

COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone (626) 458-5100 http://dpw.lacounty.gov

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

> IN REPLY PLEASE REFER TO FILE

April 15, 2025

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

TRANSPORTATION CORE SERVICE AREA
LEASE AGREEMENT BETWEEN THE COUNTY OF LOS ANGELES
AND BLUE SKY AVIATION, INC., FOR THE CONSTRUCTION OF AIRCRAFT
STORAGE HANGERS AT SAN GABRIEL VALLEY AIRPORT
(SUPERVISOIAL DISTRICT 1)
(4 VOTES)

SUBJECT

Public Works is seeking Board approval of the lease agreement between the County and Blue Sky Aviation, Inc. The proposed lease agreement will allow Blue Sky Aviation, Inc., to construct aircraft storage hangars with restrooms and associated vehicle parking and operate as an Aircraft Storage Provider (Commercial) at San Gabriel Valley Airport in the City of El Monte.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Find that the proposed lease agreement is exempt from the provisions of the California Environmental Quality Act for the reasons stated in this Board letter and in the record of the proposed project.
- 2. Approve and instruct the Chair of the Board to sign the lease agreement between the County of Los Angeles and Blue Sky Aviation, Inc., to allow Blue Sky Aviation, Inc., to construct aircraft storage hangars and associated vehicle parking stalls on approximately 1.6 acres of land at San Gabriel Valley Airport for an initial 20-year term with two 5-year options to renew.
- 3. Delegate authority to the Director of Public Works or his designee to amend the lease agreement as necessary.

The Honorable Board of Supervisors 4/15/2025
Page 2

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to allow Blue Sky Aviation, Inc., lessee, to construct aircraft storage hangars with associated office space and vehicle parking at the San Gabriel Valley Airport and allow the lessee to operate as an Aircraft Storage Provider (Commercial), which is defined by the County's Airport Minimum Standards book as a specialized aviation service operator engaged in the business of constructing and leasing, renting, or licensing of hangars to aircraft owners and operators for aircraft storage. Airport tenants will benefit from the addition of an Aircraft Storage Provider (Commercial) that will offer enhanced aviation facilities, including additional storage space at the airport for private aircraft owners. This action will also strengthen the financial self-sustainability of the County airport system for the continued benefit of all airport users.

<u>Implementation of Strategic Plan Goals</u>

These recommendations support the County Strategic Plan: North Star 3, Realize Tomorrow's Government Today, Focus Area Goal G, Internal Controls and Processes, Strategy ii, Manage and Maximize County Assets, by managing real estate in ways that are fiscally responsible and align with the County's needs.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

Consistent with the proposed lease agreement, the lessee will make rental payments, which will start at \$4,454.38 per month and will be adjusted annually based on the Consumer Price Index. All rental revenue from the proposed lease agreement will be deposited into the Aviation Enterprise Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed leased premises encompass an area of approximately 1.6 acres of improved land located on the north side of the airport. It would include an apron area for the staging and maneuvering of aircraft and approximately 32,210 square feet of aircraft storage hangar space. Seven aircraft storage hangars would be constructed, each with restroom facilities and associated vehicle parking stalls, some of which would include charging stations for electric vehicles.

The enclosed proposed lease agreement shall be for a 20-year period commencing and effective upon the date of approval by the Board and provides the lessee with the right to renew the proposed lease agreement for two additional periods of 5 years each.

On October 30, 2012, the Board approved and adopted the County's Airport Minimum Standards book that establishes minimum requirements for entities to engage in various commercial and noncommercial aeronautical activities at the airport. The proposed lease agreement is consistent with the County's Airport Minimum Standards book, as well as the Airport Layout Plan approved by the Federal Aviation Administration.

On October 11, 2023, Public Works issued a Request for Proposals (RFP) for aeronautical development at the airport. The RFP was advertised on Public Works' business opportunities website, on various aviation association websites, airport newsletter, and was sent out via e-mail to all airport businesses at the five County-owned airports. Blue Sky Aviation, Inc., was the only respondent and met the minimum requirements described in the RFP.

The Honorable Board of Supervisors 4/15/2025 Page 3

The proposed lease agreement has been reviewed and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The proposed project, which consists of a lease that will allow for the construction of various improvements described above and the operation of an Aircraft Storage Provider (Commercial) at the airport, is categorically exempt from the California Environmental Quality Act. The proposed project meets the criteria set forth in Sections 15301 (a), 15303(e), 15304, and 15332 of the State California Environmental Quality Act Guidelines and Classes 1(d), 1(g), 1(r), 3(b), 3(d), and 4(j) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, because the project includes minor alteration of existing facilities, leasing, and operation of an existing facility with negligible or no expansion of use, new construction of small structures, minor alterations to land with no tree removal and in-fill development.

In addition, based on the record of the proposed lease project, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, nor listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5. There is also no indication that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Exemption with the Registrar-Recorder/County Clerk and with the State Clearinghouse in the Office of Land Use and Climate Innovation in accordance with Section 21152 of the California Public Resources Code and will post the Notice to the County's website in accordance with Section 21092.2.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the proposed lease will allow development of an underutilized parcel of airport property consistent with the Airport's Layout Plan approved by the Federal Aviation Administration. The proposed lease agreement will help Public Works ensure that all the County-owned airports appropriately serve all segments of general aviation by expanding the options for aircraft storage at the airport and helping to meet demand for larger aircraft storage hangars with amenities, such as restroom facilities and associated vehicle parking.

CONCLUSION

Please return one adopted copy of this letter and a signed original lease agreement to Public Works, Aviation Division. Also, please forward one adopted copy of the Board letter and lease agreement to the Assessor, Possessory Interest Division; and the Auditor-Controller, Accounting Division.

The Honorable Board of Supervisors 4/15/2025 Page 4

Respectfully submitted,

Me Vulle

MARK PESTRELLA, PE

Director

MP:JM:ma

Enclosures

c: Chief Executive Office (Chia-Ann Yen)
County Counsel
Executive Office, Board of Supervisors
Office of the Assessor (Possessory Interest
Division)

Auditor-Controller (Accounting Division)

LEASE AGREEMENT

BETWEEN

THE COUNTY OF LOS ANGELES

AND

BLUE SKY AVIATION, INC.

FOR PREMISES AT

SAN GABRIEL VALLEY AIRPORT 4233 Santa Anita Avenue El Monte, CA 91731

TABLE OF CONTENTS

LEASE AGREE	EMENT	4
SECTION 1.	TERM AND OPTION TO EXTEND	5
SECTION 2.	LEASED PREMISES	5
SECTION 3.	APPROVED USES	5
SECTION 4.	RENTS AND FEES AND PAYMENT	6
SECTION 5.	SURETY BOND	9
SECTION 6.	SECURITY DEPOSIT	10
SECTION 7.	ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS, AND REPAIR	11
SECTION 8.	ENVIRONMENTAL PROVISIONS	14
SECTION 9.	STORM WATER	17
SECTION 10.	TRUST DEED BENEFICIARIES AND MORTGAGEES	18
SECTION 11.	ADDITIONAL OBLIGATIONS OF LESSEE	20
SECTION 12.	INGRESS AND EGRESS	21
SECTION 13.	INSURANCE, DAMAGE, OR DESTRUCTION	21
SECTION 14.	LIABILITIES AND INDEMNITIES	23
SECTION 15.	COMPLIANCE WITH LAWS AND RULES	24
SECTION 16.	SIGNS	24
SECTION 17.	ASSIGNMENT AND SUBLEASE	24
SECTION 18.	CONDEMNATION	26
SECTION 19.	NON-DISCRIMINATION	26
SECTION 20.	GOVERNMENTAL REQUIREMENTS	29
SECTION 21.	RIGHTS OF ENTRY RESERVED	29
SECTION 22.	ADDITIONAL RENT AND CHARGES	30
SECTION 23.	DEFAULT; TERMINATION BY COUNTY	30
SECTION 24.	TERMINATION BY LESSEE	32
SECTION 25.	SURRENDER AND RIGHT OF RE-ENTRY	32
SECTION 26.	SERVICES TO LESSEE	33

SECTION 27.	SURVIVAL OF THE OBLIGATIONS OF THE LESSEE AND COUNTY'S REMEDIE		
	FOR BREACH BY LESSEE	33	
SECTION 28.	USE AFTER CANCELLATION OR TERMINATION AND MITIGATION	34	
SECTION 29.	LIMITATION OF RIGHTS AND PRIVILEGES GRANTED	34	
SECTION 30.	NOTICES	35	
SECTION 31.	HOLDING OVER	35	
SECTION 32.	MISCELLANEOUS PROVISIONS	35	
SECTION 33.	SUBORDINATION CLAUSES	37	
SECTION 34.	ENTIRE AGREEMENT	38	
EXHIBIT A	Leased Premises		
EXHIBIT B	Insurance		
EXHIBIT C	Lessee Improvements		
EXHIBIT D	Policies and Procedures for Acceptance of Non-Cash Deposits		
EXHIBIT E	Airport Rules and Regulations		
FXHIBIT F	Minimum Standards		

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") made and entered into this _____ day of ______, 2025 for reference purposes only, by and between the County of Los Angeles ("County" or :"Lessor"), a body corporate and politic, and BLUE SKY AVIATION, INC., a California corporation ("Lessee"), (hereinafter County and Lessee collectively referred to as the "Parties" and each individually a "Party").

WITNESSETH:

WHEREAS, the County of Los Angeles is the owner of San Gabriel Valley Airport (the "Airport"); and,

WHEREAS, Lessee desires to enter into a new lease agreement with the County to construct aircraft storage hangars for Lessee's use and for subletting to others at the Airport; and,

WHEREAS, the County and Lessee mutually agree to enter into a lease agreement to allow Lessee to construct aircraft storage hangars and associated vehicle parking stalls for Lessee's use and for subletting to others on approximately 1.6 acres (71,270 square feet) of improved land at the Airport as shown on Exhibit A, together with all buildings, structures, Improvements, additions and permanent installations constructed and installed therein or thereon (hereinafter called the "Leased Premises"); and,

NOW, THEREFORE, for, and in consideration of, the respective promises and mutual agreements made by the Parties hereto, hereinafter set forth, the County hereby grants to the Lessee the right to use and occupy the Leased Premises upon the following terms and conditions mutually agreed upon as follows:

The remainder of this page is intentionally left blank.

SECTION 1 TERM AND OPTION TO EXTEND

- 1.1 The term of this Lease shall be for a Twenty (20)-year period commencing and effective upon the date of approval by the County ("Commencement Date") and expiring on October 31, 2045, hereinafter referred to as "Original Term," unless sooner terminated in accordance with the provisions hereof.
- 1.2 In the event that Lessee is not otherwise in default under the provisions of this Lease, Lessee shall have the right to renew this Lease for two (2) additional periods of five (5) years each, commencing upon the expiration of the Original Term and each subsequent term, by the giving of prior written notice of Lessee's intent to renew the Lease to the Director of the Department of Public Works of the County of Los Angeles (the "Director") no later than 90 days prior to the expiration of the Lease term, provided that any such renewal shall be upon standard terms, conditions, and provisions then in effect at the Airport and subject to rental set forth in Sections 4.7 and 4.8 herein.

<u>SECTION 2</u> LEASED PREMISES

- 2.1 The Leased Premises, as shown on Exhibit A, consists of:
 - 2.1.1 An area of approximately 1.6 acres (71,270 square feet) of improved land to be used as ramp/apron for the staging and maneuvering of aircraft and to accommodate the construction of aircraft storage hangars and associated vehicle parking stalls.
- 2.2 Lessee shall, at Lessee's expense, provide the County with a survey and legal description of the Leased Premises prepared by a licensed surveyor and acceptable to the Director in his sole discretion within thirty (30) days of the Commencement Date of this Lease.
- 2.3 Lessee shall, at Lessee's expense, relocate the two rectangular steel-framed hangars located on the Leased Premises to another location on the Airport to be determined by Director. Lessee shall ensure that the hangars are in good condition at the completion of relocation.

SECTION 3 APPROVED USES

- 3.1 The Lessee shall continuously occupy the Leased Premises and may use the Leased Premises for the following purposes hereinafter "Approved Uses" and for no other purpose whatsoever:
 - 3.1.1 For the construction and operation of a hangar facility for aircraft storage;
 - 3.1.2 For the parking of automobiles and other vehicles operated by Lessee, its sublessees, and their invitees, within the hangars and in designated parking areas on the Leased Premises, but not for vehicle storage;
 - 3.1.3 For its business and operations offices in connection with purposes stated and authorized herein; and
 - 3.1.4 For any other activities directly related to activities permitted herein, and other specialized aviation services or uses that may hereafter be permitted and authorized by the Director in writing.
- 3.2 Lessee shall not use the Leased Premises, or any portion thereof, for any purpose other than the Approved Uses in this Section 3 herein, unless the Director approves such use in advance, in writing. Unapproved uses shall constitute a material breach of this Lease and shall be subject to an immediate default. Lessee shall not permit use of the Leased Premises for residential use or

construction of residential dwellings. Lessee shall not permit use of the Leased Premises for the storage of construction demolition debris, concrete, derelict or dismantled vehicles, used tires, oil, fuel, or other hazardous waste, except as provided for under Section 8 herein.

3.3 County reserves the right to charge standard rates and fees, including fees specified in Section 4 hereof, for uses other than purposes described in Section 3 herein which it may permit. Lessee agrees to pay County a non-negotiable rental surcharge for all approved non-aeronautical activities conducted on the Leased Premises. The amount of the surcharge shall be the greater of: the same per square foot rental rate as the County's current non-aeronautical storage charges as may be amended by County from time to time – minus the current price per square foot charged hereunder for aeronautic use, multiplied by the square footage of the area used for non aeronautic use permitted, or the County's current non-aeronautical surcharge as may be amended by County from time to time. If the approved use is not for non-aeronautical storage, but is instead for some other use, the surcharge will be sufficient to make the rental for that square area similar to the appraised value of similar use at the same airport. Lessee shall be liable to County for any rates and fees, including surcharges, imposed by County for non-aeronautical uses, from the date of the non-aeronautical occupancy. Non-compliance with this Section 3.3 may result in termination of this Lease in accordance with provisions of Section 23.

SECTION 4 RENTS AND FEES AND PAYMENT

- 4.1 For the Approved Uses of the Leased Premises herein granted, the Lessee agrees to pay to County during the period commencing upon the Commencement Date and ending upon termination of the Lease, a monthly base rent of \$4,454.38, subject to Sections 4.7 and 4.8 herein. Upon execution of this Lease, Lessee shall pre-pay the first month's payment to the County in the amount of \$4,454.38, prorated to April 30, 2025.
- 4.2 Rent Abatement. Lessee shall receive abatement in the monthly rent as follows:
 - 4.2.1 In consideration of the Improvements to be completed by Lessee, provided Lessee is not in default of the terms of this Lease, Lessee shall receive a rent abatement in the amount of \$4,354.38 per month beginning on May 1, 2025, and terminating upon the issuance of a Certificate of Occupancy by the Los Angeles County Public Works Building and Safety Division ("LACPWBSD") for the Improvements described on Exhibit C of this Lease, or twelve (12) months from the date of receipt of approval of all required building permits from the LACPWBSD to fully build the Improvements described on Exhibit C of this Lease ("Approvals"), whichever occurs first.
- 4.3 Lessee shall have two (2) months from the Commencement Date to commence construction of the Improvements described on Exhibit C of this Lease. For purposes of this Lease, commencement of construction shall be deemed to have occurred when Lessee has filed applications for building permits with Los Angeles County Public Works Building and Safety Division for the Improvements described on Exhibit C of this Lease. In the event that construction of the Improvements is not commenced within that time period, Lessee shall pay to County as additional rent a penalty equal to 20% of the base rent as adjusted pursuant to Section 4.7 herein, payable per month, until construction of the Improvements has commenced.
- 4.4 Lessee shall have eighteen (18) months from the date of receipt of all Approvals, to complete construction of the Improvements described on Exhibit C. In the event that construction of the Improvements is not completed (defined as a Certificate of Occupancy issued by Los Angeles County Public Works Building and Safety Division for the Improvements described on Exhibit C of this Lease) within that time period, Lessee shall pay to County as additional rent a penalty equal to 50% of the base rent, as adjusted pursuant to Section 4.7 herein, payable per month, until construction of said Improvements is completed.

- 4.5 In the event that construction of the Improvements described on Exhibit C of this Lease is not completed by thirty-six (36) months from the date of receipt of all Approvals, Lessee shall pay as additional rent an amount equal to 100% of the base rent as adjusted pursuant to Section 4.7 herein, payable per month until construction of said Improvements is completed.
- 4.6 In the event that construction of the Improvements described on Exhibit C of this Lease is not completed by forty-eight (48) months from the date of receipt of all Approvals, County shall have the option at its sole discretion to terminate the Lease.
- 4.7 Effective on May 1, 2026, and on May 1st of each succeeding year of the Original Term of this Lease, the annual rent payable hereunder shall be adjusted by the Consumer Price Index ("Index"), as hereinafter defined, as follows:
 - 4.7.1 The monthly rent payable hereunder shall be adjusted by multiplying the monthly base rent, as set forth in Section 4.1, by a fraction, the numerator of which shall be the Index published for the month of February most recently preceding said May 1st date, and the denominator of which shall be the Index published for the month of May 2025. As soon as the adjusted rent for each year is determined, Director shall give Lessee written notice of the amount of the adjusted rent. If the adjusted rent is not finally determined until after the commencement of the successive year, Lessee shall nevertheless pay County at the rate of the former year's rent, but only as a credit against the amount of the adjusted rental when finally determined.
- 4.8 Effective on November 1, 2045, the monthly rent for the Leased Premises shall be adjusted to the standard rents and fees in effect at the Airport at that time, or the fair rental value, whichever is greater, and in no event less than the prior month's rent. On November 1, 2046, and on November 1st of each subsequent year until October 31, 2055, the monthly rent shall be adjusted by multiplying the monthly base rent, as set forth in this Section 4.8, by a fraction, the numerator of which shall be the Index published for the month of August most recently preceding said November 1st date, and the denominator of which shall be the Index published for the month of November 2045. In the event County and Lessee cannot agree upon the rental value before sixty (60) days prior to November 1, 2045, the rental shall be determined as set out in this Section 4.8 and the following subsections:
 - 4.8.1 At least sixty (60) days prior to the commencement of the period for which rent is to be established, County and Lessee shall each appoint an appraiser to appraise the fair rental value and/or rate of return of the Leased Premises as appropriate, using methods recognized in the real estate appraisal profession as appropriate for such appraisals. The Parties shall exchange completed appraisals within sixty (60) days following appointment of the appraisers. Each Party shall bear all costs and expenses of the appraiser appointed by it. Failure of Lessee to comply with anytime limit established in this Section or any of its subsections shall be an incident of default under this Lease. For purposes of this Section, all appraisers shall be MAI members of the American Institute of Real Estate Appraisers, or any successor organization, should the American Institute cease to exist.
 - 4.8.1.1 If the two appraisals contain fair rental value determinations which are within Ten Percent (10%) of each other, the fair rental value shall be the arithmetic average of the values in the two appraisals;
 - 4.8.1.2 In the event the two appraisals differ by more than Ten Percent (10%), the Parties shall, within ten (10) days following the exchange of appraisals, appoint an arbitrator who may be an appraiser, retired judge, or other person having experience in real estate evaluation or resolution of disputes. If the Parties cannot agree upon an arbitrator, they shall, within five (5) days, select a retired judge from the panel maintained by Judicial Arbitration and Mediation Services. The arbitrator, once appointed, shall within thirty (30) days following appointment, review the two appraisals and select that one appraisal which, in the opinion of the arbitrator, most

closely represents the fair rental value or rate of return of the Leased Premises as appropriate. The value set forth in the appraisal shall be used to establish the new rent for the Leased Premises. The arbitrator shall not hold a hearing, or receive testimony or evidence, but may request written comments from the Parties to be submitted on a specified date within the thirty (30)-day period following his or her appointment. The only issues to be addressed by the arbitrator are those specified within this Section and subsection. The locale for the arbitration shall be within the County of Los Angeles. The sole issue for determination by the arbitrator shall be the fair rental value of the Leased Premises in accordance with the principles set forth in this Section. The expenses, subject to assessment by the arbitrator, shall be borne equally by the Parties. The materials to be submitted to the arbitrator shall be limited to the data exchanged between the Parties prior to submission to arbitration. No motions or discovery shall be permitted as part of the arbitration process. The decision of the arbitrator shall be in writing. It shall have determined only the specified issue presented, which will be either the rate of return, or the fair market value or the fair rental value, or some combination of those three issues. The arbitrator may not impose any other awards except a sanction for failure to comply with an order made by the arbitrator. Each Party shall bear its own costs of the arbitration, including one-half of the arbitrator's fees. The decision of the arbitrator shall be final and binding upon the Parties and shall be enforceable in any court of law as if it were a final judgment;

- 4.8.1.3 In the event the rent adjustment process is not completed prior to the beginning of a new lease year, Lessee shall continue to pay at the rate in effect at the beginning of the adjustment period until the adjustment rent is determined. Upon determination of the adjusted rent, Lessee shall pay the adjusted rental for all subsequent months and shall pay to County the difference between the amount paid between the beginning of the new lease year and the amount of the rent as adjusted for that period.
- 4.9 The term Index, as used herein, shall mean the Consumer Price Index for all Urban Consumers, All Items, for the Los Angeles-Long Beach-Anaheim area, as published by the Bureau of Labor Statistics of the United States Department of Labor, 1982-84 base = 100. In the event the base year is changed, the CPI shall be converted to the equivalent of the base year [1982-84 = 100].
 - 4.9.1 If the described Index is no longer published, another index generally recognized as authoritative shall be substituted as selected by the Chief Officer of the Bureau of Labor Statistics of the United States Department of Labor, or its successors. If no such government index or computation is offered as a replacement, Director and Lessee shall mutually select a percentage for calculating future annual adjustments.
- 4.10 Notwithstanding anything to the contrary contained in this Lease, the rental payable to County shall never be adjusted to an amount less than the previous year's rent.
- 4.11 The annual rent increase described in this Section 4 is effective without any notice, letter or advance warning. Any delay or failure of County in collecting the increased Rent under this Section 4 shall not (a) constitute a waiver of County's right to subsequently collect the increased Rent and collect such Rent retroactively as contemplated by this Section 4; or (b) in any way waive or impair the continuing obligations of Lessee under this Section 4.
- 4.12 The monthly rent payments are to be made payable to "Los Angeles County Public Works" and must be given to the County by check or other method as shall be approved by the County in writing delivered to the Airport's main office or mailed to the address below until and unless the County notifies Lessee otherwise. The County reserves the right to require payment via automatic electronic payment or through an online portal, at the County's sole discretion.

Mail payments to:

Los Angeles County Public Works PO Box 7437 Alhambra. CA 91803-7437

- 4.13 In addition to all other rents and fees due from Lessee as set forth in this Section, and commencing upon the Commencement Date of the Lease, the Lessee shall pay to County any other standard fees or charges that may be set or imposed at any time by County on the operations at the Airport, which charges shall be applicable to all similar users at the Airport. All commercial uses shall be subject to the rates and fees established for each use at the Airport. No tenant shall operate a commercial business without a permit and payment of the applicable fee. County has given Lessee the current effective list of these fees as of the date of this Lease and Lessee acknowledges receipt of the same. All fees or charges are subject to reasonable increases based upon inflation and at rates established and set forth by the County, in its sole discretion.
- 4.14 Lessee acknowledges that late payment by Lessee to County of any Lease fees will cause County to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to calculate. Numerous County employees would necessarily be involved, including County Counsel. County has attempted to calculate such actual amounts and the collection of data needed to set the actual amount of increased administrative costs due to the late payment of rent. Therefore, if any installment of rent or other fees or charges due from Lessee is not received by the tenth (10th) day after the due date, Lessee shall pay to County an additional sum of Five Percent (5%) of the amount due or \$250.00, whichever is less, as a reasonable estimate of the administrative costs related to processing and addressing such late payment. The Parties agree that this fee represents a fair and reasonable estimate of the costs that County will incur by reason of late payment and incurring additional administrative costs in establishing additional time and administrative effort by the County in calculating same. Acceptance of any late fee shall not constitute a waiver of Lessee's default with respect to the overdue amount or prevent County from exercising any of the other rights and remedies available to County as set forth in this Lease or as otherwise allowed by law. Lease payments not paid when due shall also bear simple interest from date due until paid, at the rate of One-and-One-Half Percent (1.5%) per month.

SECTION 5 SURETY BOND

- 5.1 Lessee shall, at its own cost and expense, furnish County a Surety Bond, in all respects satisfactory to County. The requirements for such bond are as follows:
 - Within ten (10) days prior to commencement of any construction as provided herein, Lessee shall furnish a Surety Bond issued by a surety company licensed to transact business in the State of California in an amount equal to One Hundred Percent (100%) of the contract price of all construction required of Lessee pursuant to this Lease, said bond and said company to be, in all respects, satisfactory to County. Said bond shall name Lessee as principal, said company as surety, and County as obligee to assure full and satisfactory performance by Lessee of Lessee's obligation contained herein to build, construct, and install Improvements. In the event Lessee or its agent constructs any Improvements, County and Lessee agree that the County shall in lieu of a Surety Bond only require a letter from an accredited lending institution guaranteeing that funds necessary to accomplish any such construction shall be irrevocably set aside for the sole purpose of completing said construction, without the right of offset by such institution for other debits. Such letter shall be conditioned upon faithful performance by Lessee of the terms and conditions of the contract. Further, any such bond or letter of credit shall be renewed to provide for continuing liability in the above amount, notwithstanding any payment or recovery thereon. In the event that Lessee employs a licensed contractor for

the construction herein required and obtains from said contractor or contractors a similar bond or letter of credit in like amount, in all respects satisfactory to County, upon application by Lessee and upon the naming of County as an additional obligee under such bond or bonds, County will accept said contractor's bond or letter of credit in lieu of the bonds otherwise required by this paragraph. The bond if required, shall remain in full force and effect until one year from completion of the building and issuance of a Certificate of Occupancy.

- 5.1.2 County hereby represents and warrants that they are in possession of a preapproval for loan, dated October 30, 2023 (loan number #40147266) on behalf of Lessee from First Citizens Bank in the amount of \$4,900,000.00 that County hereby accepts to meet the requirements of this Section 5.
- 5.2 In the event Lessee constructs any Improvements or wish to replace the Surety Bond described in Section 5.1 above with a Letter of Credit for the full amount of the construction, Lessee shall have the option to do so it its sole discretion. Such letter of credit shall be from an accredited lending institution, shall be submitted to County guaranteeing that the full amount of the funds necessary to accomplish any such construction and shall be irrevocable and set aside for the sole purpose of completing said construction, without the right of offset by such institution for other debits. In the event Lessee does not provide such a letter of credit, then Lessee must provide a Surety Bond as stipulated in Section 5.1.
- 5.3 Nothing in this Section 5 shall be deemed to relieve Lessee of the obligation to keep the Leased Premises free from liens and stop notices filed by its contractors, subcontractors, and material suppliers.

SECTION 6 SECURITY DEPOSIT

- In addition to the bond requirements described in Section 5 of this Lease, Lessee must also provide a security deposit to assure Lessee's faithful performance of the terms of this Lease. This security deposit may be in the form of cash or a Time Certificate or Letter of Credit made payable to County and drawn on a bank approved by County. Should Lessee request, and County approve, the use of non-cash deposit instruments for Lessee to satisfy all requirements described in this Section 6, such deposit instruments shall meet the standards established in the policies and procedures attached hereto as Exhibit D, shall be made payable to County, and shall be deposited with the Cashier, Los Angeles County Department of Public Works. This sum shall be used and applied as follows:
 - 6.1.1 Upon execution of the Lease and in addition to the first month's rent, Lessee shall pay a Security Deposit equal to one (1) month's rent (\$7,324.50). This sum shall be retained by County as a guarantee to cover delinquent rent or other charges due and unpaid, or for any default in repaying County for any amount as required to be paid by the Lessee per the Lease and may be so applied if such amount is unpaid beyond any notice period as a result of any default of Lessee hereunder. In the event all or any part of said sum so deposited is applied against any charge due and unpaid, Lessee shall immediately reimburse said deposit upon demand by County so that at all times during the life of this Lease said deposit shall be maintained in the full amount required in Section 5.1.
 - 6.1.2 Not less than ten (10) days prior to the commencement of construction, Lessee shall provide a Construction Deposit in the amount equal to two months' rent (\$8,908.76) to the County, which amount shall be retained until Lessee completes construction of the Improvements described on Exhibit C of this Lease and temporary or permanent Certificates of Occupancy for the Improvements are issued by the local City or County authority. Upon issue of Certificates of Occupancy and receipt of photocopies by County, this Construction Deposit shall be returned to Lessee within fourteen (14) days.

