County of San Luis Obispo
GENERAL SERVICES AGENCY
Janette D. Pell, Director

Helen McCann, Department Administrator

REQUEST FOR PROPOSAL PS- #1147
APPRAISAL SERVICES: AIRPORT RENT ANALYSIS

August 26, 2011

The County of San Luis Obispo (County) is currently soliciting proposals for professional services for Appraisal Services: Airport Rent Analysis.

Each proposal shall specify each and every item as set forth in the attached specifications. Any and all exceptions must be clearly stated in the proposal. Failure to set forth any item in the specifications without taking exception may be grounds for rejection. The County reserves the right to reject any and all proposals and to waive any irregularity or informality in any proposal or in the Request for Proposal process, as long as, in the judgment of the County, such action will not negate fair competition and will permit proper comparative evaluation of the proposals submitted.

This Request for Proposal is posted on the County's Purchasing website at http://www.slocounty.ca.gov/GSA/Purchasing/Current_Formal_Bids_and_Proposals.htm. Any changes, additions, or deletions to this Request for Proposal will be in the form of written addenda issued by the County. Any addenda will be posted on the website. Prospective proposers must check the website for addenda or other relevant new information during the response period. The County is not responsible for the failure of any prospective proposer to receive such addenda. All addenda so issued shall become a part of this Request for Proposal.

If your firm is interested and qualified, please submit five (5) hard copies and one (1) electronic copy (on CD or DVD) of your proposal on September 30, 2011 by 3:00 p.m. to:

County of San Luis Obispo
Barbara Adams, GSA - Purchasing
1087 Santa Rosa Street
San Luis Obispo, CA 93408

If you have any questions about the proposal process, please contact me. For technical questions and information contact Phil D'Acri at (805) 781-5218.

All questions pertaining to the content of this Request for Proposal must be made in writing via e-mail to Phil D'Acri at: pdacri@co.slo.ca.us. All questions will receive a response within five (5) business days. The question and its response will be posted (anonymously) on the County's Purchasing web site located at: http://www.slocounty.ca.gov/GSA/Purchasing/Current_Formal_Bids_and_Proposals.htm. The County reserves the right to determine the appropriateness of comments / questions that will be posted on the website.

Barbara Adams

BARBARA ADAMS
Buyer – GSA Purchasing
beadams@co.slo.ca.us

LOCAL VENDOR PREFERENCE

The County has established a local vendor preference. When quality, service, and other relevant factors are equal, responses to Requests for Proposals will be evaluated with a preference for local vendors. Note the following exceptions:

1. Those contracts which State Law or, other law or regulation precludes this local preference.
2. Public works construction projects.

A "local" vendor preference will be approved as such when, 1) The vendor conducts business in a fully staffed office with a physical address within the County of San Luis Obispo; 2) The vendor holds a valid business license issued by the County or a city within the County; and 3) The vendor has conducted business at the local address for not less than six (6) months prior to the due date of this Request for Proposal..

Proposals received in response to this Request for Proposal will be evaluated by the Selection Committee considering the local vendor preference described above when quality, service and other relevant factors are equal. The burden of proof will lie with proposers relative to verification of "local" vendor preference. Should any questions arise, please contact a buyer at (805) 781-5200.

	YES	NO
Do you claim local vendor preference?		
Do you conduct business in an office with a physical location within the County of San Luis Obispo?		
Business Address: _____ _____		
Years at this Address:_____		
Does your business hold a valid business license issued by the County or a City within the County?		
Name of Local Agency which issued license:_____		

Business Name: _____

Authorized Individual: _____ Title: _____

Signature:_____ Dated: _____

PROPOSAL SUBMITTAL AND SELECTION

1. All proposals, consisting of five (5) hard copies and one (1) electronic copy (on CD or DVD) must be received by mail, recognized carrier, or hand delivered no later than 3:00 p.m. on September 30, 2011. Late proposals will not be considered and will be returned, unopened.
2. All correspondence should be directed to:

   San Luis Obispo County
   General Services Agency
   1087 Santa Rosa Street
   San Luis Obispo, CA 93408
   ATTENTION: BARBARA ADAMS
   Telephone: (805) 781-5906

3. All costs incurred in the preparation and submission of proposals and related documentation will be borne by the proposer.
4. It is preferred that all proposals be submitted on recycled paper, printed on two sides.
5. Selection of qualified proposers will be by an impartial Selection Committee using an approved County procedure for awarding professional contracts. Selection will be made on the basis of the proposals as submitted, although the County reserves the right to interview applicants as part of the selection process. The proceedings of the Selection Committee are confidential, and members of the Selection Committee are not to be contacted by the proposers.
6. This Request for Proposal does not constitute an offer of employment or to contract for services.
7. The County reserves the option to accept or reject any or all proposals, wholly or in part, received by reason of this request, and make more than one award, or no award, as the best interests of the County may appear.
8. All documents submitted to the County in response to this Request for Proposal will become the exclusive property of the County and may be returned to the proposer or kept by the County, in the County's sole discretion.
9. All proposals shall remain firm for ninety, (90) days following closing date for receipt of proposals.
10. The County reserves the right to award the contract to the firm who presents the proposal which in the judgment of the County, best accomplishes the desired results, and shall include, but not be limited to, a consideration of the professional service fee.
11. Any contract awarded pursuant to this Request for Proposal will incorporate the requirements and specifications contained in this Request for Proposal. All information presented in a proposer's proposal will be considered binding upon selection of the successful proposer, unless otherwise modified and agreed to by the County during subsequent negotiations.
12. The successful proposer is expected to execute a contract similar to the contract in **Attachment A**. This sample contract is for reference to the anticipated terms and conditions

governing the County and the successful proposer. The proposer must take exception in their proposal to any section of the attached contract they do not agree with. Failing to do so will be deemed as acceptance by the proposer to the terms spelled out in the sample contract. The County reserves the right, in its sole discretion, to add, delete, or modify, or negotiate additional terms and conditions to the attached contract. BEFORE BEGINNING ANY WORK OR SUBMITTING A PROPOSAL IT IS ADVISED THAT PROPOSERS READ THE COUNTY INSURANCE AND INDEMNIFICATION REQUIREMENTS IN THE ATTACHED SAMPLE CONTRACT. The selected proposer will be asked to provide evidence that County insurance requirements have been met. See **Attachment A** – Sample County Contract, and in the Sample County Contract the insurance requirements are found in Exhibit A.

13. **CALENDAR OF EVENTS:**

The following is a schedule of events which the project is expected to follow. These dates are considered flexible and the County reserves the right to adjust the dates and timeframes as necessary at its sole discretion without notice..

08/26/2011	Request for Proposals Distributed
09/09/2011	Pre Proposal Meeting (not mandatory)
09/30/2011	Proposals received
10/10/2011	Interviews (If necessary)
10/24/2011	Consultant ranking finalized and cost proposals reviewed
11/15/2011	Board of Supervisors awards contract, Notice to Proceed follows

14. Under the provisions of the California Public Records Act (the "Act"), Government Code section 6252 et seq., all "public records" (as defined in the Act) of a local agency, such as the County, must be available for inspection and copying upon the request of any person. Under the Act, the County may be obligated to provide a copy of any and all responses to this Request for Proposal, if such requests are made after the contract is awarded. One exception to this required disclosure is information which fits within the definition of a confidential trade secret [Government Code section 6254(k)] or contains other technical, financial or other data whose public disclosure could cause injury to the proposer's competitive position. If any proposer believes that information contained in its response to this Request for Proposal should be protected from disclosure, the proposer MUST specifically identify the pages of the response that contains the information by properly marking the applicable pages and inserting the following notice in the front of its response:

> ***NOTICE:*** *The data on pages _ of this response identified by an asterisk (*) contain technical or financial information, which are trade secrets, or information for which disclosure would result in substantial injury to the proposer's competitive position. Proposer requests that such data be used only for the evaluation of the response, but understands that the disclosure will be limited to the extent the County considers proper under the law. If an agreement is entered into with the proposer, the County shall have the right to use or disclose the data as provided in the agreement, unless otherwise obligated by law.*

The County will not honor any attempt by proposer to designate its entire proposal as

proprietary. If there is any dispute, lawsuit, claim or demand as to whether information within the response to the Request for Proposal is protected from disclosure under the Act, proposer shall indemnify, defend, and hold harmless, the County arising out of such dispute, lawsuit, claim or demand.

15. An electronic copy of your proposal must be included. This electronic copy should include all documents being submitted combined into one Adobe Acrobat (pdf) file on a CD, using this convention for the file name: FIRM NAME + RFP NUMBER

    Example: Your firm, Acme Inc., is responding to RFP PS-#1101. Your Adobe Acrobat (pdf) file would be named: **Acme 1101**

PROPOSAL FORMAT

A qualifying proposal must address all of the following points and shall be in the format outlined in this section:

1. Project Title

2. Applicant or Firm Name

3. Firm Qualifications

    a. Type of organization, size, professional registration and affiliations.

    b. Names and qualifications of personnel to be assigned to this project.

    c. Outline of recent projects completed that are directly related to this project. Consultant is required to demonstrate specific design and project expertise relating to the requirements of the Project Scope.

    d. Qualifications of consultants, subcontractors, or joint venture firm, if appropriate.

    e. Client references from recent related projects, including name, address and phone number of individual to contact for referral. Please include only references that are directly relevant to this Request for Proposal and are current (last 4 years). Please include at least 3 such references with detailed contact information.

    f. A qualified appraiser shall be an independent real property appraiser having at least five (5) years experience appraising airport property, California commercial and industrial experience , and who shall be a member of a professional organization such as the American Institute of Appraisers or the Society of Industrial Real Estate Appraisers or their professional equivalent (a "Qualified Appraiser").

4. Understanding of and Approach to the Project

   a. Summary of approach to be taken.

   b. Description of the organization and staffing to be used for the project.

   c. Indication of information and participation the proposer will require from County staff.

   d. Indication of time frame necessary to complete the report and recommendations once a Notice to Proceed is issued.

5. Fees, Insurance, and Indemnification

   a. Propose total fixed fees to complete project as described under Project Scope.

   b. Propose total fixed fees to complete alternate item described under project scope.

   c. The selected Consultant will be required to provide insurance coverage in the amount of $2,000,000 General Liability Insurance, $1,000,000 Business Auto and $1,000,000 of Professional Liability Insurance (**see Attachment A for balance of County insurance requirements**). ***Where coverages differ between this article 5.c and those in attachment A, article 5.c shall control.*** This amount of insurance coverage shall be reflected in your estimated professional fee.

   d. The Consultant shall provide within five (5) days after the Notice of Award is issued a certificate of liability insurance naming the County of San Luis Obispo and its employees and officers as additionally named insured. This shall be maintained in full force and effect for the duration of the contract and must be in an amount and format satisfactory to the County.

   e. Consultant shall defend, indemnify and hold harmless the County, its officers and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, liabilities or other losses that may be asserted by any person or entity, and that arise out of or are made in connection with the acts or omissions, relating to the performance of any duty, obligation, or work hereunder. The obligation to indemnify shall be effective and shall extend to all such claims and losses, in their entirety, even when such claims or losses arise from the comparative negligence of the County, its officers and employees. However, this indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers and employees.

PROJECT SCOPE

OVERVIEW

The ultimate objective is to have a qualified consultant render an opinion of the base market land rent that is applicable to aviation use sites at the San Luis Obispo County Regional Airport, consistent with the terms and conditions of its standard aviation lease (**see Attachment B**) and other leases in place at the Airport as may be applicable.

SECTION ONE - BACKGROUND:

Located just south of the City of San Luis Obispo, the San Luis Obispo County Regional Airport (SBP) serves areas as far north as Southern Monterey County and as far south as Northern Santa Barbara County. The Airport offers convenient access to and from the Central Coast. Residents and visitors have the choice of two commercial airlines with flights to Los Angeles, Phoenix, and San Francisco. With approximately 365 acres, the airport is also home to full service general aviation and corporate facilities. In 2010, SBP had approximately 134,000 enplaned passengers. Approximately 259 aircraft are based at SBP, including 10 jets. There are on average 224 daily aircraft operations. A copy of the Master Plan update can be viewed at http://sloairport.com/masterplan_update.html for further airport details.

The Regional Airport is owned and operated by the County of San Luis Obispo. The County also owns and operates Oceano County Airport (L52), a general aviation facility which is located on the coast, south of Pismo Beach (see **Attachment C** for airport property maps for SBP and L52).

The day-to-day administration and management of both airports is the responsibility of the Deputy Director – County Airports. County Airports is a business unit within the General Services Agency and the Deputy Director – County Airports reports to the General Services Agency Director. Overall administration and financial oversight of the two County-owned airports fall under the jurisdiction of the County Administrative Officer and the five-member elected Board of Supervisors.

The County intends on conducting periodic assessments of airport land market rental values for use in the determination of ground rental rates for existing and future tenants at both airports.

The purpose of this project is to assist the County in maintaining a rental fee structure for the leasable land at the airport that is consistent with market land values and which will make the airport as self-sustaining as possible under the circumstances existing at the Airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

SECTION TWO – APPRAISAL REPORT and FINDING REQUIREMENTS:

3.1. The County intends on conducting periodic assessments of airport land market rental values for use in the determination of ground rental rates for existing and future tenants at both airports. This project should result in a complete appraisal of the leasable land at SBP (and L52 as a **PROPOSAL** alternate), in a self-contained appraisal report format. A Proposer must propose each alternate and must indicate if each alternate is additive (+) or deductive (-).

3.2. The appraisal report shall sufficiently and thoroughly describe the data, reasoning and analysis used to develop the opinion of value/rate. In conformance with the County's intended procedures for rate setting practices, the report shall convey market values and applicable range of market ground rental rates for the following: a) Full Fixed Based Operator (FBO), b) Specialty Shop and c) Aircraft Storage.

3.3. The appraisal shall be prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP), as promulgated by the Appraisal Standards Board of the Appraisal Foundation, the Code of Professional Ethics and the Standards of Professional Appraisal Practices of the Appraisal Institute.

3.4. The County of San Luis Obispo may request drafts in advance of final appraisal reports.

3.5. The County of San Luis Obispo may require, from time to time, expert testimony from the selected contractor(s).

3.6. At a minimum, the report will:

3.6.1. state the appraiser's qualifications with respect to the work to be performed and shall identify any specific work experience in providing valuation of land and buildings, located on an airport, having access to the airfield; and

3.6.2. state the identity of the client and any intended users, by name or type; and

3.6.3. state the intended use of the appraisal; and

3.6.4. describe the information sufficiently to identify the real estate or personal property involved in the appraisal, including the physical and economic property characteristics relevant to the assignment; and

3.6.5. state the real property interest appraised; and

3.6.6. state the purpose of the appraisal, including the type and definition of value and its source; and

3.6.7. state the effective date of the appraisal and the date of the report; and

3.6.8. describe sufficient information to disclose to the County and any intended users of the appraisal the scope of work used to develop the appraisal; and

3.6.9. state all assumptions, hypothetical conditions and limiting conditions that affected the analyses, opinions and conclusions; and

3.6.10. state the use of the property existing as of the date of value, and the use of the real estate or personal property reflected in the appraisal; and, when the purpose of the

assignment is market value, describe the support and rationale for the appraiser's opinion of the highest and best use of the real estate; and

3.6.11. state and explain any permitted departures from specific requirements of USPAP STANDARD 1, and the reason for excluding any of the usual valuation approaches; and

3.6.12. include a signed certification in accordance with USPAP Standards Rule 2-3.

3.7. **The Appraiser shall attend and participate in at least two onsite tenant meetings for SBP and L52 (as an alternate PROPOSAL item) tenants**. The first meeting is intended to be a project "kickoff" meeting to provide tenants with an understanding of the appraisal process and how this project will be managed. It should also provide an opportunity for the tenants to interact with and offer input/feedback to the appraiser. The second meeting is intended to communicate the appraisal findings to the tenants.

SECTION THREE – MISCELLANEOUS:
It is expected that the rent analysis will incorporate an investigation of all pertinent data relating to the subject property, including, but not limited to:

- Researching trends in the General Aviation industry on national, statewide and local levels
- Reviewing criteria used in classification of airports by both the FAA and the state of California.
- Review of the County's standard aviation lease (**Attachment B**) and all currently active ground leases for purpose of understanding the use restrictions and both lessor and lessee obligations as they would apply to the subject leaseholds.
- Geographic area
- Personal inspection of the subject property
- Research of market conditions

BID ALTERNATE #1: Opinion of base market land rent that is applicable to aviation use sites at the Oceano County Airport.

