

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



ITEM: 3.16  
(ID # 17460)

**MEETING DATE:**

Tuesday, November 16, 2021

**FROM :** TLMA - AVIATION:

**SUBJECT:** TRANSPORTATION AND LAND MANAGEMENT AGENCY/AVIATION:  
Ratification and Approval of Blythe Airport Lease Agreement – XPO Logistics Freight Inc., a Delaware corporation, Blythe, CEQA Exempt, District 4. [\$2,200 Total Cost - TLMA Aviation 100%] (Clerk to file 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 CEQA Guidelines Section 15301, Existing Facilities exemption and Section 15061(b)(3) "Common Sense" exemption;
2. **Ratify and Approve** the attached Blythe Airport Lease Agreement between the County of Riverside and XPO Logistics, and authorize the Chair of the Board to execute the same on behalf of the County; and
3. **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.

**ACTION:Policy**

Charissa Leach, TLMA Director

10/13/2021

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Jeffries, seconded by Supervisor Perez 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 16, 2021  
xc: TLMA- Aviation, Recorder

Kecia R. Harper  
Clerk of the Board

By:   
Deputy

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

| <b>FINANCIAL DATA</b>                              | <b>Current Fiscal Year:</b> | <b>Next Fiscal Year:</b> | <b>Total Cost:</b>        | <b>Ongoing Cost</b> |
|--|-----------------------------|--------------------------|---------------------------|---------------------|
| <b>COST</b>  | \$2,200                     | \$0                      | \$2,200                   | \$0                 |
| <b>NET COUNTY COST</b>                             | \$0                         | \$0                      | \$0                       | \$0                 |
| <b>SOURCE OF FUNDS: TLMA Aviation Revenue Fund</b> |                             |                          | <b>Budget Adjustment:</b> | No                  |
|  |                             |                          | <b>For Fiscal Year:</b>   | 2020/21- 2050/51    |

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On May 20, 1997 the County of Riverside ("County"), as Lessor, and the City of Blythe ("City"), as Lessee entered into a Lease Agreement Blythe Airport ("Master Lease") for the lease of the Blythe Airport consisting of 3,904-acre site identified by Assessor Parcel Number's 818-241-024, 818-210-012, 818-210-013, 818-210-012, 818-180-022, 818-260-003, 818-250-001, 824-020-002, 824-020-005, 821-110-002, 821-080-040, 824-080-006, 821-110-007, 821-110-006, 821-080-041, and 824-030-003. During the term of the Master Lease, the City entered into various revenue generating subleases that were eventually released to the County as part of the Lease Termination Agreement dated October 5, 2010 ("Termination Agreement").

One of the sublease agreements that was released to the County as part of the Termination Agreement was a Sublease Agreement ("Sublease") dated April 25, 2000 between the City and XPO Logistics Freight Inc., a Delaware corporation ("XPO Logistics"), successor-in-interests to Conway Transportation Services, for the lease of approximately 26.63 acres of non-aeronautical land at the Blythe Airport, and formally identified by a portion of Assessor Parcel Number's 818-260-003 and 818-250-001 ("Premises"). The Sublease term was for a period of twenty (20) years and included three (3) options to extend the Sublease for a period of ten (10) years. The initial twenty-year term expired on April 24, 2020.

In January of 2020, XPO Logistics notified the County of their intention to exercise their first ten-year option. The County and XPO Logistics negotiated the attached Blythe Airport Lease Agreement ("Lease"), which will supersede the Sublease agreement and will establish a direct agreement between the County and XPO Logistics.

The terms of the Lease are summarized below:

Lessee: XPO Logistics Freight Inc., a Delaware corporation

Premises Location: 12555 Mesa Drive

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

Blythe, CA 92225

Size: 26.63 acres  
Term: Twenty (20) years  
Rent: \$4,714.04 per month  
Escalation: 3% annual escalation  
Option to Extend: One (1) option to extend for ten (10) years

In accordance with the Federal Aviation Administration (“FAA”) Airport Compliance Manual 5190.6b, Section 17.11, rates charged for nonaeronautical leases must be based on fair market value. The County procured fair market value appraisal that was determined by a licensed MAI appraiser. The proposed rent rate for the Lease is based off the fair market value, and consistent with the FAA guidelines for nonaeronautical leases.

Pursuant to the California Environmental Quality Act (CEQA), the Lease was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines Section 15301 class 1-Existing Facilities exemption and Section 15061(b)(3) “Common Sense” exemption.

The Lease has been reviewed and approved by County Counsel.

**Impact on Residents and Businesses**

The transportation and warehousing job sector represents about 5.9% of the occupations by population in the City of Blythe. XPO Logistics is a Fortune 500 company that has provided jobs for the residents, and expanded commerce in the area. Maintaining XPO Logistics at this site will contribute to current and future growth for residents and businesses in the Blythe area.

**Supplemental:  
Additional Fiscal Information**

No net County cost will be incurred and no budget adjustment is necessary, however, the Transportation and Land Management Agency, Aviation Division has incurred costs associated with this transaction. County Counsel and Facilities Management costs to date in the approximate amount of \$2,200 will be reimbursed from the TLMA Aviation Revenue Fund.

|                       |          |
|-----------------------|----------|
| County Counsel Review | \$ 1,500 |
| CEQA NOE              | \$ 700   |

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

|              |                 |
|--------------|-----------------|
| <b>Total</b> | <b>\$ 2,200</b> |
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**ATTACHMENTS:**

- Blythe Airport Lease Agreement
- Notice of Exemption
- Aerial Map



Jason Farin, Principal Management Analyst

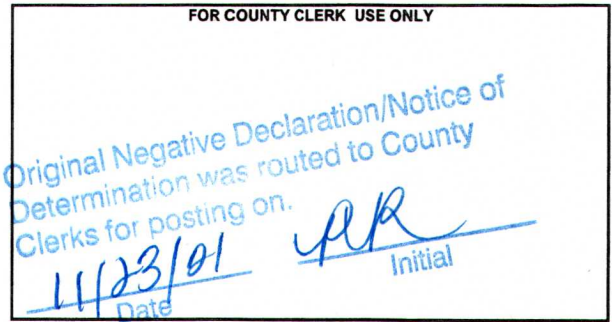
11/9/2021



Gregory L. Priamos, Director County Counsel

11/3/2021

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



## NOTICE OF EXEMPTION

October 20, 2021

**Project Name:** County of Riverside, Approval of XPO Logistics Freight Inc. Lease Agreement at Blythe Airport

**Project Number:** ED1910012

**Project Location:** 12555 Mesa Drive, north of Hobsonway, Assessor's Parcel Numbers (APNs) 818-260-003 and 818-250-001, Blythe, Riverside County, California, 92225

**Description of Project:** On May 20, 1997 the County of Riverside (County), as Lessor, and the City of Blythe (City), as Lessee entered into a Lease Agreement (Master Lease) for the lease of the Blythe Airport consisting of a 3,904-acre site identified by APNs 818-241-024, 818-210-012, 818-210-013, 818-210-012, 818-180-022, 818-260-003, 818-250-001, 824-020-002, 824-020-005, 821-110-002, 821-080-040, 824-080-006, 821-110-007, 821-110-006, 821-080-041, and 824-030-003. During the term of the Master Lease, the City entered into various revenue generating subleases that were eventually released to the County as part of the Lease Termination Agreement dated October 5, 2010 (Termination Agreement). One of the sublease agreements that was released to the County as part of the Termination Agreement was a Sublease Agreement (Sublease) dated April 25, 2000 between the City and XPO Logistics Freight Inc., a Delaware corporation (XPO Logistics), successor in interests to Conway Transportation Services, for the lease of approximately 26.63 acres of non-aeronautical land at the Blythe Airport, and formally identified by a portion of APNs 818-260-003 and 818-250-001 (Premises). The Sublease term was for a period of 20 years and included three options to extend the Sublease for a period of 10 years. The initial 20-year term expired on April 24, 2020.

In January of 2020, XPO Logistics notified the County of their intention to exercise their first 10-year option. The County and XPO Logistics negotiated a Blythe Airport Lease Agreement (Lease Agreement), which will supersede the Sublease agreement and will establish a direct agreement between the County and XPO Logistics. The approval of the Lease Agreement for a 20-year term, with one option to extend for a 10-year term 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

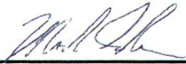
**Exempt Status:** State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or "Common Sense" Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

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**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 a temporary extension of a lease of an existing facility while a long-term Lease so that a long-term Lease can be negotiated. The project 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 a temporary Lease Agreement for six months. The Lease is limited to a contractual agreement would be consistent with the existing land use, and would not result in a physical change to the property. 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 approval of the Temporary Lease Agreement to the existing facility would result in the continued operation of the facility 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:**  \_\_\_\_\_ **Date:** 11-3-2021  
Mike Sullivan, Senior Environmental Planner  
County of Riverside, Facilities Management

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**Blythe Airport  
Lease Agreement**

This Blythe Airport Lease Agreement ("Lease"), dated November 16, 2021, is entered into by and between the **County of Riverside**, a political subdivision of the State of California, as lessor, ("Lessor" or "County"), and **XPO Logistics Freight, Inc.**, a Delaware corporation ("Lessee"), collectively referred to herein as the "Parties," and individually as a "Party", under the following terms and conditions:

**RECITALS**

**WHEREAS**, Lessor owns and operates the Blythe Airport, located in the County of Riverside, State of California identified as Assessor's Parcel Nos. 818-250-001, 821-110-002, 824-020-005, 824-080-006, and 821-110-007 (collectively, the "Airport");

**WHEREAS**, Lessor desires to Lease to Lessee approximately 26.63 acres of improved land located on the Airport ("Leased Premises") for Lessee's motor truck terminal or warehouse operation;

**NOW THEREFORE**, in consideration of the payments to be made hereunder and the covenants and agreements contained herein, Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the real property described below upon the following terms and conditions.