6.2 If Lessee fully and faithfully complies with all terms, provisions, covenants and conditions of this Lease, the Security Deposit shall be returned to Lessee at the expiration of the Lease term, or an accounting given by County as to the complete or partial use thereof within fourteen (14) days of Lessee's surrender of the Leased Premises.

SECTION 7 ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS. AND REPAIR

- 7.1 Lessee warrants that it has inspected the Leased Premises, and subject to the foregoing representations by the County, accepts possession of the Leased Premises and any Improvements thereon, if any, "as is" in its present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration and by ordinances of County, and admits its suitability and sufficiency for the Lessee's uses permitted hereunder. Except as may otherwise be provided for herein, County shall not be required to maintain nor to make any Improvements, repairs, or restorations of any kind upon, or to, the Leased Premises, or to any of the Improvements presently located thereon. County shall never have any obligation to repair, maintain or restore, during the term of this Lease, any Improvements placed upon the Leased Premises by Lessee, its successors and assigns.
- 7.2 Lessee shall, throughout the term of this Lease, assume the entire responsibility, cost and expense for all repair and maintenance on the Leased Premises and all Improvements thereon, including those described in Exhibit C hereof, and perform same in a good workmanlike manner, whether such repairs or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, Lessee, without limiting the generality hereof, shall:
 - 7.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all Improvements thereon, and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises; and
 - 7.2.2 Provide and maintain on the Leased Premises all obstruction lights, warning lights, safety shut offs, lift use warnings, and similar devices, and safety equipment required by law; and
 - 7.2.3 Repair any damage caused by Lessee or its invitees, tenants, or contractors to paving, soils, water or other parts of the Leased Premises caused by any oil, gasoline, grease, lubricants, solvents, flammable liquids, or substances having a corrosive, hazardous or detrimental effect thereon, and to remediate any release caused by Lessee or any of its invitees, tenants or contractors of any substance that have a harmful effect on human health or the environment as determined by any regulatory agency, or which constitutes a Hazardous Material as defined in Section 8 herein; and
 - 7.2.4 Take measures to prevent erosion, including, but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and, in particular, shall plant, maintain and replant any landscaped areas; and
 - 7.2.5 Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and cable lines, sanitary sewers, and storm sewers.
 - 7.2.6 Lessee hereby waives any and all claims against County for compensation for any and all loss or damage sustained by reason of any defect, deficiency, or impairment of any utility system, water supply system, drainage system, heating or gas system, air conditioning system, electrical apparatus or wire serving the Leased Premises.

- 7.3 In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint, within a period of thirty (30) days after written notice from Director to perform such work and any work required to be done under the provisions of this Lease, other than preventive maintenance, or (b) within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventive maintenance only (as determined in the sole discretion of the Lessor), or (c) to diligently continue to completion any repairs, replacement, rebuilding, painting or repainting as required under this Lease, then, the Director may, at his/her option, and in addition to any other remedies which may be available to the County, enter the premises involved, without such entry causing or constituting a cancellation of this Lease or an interference with the possession of the Leased Premises, and repair, replace, rebuild or paint all or any part of the Leased Premises or the Improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to the County by Lessee on demand. Provided, however, if, in the opinion of Director, Lessee's failure to perform any such repairs or maintenance endangers the safety of the public, the employees or property of County or other tenants at the Airport, and Director so states same in a notice to Lessee, the Director may, at his/her sole option, in addition to all other remedies which may be available to him/her, elect to perform or cause to be performed such maintenance at any time immediately upon the giving of such notice, and Lessee agrees to pay to County the cost and expense of such performance on demand, including a five percent (5%) supervision and management fee. Furthermore, should County, its officers, employees or agents undertake any work hereunder. Lessee hereby waives any claim for damages, consequential or otherwise, as a result therefrom except for claims for damages arising from County's sole gross negligence. The foregoing shall, in no way, affect or alter the primary obligations of the Lessee as set forth in this Lease, and shall not impose or be construed to impose upon County any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.
- Lessee shall provide detailed plans and specifications to the Aviation Division of the Department of Public Works of the County ("Aviation Division") for any and all repairs, constructions, alterations, modifications, additions or replacements (referred to herein as "Improvements") including those Improvements to be constructed pursuant to Exhibit C, which is attached hereto and made a part hereof, undertaken by Lessee, and shall be submitted to and must first receive the written approval by Director prior to commencement of any work of improvement. Upon receipt and review by Director of the plans and specifications for the proposed Improvements, Director shall advise Lessee of his/her approval or disapproval of the proposed work, and in the event he/she disapproves, stating his/her reasons therefore. The purpose for the foregoing review and/or approval by Director is solely to ascertain compliance with internal standards of the Aviation Division and shall not relieve or excuse any need to obtain building or other permits, from having to comply with all legal requirements, nor relieve the Lessee from its obligation to indemnify County under Section 13 hereof. Absolutely no work shall be commenced for Improvements on the Leased Premises until applicable building permits and all other agency approvals are obtained by Lessee.
- 7.5 All proposed landscaping Improvements must be aesthetically attractive as reasonably determined by Director. All installation and maintenance costs of facilities or landscaping shall be the responsibility of Lessee for the entire term of the Lease, unless otherwise agreed to in writing by Director.
- 7.6 At least ten (10) business days prior to commencement of construction, Lessee shall furnish Director with written Notice of Intention to commence construction so that County may post upon the Leased Premises a Notice of Non-Responsibility.
- 7.7 Lessee agrees that County may have on the site, at all times, during the period of construction of the said Improvements or during any period of additional construction or any alterations and repairs as set forth under this Section 7, a representative of County who shall have the right to access said construction work and construction processes to ascertain that said construction work is being performed in accordance with the final plans and specifications approved by the Director. If Lessee fails to provide necessary and customary special or continuous inspections, including those

required under the approved plans and specifications, then County may provide for any such special or continuous inspection of the work to be done under the approved plans, or required per ordinance, or California or FAA building codes, at Lessee's costs. Special inspections, or continuous inspections may include structural observations, welding observation, waterproofing inspections, geotechnical inspections of foundations, compaction, or grading, or any other required by plans. When circumstances would normally require the presence of a County building inspector, for cursory review of construction at various stages, for compliance with building code, then County shall provide such inspection, and shall maintain a log of such inspections and compliance with any inspection notes, or inspector's requirements, and Lessee shall comply with such directions. Such building inspections will be subject to all rules and fees customarily charged in relation to permits, including for grading, foundations, utilities and buildings and certificates of occupancy. Special observations reports, or reports of continuous observation by Lessee's retained inspectors shall be made available to County and should be regularly transmitted to County as instructed during construction. Lessee further agrees that at the commencement of the construction work, it will notify Director in writing of the identity, place of business, and business telephone number of a person who shall be Lessee's representative for purposes of communication with Lessee by the County's representative performing this inspection. Lessee shall notify Director of any change in this designation, in writing, immediately.

- 17.8 If Lessee makes any Improvements without Director's approval, then, upon notice to do so, Lessee shall remove the same or, at the option of Director, cause the same to be changed to the satisfaction of Director. If Lessee fails to comply with such notice within thirty (30) days, Director may effect the removal of, or change to, the improvement, and Lessee shall pay the cost thereof to County. Lessee expressly agrees in performing such Improvements that, except with the written consent of Director, it will neither give nor grant, nor purport to give or grant, any lien upon the Leased Premises or upon any Improvements thereupon, or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against said Leased Premises and Improvements thereon, and Lessee will discharge any such lien within thirty (30) days after the filing thereof. County hereby gives notice to all persons that no lien shall attach to any such Improvements.
- 7.9 Lessee agrees that any construction, additions, alterations, repairs, or changes in the Leased Premises shall not obligate or impose any other legal requirement on County to extend the term of this Lease.
- 7.10 Lessee agrees to furnish County a set of "as-built" Plans and Specifications, and a Master Plan of Electrical Circuitry and Plumbing for any construction to be performed.
- 7.11 Lessee's Improvements erected or constructed upon the Leased Premises shall constitute fixtures for use of the Lessee for the term of the Lease t, but such Improvements shall become the property of County upon expiration or termination of this Lease, free and clear of all claims on the part of the Lessee or any third party on account of any repair or improvement work done under the terms hereof by Lessee. The vesting of title of all fixtures in the County as specified herein is a part of the consideration for this Lease. County shall not be liable to Lessee nor Lessee's contractors or sublessees for the value of any Improvements constructed, affixed or located on or about the Leased Premises.
- 7.12 Upon Lessee's completion of any Improvements, Lessee may make minor enhancements to, and repair, and maintain the improvements as defined in Section 7.13. However, without written approval of the County, Lessee may not give, sell, sublease, assign, transfer, mortgage, hypothecate, grant control of, or encumber Lessee's interest in, alter in any way so as to diminish the function or value of, or remove such Improvements from the Leased Premises at any time during the term of this Lease.
- 7.13 In the case of minor aesthetic improvements, refreshment, touch up of finishes, or replacement of finishes with like materials and quality, which *en toto* aggregate cost do not exceed \$2,000, the

Lessee shall notify County seven (7) days in advance of the work, describe the work and location of the work in detail, and such notice may be by email with an acknowledgement of receipt or as otherwise provided for in the Lease. If no objection is received within three (3) business days of the notice, Lessee may proceed with the work without detailed plans. No reduction in the requirements for contractor's insurance is implied. Examples of such work include repainting interior surfaces, carpet cleaning or repair, replacement of light fixtures or other fixtures with like or better quality materials.

7.14 Prior to performing any work on the Premises through any contractor, including minor work described in Section 7.13, Lessee and Contractor must comply with Section 14.3 by providing evidence of contractor's insurance with coverage and terms satisfactory to County, and naming County as an additional insured.

SECTION 8 ENVIRONMENTAL PROVISIONS

- 8.1 Lessee shall not cause or permit any Hazardous Materials (as defined below) to be stored or used on or about the Leased Premises by Lessee, its agents, employees, contractors, volunteers, or invitees, except in compliance with Environmental Laws (as described below) and as permitted by the County.
- 8.2 Lessee shall at all times and in all respects comply with all laws, regulations, and ordinances (whether enacted by the federal, state, county, or local government) now in effect or hereinafter enacted that deal with the regulation or protection of the environment including, but not limited to, ambient air (including but not limited to the ambient air procedures and records detailing chlorofluorocarbons [CFC]), ground water, surface water, and land use, including sub-strata land, industrial hygiene, environmental protection, or the use, release, generation, manufacture, storage, disposal, or transportation of Hazardous Materials on, about, or from the Leased Premises (collectively "Environmental Laws").
- 8.3 Lessee shall be solely responsible for the proper management, storage, and disposal of Hazardous Materials used, generated, stored, disposed, treated, or caused to be present on or about the Leased Premises by the activities of Lessee. Lessee shall, at its expense, procure, maintain in effect, and comply with all conditions of any permits, licenses, and other governmental and regulatory approvals required for Lessee's use of the Leased Premises, including, without limitation, discharge of materials or wastes into or through any storm water facility or sanitary sewer serving the Leased Premises. Except for permissible discharges into the storm water facility or sanitary sewer, Lessee shall cause any and all Hazardous Materials to be removed from the Leased Premises and transported solely by duly licensed and permitted haulers to duly licensed and permitted facilities authorized to accept such Hazardous Materials for disposal, recycling, or other purposes. Lessee shall in all respects handle, treat and manage any and all Hazardous Materials on or about the Leased Premises in conformity with all applicable Environmental Laws and prudent industry practices regarding the management of such Hazardous Materials. Upon the expiration or earlier termination of the term of the Lease, Lessee shall cause all Hazardous Materials to be removed from the Leased Premises and to be transported for use, storage, disposal or recycling in accordance and compliance with all applicable Environmental Laws; provided, however, that Lessee shall not take any remedial action in response to the presence of any Hazardous Materials in or about the Leased Premises, nor enter into any settlement agreement, consent decree, or other compromise with respect to any claims relating to any Hazardous Materials in any way connected with the Leased Premises without first notifying the County of Lessee's intention to do so and affording the County ample opportunity to appear, intervene, or otherwise appropriately assert and protect the County's interest with respect thereto.
- 8.4 If at any time Lessee shall become aware, or have reasonable cause to believe, that any Hazardous Material has come to be located on or about the Leased Premises in violation or potential violation of Environmental Laws, Lessee shall, immediately upon discovering such presence or suspected

presence of the Hazardous Material, provide the County with written notice of that condition. In addition, Lessee shall immediately notify the County in writing of (1) any enforcement, cleanup, removal, or other governmental or regulatory action instituted or threatened pursuant to any Environmental Laws, (2) any claim made or threatened by any person against Lessee or the Leased Premises relating to damage, contribution, cost recovery, compensation, loss, or injury resulting from or claimed to result from any Hazardous Materials, and (3) any reports made to any local, state, or federal environmental agency arising out of or in connection with any Hazardous Materials on or removed from the Leased Premises, including any complaints, notices, warnings, or asserted violations in connection therewith. Lessee shall also supply to the County as promptly as possible, and in any event within five (5) business days after Lessee first receives or sends the same, copies of all claims, reports, complaints, notices, warnings, or asserted violations or any citations relating in any way to the Leased Premises or Lessee's use thereof. Lessee shall promptly deliver to the County, upon request, copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Materials removed from the Leased Premises.

- 8.5 Pursuant to all applicable federal, state, and local laws, including without limitation Environmental Laws, Lessee shall provide all required notices, including those mandated under right-to-know laws, of the presence or use on the Leased Premises of Hazardous Materials, and shall provide all required notices to appropriate authorities and to the County of any Releases to the environment of Hazardous Materials.
- 8.6 Lessee shall indemnify, defend and hold harmless the Indemnified Parties (as that term is defined in Section 14.2 herein) and each of them, from and against any and all claims, liabilities, penalties, fines, judgments, forfeitures, losses, damages (including damages for the loss or restriction on use of usable space or of any amenity of the Airport), consequential and punitive damages, costs, or expenses (including attorneys' fees, consultant fees, and expert fees) for the death of or injury to any person or damage to the Leased Premises or any property whatsoever, arising from, relating to or caused by Lessee's failure to comply with any Environmental Laws or any covenants, terms or conditions relating to environmental matters in this Agreement. Lessee's obligations under this Subsection 8.6 shall include, without limitation, and whether foreseeable or unforeseeable, any and all costs incurred in connection with any investigation of the condition of the Leased Premises, and any and all costs of any required or necessary repair, cleanup, decontamination or remediation of any improvements within the Leased Premises or the Airport and the preparation and implementation of any closure, remedial action, or other required plans in connection therewith should the County have a reasonable basis to believe that Lessee or its agents, employees, contractors, volunteers, or invitees has caused the presence of Hazardous Materials in violation of this Lease and/or Environmental Laws, and any and all costs of any required or necessary repair, cleanup, decontamination or remediation of the Leased Premises or the Airport and the preparation and implementation of any closure, remedial action, or other required plans in connection therewith and resulting from Lessee's violation of Environmental Laws. Lessee's obligations under this Section 8.6 shall survive the expiration or earlier termination of term of this Lease.
- 8.7 For the purposes of this Agreement, the term "Hazardous Materials" means any hazardous or toxic substances, materials, or wastes, including but not limited to the following:
 - 8.7.1 Hazardous, toxic or radioactive substances as defined in California Health and Safety Code Section 25316, as amended from time to time, or the same or a related defined term in any successor or companion statutes, crude oil or byproducts of crude oil other than that which exists on the property as a natural formation, and those chemicals and substances identified pursuant to Health and Safety Code Section 25249.8;
 - 8.7.2 Those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto;
 - 8.7.3 Such substances, materials and wastes which are or become regulated under any

applicable local, state or federal law including, without limitation, any material, waste or substance which is or contains petroleum or a petroleum distillate, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, defined as a "hazardous waste" pursuant to the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq. or defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601, et seq.;

- 8.7.4 Substances which require investigation or remediation under any federal, state or local statute, regulation, ordinance, order action, policy or common law;
- 8.7.5 That which is or becomes defined as hazardous waste, hazardous substances, pollutant or contaminant under any federal, state or local statute, regulation, ordinance or amendment thereto, including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and/or the Resource Conservation and Recovery Act ("RCRA");
- 8.7.6 That which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or likewise hazardous and is or may become regulated by any governmental authority, agency, department, commission, board of instrumentality of the United States, the State of California or any political subdivision thereof;
- 8.7.7 Substances present on or about the Leased Premises which cause or threaten to cause a nuisance thereupon or to adjacent properties or pose a hazard to the health and safety of persons on or about such property;
- 8.7.8 Substances containing gasoline, diesel fuel or other petroleum hydrocarbon except that fuel or oil in stored aircraft or small quantities of aircraft oil in proper containers are permissible.
- Notwithstanding any provisions of this Lease to the contrary, the County, at its sole discretion, shall have the right to enter and inspect the Leased Premises, including Lessee's activities thereon, upon reasonable notice and in a manner so as not to unreasonably interfere with Lessee's activities, to investigate the actual presence or potential or suspected presence of Hazardous Materials on or about the Leased Premises in violation of Environmental Laws. During such inspection, the County shall have the right to visually inspect the Leased Premises and to take such air, soil, sludge or groundwater samples and conduct such tests as it may determine, in its sole discretion, to be necessary or advisable. The County shall pay for the costs of such investigations; provided, however, that if the results of such investigation indicate the presence of Hazardous Materials on or about the Leased Premises is in violation of Environmental Laws, then Lessee shall fully reimburse the County for such expenses within thirty (30) days of receiving the County's written request for reimbursement
- In addition to the written notice provided for in Subsection 8.4 herein, in the event of any actual or threatened spilling, leaking, emitting, dumping, discharging, disposing, or escaping ("Release") on or about the Leased Premises of any Hazardous Material for any reason into the environment, Lessee shall also immediately notify Director at 1 (800) 675-4357 (HELP), and, in conformity with all Environmental Laws, immediately make necessary emergency repairs and erect necessary restraints and impoundments to prevent and/or abate any such Release into the environment. Lessee shall also promptly remove any and all hazardous substances that may have been Released and, once the Director has approved, restore the Leased Premises and all other properties and/or facilities affected by the Release to their former condition, or equivalent, to Director's satisfaction, or as otherwise required by applicable law, including without limitation Environmental Laws.
- 8.10 Lessee acknowledges that the Airport is subject to federal storm water regulations, 40 CFR Part 122, for "vehicle maintenance shops" (including aircraft rehabilitation, mechanical repairs, painting,

fueling, and lubrication), equipment cleaning operations and/or deicing operations that occur at the Airport as defined in these regulations and, if applicable, state and local storm water regulations. Lessee agrees that, to the extent any of its activities in connection with this Lease require it to do so, it will comply with all applicable laws and regulations relating to storm water discharge.

- 8.11 Unless specifically stated elsewhere herein, the provisions of this Section 8, including any representations, warranties, covenants, and indemnities of Lessee, are intended to survive termination of this Lease.
- 8.12 Lessee must follow all industry standards for storage, handling, and recycling of oil, oil-based products, or used oil. Any storage containers must meet or exceed all governmental requirements related to the storage of such materials. County reserves the right to inspect such storage and containers and Lessee's methods and frequency of emptying and recycling such materials including review of records of such recycling, and receipts for removal by a licensed, insured certified vendor, or other means of safely and properly recycling such materials. Any failure to properly dispose of oil based, or other regulated materials and to promptly provide to Lessor any storage or disposal manifests or records upon request is a material breach of this Lease.

SECTION 9 STORM WATER

- 9.1 Notwithstanding any other provisions or terms of the Lease, Lessee acknowledges that the Airport is subject to federal storm water regulations, 40 CFR Part 122, for "vehicle maintenance shops" (including vehicle rehabilitation, mechanical repairs, painting, fueling, and lubrication), equipment cleaning operations and/or deicing operations that occur at the Airport as defined in these regulations and, if applicable, state storm water regulations. Lessee further acknowledges that it is familiar with these storm water regulations; that it conducts equipment cleaning operations and/or deicing activities as defined in the federal storm water regulations; and that it is aware that there are significant penalties for submitting false information, including fines and imprisonment for knowing violations.
- 9.2 Notwithstanding any other provisions or terms of the Lease, Lessee acknowledges that it has taken steps necessary to apply for or obtain a storm water discharge permit as required by the applicable regulations for the Airport, including the Leased Premises operated by Lessee. Lessee acknowledges that the storm water discharge permit issued to County may name the Lessee as co-permittee.
- 9.3 Notwithstanding any other provisions or terms of this Lease, including the Lessee's right to quiet enjoyment, County and Lessee acknowledge that close cooperation is necessary to ensure compliance with any storm water discharge permit terms and conditions, as well as to ensure safety and to minimize costs. Lessee acknowledges that, as discussed more fully below, it may have to undertake to minimize the exposure of storm water (and snow melt) to "significant materials" generated, stored, handled or otherwise used by the Lessee, as defined in the federal storm water regulations, by implementing and maintaining "Best Management Practices."
 - 9.3.1 Lessee shall, at a minimum, employ the following Best Management Practices on the Leased Premises:
 - 9.3.1.1 Ensure that drip pans are utilized where necessary under vehicles and equipment.
 - 9.3.1.2 Perform necessary maintenance or repairs of vehicles or equipment to prevent fluids from leaking onto the ground.
 - 9.3.1.3 Monitor for soil for erosion during rain events and report any observed soil erosion to the Director immediately.

- 9.3.1.4 Vehicles and equipment shall not be washed using water or other liquids that may go onto the ground. All vehicles and equipment shall be clean and free of built-up oil or grease.
- 9.4 Lessee acknowledges that the Airport's storm water discharge permit is incorporated by reference into this Lease and any subsequent renewals
- 9.5 Permit Compliance. Director will provide Lessee with written notice of those storm water discharge permit requirements, that are in the Airport's storm water permit and that Lessee will be obligated to perform from time to time, including, but not limited to: certification of non-storm water pollution prevention of similar plans; implementation of "good housekeeping" measures or Best Management Practices; and maintenance of necessary records. Such written notice shall include applicable deadlines for compliance. Lessee, within seven (7) days of receipt of such written notice, shall notify Director in writing if it disputes any of the storm water discharge permit requirements it is being directed to undertake. If Lessee does not provide such timely notice, it is deemed to assent to undertake such requirements. Lessee warrants that it will not object to written notice from the Director for purposes of delay or avoiding compliance.
- 9.6 Lessee agrees to undertake, at its sole expense, unless otherwise agreed to in writing between Director and Lessee, those storm water discharge permit requirements for which it has received written notice from Director. Lessee warrants that it shall meet any and all deadlines for compliance that may be imposed on or agreed to by Director and Lessee. Lessee acknowledges that time is of the essence in Lessee's compliance with the requirements set forth in Section 9.
- 9.7 Director agrees to provide Lessee, at its request, with any nonprivileged information collected and submitted to any governmental entity pursuant to applicable storm water regulations.
- 9.8 Lessee agrees that the terms and conditions of the Airport's storm water discharge permit may change from time to time, and hereby appoints Director as its agent to negotiate with the appropriate governmental entity any such permit modifications on behalf of and as it may affect the Lessee.
- 9.9 Director will give Lessee written notice of any breach by Lessee of the Airport's storm water discharge permit or the provisions of Section 9. Such a breach is material, and if determined to be of a continuing nature, County may seek to terminate this Lease pursuant to Section 22. Lessee agrees to cure promptly any breach and may do so without waiving any rights or remedies of Lessor as a result of the breach.
- 9.10 Lessee agrees to participate in any organized task force or other work group established to coordinate storm water activities at the Airport.
- 9.11 Notwithstanding the foregoing, Lessee shall comply with all applicable laws and regulations relating to storm water discharge.. and County's or Director's acts, or failure to act, shall not excuse Lessee from having to meet said requirements.

SECTION 10 TRUST DEED BENEFICIARIES AND MORTGAGEES

10.1 Lessee may, with the prior written consent of Director, give, assign, transfer, mortgage, hypothecate, grant control of, or encumber Lessee's interest under this Lease and the leasehold estate so created to a bona fide lender limited to state or federal chartered lending institution, or chartered insurance company or pension fund on the security of the leasehold estate, and Lessee may execute any and all instruments in connection therewith necessary and proper to complete such loan and perfect security therefore to be given to such lender. One (1) copy of any and all such security devices or instruments shall be filed with Director no later than seven (7) days after the effective date thereof, and Lessee shall give Director written notice of any changes or

amendments thereto. Any such encumbrance holder shall have the right at any time during the time of the loan and while this Lease is in full force and effect:

- 10.1.1 To do any act or thing required of Lessee in order to prevent a forfeiture of Lessee's rights hereunder, and all such acts or things so done shall prevent a forfeiture of Lessee's rights hereunder as if done by Lessee;
- 10.1.2 To realize on the security of the leasehold estate, and to acquire and succeed to the interest of Lessee hereunder by sale under the power of sale, foreclosure, or by a deed or assignment in lieu of foreclosure, and thereafter to convey, assign, or sublease said leasehold estate to any other person; provided, however, that said person shall agree to perform and be bound by any and all terms, conditions and covenants contained in this Lease.
- 10.2 The written consent of Director shall not be required in the case of:
 - 10.2.1 A transfer of this Lease as the result of a sale under the power of sale or at a judicial foreclosure, or transfer as the result of a deed of trust or assignment to the encumbrance holder in lieu of foreclosure, provided the loan complies with the provisions specified above for a bona fide lender:
 - 10.2.2 A subsequent transfer by an encumbrance holder who is a purchaser at any such sale or foreclosure, or an assignee in lieu of foreclosure; provided that, in either such event, encumbrance holder forthwith gives notice to County, in writing, of any such transfer forth the name and address of the transferee, the effective date of such transfer, and the express agreement of the transferee assuming and agreeing to perform all of the obligations under this Lease, together with a copy of the document by which such transfer was made. Any such transferee shall be liable to perform the obligations of Lessee under this Lease only so long as such transferee holds title to the leasehold estate. Such transferee shall be liable to pay County for any period of time prior to the time when such transferee takes possession of the Leased Premises; provided, however, that such obligations shall not be effective unless County shall have transmitted to encumbrance holder notice of the original Lessee's default within sixty (60) days after such default occurs. Any subsequent transfer of the leasehold estate shall not be made without the prior written consent of Director and shall be subject to conditions relating thereto, as set forth in Section 10.1;
 - 10.2.3 Any encumbrance holder shall not be obligated to cure any default or breach if said encumbrance holder is unable to secure possession of the Leased Premises, and if it is necessary for it to have possession in order for it to cure the default or breach. In the event that a period of time is necessary in order for the encumbrance holder to completely cure a default or breach, then it shall not be in default so long as it exercises diligence and proceeds promptly in curing the default or breach. The encumbrance holder shall have all the rights to mortgage or other lending documents approved by Director as herein for the appointment of a receiver, and to obtain possession of the premises, under, and in accordance with, the terms of said Deed of Trust, mortgage or other lending instrument. If the lender does not prevent the occurrence of default, the premises and all Improvements will become the property of County, which will have no obligation to any person under the loan agreement for which Lessee's interest was secured.
 - 10.2.4 Any purchaser pursuant to auction, or transferee pursuant to a proper bankruptcy proceeding agrees upon purchase to comply with all of the Lease terms herein by said purchase. Such Purchaser agrees to provide financial statements, and to provide a personal guaranty for default of any of the provisions, or amounts due or in default of this Lease, including for defaults prior to ownership unless barred by a court order, rule or regulation. By reason of said purchase or acquisition, purchaser must carry any necessary

certifications, licenses, business licenses, insurance, and comply with all regulations related to the permitted uses under the Lease, and may not operate the permitted business without proper approvals for such operations in place.