Oceano County Airport (L52) is a general aviation facility located adjacent to Oceano, a coastal community near Pismo Beach, Grover Beach, and Arroyo Grande. The airport situated on approximately 58 acres in an unincorporated portion of San Luis Obispo County. There are 34 tiedowns, 14 aircraft storage tenants and 4 commercial tenants located at L52. A copy of the Master Plan can be viewed at http://sloairport.com/masterplan_update.html for further airport details (see **Attachment C** for airport property maps for L52 and SBP).

The above will all be undertaken at the proposer's sole expense.

Attachments:
A – Sample Contract for Special Services by Independent Contractor
B – Standard Aviation Lease (site M Lease shell)
C - Airport Land Maps for SBP & L52

ATTACHMENT A (Sample Contract)

CONTRACT FOR SPECIAL SERVICES BY INDEPENDENT CONTRACTOR

THIS CONTRACT is entered into this _____day of _____, 20___, by and between the COUNTY OF SAN LUIS OBISPO (hereinafter referred to as "County") and _____, an independent contractor (hereinafter referred to as "Contractor").

W I T N E S S E T H

WHEREAS, the County of San Luis Obispo has need for special services and advice in _____; and

WHEREAS, Contractor is specially trained, experienced, expert and competent to perform such special services;

NOW, THEREFORE, the parties mutually agree as follows:

1. <u>Scope of Services</u>. Pursuant to this Contract, Contractor shall provide to County the following special services:

_____

_____

_____

_____

2. <u>Compensation</u>. County shall pay to Contractor as compensation in full for all services performed by Contractor pursuant to this Contract, the sum of not to exceed $_____, within thirty (30) days after the receipt of an itemized statement from Contractor required by paragraph 3 herein, which has been previously approved by an appropriate representative of the County Department for whom contractor is directly working.

3. <u>Billing.</u> Contractor shall submit to the County, on a _____ basis, a detailed statement of services performed during that preceding period, including the number of hours of work performed.

4. <u>Term of Contract.</u> This Contract shall commence on _____, and shall terminate on _____, unless said work is completed on a date prior thereto or unless terminated earlier as provided herein. Termination of the Contract may be effectuated by the Department Head without the need for action, approval or ratification of the Department of General Services.

ALTERNATIVE PARAGRAPH: This Contract shall commence on _____, for an initial term until _____, and shall be automatically renewed under like terms for one (1) year periods thereafter, subject, however, to the rights of modifications contained herein and the provisions of paragraphs 5 and 6.

5. Termination of Contract for Convenience of Either Party. Either party may terminate this Contract at any time by giving to the other party _____ days written notice of such termination. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of said termination.

6. Termination of Contract for Cause. If contractor fails to perform Contractor's duties to the satisfaction of the County or if Contractor fails to fulfill in a timely and professional manner Contractor's obligations under this contract or if Contractor shall violate any of the terms or provisions of this Contract or if Contractor, Contractor's agents or employees fail to exercise good behavior either during or outside of working hours that is of such a nature as to bring discredit upon the County or if _____, then County shall have the right to terminate this Contract effective immediately upon the County giving written notice thereof to the Contractor. Termination shall have no affect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of such termination. If County's termination of Contractor for cause is defective for any reason, including but not limited to County's reliance on erroneous facts concerning Contractor's performance, or any defect in notice thereof, County's maximum liability shall not exceed the amount payable to Contractor under paragraph 5 above.

7. Equal Employment Opportunity. During the performance of this contract, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, and hereby promises to comply with the provision on contractor agreements contained in Presidential Executive Order Number 11246 as amended by Executive Order 11375 and as supplemented in Department of Labor regulation (41 CFR Part 60).

8. Entire Agreement and Modification. This Contract supersedes all previous contracts and constitutes the entire understanding of the parties hereto. Contractor shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both parties. Contractor specifically acknowledges that in entering into and executing this Contract, Contractor relies solely upon the provisions contained in this Contract and no others.

9. Non-Assignment of Contract. Inasmuch as this Contract is intended to secure the specialized services of the Contractor, Contractor may not assign, transfer, delegate or sublet any interest therein without the prior written consent of County and any such assignment, transfer, delegation or sublease without the County's prior written consent shall be considered null and void.

10. Covenant. This Contract has been executed and delivered in the State of California and the validity, enforceability and interpretation of any of the clauses of this Contract shall be determined and governed by the laws of the State of California. All duties and obligations of the parties created hereunder are performable in San Luis Obispo County and such County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Contract.

11. Enforceability. If any term, covenant, condition or provision of this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

12. Employment Status. Contractor shall, during the entire term of the Contract, be construed to be an independent Contractor and nothing in this Contract is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which Contractor performs the services which are the subject matter of this Contract; provided always, however, that the services to be provided by Contractor shall be provided in a manner consistent with all applicable standards and regulations governing such services.

Contractor understands and agrees that Contractor's personnel are not and will not be eligible for membership in or any benefits from any County group plan for hospital, surgical or medical insurance or for membership in any county retirement program or for paid vacation, paid sick leave or other leave, with or without pay or for any other benefit which accrues to a County employee.

13. Warranty of Contractor. Contractor warrants that Contractor and each of the personnel employed or otherwise retained by Contractor are properly certified and licensed under the laws and regulations of the State of California to provide the special services herein agreed to.

14. Indemnification. [SELECT OPTIONS 1-5: Consultant -Construction; Consultant Non-Construction; Contractor - Construction; Contractor- Non-Construction; Consultant - Design Professional; Lessor-Lessee; Airport/Aircraft Operations CEQA]. (See Risk Management Bulletin Board.)

15. Insurance [SELECT ONE - CONTRACTOR, CONSULTANT, DESIGN PROFESSIONAL] (See Risk Management Bulletin Board.)

Contractor, at its sole cost and expense, shall purchase and maintain the insurance policies set forth below on all of its operations under this Agreement. Such policies shall be maintained for the full term of this Agreement and related warranty period (if applicable) and shall provide products/completed operations coverage for four (4) years following completion of Contractor's work under this Agreement and acceptance by the County. Any failure to comply with reporting provisions(s) of the policies referred to above shall not affect coverage provided to the County, its officers, employees, volunteers

and agents. For purposes of the insurance policies required hereunder, the term "County" shall include officers, employees, volunteers and agents of the County if San Luis Obispo, California, individually or collectively.

1. **MINIMUM SCOPE AND LIMITS OF REQUIRED INSURANCE POLICIES**

(Contact Risk Management for variation of insurance requirements for large or small contracts that may not fit the standard insurance requirements)

The following policies shall be maintained with insurers authorized to do business in the State of California and shall be issued under forms of policies satisfactory to the County:

a. **COMMERCIAL GENERAL LIABILITY INSURANCE POLICY ("CGL")**

Policy shall include coverage at least as broad as set forth in Insurance Services Office (herein "ISO") Commercial General Liability coverage. (Occurrence Form CG 0001) with policy limits not less than the following:

$1,000,000 each occurrence (combined single limit);

$1,000,000 for personal injury liability;

$1,000,000 aggregate for products-completed operations; and,

$1,000,000 general aggregate.

The general aggregate limits shall apply separately to Contractor's work under this Agreement.

b. **BUSINESS AUTOMOBILE LIABILITY POLICY ("BAL")**

Policy shall include coverage at least as broad as set forth in Insurance Services Office Business Automobile Liability Coverage, Code 1 "Any Auto" (Form CA 0001). This policy shall include a minimum combined single limit of not less than One-million ($1,000,000) dollars for each accident, for bodily injury and/or property damage. Such policy shall be applicable to vehicles used in pursuit of any of the activities associated with this Agreement. Contractor shall not provide a Comprehensive Automobile Liability policy which specifically lists scheduled vehicles without the express written consent of County.

c. **WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY ("WC/EL")**

This policy shall include at least the following coverages and policy limits:

1. Workers' Compensation insurance as required by the laws of the State of California; and
2. Employer's Liability Insurance Coverage B with coverage amounts not less than one million ($1,000,000) dollars each accident/Bodily Injury (herein "BI"); one million ($1,000,000) dollars policy limit BI by disease; and, one million ($1,000,000) dollars each employee BI by disease.

d. **[OPTIONAL] PROFESSIONAL LIABILITY INSURANCE POLICY ("PL")**

This policy shall cover damages, liabilities, and costs incurred as a result of Contractor's professional errors and omissions or malpractice. This policy shall include a coverage limit of at least One Million Dollars ($1,000,000) per claim, including the annual aggregate for all claims (such coverage shall apply during the performance of the services under this Agreement and for two (2) years thereafter with respect to incidents which occur during the performance of this Agreement). Contractor shall notify the County if any annual aggregate is eroded by more than seventy-five percent (75%) in any given year.

2. **DEDUCTIBLES AND SELF-INSURANCE RETENTIONS**

Any deductibles and/or self-insured retentions which apply to any of the insurance policies referred to above shall be declared in writing by Contractor and approved by the County before work is begun pursuant to this Agreement. At the option of the County, Contractor shall either reduce or eliminate such deductibles or self-insured retentions as respect the County, its officers, employees, volunteers and agents, or shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and/or defense expenses.

3. **ENDORSEMENTS**

All of the following clauses and endorsements, or similar provisions, are required to be made a part of insurance policies indicated in parentheses below:

a "Cross Liability", "Severability of Interest" or "Separation of Insureds" clause (CGL & BAL);

b. The County of San Luis Obispo, its officers, employees, volunteers and agents are hereby added as additional insureds with respect to all liabilities arising out of Contractor's performance of work under this Agreement (CGL & BAL);

c. If the insurance policy covers an "accident" basis, it must be changed to "occurrence" (CGL & BAL);

d. This policy shall be considered primary insurance with respect to any other valid and collectible insurance County may possess, including any self-insured retention County may have, and any other insurance County does possess shall be considered excess insurance only and shall not be called upon to contribute to this insurance (CGL, BAL & PL);

e. No cancellation or non-renewal of this policy, or reduction of coverage afforded under the policy, shall be effective until written notice has been given at least thirty (30) days prior to the effective date of such reduction or cancellation to County at the address set forth below (CGL, BAL, WC/EL & PL);

f. Contractor and its insurers shall agree to waive all rights of subrogation against the County, its officers, employees, volunteers and agents for any loss arising under this Agreement (CGL); and

g. Deductibles and self-insured retentions must be declared (All Policies).

4. **ABSENCE OF INSURANCE COVERAGE**

County may direct Contractor to immediately cease all activities with respect to this Agreement if it determines that Contractor fails to carry, in full force and affect, all insurance policies with coverages at or above the limits specified in this Agreement. Any delays or expense caused due to stopping of work and change of insurance shall be considered Contractor's delay and expense. At the County's discretion, under conditions of lapse, the County may purchase appropriate insurance and charge all costs related to such policy to Contractor.

5. **PROOF OF INSURANCE COVERAGE AND COVERAGE VERIFICATION**

Prior to commencement of work under this Agreement, and annually thereafter for the term of this Agreement, Contractor, or each of Contractor's insurance brokers or companies, shall provide County a current copy of a Certificate of Insurance, on an Accord or similar form, which includes complete policy coverage verification, as evidence of the stipulated coverages. All of the insurance companies providing insurance for Contractor shall have, and provide evidence of, A.M. Best Rating of "A-FSCVII" or above. The Certificate of Insurance and coverage verification and all other notices related to cancellation or non-renewal shall be mailed to:

List County Department & Contact

16. Records.

a. Contractor shall keep complete and accurate records for the services performed pursuant to this Contract and any records required by law or government regulation and shall make such records available to County upon request.

b. Contractor shall assure the confidentiality of any records that are required by law to be so maintained.

c. Contractor shall prepare and forward such additional or supplementary records as County may reasonably request.

[ALTERNATE PARAGRAPH]

17. Accounting.

Contractor shall maintain accounting records in accordance with generally accepted accounting principles. The Contractor shall obtain the services of a qualified bookkeeper or accountant to ensure that accounting records meet this requirement.

Contractor shall maintain acceptable books of accounts which include, but are not limited to, a general ledger, cash receipts journal, cash disbursements journal, general journal and payroll journal.

Contractor shall record costs in a cost accounting system which clearly identifies the source of all costs. Contract costs shall not be co-mingled with other project costs, but shall be directly traceable to contract billings to the County.

The use of worksheets to produce billings shall be kept to a minimum. If worksheets are used to produce billings, all entries should be documented and clearly traceable to the Contractor's cost accounting records.

All accounting records and supporting documentation shall be retained for a minimum of five (5) years or until any audit findings are resolved, whichever is later. Contractor shall safeguard the accounting records and supporting documentation.

Contractor shall make accounting records and supporting documentation available on demand to the County and _____ for inspection and audit. Disallowed costs shall be repaid to the County. The County may require to have the Contractor's accounting records audited, at Contractor's expense, by an accountant licensed by the State of California. The audit shall be presented to the County Auditor-Controller within thirty (30) days after completion of the audit.

18. Notices. Any notice required to be given pursuant to the terms and provisions hereof shall be in writing and shall be sent by first class mail to the County at:

_____

_____

_____

and to the Contractor:

_____

_____

_____

19. Cost Disclosure - Documents and Written Reports.

Pursuant to Government Code section 7550, if the total cost of this Contract is over $5,000, the Contractor shall include in all final documents and in all written reports submitted a written summary of costs, which shall set forth the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of such documentation or written report. The contract and subcontract numbers and dollar amounts shall be contained in a separate section of such document or written report.

20. Reports. [OPTIONAL PARAGRAPH INCLUDED IN ALL DSS CONTRACTS].

Written reports shall be submitted monthly by Contractor to County by the 10th day of each month succeeding the month within which the report is concerned. The report shall describe the work performed, personnel involved and accomplishments made during the preceding months, plus any problems anticipated in performing said work in the future.

21. Copyright. [OPTIONAL PARAGRAPH].

Any reports, maps, documents or other materials produced in whole or part under this Contract shall be the property of the County and none shall be subject to an application for copyright by or on behalf of Contractor.

22. Findings Confidential. [OPTIONAL PARAGRAPH].

No reports, maps, information, documents, or any other materials given to or prepared by Contractor under this Contract which County requests in writing to be kept confidential, shall be made available to any individual or organization by Contractor without the prior written approval of County. However, Contractor shall be free to disclose such data as is publicly available.

23. Performance Bond. [OPTIONAL PARAGRAPH].

At the time of execution of the Contract, the Contractor shall furnish a "faithful performance" bond in the sum of one hundred percent (100%) of the Contract price to guarantee the performance of the Contract.

24. Restrictive Covenant. [OPTIONAL PARAGRAPH].

Contractor agrees that he will not, during the continuance of this Contract, perform or otherwise exercise his services in any manner or place except for the County, unless and until said County waives this restriction.

25. Equipment and Supplies. [OPTIONAL PARAGRAPH].

Contractor will provide all necessary equipment and supplies in order to carry out the terms of this Contract.

IN WITNESS THEREOF, County and Contractor have executed this Contract on the day and year first herein above set forth.

CONTRACTOR

By: _____

Title:_____

COUNTY OF SAN LUIS OBISPO

By: _____

Title:_____

FIXED BASED OPERATOR (FBO) LEASE and OPERATING AGREEMENT FOR LEASE SITE XX

BY AND BETWEEN

THE COUNTY OF SAN LUIS OBISPO

AND

XXXXXX

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LEASE AND OPERATING AGREEMENT BY AND BETWEEN
THE COUNTY OF SAN LUIS OBISPO
AND
XXXXXX.

THIS LEASE AND OPERATING AGREEMENT (hereafter called "Lease") is made and entered into by and between the County of San Luis Obispo, a public entity in the State of California (the "County"), and XXXXXX (the "Lessee").

