

AIRPORT LAND USE AGREEMENT FOR
NON "T" PORTABLE HANGARS

THIS LEASE, made and executed by and between the COUNTY OF EL DORADO, a political subdivision of the State of California hereinafter called "County", and Jerry Baugh, 4000 pineoakio Rd Rescue CA 95672, hereinafter called "Lessee",

W I T N E S S E T H:

County, pursuant to Government Code Sections 25350 - 25575 and 50470 - 50478 and El Dorado County Ordinance Sections 3.08.021, hereby leases to Lessee the real property at County's Placerville Airport, described in Exhibit "A" attached hereto and made a part hereof, on the following terms and conditions:

1. The term of said lease shall be for a period of five (5) years commencing November 1, 1997 and ending October 31, 2002, ~~1997~~. Lessee shall have the option to renew for up to two (2) additional successive terms of five (5) years each. County shall give Lessee sixty (60) days' written notice prior to the end of each term and Lessee shall give County written notice of Lessee's intention to exercise said option no later than thirty (30) days from the end of each term. Upon expiration of the foregoing terms, Lessee shall have the right of first refusal to an additional lease not to exceed ten (10) years under such terms and conditions as may be agreed upon at such time.

2. Lessee shall pay to County a rental fee based on the total square feet of Lessee's hangar. This rate shall be provided per square foot based upon the twin tie-down rate, i.e., \$.029 per square foot, or as may be established and changed from time to time

1 in the future by resolution of the El Dorado County Board of
2 Supervisors which is in effect at each rental payment date. Said
3 rental is payable as follows:

4 a. Upon the commencement date, Lessee shall pay the
5 annual rent for the time period from the commencement date to July
6 1, next succeeding.

7 b. On each July 1, Lessee shall pay the annual rental
8 for the next succeeding fiscal year.

9 c. On July 1, at the commencement date of the fiscal
10 year during which this lease terminates, Lessee shall pay the
11 prorata portion of the annual rent for the time period from July 1
12 to the termination date of said lease.

13 The annual rental at the commencement of this lease
14 is Six-Hundred ninty six Dollars (\$ 696.00).

15 3. Lessee shall maintain a hangar upon the leased premises in
16 the manner described in paragraph 6 hereinbelow throughout the term
17 of this agreement.

18 If not already constructed at the effective date of this
19 agreement, within six (6) months of the commencement of this lease,
20 Lessee shall erect and maintain during the balance of the lease
21 term herein a hangar upon the property, approximately
22 Forty by fifty 40X50 H-35 in size. Lessee shall be
23 responsible for all surface preparation incident to placing a
24 hangar thereon. The site preparation must be approved by the
25 Airports Department prior to hangar erection.

26 Failure of Lessee to erect said hangar within the prescribed
27 time period or to maintain said hangar as required herein shall
28 constitute a material breach of this agreement and, in such event,

1 County may terminate this agreement without liability to Lessee
2 hereunder.

3 4. Upon termination or expiration of this lease, improvements
4 of a permanent nature placed upon the leased premises, such as
5 concrete pads, gravel or other site preparation, shall become the
6 property of County without charge to County and Lessee shall remove
7 the hangar at Lessee's sole obligation and expense. If Lessee
8 fails to remove said hangar within thirty (30) days after
9 termination or expiration of this agreement, County may, in its
10 discretion, after notice to Lessee of its intent to do so, cause
11 said hanger to be removed and the costs for storage, removal and
12 additional rental thereof shall be paid by Lessee. For purposes of
13 calculating additional rent in the event Lessee holds over beyond
14 the expiration or termination of this agreement, Lessee shall be
15 charged one-twelfth (1/12) of the current annual tie-down rate for
16 each thirty (30) calendar day period or portion thereof after the
17 expiration or termination date of this agreement.

18 5. It is further agreed by and between the parties hereto
19 that County has informed Lessee that such property interest,
20 together with any improvements as may be made by Lessee, as may be
21 created or allowed by this agreement may be subject to property
22 taxation and that Lessee may be subject to the payment of property
23 taxes levied on such interest(s).

