

**COUNTY OF EL DORADO
AIRPORT GROUND LEASE FOR
PORTABLE HANGARS
#2054**

This Airport Ground Lease for Portable Hangars (“Lease”), made and entered into upon the date signed by the Board of Supervisors, by and between the COUNTY OF EL DORADO, a political subdivision of the State of California, hereinafter called “COUNTY,” and Hi Line Motorsports Inc., 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 County of El Dorado Ordinance Code Section 3.08.021, hereby leases to LESSEE the real property at the Placerville Airport, described in Exhibit “A” attached hereto and made a part hereof, on the following terms and conditions:

1. PREMISES:

COUNTY hereby leases to LESSEE and LESSEE hereby leases from COUNTY, for and in consideration of rents, covenants, and agreement hereinafter set forth, the “Premises” described as follows and more particularly described in Exhibit “A” hereto:

Hangar Space # SP-04, 812 Square Footage, Placerville Airport (“Airport”)

2. TERM:

The initial term of this Lease shall be for ten (10) years commencing upon execution hereof by the Board of Supervisors and ending ten years thereafter (“Initial Term”). Upon expiration of the Initial Term, LESSEE shall have the right to extend the term for an additional two (2) ten (10) year lease options under such terms and conditions as may be agreed upon at such time.

3. CONSIDERATION:

In consideration of the rights and privileges herein granted, LESSEE shall pay to COUNTY a rental fee as established by resolution of the County of El Dorado Board of Supervisors which is in effect at each annual lease payment date. The annual lease payment at the commencement of this Lease for a portable Single “T” Hangar on 812 square feet shall be a flat fee of **Seven Hundred Ninety-Two Dollars and Zero Cents (\$792.00)**. LESSEE shall make all rent payments to:

County of El Dorado
Planning and Building Department
Airports Division
2850 Fairlane Court
Placerville, CA 95667
or Airports Operations Office

Said lease payment is due and payable as follows:

- A. Upon commencement date, LESSEE shall pay a prorated portion of annual lease payment for the time period from the commencement date to the next succeeding June 30.
- B. On each July 1, LESSEE shall pay the annual lease payment for the next succeeding fiscal year.
- C. On July 1, at the commencement date of the fiscal year during which the term of this Lease expires, LESSEE shall pay the prorated portion of the annual lease payment for the time period from July 1 to the expiration date of this Lease.
- D. If this Lease is terminated by County, LESSEE shall pay the prorated portion of the annual lease payment for the time period from the immediately preceding July 1 to the date this lease terminates.
- E. If COUNTY approves LESSEE to act as a holdover tenant in accordance with Section 23, LESSEE shall pay the prorated portion of the annual lease payment from the time period that the holdover period commences to the next succeeding June 30.
- F. For purposes of this lease, rent due for any partial month shall be prorated on the basis of 1/360th of the basic annual rent, per day.
- G. If LESSEE obtains the consent of COUNTY to rent the hangar to others, LESSEE shall pay the commercial rate, consistent with Section 12(a), below.

4. LATE FEE AND PENALTY:

All lease payments and/or fees not paid by the date due shall be considered delinquent and a late charge of ten percent (10%) per month of delinquency may be assessed.

5. USE OF PREMISES:

- A. **Federally Obligated.** The Premises are located on federally obligated airport property that is subject to FAA grant assurances made by the COUNTY in accepting federal funding for the airport. A copy of the current FAA Grant Assurances can be found at the FAA's website at https://www.faa.gov/airports/aip/grant_assurances, which are hereby incorporated by reference into this Lease. LESSEE'S use of the Premises is subordinate to COUNTY'S federal obligations and conditional on LESSEE'S compliance with federal law. The Premises are subject to inspection by the Federal Aviation Administration ("FAA") and COUNTY for compliance with FAA regulations and policies governing the use of federally obligated airport property.
- B. **Aeronautical Use Only.** LESSEE shall use the premises primarily for aeronautical use only, as defined by the FAA. The Premises are leased herein for the sole purpose of non-commercial storage, care, and maintenance of LESSEE'S aircraft. LESSEE shall not store any non-aeronautical items in the hangar unless that use is in compliance with FAA Policy on the Non-Aeronautical Use of Airport Hangars.
- C. **Residential Use Prohibited.** Residential use of the Premises is prohibited by the FAA.

Residential use includes any overnight occupation of the Premises that is not directly related to the care, maintenance, or operation of LESSEE'S aircraft.

- D. All Commercial Activity Prohibited.** Unless expressly provided for herein or by other written agreement with COUNTY, nothing in this Lease shall be construed to grant LESSEE the right to rent Premises, including use of a hangar on the Premises, to others, conduct business or any commercial activity upon the Premises herein, including, but not limited to, those activities normally or actually conducted by fixed base operators upon Airport property. The storage of an aircraft used in LESSEE'S trade or business shall not be deemed a "commercial activity" and such aircraft shall be deemed to be "LESSEE'S aircraft" for purposes of this Section.

