

County of Siskiyou – Airport Ground Lease

This **AIRPORT GROUND LEASE** (this "Lease") is entered into as of this 2nd day of September 2025, by and between the County of Siskiyou ("County"), a political subdivision of the State of California, and **Richard F. Marshall, Inc.**, ("Lessee").

RECITALS

WHEREAS, County owns and operates a federally funded and obligated airport within the jurisdictional boundaries of County, commonly known as the **Scott Valley Airport** (the "Airport"); and

WHEREAS, Lessee desires to lease a portion of the Airport for the purpose of maintaining an aircraft storage hangar constructed before; and

WHEREAS, County desires to lease such portion of the Airport to Lessee under the terms and conditions set forth herein.

AGREEMENT

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

Name of Lessee: Richard F. Marshall, Inc.

 Individual

 X Business Entity

Type of Entity and State of Organization: Corporation

Address:	11720 Eastside Road
City/State/Zip:	Fort Jones, CA 96032
Phone Number:	415-987-0420
Alternate Number:	530-468-4204
Email:	richard@marshall-ranch.com
A/R Account Number:	SV1225

1. Term. The term of this Lease shall be for a period not to exceed five (5) years, commencing on **April 1, 2025** (the "Commencement Date"), and ending on **March 31, 2030** (the "Expiration Date"), unless sooner terminated as provided in this Lease (the "Initial Term").

Lessee shall have the right to renew this Lease for four (4) successive five (5) year periods (each a "Renewal Term") provided that the Renewal Conditions, as defined herein below, are met for each such Renewal Term.

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“Renewal Conditions” as used herein shall mean the following:

- (a) Lessee is not then in Default (as defined in Section 20 herein) of this Lease;
- (b) No more than two (2) events of Default (as defined in Section 20 herein) shall have occurred during the five (5) year period prior to the date of expiration of the then-current Initial Term or Renewal Term;
- (c) The Hangar is in good and operable repair, 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, including exterior painting, wiring and structural repairs made as necessary;
- (d) County has not elected to use the Premises for any purpose other than construction, installation, maintenance and repair of an aircraft storage hangar; and
- (e) At the commencement of the first Renewal Term and the automatic renewals under Section 6d2, all material modifications to County’s standard ground lease offered to private hangar owners at the Airport, with the exception of provisions affecting the length of the Lease term, if any, shall be incorporated into the renewed Lease as an amendment executed by County and Lessee.

In the event the Renewal Conditions are not met or, in County’s determination, are not likely to be met, County shall give written notice to Lessee at least sixty (60) days prior to expiration of the then-current Initial Term or Renewal Term. Such notice shall include any amendment required by subsection (e) above, if applicable. If any Renewal Condition remains unmet, and County has not provided a written waiver of such unmet Renewal Condition prior to the expiration of the then-current Initial Term or Renewal Term, this Lease shall automatically terminate and the provisions of Section 6.d(1) herein shall apply.

Lessee shall exercise its option to renew by timely delivering its annual rental payment for the first year of each Renewal Term, along with the executed Lease amendment. In the event Lessee does not exercise any option to renew as provided herein, this Lease shall automatically terminate and the provisions of Section 6.d(1) herein shall apply.

2. Premises. This Lease shall be issued only in connection with premises upon which a privately owned hangar was constructed prior to May 1, 2018. County hereby leases to Lessee, and Lessee hereby hires from County, upon the terms and conditions herein set forth, that certain portion of land located at the Airport (the “Premises”), comprising of **One Thousand Ninety (1090)** square feet, upon which a privately owned hangar now sits, which is more particularly identified as **Hangar #15**, as outlined in Exhibit “A” attached hereto and made a part hereof by this reference. All oil, gas and mineral rights are expressly reserved from this Lease.

3. Utilities. During the term of this Lease, Lessee agrees to pay all charges and expenses in connection with any utility services furnished to the Premises. If utilities are provided to the Premises and not separately metered, Lessee shall arrange for separate meters at Lessee's expense and Lessee shall contract directly with utility providers. If

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separate meters are not possible, Lessee shall reimburse County for Lessee's pro rata share, as reasonably determined by County, of all shared utilities within ten (10) days after billing by County.