**1. Property Description.** The property leased herein consists of approximately 26.63 acres of land on the Airport. The Leased Premises is described and depicted in Exhibit "A", attached hereto and incorporated herein by this reference. Lessee acknowledges and agrees that Lessee has no fee title interest in or to the Airport.

**2. Term.** This Lease shall have a term of twenty (20) years, commencing on June 1, 2020 ("Commencement Date"). Lessee shall have one (1) option of ten (10) years to extend the term of the Lease on the following terms and conditions: (a) Lessee

1 is not in material default of any of the terms and conditions of this Lease, of which default  
2 Lessee has received notice and the cure period has expired and the default remains  
3 uncured, and (b) at least ninety (90) days prior to the expiration of the term of this Lease  
4 but no earlier than one hundred twenty (120) days prior to the expiration of the term of  
5 this Lease, Lessee shall have given Lessor written notice of its election to extend the  
6 term of this Lease.

7       **3. Use.** The Leased Premises shall be used by Lessee as a motor truck  
8 terminal or warehouse operating on a twenty-four (24) hour, seven (7) days a week basis,  
9 and for such other functions as are incidental to such use. The Leased Premises shall  
10 not be used for any aeronautical purposes, and Lessee shall not have any “through-the-  
11 fence” rights to access, load, or offload any cargo to or from aircraft accessing the Airport.

12       Lessee acknowledges that it has satisfied itself by its own independent  
13 investigation that the Leased Premises is in good condition and suitable for its intended  
14 use and agrees that it will take all reasonable measures to prevent any damage to the  
15 Airport. Lessee shall provide the necessary security measures for the safe keeping of  
16 all vehicles, equipment, and personal property on the Leased Premises. Lessor is under  
17 no obligation to take any measures for the safe keeping of said vehicles, equipment, and  
18 personal or company property and does not assume any responsibility for theft, damage,  
19 or vandalism occurring to said vehicles, equipment, and personal or company property.

20       Lessee’s use of the Leased Premises is subject to the Regulation for County  
21 Airports attached hereto as Exhibit “B” and incorporated herein by this reference. This  
22 Lease does not authorize the storage or parking of any other items, equipment, or  
23 vehicles on the Leased Premises, unless approved in writing by Lessor, or except as  
24 specifically authorized herein, or necessary for the operation of the motor truck terminal  
25 or warehouse. Lessee shall not use or store any flammable or polluting substance (other  
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1 than fuel in aircraft or small amounts of oil in proper containers) on the Leased Premises  
2 or elsewhere at the Airport property except with the express written consent of Lessor.

3 Unless authorized to enter onto the Airport's operations area by Lessor, all motor  
4 vehicles and trailers necessary for Lessee's use of the Leased Premises shall be parked  
5 on or within the Leased Premises, display current license tags, and meet any and all  
6 California environmental and insurance requirements. Lessee shall ensure the safe  
7 operation of all Lessee vehicles and trailers and Lessee invitee/guest vehicles and  
8 trailers while on the Leased Premises. Aircraft always have the right-of-way on Airport  
9 property. Lessee vehicles shall not enter any runway or taxiway designated as the  
10 aircraft operating area. Lessee shall not exercise the rights granted herein in any manner  
11 which would interfere with the departure or arrival of aircraft at the Airport or interfere  
12 with rights granted by Lessor to other Lessees, users or customers at the Airport.

13 Should Lessee desire to use the Leased Premises in a manner not authorized  
14 under the Lease, Lessee shall provide to Lessor a detailed description in writing of the  
15 desired use, service and/or operation for Lessor's prior review and written approval, in  
16 Lessor's sole and absolute discretion. The Lessor's approval of any change in the use  
17 of the Leased Premises may, at Lessor's sole election, place additional specific  
18 requirements on Lessee including, but not limited to, the types, limits, and conditions of  
19 insurance provided under this Lease.

20 **4. Rent.**

21 (a) As of June 1, 2020, Lessee shall pay to Lessor as initial rent for the use  
22 and occupancy of the Leased Premises monthly rent in the amount of four thousand  
23 seven hundred fourteen dollars and 04/100 cents (\$4,714.04) ("Total Rent").

24 (b) Said Total Rent is due and payable in advance on the first of each  
25 month. The Total Rent shall be considered delinquent if not paid by the 10<sup>th</sup> of the month.  
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1 (c) If the Total Rent becomes delinquent, Lessee will be charged a late fee  
2 equivalent to ten percent (10%) of the delinquent rental amount, exclusive of late fees,  
3 for each month that rent is delinquent.

4 (d) Beginning on the Commencement Date, and on each yearly  
5 anniversary thereafter, the Total Rent shall be increased by three percent (3%) of the  
6 Total Rent for the preceding Lease year.

7 **5. Additional Obligations of Lessee.** Lessee shall, during the term of  
8 this Lease and any extensions thereof, perform and/or adhere to the following  
9 obligations:

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

15 (b) Operate the Leased Premises without discrimination on the grounds  
16 of race, religion, color or national origin or in any manner prohibited by Part 15 of the  
17 Federal Aviation Administration Regulations;

18 (c) Provide ground maintenance services for the grounds of the Leased  
19 Premises at Lessee's own expense;

20 (d) Maintain the Leased Premises, and approaches thereto, in good,  
21 safe and sanitary order, condition, and repair. Throughout the term of this Lease, Lessee  
22 shall, at Lessee's sole cost and expense, maintain or cause to be maintained the Leased  
23 Premises and the improvements now or hereafter located on the Leased Premises in  
24 good and clean condition and repair, free of debris, and in compliance with (i) all  
25 Governmental Restrictions (defined below), and (ii) all applicable rules, orders, and  
26 regulations of any insurance company insuring all or any part of the Leased Premises or

1 the improvements thereon or both, and Lessee shall make or cause to be made whatever  
2 repairs and replacements are required by such enactments or provisions or future  
3 enactments or provisions. The term "Governmental Restrictions" used herein shall mean  
4 and include any and all laws, statutes, official policies, ordinances, codes, formal  
5 decrees, rulings, regulations, writs, injunctions, orders, rules, conditions of approval or  
6 authorizations of any governmental entity, agency or political subdivision, now in force  
7 or hereafter adopted, which are applicable to the Leased Premises or the use thereof as  
8 of the date such term is being applied. If Lessee fails to perform Lessee's obligations  
9 under this Section 5(f), Lessor shall have the right to enter upon the Leased Premises  
10 after 30 days prior written notice to Lessee (except in the event of an emergency, in  
11 which case no notice shall be required), perform such maintenance and repair  
12 obligations on Lessee's behalf, and Lessee shall be fully responsible for and shall  
13 promptly pay to Lessor an amount equal to 115% of all costs thereof. Lessee  
14 acknowledges and agrees that failure to pay the aforementioned costs within thirty (30)  
15 days of written notice shall constitute a default under this Lease. Lessor shall have no  
16 obligation to maintain the Leased Premises pursuant to Section 25 below.

17 **6. Permits, Licenses and Taxes.** Lessee shall secure, at its expense, all  
18 necessary permits and licenses as it may be required to obtain regarding the  
19 construction, operation, maintenance, and termination or abandonment of activities upon  
20 the Leased Premises, and Lessee shall pay for all fees and taxes levied or required by  
21 any authorized public entity. This Lease may create a possessory interest subject to  
22 property taxation and Lessee may be subject to the payment of property taxes levied on  
23 such interest. Lessee acknowledges, understands and agrees that Lessee is solely  
24 responsible for the timely payment and satisfaction of all taxes incurred as a result of this  
25 Lease.

26

1           **7. Real Property Reversion.** During the term of this Lease, all improvements,  
2 alterations, and fixtures constructed by the Lessee on the Leased Premises  
3 (“Improvements”) shall be owned by Lessee until the Lease is terminated, legally  
4 relinquished, abandoned or upon the expiration of Lease including any hold-over period.  
5 For purposes of this section, “abandon” shall mean Lessee’s vacation of the Leased  
6 Premises with an intention not to perform the future obligations of the Lease. Upon  
7 Lessor’s reasonable belief of Lessee’s abandonment, Lessor may give notice of belief  
8 of abandonment at any time after the rent has been due and unpaid for at least sixty (60)  
9 days. In such event, if Lessee does not respond to the notice of belief of abandonment,  
10 the Lease shall be deemed abandoned by Lessee. Upon termination, relinquishment,  
11 abandonment or upon the expiration of the Lease (including any hold-over period), legal  
12 title to all improvements constructed by the Lessee shall cease to exist, and all interest  
13 associated therewith shall revert to the Lessor free and clear of any and all rights to  
14 possession and all claims to or against them by Lessee or any third person or entity;  
15 provided that Lessor shall not have any rights to any trade fixtures, machinery, inventory  
16 or equipment (“Equipment”) owned by Lessee or its customers except as otherwise  
17 provided herein this Section 7. At the expiration or earlier termination of this Lease,  
18 Lessee shall also surrender to Lessor possession of the Leased Premises and all  
19 improvements constructed thereon free and clear of all liens, encumbrances and  
20 mortgages. Lessee shall have the full and exclusive use and enjoyment of such  
21 improvements, alterations, and fixtures during the term of this Lease. At or prior to the  
22 expiration of this Lease, Lessee shall remove, at its expense, such trade fixtures,  
23 machinery, inventory and equipment (not including buildings and improvements affixed  
24 to the land), and surrender the Leased Premises in good, safe and sanitary condition,  
25 subject to ordinary wear and tear. In the event Lessee does not remove such trade  
26 fixtures within thirty (30) days following written notice, they shall become the property of

1 the Lessor for no further consideration of any kind, and Lessee acknowledges and  
2 agrees that Lessor shall have the right to charge Lessee for removal of any trade fixtures  
3 and/or improvements that so remain by Lessee upon the expiration or early termination  
4 of the Lease. At Lessor's request, Lessee shall execute and deliver to Lessor a quitclaim  
5 deed, both in commercially reasonable form and as prepared by Lessor. By the quitclaim  
6 deed, Lessee shall quitclaim any right, title or interest which Lessee may have or claim  
7 to have in the Improvements.