6. INSURANCE:

LESSEE shall provide proof of a policy of insurance satisfactory to COUNTY'S Risk Management Division and documentation evidencing that LESSEE maintains insurance that meets the following minimum requirements:

- A.** Aircraft Liability Insurance of \$1,000,000 per occurrence for bodily injury and property damage for aircraft operated and/or stored on the Premises. Aircraft Liability Insurance shall include premises liability and evidence of coverage shall be provided to COUNTY'S Risk Management Division. If premises liability is not included in the Aircraft Liability policy, a separate Hangar Liability policy with a \$1,000,000 occurrence limit for injury or damage shall be obtained.
- B.** Motor Vehicle Liability Insurance of not less than \$100,000 bodily injury limits per person, \$300,000 bodily injury limits per occurrence, and \$50,000 for damage to the property of other people, is required in the event motor vehicles are used by LESSEE on COUNTY'S premises.
- C.** LESSEE shall furnish a certificate of insurance satisfactory to COUNTY'S Risk Management Division as evidence that the insurance required above is being maintained.
- D.** The insurance shall be issued by an insurance company acceptable to COUNTY'S Risk Management Division or be provided through partial or total self-insurance likewise acceptable to COUNTY'S Risk Management Division.
- E.** LESSEE agrees that the insurance required herein shall be in effect at all times during the term of this Lease. In the event said insurance coverage expires at any time or times during the term of this Lease, LESSEE agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Lease, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of COUNTY'S Risk Management Division, and LESSEE agrees that the Lease shall not commence prior to the giving of such approval. In the event LESSEE fails to keep in effect at all times insurance coverage as herein provided, COUNTY may, in addition to any other remedies it may have, terminate this Lease upon the occurrence of such event.
- F.** The certificates of insurance must include provisions stating that:

1. The insurer will not cancel the insured's coverage without 30-day prior written notice to COUNTY; and
 2. The County of El Dorado, its officers, officials, employees and volunteers are included as additional insured, on an additional insured endorsement for Aircraft Liability and Hangar Liability policies, but only insofar as the operations under this Lease are concerned. This provision shall apply to the Aircraft Liability and Hangar Liability Policies.
- G.** LESSEE'S insurance shall be primary insurance as respects COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by COUNTY, its officers, officials, employees, or volunteers shall be in excess of LESSEE'S insurance and shall not contribute with it.
- H.** Any deductibles or self-insured retentions must be declared to, and approved by, COUNTY. At the option of COUNTY, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects COUNTY, its officers, officials, employees, and volunteers; or LESSEE shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- I.** Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to COUNTY, its officers, officials, employees, or volunteers.
- J.** The insurance companies shall have no recourse against COUNTY, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- K.** LESSEE'S obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Lease.
- L.** In the event LESSEE cannot provide an occurrence policy, LESSEE shall provide insurance covering claims made as a result of performance of this Lease for not less than three (3) years following completion of this Lease.
- M.** The certificate of insurance shall meet such additional standards as may be determined by COUNTY, either independently or in consultation with COUNTY'S Risk Management Division, as essential for protection of COUNTY.

7. HOLD HARMLESS/INDEMNIFICATION:

To the fullest extent allowed by law, LESSEE shall, at LESSEE'S sole expense, indemnify, protect, defend, and hold harmless COUNTY, its officers, officials, employees, and volunteers from any and all claims, demands, suits, actions, and liabilities for any and all loss, damage, and liability for damages, including attorneys' fees and other costs of defense, whether for damage to or loss of property, injury to or death of any person, or economic or consequential loss, regardless of the degree of fault or negligence on the part of COUNTY, its officers, officials, employees, and volunteers, arising out of or relating directly or indirectly to this Lease, the tenancy created under this Lease, or the Premises, including without limitation:

- A. The use or occupancy, or manner of use or occupancy, of the Premises by LESSEE;
- B. Any act, error, omission, or negligence of LESSEE, or of any invitee, guest, or licensee of LESSEE;
- C. Any alteration, activities, work, or things done, omitted, permitted, allowed, or suffered by LESSEE in, at, or about the Premises, including the violation of or failure to comply with any applicable laws, statutes, ordinances, standards, rules, regulations, orders, decrees, or judgments in existence on the effective date of this Lease or enacted, promulgated, or issued after the effective date of this Lease;
- D. Any breach or default in performance of any obligation on LESSEE'S part to be performed under this Lease; and
- E. Any action to challenge COUNTY'S approval of the Lease or use of the Premises by LESSEE, including, but not limited to, any action brought pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000, et seq., or 14 Code of Federal Regulations Part 16, FAA Rules of Practice for Federally Assisted Airport Proceedings.