ARTICLE 1

GRANT AND DESCRIPTION OF PREMISES

A. DESCRIPTION: In consideration of each and every term, covenant and condition herein contained, County hereby leases to Lessee, and Lessee hires from County, those certain premises situated at San Luis Obispo County Regional Airport (the "Airport") located in the County of San Luis Obispo, State of California, described as **Lease Site XX,** and shown on ***EXHIBIT "A"*** attached hereto and made a part hereof, and which premises are hereinafter referred to as "Premises". Both County and Lessee acknowledge that once plans for the new terminal are finalized, a small strip of land adjacent to the west of Lease Site XX and east of the new terminal may also be available for development. Assuming such property or other property within this vicinity exists in the future and Airports Manager determines it is available to development, County hereby agrees to identify this property as soon as practical and offer it to Lessee. If Lessee chooses to accept this property, ***EXHIBIT "A"*** shall be amended so that this portion of land is included in Lease Site XX and Lessee shall pay rent in accordance with the newly defined area and in accordance with **Article 3** herein.

B. RESERVATIONS TO COUNTY/EASEMENT RESERVATIONS: Lessee accepts the Premises subject to any and all existing easements and encumbrances. County reserves the right to establish, to grant or to use easements or rights-of-way over, under, along and across the Premises for access, underground utilities, thoroughfares or such other facilities as it deems necessary for public health, convenience and welfare, whether or not such facilities

directly or indirectly benefit the Premises, and to enter the Premises for any such purpose; provided, however, that any such grant of rights by County shall require that the Premises be restored to their pre-existing condition. County hereby reserves unto itself, for the benefit and use for aviation purposes by the County and the public, an easement over any existing taxiways, or any taxiways developed by Lessee, within the Premises. Provided, however, no right reserved by County in the **Article 1 Section B** shall be exercised so as to interfere unreasonably with Lessee's operations hereunder. County agrees that should the exercise of any of the rights reserved by County in this **Article 1 Section B** temporarily interfere with the use of any or all of the Premises by Lessee, the rent shall be reduced in proportion to the interference with Lessee's use of the Premises.

ARTICLE 2

TERM AND TERMINATION

ARTICLE 3

RENTAL

A. MONTHLY BASE RENT.

(1) Establishment of Monthly Base Ground Rent. Lessee shall pay to County :

(2) Due Date For Monthly Base Rent. Monthly Base Rent shall be due and payable in advance on the first (1st) day of each calendar month. Monthly Base Rent for fractional months shall be prorated on the basis of a thirty (30) day month. Rental amounts shall become delinquent if not received by the tenth day of the month owing and shall be subject to a late penalty of ten percent (10%), which shall be added to the payment then due and owing. If still unpaid for thirty (30) days after the delinquency date the legal rate of interest shall apply.

(3) Annual Adjustment of Monthly Base Rent. Except during the years in which a "Market Rate Adjustment Date" as identified in **Section B of this Article 3** occurs, Monthly Base Rent shall be adjusted annually on the first day of the calendar month following each anniversary date of the Commencement Date (hereinafter referred to as the "Adjustment Date"), in the following manner:

(a) The Monthly Base Rent shall be increased to reflect increases in the Consumer Price Index (CPI). The adjustment shall be by a percentage equal to the percentage increase of the Consumer Price Index between the ***November*** published CPI and the corresponding CPI for the same period twelve months previous. If there is a decrease or no change in the CPI, then the preceding year's rent will not be adjusted.

(b) Airports Manager will provide written notice to Lessee of each adjusted rental amount on an annual basis. Failure by County to notice Lessee may delay payment of rent, but shall not preclude retroactive application of adjusted rent due.

(c) The term "Consumer Price Index" refers to the Consumer Price Index for Urban Wage Earners and Clerical Workers, San Francisco/Oakland Statistical Area, California, based on the period of 1982-84 = 100 as published by the Bureau of Labor Statistics of the U.S. Department of Labor.

(d) The index for the adjustment date shall be the one reported in the U.S. Department of Labor's most comprehensive official index then in use and most nearly answering the foregoing description of the index to be used. If it is calculated from a base other than the base period (1982-84=100), the base figure used for calculating the adjustment percentage shall first be converted under a formula supplied by the Bureau.

(e) If the described index is no longer published, another generally recognized as authoritative shall be substituted by agreement of County and Lessee. If County and Lessee are unable to agree within 30 days after demand by either party, on application

of either party the substitute index shall be selected by the chief officer of the San Francisco regional office of the Bureau of Labor Statistics or its successor.

(f) However, no adjustment to the Monthly Base Rent on any Adjustment Date shall be less than two percent (2%) or more than five percent (5%) of the Monthly Base Rent in effect immediately prior to the Adjustment Date.

B. MARKET RATE ADJUSTMENT TO MONTHLY BASE RENT. On the eleventh (11th), sixteenth (16th), twenty-first (21st), twenty-sixth (26th), thirty-first (31st), and thirty-sixth (36th), annual anniversary date of the Commencement Date (each a "Five Year Adjustment Date"), the Monthly Base Rent shall be adjusted to equal the "Fair Market Rent." In the event that this Lease is extended pursuant to **Article 2, Section D**, the Five Year Adjustment Date will continue into the approved Second Extension Term. As used herein, the term "Fair Market Rent" shall mean the fair market rent for the Land and all Existing Improvements then owned by County, if any, and constituting part of the Premises, determined in accordance with the procedures set forth in this **Article 3,** assuming:

(1) The use of the Land is the highest and best use permitted by applicable general plan and zoning ordinances of the County of San Luis Obispo in effect as of the date of determination of Fair Market Rent;

(2) The Land and County-owned Improvements, if any, are unencumbered by this Lease;

(3) FAA safety standards, which affect development of the Land by establishing building restriction lines and height limitations, as in effect as of the date of determination of Fair Market Rent, are applicable;

(4) Any County policies regarding development of comparable real property at the Airport in effect as of the date of determination of Fair Market Rent are applicable; and

(5) The market areas for determining comparable values shall be the area, inclusive of Monterey and Camarillo, from the shoreline to 40 miles easterly, commercial and industrial market areas, that are on airports. In the event that there are no recent comparables within three years of the then appraisal date, than the parties agree that other comparable California airports may be used for purposes of determining comparable values. Factors to determine comparable airports may include, but will not be limited to, general and commercial aviation operations and economic demographics of the surrounding community.

C. AGREEMENT BY COUNTY AND LESSEE ON APPOINTMENT OF QUALIFIED APPRAISER(S). During the first thirty (30) days of the ninety (90) day period preceding the Market Rate Adjustment Date, the County and Lessee shall attempt to agree, in good faith, upon the amount of the Market Rate Monthly Base Rent and, if they are able to agree, the Airports Manager and an authorized representative of Lessee shall execute a document setting forth the agreed amount of the Market Rate Monthly Base Rent. If County and Lessee are unable to agree upon the amount of the Market Rate Monthly Base Rent within such thirty (30) days, then during the next fifteen (15) days of the ninety (90) day period, the Airports Manager and Lessee shall each select an appraiser, who shall be an independent real property appraiser having at least 5 years experience appraising airport property, California commercial and industrial experience preferred, and who shall be a member of a professional organization such as the American Institute of Appraisers or the Society of Industrial Real Estate Appraisers or their professional equivalent (a "Qualified Appraiser"). County and Lessee shall independently bear the cost of its selected appraiser. The two (2) designated Qualified Appraisers shall designate a third Qualified Appraiser within fifteen (15) days of the later of their respective designations. The cost of said appraiser to be shared equally between County and Lessee. If either County or Lessee shall fail to designate timely a Qualified Appraiser, then the Qualified Appraiser designated by the other shall act as a single Qualified Appraiser. Airports Manager, and Lessee may shorten or extend any of the time periods described in this **Section C**, by mutual written consent.

D. DETERMINATION OF FAIR MARKET RENT. Within ninety (90) days of the designation either of a single Qualified Appraiser or of the third Qualified Appraiser pursuant to **Section C**, above, the Qualified Appraiser or Qualified Appraisers shall each make a determination in writing of the Fair Market Rent. If three Qualified Appraisers have been designated, the Fair Market Rent shall be the arithmetic average of the two (2) appraisals of Fair Market Rent that are closest in amount. If the high and low determinations of Fair Market Rent are equidistant in amount from the middle appraisal, the amount of the middle appraisal shall be the Fair Market Rent. Upon determination of the Fair Market Rent, the Monthly Base Rent on said Market Rate Adjustment Date shall be adjusted to equal the Fair Market Rent, subject to future adjustments as provided in **Article 3, Section A(3)**. Airports Manager, shall give written notice to Lessee of the adjusted Monthly Base Rent.

ARTICLE 4

LANDING FEES

Any Air Carrier, Air Taxi, Commercial Operator, etc. ("Carrier") operating at the Airport and on Lessee's premises or under the control of Lessee, that is not an excluded class of carrier as defined by the County's FAA approved Passenger Facility Charge (PFC), shall pay all rates and charges currently in force or as hereafter adopted by the County Board of Supervisors as applicable to including but not limited to the following:

A. Landing fees, calculated per 1000 pounds maximum certified gross landing weight and portion thereof for landing each aircraft owned or operated by Carrier for the purpose of delivering passengers to the airport, payable in arrears by the tenth day of each and every month.

B. Passenger Facility Charge as per U.S. Department of Transportation Federal Aviation Administration pursuant to 14 CFR Part 158 and subsequent Amendments or Revisions, PFC revenue recorded in the accounting system of the carrier shall be remitted to the County no later than the last day of the following calendar month (or if that date falls on a weekend or holiday, the first business day thereafter).

ARTICLE 5

USE OF PREMISES

County hereby grants to Lessee the privileges, uses, and rights listed below for performance on the Premises, all of which shall be subject to the terms, conditions and covenants hereinafter set forth; and Lessee is limited to said privileges, uses and rights and shall exercise no other.

A. The general non-exclusive use, with others, of all public airport facilities and improvements which are now or may hereafter be connected with or appurtenant to said Airport except as hereinafter provided, to be used by Lessee for the purposes herein granted. For the purpose of this Lease, "Public Airport Facilities" shall include all necessary landing area appurtenances, including but not limited to approach areas, runways, taxiways, roadways, sidewalks, navigational and avigational aids, lighting facilities, public areas of terminal facilities, or other public facilities appurtenant to said Airport.

B. The right to ingress and egress from the Premises over and across public roadways serving the Airport for Lessee, its agents and servants, patrons and invitees, suppliers of services and furnisher of material. This right shall be subject to such ordinances, rules and regulations as now or may hereafter have application to the Airport.

C. Vehicular Access. Lessee shall allow vehicular/tanker access across the vehicle parking area within the Premises. Lessee shall not impede reasonable access to other leaseholds or properties on the Airport.

D. The non-exclusive right to construct or improve facilities for aeronautical uses are subject to **Article 8** hereof. Under no circumstances may Premises be used for any non-aviation related businesses as defined by the Airports Manager, nor for the storage of materials not related to the conduct of aviation related businesses, as defined by the Airports Manager, authorized herein, either by Lessee or by any sub lessee or assignees or by any other businesses. It is understood and agreed that nothing herein contained shall be construed to grant or authorize

the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

E. Prior to the seventh year of the term of this Lease, based aircraft that do not meet Stage 3 or better requirements will be prohibited from operating between the hours of 9:00 p.m. and 7:00 a.m. local time. After the seventh year of the term of this Lease, without prior written consent of Airports Manager, Lessee and any of Lessee's tenants, patrons, customers, agents or others shall be prohibited from basing an aircraft on the Premises which does not meet Stage 3 or better requirements.

F. The non-exclusive right, subject to the requirements of this Article, and the "*Minimum Standards for Airport Aeronautical Service Providers*" for Airports owned by San Luis Obispo County, and as amended, to offer the following ***REQUIRED*** aviation services for profit to the general public. Lessee shall provide, to the County's satisfaction, the following services :

1) Facilities: Lessee shall provide sufficient facilities to serve its customers including adequate public lobby/lounge space, public restrooms, aircraft parking, and auto parking.

2) Line Services: Lessee shall procure and maintain tools, towing equipment, tire repairing equipment, energizers, starters, fire extinguishers, etc., as appropriate and necessary, along with a sufficient level of properly trained personnel, for the servicing of general aviation aircraft and other commercial aviation aircraft using the airport. With Airports Manager approval, assuming adequate facilities are available, the Lessee shall provide, at a minimum level of service approved by the Airports Manager, aircraft fueling services in accordance with federal, state, and local laws, rules and regulations.

3) Airframe and Power Plant Repair: Lessee shall provide sufficient personnel, equipment, supplies, and the equivalent to that required by the FAA for certification as an approved repair station open to the public. The aircraft power plant repair and maintenance services offered shall include the repair and maintenance of reciprocating engines.

G. The non-exclusive right, subject to the requirements of this Article, to offer ***AUTHORIZED*** services for profit to the general public, including, any of the following services categorized as commercial aeronautical activities in the "*Minimum Standards for Airport Aeronautical Service Providers"* For Airports Owned by San Luis Obispo County, and as amended:

The Lessee shall provide, to the County's satisfaction, at least three of the following services:

1) Aircraft Charter and Air Taxi

2) Aircraft Rental

3) Flight Training

4) Aircraft Sales

5) Specialized Aircraft Repair Services

6) Aircraft Parts and Sales

7) Aviation Consulting Services

8) Aircraft Dispatch and Flight Following

9) Other aviation commercial services as approved by the Airports Manager.

H. It is hereby agreed and understood that Lessee holds the Fixed Based Operator Lease and Operating Agreement for Lease Site A, located on Airport Premises. For as long as Lessee is the Lessee to this Agreement and the Lease Site A Agreement, Lessee shall be allowed to offer the ***REQUIRED*** AND ***AUTHORIZED*** services on Lease Site A or Lease Site M, provided that all ***REQUIRED*** services are offered and at least three ***AUTHORIZED*** services are offered on one site or the other.

I. It is hereby agreed that Lessee may either directly provide said ***REQUIRED*** AND ***AUTHORIZED*** services or contract by way of sublease for said services. In the event that Lessee contracts for said services, Airports Manager must be notified in writing and give written approval. Lessee agrees to give Airport tenants that will be displaced by construction of the Airport terminal the first right of refusal to sublease space from Lessee so as to allow said tenants the ability to continue to provide the services currently provided on the displaced lease site location. However, Lessee's obligation hereunder shall be limited to offering the displaced tenants said right of refusal on a one time basis upon completion of the initial Required Improvements. Additionally, after said offer to the displaced tenants, Lessee shall not be obligated to enter into a sublease in the event that Lessee and displaced tenants are unable to agree to terms and conditions for the subleased space.

J. In the event that a tenant of Lessee's is providing a ***REQUIRED OR AUTHORIZED*** service as set out in this **Article 5,** and said tenant either vacates the premises or ceases to provide said service, Lessee shall have 180 days to replace said service. Airports Manager shall have the option to extend this time frame.

K. In the event that Lessee desires to provide other services not herein identified, written authorization must be provided by Airports Manager.

L. Notwithstanding the services to be provided in this **Article 5,** with respect to providing tie downs, it is hereby agreed and understood that Lessee also holds the Fixed Base Operator Lease and Operating Agreement for Lease Site A. As such, the tie downs required herein may be provided on either lease site, as long as Lessee provides a minimum of 16 single engine tie downs and seven (7) twin engine tie downs. Lessee also agrees to provide a publicly accessible ramp area(s) for transient aircraft parking that shall at a minimum accommodate at least 20 transient single engine piston aircraft and ten (10) twin engine piston aircraft during the first ten (10) years of this Lease. Following the tenth year of the term of this Lease, the publicly accessible ramp area may provide transient aircraft parking on a first come first serve basis regardless of aircraft type. In the event that Lessee does not control Lease Site A, G and M simultaneously, the number of tie downs required per site will be determined by Airports

Manager. Said fees for the general aviation tie downs are to be no greater than the Board of Supervisors approved rates.

M. It is the intent of this lease to assure that the Lessee is the primary and direct provider of services on the lease site. Lessee shall be the primary and direct provider of at least three ***REQUIRED*** and ***AUTHORIZED*** services as identified in this **Article 5** Lessee may indirectly provide Required or Authorized Services, with prior written approval of Airports Manager, pursuant to the provisions of **Article 21**, below.

N. For each commercial activity on the Premises provided by a person or entity other than Lessee, said activity shall be subject to the review, evaluation and approval of the Airports Manager in each instance and subject to the issuance of a Use Permit from the County for each commercial activity. Said Airports Manager approval shall not be unreasonably withheld. Approval or denial of each commercial activity request shall be based on impact to the premises and specific terms and conditions of each request shall be a part of the Use Permit. County reserves the right to enter into agreements with other concessionaires for the same or similar services.