<u>SECTION 11</u> ADDITIONAL OBLIGATIONS OF LESSEE

- 11.1 Lessee may store aircraft components, equipment, parts, nonflammable and nonhazardous bulk liquids, scrap lumber, metal, machinery or other materials related to the conduct of its business on the Leased Premises, provided, however, that such storage shall be done only within a fully enclosed area screened from view. No storage may be done on any apron, ramp or taxiway, without prior written approval of the Director.
- 11.2 Derelict aircraft, inoperative ground vehicles, unused ramp equipment, scaffolding, hoists and related items not regularly and routinely in use as part of Lessee's business shall not be kept on the Leased Premises unless such materials are maintained within a fully enclosed, permanent structure.
- 11.3 No portable structures are allowed to be placed or to remain on the Leased Premises. Portable structures include, but are not limited to, campers, recreational vehicles (RVs), trailers, portable hangars, storage containers, or like nonpermanent structures.
- 11.4 Violation of the requirements of these Sections 11.1, 11.2, and 11.3 shall be deemed a default if the condition has not been cured to the satisfaction of the Director within thirty (30) days of posting of the property or notice to Lessee to remove said stored equipment or materials.
- 11.5 Lessee shall conduct its operations hereunder in an orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others.
- 11.6 Further, Lessee shall take all reasonable measures not to produce on the Airport any disturbance that interferes with the operation by County or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport.
- 11.7 Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon reasonable objection from Director concerning the conduct or demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.
- 11.8 Lessee shall at its own expense comply with all applicable environmental, health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations and requirements. Lessee agrees to allow Director access to premises and records (upon at least 48 hours' advance written notice and during normal business hours, except in the case of emergency) to investigate compliance with all applicable laws.
- 11.9 Lessee shall comply with all written instructions of Director and applicable federal, state, and local laws, ordinances, and regulations in disposing of trash, garbage and other refuse. The frequency of removal thereof from the Airport premises shall, at all times, be subject to the rules, regulations and approval of Director. All disposal of trash, garbage, refuse and wastes shall be at regular intervals and at the expense of the Lessee.
- 11.10 Lessee shall not commit, nor permit to be done, anything which may result in the commission of a nuisance, waste, or injury on the Leased Premises.
- 11.11 Lessee shall not do, nor permit to be done, anything which may interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection system, sprinkler system, alarm system and fire hydrants and hoses, if any, installed or located on the Leased Premises.

- 11.12 Lessee shall take measures to ensure security in compliance with Federal Air Regulations and the Airport Security Plan.
- 11.13 Lessee shall not do, nor permit to be done, any act or thing upon the Leased Premises, which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by the Lease.
- 11.14 Lessee shall use only a working supply of flammable liquids or Hazardous Substances within any covered or enclosed portion of the Leased Premises. The term "working supply", as used in this Section 11.14, shall mean the amount consumed by Lessee during any normal work day. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.
- 11.15 Except for services permitted under Section 3 hereof to be performed by Lessee or Lessee's subcontractors, Lessee shall provide prompt written notice to Director within five (5) days of any person, firm or corporation performing any commercial aeronautical activities, including aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises for commercial purposes without a valid permit from Director.
- 11.16 It is the intent of the Parties hereto that noise, including, but not limited to, noise caused by aircraft engine operation, shall be held to a minimum. To this end, Lessee will conduct its operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof, or any other noise, to a minimum by the use of such methods or devices as are practicable, considering the extent and type of the operations of the Lessee, but in no event less than those devices or procedures that are required by federal, state or local law. In addition, Lessee shall use its best efforts to minimize prop or jet blast interference to aircraft operating on or to buildings, structures and roadways now located on, or which, in the future, may be located on areas adjacent to the Leased Premises.

SECTION 12 INGRESS AND EGRESS

- 12.1 The Lessee shall have the right of ingress and egress to and from the Leased Premises and the public landing areas at the Airport by means of roadways and connecting taxiways, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public.
- 12.2 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. County may, at any time, temporarily or permanently, close or consent to or request the closing of any such roadway or taxiway and any other way at, in or near the Leased Premises, presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges County, their officers, employees and agents, and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now, or at any time hereafter, have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that a reasonable means of access to the Leased Premises remains available to the Lessee, whether within the Leased Premises or outside the Leased Premises at the Airport, unless otherwise mandated by safety considerations or lawful exercise of police power. The Lessee shall not do, or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways near the Leased Premises.

SECTION 13 INSURANCE, DAMAGE, OR DESTRUCTION

13.1 Lessee, and all of its tenants and sublessees, shall maintain, at a minimum, the applicable

- coverage and limits of insurance set forth in the Minimum Standards, as may be amended by County from time to time, included with this Lease as Exhibit F.
- 13.2 To safeguard the interests of County, the Lessee, at its sole cost and expense, shall procure and maintain, throughout the term of this Lease, insurance protection for "all risk" ("open perils") coverage on the structure and any Improvements, including the Improvements described in Exhibit C, of which the Leased Premises is a part, to the extent of One Hundred Percent (100%) of the actual replacement cost thereof in addition to insurance coverage set forth in Exhibit B, placed with insurance companies licensed and admitted to do business in the State of California and having no less than an A.M. Best rating of A or better. If said insurance company becomes financially incapable of performing under the terms of said policy, the Lessee shall promptly obtain a new policy issued by a financially responsible carrier and shall submit such new policy, as previously provided.
 - 13.2.1 The above-stated property insurance shall name County as Additional Insureds, include waiver of subrogation and primary and non-contributory endorsements, and provide thirty (30) days' written notice of cancellation or material change by registered mail to the County of Los Angeles, and have a deductible amount not to exceed Twenty-Thousand Dollars \$20,000.00 per occurrence.
 - 13.2.2 The Lessee shall provide a copy of the above-stated property insurance policy to the County .upon demand. Upon the failure of the Lessee to procure and maintain such insurance as above provided without gap in coverage, County, at its option, may obtain such insurance and charge the cost thereof to Lessee with the next installment of the monthly rent due hereunder, or may declare a default hereunder pursuant to Section 23 herein, in the County's sole discretion.
- 13.3 In the event any Improvements, insurable or uninsurable, on the Leased Premises are damaged or destroyed (except damage or destruction caused by Lessee as set forth in Section 13.7 hereof) to the extent they are unusable by Lessee for the purposes for which they were used prior to such damage, or same are destroyed, Lessee shall promptly repair, rebuild, or replace the damaged or destroyed portion of the Leased Premises as they were immediately prior to such casualty, except for requirements of applicable laws, including, without limitation, Los Angeles County Building Code, which shall be as of the time of repair or replacement.
- 13.4 In the event of damage or destruction to any of the Improvements upon the Leased Premises, County shall have no obligation to repair or rebuild the improvements or any fixtures, equipment or other personal property installed by Lessee pursuant to this Lease. Upon the failure of Lessee to repair or rebuild, County may, as agent of the Lessee, repair or rebuild such damage or destruction at the expense of Lessee, which expense shall be due and payable on demand.
- 13.5 Upon completion of all the work, the Lessee shall certify in writing that such rebuilding and repairs have been completed in compliance with all applicable laws, that all costs in connection therewith have been paid by the Lessee, that said costs are fair and reasonable, and that said certification shall also include an itemization of costs. If the insurance proceeds are not sufficient, the Lessee agrees to bear and pay the deficiency. Nothing contained herein shall be deemed to release the Lessee from any of its repair, maintenance or rebuilding obligations under this Lease.
- 13.6 Lessee shall, at its expense, repair and replace any and all fixtures, equipment and other personal property necessary to properly and adequately continue its Airport business on the Airport, but in no event shall Lessee be obligated to provide equipment and fixtures in excess of those existing prior to such damage or destruction. During such period of repair or reconstruction, but not to exceed a period of six (6) months, the rent provided for elsewhere herein shall be proportionately abated during the period from the date of such damage, destruction or loss until the same is repaired, replaced, restored or rebuilt, provided Lessee does not use said damaged Leased Premises or the location thereof for any purposes other than the repair or rebuilding of same. Such

abatement shall not exceed the actual time required for arranging for and the completion of such work. The proportional amount of reduction of rent will be directly related to the percent of Airport business adversely affected. Lessee agrees that such work will be promptly commenced and prosecuted to completion with due diligence, subject to delays reasonably beyond Lessee's control subject to the Director's interpretation in his/her sole discretion.

- 13.7 In the event the Improvements on the Leased Premises are damaged or destroyed by fire or other cause by reason of any negligent act or omission of the Lessee or its employees, this Lease shall continue in full force and effect, including the payment of rent, notwithstanding the provisions of Sections 13.3, 13.4, 13.5, and 13.6 hereof, and the Lessee shall repair or rebuild the Improvements so damaged or destroyed, at Lessee's own cost and expense, in a good workmanlike manner to the same standards existing at the time of the casualty, subject to applicable building codes existing at the time of repair or rebuilding.
- 13.8 Notwithstanding anything to the contrary above, in the event more than 25% of Improvements of the Leased Premises are damaged or destroyed, and such damage is not covered by the "all risk" property insurance required by Section 13.2 above, or occurs within the last year of the term of the lease, Lessee may, in its sole and absolute discretion, elect to terminate this Lease by providing written notice to County within (60) days after the occurrence of such damage or destruction.

SECTION 14 LIABILITIES AND INDEMNITIES

- 14.1 Indemnification provisions of this document are intended to apply to the any liability of Lessor as a result of Lessee's violation of Environmental Laws, the California Health and Safety Code and due to any breach by Lessee of the terms, conditions and covenants of this Lease.
- 14.2 Lessee agrees to indemnify, defend, release, and save and hold harmless County, and their officials, supervisors, directors, employees, officers, districts, and agents (collectively, "Indemnified Parties" or singularly, "Indemnified Party") from and against all claims, actual damages (including, without limitation, special and consequential damages), injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal and administrative proceedings, interest, fines, charges, penalties, and expenses (including, without limitation, reasonable attorneys', engineers', consultants' and expert witness' fees and costs incurred in defending against any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by any Indemnified Party, arising from, or attributable to, the activity, acts or omissions of Lessee, except to the extent caused by the sole or gross negligence, or willful misconduct of an "Indemnified Party."
- In addition to Lessee's undertaking, as stated in this Section 14, and as a means of further 14.3 protecting the County and its respective officers, agents, servants, contractors and employees, Lessee shall, at all times, during the term of this Lease obtain and maintain in effect the insurance coverages as set forth in Exhibit B attached hereto and made a part hereof. Additionally, Lessee agrees to require its contractors doing work on the Airport including within the Premises, and Lessee's tenants and sublessees (if any are allowed), to carry adequate worker's compensation insurance coverage, and general liability insurance, and automobile insurance and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or Parties as additional named insureds. Contractors providing any labor on the Premises, or around the Premises must provide Lessee with a certificate of insurance, naming the County and Lessee as additional insured parties for the General Liability policy which must have no less than \$1,000,000.00 in aggregate limits. Lessee must provide County with such evidence of insurance before any such Contractor enters the Premises or performs work. The County reserves the right to increase the minimum liability insurance set forth in Exhibit B when, in the County's Risk Manager's sole opinion, the risks attendant to Lessee's operations hereunder have increased.
- 14.4 The Lessee represents that it is the owner of, or fully authorized to use, any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under, or in

anyway connected with, this Lease. The Lessee agrees to save and hold County and its officers, employees, agents, contractors and representatives free and harmless of, and from, and shall indemnify and defend County against, any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under, or in anyway connected with, this Lease.

- 14.5 The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Lease, and that there is no such broker who is, or may be entitled to be, paid a commission in connection therewith. The Lessee shall indemnify, defend, save and hold harmless County of, and from, any claim for commission or brokerage made by any such broker when such claim is based, in whole or in part, upon any act or omission of the Lessee.
- 14.6 If, for any reason, Lessee shall neglect or fail to insure, or cause to insure and keep insured, those policies applicable per the Minimum Standards required in Section 13 and Exhibit B, or to pay the premiums therefore, County may, at its option, procure or renew such insurance and pay the premiums thereon or may declare a default hereunder pursuant to Section 23 herein, in the County's sole discretion. Any amount paid for said insurance by County shall become immediately due and payable by Lessee to County. The premiums paid by County shall accrue simple interest at a rate of one-and-one-half percent (1.5%) per month until paid in full by the Lessee.

<u>SECTION 15</u> COMPLIANCE WITH LAWS AND RULES

- 15.1 From time to time, the County may adopt and enforce rules and regulations and minimum standards with respect to the occupancy and use of the Airport, which may be amended from time to time. Lessee hereby acknowledges receipt of a current copy of such County Rules and Regulations and Minimum Standards, attached as Exhibit E and Exhibit F respectively.
- 15.2 Lessee agrees to comply with any and all applicable County rules, regulations, and minimum standards, and to comply with all other applicable federal, state, county, and municipal laws, statutes, ordinances, executive orders, rules, regulations, and directives, and to require and to cause its officers, agents, employees, volunteers, contractors, suppliers, invitees, and tenants and sublessees to comply with the same. Director reserves the right to deny access to the Airport and its facilities to any persons, firm, or corporation that fails or refuses to obey and comply with such rules, regulations, minimum standards, orders, directives, policies, procedures, or laws. Lessee hereby acknowledges receipt of a current copy of such County Rules and Regulations and Minimum Standards, attached as Exhibits E and F.

SECTION 16 SIGNS

16.1 Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location, and elevation of such signs, and whether lighted or unlighted, shall be subject to, and in accordance with, the written approval of Director, and said approval shall not be unreasonably withheld. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or other traffic, or which fails to conform to the architectural scheme of the Airport or meet the requirements of County.

SECTION 17 ASSIGNMENT AND SUBLEASE

17.1 Subject to Section 10 above, Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Lease or any part thereof, or any rights created thereby, without the prior written consent of Director, whose consent shall not be unreasonably withheld, provided,

- however, Lessee may assign this lease without the County's consent to any entity which is controlled directly or by Lessee.
- 17.2 Any attempted assignment or transfer of this Lease, or any rights of Lessee hereunder, without the consent of Director, if required, shall entitle County at its option to forthwith cancel this Lease and declare the Lease a forfeiture.
- 17.3 Any assignment of this Lease, approved and ratified by Director, shall be on the condition that the assignee accepts and agrees, in writing, to all of the terms, conditions and provisions of this Lease, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including, but not limited to, the payment of all sums due, and to become due by Lessee under the terms hereof. This requirement also applies to any transferee pursuant to a bankruptcy proceeding or foreclosure, or via court order transferring control to a transferee.
- 17.4 Subject to all of the terms and provisions hereof, Lessee may, without the prior written consent of Director, sublet a portion or portions of the Leased Premises to a person, partnership, firm or corporation, for the purpose of aircraft storage, provided that the term of the sublease does not exceed sixty (60) months, and the name, address, phone number and plane type and tail number are supplied to the Director.
- 17.5 No consent by Director to assignment or subleasing by Lessee of portions of the Leased Premises shall, in any way, relieve Lessee of any of its obligations to County set forth or arising from this Lease, and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.
- 17.6 Any sublease under Section 17.4 shall require Lessee to provide to Director the following sublessee information: tenant name, address, phone/fax number, email address, plane type, tail number, and proposed use.
- 17.7 No consent to subleasing by the Lessee to a person, corporation or partnership conducting any business for profit derived from activities at the Airport shall be granted by Director without a duly executed Commercial Operator Permit between Director and the sublessee, which Commercial Operator Permit shall not be unreasonably withheld, and shall be on terms similar to other Commercial Operator Permits being issued by the County at that time.
- 17.8 In the event the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this Lease or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Section 17, or if the Leased Premises are occupied by anyone other than the Lessee in violation of this Section 17, County may collect from any assignee, sublessee or anyone who claims a right to this Lease or who occupies the Leased Premises, any charges or fees payable by it and may apply the net amount collected to the rents herein reserved; and no such collection shall be deemed a waiver by County of the agreements contained in this Section 17 nor of acceptance by County of any assignee, claimant or occupant, nor as a release of the Lessee by County from the further performance by the Lessee of the agreements contained herein. Additionally, the County reserves its right to terminate this Lease in the event of Lessee's failure to comply with the provisions of this Section 17.
- 17.9 For the purposes of this Section 17, any assignment of ownership rights by merger, consolidation or liquidation, or any change in the ownership of, or power to vote, a majority of the outstanding voting interests of Lessee, or those controlling the power to vote such ownership rights on the date of this Lease, shall be considered an assignment and as such requires the consents and documentation described above. Unless Lessee is a corporation and its stock publicly traded on a national stock exchange, a change in control shall constitute an assignment requiring consent and a change in the voting control of 25% or more on a cumulative basis shall constitute a change in the control for this purpose.

SECTION 18 CONDEMNATION

In the event that the Leased Premises or any material part thereof shall be condemned and taken by authority of eminent domain for any purpose during the term of this Lease, rentals for that portion of the Leased Premises so taken shall be abated from the date that Lessee is dispossessed therefrom; provided, however, if the remaining portion of the Leased Premises is insufficient for Lessee's operations authorized hereunder, Lessee may terminate this Lease and all of its rights and unaccrued obligations hereunder effective as of the date it is dispossessed of the condemned portion (or effective as of any date thereafter and within ninety (90) days of the date of such dispossession) by giving Director thirty (30) days' written notice of such termination.

SECTION 19 NON-DISCRIMINATION

- 19.1 Lessee agrees to comply with the federally mandated contractual provisions regarding nondiscrimination contained in this Section.
- 19.2 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 participating in any activity conducted with or benefiting from Federal assistance. If Lessee transfers its obligation to another, the transferee is obligated in the same manner as Lessee.

This provision obligates 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. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

19.3 <u>Compliance with Nondiscrimination Requirements.</u>

During the performance of this Lease, Lessee agrees and covenants that any Contractor hired to perform any County authorized work of improvement on or upon the Leased Premises t (hereinafter referred to as the "Contractor" in this Section 19.3 and 19.5), shall comply as follows:

- 19.3.1 Compliance with Regulations: The Contractor (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 contract, including but not limited to current publications at 42 U.S.C. §§ 2000d-2000d-7; 28 C.F.R. § 42.401 et seq.; 28 C.F.R.§ 50.3; and 49 C.F.R. Parts 21, 27; Fed Reg Vol 65 No. 235; and Fed. Reg. Vol. 68, No. 165.
- 19.3.2 Nondiscrimination: The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor 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.
- 19.3.3 Solicitation for Subcontracts, including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Contractor 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 the Contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities

on the grounds of race, color, or national origin.

- 19.3.4 Information and Reports: The Contractor 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 the sponsor 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, the Contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
- 19.3.5 <u>Sanctions for Noncompliance:</u> In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the sponsor 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 Contractor under the contract until the Contractor complies; and/or (b) cancelling, terminating or suspending a contract, in whole or in part.
- 19.3.6 <u>Incorporation of Provisions:</u> The Contractor will include the provisions of Sections 19.3.1 through 19.3.6 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration or other federal agency may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction to comply with these provisions, the Contractor may request the appropriate governmental agency to enter into any litigation to protect the interests of the sponsor or . the interests of the United States.

19.4 Nondiscrimination Pursuant to the Provisions of the Airport Improvement Program.

Lessee for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration hereof, does covenant and agree, in the case of a lease as a material covenant:

- 19.4.1 that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Lease for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Lessee will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds 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;
- 19.4.2 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 Lessee will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities:
- 19.4.3 that with respect to licenses, leases, permits, etc., in the event of breach of any of the above nondiscrimination covenants, the County will have the right to terminate the license,

permit, etc., as appropriate, and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said license, permit, etc., as appropriate, had never been made or issued.

19.5 Title VI List of Pertinent Nondiscrimination Acts and Authorities.

During the performance of this Lease, Lessee, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") 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).
- 19.6 Lessee shall indemnify, defend, release, save and hold harmless the County, and its officers, agents, servants and employees, from any and all claims, costs, penalties, fines, fees (including attorney's fees) and demands of third persons, including without limitation, the United States of America), resulting from Lessee's noncompliance with any of the provisions of this Section 19, and Lessee shall reimburse the County for any loss or expense incurred by reason of such noncompliance.

SECTION 20 GOVERNMENTAL REQUIREMENTS

- 20.1 Lessee shall procure and maintain all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereat.
- 20.2 Lessee shall pay all taxes, license, certification, permit and examination fees, and excise taxes which may be assessed, levied, exacted or imposed on the Leased Premises or operation hereunder, or on the gross receipts or income to Lessee therefrom, including any possessory right which Lessee may have in or to Leased Premises covered hereby or Improvements thereon by reason of its possessory rights, use or occupancy thereof, and shall make all applications, reports and returns required in connection therewith. Lessee shall be solely responsible for the payment of such taxes, assessments, fees or charges. In the event any such taxes or assessments described in this Section 20 are charged to County, Director shall notify Lessee in writing of the amount due, and Lessee shall pay County said amount within thirty (30) days of such notice. In the event of failure to pay said taxes before delinquency and/or pay County the required amount within thirty (30) days, County may elect to treat such failure as a material breach of this Lease by Lessee.

SECTION 21 RIGHTS OF ENTRY RESERVED

- 21.1 County, its officers, employees, agents, representatives and contractors, shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes, provided such action by County, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises. Except in the case of an emergency, the County shall give Lessee at least 24 hours' advance written notice prior to entering any buildings of Lessee located on the Leased Premises.
- 21.2 Without limiting the generality of the foregoing, County, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto, as may, in the opinion of County, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof, and in connection with such maintenance use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair, alteration or new construction, County shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee. It is specifically understood and agreed that the reservation of the aforesaid right by County shall not impose or be construed to impose upon County any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the Leased Premises. Notwithstanding the foregoing, County shall be responsible to promptly repair, at County's sole cost and expense, any damages caused to the Leased Premises due to any action taken under this section.
- 21.3 In the event that any personal property of Lessee shall obstruct the access of County, its officers, employees, agents or contractors, or the utility company furnishing utility service to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance or repair of any such system, Lessee shall move such property, as directed by Director or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from Director or said utility company to do so, Director or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result therefrom, except for claims for damages arising from County's

sole negligence.

21.4 Exercise of any or all of the foregoing rights, by County, or others under right of County, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

SECTION 22 ADDITIONAL RENT AND CHARGES

- 22.1 Except as provided in Section 7.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from Director to perform, or commence to perform, any obligation required herein to be performed by Lessee, Director may enter the Leased Premises (without such entering causing or constituting a cancellation of this Lease or an interference with the possession of such Leased Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to County upon demand such charge plus an additional five percent (5%) of such charges for the costs of County supervision and management of such work ("Supervision Fee"), in addition to other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform any such obligation endangers the safety of the public or employees or property of County, or other tenants of the Airport, and Director so states in its notice to Lessee, County may perform such obligation of Lessee at any time after the giving of such notice, and charge to the Lessee the reasonable cost and expense thereof, including the Supervision Fee, which Lessee shall pay upon demand. This Section 22.1 shall not apply to the notice and right to cure period set forth in Sections 7.3(b), 23.1 nor abrogate any specific notice and right to cure period prescribed elsewhere in the Lease.
- 22.2 If County elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Lease, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by County as the result of such failure, neglect or refusal of Lessee; if Lessee fails to pay such amount owing to the County within 10 days after receipt of an invoice or notice from the County concerning such expense shall begin to incur the interest and late fees set forth in Section 4.13 above. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent recoverable by County in the same manner and with like remedies as if it were originally a part of the rent provided for in this Lease.

SECTION 23 DEFAULT; TERMINATION BY COUNTY

- 23.1 In the event of a default on the part of Lessee in the payment of rents, or any other charges required by this Lease to be paid to County and failure to cure said default after) fifteen (15) days' notice to pay rent or quit has been properly served pursuant to Code of Civil Procedure Section 1161, et seq., the County may proceed to use such legal procedure to evict Lessee as set forth in those codes for commercial tenancies. Director may but is not required to give written notice to any lenders of Lessee that the County has received notice of such default, and the cancellation of this Lease pursuant to California Code. If, within thirty (30) days after the date Director gives such notice to Lessee's lender, Lessee's lender has corrected said default and paid the delinquent amount in full, this Lease and all rights and privileges granted hereby in and to the Leased Premises may be reinstated, with County's approval in its sole discretion.
- 23.2 <u>Partial Payment by Lessee; Non-Waiver</u>. County's acceptance of rent (including, without limitation, through any "lockbox") following a notification of Default shall not waive County's rights regarding such Default and County may acknowledge said partial payment and continue action per Code of Civil Procedure section 1161.1(b). No waiver by County of any violation or breach of any of the terms contained herein shall waive County's rights regarding any future violation of such terms,

and no acceptance of rent with knowledge of an ongoing breach or default will waive said default or breach unless expressly stated by County in writing. County's acceptance of any partial payment of rent shall not waive County's rights with regard to the remaining portion of the rent that is due, regardless of any endorsement or other statement on any instrument delivered in payment of rent or any writing delivered in connection therewith; accordingly, County's acceptance of a partial payment of rent shall not constitute an accord and satisfaction of the full amount of the rent that is due.

- 23.3 This Lease, together with all rights and privileges granted in and to the Leased Premises, shall terminate automatically, upon the happening of any one or more of the following events:
 - 23.3.1 The filing of Lessee of a voluntary petition in bankruptcy, or any assignment for benefit of creditors of all or any part of Lessee's assets; or,
 - 23.3.2 Any institution of proceedings in bankruptcy against Lessee; provided, however, that the Lessee may defeat such termination if the petition is dismissed within sixty (60) days after the institution thereof; or,
 - 23.3.3 The filing of a petition requesting a court to take jurisdiction of Lessee or its assets under the provisions of any Federal reorganization act; provided, however, that the Lessee may defeat such termination if the petition is dismissed within sixty (60) days after the institution thereof; or
 - 23.3.4 The filing of a request for the appointment of a receiver or trustee of Lessee's assets by a court of competent jurisdiction, or the request for the appointment of a receiver or trustee of Lessee's assets by a voluntary agreement with Lessee's creditors; provided, however, that the Lessee may defeat such termination if the petition is dismissed within sixty (60) days after the institution thereof; or,
 - 23.3.5 The abandonment by Lessee of the conduct of its authorized Airport business at the Airport, and in this connection suspension of operations for a period of thirty (30) days will be considered abandonment in the absence of a satisfactory explanation which is accepted in writing by Director, unless said abandonment is necessitated by the occurrence of a natural disaster, or casualty, or event which renders the premises unfit for occupation or its intended purpose.
- 23.4 Upon the default by Lessee in the performance of any covenant or conditions required to be performed by Lessee, and the failure of Lessee to remedy such default for a period of thirty (30) days after receipt of written notice from Director to remedy the same, unless a different notice and cure period is specifically prescribed elsewhere in this Lease (including Sections 7.3 (b) and 23.1 above) County shall have the right, at its sole option and discretion, to cancel this Lease and declare a forfeiture for such cause.
- 23.5 Upon the default of Lessee, and the giving of notice by Director to cancel this Lease as provided for elsewhere herein, said notice of cancellation shall be final; provided, however, that if Lessee is diligently remedying such default to completion, said notice of cancellation shall be held in abeyance at the sole discretion of the Director. If, however, the Director determines that such default is no longer being diligently remedied to conclusion, Director shall so advise Lessee in writing, and said notice of cancellation shall no longer be held in abeyance for any reason and shall become final without further notice to Lessee.
- 23.6 Upon the cancellation or termination of this Lease for any reason, all rights of the Lessee, tenants and any other persons in possession shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Leased Premises. Upon said cancellation or termination of this Lease for any reason, the Leased Premises, except for such personal property which may be removed from said Leased Premises as provided for elsewhere

herein or as allowed by law, shall be free of all encumbrances and all claims of Lessee, its tenants, creditors, trustees, assigns and all others, and County shall have immediate right of possession to the Leased Premises.

23.7 Failure by County or Director to take any authorized action upon default by Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by Lessee shall not be construed to be, nor act as, a waiver of said default nor of any subsequent default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by Lessee. Acceptance of rentals by County under the terms hereof, for any period or periods after a default by Lessee of any the terms, covenants and conditions herein required to be performed, kept and observed by Lessee shall not be deemed a waiver or estoppel of any right on the part of Director to cancel this Lease for any subsequent failure by Lessee to so perform, keep or observe any of said terms, covenants or conditions.

SECTION 24 TERMINATION BY LESSEE

- 24.1 In addition to any other right of cancellation herein given to Lessee, or any other rights to which it may be entitled to by law, equity or otherwise, as long as Lessee is not in default in payment to County of any amounts due County hereunder this Lease, Lessee may cancel this Lease and thereby terminate all of its rights and unaccrued obligations hereunder, by giving County written notice upon or after the happening of the following events:
 - 24.1.1 Issuance by a court of competent jurisdiction of an injunction which, in any way, substantially prevents or restrains the use of the Leased Premises, or any part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the Party against whom the injunction has been issued has exhausted or abandoned all appeals, or one hundred twenty (120) days, whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or,
 - 24.1.2 The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as substantially to restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

SURRENDER AND RIGHT OF RE-ENTRY

25.1 Upon the cancellation or termination of this Lease pursuant to any terms hereof, Lessee agrees peaceably to surrender up the Leased Premises to County in the same condition as they are at the time of the commencement of the term hereof, including removal of all temporary structures, and as they may hereafter be repaired and improved by Lessee; save and except: (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance; (b) obsolescence in spite of repair; and (c) damage to, or destruction of, the leasehold Improvements for which insurance proceeds are received by County. Upon such cancellation or termination, County may re-enter and repossess the Leased Premises together with all Improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Lease, at County's election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation or termination, and for which period Lessee will pay to County current Lease rentals), or during the term of this Lease. Lessee shall have the right to remove its temporary structures. personal property, fixtures and trade equipment which it may have on the Leased Premises, provided the removal thereof does not impair, limit or destroy the utility of said Leased Premises or building for the purpose for which they were constructed or improved, and provided further, that Lessee repairs all damages that might be occasioned by such removal, and restores the building

and site to the condition above required.