LESSEE'S obligations pursuant to this Section include the duty to defend set forth in Civil Code Section 2778 and shall survive termination or expiration of this Lease.

LESSEE, as a material part of the consideration to COUNTY, hereby assumes all risk of damage to property or injury to persons in or upon the Premises and common areas (e.g., taxiways, runways, parking lot, snack bar, fuel areas, and grass area) arising from any cause except that caused by the active or sole negligence of COUNTY, its employees or agents, and LESSEE hereby waives all claims in respect thereof against COUNTY.

8. FIRE HAZARD:

LESSEE shall keep the Premises clear of oil, trash, or other materials that may be deemed a fire hazard.

COUNTY reserves the right to restrict LESSEE from conducting any activity or storing flammable, hazardous, or toxic materials or substances that are not compatible with aeronautical use or which would increase COUNTY'S insurance rate or cause COUNTY'S insurance to be canceled.

9. MAINTENANCE & REPAIR:

LESSEE shall at all times during the term of this Lease, maintain and keep, at LESSEE'S sole cost and expense, the Premises, including any hangar, land, any improvements made to the Premises, and facilities appurtenant thereto, in good order, repair, and safe condition and in compliance with all requirements of law. LESSEE shall not make or permit any other person to make any alterations for the purpose of maintenance and repair to the Premises without first obtaining the written consent of COUNTY Airport Operations Supervisor or successor authority. If COUNTY consents to those alterations to the Premises by LESSEE, subsequent to execution of this Lease, LESSEE shall make

those at the sole cost and expense of LESSEE by a contractor or other person selected by LESSEE and approved in writing by COUNTY before work commences. LESSEE shall comply with all applicable statutes, ordinances, rules, and regulations established by any federal, state, county, or local government agency in making any repairs or maintaining the Premises under this Section. LESSEE shall maintain an area of ten (10) feet from the exterior walls of said hangar, or of the median point between hangars if there is less than twenty (20) feet between hangars, free from brush and weeds. If LESSEE fails to keep and maintain the leased Premises and improvements as required herein, COUNTY may at its own discretion following written notification, restore, repair, or correct any health, fire, or safety conditions and any expenses incurred by COUNTY shall be payable by LESSEE within fifteen (15) days of a written invoice for the expenses.

10. ALTERATIONS:

LESSEE shall not construct or maintain on the Premises any structure, improvement, including, but not limited, to any modifications affecting the use of the Premises (e.g. water line hook-ups or plumbing for appliances), or any material addition to or alteration of any building or structure erected on the Premises unless and until the plans and specifications, including those covering the exterior of the proposed structure, improvement, addition, or alteration, and the proposed location, have first been submitted to, and approved in writing by, the COUNTY Airport Operations Supervisor or successor authority. All improvements, alterations, additions, or modifications must be in accordance with Exhibit "B," Board of Supervisors Policy F-9 (incorporated herein and made by reference a part hereof), and any other applicable building regulation. All improvements, alterations, additions, or modifications must be compatible with aeronautical use of the Premises and consistent with federal laws, FAA regulations, state statutes, and the rules and regulations governing the use of federally obligated airport property.

11. TAXES AND POSSESSORY INTERESTS:

LESSEE understands that the Lease creates a property interest which may be subject to property taxation and that any possessory interests vested in LESSEE or his or her assignees through this Lease make LESSEE or his or her assignees subject to the payment of any property taxes on that property interest pursuant to Revenue and Taxation Code Section 107.6. It is further agreed by and between the parties hereto that COUNTY has informed LESSEE that such property interest, together with any improvements as may be made by LESSEE, as may be created or allowed by this Lease may be subject to property taxation and that LESSEE may be subject to the payment of property taxes levied on such interest(s).

LESSEE agrees to pay all taxes levied upon the Premises and improvements on the Premises, including trade fixtures and inventory not owned by COUNTY and kept on the Premises.

12. LESSEE'S OBLIGATIONS TO COMPLY:

- A. Commercial Rate Applies to Rental. No person other than LESSEE may occupy any portion of the Premises without the prior written consent of COUNTY. In the event LESSEE no longer occupies hangar and obtains written consent from COUNTY for the rental of hangar to others, the rate shall automatically be adjusted upwards to the "Commercial Use" rate in effect at that time or as may be changed from time to time by the Board of Supervisors. In the case of hangars housing multiple aircraft, sharing of a

portion of hangar with others will not trigger the increase to the established "Commercial Use" rate as long as LESSEE occupies space in hangar with LESSEE'S aircraft. At the commencement of rental of hangar, or portion thereof, to others, a commercial general liability insurance policy must be provided that includes Hangar Keepers Liability coverage of at least \$75,000 or the value of stored aircraft. All other limits for insurance shall remain in effect as stated in Section 6 above. LESSEE remains responsible for the compliance of any shared or rented space with all terms of the Lease including, but not limited to, restricted use of the Premises as described in Section 5 above, maintenance and repair as described in Section 9, approved alterations as described in Section 10, and compliance with laws as described in Section 18.