24 Lessee agrees to pay all taxes levied upon the leased property
25 and improvements on the property, including trade fixtures and
26 inventory not owned by Lessor and kept on the premises leased
27 herein.

28 6. At all times during the term of this lease, Lessee shall,

1 at its own cost and expense, keep and maintain said land and all
2 improvements thereon and all facilities appurtenant thereto in good
3 order and repair and safe condition and in compliance with all
4 requirements of law. Lessee shall make any and all additions to,
5 or alterations or repairs in and about the land and/or improvements
6 which may be required and, in doing so, Lessee shall observe and
7 comply with all existing or future public laws, ordinances and
8 regulations applicable to the land or public airport lands upon
9 which the leased premises are located. Lessee shall maintain an
10 area of ten (10) feet from the exterior walls of said hangar or of
11 the median point between hangars if there is less than twenty (20)
12 feet between hangars, free from brush and weeds. Lessee shall
13 indemnify and agrees to defend and hold County harmless against all
14 actions, claims and damages by reason of Lessee's failure to comply
15 with and perform the provisions of this section. If Lessee fails
16 to keep and maintain the leased premises and improvements as
17 required herein, County may in its discretion following written
18 notice undertake to do or have done such, and any expenses incurred
19 by County shall be payable by Lessee.

20 7. Lessee shall indemnify, defend and hold County harmless
21 from and against any and all claims arising from Lessee's use or
22 use by Lessee's agents, contractors or employees of the premises,
23 or from the conduct of Lessee's business or any activity, work or
24 things done, permitted or suffered by Lessee in or about the
25 premises or elsewhere, and shall further indemnify, defend and hold
26 County harmless from and against any and all claims arising from
27 any breach or default in the performance of any obligation on
28 Lessee's part to be performed under the terms of this agreement and

1 from all costs, attorney's fees, expenses and liabilities incurred
2 in the defense of any such claim, or any action or proceeding
3 brought thereon. Lessee, as a material part of the consideration
4 to Lessor, hereby assumes all risk of damage to property or injury
5 to persons in or upon the premises arising from any cause except
6 that caused solely by County or its employees, agents, and Lessee
7 hereby waives all claim in respect thereof against County.

8 8. Lessee shall procure and maintain during the term of this
9 lease, in full force and effect, an insurance policy or policies,
10 in a form and with a company acceptable to the County, for
11 comprehensive general liability insurance (public liability and
12 property damage, with coverage not less than \$100,000.00 per
13 person, \$300,000.00 per occurrence, and \$25,000.00 property damage
14 covering liability arising out of Lessee's use of, occupancy or
15 operations on or about the airport. Such policy or policies shall
16 name the County of El Dorado, its officers, agents and employees as
17 additional insured, and provide that such insurance will not be
18 terminated, cancelled or materially changed without at least thirty
19 (30) days' prior notice in writing to County and shall be subject
20 to approval as to coverage by Lessor. Lessee shall be responsible
21 for all deductibles in said coverage and Lessee's indemnity and
22 other obligations shall not be limited by the foregoing insurance
23 requirements.

24 The parties hereto agree that County may, through resolution
25 by its Board of Supervisors, after public hearing of which Lessee
26 shall have been given written notice at least thirty (30) days in
27 advance thereof increase or otherwise amend or change the insurance
28 coverage requirement as set forth hereinabove. The parties also

1 agree that failure or refusal by Lessee to obtain or maintain such
2 coverage as required herein or by subsequent resolution shall
3 constitute a material breach of this agreement and, in such event,
4 County, in its sole discretion, may terminate this agreement
5 without liability to Lessee hereunder or elect to obtain like
6 coverage and the cost of such coverage shall be paid by Lessee.

7 9. No structure or other improvements for which the plans,
8 specifications and proposed location have not first received the
9 written approval of County shall be constructed or maintained on
10 the leased premises. No material addition to or alteration of any
11 building or structure erected on the leased land shall be commenced
12 unless and until said plans and specifications covering the
13 exterior of the proposed addition or alterations shall have been
14 first submitted to and approved by County. For the purposes of
15 this section, the County Airports Operations Manager or successor
16 authority shall be the approval authority for such plans.

