

County of Siskiyou – Hangar Rental Agreement

This HANGAR RENTAL AGREEMENT (this "Agreement") is entered into as of this 1st day of **July, 2023** by and between the County of Siskiyou ("County"), a political subdivision of the State of California and **Mario Galliano**, ("Tenant").

RECITALS

WHEREAS, County of Siskiyou owns and operates an airport within the jurisdictional boundaries of County, commonly known as the **Siskiyou County Airport** (the "Airport"); and

WHEREAS, Tenant desires to rent a hangar at the Airport for the purpose of storing an aircraft;

and

WHEREAS, Tenant understands Airport is a federally funded and obligated airport and must comply with all FAA regulations; and

WHEREAS, Tenant has read and understands the rules and regulations that apply to the Airport;

NOW, THEREFORE, incorporating the foregoing Recitals herein, it is mutually agreed as follows:

Name of Tenant:

Name: Mario Galliano

Address: 404 Walters Lane

City: Yreka State: CA Zip: 96097

Phone: 530-200-0164 Alt Phone: _____

Email _____

Address: mgalliano@aol.com

A/R _____

Account#: SC1215 5660-302050-531100

1. **NOTICE.** The parties agree that this agreement and the rights, duties, and obligations of the parties hereunder shall be governed by and subject to the California Self-Service Storage Facility Act, Business and Professions Code Section 21700, Et Seq. The Tenant's property will be subject to a claim of lien and may thereafter be sold to satisfy the lien if the rent or other charges due remain unpaid for fourteen (14) consecutive days, as provided for by the California Self-Service Storage Facility Act.
2. **PURPOSE AND TERM.** County hereby leases to Tenant, and Tenant hereby leases from County, hangar space **219** (the "Hangar"), situated at the Airport, for storage of Tenant's

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aircraft and associated aeronautical equipment and supplies, as identified in Exhibit “A” attached hereto. This hangar is identified as a **Boxed** hangar. (As specified in Exhibit “A”, this hanger space may consist of a boxed hangar, an open hangar, or a nested hangar.

This Agreement shall commence (“Commencement Date”) on **July 1st, 2023** and shall constitute a fixed term agreement for **60 Months** (not less than six months or more than five years), terminating on **June 30, 2028**, or month-to-month tenancy if this space is initialed_____. A month-to-month tenancy may be terminated by either party with thirty (30) days written notice.

The Hangar shall be used only for the storage of the aircraft of record identified in Exhibit “B” attached hereto and incorporated herein (the “Aircraft”), minor maintenance/repair of the Aircraft, and otherwise primarily for aeronautical uses as may be set forth in the last paragraph of this Section 2. No commercial or business activity of any kind whatsoever shall be conducted or allowed by Tenant in, from, or around the Hangar.

Any aircraft parked or stored on the Hangar for more than five (5) days, which need not be consecutive, in any twelve (12) month period shall be deemed Aircraft subject to this Agreement. Tenant shall have and maintain a Controlling Ownership Interest in at least one Aircraft, and Tenant or County-approved sub-lessee of Tenant shall have and maintain a Controlling Ownership Interest in any other Aircraft, as evidenced by FAA Aircraft Registration Certificates. “Controlling Ownership Interest”, as used herein, shall mean legal ownership of more than fifty percent (50%); the right to otherwise control the leasing, sale, and management of the subject property; or, in the case of a leased Aircraft, the lessor or lessee of the Aircraft or the owner of a controlling ownership interest in the business entity that is the lessor or lessee of the Aircraft.

In the event additional or substitute Aircraft are to be stored in the Hangar, Tenant shall give prior written notice to County which notice shall include identification of the subject Aircraft, a copy of the FAA Aircraft Registration Certificate for the Aircraft, and copies of the insurance certificates required pursuant to Section 11 of this Agreement for the Aircraft. Exhibit “B” to this Agreement shall then be amended to reflect such additions or substitutions.

PRIOR TO OCCUPYING THE HANGAR, TENANT SHALL PROVIDE COUNTY COPIES OF CURRENT AIRCRAFT REGISTRATION and/or PROOF OF OWNERSHIP, DOCUMENTATION OF AIRWORTHINESS, CURRENT CERTIFICATE OF INSURANCE, DECLARATION OF AIRCRAFT HOMEBASE, AND ANY OTHER AIRCRAFT DOCUMENTATION REQUESTED.