- B. Transition Allowance. In the event LESSEE sells its aircraft and is actively pursuing replacement with another aircraft there shall be a six-month period allowed for occupancy by others for aeronautical use only as defined in Section 5. Written notice of this intent to replace must be provided to the Airports Operations Office within thirty (30) days of beginning of occupancy by others or the lease rate shall be adjusted upwards to the commercial rate in effect at that time, effective immediately upon occupancy by other than LESSEE. In the event that another aircraft is not obtained within this six-month period and the hangar is occupied by others, the lease rate shall be adjusted upwards without further notice and a revised billing will be provided for the balance of the annual lease period. Additional fees may be paid on a month to month basis but no further billing will be made by COUNTY after initial notice and billing of adjustment.
- C. Occupying Aircraft. LESSEE shall submit to COUNTY within thirty (30) days of sale, sublease, assignment, or rental of any aircraft stored on the leased property, the Aircraft Registration Number ("N-number") and the name of the registered owner.
- D. LESSEE shall confine its activities to the leased Premises only excepting reasonable ingress and egress and the normal and intended use of the Airport runways and taxiways and other Airport public facilities.

13. ASSIGNMENT OR SUBLEASING:

LESSEE shall not transfer or assign its rights or interests to any other person under this Lease.

LESSEE shall not enter into an agreement with any person to sublet its rights under this Lease, including the right to occupy the Premises or use any hangar or other improvement upon the Premises, unless LESSEE first obtains the written consent of COUNTY to that sublet and complies with this Section. LESSEE shall provide proof to COUNTY that:

- A. SUBLESSEE has insurance that is in compliance with Section 6 of this Lease;
- B. SUBLESSEE has been provided a copy of this Lease and has entered into an agreement with LESSEE to comply with such terms;
- C. The term of the agreement with SUBLESSEE does not exceed the Term of this Lease;

D. SUBLESSEE has provided proof of aircraft ownership to the Airports Operations Office.

COUNTY may withhold consent for any commercially reasonable objection, including if COUNTY concludes that sublease would result in a non-aeronautical use or “commercial activity” as described in Section 5 above. LESSEE understands that such a sublease does not operate or be deemed to operate as a release of LESSEE from LESSEE’s obligations under this Lease, including annual payment of rent.

14. COUNTY’S RIGHTS:

COUNTY reserves to itself and to its successors or assigns hereunder the following rights:

- A.** The right to have access to the Premises for the purpose of monitoring and evaluating the obligations of LESSEE hereunder to determine if the installation, maintenance, and use of the Premises are in compliance with all federal, state, and local laws and regulations and the terms and conditions under this Lease. COUNTY will provide LESSEE a reasonable opportunity to be present for any inspection. County’s access will be as follows:
 - 1. Without prior notice at any time between the hours of 8:00 a.m. and 5:00 p.m., seven days per week.
 - 2. With prior notice, which may include same day notice, at all times outside the hours of 8:00 a.m. to 5:00 p.m. The notice required under this Section may be provided by posting a Notice of Inspection on the Premises.
 - 3. Without notice at any and all times in the case of emergency or in anticipation of an emergency as determined by COUNTY.
- B.** The right to enter into the Premises to serve or post any required notices, to conduct inspections pursuant to this Section, and to carry out and enforce all laws and regulations and the terms and conditions of this lease.
- C.** The right for the use and benefit of the public of flight for the passage of aircraft in the airspace above the surface of the Premises. This right includes, but not be limited to, the right to cause in said airspace any noise inherent in the operation of any aircraft through said airspace or from the taking off from or landing of said aircraft at said Airport.
- D.** The right to further develop or improve the Airport as it sees fit without interference or hindrance by LESSEE.
- E.** The right to maintain and keep in repair the landing area of the Airport and all publicly owned facilities at said Airport, together with the right to direct and control all activities of LESSEE in this regard. This right does not create any obligation to the LESSEE.
- F.** The right to take appropriate action to ensure that terminal airspace that is required to protect instrument and visual operations to the airport (including operations at established minimum flight altitudes) will be cleared and protected by mitigating existing, and preventing future, airport hazards.