O. This Lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

P. Lessee shall not use or permit the subject Premises to be used in whole or in part during the term of this Lease for any purpose other than as set forth without prior written consent of the Airports Manager first had and obtained.

Q. Lessee shall be solely responsible for providing of all services, equipment, supplies, and personnel for the administration, staffing, operation and maintenance of the premises.

R. Lessee shall have the right and duty to manage, operate and control the premises and all of the above-mentioned activities and to do all things necessary in the exercise of such management, operation and control subject to the regulations and policies of the General

Services Agency Director, the Airports Manager, and in accordance with the terms and conditions set forth in this Lease.

S. Lessee enters into this Lease solely and exclusively as an independent contractor and only in that capacity and not as a partner, employee or other agent of the County. All services performed by Lessee relating to operation and management of the Premises in combination with payment of the rental and other fees as set forth in this lease are intended as considerations supporting this Lease.

T. Lessee acknowledges that no right or privilege has been granted which would operate to prevent any persons, firm, or corporation operating aircraft on the Airport from performing services on its own aircraft, with its own employees, including maintenance and repair services.

U. In the event that Lessee requests assignment of the entirety of this Lease pursuant to **Article 21,** both the ***REQUIRED*** and ***AUTHORIZED*** services are subject to Airports Managers review and approval so as to insure the appropriate mix of Fixed Base Operators at the Airport.

ARTICLE 6

PROVIDING OF SERVICES

Lessee shall manage, conduct and operate its facilities for the uses described in **Article 5** of this Lease and shall not impose, level or collect excessive, discriminatory or otherwise unreasonable charges or fees for the services provided by Lessee. Lessee shall operate and conduct its business in a good, efficient and economical manner so as to be conducive to rendering service to the public on a fair, equal and not unjustly discriminatory basis and in a manner which will compare favorably to the service or services offered to the public in operations of like kind and conducive to the obtaining and retaining of the general good will of the public.

ARTICLE 7

QUIET ENJOYMENT

County shall place Lessee in the peaceful and undisturbed possession of the Premises on the commencement of the term hereof, and subject to Lessee performing and observing all of the conditions and covenants, County shall secure to Lessee the quiet and peaceful possession of the

Premises during the term hereof against all persons claiming the same.

ARTICLE 8

OBLIGATION TO CONSTRUCT AND OPERATE REQUIRED IMPROVEMENTS

ARTICLE 9

ALTERATIONS/IMPROVEMENTS

A. Any and all alterations, additions and improvements to the Premises, including, without limitation the Existing Improvements, the Required Improvements and any and all additional alterations, additions and improvements made to the Premises during the term of this Lease shall be referred to herein as "Improvements." Lessee shall make no structural Improvements upon the Premises without the prior written consent of the Airports Manager , which consent shall not be unreasonably withheld. All Improvements shall be made at the sole cost and expense of Lessee. Lessee shall protect the Premises from any lien or charges whatsoever, by reason of said Improvements.

B. Cutting a hole through any roof on any structure and/or installation of vent pipes on the Premises is prohibited without prior written approval from the Airports Manager , which approval shall not be unreasonably withheld.

C. Lessee shall not make any non-structural Improvements to the Premises without the prior written consent of the Airports Manager , which consent shall not be unreasonably withheld.

D. Any and all such changes, alterations, or improvements shall be done in strict compliance with an approved Final Lease Site Plan and in strict accordance with **Article 8** of this Lease.

ARTICLE 10

OWNERSHIP OF IMPROVEMENTS

A. The ownership of all approved improvements constructed by the Lessee, if any, shall remain in Lessee until termination of this Lease.

B. At the termination of this Lease, all alterations, modifications, or improvements upon the Premises, whether made by County or Lessee shall, absent any agreement between the County and Lessee to the contrary at the time of installation, or unless County otherwise elects, which election shall be made by giving a notice in writing not less than thirty (30) working days prior to the termination of this Lease, become the property of County and shall, without compensation to Lessee, become County property free and clear of all claims to or against the improvements by Lessee or any third person, and Lessee shall defend and indemnify the County against all liability and loss arising from such claims or from the County's exercise of the rights conferred by this paragraph, and County shall bear responsibility for removal of said improvements.

C. Relative to Lessee owned improvements, if the County shall notify Lessee to remove any or all of the alterations, additions, or improvements made by Lessee, Lessee shall do so, at Lessee's sole cost and expense, and shall promptly repair any damage caused by such removal in a first class manner. Removal is to be completed on or before the final date of this Lease or at such further time as County may agree to in writing. In the event Lessee fails to remove any or all of the alterations, additions, or improvements required by County, County may remove same and charge Lessee for the cost of such removals and Lessee hereby agrees to pay any and all such costs upon demand. Lessee will not however, be responsible for removing any alterations, additions, modifications and/or improvements at termination of term, as long as Lessee obtains the appropriate advanced County approval prior to making said alterations, modifications,

additions, or improvements, and Lessee maintains premises and makes those capital improvement contributions as called for in subject lease.

ARTICLE 11

PROTECTION OF PREMISES

A. Lessee agrees to take all reasonable precautions to protect Premises from damage, theft, vandalism and other such hazards and to adhere to Transportation Security Administration Regulation part 1542 for protection of Premises.

B. Gates, doors, fences or other parts of such Leased Premises shall be kept locked by Lessee at all times when not in use by, or when not under the constant physical control of, Lessee. Lock malfunctions or other deficiencies, which would permit unauthorized access, shall be reported by Lessee forthwith to the Airports Manager, and the unsecured access point shall be maintained by Lessee under constant security surveillance until it has repaired the same and security through such point has been restored.

C. Lessee shall be solely responsible for the payment of any and all penalties and fines which may be levied by the Transportation Security Administration ("TSA") for violation of Transportation Security Regulation, arising from or relating to Lessee's failure to perform its security responsibilities.

D. All persons entering the Airport Operations Area ("AOA") must have a valid Airport access media issued by Airport management, or must be the owner and/or pilot of a transient aircraft located in the AOA. Other persons may also be admitted to the AOA provided they escorted at all times by an individual that meets the herein referenced criteria.

E. Lessee shall be responsible for the verification and validity of airport access requests submitted to airport management from hangar owners, tenants, renters, or users of Lessee's premises. Lessee shall ensure hangar owners, tenants, renters and users of premises are advised of any and all applicable laws or regulations that may apply while on the lease premises as well as airport premises. Lessee is responsible for actions by individuals approved for access while

on airport premises.

ARTICLE 12

CONDITION OF PREMISES

A. Lessee agrees that no representation, except those contained herein, have been made to Lessee relative to the condition of the Premises. The taking possession of the Premises by Lessee shall be conclusive evidence as against Lessee that the Premises were in good and satisfactory condition when possession of the same was so taken; and Lessee will, at the termination of this Lease, by lapse of time or otherwise, return the Premises to County in as good condition, or better, as when received, ordinary wear excepted.

B. Upon the Initial Term of this Lease, Airports Manager and Lessee shall inspect the premises and sign off as to the condition and boundary of the premises.

C. Upon Final Completion, Airports Manager and Lessee shall inspect the premises and sign off as to the condition and boundary of the premises.

D. Lessee shall at all times keep the Premises in a neat, safe and sanitary condition, and free of weeds and other noxious growth, and shall at all times conduct its operations hereunder in strict compliance with all applicable and pertinent laws, statutes, ordinances, rules and regulations of all governmental entities and agencies.

E. Lessee shall further keep and maintain the Premises and improvements thereon in good order, condition and repair, reasonable use and wear excepted. Lessee shall not commit or suffer to be committed on the Premises any nuisance or unlawful act or waste.

ARTICLE 13

MAINTENANCE OF PREMISES

Lessee, at Lessee's own cost and expense, shall maintain the Premises and every part thereof, including, without limitation, all electrical wiring, fixtures, plumbing and heating systems and facilities, in good order and repair, reasonable use and wear and tear thereof and

damage by act of God and the elements excepted. Lessee shall bear the responsibility for repairing all structures and improvements on the premises and leased hereunder as set forth in this **Article 13** herein. Lessee shall also maintain the exterior ten-foot perimeter around the building by removing weeds and maintaining the landscape. Lessee's maintenance responsibility shall include but not be limited to the following items:

A. Janitorial Services. Providing janitorial supplies, window washing, rubbish and trash removal.

B. Light Replacement. Supply and replacement of light bulbs in and on all buildings,

C. Plumbing. Cleaning of stoppages in interior plumbing fixtures and drain lines due to the use of the Premises by the Lessee up to the first manhole or cleanout outside of the exterior of the building.

D. Floor Covering. Replacement of floor covering including tiles, carpeting, stair treads and base boards.

E. Interior Maintenance. Building interior maintenance, including painting, repairing and replacement not resulting from structural failure and replacement of glass in building. Broken glass shall be replaced within 30 days of the breakage.

F. Weed Abatement. At least twice per year, but as often as necessary, Lessee shall remove all weeds from the aircraft ramp, vehicle parking and storage area and any other within the Premises.

G. Equipment Repairs. Repair or replacement of equipment and utilities to include electrical, mechanical and plumbing in the building such as air conditioning and heating equipment. All repairs to electrical and mechanical equipment are to be made by licensed personnel. Other repair is to be made by craftsmen skilled in work done and performing such work regularly as a trade.

H. Utilities. Lessee shall perform all maintenance on utilities to the point where connected to the main source of supply or outlet. Lessee shall perform all maintenance on

Lessee-owned equipment.

I. Building Modifications. Lessee shall advise the Airports Manager and obtain the Airports Manager's consent in writing and all pertinent building permits before making changes involving partitions or structural changes to Building or Premises, modifications, or additions to plumbing, electrical or other utilities. Any penetration of the roof shall be considered a structural change.

J. Electrical. Lessee is responsible for maintaining electrical loads within the designed capacity of the system. Prior to any change desired by Lessee in the electrical loading which would exceed such capacity, written consent will be obtained from the Airports Manager .

K. Damage. In the event of damage to building structures or equipment, streets or lighting systems and utilities, Lessee shall assist the Airport in determining the cause of damage to Airport property.

L. Fire Extinguishers. Hand fire extinguishers for the interior of all buildings will be maintained by Lessee.

M. Exterior Walls & Roof. Lessee agrees to repair and keep in good condition the exterior walls & roof of the Premises and such repairs shall extend to or include any repair or replacement of any exterior surface or damage through impact or other direct forces as a result of any act or operation of Lessee upon the leasehold improvements. Any such damage shall be promptly repaired and restored by Lessee in a satisfactory manner, subject to the inspection and approval of the Airports Manager.

N. Garbage. Lessee agrees to keep the Premises clear and free of all liter, garbage, debris and refuse, and to keep such premises in an orderly and sanitary condition. Bins and containers of a type and at a location approved by the Airports Manager may be maintained for the temporary storage of garbage and refuse.

O. Landscaping. Lessee agrees to provide and maintain landscaping as shown on the Final Lease Site Plan for the Improvements.

ARTICLE 14

FAILURE TO MAINTAIN PREMISES

A. In the event Lessee fails, and after ten business (10) days notice in writing from the Airports Manager, continues to fail to provide the maintenance required in **Article 13**, Airports Manager may, without thereby waiving or otherwise excluding or limiting any other remedy of the County for such failure to perform as agreed, cause the repair, as is appropriate, to be carried out by private personnel or County 's personnel for the account of the Lessee, provided, however, if said failure cannot be cured within ten business (10) days, Lessee shall not be in default hereunder and the Airports Manager's and the County 's rights hereunder shall not apply if Lessee commences said cure within said ten business (10)-day period and thereafter diligently prosecutes said cure to completion.

B. Lessee shall bear the responsibility for repairing all structures and improvements on the premises and leased hereunder as set forth in **Article 13** herein. Lessee shall also maintain the exterior ten-foot perimeter around the building by removing weeds and maintaining the landscape. Should Lessee fail to maintain said facilities, County reserves the right, upon ten (10) days written notice of needed repairs to Lessee, to make said repairs and bill Lessee for the cost thereof and Lessee shall pay for said repairs on demand.

ARTICLE 15

WASTE.

Subject to the alteration rights of Lessee and damage and destruction or condemnation of the Premises or any part thereof, Lessee shall not commit or suffer to be committed any waste of the Premises or any Improvements, or any part thereof.

ARTICLE 16

EMPLOYEES OF LESSEE

A. All employees and agents of Lessee shall be licensed when required by law. In no instance shall such employees or agents be employees, agents, assignees or sub lessees of County.

B. Lessee shall provide and shall maintain in full force at all times any and all Worker's Compensation Insurance required by law in connection with such employees and pursuant to **Article 18** herein, and file copies of same with County

ARTICLE 17

INDEMNIFICATION

A. Lessee shall defend, indemnify and hold harmless the County, its officers, agents, and employees from any and all claims and demands, costs, expenses, judgments, attorney fees or liabilities that may be asserted by any person or entity that arise out of or in connection with the acts or omissions relating to the performance of any obligation or duty provided for or relating (directly or indirectly**)** to this Lease, the tenancy created under this Lease, or the Premises hereunder. The obligation to indemnify shall be effective and shall extend to all such claims and losses, in their entirety, including claims or losses that involve pollution found on the premises after the lease has expired and when the pollution may be attributed to the lessee's actions. However, this indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers, agents, and employees.

B. It is the intent of the parties to provide the County the fullest indemnification, defense, and hold harmless rights allowed under the law. If any word(s) contained herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this Lease and the remaining language shall be given full force and effect.

ARTICLE 18

INSURANCE

A. PROPERTY INSURANCE: Lessee shall procure and provide that amount and extent of coverage as identified in the County's insurance requirements dated 8/7/06 and

attached hereto as ***EXHIBIT* "C",** and any amendments thereto, and as determined by the services provided by Lessee. All amounts and coverage shall be approved by the County Risk Manager; said approval will not be unreasonably withheld.

B. LIABILITY INSURANCE: Lessee shall procure and provide that amount and extent of coverage as identified in the County's insurance requirements dated 8/7/06, and any amendments thereto, and attached hereto as ***EXHIBIT* "C"** and as determined by the services provided by Lessee. All amounts and coverage shall be approved by the County Risk Manager; said approval will not be unreasonably withheld.

C. Lessee shall forward to the County certificates and policies or required insurance issued by the insurance underwriters evidencing the existence of valid policies, which certificates shall state the coverage will not be amended so as to decrease the protection below the requirements specified nor be subject to cancellation without at least thirty (30) days prior written notice to County. Such insurance coverages shall in no way limit the liability of the Lessee for replacement of improvements.

D. WORKER'S COMPENSATION INSURANCE: If Lessee has one or more employees, Lessee shall be required to maintain Worker's Compensation and Employer's Liability insurance with limits of at least statutory requirements and shall furnish to County a certificate of insurance from the insurance carrier showing such insurance to be in full force and effect. Approval of the insurance by County shall not relieve or decrease the extent to which Lessee may be held responsible for payment of damages resulting from its operations. If Lessee does not keep the required insurance in full force and effect, County may terminate this Lease or take out the necessary insurance and pay the premium and the repayment thereof shall be demanded as part of the rental and payment due on such on the next day upon which rent becomes due. Airports Manager shall have the authority to terminate this Lease pursuant to this Article.

E. The providing of the above insurance coverages shall in no way limit the liability of the operator. Any policy shall contain an endorsement naming the County of San Luis Obispo and its officers, employees, and agents as additional insureds. Lessee's insurance will operate as

primary insurance and no other insurance effected by the County will be called upon to contribute to a loss. Upon the request of County, Lessee shall file certified copies of insurance policies with County.

F. Lessee shall furnish to County a certificate from the insurance carrier showing insurance covering this Lease to be in full force and effect as a condition precedent to this Lease becoming effective. Such insurance certificates shall specifically state that no changes in coverages provided and no cancellation of the policies shall be made without at least thirty (30) days advance notice to County.

G. CONSTRUCTION AND INSTALLATION:

(1) Before commencing any improvement, equipment, installation, modification or alteration on or about the Premises, Lessee shall require that its contractors or subcontractors procure and maintain insurance during the life of such construction or installation contract which will protect the subcontractor(s), Lessee, and County for limits as described herein below.

