

**COUNTY OF EL DORADO
AIRPORT HANGAR LEASE
#XXX-XXXX**

This Airport Hangar Lease for County-Owned Hangars (“Lease”), made and entered into upon the date signed by the Assistant Chief Administrative Officer (, by and between the COUNTY OF EL DORADO, a political subdivision of the State of California, hereinafter called “COUNTY,” and _____, hereinafter called “LESSEE.”

WITNESSETH:

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 _____ 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 following designated aircraft storage hangar:

Hangar Space # _____, _____ Square Footage, _____ Airport (“Airport”)

The assigned Hangar shall be used for storage of the following aircraft only and no other aircraft:

Aircraft Reg. # _____ Make _____ Model _____ Color _____ Year _____

2. TERM:

The term of this Lease shall be for ___ years commencing upon execution hereof by the Airport Director and ending ___ years thereafter (“Term”). Term shall be for no longer than ten years.

3. CONSIDERATION:

In consideration of the rights and privileges herein granted, LESSEE shall pay to COUNTY a rental fee for a County-Owned Rental Hangar as established by resolution of the County of El Dorado Board of Supervisors **which is in effect at the commencement of this Lease**. The monthly lease payment at the commencement of this Lease shall be XXXXXXXXXXXXXXXXXXXX Dollars and XXXXXX Cents (\$XXX.XX) (Base Rent). The payment of said rent is subject to all of the following:

A. Billing and Payment. LESSEE shall pay the then-applicable rent, including any adjustments made by this section, in advance on or before the first (1st) day of each calendar month during the term of this Lease, including any authorized holdovers. With the exception of the first month’s rent, COUNTY shall bill monthly no less than fifteen (15) calendar days before the due date, provided that failure by COUNTY to provide that bill

does not constitute a waiver of LESSEE's obligation to pay rent on the first (1st) of each month. All payments shall be made in lawful money of the United States of America, without deduction or offset, to County to the following address:

County of El Dorado
Chief Administrative Office
Airports Division
2850 Fairlane Court
Placerville, CA 95667
or Airports Operations Office

- B. Prorated Rent.** For purposes of this lease, pro-rated rent will be calculated by multiplying 1/365 of the annual rent (which is twelve (12) times the monthly rent) by the number of days in the partial month for which the LESSEE has or had the right to occupy the premises. If the Commencement Date falls on a day other than the first day of a calendar month, the Monthly Rent for the first partial month shall be prorated and shall be payable on the Commencement Date.
- C. Rent Adjustment.** Base Rent payable under this Ground Lease shall be subject to annual adjustments as set forth herein. Commencing on January 1st following the first anniversary of the Rent Commencement Date, and on each January 1st thereafter during the Term of this Ground Lease (each an "Adjustment Date"), the Base Rent shall automatically increase by two and one-half percent (2.5%) over the Base Rent in effect immediately before the Adjustment Date.
- a. **Calculation and Notice.** At least thirty (30) days before each Adjustment Date, COUNTY shall provide LESSEE with written notice setting forth all of the following: (i) the current Base Rent, (ii) the calculation of the 2.5% increase, and (iii) the new Base Rent effective as of the upcoming Adjustment Date. Failure by COUNTY to timely provide such notice shall not constitute a waiver of COUNTY'S right to collect the increased Base Rent.
 - b. **Compounding Effect.** The parties acknowledge and agree that the annual 2.5% increase shall be compounded annually, meaning each year's increase shall be calculated based on the Base Rent as increased by all prior adjustments.
- D. Late Payment Charge.** LESSEE acknowledged that late payment of monthly rent will cause COUNTY to incur costs not contemplated by this Lease, the exact amount of which is difficult to ascertain. Therefore, if any monthly rent is not received by COUNTY within five (5) days after the date due, LESSEE shall pay to COUNTY a late charge equal to ten percent (10%) of the overdue amount. The parties agree that this late charge represents a fair and reasonable estimate of the costs COUNTY will incur by reason of late payment by LESSEE. COUNTY'S acceptance of any late charge shall not constitute a waiver of LESSEE's default with respect to the overdue amount or prevent COUNTY from exercising any of the rights and remedies available to COUNTY under this Lease.