- G. In accordance with FAA Grant Assurance No. 27, the right to make available all of the facilities of the Airport usable for landing and takeoff of aircraft of the United States for use by Government aircraft as necessary, and the related right during, or in anticipation of, war or other national or state emergency, to enter into an agreement with the United States Government or the State of California for military, naval, or emergency response for all or part of the Airport. If any such agreement is executed, the provisions of this lease instrument are suspended to the extent they are in conflict with that agreement or use.
- H. In the event the Airport or other premises herein leased are rendered totally or partially inaccessible, untenable, or unusable because of the condition thereof, which condition was not caused by COUNTY or its agents, and COUNTY, in its sole discretion, determines that restoration, repair, or further use is not desirable, this Lease shall be automatically terminated upon thirty (30) days' notice to LESSEE. In such event, COUNTY shall owe nothing as a result thereof and all and any costs or expenses of removal of structures as provided for herein are to be borne by LESSEE.
- I. During the term of this Lease, the right, at COUNTY'S obligation and expense, to relocate the leased tract herein to a different location at the Airport and to move and install LESSEE'S hangar to the located tract, provided that:
 1. LESSEE is given thirty (30) days' notice of the relocation and provided an opportunity to comment on the proposed location;
 2. COUNTY will make every effort to relocate the hangar at a tract that is similar to the previous tract; and
 3. COUNTY provides surfacing and improvements at the relocated tract at least equal to the surfacing and improvements at LESSEE'S prior location.

15. NOTICES:

Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to either party hereto by the other party hereto shall be in writing and shall be deemed duly served and given when personally delivered to the party, COUNTY or LESSEE, to whom it is directed or any managing employee of such party or, in lieu of such personal service, when deposited in the United States mail, first-class postage prepaid, addressed to:

LESSEE: Hi Line Motorsports Inc.
2373 Loch Way
El Dorado Hills, CA 95762

COUNTY: County of El Dorado
Board of Supervisors
Attention: Clerk of the Board
330 Fair Lane

Placerville, CA 95667

COPY TO: Planning and Building Department
Airports Division
2850 Fairlane Court
Placerville, CA 95667

Either party, COUNTY or LESSEE, may change its address for purposes of this Section by giving written notice of the change to the other party in the manner provided in this Section. Said notice shall become part of this Lease upon acknowledgment in writing by the other party and no further amendment of this Lease shall be necessary.

16. NON-EXCLUSIVE RIGHTS:

This Lease does not vest in LESSEE an exclusive right within the meaning of either Section 308(a) of the Federal Aviation Act of 1958 [codified at 49 U.S.C. § 40103(e)] or the Surplus Property Act of 1944 [codified at 49 U.S.C. §§ 47151-47153].

17. ACTS OF GOD, WAR/TERRORISM, AND OTHER CASUALTIES:

COUNTY shall not be responsible for monetary losses or damage to personal property, equipment, or materials of LESSEE caused by Acts of God, fire, epidemics, or public enemy including but not limited to acts of war and/or terrorism. LESSEE hereby waives any claims for damages against COUNTY resulting from said acts.

18. NON-DISCRIMINATION AND COMPLIANCE WITH LAWS:

A. General Civil Rights Provisions

LESSEE agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in any activity conducted with or benefiting from Federal assistance. If the LESSEE transfers its obligation to another, the transferee is obligated in the same manner as the LESSEE.

This provision obligates LESSEE for the period during which the property is owned, used or possessed by the LESSEE and the airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

B. Nondiscrimination Provision

The LESSEE for himself/herself, his/her 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 (1) no person on the ground of race, color, or national origin, will 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 ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.)

will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities, below.

C. Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this contract, the LESSEE, for itself, its assignees, and successors in interest agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure

compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).

D. Compliance with Federal Aviation Administration, State and County Rules and Regulations

LESSEE and its officers, agents, employees, subcontractors, or volunteers agree to abide by all Federal Aviation Administration (FAA) rules and regulations pertaining to the operation of Airport and the use of federally obligated airport property, including all FAA grant assurances as they now exist and may be amended from time to time. Failure to comply with those rules and regulations shall be grounds for immediate termination of this Lease.

LESSEE and its officers, agents, employees, subcontractors, or volunteers shall carry on their activities and operations at Airport in compliance with federal laws, state statutes, and the rules and regulations governing the use of Airport and all other applicable COUNTY ordinances and regulations, including the Storm Water Pollution Prevention Plan and Best Management Practices, in accordance with Exhibit "C," marked "Storm Water Pollution Prevention Plan Requirements, BMP'S," attached hereto and incorporated herein by reference.

LESSEE and its officers, agents, employees, subcontractors, or volunteers shall observe faithfully all rules and regulations affecting use of Airport.

19. DEFAULT:

Either party shall be in default of this Lease if it fails or refuses to perform any material provision of this Lease that it is obligated to perform if the failure to perform is not cured within thirty (30) days after written notice of the default has been given by the non-defaulting party. If the default cannot reasonably be cured within thirty (30) days, the defaulting party shall not be in default of this Lease if it commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.