Lessee acknowledges that County has no obligation to provide any utilities to the Premises. County shall not be liable to Lessee under any circumstances for damages or loss to Lessee's property, injury to person or property, or consequential damages, however occurring, through, in connection with, or incidental to the failure to furnish or interruption of any utilities at the Premises.

Lessee shall comply with all rules and regulations which County, any governmental agencies or authorities, or any utility company may establish for the use, proper functioning and protection of any utility.

4. Rent

4a. Base Rent. On the Commencement Date, Lessee shall pay County an annual base rent in the amount of **Four Hundred and Four Dollars and 39/100 (\$404.39)** per year ("Base Rent") calculated at **(\$.0371) x One Thousand Ninety (1090)** square feet as further set forth in Exhibit "C" attached hereto. Rent is to be paid in full on the Commencement Date and thereafter on each yearly anniversary of the Commencement Date. The Base Rent amount is subject to an annual cost of living adjustment as explained in Section 4b below.

4b. Annual 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 Lease through December 31 of the year preceding the next Adjustment Factor calculation date is set forth in Exhibit "C" attached hereto and incorporated herein.

4d. Late Fee; Fees for Denied Payment. Lessee is responsible for timely payment of annual 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, Lessee shall, without notice, pay late charges in the amount of Twenty-Five Dollars (\$25.00) each month that the annual payment remains unpaid. If payment remitted by check or other negotiable instrument is presented for payment to

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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).

5. 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.

6. Obligations of Lessee.

6a. Storage and Use of Premises. The Premises shall be used only for the construction, installation, maintenance and repair of an aircraft storage hangar (the "Hangar"), storage of the aircraft of record identified in Exhibit "B" attached hereto and incorporated herein (the "Aircraft"), and otherwise primarily for aeronautical uses. No commercial or business activity of any kind whatsoever shall be conducted or allowed by Lessee in, from or around the Premises. Subleasing of Aircraft storage space, in and of itself, shall not constitute commercial activity for purposes of this paragraph. The Hangar shall not be removed from the Premises by Lessee except as otherwise provided in this Lease.

Lessee shall have and maintain a controlling ownership interest in the Hangar. Any aircraft parked or stored on the Premises for more than five (5) days, which need not be consecutive, in any twelve (12) month period shall be deemed Aircraft subject to this Lease. Lessee shall have and maintain a controlling ownership interest in at least one Aircraft, and Lessee, or a sub-lessee of Lessee, shall have and maintain a controlling ownership interest in each 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 of the Aircraft or the owner of a controlling ownership interest in the business entity that leases the Aircraft.

In the event additional or substitute Aircraft are to be stored on the Premises, Lessee 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 12 of this Lease for the Aircraft. Exhibit "B" to this Lease shall then be amended to reflect such additions or substitutions.

6b. Maintenance of Premises. Lessee shall maintain the areas surrounding the Hangar consisting of five (5) feet in the front, rear, and sides of the Hangar in a neat and orderly condition. This includes trash disposal, landscaping, and weed removal. Lessee

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shall keep such area around the Hangar clean and clear of debris, oil, grease and/or toxic chemicals. Lessee agrees to maintain the Hangar in a clean and orderly condition, and in good and operable repair, 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. This includes exterior painting, wiring and structural repairs as necessary. Lessee shall be responsible for clean-up and maintenance due to fuel or oil spills. Lessee shall take steps to ensure that the performance of any maintenance work conducted on the Premises shall not damage the Premises. Lessee shall become familiar with and shall at all times abide by all of County's rules and regulations related to use of the Hangar and the Premises and the use of any of County's other Airport facilities, whether promulgated before or after the execution of this Lease, and in particular Lessee shall abide by the following regulations (please initial next to each line):

_____A. There shall be no priming or painting in the Hangar except for touching up minor chips. Except for the foregoing, Lessee shall request in writing permission from County prior to conducting any painting activities on the Premises or at the Airport.

