement for a purpose for which a U.S. Department of Transportation (DOT) program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
2. The Lessee for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, and (3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-Discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
3. That in the event of breach of any of the above nondiscrimination covenants, the County of Riverside, herein called the County, shall have the right to terminate the lease agreement and to reenter and repossess said land and the facilities thereon, and hold the same as if said lease agreement had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed, including expiration of appeal rights.
4. The Lessee shall furnish its accommodations and/or services on a fair, equal, and not unjustly discriminatory basis to all users thereof, and it shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; provided, however, that the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar type of price reductions to volume purchasers.

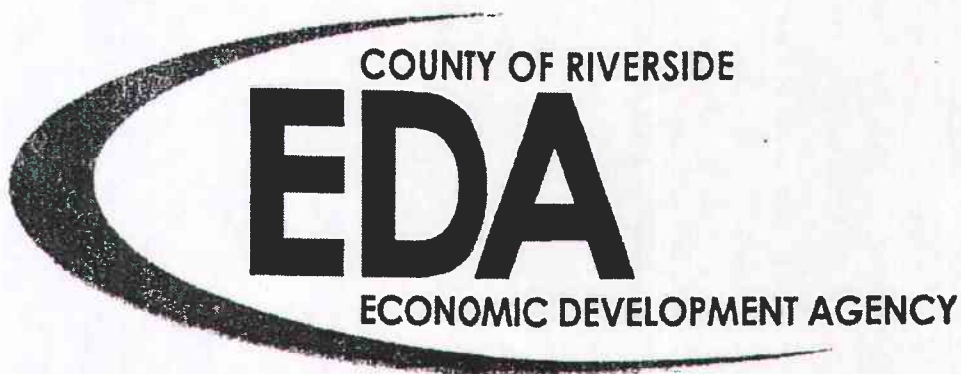
5. Non-compliance with Provision 4 above shall constitute a material breach thereof, and in the event of such noncompliance, the County shall have the right to terminate this lease agreement and the estate thereby created without liability therefore or, at the election of the County or the United States,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

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

S:\EDCOM\AIRPORTS\Documents\Lease - Exhibit B - JCRA FAA Federally Required Lease Provisions.doc

EXHIBIT C
MINIMUM STANDARDS

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



County of Riverside
Economic Development Agency
3403 10th St., Suite 500
Riverside, CA 92501
(951) 955-9719
(951) 955-6686

Adopted January 30, 2001

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EXHIBIT C

I. INTRODUCTION

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

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

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

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

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

II. DEFINITIONS

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

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

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

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

ALP - Airport Layout Plan

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

CEQA - California Environment Quality Act

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

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

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

FAA - Federal Aviation Administration

FAR - Federal Aviation Regulation

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

FUEL - FAA authorized aviation fuel, including jet fuel

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

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

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

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

NEPA - National Environmental Policy Act

THE BOARD - The Riverside County Board of Supervisors

TLMA - Transportation and Land Management Agency

III. AIRPORT RULES AND REGULATIONS

A. Lease

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

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

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

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

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

B. Airport Layout

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

C. Signs

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

D. Building Design, Construction, and/or Alterations

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

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

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

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

E. Inspections

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

F. Flying Clubs

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

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

G. Waiver from Minimum Standards

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

H. Civil Rights

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

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

I. Insurance

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

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

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

J. Lot Size

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

K. Outdoor Storage

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

L. Maintenance

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

IV. SCOPE OF SERVICES

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

Table A - FULL SERVICE FBO

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

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

Table B - AIRCRAFT MAINTENANCE

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

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
LOT SIZE: ½ acre or 21,780 SF		
Hangar area	6,000 SF	For aircraft storage
Tie-down or apron parking	One (1) per 1,000 SF of hangar space	Outside storage
Building space	400 SF	For offices, public phone, and restrooms
	200 SF	Office storage room
Automobile parking	One (1) per 1,000 SF of hangar area, with landscaping as required by Ord. 348	For employees per shift and customer parking
Landscaping	Specific plans to be determined during lease negotiations	Landscaping required around vehicle parking, sidewalks, and building

CERTIFICATION:

Station	Authorized repair station and certified under FAR Part 145 or Holder of an FAA inspection authorization under FAR Part 43
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PERSONNEL:

Staff	Sufficient qualified technicians to meet proposal.	
Certification & training	Proper certification and training	To comply with all applicable regulations

HOURS OF OPERATION:

Services	5 days/week, 8 hrs/day	
	Services offered for emergency situations	One (1) hr response time during non-business hours

EQUIPMENT:

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
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INSURANCE:

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

Table D - FLIGHT INSTRUCTION

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

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

Table E - AIRCRAFT SALES AND LEASING

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

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

Table F - AIRCRAFT STORAGE

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

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE/OTHER</u>
<u>LOT SIZE:</u> 1acre or 43,560 SF		
Storage area of the following or proportionate combination of:	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>
<u>LOT SIZE:</u> ½ acre or 21,780 SF		
Apron, tie-down area	6,000 SF	Storage
Building space	400 SF	For offices, lobby, public phone, and restrooms
Chemical storage	400 SF	
Automobile parking	Minimum of five (5) parking spaces, with landscaping as required by Ord. 348	For number of employees per shift and average number customers
Landscaping	Specific plans to be determined during lease negotiations	Required around vehicle parking, sidewalks, and buildings

CERTIFICATION:

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

PERSONNEL:

Staff	Minimum number to be determined during lease negotiations. Personnel must be knowledgeable about the safe handling of poisons and agricultural chemicals and the proper disposal of substances intended to be used in operations.
Certification & training	

HOURS OF OPERATION:

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

To be determined during lease negotiations.

INSURANCE

Refer to Appendix

Table G - AGRICULTURAL APPLICATION (continued)

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

Table H - OTHER AERONAUTICAL ACTIVITIES

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

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<u>LOT SIZE:</u> ½ acre or 21,780 SF		
Building space	400 SF	For offices, lobby area, and restroom. 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		

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EXHIBIT D

STORM WATER POLLUTION PREVENTION PLAN

STORM WATER POLLUTION PREVENTION PLAN INTRODUCTION AND PURPOSE

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

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

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

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

PLANNING AND ORGANIZATION

POLLUTION PREVENTION PERSONNEL

POLLUTION PREVENTION COMMITTEE MEMBERS

Airport Manager/Representative: Tom Turner

DUTIES: Overall compliance; Inspection of airports.

Phone: (951) 652-0422 24-hour Phone: (951) 538-5185

Designated Individuals

Name: Ray Paiz Title: Division Chief

Phone: (760) 427-7824 24-hour Phone: 9-1-1

Duties: County fire compliance with permit.

Name: Ken Setser Title: Gen Manager, Signature Flight Support.

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

Duties: F.B.O. compliance.

Name: _____ Title: _____

Phone: _____ 24-hour Phone: _____

Duties:

Name: _____ Title: _____

Phone: _____ 24-hour Phone: _____

Duties:

Name: _____ Title: _____

Phone: _____ 24-hour Phone: _____

Duties:

FACILITY DATA COLLECTION

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

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

Topographic Map

Description of Significant Material Handling

Significant Materials Treated or Stored

Significant Materials Stored:

- 1) Jet-A and Avgas stored in underground and above ground tanks.
- 2) Used motor oil

Significant Materials Disposed:

- 1) Fuel from underground tank is used in aircraft. Underground and aboveground tanks are regulated by title 23 of the California Health and Safety Code, EPA underground Tank Regulations, and riverside County Ordinance No. 617
- 2) Fertilizer and pesticides are controlled by EPA, State, and county regulations. Fertilizers and Pesticides are disposed of off airport property.
- 3) Used motor oil is recycled through a licensed contractor.

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

- 1) To our knowledge, no materials of significant quantity have been leaked or spilled on airport property.
- 2) Fuel spill in 1995, overfilled fuel trucks. Topsoil removed by airport staff and disposed of by operator. County Haz - Mat called.
- 3) Site clean up completed in Feb. 1998

Airport Industrial Storm Water Treatment Facilities:

- 1) No facilities are now on the airport.

Materials Management Practices:

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

Equipment Management Practices:

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

Vehicle Management Practices:

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

Material Loading, Unloading, and Access Areas:

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

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

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

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

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

Methods of On-Site Disposal of Significant Materials:

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

Methods of On-Site Storage of Significant Materials:

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

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

- 1) All main access roads and parking lots are paved. Some airport maintenance roads are dirt but rarely used.
- 2) There are no significant industrial processes on the airport.
- 3) Dirt roads are restricted to airport personnel only.

Pollutant Lists

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

POLLUTANT LIST

TABLE 3-1

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

Airport Size

Airport Size (acres or square feet): 2,363 Acres

Impervious Area (acres or Square Feet): 35.5 Acres

Percentage of Impervious Area (Impervious area/total area x 100): 1.5%

Significant Spills or Leaks:

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

Summary of Sampling Data:

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

Airport Size

Airport Size (acres or square feet): 2,363 acres

Impervious Area (acres or Square Feet): 45. Acres Amendment-10-26- 50.75 acres

Percentage of Impervious Area (Impervious area/total area x 100): 2. % - 2.1%

Significant Spills or Leaks: Table 3-2 should be used to record the lists described above.