20. REMEDIES ON DEFAULT:

At any time after a party is in default and has failed to cure the default within the period provided herein, the party shall be in breach of this Lease. In such an event, the non-defaulting party can terminate this Lease in accordance with the terms herein or can cure the default at the defaulting party's cost. If the non-defaulting party at any time, by reason of the other party's default, pays any sum or does any act that requires the payment of any sum, the sum paid by the non-defaulting party shall be due from the defaulting party to the non-defaulting party within ten (10) days of notice of such sum, and if paid at a later date shall bear interest at the maximum rate permitted by law from the date the sum was due until finally paid.

COUNTY shall also have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations). The remedies set

forth in this Section are in addition to and do not in any manner limit other remedies set forth in particular Sections of this Lease or by law.

21. ADDITIONAL GROUNDS FOR TERMINATION:

Notwithstanding Sections 19 and 20 above, COUNTY shall have the right to terminate this Lease in its entirety immediately upon the happening of any of the following:

- A. LESSEE'S use of the Premises is not in compliance with FAA regulations and policies governing the use of federally obligated airport property or any other provision of Section 18; or
- B. LESSEE'S making of any general assignment for the benefit of creditors, without the prior written consent of COUNTY as specified in this Lease; or
- C. Intentionally supplying COUNTY with false or misleading information or misrepresenting any material fact on its application or documents, or in its statement to or before COUNTY, or intentional failure to make full disclosure on its financial statement or other documents.

22. EFFECT OF TERMINATION OR EXPIRATION:

Upon termination or expiration of this Lease, LESSEE shall surrender the leased Premises to COUNTY in as good as condition as when they were received by LESSEE from COUNTY, subject to reasonable use and wear. Except as provided in the following paragraph, any improvements or alterations of a permanent nature, including concrete pads, gravel or other site preparation, made by LESSEE become the property of COUNTY. COUNTY may dispose of any personal property that are not removed upon the termination or expiration of this Lease in accordance with Civil Code Section 1980 et seq. and Section 1993 et seq.

If the Lease was terminated, and LESSEE did not remove any hangar on the Premises by the date of termination, COUNTY shall provide LESSEE written notice that LESSEE may remove that hangar, at LESSEE's sole expense, within one hundred and twenty (120) days after receiving that notice or that the hangar will be disposed of in accordance with this Section. If the term of this Lease had expired, and LESSEE did not either remove the hangar from the Premises or otherwise sell its interest in that hangar in accordance with the terms of this Lease and all applicable laws by the time this Lease expired, COUNTY shall provide LESSEE written notice that LESSEE may remove that hangar, at LESSEE's sole expense, within one hundred and twenty (120) days after receiving that notice or that the hangar will be disposed of in accordance with this Section. If LESSEE fails to remove said hangar within one hundred and twenty (120) days after notice from COUNTY, COUNTY may do any of the following at its sole discretion:

- A. Remove the hangar and require the LESSEE to pay the costs for storage, removal, and additional rental. LESSEE shall pay for any costs required by this Section within fifteen (15) days of receiving a written invoice.
- B. Dispose of the hangar as otherwise allowed by law.
- C. Take ownership of the hangar at no cost to the County.

23. HOLDING OVER:

LESSEE shall not remain in possession of the Premises after the expiration of the term of this Lease. COUNTY may, by issuing a written notice, authorize LESSEE to holdover as a holdover tenant with a month-to-month term under the same terms and conditions of this Lease, including Section 3 regarding payment of a prorated share of the annual rent due. County may terminate at any time the holdover period upon thirty (30) days written notice.

24. ATTORNEY FEES:

Should any litigation be commenced between COUNTY and LESSEE concerning the Premises, this Lease, or the rights and duties of either COUNTY or LESSEE in relation thereto, the party, COUNTY or LESSEE, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in the litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

25. GENERAL PROVISIONS:

- A. Time of Essence: Time is and shall be of the essence in this Lease and in each and every provision contained in this Lease.
- B. Incorporation of Prior Agreements; Amendments: This Lease contains all the agreements of the parties with respect to any matter mentioned herein. This Lease hereby supersedes any agreement previously entered into. No prior agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification.
- C. Binding Effect; Choice of Law; Venue: This Lease shall be binding upon and inure to the benefit of the parties, their personal representatives, successors, and assigns. This Lease shall be governed by the laws of the State of California. Any dispute or litigation arising hereunder or relating to this Lease shall be brought in the County of El Dorado.
- D. Consents: Wherever in this Lease consent of one party is required to an act of the other party, such consent shall not be unreasonably withheld or delayed.
- E. Construction of Lease; Severability: To the extent allowed by law, the provisions in this Lease shall be construed and given effect in a manner that avoids any violation of statute, regulations, or law. COUNTY and LESSEE agree that in the event any provision of this Lease is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such provision shall in no way affect any other provision of this Lease.
- F. Relationship: The parties intend by this Lease to establish the relationship of lessor and lessee only, and do not intend to create a partnership, joint venture, joint enterprise, or any business relationship other than that of lessor and lessee.