4. USE OF HANGAR:

- A. Federally Obligated.** The hangar is 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 Hangar is subordinate to COUNTY'S federal obligations and conditional on LESSEE'S compliance with federal law. The Hangar is 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 hangar primarily for aeronautical use only, as defined by the FAA. The Hangar is 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 Hangar is prohibited by the FAA. Residential use includes any overnight occupation of the Hangar 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 Hangar to others, conduct business or any commercial activity upon the Airport property, 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. Owner of the aircraft may personally perform any maintenance activity allowed by FAR Part 43A.
- E. 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.
- F. Airport Access.** 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.
- G. Access Device.** LESSEE may request and receive an access device, upon payment access device fees to the COUNTY, and may use this device to access the airport through airport gates. The access device shall be returned to the County and deactivated upon completion of the term or termination of this LEASE.
- H. Parking.** Parking of owner/operator private vehicles within the assigned hangar space is permitted only when aircraft is in use. LESSEE shall not park on unimproved surfaces, adjacent spaces and taxiways or other parking that jeopardizes airport operational safety.

5. 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.** General Liability Insurance with minimum coverage limits of \$1,000,000 is required for all individuals leasing a hangar. This Liability Insurance may be insurance that a tenant carries under various insurance policies. Whether this coverage is extended from an aircraft/aviation policy (I.1.a) or a stand-alone policy, it must include coverage for bodily injury and property damage arising out of the use of the hangar. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured.
- B.** Aircraft/Aviation Liability Insurance of \$1,000,000 per occurrence for bodily injury and property damage for aircraft operated and/or stored on the Premises. This coverage can be obtained by an endorsement from an aircraft liability policy or a separate General Liability policy. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured.
- C.** 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 for motor vehicles used on COUNTY'S premises. The personal auto limit can be achieved by purchasing a policy with required limits or an umbrella policy increasing the limit to at least the required amount.
- D.** The COUNTY contract administrator may, in his or her discretion, temporarily allow LESSEE to operate at the Airport without providing Aircraft liability insurance if LESSEE provides notice that LESSEE'S aircraft is undergoing maintenance or rehabilitation pursuant to a written plan described in section 11 below. If LESSEE intends to use motor vehicles on the Airport during that period, LESSEE must continue to meet all applicable insurance requirements for the operation of motor vehicles at the Airport. COUNTY shall provide that notice in writing and that notice will be effective 60 days after sent by the COUNTY. COUNTY shall revoke this temporary authorization if COUNTY concludes that LESSEE has failed to make continuous progress or procure another operational aircraft consistent with Section 11 below.
- E.** LESSEE shall furnish a certificate of insurance satisfactory to COUNTY'S Risk Management Division as evidence that the insurance required above is being maintained.
- F.** 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.
- G.** 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 or not less than six (6) months for auto insurance. 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.

- H. 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.
- I. 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.
- J. 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.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to COUNTY, its officers, officials, employees, or volunteers.
- L. 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.
- M. LESSEE'S obligations shall not be limited by the foregoing insurance requirements and shall survive the termination or expiration of this Lease.
- N. 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.
- O. 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.

6. HOLD HARMLESS/INDEMNIFICATION:

Except as provided below, 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, , arising out of or relating directly or indirectly to the acts or omissions of

Lessee, Lessee's officers, agents, contractors, sublessees, guests, invitees, licensees, or employees with respect to: (1) the use or occupancy of the Premises; (2) the obligation to maintain the Premises; (3) any alteration or improvement done to the Premises, including any violation or failure to comply with any applicable laws regarding any improvements or alterations to the Premises, (4) any action to challenge COUNTY'S approval of the Lease, including actions brought under the California Environmental Quality Act (California Public Resources Code § 21000, et seq.); or (5) any other matter connected to the tenancy created by this Lease.

This clause does not apply to liability, claims, suits, losses, damages or expenses arising from the active negligence or willful misconduct of COUNTY, its officers, officials, employees, and volunteers, or as expressly prescribed by statute. 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.

The insurance obligations of LESSEE are separate, independent obligations under the Contract Documents, and the provisions of this defense and indemnity are not intended to modify nor should they be construed as modifying or in any way limiting the insurance obligations set forth in this Lease.

7. FIRE HAZARD:

LESSEE shall keep the Hangar 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.

8. MAINTENANCE & REPAIR:

LESSEE shall keep and maintain the Hangar and the approaches to and appurtenances of the Hangar in good order, condition and repair, reasonable use and wear excepted. Hand fire extinguishers will be provided and maintained by LESSEE. Hangar and surrounding premises shall be kept clear and free of all litter, garbage, debris and refuse and all waste removal shall be provided by LESSEE. LESSEE shall at all times conduct its operations hereunder in strict compliance with all applicable and pertinent laws, statutes, ordinances, rules and regulations of all governmental entities.