25.2 Upon cancellation or termination of this Lease, Lessee shall have no obligation nor right to demolish or remove the Improvements described in Section 7.4.

SECTION 26 SERVICES TO LESSEE

- 26.1 County covenants and agrees that, during the term of this Lease, it will operate the Airport as such for the use and benefit of the public, provided, however, that County may prohibit or limit any given type, kind, or class of aeronautical use of the Airport, if such action is necessary for the safe operation of the Airport, or necessary to serve the civil aviation needs of the public. County further agrees to use its best efforts to maintain the runways and taxiways in good repair. County agrees to keep in good repair hard-surfaced public roads for access to the Leased Premises. County agrees to take reasonable measures for security at the Airport.
- 26.2 Lessee will contract with the furnishers of all utilities for the furnishing of such services to the Leased Premises and shall pay for all water, gas, electricity, sanitary sewer service, other utilities, telephone, and burglary and fire protection services furnished to the Leased Premises.
- 26.3 Lessee will also contract with the furnishers of all other utilities and services they may require for the furnishing of such services to the Leased Premises and shall pay for all other utilities and services., including without limitation, obtaining and procuring any meter or service hook-up in order to provide such services to Lessee upon or about the Leased Premises.

SECTION 27 SURVIVAL OF THE OBLIGATIONS OF THE LESSEE AND LESSOR'S REMEDIES FOR BREACH BY LESSEE

- 27.1 In the event of breach or default by Lessee of the terms of this Lease which breach or default remains uncured by Lessee for a period of 30 days following written notice given by Lessor (except where a different notice and cure period is prescribed elsewhere in the Lease which shall apply), Lessor may, in its sole discretion, continue the Lease and Lessee's right of possession and recover the Rent and other amounts as they become due, and the amount or amounts of damages or deficiencies shall become due and payable to County to the same extent, at the same time or times, and in the same manner, as if no termination, re-entry, regaining or resumption of possession had taken place. Provided however, at any time and during the continuation of any breach or default by Lessee that remains uncured, County may at its option, and at any time and without further notice terminate this Lease, seek the right of possession and sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Lease as set forth in Section 27.2.
- 27.2 In the event of breach or default by Lessee under the terms of this Lease. Lessor may terminate Lessee's right of possession of the Leased Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Leased Premises to the Lessor. In such event, Lessor shall be entitled to recover from Lessee the following: (i) the unpaid Rent which has been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the terms after the time of award exceeds the amount of such rental loss that the Lessee provides could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or in the ordinary course of business would be likely to result therefrom, including but not limited to, the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Leased Premises, reasonably attorney's fees and that portion of any leasing commission paid by Lessor, if any, in connection with this Lease applicable

to the unexpired term hereof. For purposes of Section 26.3(iii) the worth at the time of award shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco plus one percent. Any efforts by Lessor to mitigate damages caused by Lessee's default or breach of this Lease shall not waive Lessor's right to recover any damages to which Lessor is otherwise entitled.

- 27.3 The expiration or termination of this Lease and/or Lessee's right of possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accrued during the term hereof or by reason of Lessee's occupancy of the Leased Premises.
- 27.4 Upon default or breach of this Lease by Lessee, Lessor reserves the right at its option and without notice, to recapture any abated rent or other charges or costs paid for by the Lessor or the giving of any inducement or consideration for Lessee's entering into or performing under this Lease, all of which concessions by Lessor shall be deemed conditioned upon the full and faithful performance of the terms, conditions and covenants of this Lease by Lessee, and shall be deemed deleted and recaptured by Lessor and become immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of any such breach or default by Lessee. The acceptance by Lessor of any recaptured abatement, concession or inducement paid by Lessee shall not be deemed a waiver by Lessor of the provisions of this paragraph or of the breach or default hereof nor a novation or an accord and satisfaction, unless so stated in writing by Lessor.
- 27.5 In the event that Lessee has failed to pay rent after receiving proper notice to pay or quit and it appears that the Lessee has abandoned the Leased Premises, Lessor reserves the right to reclaim possession by providing notice pursuant to Cal. Civil Code sec. 1951.35 and may dispose of any personal property abandoned by Lessee in accordance with Cal. Civil Code sec. 1993, et seq.

SECTION 28 USE AFTER CANCELLATION OR TERMINATION AND MITIGATION

- 28.1 County, upon termination or cancellation pursuant to Section 23 hereof due to Lessee's breach hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm or corporation to enter upon the Leased Premises and use the same. Such use may include only a portion of the Leased Premises, or of the entire Leased Premises, together with other premises, and for a period of time the same as, or different from, the balance of the term hereunder remaining, and on terms and conditions the same as, or different from, those set forth in this Lease.
- 28.2 County shall also, upon said termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to change locks, repair and make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof under this Lease, without affecting, altering or diminishing the obligations of the Lessee hereunder, all at the expense of the Lessee provided that any structural changes shall not be at Lessee's expense.
- 28.3 In the event, either due to use or re-let of the Leased Premises by others as approved by the County or of any actual use and occupancy by County, there shall be credited to the account of the Lessee against its rent and damage obligations due hereunder, any net amount after calculating rent and damage obligations as set forth in Section 27.2. County will use its best efforts to minimize damages to Lessee and mitigate County's damages under Sections 27 and 28.

<u>SECTION 29</u> <u>LIMITATION OF RIGHTS AND PRIVILEGES GRANTED</u>

29.1 Except the exclusive right of Lessee to possession of the Leased Premises, no exclusive rights at the Airport are granted by this Lease and no greater rights or privileges with respect to the use of the Leased Premises or any part thereof are granted, or intended to be granted, to the Lessee by

this Lease, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

SECTION 30 NOTICES

30.1 All notices, consents and approvals required or desired to be given by the Parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is: (i) delivered personally, by messenger, by courier or by Process Server; or (ii) deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, with return receipt requested, or (iii) delivered by email with return receipt requested, addressed to the recipient at the address set forth below:

To County of Los Angeles: Chief, Aviation Division

Department of Public Works

P.O. Box 1460

Alhambra, CA 91802-1460

To Lessee: Blue Sky Aviation, Inc.

1936 Huntington Drive, Suite A South Pasadena, CA 91030 Attention: Dr. Raghu Murthy (310) 770-6822 Mobile murthyretina@yahoo.com

Any notice of default provided the Lessor to Lessee shall be served by any of the methods of service provided in Sections 30.1(i) or (ii) or by leaving the notice with a person over the age of 18 at the Leased Premises or posting same in a prominent location at the Leased Premises, with an additional copy mailed to the Lessee.

30.2 Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to sender.

SECTION 31 HOLDING OVER

- 31.1 No holding over by Lessee after the termination of this Lease shall operate to extend or renew this Lease for any further term whatsoever, but Lessee will, by such holding over, become the tenant-at-will of County after written notice by Director to vacate such premises; and continued occupancy thereof by Lessee shall constitute Lessee a trespasser.
- 31.2 Any holding over by Lessee beyond the thirty (30)-day period permitted for removal of fixtures without the written consent of Director shall make the Lessee liable to County for damages equal to 150% of the prevailing rent in effect at the termination of the Lease, or the market rent of the Leased Premises plus any Improvements, whichever is greater.
- 31.3 All insurance coverage that Lessee is required to maintain under the provisions hereof shall continue in effect, without gap for so long as Lessee or any of Lessee's sublessees or tenants occupies the Leased Premises or any part thereof.

SECTION 32 MISCELLANEOUS PROVISIONS

32.1 <u>Severability.</u> The invalidity of any provisions, sections, paragraphs, portions, or clauses of this Lease shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable Lease.

- 32.2 Remedies to be Nonexclusive. All remedies provided in this Lease shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other, or of any other remedy available to County, or Lessee, at law or in equity, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.
- 32.3 <u>Non-Waiver of Rights.</u> The failure by either Party to exercise any right or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other Party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other Party, nor shall other Party be relieved thereby from its obligations under the terms hereof.
- 32.4 <u>Force Majeure.</u> Neither Party shall be deemed in violation of this Lease if it is prevented from performing any of its obligations hereunder by reason of labor disputes, inability to procure materials, acts of God, acts of war, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control, provided, however, that this Section shall not excuse Lessee from continuing to pay rent as herein specified.
- 32.5 <u>Non-liability of Individuals.</u> No director, officer, official, agent or employee of either Party hereto shall be charged personally or held contractually liable by, or to, the other Party under any term or provision of this Lease, or of any supplement, modification or amendment to this Lease because of any breach thereof, or because of his or their execution or attempted execution of the same.
- 32.6 <u>Quiet Enjoyment.</u> County covenants that as long as Lessee is not in default of any provision of this Lease, Lessee shall and may peaceably and quietly have, hold and enjoy the Leased Premises exclusively to it during the term hereof unless sooner canceled, as provided in this Lease.
- 32.7 <u>Estoppel Certificate.</u> Within ten (10) business days after request, each party agrees to deliver to the requesting party an estoppel certificate covering such information concerning this Lease as the requesting party may reasonably request.
- 32.8 <u>General Provisions.</u> Lessee shall not use, or permit the use of, the Leased Premises, or any part thereof, for any purpose or use other than those authorized by this Lease.
- 32.9 <u>Applicable Law.</u> This Lease shall be performable and enforceable in Los Angeles County, California, and shall be construed in accordance with the laws of the State of California.
- 32.10 <u>No Third Party Beneficiaries.</u> This Lease is made for the sole and exclusive benefit of County and Lessee, their successors and assigns, and is not made for the benefit of any Third Party.
- 32.11 Ambiguity Not Construed Against Drafter. In the event of any ambiguity in any of the terms of this Lease, it shall not be construed for or against any Party hereto on the basis that such Party did or did not author the same.
- 32.12 <u>Binding on Each Party.</u> All covenants, stipulations and agreements in this Lease shall extend to and bind each Party hereto, its legal representatives, successors and assigns.
- 32.13 <u>Titles.</u> The titles of the several sections of this Lease are inserted herein for convenience only and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.
- 32.14 Opportunity for Counsel. The Parties have read and understand the contents of this Lease, have had the opportunity to have the counsel of their choice review this Lease, and have been advised of such opportunity.
- 32.15 Authority. The persons signing this Lease hereby warrant that they have full authority to sign this

- Lease on behalf of the respective parties.
- 32.16 No Co-Partnership or Agency. Nothing herein contained shall create nor be construed to creating a co-partnership between County and the Lessee or to constitute the Lessee an agent of County. County and the Lessee each expressly disclaim the existence of such a relationship between them.
- 32.17 <u>County Lobbyist Ordinance.</u> Each County lobbyist, if any, as defined in Los Angeles County Code Section 2.160.010, retained by Lessee, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of any County lobbyist, retained by Lessee, to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Lease, upon which County may immediately terminate or suspend this Lease.
- 32.18 Interpretation of Approval. Anytime this Lease requires a consent or approval of County or Lessee, such consent or approval shall not be unreasonably withheld or delayed, except where otherwise expressly provided. Whenever this Lease grants County or Lessee a right to take action, grant consent, grant approval, exercise discretion, or make an allocation, judgment or determination, County or Lessee shall act reasonably and in good faith.
- 32.19 <u>Director's Designee.</u> Wherever this Lease states that "Director" or "County" may take some action in connection with this Lease, that action may be taken by Director's designee if duly authorized by Director of Public Works.
- 32.20 <u>Directory.</u> In the event County publishes or prints a directory listing tenants at the Airport (whether in the form of a booklet, flier, electronic format or otherwise), Lessee shall be included in such directory. If the County erects a monument sign or pylon at the airport which includes a tenant directory, County agrees to allow Lessee to be listed on the directory sign consistent with other tenants at the Airport.
- 31.21 <u>Calculation of Dates.</u> Unless otherwise specified in the Lease and designated by "business days", all dates for performance of any covenant or obligation or in responding to any notice given shall mean "calendar days". In calculating the number of days, the day of the act or event after which the designated period of time begins to run is not included and the last day of the period so computed is to be included, unless such last day falls on a Saturday, Sunday or designated legal holiday recognized by the State of California, in which event the period shall run until the end of date which is neither a Saturday, Sunday or designated legal holiday. The last day of any period of time described herein shall end at 5:00 pm, Pacific Time.

SECTION 33 SUBORDINATION CLAUSES

- 33.1 This Lease is subject and subordinate to the following:
 - 33.1.1 County reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee.
 - 33.1.2 County reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the Airport which, in the opinion of County, would limit the usefulness of the Airport or constitute a hazard to aircraft.
 - 33.1.3 This Lease is, and shall be, subordinate to the provisions of existing and future agreements between County and the United States relative to the operation or maintenance of the Airport, the execution of which has been, or may be required as, a condition precedent to the obtaining or expenditure of federal funds for the benefit of the Airport, including but not

limited to the terms of any "Sponsor's Grant Assurances" or like agreement that has been or may be furnished by the County to the United States, its boards, commissions, or agencies, including without limitation the Federal Aviation Administration. Lessee shall abide by the requirements of agreements entered into between the County and the United States, as applicable, and shall consent to amendments and modifications of this Lease if required by such agreements or assurances or if required as a condition of the County's entry into such agreements. In the event that the County, through its Director, reasonably determines that this Lease or any provision contained herein causes or may cause a violation of any agreement between the County and the United States, the County shall have the unilateral right to modify or terminate this Lease to ensure the County's compliance with all such agreements with the United States.

- 33.1.4 During the time of war or national emergency, County shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such lease is executed, the provisions of this Lease insofar as they may be inconsistent with the provisions of such lease to the Government, shall be suspended, but such suspension shall not extend the term of this Lease. Abatement of rentals shall be determined by County in proportion to the degree of interference with Lessee's use of the Leased Premises.
- 33.1.5 Except to the extent required for the performance of any obligations of Lessee hereunder, nothing contained in this Lease shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those rights where subject to Federal Aviation Administration rules, regulations and orders currently or subsequently effective.

SECTION 34 ENTIRE AGREEMENT

- 34.1 The Lease consists of Sections 1 to 34, inclusive, and Exhibit A, Exhibit B, Exhibit C, Exhibit D, Exhibit E and Exhibit F and of which together constitute the Lease.
- 34.2 Integration Clause.

The Parties acknowledge and agree that this Lease contains the entire agreement and understanding of the Parties concerning the subject matter hereof and supersedes and replaces all prior negotiations, proposed agreements and ancillary agreements, written or oral. The Parties further agree that no party has executed this Lease in reliance upon any promise, representation or warranty not contained in this Lease.

The remainder of this page is intentionally left blank.

	hereto have caused this Lease to be executed by the KY AVIATION, INC. on, 2025	
	COUNTY OF LOS ANGELES	
	By Chairman of the Board of Supervisors	
ATTEST:		
EDWARD YEN Executive Officer of the Board of Supervisors of the County of Los Angeles		
By Deputy		
APPROVED AS TO FORM:		
DAWYN R. HARRISON County Counsel		
By		
	BLUE SKY AVIATION, INC. a California Corporation	
	Raghu Murthy Digitally signed by Raghu Murthy Date: 2025.04.07 13:18:55-07'00' By Dr. Raghu Murthy	

EXHIBIT A <u>Leased Premises</u>



EXHIBIT B

Insurance

The Lessee, in its own name as insured, and at its sole cost and expense, shall secure and maintain in continuous effect, during the term of this Lease, insurance policies issued by an insurance carrier licensed to do business in the State of California, whichever is greater, all applicable coverage and limits of insurance set forth in the Minimum Standards, as may be amended by County from time to time, included with this Lease as Exhibit F, and providing for:

- 1. Commercial General Liability with a minimum single limit of \$1,000,000 (One Million Dollars) per occurrence for bodily injury, personal injury, and property damage for all premises, products and completed operations, unlicensed vehicles and contractual liability.
- Workers Compensation Coverage shall be provided for all employees. Coverage shall be for statutory limits in compliance with applicable state and federal laws. The policy must include employer's liability with a minimum limit of \$100,000 (One-hundred Thousand Dollars) each accident / \$500,000 (Five-hundred Thousand Dollars) disease policy limit / \$100,000 (One-hundred Thousand Dollars) disease each employee.
- Comprehensive Automobile Liability with a minimum single limit of \$500,000 (Five Hundred Thousand Dollars) per occurrence for bodily injury and property damage with coverage in the following areas:
 - (a) Owned vehicles
 - (b) Non-owned vehicles
 - (c) Hired vehicles
- 4. Hangar Keeper's Liability with a minimum single limit of \$500,000 (Five Hundred Thousand Dollars). Coverage shall be based on the largest aircraft accommodated by Lessee and shall include property damage for all non-owned aircraft under Lessee's care, custody, and control.
- 5. Rental interruption insurance in the amount equal to six (6) month's rent.

Lessee shall provide County with the Policies and Certificates indicating proof of the foregoing insurance coverages and all applicable insurance coverages in accordance with the Minimum Standards. Such certificates shall name County as Additional Insureds and provide that the carrier issuing the certificate shall notify County thirty (30) days in advance of any cancellation or material change in the terms of coverage of such insurance policies. Furthermore, insurance coverages shall contain a cross-liability or severability of interest clause, and a waiver of subrogation in favor of County. In no event shall the limits of said policies be considered as limiting the liability of Lessee under this Lease. The failure of the Lessee to obtain or maintain such insurance coverage shall not relieve the Lessee from any liability arising from this Lease, nor shall any such liability be limited to the liability insurance coverage provided for herein.

EXHIBIT C

Lessee Improvements

Lessee agrees to make the following improvements to the Leased Premises and shall ensure that all such improvements fully comply with the Minimum Standards and Los Angeles County Codes for building, electrical, and plumbing:

- 1. All improvements described on the attached construction plans titled KEMT Building Alpha dated March 20, 2024.
- 2. All improvements described on the attached construction plans titled KEMT Building Bravo dated March 20, 2024.

EXHIBIT D

COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS PROCEDURES FOR ACCEPTANCE OF SECURITIES

Developers, permit applicants and/or contractors (hereafter referred to as Customers) may conduct business with the Department of Public Works (DPW) that requires the presentation of Securities (Letters of Credit, Certificates of Deposit, Time Deposits, or Passbook Savings Accounts) in lieu of cash deposits for performance bonds, or to guarantee the payment of future improvements as stipulated by contracts with the County, or to meet other requirements. Customers required to present Securities must obtain them from financial institutions that meet current County Treasurer and Tax Collector policies, "Minimum Criteria and Standards for Letters of Credit," or "Minimum Criteria and Standards for Certificates of Deposit" (included in this package), as well as the applicable Security requirements below.

<u>Prior to executing and presenting a Security</u>, Customers must request that their proposed financial institution be evaluated to determine whether it meets the Minimum Criteria and Standards cited above. Requests for approval need to be submitted on a Request for Approval of Financial Institution Form (included in this package) to DPW's Fiscal Division Securities Desk, located on the 7th Floor of the Headquarters Building, 900 South Fremont Avenue, Alhambra, California, 91803. All information on the Request for Approval Form must be completed. The Form will then be sent to the Treasurer and Tax Collector for financial institution review and approval.

Customers will be informed of approval or rejection by the DPW responsible division's representative. The approval expires after 30 days. Customers should allow at least five business days for review and approval processing to ensure that there will be no delay in the approval of any pending project or permit. If the proposed financial institution is rejected, Customers should contact the DPW Fiscal Division Securities Desk if assistance is needed in locating a financial institution that meets the minimum standards.

Once a financial institution is approved, Securities submitted must comply with provisions of the Minimum Criteria and Standards and the Security Requirements indicated below and be dated within 30 days of the financial institution approval date.

Security Requirements

Letters of Credit (LOC)

- 1. LOCs must meet current Treasurer and Tax Collector policy, "Minimum Criteria and Standards for Letters of Credit."
- 2. The LOC will not be accepted unless it is prepared using the format shown on the Required Format for Irrevocable Letter of Credit (included in this package).
- 3. The LOC must be automatically renewable without amendment for one year from the present or any future expiration date, unless at least 90 days prior to any expiration date, written notice of non-renewal is provided.

- 4. The Customer must maintain acceptable LOCs or other approved collateral throughout the term of the underlying project or performance agreement, including amendments or extensions.
- 5. DPW may request payment (drawdown of LOC) in the event of a default by the Customer as may be determined by DPW.
- 6. The events of default upon which the County may draw down on the LOC include:
 - a. When the Treasurer and Tax Collector determines at the LOC's maturity or expiration that the financial institution issuing the original LOC no longer meets the minimum criteria and standards set forth above: if the Customer has not replaced the original LOC with a new approved LOC or other acceptable collateral within 30 days of mailing of notification (to Customer's address last submitted to DPW).
 - b. Expiration of the original LOC prior to fulfillment of the underlying agreement and any related or contingent obligations, whichever comes first.
 - c. Any other event of default as stated in the underlying performance agreement by the Customer.
- 7. The Customer and the financial institution on which the LOC is drawn cannot be the same entity.

Certificates of Deposit, Time Deposits, and Passbook Savings Accounts (CDs)

- 1. CDs must meet current Treasurer and Tax Collector policy, "Minimum Criteria and Standards for Certificates of Deposit."
- 2. CDs must be held in the name of or pledged solely to the County of Los Angeles Department of Public Works.
- 3. The Customer may not withdraw the principal from the account, and the financial institution may not close the Security account without written authorization from the County of Los Angeles Department of Public Works.
- 4. CDs must be automatically renewable.
- 5. The Customer must maintain acceptable CDs or other approved collateral throughout the term of the underlying project or performance agreement, including amendments or extensions.
- 6. The events of default upon which the County may cash the CD include:
 - a. When the Treasurer and Tax Collector determines at the CD's maturity or expiration that the financial institution issuing the original CD no longer meets the minimum criteria and standards set forth above: if the Customer has not

replaced the original CD with a new approved CD or other acceptable collateral within 30 days of mailing of notification (to Customer's address last submitted to DPW).

- b. Expiration of the original CD prior to fulfillment of the underlying agreement and any related or contingent obligations, whichever comes first.
- c. Any other event of default as stated in the underlying performance agreement by the Customer.
- 7. Notification of determination by DPW of a default under the performance agreement is sufficient to cash the CD or passbook. The Customer agrees to be held responsible for any penalties or loss of interest associated with the early withdrawal of the CD in the event of a default as determined by DPW. Written notice of DPW's determination of default shall be sent to the last submitted address of the Customer.
- 8. Any interest on the CD that may be paid to DPW by the financial institution issuing the CD shall be paid to the Customer by DPW within 60 working days of Public Works' receipt.
- 9. The Customer assumes all risk of lost principal and interest from the CD should the financial institution be declared insolvent or fall into default and fail to pay principal or interest. The Customer shall at such point provide adequate substitute collateral, or pay DPW amounts equal to such CD within 30 days of receipt of notice from DPW.
- 10. The Customer is responsible for payment of any taxes due on interest paid on the principal.

_					_	_
_	x	н	-			-
_	$\boldsymbol{\wedge}$		-	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		_

LOS ANGELES COUNTY CODE

TITLE 19

AIRPORTS AND HARBORS

The provisions codified in this title reflect changes made by all County ordinances up to and including Ordinance 12264, passed November 18, 1980.

AIRPORTS

Title 19

AIRPORTS AND HARBORS

Chapters:

- 19.04 Airports
- 19.08 Airport Hazards
- 19.12 Harbors

Chapter 19.04

AIRPORTS 1

Parts:

- 1. General Provisions
- 2. Definitions
- 3. Rules and Regulations
- 4. Aircraft Operations and Facilities
- 5. Motor Vehicle Regulations
- 6. Fire regulations

Part 1

GENERAL PROVISIONS

Sections:

19.04.010	Title for citation.
19.04.020	Purpose of chapter provisions.
19.04.030	Applicability of provisions.
19.04.040	Regulations imposed by county - Ejection of violators authorized when.
19.04.050	Provisions supplement state and federal regulations.
19.04.060	Exceptions and variances - Conditions.
19.04.070	Compliance with regulations.
19.04.080	Liability limitations.
19.04.090	Enforcement authority.
19.04.100	Violation - Penalty.
19.04.110	Severability.

- **19.04.010 Title for citation.** The ordinance codified in this chapter shall be known as, and may be cited as the "airport ordinance." (Ord. 9979 Art. 1 § 2, 1970.)
- **19.04.020 Purpose of chapter provisions.** The purpose of this chapter is to provide minimum standards to safeguard life, limb, property and public welfare by regulating and controlling the various activities on airports and STOLports owned or operated or both by the County of Los Angeles. (Ord. 9979 Art. 1 § 1, 1970.)

- **Applicability of provisions.** The provisions of this chapter shall apply to any person, firm or corporation using such county airports or any navigation facility or portion thereof or space therein, provided that in no case shall the public be deprived of its rightful, equal and uniform use of the landing area or air navigation facilities. (Ord. 9979 Art. 1 § 3, 1970.)
- 19.04.040 Regulations imposed by county Ejection of violators authorized when. The regulations in this chapter and the regulations imposed pursuant to Section 19.04.560 are imposed by the county of Los Angeles as operator of and in charge of all of the county airports as conditions upon the privilege of being present upon or using any county airport. Every person who violates any such conditions is a trespasser ab initio and may be excluded from the airport upon which the violation of such condition occurs. (Ord. 9979 Art. 1 § 4, 1970.)
- **19.04.050 Provisions supplement state and federal regulations.** The rules and regulations codified in this chapter are a supplement to any local laws or ordinances, including state and federal laws, that may be in effect, and in no manner will these rules be construed to reduce or limit the authority of said laws or regulations. (Ord. 9979 Art. 1 § 10, 1970.)
- 19.04.060 Exceptions and variances Conditions. If the director of aviation finds that any provision of this ordinance or any regulation adopted pursuant to Section 19.04.560 would, if enforced, cause unnecessary hardship or practical difficulties inconsistent with economic feasibility, or would do manifest injustice, or impose a burden upon any person disproportionate to any benefit to the general public or to the airport, he may grant for a limited time, to be specified in such exception or variance, an exception or variance to such provision or regulation, but only to the extent that such exception or variance does not violate any other Ordinance, or any state or federal statute or regulation. (Ord. 9979 Art. 1 § 8, 1970.)
- **19.04.070 Compliance with regulations.** A person shall not enter, be or remain on any airport unless he complies with all of the regulations set forth in this chapter applicable to such airport, and with all other applicable ordinances, rules and regulations. (Ord. 9979 Art. 1 § 5, 1970.)
- **19.04.080 Liability limitations.** A person exercising any of the privileges authorized by this chapter does so at his own risk without liability on the part of the county, or Los Angeles County Flood Control District, for any injury to person or property resulting therefrom. (Ord. 9979 Art. 1 § 11, 1970.)
- **19.04.090** Enforcement authority. The director shall enforce the provisions of this chapter. (Ord. 9979 Art. 1 § 6, 1970.)
- **19.04.100 Violation Penalty.** Any person within the unincorporated territory of the county of Los Angeles who violates any provision of this chapter, the conditions of any permit issued pursuant thereto, or any rule or regulation relating to airports, is guilty of a misdemeanor. Upon conviction thereof, he shall be punishable by a fine of not less than \$5.00 nor more than \$200.00, or by imprisonment in the County Jail for not less than five days nor more than six months, or by both such fine and imprisonment. Every day during any portion of which any violation of such provision of this chapter or of such regulation is committed, continued or permitted shall constitute such violation a separate offense. (Ord. 9979 Art. 1 § 7, 1970.)
- **19.04.110 Severability.** If any provision or clause of the ordinance codified in this chapter, or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable. (Ord. 9979 Art. 1 § 9, 1970.)