_____B. Paints, solvents, thinners, and other flammable liquids or materials shall be used only when the Hangar door is completely open to provide ventilation.

_____C. Combustible materials must be stored in NFPA-approved containers and closed when not in use.

_____D. Lessee shall not permit any accumulation of oily rags, paper, rubbish, or other debris, nor overload electrical circuits, that could increase the risk for fire.

_____E. No hazardous or flammable materials shall be stored within or about the Hangar and Premises unless stored within an Environmental Protection Agency or local Fire Marshall approved container/cabinet.

_____F. No boxes, crates, rubbish, paper or other litter that could cause or support combustion shall be permitted to accumulate within or about the Premises.

6c. Damage to Premises. 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

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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.

6d. Termination and Expiration of This Lease.

(1) Termination. Within sixty (60) days of the termination of this Lease, Lessee shall remove, at Lessee's sole expense, the Hangar, the Aircraft, and all of Lessee's personal property from the Premises, and surrender the Premises to County in good and clean condition and repair.

Lessee shall be liable for any and all damage to the Premises caused by Lessee's use including, but not limited to, damage to the apron immediately adjacent to the Premises due to fuel or oil spillage, or contamination from hazardous materials.

In the event Lessee does not remove Lessee's property, including the Hangar and/or the Aircraft, from the Premises within sixty (60) days of the termination of this Lease, County may elect with regard to all or any such property, in County's sole discretion and without further notice to Lessee, to do any of the following: (i) remove such property from the Premises and dispose of it, in which case Lessee shall reimburse County upon demand for all costs of removal and disposal; (ii) take full possession and ownership of such property, in which case Lessee shall not be responsible for removal or disposal cost, nor entitled to any proceeds of any sale or rental by the County of such property; or (iii) in the case of personal property (including the Aircraft, but not including the Hangar), to deem such property abandoned personal property and proceed with notice and foreclosure sale according to and in compliance with the terms of California Civil Code Section 1993, et seq.

(2) Expiration. If this Lease has not been terminated prior to the expiration of the forth (4th) Renewal Term as provided in Section 1 herein, and upon the expiration of the forth (4th) Renewal Term of this Lease, provided that the Renewal Conditions (as defined in Section 1 herein) are met or waived by County in writing and neither party has informed the other in writing of its intent not to renew at least sixty (60) days prior to such expiration, this Lease shall automatically renew for successive one (1) year periods following the procedures set forth in Section 1; provided, however, that either party hereto shall have the right during any of the foregoing one-year Renewal Terms to terminate this Lease for any reason at any time upon sixty (60) days prior written notice to the other party, in which case the provisions of Section 6.d(1) herein shall apply.

7. Compliance with Laws and Regulations. In utilizing the Premises during the term of this Lease, Lessee agrees to comply with the following:

7a. Siskiyou County Code, Title 2 – Chapter 1. – Airports (Exhibit D)

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7b. Siskiyou County Code, Title 3 – Chapter 6. – Airports and Aircraft (Exhibit E)

7c. FAA Assurances – Airport Sponsors (Exhibit F)

7d. All applicable ordinances, rules and regulations established by any federal, state or local government agency exercising jurisdiction over the Premises, as the same may be amended from time to time.

7e. Any incidental non-aeronautical use of the Premises shall not interfere with the primary aeronautical uses of the Premises.

7f. All security measures that may be imposed from time to time by County or any other applicable governmental agency. If gate codes are used, Lessee shall not be authorized to distribute gate codes to any persons. If Lessee provides any gate code to unauthorized individuals, it shall be considered a material breach of this Lease.

7g. Lessee agrees that County is not responsible for the security of the Aircraft or any property located on the Premises. 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 Premises. Lessee agrees to make no unlawful, offensive or noxious use of the Premises. 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 Premises; provided, however, that up to 20 gallons of aircraft fuel may be stored within the Hangar in compliance with Section 6b(E) herein, 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 Premises. Any refueling shall occur outside the Premises and fuels shall not be stored at the Premises, other than 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.