LESSEE agrees that no representation, except those contained herein, have been made to Lessee relative to the condition of the hangar. The taking possession of the Hangar by LESSEE shall be conclusive evidence against LESSEE that the Premises were in good and satisfactory condition when possession of the same was so taken; and LESSEE will, at the termination of this Lease, by lapse of time or otherwise, return the Hangar to COUNTY in as good condition, or better, as when received, ordinary wear excepted. LESSEE shall not commit or suffer to be committed on the Premises any nuisance or unlawful act or waste.

COUNTY shall maintain structural integrity of the hangar, proper operation of doors, windows,

insulation, electrical wiring, and fixtures, and shall bear the responsibility for repairing all structures and improvements on the premises. In the event of damage to hangar, LESSEE shall contact Airport staff immediately and assist the Airport in determining the cause of damage to Airport property.

9. 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.

10. 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.

11. LESSEE'S OBLIGATIONS TO COMPLY:

- A. Project Aircraft. If LESSEE's aircraft is undergoing maintenance or rehabilitation, LESSEE must demonstrate continuous progress to the satisfaction of COUNTY and the aircraft shall be subject to reasonable inspection by an individual designated by COUNTY for the purpose of assessing the aircraft's operational status. If LESSEE's aircraft is undergoing maintenance or rehabilitation at the time of the execution of this Lease, LESSEE shall, within 60 days of execution of this Lease, provide a written maintenance plan to an individual designated by COUNTY. LESSEE's plan shall identify measurable benchmarks and a projected schedule for completion of LESSEE's work on the aircraft. Should LESSEE fail to make continuous progress or procure an operational aircraft, the failure to house operable aircraft shall be considered in default of this lease in accordance with Section 18.
- B. 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.

12. ASSIGNMENT OR SUBLEASING:

LESSEE shall not sell, assign, transfer, or make changes to controlling ownership of the lease

agreement, in whole or in part, or any interest in the agreement, or any rights or obligations the Lessee has under the agreement 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.

13. 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. By providing a minimum of five (5) business days written notice before the access to perform any inspection that COUNTY determines is expedient or desirable for the proper enforcement of this Lease. County may provide the notice required by this Section via electronic mail, with read receipt requested if available, or by any manner described in Section 14 or by posting a Notice of Inspection on the Premises. Notices sent via electronic mail will be deemed given when read receipt is received or personal electronic replay acknowledging receipt is received.
 - 2. Without notice at all times in the case of emergency or in anticipation of an emergency as determined by COUNTY.
- B.** 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.
- C.** The right to further develop or improve the Airport as it sees fit without interference or hindrance by LESSEE.
- D.** 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.
- E.** 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.
- F.** 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 conflict with that agreement or use.

- G. 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.

14. NOTICES:

Except as otherwise expressly provided by law, and as otherwise noted in Section 13 COUNTY RIGHTS above, 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: [Name and Address]

COUNTY: County of El Dorado
Chief Administrative Office
Airports Division
Attention: Airport Operations Officer
3501 Airport Road, Suite 1
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.

15. 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].

16. 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.

17. NON-DISCRIMINATION AND COMPLIANCE WITH LAWS:

A. General Civil Rights Provisions

In all its activities within the scope of its airport program, LESSEE agrees to comply with pertinent statutes, Executive Orders and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall on the grounds of race, color, national origin, creed, 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 is in addition to that required by Title VI of the Civil Rights Act of 1964.

If LESSEE transfers its obligation to another, the transferee is obligated in the same manner as LESSEE.

The above provision obligates the LESSEE for the period during which the property is owned, used or possessed by LESSEE and the airport remains obligated to the Federal Aviation Administration.

B. 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 U.S.C. § 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) including amendments thereto;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 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 U.S.C. § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 U.S.C. § 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 (42 U.S.C. § 12101, et seq) (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) as implemented by U.S. Department of Transportation regulations at 49 CFR Parts 37 and 38;;
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

C. Nondiscrimination Requirements/Title VI Clauses for Compliance

During the performance of this contract, LESSEE, for itself, its assignees, and successors in interest (hereinafter referred to as the “LESSEE”), agrees as follows:

1. Compliance with Regulations: LESSEE (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Lease.
2. Nondiscrimination: LESSEE, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin, creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. LESSEE will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21, including amendments thereto.
3. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by LESSEE for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by LESSEE of the LESSEE’S obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. Information and Reports: LESSEE will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by COUNTY or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, LESSEE will

so certify to COUNTY or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of a LESSEE'S noncompliance with the non-discrimination provisions of this contract, COUNTY will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the LESSEE under the contract until the LESSEE complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. Incorporation of Provisions: LESSEE will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. LESSEE will take action with respect to any subcontract or procurement as COUNTY or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if LESSEE becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, LESSEE may request COUNTY to enter into any litigation to protect the interests of the COUNTY. In addition, LESSEE may request the United States to enter into the litigation to protect the interests of the United States.