26. NO CONTINUING WAIVER:

The waiver by either party of any breach of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach of the same, or of any other provision.

27. INTERPRETATIONS:

This Lease shall be interpreted as if drafted by all parties. No provision of this Lease shall be construed against any party because that party or its counsel was the sole or principal drafter of the Lease or any provision thereof.

28. LEASE ADMINISTRATOR:

The COUNTY officer or employee with responsibility for administering this Lease is Sherrie Busby, Sr. Administrative Analyst, Planning and Building Department, or successor.

29. LEGAL ADVICE:

Each party acknowledges that each of them has the right and opportunity to secure the advice and assistance of legal counsel with respect to this Lease and further acknowledges that they understand the terms and conditions of this Lease.

30. AUTHORIZED SIGNATURES:

The parties to this Lease represent that the undersigned individuals executing this Lease on their respective behalf are fully authorized to do so by law or other appropriate instrument. This Lease may be executed in counterparts.

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IN WITNESS WHEREOF, the parties hereto have made and entered into this Lease upon the day and year signed by the Board of Supervisors below.

-- LESSEE --

Dated: 12-23-22

By: 
Anthony Guaglione
Managing Member
Hi Line Motorsports Inc.
"LESSEE"

-- COUNTY OF EL DORADO --

Dated: _____

By: _____
Board of Supervisors
"COUNTY"

ATTEST:
Kim Dawson
Clerk of the Board of Supervisors

By: _____
Deputy Clerk

Dated: _____

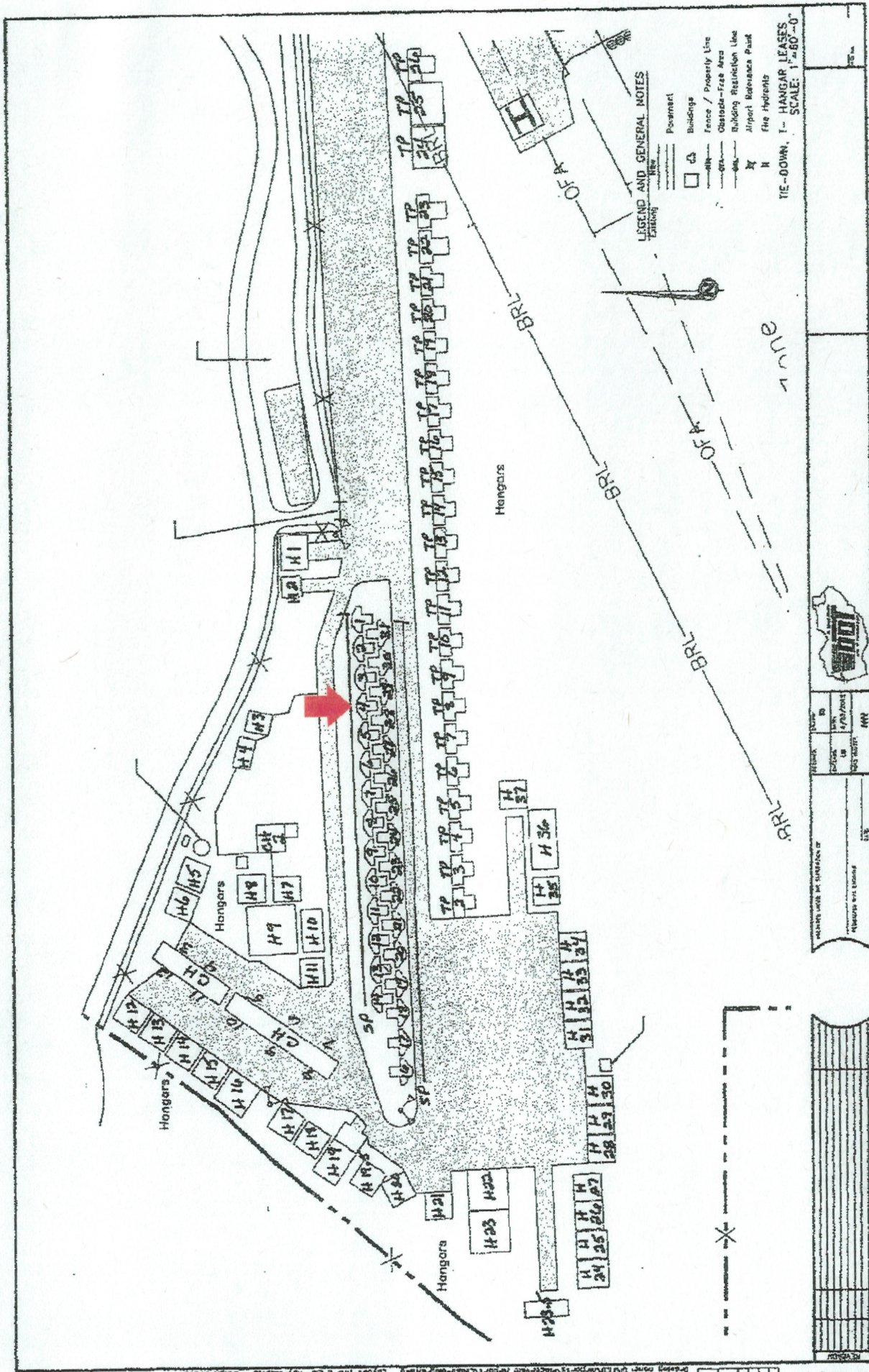




EXHIBIT "B"