17 10. The leased premises are leased herein for the sole
18 purpose of aircraft storage, care and maintenance of aircraft and
19 for uses normally incident thereto. Unless expressly provided for
20 herein or by other written agreement with County, nothing in this
21 lease shall be construed to grant Lessee the right to conduct
22 business or any commercial activity upon the leased premises
23 herein, including but not limited to any commercial activities,
24 e.g., for hire or profit, or those normally or actually conducted
25 by fixed base operators upon airport premises. The storage of an
26 aircraft used in Lessee's trade or business shall not be deemed a
27 "commercial activity" and such aircraft shall be deemed to be
28 "Lessee's aircraft" for purposes of this paragraph.

1 11. No one person shall have an interest in more than two
2 land use leases. An interest would be defined as any incident of
3 ownership in the lease; corporate, partnership or otherwise.

4 12. Lessee shall submit within thirty (30) days of sale,
5 sublease assignment or rental of any aircraft stored on the leased
6 property, the Aircraft Registration Number ("N-number"), and the
7 name of the registered owner.

8 13. In the event the airport or other premises herein leased
9 are rendered totally or partially inaccessible, untenable or
10 unusable because of the condition thereof, which condition was not
11 caused by County or its agents, and County, in its sole discretion,
12 determines that restoration, repair or further use is not
13 desirable, this agreement shall be automatically terminated upon
14 thirty (30) days' notice to Lessee. In such event, County shall
15 owe nothing as a result thereof and all and any costs or expenses
16 of removal of structures as provided for herein are to be borne by
17 Lessee.

18 14. In case of any default hereunder or in the event suit is
19 brought to enforce any of the terms or conditions of this liability
20 agreement, in addition to other charges, expenses, costs or damages
21 for which liability may otherwise be incurred, the losing party
22 shall be liable for reasonable attorney fees incurred by the
23 opposing side.

24 15. Lessee shall not transfer, assign or sublet to any other
25 person this lease, the lease premises or any portion thereof except
26 as provided for herein. It is the understanding and intent of the
27 parties that in the event of sale of the hangar or sublease,
28 assignment, or other transfer of the interests hereunder, only the

1 balance of the term of this agreement may be transferred or
2 assigned to a successor in interest and that such transfer or
3 assignment requires the permission of County to be first obtained.
4 Such consent may be withheld by County for any commercially
5 reasonable objection, including where such transfer, assignment or
6 sublease would result in a "commercial activity" as described in
7 paragraph 10 above. Lessee herein shall at all times remain
8 obligated for performance of the terms hereof.

9 16. County reserves to itself and to its successors or
10 assigns hereunder the following rights:

11 a. The right after reasonable notice to Lessee to enter
12 onto the premises at reasonable times to determine if the
13 installation and maintenance of the aforementioned structures is in
14 good condition and Lessee is complying with all federal, state and
15 local laws and regulations;

16 b. The right to enter onto the premises to serve, post
17 any required notices, or to carry out and enforce all laws;

18 c. The right for the use and benefit of the public of
19 flight for the passage of aircraft in the airspace above the
20 surface of the premises herein leased, to include but not limited
21 to the right to cause in said airspace any noise inherent in the
22 operation of any aircraft through said airspace or from the taking
23 off from or landing of said aircraft at said airport;

24 d. The right to further develop or improve the airport
25 as it sees fit without interference or hinderance by Lessee; and

26 e. County has the right, but shall not be obligated to
27 lessee, to maintain and keep in repair the landing area of the
28 airport and all publicly owned facilities at said airport, together

1 with the right to direct and control all activities of lessee in
2 this regard.