(2) Lessee shall maintain in full force and effect for the duration of the construction of the improvement, modification, alteration, installation of equipment, bodily and personal injury insurance, including death resulting therefrom, and property damage insurance with an insurance carrier satisfactory to County. This liability insurance shall include, but not be limited to, protection against claims arising from bodily injury, including death resulting therefrom, and damage to property, resulting from any act or occurrence arising out of Lessee's operations in the performance of this Lease, including, without limitation, acts involving vehicles. The amount of insurance shall not be less than the following:

(3) Single limit coverage applying to bodily and personal injury liability and property damage or a combination thereof, in an amount not less than that identified in ***EXHIBIT* "D"**.

(4) Lessee shall either (1) require each of Lessee's subcontractors to procure and

to maintain during the life of any subcontract, bodily and personal injury liability and property damage insurance of the type and in the same amounts as specified above, or (2) insure the activities of Lessee's subcontractors in Lessee's own policy.

(5) The following provisions shall apply on all required policies in this article:

(i) If the insurance policy covers on an "accident" basis it must be changed to "occurrence".

(ii) The policy must cover personal injury as well as bodily injury.

(iii) Broad form property damage liability must be afforded.

(iv) County of San Luis Obispo must be named as an additional insured under the coverage afforded with respect to the work being performed under the contract. County's officials, officers, directors, employees, and agents shall also be included as additional insureds.

(v) An endorsement shall be attached which states that the coverage is primary insurance and that no other insurance maintained by County shall be called upon to contribute to a loss covered by this policy effected by Lessee.

(vi) Thirty (30) days notice of change or cancellation shall be afforded County.

(vii) Contractual liability coverage either on a blanket basis or by identifying this Lease within a contractual liability endorsement.

(viii) "Cross Liability" and "Severability of Interest" such that each insured is covered as if separate policies had been issued to each insured.

(6) The County reserves the right to periodically review the insurance provisions stated herein as to the amount of coverage, new types of insurance and new terms (such as combined single limit coverage). If such review indicates that the Lessee's insurance

coverage is below industry standards, the County reserves the right to modify the insurance coverage under this Lease. Airports Manager shall have the authority to modify said coverage and will provide notice in writing to Lessee.

ARTICLE 19

BOND

Lessee agrees to furnish a faithful performance bond, through a California admitted surety insurer, in the sum of **$100,000** (or a cashier's check, bank letter of credit, or certificate of deposit in name of County with interest payable to Lessee, in lieu thereof), it being understood and agreed that such bond shall be in force at all times during the remaining term of this Lease; and, if canceled, the Lessee shall immediately seek and obtain a similar replacement bond or this Lease shall be terminated. This security shall guarantee faithful performance of this Lease including all Lessee's obligations and responsibilities under this Lease. Said bond shall be kept by Lessee in full force and effect during the entire term of this Lease to insure faithful performance by Lessee of all the covenants, terms and conditions of this Lease, inclusive of, but not restricted to, the payment of all rentals, fees and charges. The surety company issuing said bond or bonds shall be licensed to transact business in the State of California, and shall give County notice in writing at least thirty (30) days prior to any expiration of the bond or bonds of Lessee.

ARTICLE 20

UTILITIES

Lessee shall pay all utility charges and costs in connection with Lessee's use of Premises, including but not limited to, electricity, gas, water and telephones. In the event Lessee requires additional or improved utility service beyond original installation and connection, Lessee may install same at Lessee's own cost and expense, subject to County's direction and prior written approval as to design and extent. Said approval shall not be unreasonably withheld.

ARTICLE 21

SUBLETTING AND ASSIGNMENT

A. Lessee shall not hypothecate, pledge, convey, obligate, assign, transfer, delegate, or sublet this Lease or any interest therein without the written consent of County as set forth in this article. However, Lessee may allow aircraft storage without complying with this **Article 21**. Any such hypothecation, pledge, conveyance, obligation, assignment, transfer, delegation, or sublet shall be null and void ab initio and shall have no force or legal effect. For purposes of this Article, Aircraft Storage is defined as storage of an aircraft in a hangar controlled and managed by Lessee to which access is not exclusive to the party paying for such storage (i.e. a large hangar managed by Lessee in which multiple aircraft with different owners are stored.)

B. The Airports Manager or his designee, shall have the authority to approve and consent to in writing, any sublease or assignment, any amendments thereto, that is for the purpose of providing a service on the premises. Said approval shall not be unreasonably withheld. As a reasonable condition to the County's consent to any transfer, Lessee will be charged for County Staff time, plus 10% (a $1500 deposit will be provided to County by Lessee at commencement of staff involvement) to process the Lessee request for a transfer or assignment, regardless of whether Board of Supervisors approves Lessee's request or not.

C. On July 1st of each contract year of this Lease, Lessee shall provide to County a list of each subtenant/service provider on the premises. Said list shall include the business name of the subtenant/service provider, the type of service being provided, the name of the contact person for the subtenant/service provider, and the address and telephone number.

D. Any proposed Assignee or Sub lessee shall have a thorough understanding of this Lease and the requirements as specified in **Article 5** and shall strictly comply therewith.

E. Any proposed sublease shall require the sub lessee to purchase and maintain adequate insurance as determined by the County's Risk Manager, and name the County as an additional insured. Additionally, any proposed sublease shall require the sub lessee to defend and

indemnify the County in the same manner as required in this lease.

F. County's consent to such assignment or sublease shall not constitute a waiver of any provision of this Lease and no further assignment or sublease shall be made without County's prior written consent. The Assignee or Sub lessee shall not further assign the Premises without County's prior written consent, and then only in compliance with all of the provisions contained in this paragraph.

G. Prior to County's consent to any assignment or sublease, Lessee shall provide copies of any and all agreements or contracts, whether written or oral, relative to the operation of the Lease and premises to County upon request. Any changes, modifications or further amendments to the Lease shall be negotiated prior to approval of the assignment or sublease.

H. In the event County consents to such assignment or sublease of this entire agreement, County reserves the right to renegotiate the rental amount with Assignee or Sub lessee. Further assignments of the entire lease may be made without notice to or consent of Lessee. Any subsequent changes, modifications or further amendments to the Lease shall be negotiated prior to approval of the assignment or sublease.

I. Upon County's consent to such assignment or sublease, if Assignee or Sub lessee is providing a Required Service, Assignee or Sub lessee shall furnish a faithful performance bond, through a California admitted surety insurer, in the sum of **$100,000** (or a cashier's check, bank letter of credit, or certificate of deposit in name of County with interest payable to Assignee or Sub lessee, in lieu thereof), it being understood and agreed that such bond shall be in force at all times during the remaining term of this Lease; and, if canceled, the Assignee or Sub lessee shall immediately seek and obtain a similar replacement bond or this Lease shall be terminated. This security shall guarantee faithful performance of this Lease including all Assignee or Sub lessee's obligations and responsibilities under this Lease. Said bond shall be kept by Assignee or Sub lessee in full force and effect during the entire term of this Lease to insure faithful performance by Assignee or Sub lessee of all the covenants, terms and conditions of this Lease, inclusive of, but not restricted to, the payment of all rentals, fees and charges. The surety company issuing said bond or bonds shall give County notice in writing at least thirty (30) days prior to any

expiration of the bond or bonds of Assignee or Sub lessee.

J. County may at its option sell, assign, transfer to or delegate the Premises to another governmental agency provided that such sale, assignment transfer or delegation shall not terminate this Lease.

ARTICLE 22

JOINT USE OF COMMON AREAS

A. County reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance.

B. County reserves the right but shall not be obligated to Lessee to maintain and keep in repair the landing area of the Airport and all publicly owned common areas of the Airport, together with the right to direct and control all activities of Lessee in this regard.

C. There is hereby reserved to County, its successors and assigns, for the use and benefit of the public, a right-of-flight for the passage of aircraft in the airspace above the surface of the Premises, together with the right to cause in said airspace such noise, smoke, dust, and/or nuisance as may be inherent in the operation of aircraft, now known or hereafter used for navigation or flight in the air, using said airspace for landing at, taking off from or operating on the San Luis Obispo County Airport.

D. Lessee by accepting this Lease expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree or vegetation on the Premises which will exceed the limits established by, nor violate any restriction of the Airport Hazard Zone as adopted for the San Luis Obispo County Airport, as it is enacted at the date of this Lease or in the future. In the event the aforesaid covenant is breached, County reserves the right to enter upon the Premises and to remove the offending structure or object and to remove the offending tree or vegetation all of which shall be at the sole cost and expense of Lessee; and Lessee hereby agrees to pay to County the entire cost and

expense thereof, upon demand.

E. Lessee, by accepting this Lease expressly agrees for itself, its successors and assigns that it will not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the San Luis Obispo County airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, County reserves the right to enter upon the Premises and cause the abatement of such interference at the sole cost and expense of Lessee; and Lessee hereby agrees to pay to County the entire cost and expense thereof, upon demand.

ARTICLE 23

INSPECTION

A. County, its agents and employees, shall have access to and the right to enter upon the Premises at any time to examine the condition thereof, and to direct Lessee to make such repairs as may be necessary and, in the event of an emergency, to take such action therein as may be required for the protection of persons or property, at the expense of Lessee.

B. To this end, County, through its Airports Manager, may make such reasonable rules and regulations pertaining to the premises operations and use thereof which shall serve to protect the health, safety, and welfare of the public and to protect the airport as a physical asset.

C. The Checklist attached hereto and incorporated herein as ***EXHIBIT* "D"** shall be used as a guide for routine inspections and may be amended from time to time by Airports Manager. Lessee shall immediately correct any items noted which are deemed unacceptable or in need of correction. Lessee and Lessee's employees shall cooperate with authorized Airport personnel during inspections. All areas of the Premises shall be made available to County during inspections.

ARTICLE 24

LICENSES, FEES AND TAXES

During the term of this Lease, Lessee hereby agrees to pay, prior to delinquency, all

licenses, fees, and any and all taxes and assessments, including both general and special, levied or assessed against the Premises and in connection with the Premises and Lessee's operation thereof, including without limitation, taxes on Lessee's possessory interest hereunder or in the Premises, and taxes or assessments on all structures, improvements, and fixtures now or hereinafter existing on the Premises, and on any personal property situated in, on, or about the Premises, or in, on or about any structures or improvements thereon. Lessee is hereby informed that a possessory interest subject to property taxation shall be created by this Lease and that the party to whom the possessory interest is vested (Lessee) shall be subject to the payment of property taxes levied on such interest and must pay such taxes prior to delinquency.

ARITCLE 25

TERMINATION CONDITION

Lessee accepts the Premises as being in good and sanitary order, condition and repair, and agrees, upon the expiration of this Lease or any sooner termination, to peacefully and quietly yield up and surrender possession of the Premises unto County, its agents or assigns, in as good order and condition as reasonable use and wear will permit.

ARTICLE 26

BREACH

Notwithstanding any other provisions contained herein, Airports Manager or his designee may cancel and terminate this Lease if Lessee shall fail, neglect or refuse to perform and obey any term or condition set forth in this Lease, after Airports Manager or his designee has given to Lessee written notice of thirty (30) days to do so, unless such failure, neglect or refusal by nature cannot be remedied within thirty (30) days of said notice and Lessee has within thirty (30) days of the notice commenced and does thereafter continue diligent efforts to remedy such failure, neglect or refusal. If Airports Manager, in Airports Manager's sole discretion determines that a condition or term is in breach of this agreement, and it impacts the life, health, and/or safety of the public, Airports Manager may direct Lessee to immediately cure said breach. Failure to do so could result in immediate termination by Airports Manager. If an immediate

cure is not possible, Airports Manager agrees to work with Lessee for up to five days following notice of said breach to give Lessee the opportunity to cure the breach. County, through its Airports Manager, reserves the right to shut down all or a portion of Lessee's premises until such time as the breach is cured. Any waiver by County of any failure by Lessee to comply with the terms and conditions of this Lease shall not be construed to be a waiver by County of any similar or other failure by Lessee to comply with any other term or condition hereof.

ARTICLE 27

NOTICE

All notices to Lessee shall be given in writing personally by depositing the same in the United States mail, postage prepaid, or by certified or registered mail, return receipt requested, and directed as follows:

County: Department of General Services
Airport Division
903-5 Airport Drive.
San Luis Obispo, CA, 93408,
Attention: Airports Manager

Lessee: XXXXXX

All notices to County shall be given in writing personally or by depositing the same in the United States mail, postage prepaid, or by certified or registered mail, return receipt requested, and addressed to Either party can change address by notifying the other party in writing.

ARTICLE 28

SUBORDINATION AND ATTORNMENT

A. SUBORDINATION: This Lease shall be subordinate to the provisions and requirements of any existing or future agreements between County and the United States or State of California, relative to the operation, maintenance or development of the Airport. It is further understood that this Lease and all the provisions hereof shall be subject to whatever right the United States now has, or in the future may have to acquire, affecting the control, operation,

regulation and taking over of said Airport, or the exclusive or non-exclusive use of the Airport by the United States during times of war or national emergency. During the time of war or national emergency, County shall have the right to enter into an agreement with the United States for military use of part or all of the Airport. If any such agreement is executed, the provisions of this Lease, insofar as they are inconsistent with the provisions of this agreement with the United States, shall be suspended. Nothing in this **Article 28** shall be deemed to be an agreement between County and Lessee that Lessee, in the event this Lease is suspended, waives any rights to compensation Lessee may have against the United States Government or against the State of California.

B. ATTORNMENT: In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by County covering the Premises, Lessee shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as landlord under this Lease.

ARTICLE 29

WAIVER OF CLAIM

Lessee hereby waives any claim against the County, its officers, agents or employees for damage or loss caused by any suit or proceeding directly or indirectly attacking the validity of this Lease, or any part thereof or by any judgment or award in any suit or proceeding declaring this Lease null, void or voidable, or delaying the same or any part thereof from being carried out.

ARTICLE 30

DURATION OF PUBLIC FACILITIES

By entering into this Lease, the County makes no stipulation as to the type, size, location and duration of public facilities to be maintained at the Airport.

ARTICLE 31

CONDEMNATION

A. If the whole of the Premises shall be taken or condemned by any competent authority under power of eminent domain for a public or a quasi-public use or purpose, than the leasehold estate hereby created shall cease and terminate as of the date actual physical possession of the Premises is taken by the condemnor. All compensation and damages awarded for such total taking shall belong to and be the sole property of County, provided, however, that Lessee shall be entitled to receive a sum attributable to the taking of damage to Lessee's equipment, fixtures, or any improvements to the Premises which Lessee would have had, but for the condemnation, the right to remove on expiration or sooner termination of this Lease. Upon termination of the Lease by a total taking all rental and other charges payable by Lessee to or on behalf of County under the provisions of this Lease shall be paid up to the date on which actual physical possession of the leased Premises shall be taken by the condemnor, and the parties hereto shall thereafter be released from all further liability in relation thereto.

B. In the event that there shall be partial taking of the leased Premises during the lease term under the power of eminent domain, this Lease shall terminate as to the portion of the released premises so taken on the date when actual physical possession of said portion is taken by the condemnor. At Lessee's option, this Lease shall continue in force and effect as to the remainder of the leased Premises; provided, however, that the rental payable by Lessee for the balance of the term where Lessee elects to continue this Lease shall be abated in the ratio that the square footage of the leased Premises taken bears to the total square footage of the leased Premises at the time of such taking. In the event of such partial taking, all compensation and damages for such partial taking shall belong to and be the sole property of County, provided, however, that Lessee shall be entitled to receive any award made for the taking of, or damage to, Lessee's equipment, fixtures, and any improvements made by Lessee to the leased Premises which Lessee would have had, but for the condemnation, the right to remove on expiration or sooner termination of this Lease. In the event that this Lease is retained as to the portion of the leased Premises not condemned, any award made for alteration, modifications or repairs which may be reasonably required in order to place the remaining portion of the leased Premises not taken in a suitable condition for the continuance of Lessee's tenancy shall belong to and be the sole property of County.

C. Nothing in this section is intended to deprive Lessee of its rights to relocation assistance or benefits pursuant to the State or the Federal Uniform Relocation Assistance Act. Should any provisions of this **Article** conflict with **Article 52** of this Lease; the provisions of **Article 52** apply.