8 **8. Compliance with Law.** Lessee shall, at its sole cost and expense, comply  
9 with all of the requirements of all governmental agencies now in force, or which may  
10 hereafter be in force, pertaining to the Leased Premises, and any improvements  
11 hereafter constructed or maintained thereon, and Lessee shall faithfully observe all laws  
12 and ordinances including but not limited to the California Environmental Quality Act  
13 (CEQA) and the National Environmental Protection Act (NEPA), now or hereafter in force  
14 in the use of the Leased Premises. Lessee shall also comply with all applicable federal,  
15 state and local laws and regulations and County ordinances. In the event there is a  
16 conflict between the various laws or regulations that may apply, Lessee shall comply  
17 with the more restrictive law or regulation.

18 **9. Lessor's Reserved Rights.**

19 (a) The Leased Premises is accepted by Lessee subject to any and all  
20 existing easements or other encumbrances, and Lessor shall have the right to enter upon  
21 the Leased Premises and to install, lay, construct, maintain, repair and operate such  
22 sanitary sewers, drains, storm water sewers, pipelines, manholes, connections, water,  
23 oil and gas pipelines, and telephone and telegraph power lines and such other facilities  
24 and appurtenances necessary or convenient to use in connection therewith, over, in,  
25 upon, through, across and along the Leased Premises or any part thereof; provided,  
26 however, that no such facilities or appurtenances shall unreasonably interfere with

1 Lessee's use of the Leased Premises, and Lessor shall reasonably coordinate with  
2 Lessee in installing and maintaining any such facilities and appurtenances (including,  
3 without limitation, compliance with Section 10 hereof). Lessor also reserves the right to  
4 grant easements and rights of way in, over and upon, along or across any and all portions  
5 of said Leased Premises as Lessor may elect; provided, however, that no right of the  
6 Lessor provided for in this paragraph shall be executed so as to interfere unreasonably  
7 with Lessee's use hereunder, or impair the security of any secured creditor of Lessee.  
8 Lessor shall give Lessee at least thirty (30) days' prior written notice of any such  
9 installation or construction, diligently complete any such installation or construction and  
10 cause the surface of the Leased Premises to be restored to its original condition (as it  
11 existed prior to any such entry) upon the completion of any construction by Lessor or its  
12 agents. In the event such construction renders any portion of the Leased Premises  
13 unusable, the rent shall abate pro rata as to such unusable portion during the period of  
14 such construction, provided that the foregoing shall not grant to Lessor any right to render  
15 any portion of the Leased Premises unusable. Any right of Lessor set forth in this  
16 paragraph shall not be exercised unless a prior written notice of thirty (30) days is given  
17 to Lessee; provided, however, in the event such right must be exercised by reason of  
18 emergency, then Lessor shall give Lessee such notice in writing as is reasonable under  
19 the existing circumstances.

20 (b) Lessor reserves the right to further develop or improve the aircraft  
21 operating area of the Airport as it deems appropriate. Lessor reserves the right to take  
22 any action it considers necessary to protect the aerial approaches of Airport against  
23 obstruction, together with the right to prevent the Lessee from erecting or permitting to  
24 be erected, any building or other structure on the Airport, which in the reasonable opinion  
25 of Lessor, would limit usefulness of the Airport or constitute a hazard to aircraft.  
26 Notwithstanding the foregoing, Lessor acknowledges and agrees that the structures

1 existing as of the Commencement Date do not affect operations of the Airport or pose a  
2 hazard to aircraft, and such structures shall be permitted to exist for the term of this  
3 Lease.

4 (c) During the time of war or national emergency, Lessor shall have the  
5 right to lease the landing area of the Airport, or any part thereof, to the United States  
6 Government ("Government") for military use and, if such lease is executed, the  
7 provisions of this Lease insofar as they are inconsistent with the provisions of such lease  
8 to the Government, shall be suspended. In that event, a just and proportionate part of  
9 the rent hereunder shall be abated, unless Lessee otherwise elects, in Lessee's sole and  
10 absolute discretion, to terminate this Lease.

11 (d) Notwithstanding any provisions herein, this Lease shall be  
12 subordinate to the provisions of any existing or future agreement between Lessor and  
13 the Government, relative to the operation or maintenance of the Airport, the terms and  
14 execution of which have been or may be required as a condition precedent to the  
15 expenditure or reimbursement to Lessor of federal funds for the development of said  
16 airport.

17 (e) This Lease is subject to the provisions set forth in Exhibit "C"  
18 (Federally Required Lease Provisions), attached hereto and incorporated herein by this  
19 reference.

20 **10. Inspection of Premises.** Lessor, through its duly authorized agents, shall  
21 have, upon twenty-four (24) hours' notice, during normal business hours, the right to  
22 enter the Leased Premises for the purpose of inspecting, monitoring and evaluating the  
23 obligations of Lessee hereunder and for the purpose of doing any and all things which it  
24 is obligated and has a right to do under this provided that the inspection does not  
25 unreasonably interfere with Lessee's business.

26

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

4           **12. Compliance with Government Regulations.** Lessee shall, at Lessee's  
5 sole cost and expense, comply with the requirements of all local, state, and federal  
6 statutes, regulations, rules, ordinances, and orders now in force or which may be  
7 hereafter in force, pertaining to the condition, use or occupancy of the Leased Premises.  
8 Lessee shall also comply with all rules and regulations of the Federal Aviation  
9 Administration. The final judgment, decree, or order of any court of competent  
10 jurisdiction, or the admission of Lessee in any action or proceedings against Lessee,  
11 whether Lessee is a party thereto or not, that Lessee has violated any such statutes,  
12 regulations, rules, ordinances, or orders in the use of the Leased Premises, shall be  
13 conclusive of that fact as between Lessor and Lessee.

14           **13. Discrimination or Segregation**

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

24           (b) Lessee shall not discriminate against or cause the segregation of  
25 any person or group of persons on account of race, religious creed, color, national origin,  
26 ancestry, sex, age, physical handicap, medical condition, or marital status in the



1 occupancy, use, tenure or enjoyment of the Leased Premises, nor shall Lessee, or any  
2 person claiming under or through Lessee, establish or permit any such practice or  
3 practices of discrimination or segregation with reference to the selection, location,  
4 number, use, or occupancy of any persons within the Leased Premises.

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

16 **14. Termination by Lessor.** Subject in all respects to Section 17 hereof  
17 (including all notice and cure periods set forth therein), Lessor shall have the right to  
18 terminate this Lease in its entirety in the event any of the following occur:

19 (a) In the event a petition is filed for voluntary or involuntary bankruptcy  
20 for the adjudication of Lessee as debtors and, in the event of an involuntary bankruptcy,  
21 is not dismissed within sixty (60) days of filing;

22 (b) In the event that Lessee sells, transfers, conveys or assigns its  
23 interest in the Leased Premises (or any portion thereof) or in this Lease, or Lessee's  
24 interest hereunder is assigned involuntarily or by operation of law, for the benefit of  
25 creditors;

26 (c) In the event of abandonment of the Leased Premises by Lessee;

1 (d) In the event Lessee fails, or refuses, to meet its rental obligations,  
2 or any of its obligations hereunder, or as otherwise provided by law;

3 (e) Failure of Lessee to maintain insurance coverage required herein  
4 and to provide evidence of coverage to the Lessor;

5  
6 (g) Lessee (or any successor in interest) assigns the Leased Premises  
7 or any of Lessee's rights in and to the Leased Premises or any portion thereof or interest  
8 therein, or the Lease or any portion hereof, except as permitted by this Lease;

9 (h) There is substantial change in the ownership of Lessee, or with respect  
10 to the identity of the parties in control of Lessee, or the degree thereof contrary to the  
11 provisions of Section 23 hereof;

12 (i) Intentionally deleted; or

13 (j) There is any other material default by Lessee under the terms of this  
14 Lease which is not cured within the time provided herein.

15 **15. Termination by Lessee.** Lessee shall have the right to terminate this  
16 Lease in the event any of the following occur:

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

24 **16. Holdover.** If Lessee fails to immediately surrender the Leased Premises  
25 or any portion thereof at the expiration or termination of the Lease, then Lessee shall  
26 pay Total Rent (on a per-month basis, without reduction for any partial month) at a rate

1 equal to 100% of the Total Rent applicable during the last calendar month of the term of  
2 the Lease. Any such holdover shall be deemed to be a tenancy from month-to-month.  
3 Lessor's acceptance of such rent shall not adversely affect Lessor's other rights and  
4 remedies under the Lease, including Lessors right to evict Lessee and to recover all  
5 damages. In no event shall any holdover be deemed a permitted extension or renewal  
6 of the Lease, and nothing contained in this Lease shall be construed to constitute  
7 Lessor's consent to any holdover or give Lessee any right with respect to such holdover.

8 **17. Default.**

9 (a) Failure or delay by either Party to perform any term or provision of this  
10 Lease constitutes a default under this Lease (subject to the notice and cure periods set  
11 forth in paragraphs 17(b), (c) and (d) below). The Party who fails or delays must  
12 commence to cure, correct or remedy such failure or delay and shall complete such cure,  
13 correction or remedy with reasonable diligence.