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

SAMPLING EVENT RECORDS TABLE 3-3

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

STORM WATER MANAGEMENT CONTROLS

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

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

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

Preventative Maintenance

The preventative maintenance program should include the following:

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

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

Good Housekeeping

Written Protocol

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

The protocols should cover:

- 1) Daily inspections of tie down areas to look for leaks and spills.
- 2) Notices sent to F.B.O.s and aircraft owners to correct any problems.
- 3) Vehicle and equipment washing to be done in designated areas only.
- 4) No hangars, equipment storage or maintenance facilities are allowed to be hosed out. All oil and fuel will be cleaned by using oil absorbent materials or biodegradable

solvents or soaps, then disposed of properly.

- 5) Drip pans and 100 pounds of absorbent material stored at each F.B.O. site near fuel storage and maintenance areas.
- 6) Drums and tanks containing used oil are to store in a covered area with retention.
- 7) The County and each co-Permittees will train all personnel on the proper handling of hazardous materials. List of agency's to notify if a spill occurs.
- 8) The designated airport representative will inspect the airport monthly to include co-Permittees areas to insure compliance with the S.W.P.P.P.
- 9) All unpaved roads restricted to necessary traffic.
- 10) All vehicle fueling to take place on paved areas to simplify clean up if a spill occurs. Also keeps cost down.

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

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

See Protocols and Management Practices

Emergency Response Coordinator

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

Designated Individual:	<u>Tom Turner</u>		
Title:	<u>Airport Supervisor</u>		
Phone:	<u>(951) 652-0422</u>	24-hour Phone:	<u>951-538-5185</u>
Alternate:	<u>Dave English</u>		
Title:	<u>Airport Operation Supervisor</u>		
Phone:	<u>(951) 658-1276</u>	24-hour Phone:	<u>951-712-5995</u>

Storm Water Management Practices

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

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

SEDIMENT CONTROL AND EROSION PREVENTION

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

AMENDMENT SHEET

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

EMPLOYEE TRAINING SCHEDULE

TABLE 4 - 5

Workshop Topic	Dates	Personnel Attending

EMPLOYEE TRAINING

Training should be recorded on Table 4 - 5.

NON-STORM WATER DISCHARGES

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

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

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

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

COMPLIANCE

Inspection

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

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

EXHIBIT E

BOARD OF SUPERVISORS RESOLUTION NO. 2008032

1 Board of Supervisors

County of Riverside

2 RESOLUTION NO. 2008-362

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

5
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

- 1 received within twenty (20) days of the date of the invoice. A late fee of ten percent
2 (10%) shall be assessed to all payments received after the ~~the~~ date (30 days of invoice).
- 3 2. Lessee/fuel seller's fuel systems must comply with the County Airport requirements
4 and specifications. The systems must have a meter according to the County's
5 specifications, which allow the County to monitor and record fuel sales on a monthly
6 basis. Lessee/fuel seller shall, at its own expense, be responsible for obtaining and
7 installing the meter. The meter or metering device must be certified on an annual basis
8 by the Riverside County Agricultural Department, Weights and Measures Division, or
9 other service designated by the County. Such annual certification shall be at the expense
10 of lessee.
- 11 3. The County shall take readings from the meters of all fuel systems during the first
12 week of each month. The County shall issue an invoice to lessee based upon the number
13 of gallons of fuel sold during the previous monthly period. The County reserves the right
14 to audit records of Lessee's fuel sales and receipts. Lessee shall make all such records
15 available for inspection upon three (5) days notice from County to Lessee.
- 16 4. Lessees shall have the option to continue to pay fuel flowage fees at the former rate of
17 5% per gallon for the duration of the current lease or sublease.
- 18 5. Fuel sellers, prior to being subject to the new fuel flowage fee calculation, shall be
19 required to enter into amendments of their current leases and/or subleases to reflect the
20 provisions of this resolution.
- 21 6. Lessees must at all times comply with applicable local, state and federal laws and
22 regulations, including applicable airport regulations established pursuant to Riverside
23 County Ordinance No. 576.2.
- 24 7. The County reserves the right to review this Resolution from time to time, and by
25 Resolution, make any and all such revisions as it deems necessary and appropriate.
- 26
27
28

FORM APPROVED COUNTY COUNSEL
BY: [Signature] 7/17/06
DATE: 7/17/06

EXHIBIT F

AIRCRAFT AND SUBLEASE STATUS REPORT

AIRCRAFT AND SUBLEASE STATUS REPORT

Date:

Sublessee	Sublease Start Date	Sublease End Date	Land Area Subleased	Hanger Square Footage	Hanger #	N Number	Owner	Aircraft Type	Status (Based)

I certify that I have in my possession current certificates of insurance for each aircraft, sublessee and contractor required under Sections 7(l), 22, 23 and 26 of this Lease and that copies of these certificates have been sent to County. These certificates may be inspected by County upon 48 hours written notice by County.

By: _____
Lessee's Designated Representative

Date: _____

EXHIBIT F