Tenant understands and agrees that should Tenant cease to use the Hangar for storage of all Aircraft set forth in Exhibit “B”, this Agreement shall terminate regardless of any other provision herein. If at any time while Tenant is in possession of the Hangar, the Aircraft is/are not flyable, Tenant shall have an eighteen (18) month grace period to document that the Aircraft is legally flyable for the class of aircraft as defined by the FAA. If Tenant is working on an aircraft project or kit, Tenant must show progress on the project, and there is

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a two (2) year deadline for completion of the project; Tenant may request in writing a one (1) year extension.

Unless additional uses are listed below and each initialed by the County Airport Manager, the Hangar may not be used for any purpose other than for storage of the Aircraft, and minor maintenance/repair of the Aircraft.

3. **BASE RENT AND CHARGES.** On the Commencement Date, Tenant shall pay rent, in advance, on the first day of each month, at the Siskiyou County General Services office. Base rent shall be in the amount of **Two Hundred Twenty One Dollars and 76/100 (\$221.76)** per month (“Base Rent”), calculated at **(\$.72) x Three Thousand Six Hundred and Ninety Six (3696)** square feet as further set forth in Exhibit “C” attached hereto. The Base Rent amount is subject to an annual cost of living adjustment as explained in Section 3.b. below.

- a. **LATE FEE; FEES FOR DENIED PAYMENT.** Tenant is responsible for timely payment of monthly rent and all additional charges, without notice or demand and without deduction, diminution, abatement, counter claim or setoff of any amount for any reason whatsoever, to County.

In the event any payment is not received by County by noon on the fifteenth (15th) day after it is due, Tenant shall, without notice, pay late charges in the amount of Twenty-Five Dollars (\$25.00) each month that the payment remains unpaid. If payment remitted by check or other negotiable instrument is presented for payment to the appropriate institution and denied for insufficient funds, such payment shall be subject to a reprocessing fee in the amount of Twenty-Five Dollars (\$25.00).

- b. **Annual Base Rent Increase.** On the first anniversary of the Commencement Date, and each anniversary thereafter, the Base Rent shall be increased by the current County Adjustment Factor. This will determine the new “Base Rent” for the new year. The County “Adjustment Factor” shall be a percentage calculated as follows: Beginning January 1, 2023, and every three (3) year period thereafter, the annual rent increase shall be determined by calculating the average annual California Consumer Price Index for all areas and all consumers as reported by the State of California, Department of Industrial Relations (“CPI”), for the preceding three (3) years, with the resulting adjusted CPI applied for that year and the two (2) years that follow. However, the Adjustment Factor shall not be less than one percent (1%) nor more than six percent (6%). The rental amount rate schedule for this Agreement through December 31 of the year preceding the next Adjustment Factor calculation date is set forth in Exhibit “C” attached hereto and incorporated herein.

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4. RIGHT OF FLIGHT. 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 Airport. This public right of flight shall include the right to cause within the said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operating on the Airport.

5. UTILITIES. There are three options regarding payment for utilities. The paragraph below with an “x” applies to the Hangar covered by this Agreement.

a. ____ County will pay the electricity charges associated with the Hangar and Tenant will receive a prorated monthly surcharge for the Hangar. The surcharge is calculated based on an average electricity charge paid by County over a twelve (12) month period. The current monthly electricity surcharge for the Hangar is \$_____. This surcharge will be adjusted each July 1st to reflect the electricity charges paid by County for hangars in the previous 12-month period. County shall have the right to adjust (increase or decrease) the surcharge to be paid hereunder upon giving Tenant no less than thirty (30) days' prior written notice of such electricity charge adjustment.

b. ____ The Hangar has an individual electric meter. Tenant is responsible for setting up an account and promptly paying all charges for electricity directly to the utility provider.

c. X The Hangar does not have utility services.

6. TERMINATION AND EXPIRATION. Upon termination or expiration of this Agreement, the Hangar will be inspected and Tenant shall be liable for any and all damage to the Hangar caused by Tenant's use, including, but not limited to, damage to the apron immediately adjacent to the Hangar premises due to fuel or oil spillage, or contamination from hazardous materials.