14 (b) The injured Party shall give written notice of default to the Party in  
15 default ("Notice of Default") pursuant to Section 36 below, specifying the default  
16 complained of by the injured Party. Failure or delay in giving such notice shall not  
17 constitute a waiver of any default, nor shall it change the time of default. Except as  
18 otherwise expressly provided in this Lease, any failures or delays by either Party in  
19 asserting any of its rights and remedies as to any default shall not operate as a waiver  
20 of any default or of any such rights or remedies. Delays by either Party in asserting any  
21 of its rights and remedies shall not deprive either Party of its right to institute and maintain  
22 any actions or proceeding which it may deem necessary to protect, assert or enforce any  
23 such rights or remedies.

24 (c) Except as otherwise provided herein, if a monetary event of default  
25 occurs, prior to exercising any remedies hereunder, the injured Party shall give the Party  
26 in default written notice of such default. The Party in default shall have a period of seven

1 (7) calendar days after such notice is received or deemed received within which to cure  
2 the default prior to exercise of remedies by the injured Party.

3 (d) If non-monetary event of default occurs, prior to exercising any  
4 remedies hereunder, the injured Party shall give the Party in default notice of such  
5 default. If the default is reasonably capable of being cured within thirty (30) calendar  
6 days after such notice is received or deemed received, the Party in default shall have  
7 such period to effect a cure prior to exercise of remedies by the injured Party. If the  
8 default is such that it is not reasonably capable of being cured within thirty (30) days after  
9 such notice is received, and the Party in default (1) initiates corrective action within said  
10 period, and (2) diligently, continually, and in good faith works to effect a cure as soon as  
11 possible, then the Party in default shall have such additional time as is reasonably  
12 necessary to cure the default prior to exercise of any remedies by the injured Party, but  
13 in no event no more than ninety (90) days from receipt of such notice of default from the  
14 injured Party.

15 **18. Eminent Domain.** If any portion of the Leased Premises shall be taken by  
16 eminent domain and a portion thereof remains which is usable by Lessee, in its  
17 discretion, for the purposes set forth in Section 3 herein, this Lease shall, as to the part  
18 taken, terminate as of the date title shall vest in the condemnor, or the date prejudgment  
19 possession is obtained through a court of competent jurisdiction, whichever is earlier,  
20 and the rent payable hereunder shall abate pro rata as to the part taken. If all of the  
21 Leased Premises are taken by eminent domain, or such part be taken so that the Leased  
22 Premises are rendered unusable for the purposes set forth in Section 3 herein, this Lease  
23 shall terminate. If a part or all of the Leased Premises be so taken, all compensation  
24 awarded upon such taking shall be apportioned between Lessor and Lessee according  
25 to law.

26

1           **19. Hold Harmless/Indemnification.** Lessee shall indemnify and hold  
2 harmless the County of Riverside, its Agencies, Districts, Special Districts and  
3 Departments, their respective directors, officers, Board of Supervisors, elected and  
4 appointed officials, employees, agents and representatives (the "Indemnified Parties")  
5 from any liability whatsoever, including, but not limited to, property damage, bodily injury,  
6 or death, based or asserted upon any acts or omissions of Lessee, its officers,  
7 employees, subcontractors, invitees, agents or representatives arising out of or in any  
8 way relating to this Lease or the use of the Leased Premises or Airport, except to the  
9 extent arising from the negligence or willful misconduct of Lessor or any of the  
10 Indemnified Parties. Lessee shall defend at its sole expense and pay all costs and fees,  
11 including, but not limited to, attorney fees, cost of investigation, defense and settlements  
12 or awards, on behalf of the Indemnified Parties in any claim or action based upon such  
13 liability.

14           With respect to any action or claim subject to indemnification herein by Lessee,  
15 Lessee shall, at Lessee's sole cost, have the right to use counsel of their choice and shall  
16 have the right to adjust, settle, or compromise any such action or claim without the prior  
17 consent of Lessor; provided, however, that any such adjustment, settlement or  
18 compromise in no manner whatsoever limits or circumscribes Lessee's indemnification to  
19 the Indemnified Parties as set forth herein.

20           Lessee's obligation hereunder shall be satisfied when Lessee has provided Lessor  
21 the appropriate form of dismissal relieving Lessor from any liability for the action or claim  
22 involved.

23           The specified insurance limits required in this Lease shall in no way limit or  
24 circumscribe Lessee's obligations to indemnify and hold harmless the Indemnified Parties  
25 herein from third party claims.  
26

1 In the event there is conflict between this clause and California Civil Code Section  
2 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation  
3 shall not relieve the Lessee from indemnifying the Indemnified Parties to the fullest extent  
4 allowed by law.

5 Lessee shall require each sub-lessee and/or contractor of every tier to indemnify  
6 the County of Riverside relating to any claim(s) arising from their sub-lease and/or  
7 contract. The obligations of Lessee set forth in this Section 19 shall survive expiration  
8 of this Lease or its earlier termination.

9 **20. Insurance.** Without limiting or diminishing the Lessee's obligation to  
10 indemnify or hold the County harmless, Lessee shall procure and maintain or cause to  
11 be maintained, at its sole cost and expense, the following insurance coverages during  
12 the Term of this Lease. As respects to the insurance section only, the County herein  
13 refers to the County of Riverside, its Agencies, Districts, Special Districts and  
14 Departments, their respective directors, officers, Board of Supervisors, employees,  
15 elected or appointed officials, agents or representatives as Additional Insureds.

16 a. Workers' Compensation:

17 If the Lessee has employees as defined by the State of California, the Lessee  
18 shall maintain statutory Workers' Compensation. Insurance (Coverage A) as prescribed  
19 by the laws of the State of California. Policy shall include Employers' Liability (Coverage  
20 B) including Occupational Disease with limits not less than \$1,000,000 The policy shall  
21 be endorsed to waive subrogation in favor of The County of Riverside.

22 b. Commercial General Liability:

23 Commercial General Liability insurance coverage, including but not limited to,  
24 premises liability, contractual liability, products and completed operations liability,  
25 personal and advertising injury, and separation of insureds coverage, covering claims  
26 which may arise from or out of Lessee's performance of its obligations hereunder. Policy

1 shall include the County as Additional Insured. Policy's limit of liability shall not be less  
2 than \$1,000,000 per occurrence combined single limit. If such insurance contains a  
3 general aggregate limit, it shall apply separately to this agreement or be no less than two  
4 (2) times the occurrence limit.

5 c. Vehicle Liability:

6 If vehicles are used in the performance of the obligations under this Lease, then  
7 Lessee shall maintain liability insurance for all owned, non-owned or hired vehicles so  
8 used in an amount not less than \$1,000,000 per occurrence combined single limit. Policy  
9 shall include the County as Additional Insureds.

10 d. General Insurance Provisions – All lines:

11 1. Any insurance carrier providing insurance coverage hereunder shall be  
12 admitted to conduct business in the State of California and have an A M BEST rating of  
13 not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County  
14 Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer  
15 such waiver is only valid for that specific insurer and only for one policy term.

16 2. The Lessee must declare its insurance self-insured retention for each  
17 coverage required herein. If any such self-insured retention exceeds \$500,000 per  
18 occurrence each such retention shall have the prior written consent of the County Risk  
19 Manager before the commencement of operations under this Lease. Upon notification of  
20 self-insured retention unacceptable to the County, and at the election of the County's  
21 Risk Manager, Lessee's carriers shall either; 1) reduce or eliminate such self-insured  
22 retention as respects this Lease with the County, or 2) procure a bond which guarantees  
23 payment of losses and related investigations, claims administration, and defense costs  
24 and expenses. Lessee will be solely responsible for its self-insured retentions.

25 3. Lessee shall cause Lessee's insurance carrier(s) to furnish the  
26 County of Riverside with either 1) a properly executed original Certificate(s) of Insurance

1 and original copies of relevant Endorsements, sharing such insurance is in full force and  
2 effect, and 2) if requested to do so orally or in writing by the County Risk Manager,  
3 provide original Certified copies of policies of insurance shall contain the covenant of the  
4 insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the  
5 County of Riverside prior to any material modification, cancellation, expiration or  
6 reduction in coverage of such insurance.

7 4. In the event of a material modification, cancellation, expiration, or reduction  
8 in coverage, this Lease shall terminate forthwith, unless the County of Riverside  
9 receives, prior to such effective date, another properly executed original Certificate of  
10 Insurance and original copies of endorsements or certified original policies, including all  
11 endorsements and attachments thereto evidencing coverage's set forth herein and the  
12 insurance required herein is in full force and effect. Lessee shall not commence  
13 operations until the County has been furnished original Certificate(s) of Insurance and  
14 certified original copies of endorsements and if requested, certified original policies of  
15 insurance including all endorsements and any and all other attachments as required in  
16 this Section. An individual authorized by the insurance carrier to do so on its behalf shall  
17 sign the original endorsements for each policy and the Certificate of Insurance.

18 5. It is understood and agreed to by the parties hereto that the Lessee's  
19 insurance shall be construed as primary insurance, and the County's insurance and/or  
20 deductibles and/or self-insured retention's or self-insured programs shall not be  
21 construed as contributory.

22 6. If, during the term of this Lease or any extension thereof, there is a material  
23 change in the scope of services; or, there is a material change in the equipment to be  
24 used in the performance of the scope of work; or, the term of the Lease, including any  
25 extensions thereof, exceeds five (5) years; the County reserves the right to adjust the  
26 types of insurance and the monetary limits of liability required under this Lease, if in the



1 County Risk Manager's reasonable judgment, the amount or type of insurance carried  
2 by the Lessee has become inadequate.