9. Assignment and Sublease. Neither this Lease nor any interest herein shall be assigned, either voluntarily or involuntarily, by Lessee, or by operation of law or otherwise, nor shall the Premises or the Hangar, or any part thereof, be sublet or sold by Lessee without the prior written consent of County. Consent to any such assignment, transfer, sale, or sublease shall not be unreasonably withheld by County provided (a) County receives FAA Certificates of Ownership for all Aircraft contemplated for storage on the Premises, together with copies of the insurance certificates for each Aircraft as required herein, and (b) in the case of an approved assignment and Hangar sale or transfer, the transferee of the Hangar shall execute a new Ground Lease under terms and conditions then being offered by County but with a term ending no later than the expiration date of the then-current Initial Term or Renewal Term, with the same automatic renewal periods as set forth herein, if any remain (and this Ground Lease shall terminate), or, in the case of a sublease, the sub-lessee executes a sublease containing

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an agreement to be bound by the provisions of this Lease. Any such assignment, transfer, sublease or sale without such prior written consent of County shall be void and County shall have the right to terminate this Lease upon such unapproved assignment, transfer, sublease or sale at its sole discretion.

County shall have the right to assign or transfer County's interest in this Lease or any rights or obligations in or to it. In the event of any such assignment or transfer, Lessee shall look solely to the assignee or transferee for performance of County's obligations under this Lease.

The parking or storing of any aircraft in which Lessee does not have a controlling ownership interest on the Premises for more than five (5) days, which need not be consecutive, in any twelve (12) month period shall require a sublease. No sublease of this Lease shall be valid unless the sublease is reduced to writing, and executed by Lessee, County, and the sub-lessee. Copies of all subleases shall be kept on record at the Airport Director's Office.

10. Ownership of Improvements; County's Right to Purchase.

10a. During Lease Term. It is mutually agreed that the Hangar and any other improvements placed upon the Premises shall remain the property of Lessee throughout the term of this Lease. Lessee covenants and agrees not to make material alterations, additions or improvements to the Premises without the prior written approval of County, which approval shall not be unreasonably withheld, and acquisition of the required building permits.

10b. Third Party Offer. If, during the term of this Lease, Lessee should receive a bona fide written offer from a third party to purchase the Hangar, which offer Lessee is inclined to accept, Lessee shall give written notice to County. County shall have the first right of refusal to purchase the Hangar on the same terms and conditions as set forth in such offer. County shall exercise its right to purchase by delivering written notice of intent to purchase to Lessee within thirty (30) days of receipt of Lessee's notice, and County shall complete the purchase within sixty (60) days of County's notice of intent to purchase. The closing of such purchase shall effect an automatic termination of this Lease, and Lessee shall have no further obligation to pay rent.

Notwithstanding the foregoing, this section shall not apply to any offer from, or the sale or transfer of the Hangar to, (i) any immediate family member of Lessee, if Lessee is an individual, (ii) any immediate family member of an individual who holds a controlling interest in Lessee, if Lessee is a business entity, or (iii) any business entity in which any such immediate family member holds a controlling interest. As used herein, "immediate family member" shall mean a child, grandchild, parent, or sibling.

11. Construction of Improvements. The following provisions of this Section 11 are applicable only in the event the Hangar has not yet been erected on the Premises as of the Commencement Date.

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11a. Construction. Lessee shall apply for a building permit within six (6) months of the Commencement Date, and shall complete construction, at Lessee's sole cost and expense, of the Hangar, as approved by County, on the Premises within twelve (12) months of the Commencement Date. Lessee shall provide all information required by County for the permit process in a timely manner. If Lessee seeks to have utilities on the Premises, they shall be provided and paid for by Lessee. Evidence of completion shall be the issuance of a Certificate of Occupancy from County. Prior to occupancy, Lessee shall present the Airport Director with a copy of the validly issued Certificate of Occupancy. Lessee shall be responsible for obtaining, at Lessee's sole cost and expense, all permits of any kind required by law, including payment of utility and applicable development fees. County shall have the right to control the type of construction, architectural style, size and color of any improvements to the Premises. Prior to developing final working plans, Lessee shall submit preliminary plans to the Siskiyou County Building Department for review and comment. County shall review said plans and advise Lessee of any deficiencies. Lessee shall then make the necessary changes, if any, required for County's approval. After those conditions have been satisfied, County shall notify Lessee in writing that Lessee may proceed with construction.