In the event Tenant does not remove Tenant's property, including the Aircraft, from the Hangar within fourteen (14) days of the termination or expiration of this Lease, the Tenant's property will be subject to a claim of lien and may be sold to satisfy any lien if the rent or other charges due remain unpaid, as authorized by the California Self-Service Storage Facility Act.

7. COMPLIANCE WITH LAWS AND REGULATIONS. In utilizing the Hangar during the term of this Agreement, Tenant agrees to comply with the following:

- a. Siskiyou County Code, Title 2 – Chapter 1. – Airports
- b. Siskiyou County Code, Title 3 – Chapter 6. – Airports and Aircraft
- c. FAA Assurances – Airport Sponsors
- d. All applicable ordinances, rules and regulations established by any federal,

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state or local government agency exercising jurisdiction over the Hangar, as the same may be amended from time to time.

- b. Any incidental non-aeronautical use of the Hangar shall not interfere with the primary aeronautical uses of the Hangar.
- c. All security measures that may be imposed from time to time by County or any other applicable governmental agency. If gate codes are used, Tenant shall not be authorized to distribute gate codes to any persons. If Tenant provides any gate code to unauthorized individuals, it shall be considered a material breach of this Rental Agreement.
- d. Tenant agrees that County is not responsible for the security of the Aircraft or any property located on the Hangar. It is expressly understood that no storage of airplanes, boats, cars, trucks, trailers or mobile homes is permitted outside of the Hangar or anywhere on County's property except designated parking areas for such vehicles or aircraft.

8. SAFE USE OF HANGAR; DAMAGE TO PREMISES. Tenant agrees to make no unlawful, offensive or noxious use of the Hangar. In addition, no explosives, firearms, volatile or flammable chemicals or other property which would materially increase the hazard of fires shall be stored at the Hangar; provided, however, that up to 20 gallons of aircraft fuel may be stored within the Hangar on a temporary basis in connection with self-service maintenance activities. No aircraft shall be refueled while said aircraft is within the Hangar or otherwise on the Hangar premises. Any refueling shall occur outside and away from the Hangar and fuels shall not be stored at the Hangar, other than as provided above and in the fuel tanks internal to the stored Aircraft. If any Aircraft requires a special grade/type of fuel not provided by County and/or the Fixed Based Operator ("FBO"), if any, all rules and regulations governing the private, non-commercial self-fueling of aircraft shall be followed.

Lessee shall control the conduct and demeanor of its invitees, agents, and sub-lessees, and their invitees and agents, in and around the Premises and shall take all steps necessary to remove persons whom County may for good and sufficient cause deem objectionable. Lessee shall be responsible for all damage to the Premises caused by the acts, omissions, negligence, or willful misconduct of Lessee, Lessee's invitees and sub-lessees, and their invitees, not to exclude repair of apron in front of the Hangar due to fuel spillage. In the event Lessee does not promptly repair any damage to the Premises or property for which Lessee is responsible, County reserves the right, in addition to any other rights or remedies available to County, to make such repairs, at Lessee's expense, the cost of which shall become due and payable within ten (10) days of billing from County.

9. AS-IS; MAINTENANCE OF HANGAR; COMPLIANCE WITH RULES; CONDITION ON RETURN. Tenant takes the Hangar as-is and shall return it to County in the same or better condition and without abandoned personal property remaining in the Hangar. Tenant agrees to maintain the Hangar in a clean and orderly condition at all times, and in accordance with California Department of Industrial Safety and Fire Codes which may apply to aircraft hangar storage and other applicable federal, state and local laws and ordinances. Tenant shall be

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responsible for clean-up and maintenance due to fuel or oil spills. Tenant shall become familiar with and shall at all times abide by all of County's rules and regulations relating to use of the Hangar and the use of any of County's other facilities, whether promulgated before or after the execution of this Agreement, and in particular Tenant shall abide by the following regulations (please initial next to each line):

- a. DS MG Taxiing in and out of Hangar is strictly prohibited;
- b. DS MG Aircraft must be out of Hangar for fueling;
- c. DS MG All power tools used by Tenant shall be grounded;
- d. DS MG There shall be no priming or painting in Hangars except for touching up minor chips;
- e. DS MG Paints, solvents, thinners, and other flammable liquids or materials will be used only when the Hangar door is completely open to provide ventilation;
- f. DS MG Combustible materials must be stored in National Fire Protection Association-approved containers and closed
- g. DS MG There shall be no open flames or welding in the Hangar at any time;
- h. DS MG There shall be no smoking in the Hangar at any time;
- i. DS MG The Hangar shall be organized so that an Aircraft of record can be moved into the Hangar at all times; and
- j. DS MG Tenant shall not permit any accumulation of oily rags, paper, rubbish, or other debris, nor overload electrical circuits, that could increase the risk for fire.