3 7. Lessee shall pass down the insurance obligations contained herein to all  
4 tiers of subcontractors working under this Lease.

5 8. The insurance requirements contained in this Lease may be met with a  
6 program(s) of self-insurance acceptable to the County

7 9. Lessee agrees to notify County of any claim by a third party or any incident  
8 or event that may give rise to a claim arising from the performance of this Lease.

9  
10 **21. Insurance for Sublessees and Contractors.** Lessee shall require each  
11 of its sublessees and contractors to meet all insurance requirements imposed by this  
12 Lease. These requirements, with the approval of the Lessor's Risk Manager, may be  
13 modified to reflect the activities associated with the sublessee or contractor. On every  
14 sublease or contract, the Lessee shall have the sublessee or contractor name the Lessee  
15 and the Lessor by endorsement as an additional insured and/or have the sublessee or  
16 contractor provide an endorsement waiving subrogation in favor of the Lessee and the  
17 Lessor on every sublessee's or contractor's insurance policy, as applicable. Certificates  
18 and endorsements evidencing compliance with this section will be provided to the Lessor  
19 prior to the sublessee taking occupancy or contractor performing work on the Leased  
20 Premises. Certificates and endorsements evidencing compliance with this section shall  
21 be provided to Lessor within thirty (30) days of Lessor's written request or thirty (30) days  
22 prior to the applicable insurance expiration date. Lessee shall provide Lessor with a  
23 comprehensive list of subtenants that have occupied any portion of, or contractors that  
24 have performed work on, the Leased Premises on June 1 of every Lease year and within  
25 thirty (30) days of a written request from Lessor for the same.

26

1           **22. Acceptance of Premises.** As of the Commencement Date, Lessee, at  
2 Lessee's sole expense, shall have investigated and approved the physical condition of,  
3 and the condition of title with respect to, the Leased Premises. Lessor has provided to  
4 Lessee without any representation or warranty all information in Lessor's possession or  
5 control regarding the condition of the Leased Premises, including information concerning  
6 hazardous substances and seismic faulting.

7           Lessor makes no representation or warranty, expressed or implied, regarding any  
8 conditions of the Leased Premises. Lessee acknowledges and agrees that Lessor  
9 makes no representation or warranty, express or implied, written or oral, with respect to  
10 the condition of the Leased Premises, or its fitness, or availability for any particular use.

11           Lessor makes no representations, express or implied, with respect to the legality,  
12 fitness, or desirability of the Leased Premises for Lessee's intended use. If Lessee  
13 desires to do so, Lessee shall have the right to conduct its own investigation, to its  
14 satisfaction, with respect to any matters affecting Lessee's ability to use the Leased  
15 Premises for Lessee's intended use. Lessee represents that it has inspected the Leased  
16 Premises and acknowledges and agrees that the Leased Premises shall be delivered  
17 from Lessor to Lessee in an "as is" physical condition, with no warranty, express or  
18 implied by Lessor as to the presence of hazardous substances, or the condition of the  
19 soil, its geology or the presence of known or unknown faults, and fully assumes any and  
20 all risk associated with the use thereof. Lessor shall not be liable to Lessee, its officers,  
21 agents, employees, subcontractors or independent contractors for any bodily injury,  
22 personal injury or property damage suffered by them or others which may result from  
23 hidden, latent or other dangerous conditions in, on upon or within the Leased Premises.  
24 If the condition of the Leased Premises is not in all respects entirely suitable for the use  
25 or uses to which such Leased Premises will be put, then it is the sole responsibility and  
26 obligation of Lessee to place the Leased Premises in all respects in a condition entirely

1 suitable for the development thereof, solely at Lessee's expense. Effective on the  
2 Commencement Date, Lessee waives, releases and discharges Lessor, its Agencies,  
3 Districts, Special Districts and Departments, their respective directors, officers, Board of  
4 Supervisors, Board of Commissioners, elected and appointed officials, employees,  
5 agents, representatives and attorneys, from any and all present and future claims,  
6 demands, suits, legal and administrative proceedings, and from all liability for damages,  
7 losses, costs, liabilities, fees and expenses (including without limitation, attorneys' fees)  
8 arising out of in any way connected with the Lessor's or Lessee's use, maintenance,  
9 ownership or operation of the Leased Premises or Airport, any hazardous substances  
10 on the Leased Premises or Airport, or the existence of hazardous substances  
11 contamination in any state on the Leased Premises or Airport, however the hazardous  
12 substances came to be placed there. Lessee acknowledges that it is aware of and  
13 familiar with the provisions of Section 1542 of the California Civil Code which provides  
14 as follows:

15 "A general release does not extend to claims which the creditor or  
16 releasing party does not know or suspect to exist in his or her favor  
17 at the time of executing the release and that, if known by him or her  
18 must have materially affected his or her settlement with the debtor or  
19 released party."

20 To the extent of the release set forth in this Section 22, Lessee hereby waives  
21 and relinquishes all rights and benefits which it may have under Section 1542 of  
22 California Civil Code.

23 Lessee Initials DE

24 The obligations of Lessee set forth in this Section 22 shall survive expiration of  
25 this Lease or earlier termination thereof.

1 Notwithstanding anything to the contrary contained herein, Lessee shall not be  
2 responsible or liable for any condition existing at the Leased Premises to the extent  
3 arising (ii) from the negligence of any other party, including Lessor, the Indemnified  
4 Parties.

5 **23. Assignment and Subletting.**

6 (a) Lessee represents and agrees that its undertakings pursuant to this  
7 Lease are for the purpose and uses set forth in Section 3 of this Lease, and not for  
8 speculation in land holding. Lessee further recognizes that the qualifications and identity  
9 of Lessee are of particular concern to Lessor in light of the following: (1) the importance  
10 of the development of the Leased Premises to the community; and (2) the fact that a  
11 change in ownership or control of Lessee or any other act or transaction involving or  
12 resulting in a significant change in ownership or control of Lessee, is for practical  
13 purposes a transfer or disposition of the property then owned by Lessee. Lessee further  
14 recognizes that it is because of such qualifications and identity that the Lessor is entering  
15 into the Lease with Lessee. Therefore, no voluntary or involuntary successor in interest  
16 of Lessee, or a sublessee, shall acquire any rights or powers under this Lease except as  
expressly permitted herein.

17 (b) Lessee shall not assign or attempt to assign all or any part of this  
18 Lease or any right or interest herein, nor make any total or partial sale, transfer,  
19 conveyance or assignment of the whole or any part of the Lessee's interest in the Leased  
20 Premises or Improvements thereon, or sublet, mortgage, hypothecate or otherwise  
21 transfer in any manner any of its rights, duties or obligations hereunder to any person or  
22 entity without the prior written consent of Lessor being first obtained, such consent not to  
23 be unreasonably withheld. This prohibition shall not be deemed to prevent the granting of  
24 easements or permits to facilitate the development of the Leased Premises. Lessee shall  
25 submit all documents pertaining to any such transaction referenced in the foregoing  
26 paragraph to Lessor for approval prior to entering into such agreements. Lessee shall  
submit executed subleases and all required certificates of insurance and endorsements

1 to insurance policies, as required herein, to Lessor for approval prior to sublessees  
2 occupying the subleased premises.

3 (c) For the reasons cited above, Lessee represents and agrees for itself,  
4 and any successor in interest, that without the prior written approval of the Lessor, there  
5 shall be no significant change in the ownership of Lessee or in the relative proportions  
6 thereof, or with respect to the identity of the parties in control of Lessee or the degree  
7 thereof, by any method or means. Lessee shall not have the right to assign, mortgage,  
8 hypothecate or otherwise transfer in any manner this Lease or sublease the Premises  
9 and its rights herein, in whole or in part, without County's consent, which consent will not  
10 be unreasonably withheld, conditioned or delayed; provided however, that Lessee may  
11 assign or sublease without County's consent its interest to its parent company, or any of  
12 their respective subsidiaries or affiliates or to any of their respective successors-in-  
13 interest or entity acquiring fifty-one percent (51%) or more of its stock or assets  
14 ("Permitted Transfers"), subject to any financing entity's interest, if any, in this Lease  
15 acknowledged by written notice to County. Upon written consent, of County of such third-  
16 party assignment, Lessee will be relieved of all future performance, liabilities and  
17 obligations under this Lease. Any such assignee shall be bound to all of Lessee's liabilities  
18 and obligations of this Lease. Notwithstanding anything to the contrary contained herein,  
19 the issuance, exchange or trade of publicly traded securities on any nationally recognized  
20 securities exchange shall not constitute a transfer, assignment or change of control  
21 hereunder.

22 (d) Any sublease, assignment or transfer of this Lease or any interest  
23 herein, or significant change in ownership of Lessee (other than a Permitted Transfer),  
24 shall require the written approval of the Lessor, not to be unreasonably withheld. Lessee  
25 shall promptly notify the Lessor of any proposed subleases or assignments and all  
26 changes whatsoever in the identity of the parties in control of Lessee or the degree  
thereof, of which it or any of its officers have been notified or otherwise have knowledge  
or information. This Lease may be terminated by the Lessor if there is any significant  
change (voluntary or involuntary) in membership, management, or control of Lessee

1 (other than such changes occasioned by the death or incapacity of any individual) not  
2 approved by Lessor or identified as a Permitted Transfer. In the event of the death or  
3 incapacity of any individual who controls Lessee or the managing member of Lessee, any  
4 resulting change in the management of the Improvements or the control of the day-to-day  
5 operations of the Leased Premises or the Improvements shall be subject to the approval  
6 of the Lessor, which shall not be unreasonably withheld.