3 17. This lease shall be subordinate to the provisions and
4 requirements of any existing or future agreement between County and
5 the United States, relative to the development, operation, or
6 maintenance of the airport, including such required covenants
7 promulgated by the Federal Aviation Administration attached hereto
8 as Exhibit "B". For the purposes of the FAA required covenants,
9 County shall be the "sponsor" and the lessee or its successor in
10 interest shall be the lessee, licensee, permittee or other similar
11 party.

12 18. Lessee shall confine his activities to the leased
13 premises only excepting reasonable ingress and egress and the
14 normal and intended use of the airport runways and taxi-ways and
15 other airport public facilities.

16 19. During the term of this lease County shall have the
17 right, at County's obligation and expense, to relocate the leased
18 tract herein to a different location at the Placerville Airport
19 and to move and install Lessee's hangar to such relocated tract,
20 provided that:

21 a. Lessee is given thirty (30) days' notice of such
22 relocation; and

23 b. County provides surfacing and improvements at the
24 relocated tract at least equal to the surfacing and improvements at
25 Lessee's prior location.

26 20. The lease contains the entire agreement of the parties
27 with respect to the matters covered by this lease and no other
28 agreement, statement or promise made by any party or to any

1 employee, officer or agent of any party which is not contained in
2 this lease shall be binding or valid.

3 21. Lessee shall not commence any use under this agreement
4 until proof of the insurance required by this agreement has been
5 filed with the County of El Dorado and is satisfactory to County.

6 22. Time is of the essence of each provision of this
7 agreement.

8 23. The unenforceability, invalidity, or illegality of any
9 provision shall not render the other provisions unenforceable,
10 invalid, or illegal.

11 This lease has been executed by the parties on the day, month
12 and year first hereinabove written.

13 Dated: 10/23/97

COUNTY OF EL DORADO

14
15 By *Michael T. Holy*
16 Chairman, Board of Supervisors or
Director of Department of Transportation

17 ATTEST:

"COUNTY"