Part 2

DEFINITIONS

Sections:	
19.04.120	Aerobatic.
19.04.130	Aircraft.
19.04.140	Airport.
19.04.150	Air traffic.
19.04.160	Apron.
19.04.170	Board.
19.04.180	Commercial operator.
19.04.190	Commercial vehicle.
19.04.200	County.
19.04.210	Deputy.
19.04.220	Director.
19.04.230	Driveway.
19.04.240	FAA
19.04.250	Flying club (commercial).
19.04.260	Flying club (nonprofit).
19.04.270	Loading ramp.
19.04.280	Loading zone.
19.04.290	Manager.
19.04.300	Motor vehicle.
19.04.310	Operator.
19.04.320	Parking area and aircraft parking area.
19.04.330	Parking rent.
19.04.340	Passenger ramp.
19.04.350	Pedestrian.
19.04.360	Person.
19.04.370	Pilot's association.
19.04.380	Propeller blast.
19.04.390	Section.
19.04.400	Shall and may.
19.04.410	Traffic.
19.04.420	Vehicle.

- **19.04.120** Aerobatic. "Aerobatic" means maneuvers intentionally performed by an aircraft involving an abnormal attitude as defined in FAA Regulations. (Ord. 9979 Art. 2 § 28, 1970.)
- **19.04.130** Aircraft. "Aircraft" means any contrivance, now known or hereafter invented, for use or designed for navigation of or flight in the air. (Ord. 9979 Art. 2 § 25, 1970.)
- **19.04.140 Airport.** "Airport" means any airport and/or STOLport owned or operated, or both, by the county of Los Angeles, California. (Ord. 9979 Art. 2 § 19, 1970.)
- **19.04.150 Air traffic.** "Air traffic" means aircraft in operation anywhere in the airspace and on that part of the airport normally used for the movement of aircraft. (Ord. 9979 Art. 2 § 26, 1970.)

- **19.04.160** Apron. "Apron" means that area normally used for the parking, tying down and fueling of aircraft and the movement of aircraft between main taxiways and hangars or aircraft parking space. (Ord. 9979 Art. 2 § 29, 1970.)
- **19.04.170 Board.** "Board" means the board of supervisors of the county of Los Angeles. (Ord. 9979 Art. 2 § 13, 1970.)
- **19.04.180 Commercial operator.** "Commercial operator" means one who provides services on any airport as an airport tenant, lessee, licensee or permittee. (Ord. 9979 Art. 2 § 20, 1970.)
- **19.04.190 Commercial vehicle.** "Commercial vehicle" means a vehicle used or maintained for the transportation of persons or property for hire, compensation or profit. (Ord. 9979 Art. 2 § 38, 1970.)
- **19.04.200 County.** "County" means the county of Los Angeles. (Ord. 9979 Art. 2 § 12, 1970.)
- **19.04.210 Deputy.** "Deputy" means chief, aviation division; assistant chief, aviation division; head airport manager or airport manager. (Ord. 9979 Art. 2 § 17, 1970.)
- **19.04.220 Director.** "Director" means the director of aviation of the county of Los Angeles, or other person authorized by him to act in his behalf. (Ord. 9979 Art. 2 § 16, 1970.)
- **19.04.230 Driveway.** "Driveway" means any street or roadway, either improved or unimproved, within the boundaries of the airport set aside or designated for use by vehicles. (Ord. 9979 Art. 2 § 39, 1970.)
- **19.04.240** FAA. "FAA" means the Federal Aviation Administration of the United States. (Ord. 9979 Art. 2 § 42, 1970.)
- 19.04.250 Flying club (commercial). "Flying club (commercial)" means any person or groups of persons owning or operating an aircraft from any airports that do not meet the requirements of a private plane owner, a nonprofit flying club, or if a fee is derived from the operation of the aircraft, shall be deemed a commercial operator, and shall be required to meet all requirements and pay all fees as prescribed. The director shall have the sole discretion to determine whether a flying club is nonprofit or commercial. (Ord. 9979 Art. 2 § 23, 1970.)
- **19.04.260 Flying club (nonprofit).** "Flying club (nonprofit)" means any group of persons joining together equally or proportionately in aircraft ownership in a nonprofit venture for the personal pleasure and use of participating members only. (Ord. 9979 Art. 2 § 22, 1970.)
- **19.04.270 Loading ramp.** "Loading ramp" means that space reserved for the loading and unloading of aircraft. (Ord. 9979 Art. 2 § 33, 1970.)
- **19.04.280 Loading zone.** "Loading zone" means that space reserved for the exclusive use of vehicles during the loading or unloading of passengers or materials. (Ord. 9979 Art. 2 § 32, 1970.)
- **19.04.290 Manager.** "Manager" means any person appointed by the director of aviation or his authorized representative to serve in managerial capacity at any Los Angeles County airport. (Ord. 9979 Art. 2 § 18, 1970.)
- **19.04.300 Motor vehicle.** "Motor vehicle" means a vehicle which is self-propelled. (Ord. 9979 Art. 2 § 37, 1970.)

- **19.04.310 Operator.** "Operator" means the pilot or owner of an aircraft, or any person who has rented or otherwise has the authorized use of such aircraft for the purpose of operation by him or his agent. (Ord. 9979 Art. 2 § 21, 1970.)
- **19.04.320** Parking area and aircraft parking area. "Parking area" means and includes any portion of the airport which is set aside for the parking of vehicles. "Aircraft parking area" means the area set aside for the parking of aircraft. (Ord. 9979 Art. 2 § 31, 1970.)
- **19.04.330** Parking rent. "Parking rent" means and denotes the privilege of parking rented to a person for the parking or tethering of his aircraft or vehicle. It does not denote any form of implied liability such as "hangar keeper's liability" or liability similar thereto. (Ord. 9979 Art. 2 § 30, 1970.)
- **19.04.340** Passenger ramp. "Passenger ramp" means equipment used to aid the loading and unloading of aircraft passengers. (Ord. 9979 Art. 2 § 34, 1970.)
- **19.04.350 Pedestrian.** "Pedestrian" means any person afoot. (Ord. 9979 Art. 2 § 41, 1970.)
- **19.04.360** Person. "Person" means any individual, firm, copartnership, corporation, company, association, joint stock association or political body, and includes any trustee, receiver, assignee or similar representative thereof (Ord. 9979 Art. 2 § 35, 1970.)
- **19.04.370 Pilot's association.** "Pilot's association" means any nonprofit organized group of pilots, and others, for the purpose of promoting and bettering aviation and for social activities. (Ord. 9979 Art. 2 § 24, 1970.)
- **19.04.380 Propeller blast.** "Propeller blast" means the resultant air movement created by the propeller, rotor or jet exhaust from any aircraft. (Ord. 9979 Art. 2 § 27, 1970.)
- **19.04.390 Section.** "Section" means a section of this chapter. (Ord. 9979 Art. 2 § 15, 1970.)
- **19.04.400** Shall and may. "Shall" is mandatory and "may" is permissive. (Ord. 9979 Art. 2 § 14, 1970.)
- **19.04.410 Traffic.** "Traffic" means pedestrians and vehicles, either singly or together, while using any driveway. (Ord. 9979 Art. 2 § 40, 1970.)
- **19.04.420 Vehicle.** "Vehicle" means a device in, upon or by which any person or property is or may be propelled, moved or drawn upon a highway. (Ord. 9979 Art. 2 § 36, 1970.)

Part 3

RULES AND REGULATIONS

Sections:

otionio.	
19.04.430	Entry on airport property constitutes agreement to comply with regulations.
19.04.440	Experimental aircraft and motor vehicles.
19.04.450	Areas closed to the public - Entry restrictions.
19.04.460	Roads and walks - Use restrictions.
19.04.470	Landing areas - Pedestrian restrictions.
19.04.480	Animals - Control required.

19.04.490 Apron of airport - Activities restricted.

- 19.04.500 Sanitation of premises Comfort stations.
 19.04.510 Injuring airport property Payment of costs.
 19.04.520 Commercial operations Requirements generally.
 19.04.530 Advertisements Approval for posting or distribution.
 19.04.540 Lost articles.
 19.04.550 Gambling prohibited.
- 19.04.430 Entry on airport property constitutes agreement to comply with regulations. Any permission granted by the board of supervisors of the County of Los Angeles, or director thereof, directly or indirectly, expressly or by implication, to enter upon or use the airport or any part thereof (including aircraft operators, crew members and passengers, spectators, sightseers, pleasure and commercial vehicles, officers and employees of airlines, lessees and other persons occupying space at such airport, persons doing business with any airport, its lessees, sublessees and permittees, and all other persons whosoever whether or not of the type indicated) is conditioned upon compliance with this chapter, and rules and regulations of Los Angeles County airports; and entry upon or into the airport by any person shall be deemed to constitute an agreement by such person to comply with said ordinance, rules and regulations. (Ord. 9979 Art. 3 § 43, 1970.)
- **19.04.440** Experimental aircraft and motor vehicles. Demonstrations or testing of experimental aircraft or motor vehicles shall not be conducted on an airport without the express approval of the director. (Ord. 9979 Art. 3 § 52, 1970.)
- **19.04.450** Areas closed to the public Entry restrictions. Persons shall not enter any restricted area posted as "closed" to the public except persons authorized by the director. (Ord. 9979 Art. 3 § 47, 1970.)
- 19.04.460 Roads and walks Use restrictions.
 - A. All persons wishing to travel on any airport must do so only on roads, walks or places provided for this class of traffic.
 - B. All persons shall use the roads or walks or places in such a manner as not to hinder or obstruct their proper use. (Ord. 9979 Art. 3 § 46, 1970.)
- **19.04.470** Landing areas Pedestrian restrictions. A person shall not enter, be or remain upon any landing area of any airport unless the director or airport manager finds that his presence will not endanger anyone or interfere with any operations of the airport and has given him permission to so enter, be or remain. (Ord. 9979 Art. 3 § 48, 1970.)
- **19.04.480** Animals Control required. Dogs and other animals may be permitted on an airport only if on a leash or confined in such a manner as to be under control. (Ord. 9979 Art. 3 § 51, 1970.)
- 19.04.490 Apron of airport Activities restricted.
 - A. Persons on the apron shall be careful to keep clear of moving aircraft or turning propellers.
 - B. No one shall use, climb upon, sit in, push or otherwise touch property of others parked or based on the airport.
 - C. Children under 14 years of age must be accompanied by adults when in any area except the terminal building. (Ord. 9979 Art. 3 § 49, 1970.)

19.04.500 Sanitation of premises - Comfort stations.

- A. Garbage, papers and refuse, or other material, shall be placed in receptacles provided for that purpose.
- B. Comfort stations are for the convenience of the public and all persons shall use them only in a clean and sanitary manner. (Ord. 9979 Art. 3 § 54, 1970.)

19.04.510 Injuring airport property - Payment of costs.

- A. Persons shall not:
 - 1. Destroy, injure, deface or disturb any property;
 - 2. Abandon any personal property on the airport;
 - 3. Alter in any way, unless approved in advance in writing by the director, any building, structure, fixtures or equipment; or
 - 4. Hoist any objects in any manner from any building or structure except as approved by the director.
- B. Any and all airport property destroyed, injured or damaged, by accident or otherwise, shall be paid for by the party or parties responsible. (Ord. 9979 Art. 3 § 50, 1970.)
- 19.04.520 Commercial operations Requirements generally. All persons wishing to use an airport, or any portion thereof, for any revenue-producing activity such as, but not limited to, commercial photography, air shows, air charters, flight instruction, sales of equipment, supplies or aircraft, and maintenance or repair of aircraft, or for any consideration of any nature whatsoever, must secure an appropriate permit, license or lease for such activity from the director and pay the rates and charges prescribed for such use. An approved performance bond may also be required. (See Section 19.04.580.) (Ord. 9979 Art. 3 § 44, 1970.)
- **19.04.530** Advertisements Approval for posting or distribution. All persons wishing to post, distribute or display signs, advertisements, circulars, printed or written matter at any airport must obtain the approval of the director and post such notices in a manner prescribed by the director. (Ord. 9979 Art. 3 § 45, 1970.)
- **19.04.540 Lost articles.** Any person finding lost articles shall deposit them at the airport office. (Ord. 9979 Art. 3 § 55, 1970.)
- **19.04.550 Gambling prohibited.** Persons shall not conduct gambling in any form, or operate gambling devices anywhere on an airport. (Ord. 9979 Art. 3 § 53, 1970.)

Part 4

AIRCRAFT OPERATIONS AND FACILITIES

Sections:	
19.04.560	Director powers and duties.
19.04.570	Hours of operation.
19.04.580	Commercial operations - Permit procedures and fees.
19.04,590	Airport fees - Payment required.
19.04.600	Airport fees - Penalties for failure to pay.
19.04.610	Insurance requirements for commercial operators.

19.04.620 Aircraft - Storage license and registration requirements. 19.04.630 Instructors, mechanics and other personnel - Registration. 19.04.640 Visiting pilots - Registration. 19.04.650 Flying clubs. 19.04.660 Tenants and lessees - Posting of information. 19.04.670 Traffic rules - Passengers, aircraft and equipment. Aircraft - Engine operation restrictions. 19.04.680 19.04.690 Brakes and blocking devices for aircraft and equipment. Aircraft - Taxiing restrictions. 19.04.700 Loading gates - Use restrictions. 19.04.710 Freight and cargo handling. 19.04.720 Aircraft - Parking and storage specifications. 19.04.730 Intoxicating liquor, narcotics or drugs - Restrictions. 19.04.740 19.04.750 Aircraft - Unnecessary noise prohibited. Aircraft operation - Traffic pattern. 19.04.760 19.04.770 Aircraft operation - Takeoffs and landings. Aircraft operation - Formation takeoffs and landings. 19.04.780 19.04.790 Unattended aircraft. 19.04.800 Helicopter operations. Gliders - Towing restrictions. 19.04.810 19.04.820 Aircraft - Agricultural activities prohibited. Model aircraft - Operation prohibited. 19.04.830 Parachute jumping prohibited - Exception. 19.04.840 19.04.850 Aircraft - Maintenance and repair activities. Aircraft - Washing facilities. 19.04.860 19.04.870 Aircraft - Fuel and oil. 19.04.880 Accident report requirements. 19.04.890 Damaged or disabled aircraft - Removal requirements. 19.04.900 Aircraft impound area - Placement conditions.

19.04.560 Director powers and duties.

- A. The director shall recommend to the board for approval and adoption and the board may adopt rates and charges and such additional regulations regarding each airport operation as may be necessary, provided such regulations are not conflicting with anything contained in this chapter.
- B. The director shall be responsible for notifying the appropriate authorities of all flight operations being conducted in an illegal or hazardous manner within an airport flight pattern or control zone.
- C. The manager shall have the authority to take such steps as may be necessary for the handling, policing and protection of the public at the airport.
- D. The manager may, in his absence, appoint the assistant airport manager, or an airport serviceman, to act as his agent for the county in matters not affecting policy. (Ord. 9979 Art. 4 § 56, 1970.)
- **19.04.570 Hours of operation.** The airport will be in operation for such hours as designated by the director, subject to such restrictions as are necessary in the interest or safety. (Ord. 9979 Art. 4 § 57, 1970.)

- **19.04.580** Commercial operations Permit procedures and fees. A written permit issued by the county of Los Angeles is required of all persons prior to commencing commercial operations from or upon an airport.
 - A. Application. To obtain a permit, the applicant shall first file an application in writing with the director on a form furnished by the director.
 - B. Duration. Permits may be issued for the following duration:
 - 1. Temporary, from one to 30 days, as shown on permit;
 - 2. Month-to-month;
 - 3. Semi-annual;
 - 4. Annual.
 - C. Permit Fees. An appropriate fee, set by the board, shall be paid upon the issuance of a permit to operate any commercial activity on or off an airport.
 - D. Permits. The permit will indicate the type of activity, dates covered, principals involved and the fee paid, as well as any special conditions or requirements.
 - E. Special Requirements. Because of the nature of each activity, there may be additional or special requirements for a permit, such as insurance, equipment, inspections, approved performance bonds, or whatever the director may require for the protection of the public and the county of Los Angeles. (Ord. 9979 Art. 4 § 58, 1970.)
- **19.04.590** Airport fees Payment required. Persons shall not operate an aircraft or use a landing area, passenger ramp, apron area or aircraft parking and storage area except upon payment of such fees and charges as established by the board. (Ord. 9979 Art. 4 § 59, 1970.)
- **19.04.600** Airport fees Penalties for failure to pay. Any aircraft owner, agent or pilot in charge failing to pay any fee charged against aircraft owned or controlled by him shall be subject to:
 - A. Having said aircraft held until such fees are paid;
 - B. Any other penalties which may be imposed by law. (Ord. 9979 Art. 4 § 60, 1970.)
- 19.04.610 Insurance requirements for commercial operators.
 - A. All commercial operators on any airport shall obtain public liability and property damage insurance together with product liability coverage, with a hold-harmless endorsement in favor of the county of Los Angeles, its officers and employees, in amounts set by the director from a company or companies which are licensed to do business in California and which are satisfactory to the director.
 - B. All commercial operators shall obtain insurance which shall be extended to cover persons who rent aircraft from a commercial operator against claims for property damage or liability to passengers or third parties. (Ord. 9979 Art. 4 § 87, 1970.)
- **19.04.620** Aircraft Storage license and registration requirements. All persons wishing to store aircraft on an airport must make application and complete an aircraft storage license. Each commercial operator shall submit a list of aircraft based in this area, including his own, to the airport manager, stating the owner's name, address, telephone number, aircraft make, model and registration number. On the first day of each

month, a report of newly based or departed aircraft shall be submitted. (Ord. 10294 § 1, 1971: Ord. 9979 Art. 4 § 62, 1970.)

- **19.04.630 Instructors, mechanics and other personnel Registration.** All flight instructors, charter pilots, ground-school instructors and aircraft and engine mechanics shall be registered with the manager's office prior to operating from any airport, and shall have such required licenses, permits or certificates verified. (Ord. 9979 Art. 4 § 61, 1970.)
- **19.04.640 Visiting pilots Registration.** All visiting pilots who land at an airport shall register on arrival. (Ord. 9979 Art. 4 § 63, 1970.)

19.04.650 Flying clubs.

- A. Profit-making clubs are considered to be commercial operators and shall not base at any airport without a lease.
- B. All nonprofit flying clubs shall be registered and file a copy of their organizational papers with the airport office.
- C. All flying clubs shall carry insurance in an amount and type set by the director. Members of flying clubs shall each have reasonable and proportionate ownership in the club's airplanes and equipment.
- D. No club shall solicit for the purpose of instruction any person on the premises of a commercial operator without the written permission of said operator on file with the director.
- E. The director shall have the sole discretion to determine whether a flying club is nonprofit or commercial. (Ord. 9979 Art. 4 § 64, 1970.)
- **Tenants and lessees Posting of information.** All lessees and tenants shall maintain bulletin boards in conspicuous places for the purpose of posting the information of their personnel and customers, airport regulations and charges. Each tenant shall post on his bulletin board Workmen's Compensation notices, lists of physicians and the names of liability insurance carriers. (Ord. 9979 Art. 4 § 86, 1970.)

19.04.670 Traffic rules - Passengers, aircraft and equipment.

- A. Persons shall not board or disembark from any aircraft on the landing or takeoff area.
- B. Aircraft shall not be permitted to stop on or remain on any part of the landing or takeoff area. Engine operation when loading or unloading passengers is prohibited except in cases where FAA regulations permit.
- C. Persons or equipment are not allowed on runways or taxiways except when authorized by the director. (Ord. 9979 Art. 4 § 69, 1970.)

19.04.680 Aircraft - Engine operation restrictions.

A. Aircraft engines shall not be started or run unless a qualified operator is at the control and effective brakes are on and locked or wheels blocked.

- B. Aircraft engines shall not be operated in a manner or position that hangars, buildings, or other facilities, property or persons may be damaged or injured by such operation. (Ord. 9979 Art. 4 § 74, 1970.)
- 19.04.690 Brakes and blocking devices for aircraft and equipment. Aircraft, passenger ramps, baggage trucks and other such portable equipment shall be equipped with brakes. In alternative cases, suitable blocking devices shall be securely set when equipment is not in use. (Ord. 9979 Art. 4 § 76, 1970.)

19.04.700 Aircraft - Taxiing restrictions.

- A. Pilots shall taxi their aircraft at a safe speed on taxiways, displaying extreme caution at all times.
- B. Aircraft shall not taxi onto the runways without first stopping to observe traffic and to wait for approaching aircraft to pass or land.
- C. Aircraft shall not be taxied into or out of hangars or push-in tiedown spots.
- D. Helicopters shall not air-taxi unless permitted by the director. (Ord. 9979 Art. 4 § 75, 1970.)

19.04.710 Loading gates - Use restrictions.

- A. The loading gate in front of the administration building or such other designated areas will be used only for the immediate loading or unloading of passengers, baggage, freight or cargo.
- B. Aircraft at the loading gate shall move out of the area as soon as loaded or unloaded.
- C. If an aircraft is delayed because of late passengers, equipment trouble, or for any other reason, the aircraft shall be moved to an area designated by the director. (Ord. 9979 Art. 4 § 71, 1970.)
- **19.04.720 Freight and cargo handling.** The handling of freight and cargo will be done only in areas designated by the director. (Ord. 9979 Art. 4 § 72, 1970.)

19.04.730 Aircraft - Parking and storage specifications.

- A. Aircraft shall be stored and repairs made only in areas designated for that purpose by the director.
- B. Privately owned aircraft shall be parked only in the aircraft parking area or in a hangar.
- C. Flying school and rental aircraft shall be parked and operated from an area assigned them by the director.
- D. Visiting aircraft shall be parked in the aircraft parking area in positions assigned them by the director.

- E. At the direction of the director, the operator, owner or pilot of any aircraft on the airport shall move the aircraft from the place where it is parked or stored to any other place designated on the airport. If the operator refuses to comply with the director, the director shall order the aircraft moved or towed to such designated place at the operator's expense and without liability for damage to the county, its officers, employees or agents, that may result from such moving.
- F. Open parking spaces for aircraft shall not be used for toolboxes, ladders, storage lockers or other tools or equipment.
- G. Hangar entrances shall be kept clear at all times. (Ord. 9979 Art. 4 § 70, 1970.)
- 19.04.740 Intoxicating liquor, narcotics or drugs Restrictions. No person who is under the influence of, or in possession of, Intoxicating liquor, narcotics or any dangerous drug (as now or hereafter listed in Section 4211 of the Business and Professions Code) shall board or operate any aircraft or motor vehicle upon an airport. (Ord. 9979 Art. 4 § 82, 1970.)
- **19.04.750** Aircraft Unnecessary noise prohibited. Aircraft shall be operated in a manner while on the ground or in flight so as to create the least amount of noise commensurate with safe operation. (Ord. 9979 Art. 4 § 66, 1970.)

19.04.760 Aircraft operation - Traffic pattern.

- A. Unless otherwise authorized, all aircraft entering the landing pattern shall do so in compliance with the published fight pattern. Pilots shall maintain a proper interval, as provided in the FAA air traffic control manual, to avoid crowding of the runways on landing.
- B. The director, unless superseded by other authority, by appropriate notice and clearances shall designate the traffic pattern altitude at each airport. (Ord. 9979 Art. 4 § 65, 1970.)

19.04.770 Aircraft operation - Take-offs and landings.

- A. Pilots shall make an engine check at least 100 feet clear of the runway and visually check for landing traffic before entering the takeoff position.
- B. Before taxiing an aircraft into position on the runway for takeoff, the final approach shall be clear.
- C. All takeoffs and landings of aircraft shall be made on the runway only.
- D. All initial takeoffs of aircraft shall be made from the end of the runway.
- E. No aircraft shall land or take off in such a manner as to clear any public street at an altitude of less than 50 feet.
- F. No 180-degree turns or turn-backs shall be made on the landing runway.
- G. Aircraft landing at the airport shall make the landing runway available to others by leaving the line of traffic as promptly as possible.

- H. The director may delay or restrict any flight or other operations at the airport, and may refuse takeoff clearance to any aircraft when necessary in the interest of safety.
- I. The director, by appropriate notices, may restrict, regulate or entirely suspend student training, touch-and-go landings, practice takeoffs and landings, or simulated forced landings when required in the interest of safety. (Ord. 9979 Art. 4 § 68, 1970.)
- **19.04.780** Aircraft operation Formation takeoffs and landings. Formation takeoffs or landings shall not be permitted. (Ord. 9979 Art. 4 § 67, 1970.)
- **19.04.790 Unattended aircraft.** Aircraft shall not be left unattended unless properly tied down. Owners of such aircraft shall be held responsible for any damage resulting from failure to comply with this rule. (Ord. 9979 Art. 4 § 73, 1970.)
- **19.04.800 Helicopter operations.** Helicopters shall land and take off from designated areas only. (Ord. 9979 Art. 4 § 77, 1970.)
- **19.04.810 Gliders Towing restrictions.** A person shall not tow or pull a glider by airplane, motor vehicle or any other method where such towing or pulling is for the purpose of taking off unless approved by the director. (Ord. 9979 Art. 4 § 78, 1970.)
- **19.04.820** Aircraft Agricultural activities prohibited. No dusting, spraying of insecticide, or other flights of an agricultural nature shall be allowed from an airport. (Ord. 9979 Art. 4 § 84, 1970.)
- **19.04.830 Model aircraft Operation prohibited.** No person shall fly or cause or permit the flying of model aircraft or any similar device on any airport. (Ord. 9979 Art. 4 § 88, 1970.)
- **19.04.840** Parachute jumping prohibited Exception. Parachute jumping within the confines of airport boundaries, flight patterns, approach zones or 45-degree entry legs, is prohibited unless prior approval is obtained from the FAA and the Division of Aeronautics of the state of California. (Ord. 9979 Art. 4 § 79, 1970.)
- 19.04.850 Aircraft Maintenance and repair activities.
 - A. Aircraft may be maintained and repaired on county-owned airports in designated maintenance and repair areas and buildings, in leased areas and buildings, in tee hangars and tiedown spaces rented under aircraft storage license agreements, and in buildings or areas approved or assigned by the airport manager, subject to compliance with terms and conditions included in applicable leases or license agreements.
 - B. Aircraft maintenance and repair performed in the areas and buildings is authorized subject to compliance with appropriate Federal Aviation Regulations, government agencies as provided in Section 19.04.050 of this chapter, Building and Fire Codes, and airport regulations. Maintenance performed by commercial operators not otherwise authorized by lease license agreement or contract is permitted subject to compliance with Sections 19.04.520 and 19.04.580 of this chapter. (Ord. 10294 § 2, 1971: Ord. 9979 Art. 4 § 85, 1970.)
- **19.04.860** Aircraft Washing facilities. Aircraft shall be washed only in areas provided for that purpose, or in any other area so designated by the director. Arrangements for the use of these facilities shall be made in advance. (Ord. 9979 Art. 4 § 83, 1970.)

- **19.04.870** Aircraft Fuel and oil. The county of Los Angeles shall be the distributor for fuel and oil products on all airports. (Ord. 9979 Art. 4 § 89, 1970.)
- **19.04.880** Accident report requirements. Witnesses of and participants involved in aircraft, vehicular or pedestrian accidents occurring on or within airport boundaries shall make a full report to the director as soon after the accident as practicable, and submit such information together with their names and addresses to complete required accident reports. (Ord. 9979 Art. 4 § 80, 1970.)
- 19.04.890 Damaged or disabled aircraft Removal requirements. The operator shall be responsible for the prompt removal of damaged or disabled aircraft or parts thereof unless required or directed to delay such action pending an investigation of the accident. In the event it shall become necessary for Los Angeles County airport personnel to move or have moved such disabled aircraft, or parts thereof, such removal shall be at the operator's expense, without liability to the county, its officers, employees or agents for damage which may result. (Ord. 9979 Art. 4 § 81, 1970.)
- Aircraft impound area Placement conditions. The director may establish an impound area on each airport to lock aircraft in place, and place therein any aircraft in possession of the county for which payment is owing to the county, and not paid on demand, for repairs, labor, supplies, materials or for storage of safekeeping; also for reasonable charges for the use of any landing aid and reasonable landing fee. The moving of such aircraft shall in no way obligate the county for any damages done. A \$ 10.00 charge for moving shall be added to the account. (Ord. 9979 Art. 4 § 90, 1970.)

Part 5

MOTOR VEHICLE REGULATIONS³

Sections:

13.04.310	Operation regulations applicable.
19.04.920	Flight operations area restrictions.
19.04.930	Clearance of fire gate and entrance areas.
19.04.940	Loading areas.
19.04.950	Speed limits.
19.04.960	Crossing runways - Procedures.
19.04.970	Yield right-of-way to aircraft.
19.04.980	Parking restrictions.
19.04.990	Repairs and cleaning restricted.
19.04.1000	Bicycles and certain other vehicles prohibited - Exceptions.