6 (e) Assignments or transfers approved by the Lessor or Permitted  
7 Transfers shall be evidenced by the Lessee's and assignee's execution of an assignment  
8 and assumption agreement approved as to form and substance by Lessor. Subleases  
9 approved by the Lessor shall be evidenced by subleases approved as to form and  
10 substance by Lessor.

11 (f) No such sublease, sale, transfer, conveyance or assignment of this  
12 Lease or Lessee's interest in the Leased Premises (or any portion thereof), or approval  
13 by the Lessor of any such sublease, sale, transfer, conveyance or assignment, shall be  
14 deemed to relieve Lessee or any other party from any obligations under this Lease.

15 (g) The restrictions on assignment, transfer and subleasing contained in  
16 this Section 23 shall be binding on any successors or heirs of Lessee. The provisions of  
17 this Section 23 shall apply to each successive assignment and transfer in the same  
18 manner as initially applicable to Lessee under the terms set forth herein.

18 **24. No Right to Encumber.** Lessee shall not encumber the Leased Premises  
19 or the Lessor's fee title interest in the Airport.

20 **25. Lessor's Nonresponsibility.** Notwithstanding any language to the  
21 contrary herein, during the term of this Lease, including any extensions, Lessor shall not  
22 be required to maintain or make any repairs or replacements of any nature or description  
23 whatsoever to the Leased Premises or the Improvements thereon, other than to repair  
24 any damage which is actually caused by Lessor or its employees, contractors,  
25 representatives, or any of the Indemnified Parties.  
26

1           **26. Estoppel Certificate.** Each Party shall, at any time during the term of the  
2 Lease, execute and deliver a statement in writing certifying that this Lease is unmodified  
3 and in full force and effect, or if modified, stating the nature of such modification, which  
4 statement or certificate shall be submitted to such requesting Party within fifteen (15)  
5 working days of receipt of written notice (or as soon as reasonably possible) from the  
6 other Party. The statement shall include other details requested by the other Party as to  
7 the date to which rent and other charges have been paid, and the knowledge of the other  
8 Party concerning any uncured defaults with respect to obligations under this Lease and  
9 the nature of such defaults, if they are claimed. Any such statement may be relied upon  
10 conclusively by any prospective purchaser, encumbrancer, or sublessee of the demised  
11 premises or any portion thereof.

12           **27. Toxic Materials.** During the term of this Lease and any extensions  
13 thereof, Lessee shall not violate any federal, state, or local law, or ordinance or regulation  
14 relating to industrial hygiene or to the environmental condition on, under or about the  
15 Leased Premises including, but not limited to, soil, air, and groundwater conditions.  
16 Further, Lessee, its successors, assigns and sublessee shall not use, generate,  
17 manufacture, produce, store or dispose of on, under, or about the Leased Premises or  
18 transport to or from the Leased Premises any flammable explosives, asbestos,  
19 radioactive materials, hazardous wastes, toxic substances or related injurious materials,  
20 whether injurious by themselves or in combination with other materials (collectively,  
21 “hazardous materials”) other than in compliance with all applicable laws. For the purpose  
22 of this Lease, hazardous materials shall include, but not be limited to, substances defined  
23 as “hazardous substances,” “hazardous materials,” or “toxic substances” in the  
24 Comprehensive Environmental Response, Compensation and Liability Act of 1980, as  
25 amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act,  
26 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42

1 U.S.C. Section 6901, et seq.; and those substances defined as “hazardous wastes” in  
2 Section 25117 of the California Health and Safety Code or as “hazardous substances”  
3 in Section 25316 of the California Health and Safety Code; and in the regulations  
4 adopted in publications promulgated pursuant to said laws now and in the future.

5 **28. National Pollution Discharge Elimination System (NPDES) Permit.**

6 Lessee acknowledges, understands and agrees that it shall comply with California State  
7 Water Resources Control Board general permit requirements now and in the future  
8 relating to storm water discharges associated with all activities conducted on the Leased  
9 Premises. Lessee further acknowledges, understands and agrees that it shall secure  
10 any and all required storm water permits and comply with all applicable rules and  
11 regulations, including, but not limited to, the implementation of Best Management  
12 Practices, Best Available Technology Economically Achievable, and Best Conventional  
13 Pollutant Control Technology as required by the Clean Water Act.

14 **29. Free from Liens.** Lessee shall pay, when due, all sums of money that may

15 become due for any labor, services, material, supplies, or equipment, alleged to have  
16 been furnished or to be furnished to Lessee, in, upon, or about the Leased Premises,  
17 and which may be secured by a mechanics, materialmen’s or other lien against the  
18 Leased Premises or Lessor’s interest therein, and will cause each such lien to be fully  
19 discharged and released at the time the performance of any obligation secured by such  
20 lien matures or becomes due; provided, however, that if Lessee desire to contest any  
21 such lien, it may do so, but notwithstanding any such contest, if such lien shall be  
22 reduced to final judgment, and such judgment or such process as may be issued for the  
23 enforcement thereof is not promptly stayed, or is so stayed, and said stay thereafter  
24 expires, then and in such event, Lessee shall forthwith pay and discharge said judgment.

25 Lessee shall not encumber Lessor’s fee estate in the Airport property with any  
26 mortgage. Lessee shall not place, or allow to be placed, against the Airport property or



1 any portion thereof, any mortgage, trust deed, encumbrance or lien not authorized by  
2 this Lease. In addition, Lessee shall remove, or shall have removed, any levy or  
3 attachment made on title to the leasehold estate created by this Lease and/or the Airport  
4 property (or any portion thereof), or shall assure the satisfaction thereof within a  
5 reasonable time but in any event prior to a sale thereunder. Under no circumstances  
6 whatsoever shall the Lessee allow any security instruments to be recorded against the  
7 Lessor's fee interest in the Airport property.

8 **30. Employees and Agents of Lessee.** It is understood and agreed that all  
9 persons hired or engaged by Lessee shall be considered to be employees or agents of  
10 Lessee and not of Lessor. Lessee is a corporation duly formed in Delaware, in good  
11 standing under the laws of the State of California, has full legal right, power, and authority  
12 to enter into this Lease and to carry out and consummate all transactions contemplated  
13 by this Lease, and by appropriate action has duly authorized the execution and delivery  
14 of this Lease. Further, Lessee will take those actions required to remain in good standing  
15 under the laws of the state of California during the term of this Lease. It is expressly  
16 understood and agreed that Lessee (including its employees, agents and  
17 subcontractors) shall in no event be entitled to any benefits to which Lessor employees  
18 are entitled, including but not limited to overtime, any retirement benefits, worker's  
19 compensation benefits, and injury leave or other leave benefits. There shall be no  
20 employer-employee relationship between the Parties, and Lessee shall hold Lessor  
21 harmless from any and all claims that may be made against Lessor based upon any  
22 contention by a third party that an employer-employee relationship exists by reason of  
23 this Lease.

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

1           **32. Waiver of Performance.** Any waiver by either party of any breach of any  
2 one or more of the terms of this Lease shall not be construed to be a waiver of any  
3 subsequent or other breach of the same or of any other term of this Lease. Failure on  
4 the part of either party to require exact, full and complete compliance with any terms of  
5 this Lease shall not be construed as in any manner changing the terms or preventing  
6 such party from enforcement of the terms of this Lease.

7           **33. Severability.** In the event any provision of this Lease is held by a court of  
8 competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will  
9 never the less continue in full force without being impaired or invalidated in any way.

10           **34. Jurisdiction and Venue.** This Lease is construed under the laws of the  
11 State of California. The Parties agree to the jurisdiction and venue of the Superior Court  
12 in the County of Riverside, State of California. Any action at law or in equity brought by  
13 either of the Parties hereto for the purpose of enforcing a right or rights provided for by  
14 this Lease shall be tried in a Court of competent jurisdiction in the County of Riverside,  
15 State of California, and the Parties hereby waive all provisions of law providing for a  
16 change of venue in such proceedings to any other county.

17           **35. Attorney's Fees.** In the event of any litigation or arbitration between  
18 Lessee and Lessor to enforce any of the provisions of this Lease or any right of either  
19 Party hereto, the unsuccessful Party to such litigation or arbitration agrees to pay to the  
20 successful Party all costs and expenses, including reasonable attorney's fees, incurred  
21 therein by the successful Party, all of which shall be included in and as a part of the  
22 judgment or award rendered in such litigation or arbitration.

23           **36. Notices.** Any notices required or desired to be served by either Party upon  
24 the other shall be addressed to the respective Parties as set forth below:  
25  
26

1        LESSOR  
2        County of Riverside, TLMA  
3        Aviation Division  
4        4080 Lemon Street, 14<sup>th</sup> Floor  
5        Riverside, CA 92501  
6        Attn: Angela Jamison, County  
7        Airport Manager

LESSEE  
XPO Logistics Freight, Inc.  
2211 Old Earhart Road, Suite 100  
Ann Arbor, MI 48105  
Attn: Real Estate Department  
Phone 734-757-1273

Copy to:  
XPO Logistics Freight, Inc.  
9151 Boulevard 26, Suite 100  
North Richland Hills, TX  
Attn: Real Estate Department  
Phone 817-812-5174

10 or to such other addresses as from time to time shall be designated by the respective  
11 Parties. A change of notification address is required in writing and must be delivered to  
12 the other Party.

13        Formal notices, demands and communications between Lessor and Lessee shall  
14 be sufficiently given if dispatched by registered or certified mail, postage prepaid, return  
15 receipt requested, to the offices of the Lessor and Lessee, as designated in this Section  
16 36. Any notice that is transmitted by electronic facsimile transmission followed by  
17 delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice  
18 that is personally delivered (including by means of professional messenger service,  
19 courier service such as United Parcel Service or Federal Express, or by U.S. Postal  
20 Service), shall be deemed received the day after the documented date of delivery; and  
21 any notice that is sent by registered or certified mail, postage prepaid, return receipt  
22 required shall be deemed received on the second day of delivery.