10. ALTERATIONS. Tenant shall not alter any existing fixtures or improvements or alter the Hangar walls, floor, ceiling or electrical system in any manner; nor shall Tenant hang anything from ceiling, walls, beams, doors, or fixtures in Hangar; nor shall Tenant add fixtures or improvements or in any other way modify the Hangar without the express and prior written approval of the County. Any and all such work approved by County shall be conducted at Tenant's sole cost and expense. All fixtures, improvements, and additions made in or upon the Hangar, whether by County or by Tenant, shall become County's property and shall remain in or upon the Hangar at the expiration or termination of this Agreement, however terminated, without any compensation being paid by County to Tenant.

11. INSURANCE.

- a. **INSURANCE COVERAGES.** Tenant shall obtain and maintain at all times during the term of this Lease, from one or more financially solvent insurance carriers

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authorized to conduct business in the State of California, general liability insurance, inclusive of aircraft liability and premises liability, with a single limit for bodily injury and property damage of \$1,000,000.00 per occurrence with the exception of per aircraft passenger sub-limits of \$100,000.00, insuring Tenant's liability against death and bodily injury to persons, including invitees and passengers, and damage to property.

- b. **CERTIFICATE OF INSURANCE.** With regard to the applicable insurance referenced herein, County shall be furnished duly executed certificates of all required insurance, together with satisfactory evidence of the payment of the premiums therefore, prior to the Commencement Date and, upon renewals of such policies, no less than thirty (30) days prior to the expiration of the term of such coverage. In addition, except with respect to motor vehicle insurance (referenced below), County shall be named as an additional insured. The insurance policies of Tenant upon which County is required to be named an additional insured shall further provide at least thirty (30) days advance written notice to County and Tenant of any material change, cancellation, non-renewal or changes adverse to the interest of County or Tenant. It is expressly understood by Tenant that the receipt of any required insurance certificates by County hereunder does not constitute agreement that the insurance requirements of this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of this Agreement. Further, the failure of County to obtain certificates or other evidence of insurance from Tenant shall not be deemed a waiver by County. Nonconforming insurance shall not relieve Tenant of its obligation to provide the insurance specified herein.

It is Tenant's responsibility to provide the certificates of insurance with additional insured endorsement on or before the expiration date of Tenant's existing insurance policy. A processing fee of Twenty-Five Dollars (\$25.00) will be charged if the certificate of insurance is not received by County on or before the renewal date.

- c. **MOTOR VEHICLE LIABILITY.** Automobile insurance of not less than \$100,000.00 bodily injury limits per person, \$300,000.00 bodily injury limits per occurrence, and \$50,000.00 for damage to the property of other people, is required in the event motor vehicles are used by Tenant on County premises.
- d. **WAIVER OF SUBROGATION.** All policies shall expressly waive the underwriter's and insurance carrier's right of subrogation against County and/or its insurance carriers.
- e. **PRIMARY INSURANCE.** Tenant's insurance policies shall respond on a primary basis, with any insurance carried by County to be construed as secondary or excess insurance.

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- f. **TENANT’S LIABILITY NOT LIMITED.** NOTWITHSTANDING THE PROVISIONS OF THE PRECEDING SECTIONS, FOR PURPOSES OF THIS AGREEMENT, TENANT ACKNOWLEDGES THAT ITS POTENTIAL LIABILITY IS NOT LIMITED TO THE AMOUNT OF LIABILITY INSURANCE COVERAGE IT MAINTAINS OR TO THE LIMITS REQUIRED HEREIN.

12. ASSIGNMENT. Tenant shall not assign this Agreement, or sublet or otherwise permit occupancy or use of the Hangar, without prior written consent from County. Use of the Hangar by an aircraft not properly listed as an Aircraft of record, as identified in Section 2, shall be considered default, subjecting Tenant to the termination process as set forth in Section 19.

