

AIRPORT LAND USE AGREEMENT
PORTABLE HANGARS

THIS LEASE, made and executed by and between the COUNTY OF EL DORADO, political subdivision of the State of California, hereinafter called "County", and Carl Madsen
9121 Trujillo Way Sacramento CA 95826,

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 Section 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 June 7, 1993 and ending June 6, 1998 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 to 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 of one hundred percent (100%) of the annual tiedown fee for the appropriate aircraft and/or site category as established and may be changed from time to time by resolution of the El Dorado County Board of Supervisors and

1 which is in effect at each rental payment date. Said rental is
2 payable as follows:

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

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

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

12 The annual rental at the commencement of this lease is
13 Four Hundred Twenty Dollars (\$ 420.00).

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

17 If not already constructed at the effective date of this
18 agreement, within six (6) months of the commencement of this lease,
19 Lessee shall erect and maintain during the balance of the lease
20 term herein a hangar upon the property, approximately
21 33'10" x 39'5" (T) Sgl SP-18 in size. Lessee shall be
22 responsible for all surface preparation incident to placing a
23 hangar thereon. The site preparation must be approved by the
24 Airports Department prior to hangar erection.

25 Failure of Lessee to erect said hangar within the prescribed
26 time period or to maintain said hangar as required herein shall
27 constitute a material breach of this agreement and, in such event,
28 County may terminate this agreement without liability to Lessee

1 hereunder.

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

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

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

27 6. At all times during the term of this lease, Lessee shall,
28 at its own cost and expense, keep and maintain said land and all

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

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

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

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

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

1 port-a-port leases. An interest shall be defined as any incident
2 of ownership of the lease; corporate, partnership or otherwise.

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

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

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

23 15. Lessee shall not transfer, assign or sublet to any other
24 person this lease, the leased premises or any portion thereof
25 except as provided herein. It is the understanding and intent of
26 the parties that in the event of the sale of the portable hangar or
27 sublease, assignment, or other transfer of the interest hereunder,
28 only the balance of the term of this agreement may be transferred

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

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

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

28 11. No one person shall have an interest in more than two (2)

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

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

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

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

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

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

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

1 this regard.

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

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

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

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

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

25 20. The lease contains the entire agreement of the parties
26 with respect to the matters covered by this lease and no other
27 agreement, statement or promise made by any party or to any
28 employee, officer or agent of any party which is not contained in

1 this lease shall be binding or valid.

2 21. Lessee shall not commence any use under this agreement
3 until proof of the insurance required by this agreement has been
4 filed with the County of El Dorado and is satisfactory to the
5 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: 8/26/93

COUNTY OF EL DORADO

15 By Scott Chudler
16 Chairman, Board of Supervisors or
17 Director of Department of Transportation

18 ATTEST:

"COUNTY"

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

21 By _____
Deputy Clerk

22 Dated: _____

23 Carl Madsen
24 Carl Madsen

25 _____
26 "LESSEE"

27 land-use.agm
28 9-14-89

DESCRIPTION

A tract of land in the shape of a T Hangar, 40 feet wide by 34 feet deep, fronting on the Northerly side of the abandoned Airport Runway located in the area approximately 320 feet in length bounded on the West by the paved taxiway at the Westerly end of the abandoned runway, and bounded on the East by West end of the existing tie-down cable.

Due to the dimensions of the Lessee's Hangar, 100% of a Single Engine tiedown will be required. This rate is subject to change by Resolution of the Board of Supervisors.

EXHIBIT "A"

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, etc.) 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 Placerville/Georgetown Airport.
5. (Lessee, licensee, permittee, etc.) agrees to comply with the notification and review requirement 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).

12/7/87

Federal Aviation Administration
Agreement Covenants

7. The (lessee, licensee, permittee) 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 the Placerville/Georgetown 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).

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.

EXHIBIT "B" · 2 of 2

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