- **Operation regulations applicable.** Motor vehicles shall be operated on an airport in strict accordance with the motor vehicle laws of the state of California and local jurisdictions. In addition thereto, the following regulations set forth in this Part 5 pertaining to operation of motor vehicles on airports shall apply. (Ord. 9979 Art. 5 § 91, 1970.)
- 19.04.920 Flight operations area restrictions.

19 04 910 Operation regulations applicable

A. Motor vehicles shall not be permitted on the airport flight operations area except by prior approval of the director.

- B. All motor vehicles in daily use on the flight operations area shall be painted as set forth in the Federal Aviation Administration Regulations (FARs) or subsequent FARs.
- C. Other motor vehicles having occasion to enter the flight operations area shall display a flag above the vehicle. This flag shall be not less than three feet square, consisting of a checkered pattern of orange and white squares of not less than one foot on a side with the orange squares appearing at the corners and in the center of the flag. (Ord. 9979 Art. 5 § 92, 1970.)
- **19.04.930** Clearance of fire gate and entrance areas. All fire gates and entrances shall be kept clear of motor vehicles at all times. (Ord. 9979 Art. 5 § 99, 1970.)
- **19.04.940 Loading areas.** All motor vehicles shall load and unload only at locations designated by the director. (Ord. 9979 Art. 5 § 97, 1970.)
- **Speed limits.** Motor vehicles shall be operated on established streets and roadways in strict compliance with speed limits posted on traffic signs, and in any event shall not be in excess of 25 miles per hour, and shall at all times be operated in a proper and safe manner. On passenger loading ramps and in areas immediately adjacent to hangars, speed shall not exceed 10 miles per hour. (Ord. 9979 Art. 5 § 93, 1970.)
- 19.04.960 Crossing runways Procedures. The operator of a motor vehicle authorized to enter taxiways or runways shall exercise caution so as to keep clear of aircraft and shall follow the directions of the control tower, if any. (Ord. 9979 Art. 5 § 94, 1970.)
- **19.04.970 Yield right-of-way to aircraft.** Motor vehicular traffic shall yield the right-of-way to aircraft. (Ord. 9979 Art. 5 § 95, 1970.)
- **19.04.980 Parking restrictions.** Motor vehicles shall not be parked on an airport other than in the manner and at locations designated by the director. (Ord. 9979 Art. 5 § 98, 1970.)
- **19.04.990** Repairs and cleaning restricted. No person shall clean or make any repairs to motor vehicles anywhere on an airport, except those minor repairs necessary to remove such motor vehicles from an airport. (Ord. 9979 Art. 5 § 100, 1970.)
- **19.04.1000** Bicycles and certain other vehicles prohibited Exceptions. Bicycles, and other two- or three-wheel vehicles are strictly prohibited except when used in the conduct of business, such as transportation to an airport, or if approved by the director. (Ord. 9979 Art. 5 § 96, 1970.)

Part 6

FIRE REGULATIONS⁵

Sections:

19.04.1010 Fire equipment requirements.19.04.1020 Smoking and open-flame operations.

19.04.1030 Flammable materials - Use restrictions.

19.04.1040 Cleanliness of premises and equipment.

19.04.1050 Flammable rags and waste.

19.04.1060 Operations involving fire hazards.

19.04.1010 Fire equipment requirements.

- A. Adequate and readily accessible fire extinguishers shall be provided by lessees, and maintained in proper working order. Each fire extinguisher shall carry a suitable tab showing date of most recent inspection.
- B. Use of any fire equipment, no matter how trivial, shall be reported to the director immediately after use. (Ord. 9979 Art. 6 § 101. 1970.)

19.04.1020 Smoking and open-flame operations.

- A. Smoking or lighting of open flames shall be prohibited in the following locations:
 - 1. Places with posted "no smoking" signs;
 - 2. On ramps or aprons;
 - 3. Within 50 feet of fuel trucks or fuel-loading stations.
- B. Persons shall not be permitted to conduct any open-flame operations in any building, or part thereof, except those specifically rented for repair-shop purposes, unless specifically authorized by the director.
- C. Open flames, unprotected lightbulbs, blowtorches, heaters, welding, or other causes of fire or sources of sparks shall not be permitted within a distance of 100 feet while any fuel filling or draining operations are being conducted, or at any distance where ignition of fuel vapor is possible. (Ord. 9979 Art. 6 § 102, 1970.)

19.04.1030 Flammable materials - Use restrictions.

- A. No person shall keep, store, use or discard any flammable liquids, gases, signal flares or other similar material in hangars or in any building on any airport; however, such materials may be kept in aircraft in the proper receptacles installed in the aircraft for such purpose, or in rooms or areas specifically approved for such storage by the director.
- B. No cylinder or flask of compressed flammable gas shall be kept or stored except at such place as may be designated by the director.
- C. No gasoline shall be stored aboveground or brought upon the premises of an airport except by persons duly authorized by the director.
- D. Extreme caution shall be observed in handling paints, thinners and other flammable substances.
- E. The process of fabric preparation or painting shall not be carried on in any hangar or building other than those specifically approved for the purpose.
- F. No aircraft shall be fueled or drained while in a hangar or other enclosed place. Fueling shall be done in such a manner and with such equipment that adequate connections for the grounding at a point of zero electrical potential shall be continuously maintained during such times.
- G. No person shall use flammable volatile liquids in cleaning operations unless such cleaning operations are conducted in open air and 50 feet or more away from any other airplane, equipment or building.
- H. Aircraft or aircraft engines shall not be cleaned or degreased unless such operations are done in maintenance areas property equipped to handle such works, or in a space designated for such purpose by the director. (Ord. 9979 Art. 6 § 103, 1970.)

19.04.1040 Cleanliness of premises and equipment.

- A. Hangars and building space shall be kept clean inside and out.
- B. Hangar floors, gasoline pits and trucks shall be kept clean and free of excess gasoline, grease and other flammable liquids, solids or gases.
- C. Floors shall be kept clean and free of oil, and no volatile or flammable solvent shall be used for cleaning floors. (Ord. 9979 Art. 6 § 104, 1970.)

19.04.1050 Flammable rags and waste.

- A. Lessees of hangars or other airport areas shall provide suitable metal receptacles for the storage of oily waste, rags and other rubbish. All such waste or rubbish shall be removed by the lessee at frequent intervals. In garages, shops or other buildings operated or maintained by the airport, the above and other rules prescribed by the director shall be observed by employees on the airport engaged in operation or maintenance of such garages, shops or other buildings.
- B. Boxes, crates, rubbish, paper or other litter shall not be permitted to accumulate in or about any hangar, and all oil, paint, varnish cans, bottles or other containers shall be removed from the hangar immediately upon being emptied.
- C. Any spilled gasoline in enclosures shall be wiped up immediately. The cleaning rags shall be disposed of promptly and the space ventilated. (Ord. 9979 Art. 6 § 105, 1970.)
- **19.04.1060** Operations involving fire hazards. When any operation involving fire hazard not specifically covered by any regulation contained in this chapter constitutes an unsafe practice, in the opinion of the director, the operator shall cease such operation immediately upon notice. (Ord. 9979 Art. 6 § 106, 1970.)

Chapter 19.08

AIRPORT HAZARDS

Sections:

10.00.010	D 6 10
19.08.010	Definitions.
19.08.020	Board of supervisors findings.
19.08.030	High-tension electrical lines prohibited where.
19.08.040	Exceptions to chapter applicability.
19.08.050	Violation - Penalty.
19.08.060	Severability.

19.08.010 Definitions. As used in this chapter:

- A. "Airport" means any area of land or water which is used or intended for use for the landing and taking-off of aircraft.
- B. "Person" means any individual, firm, copartnership, joint adventure, association, social club, fraternal organization, corporation, estate, trust, business trust, receiver, syndicate, this and any other county, city and county, municipality, district or other political subdivision, or any other group or combination acting as a unit. (Ord. 6703 §§ 2 and 3, 1955.)
- **19.08.020 Board of supervisors findings.** The board of supervisors finds that high-tension wires carrying in excess of 66,000 volts in close proximity to airports present an extreme hazard to human life because of the possibility of contact with such wires by planes due to engine failure or other difficulties. (Ord. 6703 § 1, 1955.)
- 19.08.030 High-tension electrical lines prohibited where. A person shall not construct, establish or maintain any high-tension line carrying more than 66,000 volts of electricity within 2,000 feet of the outer boundaries of any airport unless all parts of such wire or wires are not more than 65 feet above the highest portion of such outer boundaries of the airport. (Ord. 6703 § 4, 1955.)
- **19.08.040** Exceptions to chapter applicability. This chapter does not apply to any high-tension line existing on June 14, 1955, the day that the ordinance codified in this chapter was adopted, unless the voltage in such line is subsequently increased or such line is raised or its position changed so as to bring it nearer to the outer boundaries of any airport. (Ord. 6703 § 5, 1955.)
- **19.08.050 Violation Penalty.** Violation of this chapter is punishable by a fine of not more than \$500.00 or by imprisonment in the County Jail for a period of not more than six months, or by both such fine and imprisonment. Each day during any portion of which any violation of any provision of this chapter is committed, continued or permitted is a separate offense. (Ord. 6703 § 7, 1955.)
- **19.08.060 Severability.** If any portion of the ordinance codified in this chapter or the application thereof to any person or circumstance is held invalid, the remainder of such ordinance and the application of such provision to other persons or circumstances shall not be affected thereby. (Ord. 6703 § 6, 1955.)
- For statutory provisions on county airports, see Gov. Code § 26020 et seq. and § 50470 et. seq. For county Aero Museum, see Ch. 2.90 of this code. For interference with airport operation, see Ch. 13.14.

For further information regarding Airport Rules and Regulations, or for information regarding references stated in this excerpt of the Los Angeles County Code, please contact us by e-mail at Aviation Division or call (626) 300-4602.

MINIMUM STANDARDS



El Monte Airport

4233 North Santa Anita Avenue El Monte, California 91731



El Monte Airport

1.	INTRODUCTION	1
••	1.1. Airport Owner and Operator	
	1.2. Purpose of Minimum Standards	1
	1.3. Applicability	
	1.4. Conflicting Regulatory Measures and Agreements	
	1.5. Amendments and Exemptions	
	1.6. Enforcement and Appeals	
2	GENERAL PROVISIONS AND REQUIREMENTS	4
	2.1. Introduction	
	2.2. Permit/Agreement	
	2.3. Compliance with Regulatory Measures	
	2.4. Fees, Rents and Charges	
	2.5. Written Communications	
	2.6. Identification of Commercial Activities	
	2.7. Multiple Activities	
	2.8. Minimum Premises	
	2.9. Qualifications	
	2.10. Personnel, Subtenants and Invitees; Control and Demeanor	
	2.11. Equipment	
	2.12. Hours of Activity	
	2.13. Fees for Products, Services, and Facilities	
	2.14. Security	
	2.15. Indemnification	
	2.16. Insurance	
3.	CONTRACT AIRPORT MANAGER	
	3.1. Introduction and Overview	
4.	FIXED BASE OPERATOR (FBO)	10
	4.1. Introduction	
	4.2. Compliance With Regulatory Measures	10
	4.3. Fuel Records and Reporting	
	4.4. Standard Operating Procedures	
	4.5. Minimum Premises	10
	4.6. Qualifications	11
	4.7. Fuel Storage	11
	4.8. Fueling Vehicles and Equipment	11
	4.10. Personnel	
	4.12. Insurance	
5.	SPECIALIZED AVIATION SERVICE OPERATOR (SASO)	13
	5.1. Introduction	13
	5.2. Minimum Premises	13
	5.3. Qualifications	13
	5.4. Personnel	14
	5.5. Commercial Operator Application / Permit	14
	5.6. Equipment	
	5.7. Hours of Activity	
	5.8. Insurance	14
6.	AIRCRAFT MAINTENANCE PROVIDER	15



El Monte Airport

	6.1.	Introduction	15
		Qualifications	
		Personnel	
		Equipment	
		Hours of Activity	
		Insurance	
7.		NICS OR INSTRUMENT MAINTENANCE PROVIDER	
		Introduction	
		Personnel	
		Equipment	
		Hours of Activity	
		Insurance	
8.		RAFT RENTAL PROVIDER OR FLIGHT TRAINING PROVIDER	
-		Introduction	
		Personnel	
		Equipment	
		Hours of Activity	
		Insurance	
9.		RAFT CHARTER PROVIDER OR AIRCRAFT MANAGEMENT PROVIDER	
•		Introduction	
		Qualifications	
		Personnel	
		Equipment	
		Hours of Activity	
		Insurance	
10		RAFT SALES PROVIDER	
. •		Introduction	
		Minimum Premises	
		Qualifications	
		Personnel	
		Equipment	
		Hours of Activity	
		Insurance	
11		RAFT STORAGE PROVIDER (COMMERCIAL)	
		Introduction	
		Minimum Premises	
		Personnel	
		Hours of Activity	
		Insurance	
12	.TEM	PORARY SPECIALIZED AVIATION SERVICE OPERATOR (SASO)	26
		Introduction	
		Qualifications	
		Personnel	
		Commercial Operator Application/Permit	
		Insurance	
	. 2.0.		20



13. AIRCRAFT STORAGE OPERATOR (NON-COMMERCIAL)	27
13.1. Introduction	
13.2. Minimum Premises	
13.3. Insurance	
14. SELF-FUELING PERMITTEE	
14.1. Introduction	
14.2. Compliance With Regulatory Measures	
14.3. Self-Fueling Permit	
14.4. Fuel Records and Reporting	
14.5. Standard Operating Procedures	28
14.6. Qualifications	
14.7. Personnel	
14.8. Fuel Storage	
14.9. Refueling Vehicles and Equipment	
14.10. Insurance	
15. DEFINITIONS	
EXHIBIT A - MINIMUM INSURANCE REQUIREMENTS	
EXHIBIT B - COMMERCIAL OPERATOR APPLICATION / PERMIT	
EXHIBIT C - SELF-FUELING APPLICATION / PERMIT	



1. INTRODUCTION

1.1. Airport Owner and Operator

- 1.1.1. El Monte Airport (Airport), located at 4233 North Santa Anita Avenue in El Monte, California is owned and governed by the County of Los Angeles (County).
- 1.1.2. The County may from time to time, and currently does, utilize the services of a private business, or Contract Airport Manager (Manager), for the management and operation of the Airport.

1.2. Purpose of Minimum Standards

- 1.2.1. It is the intent of the County to operate the Airport for the use and benefit of the public which shall be made available to all types, kinds, and classes of Aeronautical Activities on fair and reasonable terms.
- 1.2.2. Consistent with the County's objective to promote quality General Aviation products, services and facilities at the Airport, these Minimum Standards establish the minimum requirements to be met by an Entity as a condition for the privilege to conduct an Aeronautical Activity or provide a Commercial Aeronautical product, service or facility at the Airport.
- 1.2.3. These Minimum Standards have been developed in accordance with FAA Advisory Circular #150-5190-7, *Minimum Standards for Commercial Aeronautical Activities* (8/28/2006).

1.3. Applicability

- 1.3.1. All Entities conducting Commercial Aeronautical Activities at the Airport, hereinafter referred to as a Commercial Aeronautical Operator, shall, as a condition of conducting such activities, comply with all applicable requirements concerning such activities as set forth in these Minimum Standards and any amendments thereto. The requirements set forth herein are the Minimum Standards which are applicable to persons conducting Commercial Aeronautical Activities at the Airport and all persons are encouraged to exceed such Minimum Standards in conducting their activities. These Minimum Standards shall be deemed to be a part of each Commercial Aeronautical Operator's Lease, license, permit or Agreement with or from the County unless any such provisions are waived or modified, in writing, by an authorized representative of the County. The mere omission of any particular standard from a Commercial Aeronautical Operator's written Lease, license, permit or Agreement with the County, shall not constitute a waiver or modification of such standard in the absence of clear and convincing evidence that the County intended to waive or modify such standard.
- 1.3.2. Except as provided for in existing Agreements, these Minimum Standards shall apply to any new Agreement or any new amendment to, or renewal of, any existing Agreement relating to occupancy or use of Airport land or Improvements, including, but not limited to: Commercial Aeronautical Activities, Non-Commercial Aircraft Storage and Self-Fueling Activities at the Airport.
- 1.3.3. Commercial Aeronautical Operators currently engaged in a Commercial Aeronautical Activity(ies) on the Airport shall, in order to continue to engage in such Activity(ies),



have up to three (3) months from the adoption of these Minimum Standards to obtain an authorized Commercial Operator Application / Permit.

1.4. Conflicting Regulatory Measures and Agreements

- 1.4.1. If a provision of these Minimum Standards is found to be in conflict with any other provision of these Minimum Standards, a provision of any Regulatory Measure, or a provision of an existing Agreement or Permit (if provided for in the Agreement or Permit) or future Agreement or Permit, the provision that establishes the higher or stricter standard shall prevail.
- 1.4.2. It is not the intent of these Minimum Standards to repeal, abrogate, annul, or in any way impair or interfere with any existing provision of any Regulatory Measure.

1.5. Amendments and Exemptions

- 1.5.1. These Minimum Standards may be updated or otherwise modified at any time by the County as the County deems appropriate in accordance with County needs, requirements and processes.
- 1.5.2. The County may consider and authorize certain variances or exemptions to these Minimum Standards when a proposed Activity(ies) may not be adequately addressed in these Minimum Standards. Such variances or exemptions shall be consistently applied and on reasonable terms.
- 1.5.3. The County may, at its sole discretion, authorize Commercial Aeronautical Operators to conduct Activity(ies) under terms and conditions that may be less stringent than these Minimum Standards but only for:
 - 1.5.3.1. Commercial Aeronautical Operators engaged in authorized Activities in accordance with a current Agreement with the County containing less stringent standards or,
 - 1.5.3.2. Commercial Aeronautical Operators providing a product, service, and/or facility which is/are not readily available at the Airport and only for a restricted period of time as may be permitted by the County.

1.6. Enforcement and Appeals

- 1.6.1. The County and its Manager are empowered to administer, require compliance with, and enforce these Minimum Standards.
- 1.6.2. The County and its Manager reserve the right to deny access to the Airport and its facilities without liability to any person, Entity, firm or corporation that fails or refuses to fully obey and comply with these Minimum Standards.
- 1.6.3. An Entity aggrieved by a decision of the Manager pertaining to these Minimum Standards, a Commercial Operator Application / Permit, or a Self-Service Fueling Application / Permit pertaining to Activities at the Airport may appeal in writing such decision to the County of Los Angeles Aviation Division Chief (Director) within ten (10) days after a decision is issued by the Manager.
 - 1.6.3.1. The decision of the Director regarding such appeals shall be provided to the aggrieved party in writing and shall be final.



1.7. Definitions

1.7.1. Terms frequently used throughout these Minimum Standards and the Commercial Operator Application / Permit and Self-Service Fueling Application / Permit are capitalized and defined in Section 15 of these Minimum Standards.

2. GENERAL PROVISIONS AND REQUIREMENTS

2.1. Introduction

- 2.1.1. These general provisions and requirements shall apply to all Commercial Aeronautical Operators engaged in Commercial Activities at the Airport.
 - 2.1.1.1. Where relevant, these general provisions and requirements shall also apply to Non-Commercial Entities such as Aircraft Storage Operators (Non-Commercial) and Self-Fueling Permittees as described in these Minimum Standards.

2.2. Permit/Agreement

- 2.2.1. Any Entity who desires to conduct any Commercial Aeronautical Activity(ies) at the Airport shall, prior to conducting such Activity(ies), submit a completed Commercial Operator Application / Permit to, and receive approval thereof from, the County or its Manager.
- 2.2.2. Any Entity who desires to conduct Self-Fueling at the Airport shall, prior to conducting Self-Fueling, submit a completed Self-Fueling Application / Permit to, and receive approval thereof from, the County or its Manager.
- 2.2.3. The County or its Manager shall be responsible for processing the Commercial Operator Application / Permit and the Self-Fueling Application / Permit. The County or its Manager may deny any Commercial Operator Application / Permit or Self-Fueling Application / Permit if the County or its Manager determines that:
 - 2.2.3.1. The Applicant does not meet the qualifications and standards set forth in these Minimum Standards;
 - 2.2.3.2. The proposed Activity(ies) are likely to create a safety hazard at the Airport;
 - 2.2.3.3. The Activity(ies) will require the County to expend funds or to supply labor or materials as a result of the Applicant's Activity(ies), or will result in a financial loss to the Airport and/or County;
 - 2.2.3.4. No appropriate space or land is available to accommodate the proposed Activity(ies);
 - 2.2.3.5. The proposed Activity(ies) are not consistent with the Airport Master Plan and/or Airport Layout Plan;
 - 2.2.3.6. The proposed Activity(ies) are likely to result in a congestion of Aircraft or buildings, a reduction in Airport capacity, interference with Airport operations or the operations of any existing Airport users at the Airport;
 - 2.2.3.7. The Applicant or any of its Principals has knowingly made any false or misleading statements in the course of applying for a Lease, license, permit or Agreement;
 - 2.2.3.8. The Applicant does not have the technical capabilities, experience or financial resources to properly conduct the proposed Activity(ies);
 - 2.2.3.9. The proposed Activity(ies) could result in non-compliance with any Federal, State, or local code, regulation, obligation or assurance;

2.2.3.10. The Applicant has not submitted appropriate or satisfactory documentation such as insurance, business license, or other licenses or certificates supporting the proposed Activity(ies) in accordance with the Commercial Operator Application / Permit or Self-Fueling Application / Permit.

2.3. Compliance with Regulatory Measures

- 2.3.1. Commercial Aeronautical Operators and other Entities engaged in Activities at the Airport shall abide by these Minimum Standards, Rules and Regulations, Title 19 Airports and Harbors and any other policies and/or procedures established by the County or its Manager for the safe, orderly and efficient operation of the Airport.
- 2.3.2. Commercial Aeronautical Operators and other Entities engaged in Activities at the Airport will not engage in any Activity or Agreement that does not comply, or that precludes the County from complying, with all applicable Federal, State and local rules, regulations, ordinances, laws, codes or statutes.

2.4. Fees, Rents and Charges

2.4.1. Commercial Aeronautical Operators and other Entities engaged in Activities at the Airport shall pay all applicable fees, rents and charges as may be established by the County.

2.5. Written Communications

2.5.1. All written communications including notices, requests for consent or approval, applications, letters of intent, and other filings required or desired to be given by the County, the Manager, Commercial Aeronautical Operator or other Entity shall be sent in writing, and shall be deemed sufficiently given when same is: (i) delivered personally, by messenger, by courier or by Process Server; or (ii) deposited in the United States Postal System mail, sufficient postage prepaid, registered or certified mail, with return receipt requested, addressed to the recipient.

2.6. Identification of Commercial Activities

- 2.6.1. Business: Except as expressly provided for in a Commercial Aeronautical Operator's Agreement with the County, all Commercial businesses, places where Commercial products, services, and/or facilities are being accomplished or offered, must have clear signage readily visible to the general public identifying the business name, address, business license number and current contact information. If Commercial business is conducted after sunset, the signage must be lit.
 - 2.6.1.1. The subject matter, type, design, number, location and elevation of signs, whether lighted or unlighted, shall be subject to, and in accordance with, the written approval of the County or Manager, and said approval shall not be unreasonably withheld. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or other traffic, or which fails to conform to the architectural scheme of the Airport or meet the requirements of the County.
- 2.6.2. *Vehicles*: Any Vehicle used for Commercial purposes in the Airside Area must bear identification designating the Commercial Aeronautical Operator to whom the vehicle is assigned. The display of identification shall be in letters in sharp contrast to the



- background and shall be of such size, shape, and color as to be readily legible during daylight hours from a distance of 50 feet.
- 2.6.3. *Licenses and Permits*: All Commercial Aeronautical Operators shall have, maintain and display in clear view to customers and other entities a current business license, City or otherwise, and Commercial Operator Application / Permit or Self-Fueling Application / Permit while operating on the Airport.

2.7. Multiple Activities

2.7.1. Whenever a Commercial Aeronautical Operator provides multiple services, that Entity shall comply with the most stringent applicable Minimum Standards for the products, services or facilities being provided.

2.8. Minimum Premises

2.8.1. Commercial Aeronautical Operator shall lease, sublease, or construct sufficient land and/or Improvements on Airport property from which to conduct its Activity(ies) consistent with these Minimum Standards.

2.9. Qualifications

- 2.9.1. Commercial Aeronautical Operator shall procure all licenses, certificates, permits or other authorization from all governmental or other authorities, if any, having jurisdiction over the Commercial Aeronautical Operator's operations at the Airport which may be necessary for the Commercial Aeronautical Operator's operations thereat.
- 2.9.2. Commercial Aeronautical Operator and other Entities engaged in Activities at the Airport shall have current all required licenses, certificates and permits applicable to the services being offered and/or performed at the Airport.
- 2.10. Personnel, Subtenants and Invitees; Control and Demeanor
 - 2.10.1. Each Commercial Aeronautical Operator shall employ a sufficient number of trained, on-duty personnel to provide for the efficient, safe, orderly and proper compliance with its obligations under its Lease, license, permit or Agreement.
 - 2.10.2. Each Commercial Aeronautical Operator shall control the conduct and demeanor of its personnel, subtenants, licensees and invitees and, upon objection by the County and/or its Manager concerning the conduct or demeanor of any such person, the Commercial Aeronautical Operator shall immediately take all lawful steps necessary to remove the cause of the objection.
 - 2.10.3. Each Commercial Aeronautical Operator shall conduct their operations in a safe, orderly, efficient and proper manner so as not to unreasonably disturb, endanger or be offensive to others.

2.11. Equipment

- 2.11.1. Commercial Aeronautical Operator shall retain adequate Equipment to meet its customers' needs and to fully comply with these Minimum Standards and applicable Agreements, permits, and Regulatory Measures.
- 2.11.2. Commercial Aeronautical Operator's required Equipment, if any, including vehicles and aircraft, shall be fully operational at all times.

2.12. Hours of Activity

- 2.12.1. Each Commercial Aeronautical Operator shall provide its products, services, and/or facilities during hours as may be described in its Agreement which shall be consistent with current local demand for such Activities.
- 2.12.2. The Commercial Aeronautical Operator's business hours and a contact telephone number shall be clearly posted on the Commercial Aeronautical Operator's premises in public view at all times.
- 2.13. Fees for Products, Services, and Facilities
 - 2.13.1. Each Commercial Aeronautical Operator may establish the rates and charges for all of its products, services and facilities provided that such rates and charges are reasonable and fairly applied to the public.

2.14. Security

- 2.14.1. Commercial Aeronautical Operator shall have a documented security plan consistent with its Activity(ies) and adequate for the type of operation and services being provided. The security plan shall be made available to an authorized representative of the County or its Manager upon request and shall address at a minimum procedures for the following:
 - 2.14.1.1. Securing Commercial Aeronautical Operator's Leasehold to prevent unauthorized access to the Leasehold and the Airside Area of the Airport.
 - 2.14.1.2. Monitoring and controlling access to the Airside Area of the Airport through Commercial Aeronautical Operator's Leasehold.
 - 2.14.1.3. Providing escort to vendors, customers or other visitors operating vehicles on the Airside Area of the Airport.
 - 2.14.1.4. Informing Commercial Aeronautical Operator's employees, vendors, customers and other visitors of security requirements and procedures.

2.15. Indemnification

2.15.1. Commercial Aeronautical Operator and other Entities engaged in Activities at the Airport shall indemnify, defend, release, save and hold harmless County and Manager, and their officials, employees, officers, districts and agents (collectively, "Indemnified Parties" or singularly, "Indemnified Party") from and against all claims, actual damages (including, without limitation, special and consequential damages), injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal and administrative proceedings, interest, fines, incremental increases in subsequent fine levels solely due to the activities covered by this indemnification, charges, penalties and expenses (including, without limitation, reasonable attorneys', engineers', consultants' and expert witness' fees and costs incurred in defending against any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by any Indemnified Party, directly or indirectly arising from, or attributable to, the Activity of Commercial Aeronautical Operator, except to the extent of County's or Manager's negligence.



2.15.2. Indemnification provisions of these Minimum Standards are intended to apply to the California Environmental Response, Compensation and Liability Act (CERCLA) as well as to liability under the California Health and Safety Code.

2.16. Insurance

2.16.1. Commercial Aeronautical Operator and other Entities engaged in Activities at the Airport shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.

3. CONTRACT AIRPORT MANAGER

3.1. Introduction and Overview

Pursuant to Section 44.7 of the Los Angeles County Charter as implemented by Los Angeles County Code Section 2.121.250, et seq., the County is permitted to contract with private businesses to perform services when it is more economical or feasible to do so.