ARTICLE 32

NON-EXCLUSIVE RIGHTS

Lessee may not have or enjoy, and may not grant, any exclusive rights of any kind which are forbidden by any applicable and pertinent law, statute, ordinance, rule or regulation of any governmental entity or agency. It is understood and agreed that nothing herein contained shall be construed to grant or authorize granting of an exclusive right of use which would be in violation of Section 308 of the Federal Aviation Act (49 USC, Section 1349). The "Rider" attached hereto as ***EXHIBIT* "E"** and is incorporated herein and made a part hereof.

ARTICLE 33

LESSEE FINANCING

A. PERMITTED ENCUMBRANCES. Notwithstanding any other provisions of this Lease, at any time and from time to time during this Lease term and subject to the prior written approval of Airports Manager, which approval shall not be unreasonably withheld or delayed, Lessee may assign or encumber Lessee's estate created by this Lease by way of a first leasehold mortgage, subject to the provisions of this **Article 33**. Any such leasehold mortgage approved by the Airports Manager shall be referred to hereinafter as a "Permitted Mortgage" and the holder of a Permitted Mortgage shall be referred to hereinafter as a "Permitted Mortgagee."

B. NOTICE OF COUNTY. Lessee shall notify County in writing prior to the creation of any lien or encumbrance on or attached to the Premises or to Lessee's leasehold estate.

C. PERMITTED PURPOSES. A Permitted Mortgage shall be made only for the purposes of:

(1) Short term, interim or construction financing necessary and appropriate to develop the Premises with additional Improvements **(defined in Article 8)** or to install equipment and fixtures in a manner approved by County; and/or

(2) Long term or take-out financing of the completed Improvements referred to in the foregoing subsection (1).

D. LIMITATION ON AMOUNT OF LOAN. The amount of any short term, interim or construction loan secured by a Permitted Mortgage shall not exceed the estimated costs and expenses of the design and construction of the Improvements. Such costs and expenses shall include all amounts necessary for:

(1) Land development work;

(2) Construction of the Improvements or installation for the required fixtures, machinery and equipment;

(3) Building permits;

(4) Premiums for fire, public liability and property damage insurance during construction and on bonds securing work against liens for labor and material;

(5) Real estate taxes and assessments upon the Premises during the period of construction;

(6) Interest during the course of such construction in respect to monies borrowed in connection with the construction as permitted hereby;

(7) Architectural and engineering fees, accounting and legal fees, charges and premiums for searching and insuring titles; and

(8) Costs incurred by Lessee in connection with such financing and/or refinancing, including, without limitation, commitment fees, standby fees and fees of a like nature, printing and duplicating expenses, documentary transfer tax stamps,

mortgage taxes, recording charges, legal fees, and, in the case of refinancing, the charge of premiums to be paid by Lessee to repay in full any prior financing.

The amount of any long term, permanent or take-out financing shall not exceed the principal balance of any loan it replaces or refinances. With the approval of Airports Manager, Lessee may request that the long term permanent financing be calculated on a Loan To Value basis. In the event that such financing is approved, in the first five years of the Extension Term, the Loan to Value shall not exceed 65%; following the 6th year of the Extension Term, the Loan to Value shall not exceed 70%. If Lessee requests a Loan To Value calculation, or one that is different than herein specified, Lessee shall provide sufficient financial documentation, as requested by Airports Manager, to allow Airports Manager to make the requested determination. Approval by Airports Manager will not be unreasonably withheld.

E. COVERAGE. A Permitted Mortgage shall encumber no interest in the real property other than Lessee's leasehold interest in the Premises and any approved subleases. Any Permitted Mortgage shall be without subordination of the title of County in and to the Premises.

F. DISPOSITION OF INSURANCE PROCEEDS. The Permitted Mortgage shall contain provisions permitting the disposition and application of the insurance proceeds in the manner provided for in **Article 18**.

G. PERMITTED MORTGAGE. The Permitted Mortgage may be given only to a financial institution authorized to make loans in the State of California.

H. CONTINUING TERMS AND COVENANTS. All rights acquired by the Permitted Mortgagee under the Permitted Mortgage shall be subject to each and all of the covenants, conditions and restrictions set forth in this Lease, none of which covenants, conditions and restrictions shall be waived by County by reason of consenting to the Permitted Mortgage. Notwithstanding any foreclosure of any Permitted Mortgage, Lessee shall remain liable for the performance of all of the terms, covenants and conditions of this Lease that are to be carried out and performed by Lessee.

I. CONSENT REQUIRED. Lessee shall not enter into any leasehold mortgage as permitted hereunder without the prior written approval of Airports Manager, which approval shall not be unreasonably withheld.

J. COUNTY'S RIGHT TO CURE LESSEE'S DEFAULTS ON LEASEHOLD MORTGAGES. Lessee agrees that any Permitted Mortgage shall provide:

(1) That the Permitted Mortgagee shall give the County at least thirty (30) days written notice of any default on the Permitted Mortgage before the Permitted Mortgagee will initiate any foreclosure action.

(2) That County may cure said default provided Lessee is given ten (10) days notice of County's intention to cure such default.

If County cures any default of the Permitted Mortgage, Lessee shall pay the cost of such cure to County, together with interest thereon at the maximum rate permitted under Section 1(2) of Article 15 of the California Constitution as additional rent. Lessee hereby authorizes County, in Lessee's name, without any obligation or duty to do so, to do any act or thing required of or permitted to Lessee to prevent any default under the Permitted Mortgage or any acceleration thereof, or the taking of any portion of the Premises by foreclosure or other action to enforce the collection of the indebtedness, and Lessee agrees to indemnify and hold County harmless from any costs, damages, expenses or liabilities (including attorneys' fees) resulting from County exercising its right pursuant to this **Article 33**.

K. NOTICE OF DEFAULT. If Lessee, or Lessee's successors or assigns, shall mortgage this Lease in compliance with the provisions of this **Article 33**, then, so long as the Permitted Mortgage shall remain unsatisfied of record, County shall take no action to affect a termination of this Lease without first giving written notice of the default to the Permitted Mortgagee.

L. COUNTY'S RIGHTS AFTER FORECLOSURE.

If the Permitted Mortgagee shall acquire title to a Lessee's interest in this Lease by foreclosure of the Permitted Mortgage or by an assignment in lieu of foreclosure:

(1) Permitted Mortgagee shall promptly cure all defaults and shall continue performance of all terms, covenants and conditions of this Lease.

(2) County may, at any time within thirty (30) days after such foreclosure or acquisition (and prior to the County's consent to an assignment of this Lease to a third party by the mortgagee) elect to purchase the Permitted Mortgagee's interest in this Lease for an amount equal to the sum of (1) the amount owing to the Permitted Mortgagee secured by such mortgage at the time of the foreclosure or acquisition and (2) the fees and costs incurred by such holder in connection with such foreclosure or acquisition.

M. ASSIGNMENT OF MORTGAGES. If the Permitted Mortgagee shall acquire title to Lessee's interest in this Lease by foreclosure of the Permitted Mortgage or by assignment in lieu of foreclosure and if Permitted Mortgagee cures all defaults and if County does not elect to purchase Permitted Mortgagee's interest in this Lease, the Permitted Mortgagee may assign this Lease subject to compliance with **Article 21** . Upon completion of an assignment pursuant to **Article 21** of this Lease, the Permitted Mortgagee shall be released from all liability for the performance or observance of any covenants and conditions to be performed or observed by Lessee from and after the date of such assignment.

ARTICLE 34

AUDITS

A. Lessee shall maintain records and accounts as the County Auditor-Controller shall require. All Lessee's books of account and records and supporting source documents related to this lease or to the specific business operations conducted pursuant to this lease will be made available to County with adequate notice. County, will through its duly authorized agents or representatives, have the right to examine and audit said books of account and records and

supporting source documents at any and all reasonable times for the purpose of determining the accuracy thereof.

B. The full cost of said audit, as determined by County, shall be borne by Lessee if any of the following conditions occur:

(1) The audit reveals an underpayment of more than five (5%) percent of revenues owed to the County as reported and paid by Lessee in accordance with the Lease and the fees due as determined by said audit;

(2) Lessee has failed to maintain true and complete books, records, accounts and supporting source documents. The adequacy of records will be determined at the sole discretion of County;

(3) Lessee fails to cooperate with a County request for audit.

C. Otherwise, County will bear the cost of audit, excluding the aforementioned expenses related to audit of documents kept outside the limits of San Luis Obispo County.

D. The County shall further have the right, through its authorized agents or representatives, and at all reasonable times, to inspect such books and records for accounting examination purposes, including State of California Sales Tax Records and all federal tax returns of Lessee insofar as this lease is concerned. County further reserves the right to examine all such books and records at any time during a five (5) year period following termination of the lease. Lessee agrees that as part of its record keeping activity, it shall at its own cost and expense install and maintain such cash accounting equipment as may be deemed necessary by the County Auditor-Controller to facilitate any required audits.

ARTICLE 35

SUCCESSORS

All the terms and conditions hereof shall be binding upon and shall inure to the benefit of the successors, assigns, transferees and trustees of County and Lessee.

ARTICLE 36

AMERICANS WITH DISABILITIES ACT

The Lessee acknowledges the passage of the Americans With Disabilities Act of 1990, 42 U.S.C. sect. 12101 et seq., (”ADA“). Lessee, as required by law, hereby agrees and is required to install any and all equipment, perform any and all alterations, improvements or modifications to the premises such that the premises are in strict compliance with ADA requirements and any amendments thereto.

ARTICLE 37

DRUG FREE WORKPLACE

Lessee and Lessee's employees shall comply with County's policy of a drug free workplace. Neither Lessee nor Lessee's employees shall unlawfully manufacture, distribute, dispense, possess, or use controlled substances, including but not limited to marijuana, heroin, cocaine, methamphetamine, or amphetamines at any of Lessee’s facilities or County facilities or work sites. If any employee of Lessee is found to be under the influence of or in possession of any illegal substance at or on the Premises, that employee may not return to the Premises unless and until Lessee provides County with written verification that Lessee or its employee is eligible and is enrolled in a “Return to Work” program pursuant to Part 135 and Part 145 of Federal Aviation Administration Regulations. Further return shall be a breach of Lease. If Lessee becomes aware that any of Lessee's employees has been convicted or pleads nolo contendere to a controlled substance abuse statute, Lessee shall be responsible for making sure that employee does not return to the Premises.

ARTICLE 38

NON-DISCRIMINATION

A. Lessee for themselves, their heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, that in the event facilities are constructed, maintained or otherwise operated on said property described in this Lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar service or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assigned Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Acts of 1964, and as said Regulations may be amended.

B. In the event of breach of any of the above nondiscrimination covenants, County shall have the right to terminate the Lease and to re-enter and repossess said land and the facilities thereon, and hold the same as if said had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

C. Noncompliance with the hereinabove provision shall constitute a material breach thereof, and in the event of such noncompliance the County shall have the right to terminate this Lease and the estate hereby created without liability therefore; or at the election of the County or the United States either or both said Governments shall have the right to judicially enforce the provision.

D. Lessee agrees that they shall insert the above provisions in any agreement by which said Lessee grants a right or privilege to any persons, firm or corporation to render services to the public on the Premises herein provided.

E. Lessee assures that they will undertake an affirmative action program as required by 14 CFR Part 152, Sub-part E, to ensure that no person shall on the grounds of race, creed, color,

national origin, or sex be excluded from participating in or receiving the service or benefits of any program or activity covered by this sub-part. The Lessee assures that they will require that their covered sub-organizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Sub-part E, to the same effect.

ARTICLE 39

LAWS

It is understood and agreed that general control over said Airport and all activities in connection therewith are vested by law in the County acting by and through its Board of Supervisors and committees and officers appointed by such Board of Supervisors. In the general operation of any activities conducted under the terms of this Lease, Lessee agrees to comply with all rules and regulations adopted by County for the use and operation of the Airport. The laws of the State of California are to be applicable in interpreting this Lease. Lessee shall, at Lessee's sole cost and expense, comply with the requirements of all local, municipal, County, State and Federal authorities now in force, or which may hereafter be in force, pertaining to the Premises; and shall faithfully observe in the use of the Premises all local, municipal, County, State and Federal statutes, ordinances, rules, and regulations now in force or which may be hereafter in force. The judgment of any court of competent jurisdiction, or the admission of Lessee in any action or proceeding against County, whether County be a party thereto or not, that Lessee has violated any such ordinance, statute, rule or regulation in the use of the Premises shall be conclusive of that fact as between County and Lessee.

ARTICLE 40

HARASSMENT

Lessee and Lessee's employees have a contractual obligation to become fully trained and knowledgeable regarding behavior prohibited by law as sexual and/or gender harassment and at all times to comply with and ensure that all persons performing this Lease comply with an appropriate standard of conduct. Lessee or any of Lessee's employees who violate sexual and/or

gender harassment laws shall be liable to the County for all claims, demands, damages, costs, expenses, and attorney's fees incurred by the County as a result of behavior of Lessee or any of Lessee's personnel performing this Lease.

ARTICLE 41

HAZARDOUS WASTE

A. Lessee and County shall at all times and in all respects comply with all federal, state and local laws, ordinances and regulations (Hazardous Materials Laws) relating to industrial hygiene, environmental protection, or the use, analysis, generation, manufacture, storage, disposal or transportation of any oil, flammable explosives, asbestos, UREA formaldehyde, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, any hazardous substances, hazardous wastes, hazardous materials or TOXIC SUBSTANCES under such laws, ordinance or regulations (collectively, Hazardous Materials). Lessee shall, except in the event of County's sole negligence, indemnify, defend, protect, and hold County, each of County's officers, directors, employees, agents, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, losses or expenses or death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by: (a) The presence in, on, under or about the Premises or discharge in or from the premises of any Hazardous Materials or Lessee’s use, analysis, storage, transportation, disposal, release, threatened release, discharge or generation of Hazardous Materials, to, in, on, under, about or from the Premises, or (b) Lessee’s or County's failure to comply with any Hazardous Materials Law. Lessee’s or County's obligations hereunder shall include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repair, cleanup or detoxification or decontamination of the Premises, and the preparation and implementation of any closure, remedial action or other required plans in connection therewith caused by Lessee and County and shall survive the expiration or earlier termination of the term of the Lease. For purposes of the release and indemnity provisions hereof, any acts or omissions of County, or by employees, agents, assignees, contractors or subcontractors of County or others acting for or on behalf of County (whether or not they are negligent, intentional, willful or unlawful) shall be

strictly attributable to County.

B. Upon execution of the lease, County shall provide to Lessee any and all available environmental reports regarding the subject premises. Said reports shall set the baseline determination regarding the presence of any hazardous materials on the premises prior to Lessee's tenancy herein.

C. County retains the right, throughout the term of this lease to require Lessee to test for the presence of hazardous materials and require Lessee to take all actions to adequately and legally repair and clean such condition at Lessee's sole cost and expense.

ARTICLE 42

SEPARABILITY

The invalidity of any provision of this Lease shall not affect the validity or enforceability of any other provision of this Lease.

ARTICLE 43

REMEDIES NOT EXCLUSIVE

The use by either party of any remedy specified herein for the enforcement of this Lease is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

ARTICLE 44

VENUE AND LAW

This Lease has been executed and delivered in the State of California and the validity, enforceability and interpretation of any of the clauses of this Lease shall be determined and governed by the laws of the State of California San Luis Obispo County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Lease.

ARTICLE 45

SIGNATURE AUTHORITY

Any individual executing this Lease on behalf of Lessee represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said Lessee, and that this Lease is binding upon said Lessee in accordance with its terms.

ARTICLE 46

HEADINGS:

The article headings, paragraph captions and marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision hereof.

ARTICLE 47

BUSINESS RESPONSE PLAN

Lessee must prepare and maintain to the reasonable satisfaction of the CDF/County Fire Department located at 4671 Broad Street, San Luis Obispo, CA 93401 (Airport Fire Station #21), a "Business Response Plan" in accordance with section 25500 et seq. of the California Health and Safety Code. Said plan must be kept current and on file with the Airport Fire Department. If Lessee sublets all or any of the Premises, Lessee must specifically inform its sub-tenants of these requirements.