11b. Surety for Performance and Payment. Before any major work of construction, alteration or repair is commenced on the Premises, Lessee shall furnish County adequate surety for performance and payment in a form acceptable to the County Risk Manager, in an amount not less than the cost of the improvements to be constructed, and which shall remain in effect until the entire cost of the work has been paid in full and the new improvements have been insured as provided in this Lease. County may, but shall not unreasonably, disapprove the surety. The surety shall be deemed approved unless notice of disapproval is given within thirty (30) days after receipt of the proposed surety.

12. Insurance.

12a. Insurance Coverages. Lessee shall obtain and maintain at all times during the term of this Lease, from one or more financially solvent insurance carriers 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 per occurrence with the exception of per aircraft passenger sub-limits of \$100,000, insuring Lessee's liability against death and bodily injury to persons, including invitees and passengers, and damage to property.

12b. Certificate of Insurance. County shall be named as an additional insured under the applicable insurance policies as of the Commencement Date, and 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, upon renewals of such policies, no less than thirty (30) days prior to the expiration of the term of such coverage. The insurance policies of Lessee shall further provide at least

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thirty (30) days advance written notice to County and Lessee of any material change, cancellation, non-renewal or changes adverse to the interest of County or Lessee. It is expressly understood by Lessee that the receipt of any required insurance certificates by County hereunder does not constitute agreement that the insurance requirements of this Lease have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of this Lease. Further, the failure of County to obtain certificates or other evidence of insurance from Lessee shall not be deemed a waiver by County. Nonconforming insurance shall not relieve Lessee of its obligation to provide the insurance specified herein.

It is Lessee's responsibility to provide the certificates of insurance with additional insured endorsement on or before the expiration date of Lessee'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.

12c. 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.

12d. Primary Insurance. Lessee's insurance policies shall respond on a primary basis, with any insurance carried by County to be construed as secondary or excess insurance.

12e. Lessee's Liability Not Limited. NOTWITHSTANDING THE PROVISIONS OF THIS SECTION 12, FOR PURPOSES OF THIS LEASE, LESSEE ACKNOWLEDGES THAT ITS POTENTIAL LIABILITY IS NOT LIMITED TO THE AMOUNT OF LIABILITY INSURANCE COVERAGE IT MAINTAINS OR TO THE LIMITS REQUIRED HEREIN.

13. Casualty. In the event that the Premises, or the means of access thereto, is damaged by fire or any other cause, the rent payable hereunder shall not abate. In the event of loss of or material damage to the Hangar, Lessee shall repair or replace the Hangar within twenty-one (21) days following written notice to Lessee or, provided that Lessee has in good faith commenced such repair or replacement within such 21-day period, in a reasonable time thereafter. In the event such repair or replacement has not been timely completed as provided in this Section 13, County shall have the rights of entry and repair or replacement granted to it pursuant to Section 17 herein.

14. Liabilities, Indemnities and Force Majeure. Lessee 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 Premises, or any activity, work, or other things done, permitted or suffered by Lessee in, on, or about the Premises by Lessee, its invitees, agents, or sub-lessees, or their invitees or agents, or any breach or default by Lessee in the performance of any obligation of Lessee set forth in this Lease ("Contract Damages"),

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except in the event that such damages arise from County's sole negligence or willful misconduct.

Further, Lessee shall indemnify County and pay any taxes or penalties imposed by any proper governing authority based upon Lessee's failure to comply or violation of any local, state or federal rule resulting from the improper utilization of the Premises. 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 Lease or for any loss, injury, damage or delay of any nature whatsoever resulting from or caused by an act of God, fire, flood, accident, strike, labor dispute, riot, insurrection, war, law, regulation, or any other cause beyond such party's control; provided, however, that Lessee shall not be excused for any such reason from its obligation to pay rent in a timely manner as provided herein.