13. LIABILITIES, INDEMNITIES, AND FORCE MAJURE. Tenant shall defend, indemnify and hold harmless County (inclusive of its subsidiaries, affiliates, as now or hereafter constituted) and its officers, directors, agents, employees, and contractors, from and against any and all cost, liability, fine, penalty, damage or injury, including cost of suit and expenses of legal services, claimed or recovered by any person or entity, arising out of or relating to use of the Hangar, or any activity, work, or other things done, permitted or suffered by Tenant in, on, or about the Hangar by Tenant, its invitees, agents, or sub-Tenants, or their invitees or agents, or any breach or default by Tenant in the performance of any obligation of Tenant set forth in this Agreement (“Contract Damages”), except in the event that such damages arise from County’s sole negligence or willful misconduct.

Further, Tenant shall indemnify County and pay any taxes or penalties imposed by any proper governing authority based upon Tenant’s failure to comply or violation of any local, state or federal rule resulting from the improper utilization of the Hangar. Any such sum shall be paid within ten (10) days of written demand by County.

Neither party shall be liable for its failure to perform this Agreement or for any loss, injury, damage or delay of any nature whatsoever resulting from or caused by an act of God, wildfire, flood, strike, labor dispute, riot, insurrection, war, law, regulation, or any other cause beyond such party’s control.

14. RISK OF LOSS. Tenant bears all risk of loss or damage to any property stored within the Hangar, whether caused by fire, water, earthquake, theft, terrorism, or any other risk. County shall not provide insurance for the Hangar or any property stored therein. Tenant acknowledges that insurance is available from independent insurance companies to protect Tenant in the event of damage or loss.

15. ENVIRONMENTAL RESPONSIBILITIES OF TENANT.

- a. **ENVIRONMENTAL REMOVAL AND DISPOSAL.** Tenant shall be responsible for the proper removal and disposal of all Hazardous Materials and Toxic Substances, as defined herein, generated by Tenant as a result of Tenant’s activities in, on and from the Hangar or the Airport, whether during the term or following expiration or termination of this Agreement. Tenant shall ensure that

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removal of such materials and substances from the Hangar and the Airport is accomplished in accordance with Airport, local, state and federal guidelines. Additionally, environmental contamination caused or permitted by Tenant, which impacts the Hangar or the Airport as a result of Tenant's improper handling, disposal, release or leakage of any Hazardous Materials and Toxic Substances while utilizing the Hangar or Airport shall be the sole responsibility of Tenant. For purposes of this section, "Hazardous Materials and Toxic Substances" shall mean any hazardous or toxic substances, materials, wastes, pollutants or contaminants, as defined, listed or regulated now or in the future by any federal, state or local law, rule, regulation, ordinance, statute or order or by common law decision, including, without limitation, petroleum products or byproducts.

- b. **ENVIRONMENTAL INDEMNIFICATION.** Tenant shall indemnify, defend and hold harmless County (inclusive of its subsidiaries, affiliates, as now or hereafter constituted) and its officers, directors, agents, employees, and contractors, from and against any and all claims (including, without limitation, third party claims from bodily injury or real or personal property damage), actions, administrative proceedings (including information proceedings), judgments, damages, punitive damages, penalties, fines, taxes and assessments, liabilities (including sums paid in settlement of claims), interest, impairments, losses, fees and expenses (including attorney's fees and expenses incurred in enforcing this provision or collecting any sums due hereunder), consultant and expert fees, together with all other costs and expenses of any kind or nature, including any and all expenses of cleaning up or disposing of any such Hazardous Materials and Toxic Substances arising from or caused by Tenant's use of the Hangar or the Airport or Tenant's failure to perform the covenants of this section ("Environmental Damages"). Tenant shall have no responsibility for any Environmental Damages which preceded the Commencement Date of this Agreement. The obligations, covenants and agreements of Tenant contained in this section shall survive expiration or termination of this Agreement for any reason.

16. ENTRY TO HANGAR; COUNTY REPAIRS. Tenant consents to County's entry into the Hangar, without notice to Tenant, in the case of an emergency which, in County's reasonable determination, poses an imminent health or safety threat to any person or property. Under all circumstances, including inspection to ensure compliance with the terms and provisions of this Agreement, Tenant further consents to County's entry into the Hangar with seventy-two (72) hours advance notice by email, or, in the event email notification is unavailable, by mail or by telephone (provided that County actually speaks to Tenant or its authorized representative), as provided in Section 23 herein. County shall further endeavor to schedule such entry into the Hangar for a time when Tenant is available to be present.