18 DIXIE L. FOOTE
19 Clerk of the Board of Supervisors

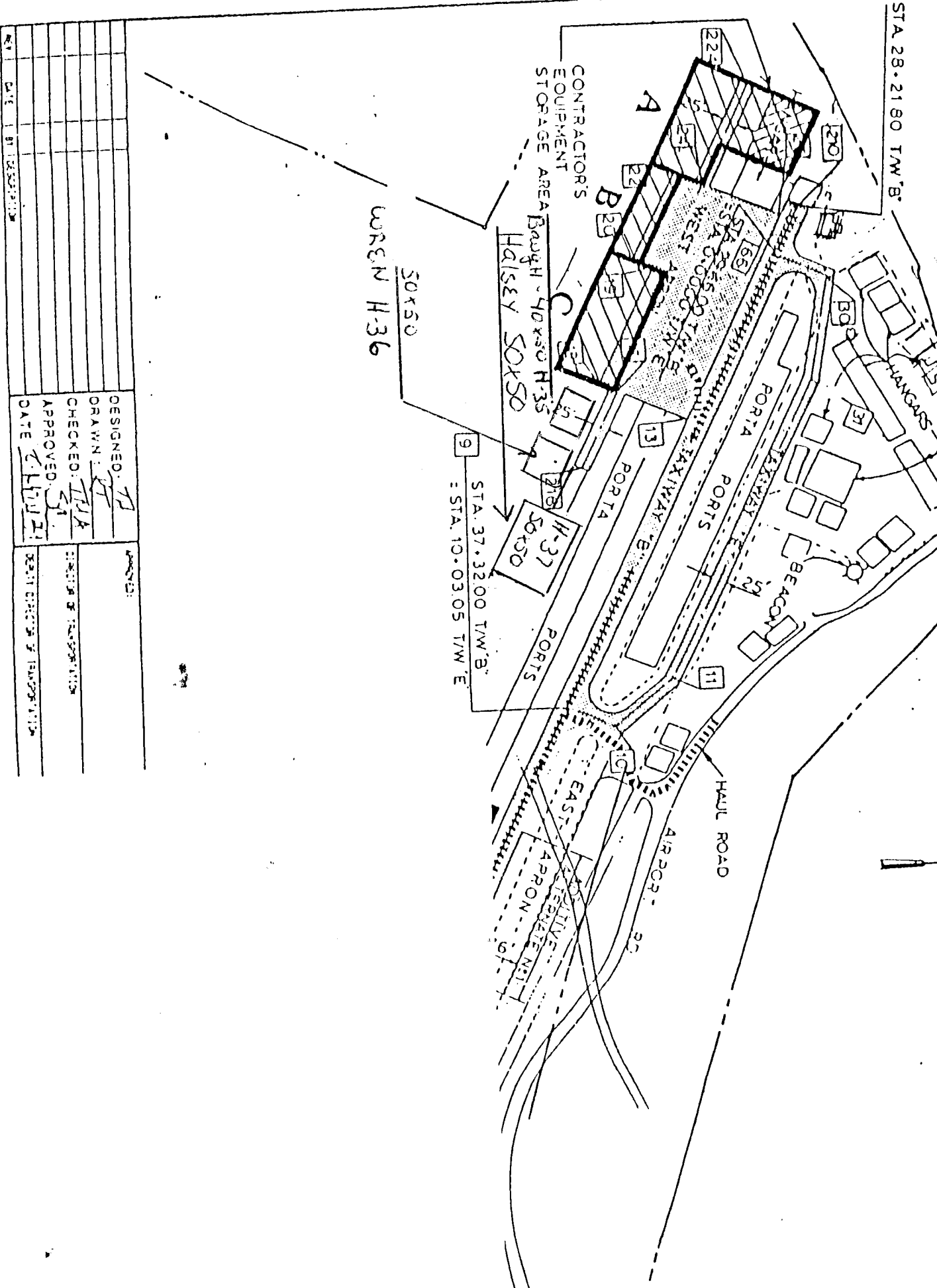
20 By _____

21 Dated: 10/3/97

22
23 *Jerry Baugh*
24 Jerry Baugh

25 "LESSEE"

26 2air.agm
27 11-25-91
28 ROD/ljb



DESIGNED: <i>TD</i>	APPROVED:
DRAWN: <i>TD</i>	DIRECTOR OF TRANSPORTATION
CHECKED: <i>TJA</i>	APPROVED: <i>TD</i>
DATE: <i>1/17/21</i>	DATE: <i>1/17/21</i>
	DIRECTOR OF TRANSPORTATION
	DEPUTY DIRECTOR OF TRANSPORTATION

EXHIBIT "A"
Tommy and/or Denise Halsey

FEDERAL AVIATION ADMINISTRATION
AGREEMENT COVENANTS

1. The (Sponsor) 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, licensee, permittee) and without interference or hindrance.
2. The (Sponsor) reserves the right, but shall not be obligated to the (lessee, licensee, permittee) 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, licensee, permittee, etc.) in this regard.
3. This (lease, license, etc.) shall be subordinate to the provisions and requirements of any existing or future agreement between the (Sponsor) and the United States, relative to the development, operation or maintenance of the airport.
4. There is hereby reserved to the (Sponsor), 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, licensed, permitted). 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 operation on the (official name) airport.
5. (Lessee, licensee, permittee, etc.) 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, licensed, permitted) premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the (leased, licensed, permitted) premises.
6. The (lessee, licensee, permittee) by accepting this expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the land leased hereunder above the mean sea level elevation 2603* (or 20) feet. In the event the aforesaid covenants are breached, the owner reserves the right to enter upon the land (leased, etc.) 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, licensee, permittee).
7. The (lessee, licensee, permittee, etc.) by accepting this (lease, license, etc.) agrees for itself, its successors and assigns that it will not make use of the (leased, etc.) premises in any manner which might interfere with the landing and taking off of aircraft from Placerville Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the owner reserves the right to enter upon the premises hereby (leased, etc.) and cause the abatement of such interference at the expense of the lessee, licensee, permittee).
8. 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 U.S.C. 1349a).

December 7, 1987

9. ****This (lease, license, permit) 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 the time of war or national emergency.**