COUNTY OF EL DORADO, CALIFORNIA
BOARD OF SUPERVISORS POLICY

Subject: AIRPORTS - PORTABLE HANGER COLOR	Policy Number F-9	Page Number: 1 of 2
	Date Adopted: 10/19/1993	Revised Date:

BACKGROUND:

The practice of having a standard color for privately owned hangars at both Placerville and Georgetown Airports was established at approximately the time hangar agreements without reversion were allowed under the Airport Land Use Agreement for Portable Hangars. Placerville Airport has had the green color since approximately 1975. Georgetown Airport users chose a beige color in 1989 when the first hangars of that type were constructed. This has not been a written policy, but in most cases was followed as being in the best interest of the Airports.

PURPOSE:

The purpose of this policy is to formalize an unwritten policy, clarify the colors and provide for an orderly look by maintaining the uniformity of color for the portable hangars on both Placerville and Georgetown Airports.

POLICY:

1. The color of all privately owned hangars erected on Placerville Airport shall be **GREEN**. For the purposes of this policy the color **GREEN** is intended to mean a medium green color common to the existing **GREEN** hangars.
2. The color of all privately owned hangars erected on the Georgetown Airport shall be **BEIGE**. For the purposes of this policy the color **BEIGE** is intended to mean a medium beige/brown color common to the existing **BEIGE** hangars.
3. This policy shall be included in and made part of each privately owned hangar lease under the Airport Land Use Agreement for Portable Hangar, Airport Land



EXHIBIT "B"

COUNTY OF EL DORADO, CALIFORNIA
BOARD OF SUPERVISORS POLICY

Subject: AIRPORTS - PORTABLE HANGER COLOR	Policy Number F-9	Page Number: 2 of 2
	Date Adopted: 10/19/1993	Revised Date:

Use Agreement for Non "T" Portable Hangar and FBO Airport Use Agreement constructed on either Airport.

4. Any request for deviation shall be reviewed, and approved or denied by the El Dorado County Airport Commission.

Primary Department: Department of Transportation/Airports

References: None

EXHIBIT "C"

STORM WATER POLLUTION PREVENTION PLAN REQUIREMENTS, BMP'S

These requirements are intended to enforce compliance with the Placerville Airport Storm Water Pollution Prevention Plan (SWPPP). The SWPPP is a Federal and State requirement on all facilities considered to be industrial sites.

The Best Management Practices (BMP's) are the conditions that the plan uses to prevent and eliminate the introduction of pollutants into the Storm Water runoff and drainage areas of the Placerville Airport. The BMP's are not optional and must be adhered to for compliance with the Airport SWPPP. Following are the requirements and procedures that must be met to be in compliance.

REQUIRED BMP's:

1. Aircraft Washing:
 - No degreasing is allowed except by hand, then rags are disposed of in appropriate trash receptacles.
 - All hoses are required to have a nozzle to shut off the flow when not in use.
 - Wash aircrafts on an impervious area at least 200 feet away from any inlet to prevent wash water from entering storm water system.
 - Washing with a rag and bucket is strongly encouraged.
 - Soaps must be bio~degradable.
 - After wash area is dry it must be swept up and contaminates disposed of in appropriate trash receptacles.
 - No washing when rain may be forecasted for the near future.
2. A drip pan sufficient to catch and contain all oil and fluids shall be used at all times while performing any service on the asphalt, dirt or hangar floors.
3. No use of solvents or grease remover is allowed out doors. No engine washing or engine and belly degreasing allowed.
4. Some type of absorbent material must be readily available to soak up fluids and fuel that may be spilled. If a spill should occur, any residue on the pavement or dirt must be cleaned up immediately and disposed of off-site.
5. Used oil is to be put into oil recovery site at the Airport (if available) or disposed of off Airport property at a recycler of your choice. No oil dumping on Airport property.
6. Used hydraulic fluids, solvents or batteries are to be disposed of off Airport property at a recycler of your choice. The County does not provide this service.
7. A broom is to be used after servicing to insure that any dirt or debris are not left on any paved or concrete surfaces.
8. Periodic inspections for compliance will be done as required by our Storm Water Permit. The Airports are required by the State Water Quality Control Board to log/report any violations and show evidence in our annual report that the violations were addressed and corrective action was taken.