The County has engaged a Contract Airport Manager (Manager) which is authorized through an Agreement with the County for the management and operation of the five County of Los Angeles airports: Bracket Field Airport, Compton/Woodley Airport, El Monte Airport, General Wm. J. Fox Airfield, and Whiteman Airport.

3.1.1. The Manager shall fully comply with its Agreement with the County for the management and operation of the County airports, the Fixed Base Operator (FBO) requirements as described in Section 4 of these Minimum Standards, and all applicable Regulatory Measures.

4. FIXED BASE OPERATOR (FBO)

4.1. Introduction

A Fixed Base Operator (FBO) is a Commercial Aeronautical Operator which maintains facilities at the Airport for the purpose of engaging, at a minimum, in the retail sale of products, services, and facilities including Aviation Fuels Jet A and Aviation Gasoline (100LL) and lubricants, passenger and Aircraft crew and ground support services, Aircraft storage (hangar and tiedown) and associated auto parking.

4.1.1. FBO may subcontract any of the required activities as described in this Section 4 of the Minimum Standards only with the prior written consent of the Director.

4.2. Compliance With Regulatory Measures

4.2.1. FBO shall comply with the National Fire Protection Association's (NFPA) codes and standards such as NFPA 407 and NFPA 409, as may be amended, FAA Advisory Circular 150/5230-4 as may be amended, FAA Advisory Circular 00-34A as may be amended, all Rules and Regulations, Regulatory Measures and other applicable laws related to the handling, dispensing and storage of Aviation Fuels.

4.3. Fuel Records and Reporting

4.3.1. FBO shall provide as directed the County and/or its Manager on the 15th of each month a report in a format acceptable to the County detailing the total gallons of Aviation Fuels, by type, delivered to and dispensed by the FBO during the preceding month.

4.4. Standard Operating Procedures

4.4.1. FBO shall develop standard operating procedures for its aviation fueling activities and provide a current copy of the same to the County. The County and/or the Manager may periodically conduct inspections and reviews of the FBO's standard operating procedures, activities and personnel to ensure adherence to these Minimum Standards and safe practices.

4.5. Minimum Premises

- 4.5.1. All Improvements shall be located on Contiguous land and shall include a minimum of the following:
 - 4.5.1.1. Pavement for Parking and Maneuvering Aircraft (Apron): One (1) Acre (43,560 Square Feet) to accommodate the Parking (for Aircraft not utilizing a hangar) and/or maneuvering of Aircraft owned, operated, leased, or serviced by FBO without interfering with Aircraft operating in the Airport Operations Area.
 - 4.5.1.1.1 Apron area shall include a minimum of ten (10) dedicated Aircraft Tiedown spaces with appropriate Tiedown anchors and chains.
 - 4.5.1.2. <u>Hangar</u>: 10,000 Square Feet (individual hangars of no less than 1,250 Square Feet each) or sufficient hangar area to accommodate the largest Aircraft stored or being serviced by FBO, whichever is greater.

4.5.1.3. Facilities:

4.5.1.3.1. Customer Area: 1,500 Square Feet to include sufficient and dedicated space for customer lounge/waiting area, public use



- telephone, and clean restrooms that are handicap compliant during its hours of activity(ies).
- 4.5.1.3.2. Office Area: 500 Square Feet to accommodate FBO's administrative activities and include sufficient and dedicated space for employee offices, work areas, and storage.
- 4.5.1.3.3. Shop Area (required if performing Aircraft Maintenance that requires hangar): Shall accommodate FBO's work activities and include sufficient and dedicated space for parts storage and work areas.
- 4.5.1.4. <u>Fuel Farm and Refueling Vehicle Parking Area</u>: as appropriate to sufficiently address the requirements of Sections 4.7 and 4.8 of these Minimum Standards.
- 4.5.1.5. <u>Vehicle Parking</u>: Consistent with County and/or City requirements and sufficient to accommodate FBO's employees, customers, subtenants, and other visitors.

4.6. Qualifications

4.6.1. FBO shall have current all required licenses, permits and certifications applicable to the services being offered and/or performed.

4.7. Fuel Storage

- 4.7.1. FBO shall have control of, and maintain in a clean, safe and fully-functional condition an on-airport above-ground fuel storage facility in a location approved by the County. The fuel storage facility shall have total capacity for the equivalent of three day's supply of aviation fuel for aircraft being serviced by the FBO. In no event shall the total storage capacity be less than the following:
 - 4.7.1.1. 8,000 gallons for Jet A fuel storage
 - 4.7.1.2. 8,000 gallons for Aviation Gasoline (100LL) storage

4.8. Fueling Vehicles and Equipment

- 4.8.1. FBO shall provide fuel dispensing equipment sufficient to serve the needs of the aircraft normally frequenting the Airport, which may include the provision of at least one (1) Jet A refueling vehicle and one (1) Aviation Gasoline refueling vehicle. Jet A refueling vehicles shall have single-point and over-the-wing fueling capabilities and minimum capacity of 750 gallons. Aviation Gasoline refueling vehicles shall also have a minimum capacity of 750 gallons.
- 4.8.2. FBO shall have in its possession at all times, a minimum of one operational refueling vehicle for each type of Aviation Fuel available.

4.9. Other Equipment

4.9.1. FBO shall have available and in good operating condition, the necessary equipment to provide its services in a safe, efficient and professional manner. Minimum equipment shall include tire repair equipment, emergency starting equipment, portable compressed air tanks, fire extinguishers, chocks, ropes and Tiedown supplies as may be necessary for the servicing of Aircraft types expected to use the Airport.



4.9.2. FBO shall have and maintain the equipment that is required to safely and efficiently move (tow) Aircraft normally frequenting the Airport, including a tug and tow bars with rated draw bar pull sufficient for such Aircraft.

4.10.Personnel

- 4.10.1. FBO shall provide competent personnel to safely carry out its Activity(ies) in a courteous, prompt and efficient manner adequate to meet the reasonable demands of the public seeking its services.
- 4.10.2. FBO shall employ and have on-duty seven (7) days per week between 8:00 a.m. and 5:00 p.m. at least two (2) properly trained and qualified employees capable of providing Aircraft fueling services, Aircraft Parking, ancillary Aircraft ground services and related customer services and support.
- 4.10.3. FBO shall obtain a fuel handler's permit and require all of its fuel-handling personnel to attend training courses and receive periodic refresher training as may be required by the County.

4.11. Hours of Activity

- 4.11.1. Aircraft fueling services, Aircraft Parking/storage services, and passenger and Aircraft crew and ground support services shall be available to meet the reasonable demands of the public for such services seven (7) days per week, eight (8) hours a day, including holidays.
- 4.11.2. Fueling services and aircraft Parking/storage services shall be available after hours, on-call, with a response time not to exceed 60-minutes.

4.12.Insurance

4.12.1. FBO shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.

5. SPECIALIZED AVIATION SERVICE OPERATOR (SASO)

5.1. Introduction

A Specialized Aviation Service Operator (SASO) is a Commercial Aeronautical Operator engaged in providing Aviation products, services, and/or facilities. Aside from the various SASOs described in the subsequent sections of these Minimum Standards, other general SASOs may include, but not be limited to, Commercial Aeronautical Activities such as: aviation insurance, propeller or specialty maintenance or repair, aircraft interiors, nonstop sightseeing flights that begin and end at the Airport, aerial media, photography or survey, power line or pipeline patrol, fire-fighting or fire patrol, or airborne mineral exploration.

5.2. Minimum Premises

- 5.2.1. All Improvements shall be located on Contiguous land and shall include a minimum of the following:
 - 5.2.1.1. <u>Pavement for Parking and Maneuvering Aircraft (Apron)</u>: Sufficient Apron to accommodate the Parking (for Aircraft not utilizing a hangar) and/or maneuvering of Aircraft owned, operated, leased, or serviced by SASO without interfering with Aircraft operating in the Airport Operations Area.
 - 5.2.1.2. <u>Hangar</u>: If SASO is storing Aircraft in hangar(s) and/or performing Aircraft Maintenance that requires hangar, SASO shall have 2,500 square feet of hangar or sufficient hangar area to accommodate the largest Aircraft stored or being maintained by SASO, whichever is greater.

5.2.1.3. Facilities:

- 5.2.1.3.1. Customer Area: Shall include sufficient and dedicated space for (or immediate access to) customer lounge/waiting area, public use telephone, and clean restrooms during SASO's hours of Activity(ies).
- 5.2.1.3.2. Office Area: Shall accommodate SASO's administrative activities and include sufficient and dedicated space for employee offices, work areas, and storage.
- 5.2.1.3.3. Shop Area (required if performing Aircraft Maintenance that requires hangar): Shall accommodate SASO's work activities and include sufficient and dedicated space for parts storage and work areas.
- 5.2.1.4. <u>Vehicle Parking</u>: Consistent with County and/or City requirements and sufficient to accommodate SASO's employees, customers, subtenants, and other visitors.
 - 5.2.1.4.1. If space for Vehicle Parking is not available on SASO's Contiguous land, Vehicle Parking shall be situated in close proximity to SASO's facility/Improvements.

5.3. Qualifications

5.3.1. SASO shall have current all required licenses, permits and certifications applicable to the products, services, and/or facilities being offered.

5.4. Personnel

5.4.1. SASO shall provide personnel to safely carry out its Activity(ies) in a courteous, prompt and efficient manner adequate to meet the reasonable demands of the public seeking its products, services, and/or facilities.

5.5. Commercial Operator Application / Permit

- 5.5.1. Prior to engaging in any Commercial Activities at the Airport, SASO shall submit a Commercial Operator Application / Permit to the Manager for approval.
- 5.5.2. No Commercial Activities shall occur at the Airport without a Commercial Operator Application / Permit signed and accepted by an authorized representative of the Manager's Airport Manager.

5.6. Equipment

5.6.1. SASO shall maintain and make available sufficient equipment, including a minimum of one (1) aircraft if appropriate, to conduct its Activity(ies).

5.7. Hours of Activity

5.7.1. SASO shall be open and its products, services and facilities available during appropriate hours to meet the reasonable demands of the public.

5.8. Insurance

5.8.1. SASO shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.

6. AIRCRAFT MAINTENANCE PROVIDER

6.1. Introduction

An Aircraft Maintenance Provider is a Specialized Aviation Service Operator providing one or more of the following services: airframe maintenance, engine or accessory overhaul, repair services on Aircraft which may include jet Aircraft and helicopters, and the sale of Aircraft parts and accessories.

6.2. Minimum Premises

- 6.2.1. All Improvements shall be located on Contiguous land and shall include a minimum of the following:
 - 6.2.1.1. Pavement for Parking and Maneuvering Aircraft (Apron): Sufficient Apron to accommodate the Parking (for Aircraft not utilizing a hangar) and/or maneuvering of Aircraft owned, operated, leased, or serviced by Aircraft Maintenance Provider without interfering with Aircraft operating in the Airport Operations Area.
 - 6.2.1.2. <u>Hangar</u>: 2,500 Square Feet or sufficient hangar area to accommodate the largest Aircraft being maintained by Aircraft Maintenance Provider, whichever is greater.

6.2.1.3. Facilities:

- 6.2.1.3.1. Customer Area: Shall include sufficient and dedicated space for (or immediate access to) customer lounge/waiting area, public use telephone, and clean restrooms during Aircraft Maintenance Provider's hours of Activity(ies).
- 6.2.1.3.2. Office Area: Shall accommodate Aircraft Maintenance Provider's administrative activities and include sufficient and dedicated space for employee offices, work areas, and storage.
- 6.2.1.3.3. Shop Area: Shall accommodate Aircraft Maintenance Provider's work activities and include sufficient and dedicated space for parts storage and work areas.
- 6.2.1.4. <u>Vehicle Parking</u>: Consistent with County and/or City requirements and sufficient to accommodate Aircraft Maintenance Provider's employees, customers, subtenants, and other visitors.
 - 6.2.1.4.1. If space for Vehicle Parking is not available on Aircraft Maintenance Provider's Contiguous land, Vehicle Parking shall be situated in close proximity to Aircraft Maintenance Provider's facility/Improvements.

6.3. Qualifications

6.3.1. Aircraft Maintenance Provider shall have current all required licenses, permits and certifications applicable to the work being performed.

6.4. Personnel

- 6.4.1. Aircraft Maintenance Provider shall provide personnel to adequately and safely carry out the Activity(ies) in a courteous, prompt and efficient manner adequate to meet the reasonable demands of the public seeking such services.
- 6.4.2. At least one (1) employee shall be currently certified by the FAA with ratings appropriate to the work being performed and who holds an airframe, power plant, or Aircraft Inspector rating.

6.5. Equipment

6.5.1. Aircraft Maintenance Provider shall maintain and make available sufficient equipment to conduct its Activity(ies).

6.6. Hours of Activity

6.6.1. Aircraft Maintenance Provider shall be open and its services and qualified personnel available during appropriate hours to meet the reasonable demands of the public.

6.7. Insurance

6.7.1. Aircraft Maintenance Provider shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.

7. AVIONICS OR INSTRUMENT MAINTENANCE PROVIDER

7.1. Introduction

An Avionics or Instrument Maintenance Provider is a Specialized Aviation Service Operator providing repair and/or maintenance of Aircraft radios, avionics, instruments, accessories and/or similar Aircraft components, including the sale of new or used parts and components necessary for such repairs.

7.2. Minimum Premises

- 7.2.1. All Improvements shall be located on Contiguous land and shall include a minimum of the following:
 - 7.2.1.1. Pavement for Parking and Maneuvering Aircraft (Apron): Sufficient Apron to accommodate the Parking (for Aircraft not utilizing a hangar) and/or maneuvering of Aircraft owned, operated, leased, or serviced by Avionics or Instrument Maintenance Provider without interfering with Aircraft operating in the Airport Operations Area.
 - 7.2.1.2. <u>Hangar</u>: 2,500 Square Feet or sufficient hangar area to accommodate the largest Aircraft being maintained by Avionics or Instrument Maintenance Provider, whichever is greater.

7.2.1.3. Facilities:

- 7.2.1.3.1. Customer Area: Shall include sufficient and dedicated space for (or immediate access to) customer lounge/waiting area, public use telephone, and clean restrooms during Avionics or Instrument Maintenance Provider's hours of Activity(ies).
- 7.2.1.3.2. Office Area: Shall accommodate Avionics or Instrument Maintenance Provider's administrative activities and include sufficient and dedicated space for employee offices, work areas, and storage.
- 7.2.1.3.3. Shop Area: Shall accommodate Avionics or Instrument Maintenance Provider's work activities and include sufficient and dedicated space for parts storage and work areas.
- 7.2.1.4. <u>Vehicle Parking</u>: Consistent with County and/or City requirements and sufficient to accommodate Avionics or Instrument Maintenance Provider's employees, customers, subtenants, and other visitors.
 - 7.2.1.4.1. If space for Vehicle Parking is not available on Avionics or Instrument Maintenance Provider's Contiguous land, Vehicle Parking shall be situated in close proximity to Avionics or Instrument Maintenance Provider's facility/Improvements.

7.3. Qualifications

- 7.3.1. Avionics or Instrument Maintenance Provider shall have current all required licenses, permits and certifications applicable to the work being performed.
- 7.3.2. Avionics or Instrument Maintenance Provider conducting maintenance on turboprop or turbojet aircraft shall be certificated as an FAA Repair Station.

7.4. Personnel

7.4.1. Avionics or Instrument Maintenance Provider shall provide personnel to adequately and safely carry out the Activity(ies) in a courteous, prompt and efficient manner adequate to meet the reasonable demands of the public seeking such services.

7.5. Equipment

7.5.1. Avionics or Instrument Maintenance Provider shall maintain and make available sufficient Equipment to conduct its Activity(ies).

7.6. Hours of Activity

7.6.1. Avionics or Instrument Maintenance Provider shall be open and its services and qualified personnel available during appropriate hours to meet the reasonable demands of the public.

7.7. Insurance

7.7.1. Avionics or Instrument Maintenance Provider shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.



8. AIRCRAFT RENTAL PROVIDER OR FLIGHT TRAINING PROVIDER

8.1. Introduction

An Aircraft Rental Provider is a Specialized Aviation Service Operator engaged in leasing or rental of Aircraft to the public.

A Flight Training Provider is a Specialized Aviation Service Operator engaged in providing instruction in dual and solo flight training, in fixed-wing and/or rotary-wing Aircraft, and providing such related ground school instruction as is necessary to take a written examination and night check ride for the categories of pilot's licenses and ratings involved.

8.2. Minimum Premises

- 8.2.1. All Improvements shall be located on Contiguous land and shall include a minimum of the following:
 - 8.2.1.1. Pavement for Parking and Maneuvering Aircraft (Apron): Sufficient Apron to accommodate the Parking (for Aircraft not utilizing a hangar) and/or maneuvering of Aircraft owned, operated, leased, or serviced by Aircraft Rental Provider and Flight Training Provider without interfering with Aircraft operating in the Airport Operations Area.
 - 8.2.1.2. <u>Hangar (if applicable)</u>: If Aircraft Rental Provider or Flight Training Provider is storing Aircraft in hangar(s) and/or performing Aircraft Maintenance that requires hangar, Aircraft Rental Provider or Flight Training Provider shall have 2,500 square feet of hangar or sufficient hangar area to accommodate the largest Aircraft stored or being maintained by Aircraft Rental Provider or Flight Training Provider, whichever is greater.

8.2.1.3. Facilities:

- 8.2.1.3.1. Customer Area: Shall include sufficient and dedicated space for (or immediate access to) customer lounge/waiting area, public use telephone, and clean restrooms during Aircraft Rental Provider's or Flight Training Provider's hours of Activity(ies).
- 8.2.1.3.2. Office Area: Shall accommodate Aircraft Rental Provider's or Flight Training Provider's administrative activities and include sufficient and dedicated space for employee offices, work areas, and storage.
- 8.2.1.3.3. Flight Training Area: Shall include sufficient and dedicated space to accommodate flight training activities.
- 8.2.1.3.4. Shop Area (required if performing Aircraft Maintenance that requires hangar): Shall accommodate Aircraft Rental Provider's or Flight Training Provider's work activities and include sufficient and dedicated space for parts storage and work areas.
- 8.2.1.4. <u>Vehicle Parking</u>: Consistent with County and/or City requirements and sufficient to accommodate Aircraft Rental Provider's or Flight Training Provider's employees, customers, subtenants, and other visitors.
 - 8.2.1.4.1. If space for Vehicle Parking is not available on Aircraft Rental Provider's or Flight Training Provider's Contiguous land, Vehicle

AIRCRAFT RENTAL PROVIDER OR FLIGHT TRAINING PROVIDER

Parking shall be situated in close proximity to Aircraft Rental Provider or Flight Training Provider's facility/Improvements.

8.3. Qualifications

8.3.1. Aircraft Rental Provider or Flight Training Provider and its flight instructors shall have current all required licenses, permits and certifications applicable to its Activity(ies).

8.4. Personnel

8.4.1. Aircraft Rental Provider or Flight Training Provider shall provide personnel to adequately and safely carry out the Activity(ies) in a courteous, prompt and efficient manner adequate to meet the reasonable demands of the public seeking such services.

8.5. Equipment

8.5.1. Aircraft Rental Provider or Flight Training Provider shall make available for rental or flight training two (2) properly certified and airworthy Aircraft.

8.6. Hours of Activity

8.6.1. Aircraft Rental Provider or Flight Training Provider shall be open and its services and qualified personnel available during appropriate hours to meet the reasonable demands of the public.

8.7. Insurance

- 8.7.1. Aircraft Rental Provider or Flight Training Provider shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A Minimum Insurance Requirements.
- 8.7.2. Aircraft Rental Provider or Flight Training Provider shall post a notice and incorporate within the Aircraft rental and flight instruction agreements the coverage and limits provided to the renter or student by the Aircraft Rental Provider or Flight Training Provider, as well as a statement advising that additional coverage is available to such renter or student through the purchase of an individual non-ownership liability policy. Aircraft Rental Provider or Flight Training Provider shall provide a copy of such notice to the County and its Contract Airport Manager.

9. AIRCRAFT CHARTER PROVIDER OR AIRCRAFT MANAGEMENT PROVIDER

9.1. Introduction

An Aircraft Charter Provider is a Specialized Aviation Service Operator engaged in providing air transportation of persons or property to the general public for hire, either on a charter basis or as defined by the FAR Part 135.

An Aircraft Management Provider is a Specialized Aviation Service Operator engaged in providing Aircraft management which may include, but not be limited to, the coordination of flight crews and flights and Aircraft storage and maintenance.

9.2. Minimum Premises

- 9.2.1. All Improvements shall be located on Contiguous land and shall include a minimum of the following:
 - 9.2.1.1. Pavement for Parking and Maneuvering Aircraft (Apron): Sufficient Apron to accommodate the Parking (for Aircraft not utilizing a hangar) and/or maneuvering of Aircraft owned, operated, leased, or serviced by Aircraft Charter Provider or Aircraft Management Provider without interfering with Aircraft operating in the Airport Operations Area.
 - 9.2.1.2. <u>Hangar (if applicable)</u> If Aircraft Charter Provider or Aircraft Management Provider is storing Aircraft in hangar(s) and/or performing Aircraft Maintenance that requires hangar, Aircraft Charter Provider or Aircraft Management Provider shall have 2,500 square feet of hangar or sufficient hangar area to accommodate the largest Aircraft stored or being maintained by Aircraft Charter Provider or Aircraft Management Provider, whichever is greater.

9.2.1.3. Facilities:

- 9.2.1.3.1. Customer Area: Shall include sufficient and dedicated space for (or immediate access to) customer lounge/waiting area, public use telephone, and clean restrooms during Aircraft Charter Provider's or Aircraft Management Provider's hours of Activity(ies).
- 9.2.1.3.2. Office Area: Shall accommodate Aircraft Charter Provider's or Aircraft Management Provider's administrative activities and include sufficient and dedicated space for employee offices, work areas, and storage.
- 9.2.1.3.3. Shop Area (required if performing Aircraft Maintenance that requires hangar): Shall accommodate Aircraft Charter Provider's or Aircraft Management Provider's work activities and include sufficient and dedicated space for parts storage and work areas.
- 9.2.1.4. <u>Vehicle Parking</u>: Consistent with County and/or City requirements and sufficient to accommodate Aircraft Charter Provider's or Aircraft Management Provider's employees, customers, subtenants, and other visitors.
 - 9.2.1.4.1. If space for Vehicle Parking is not available on Aircraft Charter Provider's or Aircraft Management Provider's Contiguous land, Vehicle Parking shall be situated in close proximity to Aircraft Charter Provider's or Aircraft Management Provider's facility/Improvements.



9.3. Qualifications

- 9.3.1. Aircraft Charter Provider and Aircraft Management Provider and its pilots shall have current all required licenses, permits and certifications applicable to its Activity(ies).
- 9.3.2. Aircraft Charter Provider and Aircraft Management Provider shall have and provide to the County and/or its Manager a copy of its current FAR Part 135 Certificate or provisional FAR Part 135 Certificate as well as the Aircraft identification page from the operating specifications listing all Aircraft on the certificate.

9.4. Personnel

- 9.4.1. Aircraft Charter Provider and Aircraft Management Provider shall provide personnel to adequately and safely carry out the Activity(ies) in a courteous, prompt and efficient manner adequate to meet the reasonable demands of the public seeking such services.
- 9.4.2. Aircraft Charter Provider and Aircraft Management Provider shall employ and have onduty during normal business hours at least one person who holds current FAA commercial pilot and medical certificates and ratings appropriate for its Activity(ies). All flight crews shall be properly rated for the Aircraft operated and the Aircraft Charter Provider or Aircraft Management Provider shall provide reasonable assurance of the continued availability of qualified operating crews.

9.5. Equipment

9.5.1. Aircraft Charter Provider shall maintain and make available to the general public one (1) properly certified and airworthy Aircraft for hire.

9.6. Hours of Activity

9.6.1. Aircraft Charter Provider and Aircraft Management Provider shall be open and its services and qualified personnel available during appropriate hours to meet the reasonable demands of the public.

9.7. Insurance

9.7.1. Aircraft Charter Provider and Aircraft Management Provider shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.

10. AIRCRAFT SALES PROVIDER

10.1. Introduction

An Aircraft Sales Provider is a Specialized Aviation Service Operator engaged in the sale or brokerage of three (3) or more new or used Airworthy Aircraft each 12 calendar months.

10.2. Minimum Premises

- 10.2.1. All Improvements shall be located on Contiguous land and shall include a minimum of the following:
 - 10.2.1.1. <u>Pavement for Parking and Maneuvering Aircraft (Apron)</u>: Sufficient Apron to accommodate the Parking (for Aircraft not utilizing a hangar) and/or maneuvering of Aircraft owned, operated, leased, or serviced by Aircraft Sales Provider without interfering with Aircraft operating in the Airport Operations Area.
 - 10.2.1.2. <u>Hangar (if applicable)</u> If Aircraft Sales Provider is storing Aircraft in hangar(s) and/or performing Aircraft Maintenance that requires hangar, Aircraft Sales Provider shall have 2,500 square feet of hangar or sufficient hangar area to accommodate the largest Aircraft stored or being maintained by Aircraft Sales Provider, whichever is greater.

10.2.1.3. Facilities:

- 10.2.1.3.1. Customer Area: Shall include sufficient and dedicated space for (or immediate access to) customer lounge/waiting area, public use telephone, and clean restrooms during Aircraft Sales Provider's hours of Activity(ies).
- 10.2.1.3.2. Office Area: Shall accommodate Aircraft Sales Provider's administrative activities and include sufficient and dedicated space for employee offices, work areas, and storage.
- 10.2.1.3.3. Shop Area (required if performing Aircraft Maintenance that requires hangar): Shall accommodate Aircraft Sales work activities and include sufficient and dedicated space for parts storage and work areas.
- 10.2.1.4. <u>Vehicle Parking</u>: Consistent with County and/or City requirements and sufficient to accommodate Aircraft Sales Provider's employees, customers, subtenants, and other visitors.
 - 10.2.1.4.1. If space for Vehicle Parking is not available on Aircraft Sales Provider's Contiguous land, Vehicle Parking shall be situated in close proximity to Aircraft Sales Provider's facility/Improvements.

10.3. Qualifications

10.3.1. Aircraft Sales Provider shall have current all required licenses, permits and certifications applicable to the services being offered.



10.4. Personnel

10.4.1. Aircraft Sales Provider shall provide personnel to safely carry out its Activity(ies) in a courteous, prompt and efficient manner adequate to meet the reasonable demands of the public seeking its products, services, and/or facilities.

10.5. Equipment

10.5.1. Aircraft Sales Provider shall have on its premises at least one (1) Aircraft available for sale.

10.6. Hours of Activity

10.6.1. Aircraft Sales Provider shall be open and its products and/or services available during appropriate hours to meet the reasonable demands of the public.

10.7. Insurance

10.7.1. Aircraft Sales Provider shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.

11. AIRCRAFT STORAGE PROVIDER (COMMERCIAL)

11.1. Introduction

An Aircraft Storage Provider (Commercial) is a Specialized Aviation Service Operator engaged in the business of constructing and leasing, renting or licensing hangars to Aircraft owners or operators for Aircraft storage purposes.

11.2. Minimum Premises

- 11.2.1. All Improvements shall be located on Contiguous land and shall include a minimum of the following:
 - 11.2.1.1. <u>Hangar (for Aircraft storage)</u>: 5,000 Square Feet (individual hangars of no less than 1,250 Square Feet each).
 - 11.2.1.1.1 Aircraft Storage Provider (Commercial) shall include restrooms in its hangar development consistent with County and/or City requirements.
 - 11.2.1.2. Vehicle Parking: Consistent with County and/or City requirements.

11.3. Personnel

11.3.1. Aircraft Storage Provider (Commercial) shall provide personnel to safely carry out its Activity(ies) in a courteous, prompt and efficient manner adequate to meet the reasonable demands of the public seeking its facilities.

11.4. Hours of Activity

11.4.1. Aircraft Storage Provider (Commercial) shall be available to assist its Sublessees with storage or Aircraft removal activities seven days a week, 24 hours per day.

11.5. Insurance

11.5.1. Aircraft Storage Provider (Commercial) shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.

12. TEMPORARY SPECIALIZED AVIATION SERVICE OPERATOR (SASO)

12.1. Introduction

A Temporary Specialized Aviation Service Operator (SASO) is a Commercial Aeronautical Operator engaged in providing Aviation products and/or services at the Airport on a temporary basis from either a fixed or mobile location on the Airport. As may be determined by the County or its Contract Airport Manager, the products and/or services of a Temporary SASO may be permitted at the Airport when similar products and/or services are not available at the Airport.