23        Lessor shall use good faith efforts to deliver copies of any notices of default  
24 delivered to Lessee to the encumbrancer, at such addresses for receipt of notice as shall  
25 be provided to the Lessor in writing.

26

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

5           **38. County's Representative.** Lessor hereby appoints the individual(s)  
6 charged with oversight and management of real property matters for the County of  
7 Riverside, or their designee(s), as its authorized representative to administer this Lease.

8           **39. No Partnership.** Nothing contained in this Lease shall be deemed or  
9 construed to create a lending partnership, other partnership, joint venture, or any other  
10 relationship between the Parties hereto other than lessor and lessee according to the  
11 provisions contained herein, or cause Lessor to be responsible in any way for the debts  
12 or obligations of Lessee, or any other party.

13           **40. Non-liability of Lessor Officials and Employees.** No member, official,  
14 employee or consultant of Lessor shall be personally liable to the Lessee, or any  
15 successor in interest, in the event of any default or breach by the Lessor or for any  
16 amount which may become due to the Lessee or to its successor, or on any obligations  
17 under the terms of this Lease.

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

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

7       **42. FAA Consent to Lease.** Lessee acknowledges that the Blythe Airport was  
8 transferred to the Lessor by the Federal Government and, as such, may require FAA  
9 consent to the Lease.<sup>1</sup> If so required, the Federal Government's approval shall be  
10 considered a condition precedent to the effectiveness of this Lease.

11       **43. Entire Lease.** This Lease, including any attachments, exhibits or  
12 addendums constitutes the entire agreement of the Parties with respect to its subject  
13 matter and is intended by the Parties hereto as a final expression of their understanding  
14 with respect to the subject matter hereof and as a complete and exclusive statement of  
15 the terms and conditions thereof and supersedes any and all prior and contemporaneous  
16 leases, agreements and understandings, oral or written, in connection therewith. This  
17 Lease may only be changed or modified by a written amendment signed by authorized  
18 representatives of both Parties.

19       **44. Construction of Lease.** The Parties hereto negotiated this Lease at arm's  
20 length and with the advice of their respective attorneys, and no provisions contained  
21 herein shall be construed against Lessor solely because it prepared this Lease in its  
22 executed form.

23       **45. Effective Date.** The effective date ("Effective Date") of this Lease is the  
24 date this Lease is executed by the Chairman of the Riverside County Board of  
25 Supervisors.

26 \_\_\_\_\_

1 IN WITNESS WHEREOF, the Parties have executed this Lease as of the dates set forth  
2 below.

3  
4 LESSOR:  
5 COUNTY OF RIVERSIDE, a  
6 political subdivision of the State of  
7 California

LESSEE:  
XPO Logistics Freight, Inc., a Delaware  
corporation

8 By: Karen S. Spiegel  
9 Karen Spiegel  
10 Chair, Board of Supervisors

By: Ravi Tulsyan  
Ravi Tulsyan  
Its: SVP Treasurer

11  
12 Date: NOV 16 2021

Date: \_\_\_\_\_

13  
14 ATTEST:  
15 KECIA R. HARPER  
16 Clerk of the Board

17  
18 By: Priscilla Rastro  
19 Deputy

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

22  
23 By: Wesley W. Stanfield  
24 Deputy County Counsel

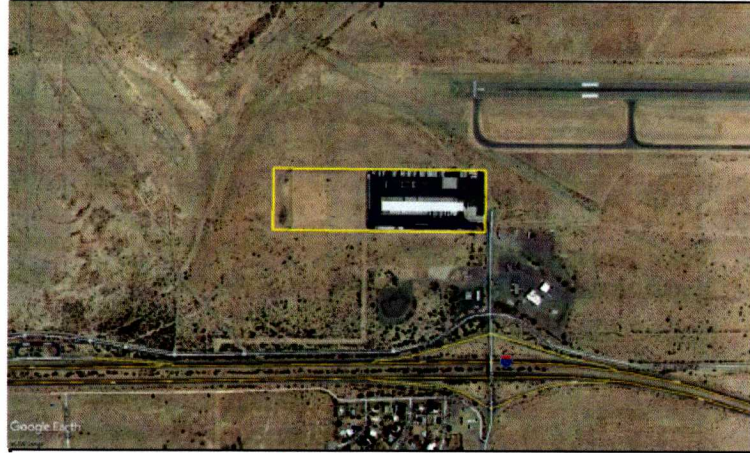
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**Exhibit "A"**  
**Depiction of Leased Premises**  
(Attached behind)

## Exhibit A

### AERIAL MAPS



Aerial View – Entire Site – 26.63 Acres

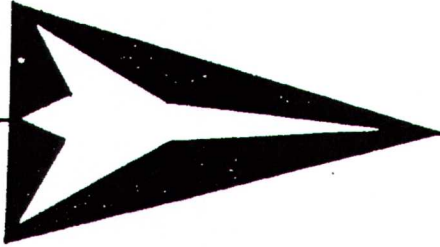


Aerial View with Blythe Airport and Surrounding Area



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**Exhibit "B"**  
**Regulation for County Airports**  
(Attached behind)



RIVERSIDE COUNTY  
AIRPORTS DEPARTMENT

**COUNTY ORDINANCE No. 576  
and  
RULES AND REGULATIONS  
FOR  
OPERATION OF COUNTY AIRPORTS**

A cordial welcome to all users of the airports owned/operated by the County of Riverside.

The Riverside County Airports Department is engaged in the promotion and accommodation of air commerce and business as well as recreational flying. County Ordinance No. 576, and the Rules and Regulations thereby implemented, are intended to assure orderly and safe operations at the County's airports. The rights, privileges and obligations of the airports' users are listed for the protection of all persons.

ORDINANCE NO. 576

AN ORDINANCE OF THE COUNTY OF RIVERSIDE

REGULATING COUNTY AIRPORTS

The Board of Supervisors of the County of Riverside,  
State of California, do ordain as follows:

ARTICLE I  
GENERAL PURPOSE

Section 101. The purpose of this ordinance is to provide minimum standards to safeguard life, limb, property and public welfare by regulating and controlling the various activities on airports, heliports or STOLports owned or operated, or both by the County of Riverside.

ARTICLE II  
DEFINITIONS

Section 201. Whenever in this ordinance the following terms are used, they shall have the meanings respectively ascribed to them in this section.

- (a) "Airport" is any airport, heliport or STOLport owned or operated, or both owned and operated, by the County.
- (b) "County" is the County of Riverside.
- (c) "Director" is the Airports Director of the County, or his designated representative.
- (d) "Person" is any individual, firm, partnership, joint venture, corporation, association, joint stock association, political party, club, organization or trust, and includes any trustee, assignee, or similar representative thereof.

ARTICLE III  
GENERAL PROVISIONS

Section 301. The provisions of this ordinance and the regulations prescribed pursuant to this ordinance are imposed by County as conditions for the privilege of entering upon or using any airport.

Section 302. The Director shall have the authority and the duty to prescribe reasonable regulations relating to the use of any airport by the public. Any such regulations shall first be submitted to the Riverside County Airport Commission for its recommendations, and thereafter, such regulations shall be submitted to the Board of Supervisors for approval before taking effect. All regulations so prescribed and approved shall be filed in the office of the Director, made available for public inspection and publicly posted at each airport.

Section 303. In the event the Director determines that the provisions of any regulation prescribed pursuant to this ordinance would, if enforced, cause unnecessary hardship or practical difficulties inconsistent with economic feasibility, or would do manifest injustice, or impose a burden upon any person disproportionate to any benefit to the general public or to an airport, he may grant for a period not to exceed 60 days, an exception or variance to such provision or regulation, but only to the extent that such exception or variation does not violate any other ordinance, or any State or Federal statute or regulation.

Section 304. The provisions of this ordinance and the regulations prescribed pursuant to this ordinance are a supplement to any other local laws or ordinances, including State and Federal statutes and regulations, that may be in effect and in no manner will these provisions and regulations be construed to reduce or limit the authority of said ordinances, statutes and regulations.

#### ARTICLE IV SEVERABILITY

Section 401. If any section, subsection, paragraph, sentence, clause or phrase contained in this ordinance, or in any regulation prescribed thereto, is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or of any regulation prescribed pursuant

thereto, it being expressly declared that this ordinance and the regulations prescribed pursuant thereto and each section, subsection, paragraph, sentence, clause and phrase thereof would have been adopted, irrespective of the fact that one or more other section, subsection, paragraph, sentence, clause or phrase be declared invalid or unconstitutional.

ARTICLE V  
PENALTY FOR VIOLATION

Section 501. Any person violating any of the provisions of this ordinance and the regulations prescribed pursuant to this ordinance shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$500.00 or by imprisonment in the County jail for a period not exceeding six months or by both such fine and imprisonment. A separate offense shall be deemed to have been committed for each day that such violation continues.

ARTICLE VI  
EFFECTIVE DATE

Section 601. This ordinance shall take effect 30 days after its adoption.

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

By: Walt Abraham, Chairman, Board of Supervisors.

Dated: February 27, 1979

## REGULATIONS FOR COUNTY AIRPORTS

The following regulations are prescribed for County Airports pursuant to Section 302 of County Ordinance No. 576:

SECTION A. DEFINITIONS. Whenever the following terms are used in these regulations, they shall have the meanings respectively ascribed to them in this section.