ARTICLE 48

STORMWATER REGULATIONS

Lessee and any sublessees shall comply with the San Luis Obispo County Regional Airport Stormwater Pollution Prevention Plan (SWPPP), as approved by the State of California Water Resources Control Board, and the terms of any other applicable laws, rules and regulations relating to storm water discharge. Any violation of the terms of the SWPPP by Lessee shall constitute a violation of this Lease Agreement.

A. AIRPORT'S RIGHT OF ENFORCEMENT. The County shall have the right to direct Lessee or its sub lessees to immediately cease any discharge that is not in accordance with the SWPPP, this Lease Agreement, or any applicable laws, rules and regulations related to storm water discharge.

B. AIRCRAFT WASHING AND VEHICLE WASHING.

(1) General Aviation Aircraft. All aircraft that meet the specifications, set forth in the Airport Washrack Rules and Regulations, for use of the aircraft wash rack must be washed or degreased on the wash rack designated for that purpose, by an employee of the owner of the aircraft or an Airport Permitted professional washing service.

(2) Large Aircraft. Any aircraft that does not meet the specifications for use of the designated wash rack may be washed by an Airport Permitted professional washing service, or by an employee of the owner of the aircraft, provided that said employee is familiar with and abides by the regulations of the SWPPP and has the required equipment to berm the area surrounding the aircraft and capture run-off so that no washwater, soap, or degreaser, is introduced into the stormwater drainage system.

(3) Licensed Vehicle Washing. No street-worthy vehicles may be washed on Airport premises, except at a private wash rack as provided herein. All trucks, automobiles or vehicles of any kind belonging to Lessee, any Sub lessees, contractors and their employees must be washed or degreased off of Airport property, including the

Premises as described in **Article 1**. If however, Lessee constructs a private wash rack interior to one of its hangar facilities, Lessee may wash street-worthy vehicles in said private facility provided that Lessee complies with all waste water rules and regulations and any and all applicable laws and statutes. Construction of said wash rack must be approved by Airports Manager, and approval will not be unreasonably withheld.

(4) Non-licensed Vehicles. Tugs and other vehicles used in the course of Lessee's business that are not permitted on County streets may be washed at the aircraft wash rack.

ARTICLE 49

WAIVER OF BREACH

County's failure to take advantage of any default or breach of covenant on the part of Lessee shall not be construed as a waiver thereof; nor shall any custom or practice, which may grow up between the parties in the course of administering this instrument, be construed so as to waive or to lessen the right of County to insist upon the performance by Lessee of any term, covenant or condition hereof, or to exercise any rights given them on account of any such default. A waiver of any particular breach or default shall not be deemed to be a waiver of the same or any other subsequent breach of default.

ARTICLE 50

BANKRUPTCY

A. It is agreed that in the event Lessee shall be adjudged bankrupt, either by voluntary or involuntary proceedings, then this Lease shall immediately terminate and County shall have the right forthwith to re-enter said Premises, and in no event shall this Lease be, or be treated as, an asset of Lessee after adjudication of bankruptcy.

B. If Lessee shall become insolvent or fail in business, than this Lease may be terminated at the option of County, in which event County shall have the right to immediately re-enter said Premises, and in no event shall this Lease be, or be treated as, an asset of Lessee after the exercise of

said option.

C. As hereinabove set forth, it is agreed that this Lease is not assignable by Lessee, either voluntarily or involuntarily, or by any process of law, except as herein otherwise provided, and shall not be under the control of the creditors, or trustee or trustees of Lessee in case of bankruptcy, or in the insolvency of Lessee, but shall then be subject to termination, as herein provided.

ARTICLE 51

FORFEITURE

If any of the following events occur, the County may opt to take the actions hereinafter set forth in this section:

A. If Lessee offers, causes or affects composition of creditors, or

B. A reorganization or plan to reorganize, or

C. Adjustment or plan of readjustment of Lessee's debts, or

D. If any receiver, attachment or keeper of the business or of the property or assets of Lessee be instituted, and such receiver, attachment or keeper be not discharged or released within ten (10) days, or

E. If the receiver makes a general or any assignment for the benefit of creditors, or

F. If the receiver should abandon or vacate the Premises, then in any of such events, the County shall have the option:

(1) To collect by suit or otherwise, each installment of rent or other sum as it becomes due hereunder, or to enforce, by suit or otherwise, any other term or provision hereof on the part of Lessee required to be kept or performed; or

(2) To re-enter said Premises, remove all persons therefrom, and terminate this Lease.

The foregoing remedies of County shall not be exclusive, but shall be cumulative and in addition to all remedies now or hereafter allowed by law or elsewhere provided for.

ARTICLE 52

MASTER PLAN DEVELOPMENT

A. The County hereby advises the Lessee and the Lessee so acknowledges that the County recently developed a master land use plan for the Airport (the "Master Plan"), and that this Master Plan has been adopted, and will be applicable to the premises used by Lessee.

B. Lessee understands that the County is under no obligation to anticipate or provide for Lessee's needs in the implementation of the Master Plan, or any amendments and updates thereto, nor to provide for Lessee's needs in any future airport planning, including potential development to be authorized pursuant to such planning. Further, Lessee recognizes that the County has the right to develop the premises in accordance with the Master Plan and any amendments and updates, and that by doing so, the Lessee may not have continued use and occupancy of the premises. Lessee further acknowledges that Lessee commenced occupancy of the Premises after County acquired title to it.

C. In the event that County determines that all or any part of the Premises are needed consistent with the Master Plan, or that the current premises will be vacated consistent with the Master Plan, County shall have the right to terminate this agreement by giving Lessee 365 days notice. In the event of termination, Lessee waives and agrees that County will be under no obligation to provide Lessee with any relocation assistance or benefits, including payments under the State or Federal Uniform Relocation Assistance Act (Government Code, Section 7260, et seq.; 42 United Stated Code, Section 4601, et seq.), or to provide Lessee with any compensation to loss of business or loss of business goodwill. County will appraise the value of the improvements at the time of termination under this Article as well as consider the length of time left on this Lease in determining the amount of compensation due Lessee. At a minimum, Lessee shall be paid the fair market value of any lessee owned improvements.

ARTICLE 53

REPRESENTATION

Lessee hereby affirms that this Lease is entered into upon the sole reliance of Lessee's own observations and not because of any influence or representation of County or any other person.

ARTICLE 54

NEGOTIATED AGREEMENT

It is acknowledged, agreed and understood by the Parties that this Lease and its wording have been arrived at through a process of negotiation between the Parties in which each Party participated to the fullest extent desired by that party and that neither Party is to be deemed the Party who prepared this Lease or the Party who caused any uncertainty to exist within the meaning of California Civil Code 1654.

ARTICLE 55

COOPERATION BETWEEN LESSEES

The Lessee shall cooperate with all other Lessees of the County who will be operating enterprises on the Airport and shall conduct its operations so as to avoid interference with the operations of other Lessees. If the operations of the Lessee are impaired because of any acts or omissions of such other Lessees, the Lessee shall have no claim against the County on that account.

ARTICLE 56

EXHIBITS

Any Exhibits attached to this Lease are incorporated herein by this reference as though fully set forth herein.

ARTICLE 57

ASSUMPTION OF RISKS

Lessee represents that Lessee has inspected said Airport and Premises, and all facilities thereupon and in connection therewith, and that Lessee accepts the condition of same and fully assumes all risks incidental to the use thereof. The County shall not be liable to Lessee for any damages or injuries to the property or person, or to the agents, employees, customers, or business visitors of Lessee, which may result from hidden, latent or other dangerous conditions upon said Airport, building or Premises, or which may result from the negligence of the County, its agents, officers or employees, or which may result from any condition of fire, earthquake, flood, rainfall, or escape of water from any channel, regardless of the cause thereof.

ARTICLE 58

CLOSURE

At any time, should an occurrence necessitate the closing of the terminal or Premises or any other portion of the Airport to the general public, Lessee shall have no recourse by law to the County for losses incurred.

ARTICLE 59

INDEPENDENT CONTRACTOR

A. It is distinctly and particularly understood and agreed between the parties hereto that the County is in no way associated or otherwise connected with the actual performance of this Lease on the part of Lessee nor as to the employment of labor or the incurring of other expenses; that the Lessee is an independent contractor in the performance of each and every part of this Lease and is solely and personally liable for any and all damages which may be occasioned on account of the operation of this Lease, whether the same be for personal injury or damages of any other kind.

B. Lessee does, because of their status as independent contractors, hereby agree to forebear from making any claims against the County pursuant to any Federal or State laws providing for employees' liability compensation for personal injury or unemployment compensation.

ARTICLE 60

PRIVACY AND PROPRIETARY INFORMATION

Any information released to County by Lessee of a proprietary nature is confidential to the extent allowed by law. To the extent that proprietary information is provided to County in accordance with the requirements of this Lease, County shall be return to Lessee as soon as possible said information and County agrees not to keep copies of thereof. Nothing in this article shall be construed to prevent County from complying with any and all applicable laws with regard to the release of public records.

ARTICLE 61

ENTIRE AGREEMENT AND MODIFICATIONS

This Lease supersedes all previous Leases and constitutes the entire understanding of the parties hereto. Lessee shall be entitled to no other benefits than those specified herein. No changes, amendments, or modifications shall be effective unless in writing and signed, in advance of the effective date of the change, amendment or modification, by both parties. Amendment solely for the purpose of satisfying applicable requirements of the FAA or TSA shall not require further consideration by either party to the other. Said amendment may be executed by the Airports Manager.

Lessee specifically acknowledges that in entering into this Lease, Lessee relies solely upon the provisions contained in the Lease and no other Leases or oral discussions prior to entering this Lease.

IN WITNESS WHEREOF, County and Lessee have executed this Agreement this day and year.

COUNTY OF SAN LUIS OBISPO

By_____
Chairperson of the Board of Supervisors

Approved by the Board of Supervisors this
____ day of _____, 2008.

ATTEST:

_____
Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT:

.
County Counsel

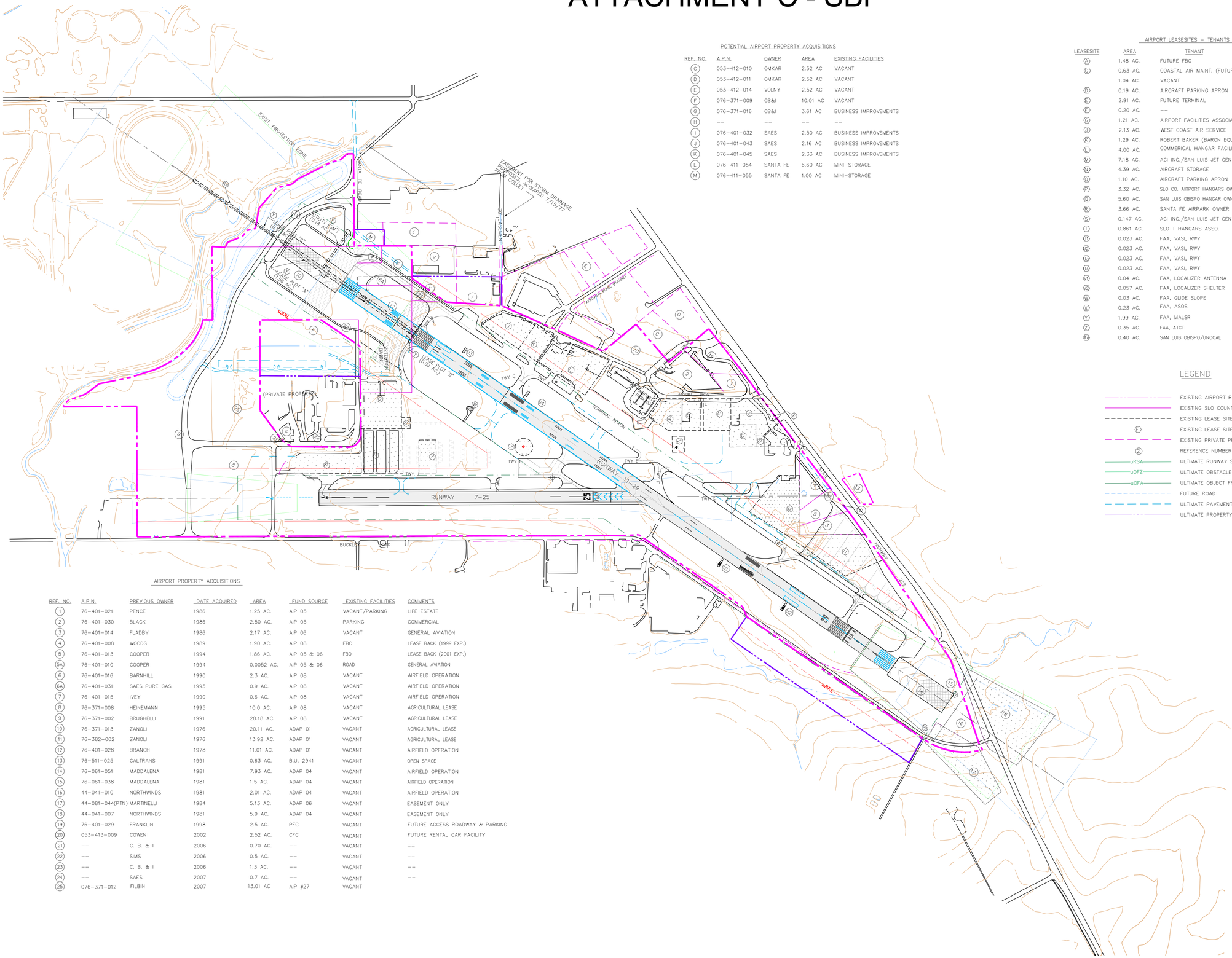
By: _____
Deputy County Counsel

Date:_____
LESSEE: XXXXXX.

By: _____
Signature

_____
Print Name, Title

ATTACHMENT C - SBP



POTENTIAL AIRPORT PROPERTY ACQUISITIONS

REF. NO.	A.P.N.	OWNER	AREA	EXISTING FACILITIES
C	053-412-010	OMKAR	2.52 AC	VACANT
D	053-412-011	OMKAR	2.52 AC	VACANT
E	053-412-014	VOLNY	2.52 AC	VACANT
F	076-371-009	CB&I	10.01 AC	VACANT
G	076-371-016	CB&I	3.61 AC	BUSINESS IMPROVEMENTS
H	--	--	--	--
I	076-401-032	SAES	2.50 AC	BUSINESS IMPROVEMENTS
J	076-401-043	SAES	2.16 AC	BUSINESS IMPROVEMENTS
K	076-401-045	SAES	2.33 AC	BUSINESS IMPROVEMENTS
L	076-411-054	SANTA FE	6.60 AC	MINI-STORAGE
M	076-411-055	SANTA FE	1.00 AC	MINI-STORAGE

AIRPORT LEASESITES – TENANTS & LEASES

LEASESITE	AREA	TENANT	EXPIRATION DATE
A	1.48 AC.	FUTURE FBO	.
C	0.63 AC.	COASTAL AIR MAINT. (FUTURE TERMINAL)	8/31/2003
	1.04 AC.	VACANT	--
D	0.19 AC.	AIRCRAFT PARKING APRON	--
E	2.91 AC.	FUTURE TERMINAL	--
F	0.20 AC.	--	--
G	1.21 AC.	AIRPORT FACILITIES ASSOCIATES	5/30/2010
J	2.13 AC.	WEST COAST AIR SERVICE	12/31/2016
K	1.29 AC.	ROBERT BAKER (BARON EQUIPMENT)	12/31/2010
L	4.00 AC.	COMMERICAL HANGAR FACILITY	--
M	7.18 AC.	ACI INC./SAN LUIS JET CENTER	3/1/2048
N	4.39 AC.	AIRCRAFT STORAGE	--
O	1.10 AC.	AIRCRAFT PARKING APRON	--
P	3.32 AC.	SLO CO. AIRPORT HANGARS OWNERS ASSOC.	5/31/2015
Q	5.60 AC.	SAN LUIS OBISPO HANGAR OWNERS ASSOC.	6/30/2017
R	3.66 AC.	SANTA FE AIRPARK OWNER ASSO.	1/31/2026
S	0.147 AC.	ACI INC./SAN LUIS JET CENTER	3/1/2048
T	0.861 AC.	SLO T HANGARS ASSO.	8/31/2018
U1	0.023 AC.	FAA, VASI, RWY	YEARLY TO 9/30/2020
U2	0.023 AC.	FAA, VASI, RWY	YEARLY TO 9/30/2020
U3	0.023 AC.	FAA, VASI, RWY	YEARLY TO 9/30/2020
U4	0.023 AC.	FAA, VASI, RWY	YEARLY TO 9/30/2020
V1	0.04 AC.	FAA, LOCALIZER ANTENNA	YEARLY TO 9/30/2012
V2	0.057 AC.	FAA, LOCALIZER SHELTER	YEARLY TO 9/30/2012
W	0.03 AC.	FAA, GLIDE SLOPE	YEARLY TO 9/30/2014
X	0.23 AC.	FAA, ASOS	YEARLY TO 9/30/2021
Y	1.99 AC.	FAA, MALSR	YEARLY TO 9/30/2020
Z	0.35 AC.	FAA, ATCT	9/30/2006
AA	0.40 AC.	SAN LUIS OBISPO/UNOCAL	RENEWED ANNUALLY