12.2. Qualifications

12.2.1. Temporary SASO shall have current all required licenses, permits and certifications applicable to the work being performed.

12.3. Personnel

12.3.1. Temporary SASO shall provide personnel to safely carry out its Activity(ies) in a courteous, prompt and efficient manner adequate to meet the reasonable demands of its customer(s).

12.4. Commercial Operator Application/Permit

- 12.4.1. Prior to engaging in any Commercial Activities at the Airport, Temporary SASO shall submit a Commercial Operator Application / Permit to the Manager for approval.
- 12.4.2. No Commercial Activities shall occur at the Airport without a Commercial Operator Application / Permit signed and accepted by an authorized representative of the Manager.

12.5. Insurance

12.5.1. Temporary SASO shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.

13. AIRCRAFT STORAGE OPERATOR (NON-COMMERCIAL)

13.1. Introduction

An Aircraft Storage Operator (Non-Commercial) is an entity that develops, constructs, and/or owns one or more hangar structures for the primary purpose of storing aircraft for non-commercial purposes.

13.2. Minimum Premises

- 13.2.1. All Improvements shall be located on Contiguous land and shall include a minimum of the following:
 - 13.2.1.1. <u>Hangar (for Aircraft storage)</u>: 5,000 Square Feet (individual hangars of no less than 1,250 Square Feet each).
 - 13.2.1.2. Vehicle Parking: Consistent with County and/or City requirements.

13.3. Insurance

13.3.1. Aircraft Storage Operator (Non-Commercial) shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.

14. SELF-FUELING PERMITTEE

14.1. Introduction

A Self-Fueling Permittee is an Entity that dispenses Aviation Fuel into aircraft owned or leased for its own exclusive use and with its own personnel and equipment.

At no time may a Self-Fueling Permittee dispense fuels into aircraft that are not owned, leased or operated by the Non-Commercial Self-Fueling Permittee.

14.2. Compliance With Regulatory Measures

14.2.1. Self-Fueling Permittee's activities shall comply with the National Fire Protection Association's (NFPA) codes and standards such as NFPA 407 and NFPA 409, as amended, FAA Advisory Circular 150/5230-4 as may be amended, FAA Advisory Circular 00-34A as may be amended, all Rules and Regulations, Regulatory Measures and other applicable laws related to aircraft fuel handling, dispensing and storage.

14.3. Self-Fueling Permit

- 14.3.1. Prior to engaging in any Non-Commercial Self-Fueling at the Airport, Entities shall submit a Self-Fueling Application / Permit to the Manager for approval.
- 14.3.2. No Self-Fueling shall occur at the Airport without a Self-Fueling Application / Permit signed and accepted by an authorized representative of the Manager.

14.4. Fuel Records and Reporting

- 14.4.1. Self-Fueling Permittee shall provide the County and/or its Manager on the 15th of each month a report detailing the total gallons of fuel, by type, delivered to and dispensed by the Non-Commercial Self-Fueling Permittee during the preceding month.
- 14.4.2. Self-Fueling Permittee shall provide the County and/or its Manager on a regular basis a list of the registration numbers (N-Numbers) of the Self-Fueling Permittee's Aircraft to be fueled by Self-Fueling Permittee. Aircraft that are not on the current list with the County and/or its Manager may not be fueled at the Airport by Self-Fueling Permittee.

14.5. Standard Operating Procedures

- 14.5.1. Self-Fueling Permittee shall develop standard operating procedures for aviation fueling and storage activities and provide a current copy of the same to the County. The County and/or the Manager may periodically conduct inspections of the Self-Fueling Permittee's activities to ensure adherence to these Minimum Standards and safe practices.
- 14.5.2. The standard operating procedures shall contain a Spill Prevention, Control and Countermeasures plan (SPCC) consistent with applicable Regulatory Measures and approved by the County or its Manager. The SPCC shall describe in detail the Self-Fueling Permittee's plans and Equipment on-hand for the prevention, reporting, containment and cleanup of potential Aviation Fuel spills.

14.6. Qualifications

14.6.1. Self-Fueling Permittee shall have current all required licenses, permits and certifications applicable to the Activity(ies).

14.7. Personnel

14.7.1. Self-Fueling Permittee shall ensure that personnel engaged in Self-Fueling are properly trained in aircraft fueling, fuel handling and associated safety procedures and conform to the best practices for such activities.

14.8. Fuel Storage

- 14.8.1. Self-Fueling Permittee shall make arrangements with, and receive authorization from, the County and/or its County Airport Contactor for the safe and appropriate delivery, storage and dispensing of Aviation Fuel(s) on the Airport.
- 14.8.2. If space is available, as shall be determined by the County, Self-Fueling Permittee may store Aviation Fuel(s) on the Airport only in an above-ground fuel storage facility in a location approved by the County. The fuel storage facility shall be maintained in a clean, safe and fully-functional condition.
- 14.8.3. Refueling vehicles shall not be utilized for the storing of Aviation Fuels but rather solely for the delivery/dispensing of Aviation Fuels.

14.9. Refueling Vehicles and Equipment

- 14.9.1. A vehicle dispensing Aviation Gasoline shall be no less than 750 gallon capacity and no more than 1,200 gallon capacity. A vehicle dispensing Jet A shall have a maximum capacity of 3,000 gallons.
- 14.9.2. Self-Fueling Permittee shall make arrangements with, and receive authorization from, the County and/or its Manager for the safe and appropriate travel routes and storage location(s) for refueling vehicles on the Airport.
- 14.9.3. All equipment, including refueling vehicles, shall be approved by the County and/or its Manager and shall meet all Federal, State and County safety standards. The metering devices shall be inspected, checked and certified by the appropriate state and/or local agencies as required but not less than annually. The County and/or its Manager may inspect such equipment and inspection and certification documentation periodically to ensure compliance with these Minimum Standards.
- 14.9.4. Refueling vehicles shall fully comply with Advisory Circular 150/5210-20 Ground Vehicle Operation on Airports, as amended.

14.10. Insurance

14.10.1. Self-Fueling Permittee shall maintain, at a minimum, the coverage and limits of insurance set forth in Attachment A – Minimum Insurance Requirements.



15. DEFINITIONS

Aeronautical Activity (Activity or Activities), Any activity that involves, makes possible, or is required for the operation of Aircraft or that contributes to or is required for the safety of such operations. Activities within this definition, commonly conducted on Airports, include, but are not limited to, the following: general and corporate aviation, air taxi and charter operations, scheduled and nonscheduled air carrier operations, pilot training, Aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, Aircraft Sales and services, Aircraft storage, sale of aviation petroleum products, Self-Fueling, repair and maintenance of Aircraft, sale of Aircraft parts, parachute or ultralight activities, and any other activities that, because of their direct relationship to the operation of Aircraft, can appropriately be regarded as Aeronautical Activities. Activities, such as model Aircraft and model rocket operations are not Aeronautical Activities.

Agreement, A written contract, executed by both parties, and enforceable by law between the County and an Entity granting a concession, transferring rights or interest in land and/or Improvements, and/or otherwise authorizing and/or prohibiting the conduct of certain Activities. Such Agreement will recite the terms and conditions under which the Activity will be conducted at the Airport, including, but not limited to, term of the Agreement, rents, fees, and charges to be paid by the Entity, and the rights and obligations of the respective parties.

Air Charter Provider, An Entity that provides on-demand, non-scheduled passenger services and operates under the appropriate FAR (14 CFR Part 135 for common carriage or 14 CFR Part 125 for private carriage) with Aircraft that provide no more than 30 passenger seats and are within the weight limitations established for the Airport.

Aircraft, Any contrivance, now known or hereafter invented, used, or designed for navigation of or flight in the air.

Aircraft Maintenance, The repair, adjustment or inspection of Aircraft. Major repairs include major alterations to the airframe, power plant, propeller and accessories as defined in FAR Part 43. Minor repairs include normal, routine annual inspection with attendant maintenance, repair, calibration or adjustment or repair of Aircraft and their accessories.

Aircraft Rental Services Provider, An Entity engaged in instructing pilots in dual and solo flight training, in fixed or rotary wing Aircraft, and provides such related ground school instruction as is necessary preparatory to taking a written examination and flight check for the category or categories of pilot's licenses and ratings involved. This category of services includes provisions for the rental of Aircraft to the public.

Aircraft Sales Provider, An Entity engaged in the sale or brokerage of three (3) or more new or used Airworthy Aircraft each 12 calendar months.

Airport, The El Monte Airport in the City of El Monte, California and all land and Improvements within the legal boundary of the Airport.

Airport Layout Plan, A scaled drawing depicting existing and future facilities and property necessary for the operation and development of the airport.



Airport Manager, The Entity responsible for managing the day to day operation of El Monte Airport (see also Contract Airport Manager).

Airport Master Plan, A comprehensive study of an airport that usually describes the short-, medium-, and long-term development plans for the airport to meet future aviation demand.

Airport Operations Area (AOA), Any area of the Airport used or intended to be used for landing, taking off, or surface maneuvering of Aircraft.

Airside Area, Area of the Airport inside of the security fencing and Airport access gates.

Airworthy, The physical and operational condition of an Aircraft in which it can properly operate in the air without posing significant hazard to aircrew, ground crew, passengers or to the general public.

Applicant, An Entity that has submitted, or is interested in submitting an application for a Commercial Operator Application / Permit or a Self-Fueling Application / Permit.

Apron, Those paved areas of the Airport within the AOA designated by the Airport for the loading and unloading of passengers, servicing, or Parking of Aircraft.

Aviation Fuels, as referenced in these Minimum Standards include Jet A and Aviation Gasoline (100LL).

Avionics and Instrument Repair Facility, An Entity engaged in the business of, and providing a facility for the repair of Aircraft radios and electrical systems, instruments and other accessories for Aircraft. This category of services includes the sale of Aircraft parts and accessories of the type repaired.

CFR, Code of Federal Regulations, of which Title 14 applies to Aeronautics and Space. The Federal Aviation Regulations (FAR) are a component thereof.

City, The City of Los Angeles.

Commercial, The intent to generate and/or secure earnings, income, compensation (including exchange or barter of goods and services), and/or profit, whether or not such objectives are accomplished.

Commercial Aeronautical Activity, Activity undertaken to operate Aircraft, or involves, makes possible or is required to support the operation of Aircraft, with the purpose of generating income, compensation, or profit.

Commercial Aeronautical Operator, An Entity that engages in a Commercial Aeronautical Activity(ies) at the Airport through Lease, Sublease, or other form of Agreement. A Commercial Aeronautical Operator may be classified as a Fixed Base Operator (FBO), Specialized Aviation Service Operator (SASO) or Temporary SASO.

Commercial Operator Application / Permit, The application and legal Agreement between the County and an individual or Entity providing a Commercial Activity that grants permission to perform



such Activity on or from the Airport property, whether directly or indirectly related to Aviation Activities or Aeronautical Activities, and with the intent to generate and/or secure earnings, income, compensation (including exchange or barter of goods and services), and/or profit, whether or not such objectives are accomplished.

Contiguous, Land that is sharing an edge or boundary.

Contract Airport Manager ("Manager"), The individual or Entity contracted by the County to manage the day-to-day activities of the Airport including, but not limited to, airport administration, facility and equipment maintenance, aircraft fuel servicing and fuel quality control, property management and leasing, airfield safety and security, and public relations.

County, County of Los Angeles, California, USA.

Director, The County of Los Angeles, Department of Public Works, Aviation Division Chief whose office is located at 900 South Fremont Avenue, A-9 East, Alhambra, CA 91803-1331.

Entity, A person, group of persons, firm, company, corporation, limited liability corporation, partnership, limited partnership or other organization including government bodies.

Equipment, All machinery, together with the necessary supplies, tools and apparatus necessary for the proper conduct of the Activity(ies) being performed.

FAA, Federal Aviation Administration.

FAR, Federal Aviation Regulation.

Fixed Base Operator (FBO), A Commercial Aeronautical Operator which maintains facilities at the Airport for the purpose of engaging in the retail sale of products and services, including Aviation Fuels and lubricants, Aircraft crew and ground support services, Aircraft hangar and Tiedown Parking, and associated auto parking.

Flight Training Services Provider, A Flight Training Services Provider means a person engaged in instructing pilots in dual and solo flight training, in fixed-wing and/or rotary-wing Aircraft, and providing such related ground school instruction as is necessary to take a written examination and night check ride for the categories of pilot's licenses and ratings involved.

General Aviation, The operation of civilian aircraft for the purposes other than commercial passenger transport, including personal, business and instructional flying.

Hazardous Material, Any oil, petroleum products, flammable substances, explosives, radioactive materials, hazardous wastes, toxic wastes or other substances or materials as may be defined as Hazardous Materials by the United States Environmental Protection Agency as which may pose a hazard to human health or the environment.

Improvements, All buildings, structures and facilities including Pavement (Apron and Vehicle Parking), fencing, signs and landscaping constructed, installed or placed on, under or above any Leased area by or with the concurrence of a lessee.



Lease, A contractual agreement between the County and an Entity setting forth the terms and conditions upon which the authorized Entity may occupy and use the property.

Leasehold, The property specifically leased from the County by an individual or Entity.

Master Plan, An assembly of appropriate documents and drawings covering the development of the Airport from a physical, economic, social, and political jurisdictional perspective and adopted by the County, a copy of which is on file and available for inspection in the Airport Manager's office.

Minimum Standards, A guiding document which may be amended from time to time by the County that establishes the minimum requirements to be met by an Entity as a condition for the privilege to conduct an Aeronautical Activity or provide a Commercial Aeronautical product, service or facility at the Airport.

Non-Commercial, Not for the purposes of generating and/or securing earnings, income, compensation (including exchange or barter of goods and services), and/or profit.

Parking, The stationary placement of an Aircraft, motor vehicle or trailer for a period of time for purposes other than the loading and/or unloading of passengers and/or equipment.

Pavement, A flat surface typically composed of concrete or asphalt materials.

Principals, For Corporations all directors, officers, and stockholders holding more than 10% of the company stock; means for Partnerships all general and limited partners.

Ramp, A paved area suitable for Aircraft parking, and/or movement and staging of Aircraft.

Regulatory Measures, Federal, state, County, and City laws, codes, ordinances, policies, Rules and Regulations, all as may be in existence, hereafter enacted, and amended from time to time.

Repair Station, An Aircraft Maintenance facility certificated under 14 CFR Part 145 and authorized by the FAA to perform certain maintenance functions.

Rules and Regulations, Those Rules and Regulations as may be established and amended by the County, the FAA, the California Department of Transportation or other federal, state or local government agencies pertaining to activities at the Airport.

Self-Fueling, The Non-Commercial fueling of Aircraft by the owner of the Aircraft or the owner's employees using the owner's equipment.

Self-Fueling Permittee, The application and legal Agreement between the County and an individual or Entity engaged in Self-Fueling that grants permission to perform Self-Fueling on the Airport property.

Self-Service Fueling, Dispensing fuel into an Aircraft using a commercial self-service Aircraft fueling station.



Self-Fueling Application / Permit, The application and legal Agreement between the County and an individual or Entity providing a Commercial Aeronautical Activity that grants permission to perform such Activity on or from the Airport property

Specialized Aviation Service Operator (or "SASO"), A Commercial Aeronautical Operator engaged in providing a single aeronautical service, or a combination of aeronautical Services, but that does not meet the minimum requirements to be a Fixed Base Operator (FBO). Services provided by a SASO may include, but not limited to, Aircraft Maintenance, avionics or instrument maintenance, Aircraft rental and/or flight training, Aircraft charter or Aircraft management, Aircraft Sales, and/or Aircraft storage. A SASO is not permitted to engage in Aeronautical Activities involving aviation fuel.

Sublease, An Agreement granted by a Lessee to another Entity for the use and sublet of all or part of its land and/or Improvements.

Tiedown, The area, paved, or unpaved, suitable for parking and mooring of Aircraft wherein suitable Tiedown points have been located.

Vehicle, Any device that is capable of moving itself, or being moved, from place to place upon wheels; but does not include any device designed to be moved by human muscular power or designed to move primarily through the air.

EXHIBIT A – MINIMUM INSURANCE REQUIREMENTS

		Types of Required Insurance					
		Commercial General Liability	Vehicular Liability	Hangar Keeper's Liability*	Aircraft & Passenger Liability	CFI Professional Liability	
	Fixed Base Operator (FBO)	\$2,000,000	\$1,000,000	\$1,000,000	\$1,000,000 / \$100,000 sub limit per person	-	
S	Specialized Aviation Service Operator (SASO)	\$1,000,000	\$500,000	\$500,000	\$1,000,000 / \$100,000 sub limit per person	-	
Operator	Aircraft Maintenance Provider	\$1,000,000	\$500,000	\$500,000	-	-	
nautical	Avionics or Instrument Maintenance Provider	\$1,000,000	\$500,000	\$500,000	-	-	
cial Aero	Aircraft Rental Provider or Flight Training Provider	\$1,000,000	\$500,000	\$250,000	\$1,000,000 / \$100,000 sub limit per person	\$1,000,000	
Non-Commercial Aeronautical Operators	Aircraft Charter or Aircraft Management Provider	\$1,000,000	\$500,000	\$500,000	\$1,000,000 / \$100,000 sub limit per person	-	
	Aircraft Sales Provider	\$1,000,000	\$500,000	\$500,000	\$500,000	-	
Commerc	Aircraft Storage Provider (Commercial)	\$1,000,000	\$500,000	\$500,000	-	-	
ypes of Commercial &	Temporary Specialized Aviation Service Operator	\$1,000,000	\$500,000	-	\$1,000,000 / \$100,000 sub limit per person	-	
_	Aircraft Storage Operator (Non-Commercial)	\$1,000,000	\$500,000	-	-	-	
	Non-Commercial Self-Service Fueling Permittee	\$1,000,000	\$500,000	-	-	-	

<u>Commercial General Liability</u> shall include bodily injury, personal injury, and property damage for all premises, products and completed operations, unlicensed Vehicles, and contractual liability and shall name County and Manager as Additional Insureds.

<u>Vehicular Liability</u> shall include bodily injury and property damage for all owned, non-owned, or hired Vehicles used to conduct Activity(ies) on the Airport.

<u>Hangar Keeper's Liability (*recommended minimum coverage)</u>, if applicable, actual amount of coverage shall be based on the largest aircraft accommodated and shall include property damage for all non-owned Aircraft under the care, custody, and control of the Commercial Aeronautical Operator.

<u>Aircraft and Passenger Liability</u>, applicable if operating aircraft and carrying passengers and shall include bodily injury, Property damage, and passenger injury for all owned, leased, or operated Aircraft.

<u>CFI Professional Liability</u>, applicable if providing Flight Training and required if such coverage is readily available, shall include bodily injury and property damage not only during dual flight instruction, but also after flight instruction has been provided.

EXHIBIT B - COMMERCIAL OPERATOR APPLICATION / PERMIT

COMMERCIAL OPERATOR APPLICATION / PERMIT

Type:	□ Lessee	e / Licensee	□ Sublessee	[Other (describe o	n page 2)
Term:	□ Annual		☐ Monthly	[<u> </u>	Daily	
☐ Fixed ☐ Aircra ☐ Avioni ☐ Instrui ☐ Aircra ☐ Aerial ☐ Aircra ☐ Propose	Base Opera ft Maintenan ics Maintena ment Mainte ft Rental Tour (Sights ft Washing /	tor (providing avance nnce nance seeing)	ach additional sa		Flig Airc Airc Airc Airc Ban	ht Training (Inclu raft Charter raft Managemen raft Sales raft Storage (Hai ner Towing er Commercial A	ngar)
AIRPOR	RT					START DATE	
ADDRE	SS					END DATE	
CITY, S	TATE, ZIP						
Legal Na	ame of the A	Applicant and B	usiness Name (if differ	ent):	
LEGAL	NAME						
BUSINE	ESS NAME						
Address	of the App	licant (if differe	nt from the Prop	posed L	OC:	ation):	
ADDRE	SS						
CITY, S	TATE, ZIP						
Primary	Contact for	the Applicant:					
NAME							
ADDRE	SS						
CITY, S	TATE, ZIP						
TELEPH	HONE #			FAX#			
E-MAIL						<u>.</u>	
Contact	Information		. <i>(attach additio</i>	onal she	ets	• •	NER 2
	NAME						
	ADDRESS						
CITY, S	STATE, ZIP						
TE	LEPHONE						
	E-MAIL						

COMMERCIAL OPERATOR APPLICATION / PERMIT

All Employees, Vehicles, Aircraft and Equipment Involved in the Activity(ies):

ITEM	QUANTITY	NAMES, LICENSE PLATE(S), TAIL NUMBER(S), ETC.						
EMPLOYEE(S)								
VEHICLE(S)								
AIRCRAFT								
EQUIPMENT								
ADDITIONAL INFO	ORMATION							
Type of Operator	and/or Activit	ry(ies):						
Location of Activi	ty(ies):							
_								
Insurance and/or	Insurance and/or Other Requirements:							
Fees and/or Char	ges:							
_								
Other:								

COMMERCIAL OPERATOR APPLICATION / PERMIT

The Applicant hereby requests that the privilege to conduct commercial activities as described in this Permit at the Airport(s) listed on Page 1 of this Permit be granted to the Applicant by the Contract Airport Manager (Manager), the designated manager of the Airport for the County of Los Angeles (County). Additionally, the Applicant agrees to the following:

- **FEE PAYMENT:** The Applicant agrees to pay all applicable fees and other charges including late fees, interest, and penalties without offset of any kind whatsoever.
- **PERMIT LIMITATIONS:** This Permit is not valid unless signed by an authorized representative of the Manager. This Permit may not be assigned or transferred and is limited to engaging in the approved Activity(ies) in the location(s) designated and only for the time specified in the Permit.
- **INFORMATION CHANGES:** The Applicant shall notify the Manager in writing within 15 days of any change to the information submitted in this application.
- **INSURANCE**: The Applicant shall maintain appropriate insurance coverage in accordance with this Permit, Section 19.04.610 of Los Angeles County Code Title 19, and the Minimum Standards.
- INDEMNIFICATION: The Applicant shall indemnify and hold harmless the County and Manager and their agents, officers, employees, successors and assigns from and against any and all liability, damages, business interruptions, delays, losses, claims, judgments of any kind whatsoever including all costs, attorneys' fees, and expenses incidental thereto, which may be suffered by, or caused to, County or Manager by reason of loss or damage to any property or injury to, or death of, any person arising from or by reason of Applicant's use of the Airport(s) not arising out of the willful misconduct or gross negligence of the County or Manager.
- COMPLIANCE WITH REGULATORY MEASURES: The Applicant shall comply with Los Angeles County Code Title 19 in addition to all statutes, ordinances, resolutions, Minimum Standards, Rules and Regulations of any applicable federal, state, or local governmental agency and the County of Los Angeles, and any and all directives concerning airport operations and safety issued by the County or Manager.

If, at any time, the Applicant does not comply with all the terms and conditions of this Permit, the Permit shall be invalid and terminated.

The undersigned Applicant certifies that they are authorized to sign for the business and agrees to abide by all of the terms and conditions under which this request is being granted.

Applicant (sign and print name)	Title	Date
*** Con	tract Airport Manager Administrati	on Use Only ***
Documents provided to the Appli	cant:	
□ Los Angeles County Code Titl□ Minimum Standards□ NFPA Document 407	☐ Airport Lay	ory Circular 150/5230-4 out Map Payment of Fees and/or Charges
Attached copies of applicable do	cuments:	
□ Lease / License Agreement□ Sublease Agreement□ FAA Certificate(s)COMMENTS BY CONTRACT AI	□ Business/P □ Certificate(of Incorporation Privilege Tax License s) of Insurance
	RPORT MANAGER.	
□ Permit valid for one year from	the date of approval.	
□ Permit valid from	to	·
Permit approved by:		
	Airport Manager	Date

EXHIBIT C - SELF-FUELING APPLICATION / PERMIT

SELF-FUELING APPLICATION / PERMIT

Тур	pe:	☐ Lessee / Licensee		□ Sublessee		□ Other	(describe c	on page 2)	
Ter	rm: 🗆	□ Annual		☐ Monthly		□ Daily			
Type(s) of Self-Fueling To Be Cond ☐ Self-Fueling (fuel storage facility)					lucted:		Self-Fuel	ing (mobile	storage)
	Avgas	gal	llons	(fuel storaç s (fuel stora	ge facility)		Avgas _	ga	ons (mobile storage) llons (mobile storage)
	-	iel Stora	age F	acility Loc	cation and Start	and Er			T
	RPORT							RT DATE	
	DDRESS						ENL	DATE	
	Dosed Re		Vehi	cle(s) and	or Other Mobil	e Stora	_ ae:		
	MAKE	MODE		. ,	NSE PLATE NO.		L TYPE	FUEL QU	ANTITY (GALLONS)
1									(/
2									
Air	craft for S	elf-Fue	ling -	Owned by	y Applicant:				
		AIR	CRAF	T REGIST	RATION (N-NUI	MBER)	А	IRCRAFT I	MAKE / MODEL
Α	IRCRAFT	1							
Α	IRCRAFT	2							
Leç	gal Name	of the A	pplic	ant and/o	r Business Nam	ne (if di	ferent):		
LEGAL NAME									
BUSINESS NAME									
Ad	Address of the Applicant (if different from the Proposed Location):								
ADDRESS									
CITY, STATE, ZIP									
Pri	mary Con	tact for	the A	Applicant:					
NAME									
ADDRESS									
CITY, STATE, ZIP									
TELEPHONE #				FAX#					
E-MAIL									

SELF-FUELING APPLICATION / PERMIT

The Applicant hereby requests that the privilege to conduct Self-Fueling activities as described in this Permit at the Airport(s) listed on Page 1 of this Permit be granted to the Applicant by the Contract Airport Manager (Manager), the designated manager of the Airport for the County of Los Angeles (County). Additionally, the Applicant agrees to the following:

- FEE PAYMENT: The Applicant agrees to pay all applicable fees and other charges including fuel flowage fees, late fees, interest, and penalties without offset of any kind whatsoever.
- **PERMIT LIMITATIONS:** This Permit is not valid unless signed by an authorized representative of the Manager. This Permit may not be assigned or transferred and is limited to engaging in the approved activity(ies) in the location(s) designated and only for the time specified in the Permit.
- **INFORMATION CHANGES:** The Applicant shall notify the Manager in writing within 15 days of any change to the information submitted in this application.
- **INSURANCE:** The Applicant shall maintain appropriate insurance coverage in accordance with this Permit, Section 19.04.610 of Los Angeles County Code Title 19, and the Minimum Standards.
- INDEMNIFICATION: The Applicant shall indemnify and hold harmless the County and Manager and their agents, officers, employees, successors and assigns from and against any and all liability, damages, business interruptions, delays, losses, claims, judgments of any kind whatsoever including all costs, attorneys' fees, and expenses incidental thereto, which may be suffered by, or caused to, County or Manager by reason of loss or damage to any property or injury to, or death of, any person arising from or by reason of Applicant's use of the Airport(s) not arising out of the willful misconduct or gross negligence of the County or Manager.
- COMPLIANCE WITH REGULATORY MEASURES: The Applicant shall comply with Los Angeles County Code Title 19 in addition to all statutes, ordinances, resolutions, Minimum Standards, Rules and Regulations of any applicable federal, state, or local governmental agency and the County of Los Angeles, and any and all directives concerning airport operations and safety issued by the County or Manager.

If, at any time, the Applicant does not comply with all the terms and conditions of this Permit, the Permit shall be invalid and terminated.

The undersigned Applicant certifies that they agree to abide by all of the terms and conditions under which this request is being granted.

Applicant (sign and print name)	Title	Date
*** Contrac	t Airport Manager Administration	Use Only ***
Documents provided to the Applicant	•	
□ Los Angeles County Code Title 19□ Minimum Standards□ NFPA Document 407	☐ Airport Layout	Circular 150/5230-4 Map yment of Fees and/or Charges
Attached copies of applicable docum	ents:	
□ Lease Agreement□ Sublease Agreement□ FAA Certificate(s) (if applicable)COMMENTS BY CONTRACT AIRPO	☐ Business/Privi☐ Certificate(s) o	Incorporation (if business) lege Tax License (if business) of Insurance
□ Permit valid for one year from the	date of approval.	
□ Permit valid from	to	<u> -</u>
Permit approved by:		
	, Airport Manager	Date