- (1) "Aircraft" is any manned contrivance used or designed for navigation of, or flight in, the air.
- (2) "Air Operations Area" includes the runways and taxiways of an airport and all aircraft surface maneuvering areas.
- (3) "Airport" is any airport, heliport or STOLport owned or operated, or both owned and operated, by the County.
- (4) "Board" is the Board of Supervisors of the County of Riverside.
- (5) "County" is the County of Riverside.
- (6) "Director" is the Airports Director of the County, or his designated representative.
- (7) "Person" is any individual, firm, partnership, joint venture, corporation, association, joint stock association, political party, club, organization or trust, and includes any trustee, assignee or similar representative thereof.
- (8) "Vehicle" is any device in, upon or by which any person or property may be propelled, moved or drawn upon a highway or the surface areas of an airport.

## SECTION B. GENERAL AIRPORT REGULATIONS.

- (1) Each airport shall be open for public use at such hours, and subject to such restrictions as are necessary in the interest of safety, as may be determined by the Director.
- (2) Any permission granted by the County or Director, either directly or indirectly, expressly or by implication, to any person to enter upon or use an airport, or a portion thereof, is conditioned

upon compliance with the provisions herein. Entry upon, or use of, an airport, or a portion thereof, shall constitute an agreement by any person to comply with such regulations.

- (3) Every person exercising the privilege of entering upon or using an airport does so at his own risk without liability to the County, its agents and employees for any loss, damage, or injury to person or property resulting therefrom.
- (4) Any person desiring to use an airport, or any portion thereof, for any revenue producing activity shall file an application for an appropriate permit, license, or agreement with, and on forms prescribed by, the Director and shall pay the fees, rates or charges as established by resolution of the Board. Because of the nature of a particular activity, there may be additional or special requirements for a permit, license or agreement, such as insurance, equipment, inspections, approved performance bonds, or whatever may be required for the protection of the public and the County.
- (5) No person shall solicit at any airport in any manner or for any purpose, not otherwise protected or exempt under applicable federal, state or local law, without first obtaining permission in writing from the Director. Such soliciting shall be carried out in the manner and at such locations and times as prescribed by the Director.
- (6) No person shall perform a parachute jump except under emergency conditions or operate an airship, a balloon, hang glider, a model aircraft or similar contrivance upon any airport without first obtaining permission in writing from the Director.
- (7) No person shall post, distribute or display any signs, posters, advertisements, circulars, printed or written matter of any type at any airport without first obtaining permission, in writing, from the Director. The provision of this Subsection 7 shall not apply to any person who posts, distributes or circulates such printed matter within the interior spaces of a building which are being leased by such person or to any person who distributes, displays or circulates printed or written matter otherwise protected or exempt under applicable federal, state or local law.



- (8) No person shall enter any restricted area at any airport posted as limited to "Authorized Persons Only," "Closed" or similar wording without authorization from the Director or by County's lessee of such area.
- (9) No person shall wilfully abandon any personal property on any airport.
- (10) No person shall hunt, pursue, trap, catch, injure or kill any bird or animal, conduct target practice or discharge firearms on any airport without authorization from the Director.
- (11) No person shall place or deposit, or leave to be placed or deposited, any garbage, refuse, papers or other materials at any airport except in receptacles provided for that purpose.

SECTION C. AIRCRAFT OPERATIONS AND FACILITIES  
REGULATIONS

- (1) No person shall navigate any aircraft to, on, from or over any airport nor service, repair or maintain any aircraft on any airport, except in conformity with the rules and regulations prescribed by the Federal Aviation Administration of the United States of America and the Department of Transportation of the State of California and the regulations prescribed herein, presently in effect or hereinafter promulgated or prescribed.
- (2) Aircraft shall be operated on the ground or in flight in a manner that will create the least amount of noise commensurate with safe operation.
- (3) No person shall operate at any airport an aircraft that is not equipped with effectively functioning wheel brakes.
- (4) No person shall operate at any airport an aircraft equipped with a tail skid in place of a tail wheel.
- (5) Taxiing aircraft shall yield the right-of-way to emergency vehicles.
- (6) Aircraft shall be taxied at a safe and reasonable speed commensurate with existing conditions and with due regard for other persons and property.
- (7) Aircraft shall not be taxied into or out of any repair or storage hangar. Aircraft engines shall not be operated within any hangars.

- (8) Formation take-offs and landings are prohibited.
- (9) No person shall perform any aircraft aerobatics over any airport or over or within established aircraft traffic patterns.
- (10) All aircraft shall be operated in such a manner as to conform to established traffic patterns.
- (11) No engine in an aircraft shall be started or operated unless a competent person is at the aircraft controls and the aircraft is adequately restrained in place. Aircraft engines shall not be operated in such a manner as to endanger life or property.
- (12) In the event of an emergency, performance of repairs or maintenance to an airport, or any portion thereof, or any other matter incidental to the proper operation of an airport, the Director may direct that an aircraft be removed from such airport or moved to another location at such airport. The owner or operator of an aircraft shall promptly remove or move such aircraft if so directed by the Director, and in the event such aircraft is not removed or moved, the Director may take whatever action is necessary to remove or move the aircraft, at the expense of the owner or operator, and without liability to the County, its officers, employees or agents, for any and all damages which may result therefrom.
- (13) In the event of an accident, the owner or operator shall be responsible for the prompt removal of damaged or disabled aircraft, or parts thereof, unless required or directed to delay such action pending an investigation. In the event it becomes necessary, the Director may take whatever action is necessary to move such damaged or disabled aircraft, or parts thereof, at the expense of the owner or operator, and without liability to the County, its officers, employees or agents, for any and all damages which may result therefrom.
- (14) No aircraft shall be left unattended unless it is properly secured in place.
- (15) No person shall base an aircraft at any airport unless such aircraft has been registered with the Director or the fixed based operator leasing an

- area within an airport where such aircraft is to be based.
- (16) Aircraft based at any airport shall be parked only in an aircraft parking area or hangar so designed for that purpose.
  - (17) Transient aircraft shall be parked only in a transient parking area so designated for that purpose.
  - (18) No ladders, cans, boxes or other materials of any nature shall be left in any areas adjacent to or on the exterior of, any storage areas for aircraft without prior approval of the Director.

#### SECTION D. VEHICLE REGULATIONS

- (1) Vehicles shall be operated at an airport in strict compliance with the motor vehicles laws of the State of California and local jurisdictions and the regulations prescribed herein, presently in effect or hereinafter promulgated or prescribed.
- (2) No person shall operate a vehicle within the air operations area at any airport without authorization from the Director except governmental officers and employees in the performance of their duties.
- (3) Any person authorized to operate a vehicle within the air operation area shall display a ramp flag on the outside of said vehicle in accordance with the rules and regulations prescribed by the Federal Aviation Administration of the United States, or said vehicle shall be equipped with an amber or red rotating beacon on the outside thereof.
- (4) Any person authorized to operate a vehicle within the air operations area shall exercise extreme caution at all times so as to keep clear of aircraft and shall yield the right-of-way to aircraft.
- (5) Vehicles shall be operated on established streets and roadways in strict compliance with the speed limits posted on traffic signs and, in any event, not in excess of 25 miles per hour and in a safe and reasonable manner.

- (6) Vehicles shall not be parked on an airport other than in the manner and at the locations so designated for such parking.

#### SECTION E. FIRE PREVENTION REGULATIONS

- (1) No aircraft shall be fueled or drained while the engine or electrical equipment is operating or while an aircraft, or any portion thereof, is within a hangar or other enclosed space.
- (2) During all fueling operations, the aircraft and fuel dispensing equipment shall be grounded in such a manner so as to eliminate static electrical hazards.
- (3) Any person engaged in fueling operations shall exercise due care to prevent the overflow of fuel.
- (4) Smoking, open flames, flame producing devices or other sources of ignition shall not be permitted within 50 feet of any fueling operation or of any fuel storage area or fuel vehicle.
- (5) No aircraft shall be started while there is fuel on the ground, under or otherwise within close proximity of such aircraft.
- (6) Hangar floors shall be kept clean and free of oil, and no volatile or flammable substance shall be used for cleaning purposes in hangars or other enclosed spaces.
- (7) Degreasing of aircraft or aircraft engines shall be performed only in the areas so designated for such purpose.
- (8) No boxes, crates, paper or other rubbish or litter of any kind shall be permitted to accumulate at any airport, and any cans, bottles or other containers containing oil, paint, dope, varnish or similar flammable substances shall be removed from hangars or other enclosed spaces immediately upon being emptied of any such substances.
- (9) No substance of any nature shall be stored in such a manner so as to constitute a fire hazard or to prevent access to hangars or other enclosed spaces by fire fighting personnel or equipment.

- (10) Any person leasing space at an airport who uses or causes to be used flammable substances within such space shall (a) provide suitable metal or metal-lined receptacles with tight fitting covers for the collection and storage of oily waste rags and other flammable rubbish and, (b) provide and maintain in proper working order adequate and readily accessible fire extinguishers.

The foregoing Regulations for County Airports are hereby approved.

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

By: Walt Abraham, Chairman, Board of Supervisors

Dated: June 12, 1979

FIRST AMENDMENT TO REGULATIONS  
FOR COUNTY AIRPORTS

The Regulations for County Airports heretofore approved by the Board of Supervisors on July 12, 1979, are hereby amended by adding subsection (12) to Section B thereof to read:

(12) Any person subject to aircraft landing fees or instrument landing system fees, or both such fees, as established by resolution of the Board for any airport, shall pay such fees promptly. Such fees shall be publicly posted at each airport where such fees are applicable.

The foregoing First Amendment to Regulations for County Airports is hereby approved.

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

By: A. A. McCandless, Chairman, Board of Supervisors

Dated: April 14, 1981

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**Exhibit "C"**  
**Federally Required Lease Provisions**  
(Attached behind)

## 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 Blythe 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 Blythe 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 to 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.