17. SUBORDINATION. This Lease is subject and subordinate to the following:

- a. County reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or views of Tenant, and without interference or hindrance by or on behalf of Tenant, provided Tenant is not deprived of the use or access to the Hangar or any of Tenant's rights under this Lease. Notwithstanding the preceding term, County has the absolute right, at its complete discretion, to terminate this Agreement with thirty (30) days' notice if the County determines that such termination is necessary to carryout development plans.

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- b. County reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Tenant from erecting or permitting to be erected any building or other structure on the Airport which would limit the usefulness of the Airport or constitute a hazard to aircraft.
- c. County reserves the right, but shall not be obligated to Tenant, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard.
- d. This Agreement is and shall be subordinate to the provisions of existing and future agreements and assurances between County and the United States, the Federal Aviation Administration, or the State of California relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the obtaining or expenditure of federal funds, state funds, services, or property for the benefit of the Airport.
- e. During national emergency, County shall have the right to lease all or any part of the landing area or the Airport to the United States or the State of California for military use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be reasonably determined by the County in proportion to the degree of interference with Tenant's use of the Hangar.
- f. Except to the extent required for the performance of any obligations of Tenant hereunder, nothing contained in this Agreement shall grant to Tenant any rights whatsoever in the airspace above the Hangar other than those reasonably necessary to Tenant's enjoyment of the Hangar and which are consistent with Federal Aviation Administration rules, regulations and orders currently or subsequently effective.
- g. Tenant understands and accepts County's delegation of the prohibition against exclusive rights in accordance with the obligation set forth in the Federal Aviation Act of 1958, Section 308(a), which states "there shall be no exclusive right for the use of any landing area or air navigation facility upon which federal funds have been expended" and as set forth in 49 United States Codes Section 40107(a)(4) and U.S.C. Section 40103(e). Tenant may not exercise any of its rights or privileges under this Agreement in any manner which results in and subjects the public Airport users or tenants to unjust discrimination.
- h. Tenant for himself/herself/itself, and its or their personal representatives, administrators, successors in interest, and assignees, as part of the consideration hereof, does hereby covenant and agree that: (a) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of Airport facilities, in the construction of any improvements on, over, or under Airport land, or in the furnishing of services thereon; and (b) use the Hangar shall

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be in compliance with all other requirements imposed by or pursuant to *Title 49 Code of Federal Regulations Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation* and as outlined in FAA AC 150/5100-15A *Civil Rights Requirements for the Airport Improvement Program* and as said regulations may be amended.

- i. Tenant acknowledges that County is subject to Federal Grant Agreement obligations, attached hereto and made a part hereof, and Tenant shall act in compliance therewith.

18. DISCLAIMER OF LIABILITY. COUNTY HEREBY DISCLAIMS, AND TENANT HEREBY RELEASES COUNTY FROM, ANY AND ALL LIABILITY WHETHER IN CONTRACT OR TORT (EXCEPT AS PROVIDED HEREIN) FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY TENANT, OR ITS EMPLOYEES, AGENTS OR INVITEES, DURING THE TERM OF THIS LEASE, INCLUDING BUT NOT LIMITED TO LOSS, DAMAGE OR INJURY TO THE AIRCRAFT OR OTHER PROPERTY OF TENANT THAT MAY BE LOCATED OR STORED ON OR IN THE HANGAR , UNLESS SUCH LOSS, DAMAGE OR INJURY IS CAUSED BY COUNTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. THE PARTIES HEREBY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT.

19. DEFAULT. Tenant shall be considered in breach and default of this Agreement in the event and of the following occur (each is separately a "Default")

- a. Tenant defaults in its obligation to pay rent and such default continues for fourteen (14) days;
- b. Tenant defaults in the performance of any other obligation or violates any other term or provision herein and such default or violation continues for twenty-one (21) days or is repeated after written notice thereof from County;
- c. Tenant is a corporation, limited liability company, or other business entity and ceases to lawfully exist under the laws of the State of California or the state of its organization; or
- d. A petition is filed by or against Tenant under any state or federal bankruptcy laws (including a petition for reorganization).