15. Risk of Loss. Lessee bears all risk of loss or damage to the Hangar and 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. Lessee acknowledges that insurance is available from independent insurance companies to protect Lessee in the event of damage or loss.

16. Environmental Responsibilities of Lessee.

16a. Environmental Removal and Disposal. Lessee shall be responsible for the proper removal and disposal of all Hazardous Materials and Toxic Substances, as defined herein, generated by Lessee as a result of Lessee's activities in, on and from the Premises or the Airport, whether during the term or following expiration or termination of this Lease. Lessee shall ensure that 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 Lessee, which impacts the Premises or the Airport as a result of Lessee's improper handling, disposal, release or leakage of any Hazardous Materials and Toxic Substances while utilizing the Premises or Airport shall be the sole responsibility of Lessee. For purposes of this Section 16, "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.

16b. Environmental Indemnification. Lessee 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,

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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 Lessee's use of the Premises or the Airport or Lessee's failure to perform the covenants of this Section 16 ("Environmental Damages"). Lessee shall have no responsibility for any Environmental Damages which preceded the Commencement Date of this Lease. The obligations, covenants and agreements of Lessee contained in this Section 16 shall survive expiration or termination of this Lease for any reason.

17. Entry to Hangar; County Repairs. Lessee consents to County's entry onto the Premises and the Hangar, without notice to Lessee, in the case of an emergency which, in County's reasonable determination, poses an imminent health or safety threat to any person or property. Lessee further consents to County's entry onto the Premises and the Hangar if, within twenty-one (21) days following written notice to Lessee of any breach of Section 13 of this Lease relating to casualty, such breach has not been remedied by Lessee. In such event, County shall be entitled to repair, replace, or otherwise remedy any such breach, the cost for which shall be paid by Lessee within ten (10) days of written notice thereof. Under all other circumstances, including inspection to ensure compliance with the terms and provisions of this Lease, Lessee further consents to County's entry onto the Premises and 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 Lessee or its authorized representative), as provided in Section 24 herein. County shall further endeavor to schedule such entry onto the Premises and Hangar for a time when Lessee is available to be present.

18. Subordination. This Lease is subject and subordinate to the following:

18a. County reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or views of Lessee, and without interference or hindrance by or on behalf of Lessee, provided Lessee is not deprived of the use or access to the Premises or any of Lessee's rights under this Lease.

18b. County reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which would limit the usefulness of the Airport or constitute a hazard to aircraft.

18c. 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 facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

18d. This Lease is and shall be subordinate to the provisions of existing and future agreements and assurances between County and the United States, the Federal

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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.

18e. 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 Lease insofar as they may be inconsistent with the provisions of such lease to the government, shall be suspended, but such suspension shall not extend the term of this Lease. Abatement of rentals shall be reasonably determined by the County in proportion to the degree of interference with Lessee's use of the Premises.

18f. Except to the extent required for the performance of any obligations of Lessee hereunder, nothing contained in this Lease shall grant to Lessee any rights whatsoever in the airspace above the Premises other than those reasonably necessary to Lessee's enjoyment of the Premises and which are consistent with Federal Aviation Administration rules, regulations and orders currently or subsequently effective.

18g. This Lease is subject and subordinate to any and all mortgages which may now or hereafter encumber the County's fee simple interest in the Airport real property, and to all renewals, modifications and extensions thereof; provided that with respect to any future mortgage, the subordination described above shall be subject to the following: in the event that any proceedings are brought by the mortgagee (a) to foreclose the mortgage or any renewal, modification, consolidation, replacement or extension thereof, for any reason whatsoever, or (b) to succeed to the interest of County by foreclosure, deed in lieu thereof or otherwise, and provided no uncured event of default under this Lease shall have occurred and be continuing, Lessee's possession of the Premises and Lessee's rights and privileges under this Lease and any extension or extensions thereof shall not be diminished, interfered with or disturbed by the mortgagee. Lessee shall, within seven (7) days after required of County, execute any subordination documents which County or any mortgagee of the Premises may reasonably request, but no such document shall be required to effectuate said subordination. Any such subordination documents shall, as to any future mortgage, comply with the terms of this paragraph.