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 following Storm Water Pollution Prevention Plan Requirements:

- i. 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.
- ii. 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 immediately and disposed of off-site.
- iii. Tarp asphalt if solvent is used. All oils and fluids are to be kept indoors or under some type of cover.
- iv. Used oil is to be put into oil recovery stations at the Airport (if available) or disposed of off Airport property at a recycler of your choice. No oil dumping on Airport property.

- v. Used hydraulic fluids, solvents or batteries are to be disposed of off-Airport at a recycler of your choice. The County does not provide this service.
- vi. A broom is to be used after servicing to ensure that any dirt or debris are not left on the paved surfaces.
- vii. Biodegradable materials are to be used when at all possible. Aircraft washing is to be done only with biodegradable cleaners. All aircraft washing is performed in designated areas so that the wash water does not enter the stormwater system. Washing can also occur inside tenant hangars.
- viii. Periodic inspections for compliance will be done as required by our Storm Water Permit. We are required by the State Water Resources Control Board to log/report any violations and show evidence in our annual report that the violations were addressed, and corrective action was taken.
- ix. Continued violations by a commercial operator will require the operator to obtain an individual permit for her/his business at her/his own cost.
- x. All maintenance of aircraft or associated equipment must be completed in an indoor space or within a designated maintenance location that is identified in the airport specific SWPPP.

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

18. UTILITIES:

LESSEE shall pay all charges for utility services, such as gas, electricity, internet service, or water, to the Premises shall be paid by LESSEE when due, including connection fees, facility or plant expansion fees, monthly service fees and standby charges, to the extent they exist. COUNTY is not and will not be liable for any loss, damage or inconvenience to the LESSEE by reason of shortage, insufficiency, suspension or discontinuance of utility services.

19. DEFAULT:

If either party becomes aware of an event of default, that party shall give written notice of said default to the party in default that shall state the following:

- A. The alleged default and the applicable Agreement provision.
- B. That the party in default has thirty (30) days upon receiving the notice to cure the default (Time to Cure).

If the party in default does not cure the default within thirty (30) days of the Time to Cure, then such party shall be in default and the party giving notice may terminate the Agreement by issuing a Notice of Termination. The party giving notice may extend the Time to Cure at their discretion. Any extension of Time to Cure must be in writing, prepared by the party in default for signature by the party giving notice, and must specify the reason(s) for the extension and the date in which the extension of Time to Cure expires. 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.

The following shall be events of default under this Lease:

- A. The failure of either Party to perform any material provision of this Lease.
- B. LESSEE'S use of the Premises is not in compliance with FAA regulations and policies governing the use of federally obligated airport property, including using the Premises for non-aeronautical purposes, as set forth in Sections 4 or 17.
- C. LESSEE'S making of any general assignment for the benefit of creditors, without the prior written consent of COUNTY as specified in this Lease.
- D. LESSEE 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.
- E. LESSEE becomes delinquent in any Lease payment by more than 30 days.
- F. Bankruptcy, whether voluntary or involuntary, of LESSEE.

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. EFFECT OF TERMINATION OR EXPIRATION:

Upon termination or expiration of this Lease, LESSEE shall surrender the leased Hangar to COUNTY in as good as condition as when received by LESSEE from COUNTY, subject to reasonable use and wear. 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.

22. TERMINATION

LESSEE may terminate this LEASE for any reason if both of the following are met:

- A. LESSEE provides COUNTY thirty (30) days prior written notice.
- B. COUNTY determines that LESSEE is current on all rent payments and is not in default of

this LEASE.

- C. LESSEE agrees to pay a prorated share of rent effective upon the Date of Termination. The Date of Termination shall be the date provided on LESSEE's written notice, except that if County determines that LESSEE has not surrendered the hangar by that date consistent with Subparagraph D below, the Date of Termination shall be the date that COUNTY determines LESSEE has surrendered the hangar.
- D. Consistent with Section 21, LESSEE surrenders the leased Hangar to COUNTY in as good as condition as when received by LESSEE from COUNTY, subject to reasonable use and wear.

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, except Section 2 Term. 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 Laura Schwartz, Assistant Chief Administrative Officer, 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.

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

-- LESSEE --

Dated: _____

By: _____

Name
"LESSEE"

-- COUNTY OF EL DORADO --

Dated: _____

By: _____

Laura Schwartz
Assistant CAO
"COUNTY"