LEGEND

- EXISTING AIRPORT BOUNDARY LINE
- EXISTING SLO COUNTY ASSESSORS PARCEL LINE
- EXISTING LEASE SITE LINE
- (E) EXISTING LEASE SITE DESIGNATION
- EXISTING PRIVATE PROPERTY LINE
- (2) REFERENCE NUMBER FOR SPECIFIC PARCELS
- uRSA ULTIMATE RUNWAY SAFETY AREA
- uOFZ ULTIMATE OBSTACLE FREE ZONE
- uOFA ULTIMATE OBJECT FREE AREA
- FUTURE ROAD
- ULTIMATE PAVEMENT
- ULTIMATE PROPERTY LINE

AIRPORT PROPERTY ACQUISITIONS

REF. NO.	A.P.N.	PREVIOUS OWNER	DATE ACQUIRED	AREA	FUND SOURCE	EXISTING FACILITIES	COMMENTS
1	76-401-021	PENCE	1986	1.25 AC.	AIP 05	VACANT/PARKING	LIFE ESTATE
2	76-401-030	BLACK	1986	2.50 AC.	AIP 05	PARKING	COMMERCIAL
3	76-401-014	FLADBY	1986	2.17 AC.	AIP 06	VACANT	GENERAL AVIATION
4	76-401-008	WOODS	1989	1.90 AC.	AIP 08	FBO	LEASE BACK (1999 EXP.)
5	76-401-013	COOPER	1994	1.86 AC.	AIP 05 & 06	FBO	LEASE BACK (2001 EXP.)
5A	76-401-010	COOPER	1994	0.0052 AC.	AIP 05 & 06	ROAD	GENERAL AVIATION
6	76-401-016	BARNHILL	1990	2.3 AC.	AIP 08	VACANT	AIRFIELD OPERATION
6A	76-401-031	SAES PURE GAS	1995	0.9 AC.	AIP 08	VACANT	AIRFIELD OPERATION
7	76-401-015	IVEY	1990	0.6 AC.	AIP 08	VACANT	AIRFIELD OPERATION
8	76-371-008	HEINEMANN	1995	10.0 AC.	AIP 08	VACANT	AGRICULTURAL LEASE
9	76-371-002	BRUGHELLI	1991	28.18 AC.	AIP 08	VACANT	AGRICULTURAL LEASE
10	76-371-013	ZANOLI	1976	20.11 AC.	ADAP 01	VACANT	AGRICULTURAL LEASE
11	76-382-002	ZANOLI	1976	13.92 AC.	ADAP 01	VACANT	AGRICULTURAL LEASE
12	76-401-028	BRANCH	1978	11.01 AC.	ADAP 01	VACANT	AIRFIELD OPERATION
13	76-511-025	CALTRANS	1991	0.63 AC.	B.U. 2941	VACANT	OPEN SPACE
14	76-061-051	MADDALENA	1981	7.93 AC.	ADAP 04	VACANT	AIRFIELD OPERATION
15	76-061-038	MADDALENA	1981	1.5 AC.	ADAP 04	VACANT	AIRFIELD OPERATION
16	44-041-010	NORTHWINDS	1981	2.01 AC.	ADAP 04	VACANT	AIRFIELD OPERATION
17	44-081-044(PTN)	MARTINELLI	1984	5.13 AC.	ADAP 06	VACANT	EASEMENT ONLY
18	44-041-007	NORTHWINDS	1981	5.9 AC.	ADAP 04	VACANT	EASEMENT ONLY
19	76-401-029	FRANKLIN	1998	2.5 AC.	PFC	VACANT	FUTURE ACCESS ROADWAY & PARKING
20	053-413-009	COWEN	2002	2.52 AC.	CFC	VACANT	FUTURE RENTAL CAR FACILITY
21	--	C. B. & I	2006	0.70 AC.	--	VACANT	--
22	--	SIMS	2006	0.5 AC.	--	VACANT	--
23	--	C. B. & I	2006	1.3 AC.	--	VACANT	--
24	--	SAES	2007	0.7 AC.	--	VACANT	--
25	076-371-012	FILBIN	2007	13.01 AC	AIP #27	VACANT	

NORTH

0 400 800 1200

SCALE IN FEET

No.	REVISIONS	DATE	BY	APP'D.

THE PREPARATION OF THESE DOCUMENTS WAS FINANCED IN PART THROUGH A PLANNING GRANT FROM THE FEDERAL AVIATION ADMINISTRATION AS PROVIDED UNDER SECTION 505 OF THE AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, AS AMENDED. THE CONTENTS DO NOT NECESSARILY REFLECT THE OFFICIAL VIEWS OR POLICY OF THE FAA. ACCEPTANCE OF THESE DOCUMENTS BY THE FAA DOES NOT IN ANY WAY CONSTITUTE A COMMITMENT ON THE PART OF THE UNITED STATES TO PARTICIPATE IN ANY DEVELOPMENT DEPICTED HEREIN NOR DOES IT INDICATE THAT THE PROPOSED DEVELOPMENT IS ENVIRONMENTALLY ACCEPTABLE IN ACCORDANCE WITH APPROPRIATE PUBLIC LAWS.

San Luis Obispo County Regional Airport

AIRPORT PROPERTY MAP

San Luis Obispo, California

PLANNED BY: Stephen E. Wagner
DETAILED BY: Larry Darnell Johnson/Maggie Beaver
APPROVED BY: James M. Harris, P.E.

January 29, 2010

SHEET 12 OF 13

Coffman Associates
Airport Consultants
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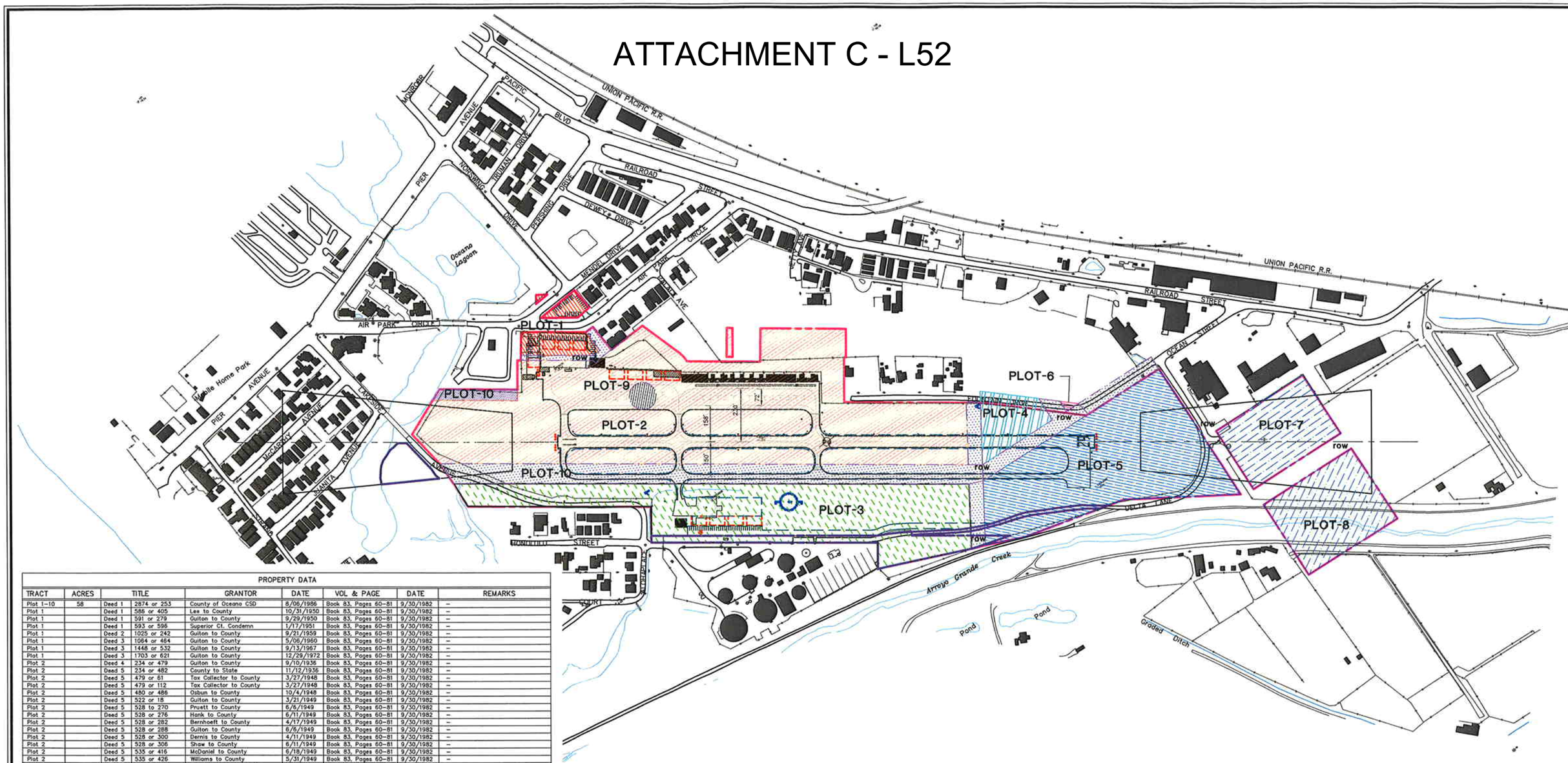
ATTACHMENT C - L52



PROPERTY DATA								
TRACT	ACRES	TITLE		GRANTOR	DATE	VOL & PAGE	DATE	REMARKS
Plot 1-10	58	Deed 1	2874 or 253	County of Oceano CSD	8/06/1986	Book 83, Pages 60-81	9/30/1982	–
Plot 1		Deed 1	586 or 405	Lee to County	10/31/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 1		Deed 1	591 or 279	Guiton to County	9/29/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 1		Deed 1	593 or 596	Superior Ct. Condemn	1/17/1951	Book 83, Pages 60-81	9/30/1982	–
Plot 1		Deed 2	1025 or 242	Guiton to County	9/21/1959	Book 83, Pages 60-81	9/30/1982	–
Plot 1		Deed 3	1064 or 464	Guiton to County	5/06/1960	Book 83, Pages 60-81	9/30/1982	–
Plot 1		Deed 3	1448 or 532	Guiton to County	9/13/1967	Book 83, Pages 60-81	9/30/1982	–
Plot 1		Deed 3	1703 or 621	Guiton to County	12/29/1972	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 4	234 or 479	Guiton to County	9/10/1936	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	234 or 482	County to State	11/12/1936	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	479 or 61	Tax Collector to County	3/27/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	479 or 112	Tax Collector to County	3/27/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	480 or 486	Osbun to County	10/4/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	522 or 18	Guiton to County	3/21/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	528 to 270	Pruett to County	6/6/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	528 or 276	Hank to County	6/11/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	528 or 282	Bernhoeft to County	4/17/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	528 or 288	Guiton to County	6/6/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	528 or 300	Dernis to County	4/11/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	528 or 306	Shaw to County	6/11/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	535 or 416	McDaniel to County	6/18/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	535 or 426	Williams to County	5/31/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	557 or 148	Tax Collector to County	3/20/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	583 or 234	Reagan to County	10/3/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	583 or 237	Bowen to County	10/3/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	586 or 88	Plank to County	10/17/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	586 or 405	Lee to County	10/31/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	587 or 53	Turley to County	10/23/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	591 or 279	Guiton to County	9/29/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	593 or 596	Superior Ct. Condemn	1/17/1951	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	2588 or 92	Superior Ct. Judgement	8/11/1983	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	462 or 175	Rogers to County	1/15/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 2		Deed 5	462 or 176	Bell to County	1/19/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	479 or 121	Tax Collector to County	3/27/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	479 or 131	Tax Collector to County	3/27/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	471 or 216	Angello to County	1/31/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	522 or 18	Guiton to County	3/21/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	528 or 294	Coe to County	4/15/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	535 or 423	Liiff to County	9/3/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	535 or 432	Kein to County	8/30/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	589 or 483	Redmond to County	11/24/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	594 or 314	Bailey to County	11/6/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 3		Deed 5	562 or 581	Superior Ct. Condemn	5/2/1951	Book 83, Pages 60-81	9/30/1982	–
Plot 4		Deed 6	581 or 434	Amaral to County	10/2/1950	Book 83, Pages 60-81	9/30/1982	–
Plot 4		Deed 7	597 or 206	Rhyne to County	2/1/1951	Book 83, Pages 60-81	9/30/1982	–
Plot 4		Deed 8	597 or 207	County to Rhyne	2/5/1951	Book 83, Pages 60-81	9/30/1982	–
Plot 4		Deed 9	607 or 426	Rhyne to County	4/16/1951	Book 83, Pages 60-81	9/30/1982	–
Plot 4		Deed 10	607 or 432	County to Rhyne	4/16/1951	Book 83, Pages 60-81	9/30/1982	–
Plot 4		Deed 11	733 or 27	County to Sakamoto	5/07/1951	Book 83, Pages 60-81	9/30/1982	–
Plot 5		Deed 11	462 or 176	Bell to County	1/19/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 5		Deed 11	528 or 288	Guiton to County	6/6/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 6		Deed 11	–	–	–	Book 83, Pages 60-81	9/30/1982	See Plot 4 for complete references
Plot 7 & 8		Deed 11	–	–	–	Book 83, Pages 60-81	9/30/1982	Not included in this survey
Plot 9		Deed 11	479 or 117	Tax Collector to County	3/27/1948	Book 83, Pages 60-81	9/30/1982	–
Plot 9		Deed 11	535 or 429	Guiton to County	8/1/1949	Book 83, Pages 60-81	9/30/1982	–
Plot 10		Deed 11	608 or 73	County Rd. Abandonment	3/5/1951	Book 83, Pages 60-81	9/30/1982	–
Plot 10		Deed 12	–	T.H.A. to Hilyard	6/14/1912	Book 83, Pages 60-81	9/30/1982	93 Deeds 104
Plot 10		Deed 13	1363 or 431	County to S. Co. Sanit. Dist.	2/15/1965	Book 83, Pages 60-81	9/30/1982	–
Plot 10		Deed 14	2905 or 962	Esser to Oceano CSD	3/31/1987	Book 83, Pages 60-81	9/30/1982	–

Source of property research: Volbrecht Survey May 2001.

13° 41' East
TRUE NORTH

Magnetic Declination
13° 41' East (May 8, 2007)
Annual Rate of Change 05' West

0 200 400 600
SCALE IN FEET

California Coordinate System, Zone 5 | Date of Photography: 01/10/06
Horizontal Datum: North American Datum of 1983 (NAD83)
Vertical Datum: North American Vertical Datum of 1988 (NAVD88)
Ground Control Survey by: Towill, Inc. Towill File No. 11295-101

No.	REVISIONS	DATE	BY	APP'D.
2	–	–	–	–
1	–	–	–	–

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OCEANO AIRPORT

EXHIBIT A-PROPERTY MAP

Oceano, California
San Luis Obispo County, California

PLANNED BY: Stephen C. Wagner/Vicki Rogers
DETAILED BY: Larry D. Johnson
APPROVED BY: James M. Harris, P.E.

July 31, 2007 | SHEET 4 OF 5

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Coffman Associates-LJ2 L52_ATTC-A_LJ2.dwg Tuesday, July 31, 2007 11:15am