In the event that Tenant is in Default of this Agreement, then County may, at its option, terminate this Agreement upon written notice to Tenant, in which event the provisions of Section 6 (pertaining to termination and expiration) herein shall apply.

20. GOVERNING LAW. This Agreement shall be construed in accordance with the laws of the State of California. Venue shall be in the appropriate court in and for Siskiyou County.

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21. RELATIONSHIP OF PARTIES. The relationship between County and Tenant shall always and only be that of landlord and tenant. Tenant shall never at any time during the term of this Agreement become the agent of County, and County shall not be responsible for the acts or omissions of Tenant, its employees or agents.

22. REMEDIES CUMULATIVE. The rights and remedies with respect to any of the terms and conditions of this Agreement shall be cumulative and not exclusive, and shall be in addition to all other rights and remedies available to either party in law or equity.

23. NOTICES Except as provided in Section 16 (pertaining to entry into the hangar), all notices to be given hereunder shall be in writing and shall be sent by certified mail postage prepaid, addressed as follows:

NOTICE TO COUNTY:

County of Siskiyou – Department of General Services (Airports)

190 Greenhorn Road
Yreka, California 96097
Phone: 530.842.8220

For purposes of this Agreement, Tenant’s address to which notices may be sent is as follows:

Mario Galliano	
Tenant Name	Home Phone (with area code)
404 Walters Lane Yreka	
Mailing Address	Business Phone (with area code)
Same	530-200-0164
Physical Address	Mobile Phone (with area code)
Yreka, CA 96097	mgalliano@aol.com
City, State, Zip Code	Email Address

Tenant is specifically required to provide below the name and address of another person to whom Preliminary Lien Notices and subsequent notices pursuant to the California Self-Storage Facility Act may be sent:

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Shauna Wilson	N/A
Name	Home Phone (with area code)
404 Walters Lane Yreka, CA 96097	N/A
Mailing Address	Business Phone (with area code)
Same	530-340-0067
Physical Address	Mobile Phone (with area code)
Yreka, CA 96097	slwilson@aol.com
City, State, Zip Code	Email Address

Any notices permitted or required to be given by the terms of this Agreement shall be effective three (3) business days after mailing, or the next business day after emailing.

24. INTEGRATION. This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes all prior or contemporaneous agreements or understandings, whether oral or written, between the parties. Any change or modification hereof must be in writing signed by both parties.

25. WAIVER. The waiver by either party of any covenant or condition of this Agreement shall not thereafter preclude such party from demanding performance in accordance with the terms thereof. No failure of County to insist upon the strict performance of any term, covenant, agreement, provision, condition or limitation of this Agreement or to exercise any right or remedy consequent upon a breach thereof, and no acceptance by County of full or partial rent during the continuance of any such breach or application of the security deposit in light of any breach, shall constitute a waiver of any such breach or of any such term, covenant, agreement, provision, condition, limitation, right or remedy. No term, covenant, agreement, provision, condition or limitation of this Lease to be kept, observed or performed by County or by Tenant, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by County or by Tenant, as the case may be. No waiver of any breach shall affect or alter this Agreement, but each and every term, covenant, agreement, provision, condition and limitation of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

26. SUCCESSORS BOUND. This Agreement shall be binding upon and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the parties hereto.

27. SEVERABILITY. If a provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction over the parties and subject matter of this Agreement, the entire Agreement shall not be void, but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties.

28. TIME IS OF THE ESSENCE. Time is of the essence in the performance of all of Tenant's obligations under this Agreement.

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29. TAXES, ASSESSMENTS AND FEES. Tenant agrees to pay all taxes including the possessory interest tax levied by Siskiyou County on hangar Tenants. The Tenant record on January 1st of each year will be billed directly by County. Tenant shall be solely responsible for the payment of all taxes, assessments, license fees or other charges that may be levied or assessed during the term of this Agreement upon or against any real property, personal property or equipment located within the Hangar or upon the premises which is owned by, leased to or in the care, custody and control of Tenant.

TENANT

By signing this document, I agree to abide by the terms and conditions of this Agreement, and rules and regulations of the County of Siskiyou; and certify under penalty of perjury that I have a “Controlling Ownership Interest” in at least one of the Aircraft listed on Exhibit “B” (Aircraft of Record Registration and Documentation Checklist).

SIGNATURE PAGE FOLLOWS ON NEXT PAGE

County of Siskiyou – Hangar Rental Agreement

Executed in Yreka, California, on the date and year first above written.

LESSEE: MARIO GALLIANO

LESSOR: COUNTY OF SISKIYOU

By: DocuSigned by:
Mario Galliano
B8BE806DE8094D0...

By: _____
Ed Valenzuela, Chair
Board of Supervisors
County of Siskiyou

Date: 12/19/2023

Date: _____

ATTEST:
Laura Bynum
County Clerk & Ex-Officio
Clerk of the Board

By: _____
Deputy

APPROVED AS TO ACCOUNTING FORM:

Fund:	Org:	Account:	Amount Per Month	Total Amount	Fiscal Year
5230	302050	531100	\$ 221.760	\$ 2661.12	23/24
5230	302050	531100	\$ 231.616	\$ 2779.39	24/25
5230	302050	531100	\$ 241.780	\$ 2901.36	25/26
5230	302050	531100	TBD	TBD	TBD
5230	302050	531100	TBD	TBD	TBD

The Base Rent will be escalated on the annual anniversary date using the method outlined in Section 3b.

SIY South

Hangar 211 7,740 SF	Hangar 213 742 SF	Hangar 215 1,554 SF	Hangar 217 3,696 SF	Hangar 219 3,696 SF Mario Galliano	
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4 non hangar agreements & the old empty CCC building

Hangar A1 2,303 SF	Hangar A2 4,200 SF	Hangar A3 10,400 SF	Hangar A4 10,400
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Airport Lease – Exhibit B – Aircraft of Record Checklist

The purpose of this form is to document aircraft of record that are authorized to park in the Lessee's hangar, consistent with criteria outlined in Section 2 - Premises of the lease, and to provide the Lessee and staff a documentation checklist.

Tenant Info	Name:	Mario Galliano	
	Physical Address:	404 Walters Lane	
		Yreka, CA 96097	
	Mailing Address: (if different than billing)	Same	
	Phone:	Home	Cell: 530-200-0164
	Email:	mgalliano@aol.com	

Complete the below for all aircraft of record; make additional copies if necessary. If you do not have an aircraft when you are offered a lease, state "NONE" in N Number; you have 12 months to acquire a suitable aircraft of record. You must provide an insurance certificate even without an aircraft.

Aircraft Info	Aircraft of Record – Primary	Aircraft of Record - Alternate
Is this aircraft a project? (no airworthiness certificate), if so, note estimated completion date		
N Number	N98AE	
Make	Ventus	
Model	2B	
FAA Registration, (or bill of sale and FAA registration application) List name(s) of owner Must submit with lease	Attached	
Proof of Ownership Interest (if FAA Reg not in your name, describe and submit, e.g. LLC, lease documents stating interest)		
Certificate of Insurance naming County additionally insured (annual requirement) Must submit with lease	Attached	
Airworthiness Certificate (FAA Form 8100-2, 8130-7, or older version) Must submit with lease, unless project	Attached	
Copy of annual inspection sign-off or affidavit of flyability (annual requirement- affidavit shall include perjury wording at bottom of this form) Must submit with lease	Attached	
Aircraft is homebased at:	Siskiyou County Airport	
In County / State of:	Siskiyou, CA	

"I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct."

DocuSigned by:
Signature: Mario Galliano

Date: 12/19/2023

Exhibit C - Base Rent

Tenant: Mario Galliano
 July 1, 2023 - June 30, 2028

Total Square Footage: 3,696.00
 Boxed Hangar Lease/Hangar 219

Year of Lease	Anniversary Date	Initial Rate	Monthly Rent Payment	Total Rent Amount Per Year	Adjustment Factor
1st Year	6/1/2023	\$ 0.720	\$221.76	\$ 2,661.12	4.414%
2nd Year	6/1/2024	\$ 0.752	\$231.616	\$ 2,779.39	4.414%
3rd Year	6/1/2025	\$ 0.785	\$241.780	\$ 2,901.36	4.414%
4th Year	6/1/2026	TBD	TBD	TBD	TBD
5th Year	6/1/2027	TBD	TBD	TBD	TBD