18h. Lessee 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). Lessee may not exercise any of its rights or privileges under the Lease in any manner which results in and subjects the public Airport users or tenants to unjust discrimination.

18i. Lessee 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

County of Siskiyou – Airport Ground Lease

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 Premises shall 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.

18j. Lessee acknowledges that the County is subject to Federal Grant Agreement obligations as set forth on Exhibit “F” attached hereto and made a part hereof, and Lessee shall act in compliance therewith.

19. Disclaimer of Liability: COUNTY HEREBY DISCLAIMS, AND LESSEE 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 LESSEE, 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 LESSEE THAT MAY BE LOCATED OR STORED ON OR IN THE PREMISES, 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.

20. Default. Lessee shall be considered in breach and default of this Lease in the event (each, a “Default”) (a) Lessee defaults in its obligation to pay rent and such default continues for fifteen (15) days after written notice thereof from County; (b) Lessee 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) Lessee 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; (d) a petition is filed by or against Lessee under any state or federal bankruptcy laws (including a petition for reorganization); or (e) Lessee assigns its property for the benefit of creditors.

In the event that Lessee is in Default of this Lease, then County may, at its option, terminate this Lease upon written notice to Lessee, in which event the provisions of Section 6(d)(1) herein shall apply.

21. Governing Law. This Lease 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.

22. Relationship of Parties. The relationship between County and Lessee shall always and only be that of lessor and lessee, or landlord and tenant. Lessee shall never at any time during the term of this Lease become the agent of County, and County shall not be

County of Siskiyou – Airport Ground Lease

responsible for the acts or omissions of Lessee, its employees or agents.

23. Remedies Cumulative. The rights and remedies with respect to any of the terms and conditions of this Lease 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.

24. Notices. All notices to be given hereunder shall be in writing and shall be sent by certified mail postage prepaid, addressed as follows:

NOTICE TO LESSOR:

Email Address: generalservices@co.siskiyou.ca.us

Telephone: (530) 842-8220

Siskiyou County General Services
190 Greenhorn Rd.
Yreka, CA 96097

NOTICE TO LESSEE:

Email Address: richard@marshall-ranch.com

Telephone: **415-987-0420**

Name: **Richard F. Marshall, Inc.**

Address: **11720 Eastside Road**

City/State/ZIP: **Fort Jones, CA 96032**

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

25. Integration. This Lease 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.

26. Waiver. The waiver by either party of any covenant or condition of this Lease 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 Lease 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 Lessee, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by County or by Lessee, as the case may be. No waiver of any breach shall affect or alter this Lease, but each and every term, covenant, agreement, provision, condition and limitation of this Lease shall

County of Siskiyou – Airport Ground Lease

continue in full force and effect with respect to any other then existing or subsequent breach thereof.

27. Successors Bound. This Lease shall be binding upon and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the parties hereto.

28. 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 Lease, the entire Lease 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.

29. Time is of the Essence. Time is of the essence in the performance of all of Lessee's obligations under this Lease.

30. Taxes, Assessments and Fees. Lessee agrees to pay all taxes including the possessory interest tax levied by Siskiyou County on hangar lessees. The Lessee of record on January 1st of each year will be billed directly by County. Lessee 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 Lease upon or against any real property, personal property or equipment located within or upon the Premises which is owned by, leased to or in the care, custody and control of Lessee.

31. Financing Agreements. In order to obtain financing or refinancing for the construction, improvement, repair or sale of the Hangar, which may require encumbrance of the Hangar and/or Lessee's leasehold interest in the Premises, County shall cooperate with Lessee and any lender in the execution of an amendment to this Lease setting forth such lender's financing terms and conditions, and County shall not unreasonably withhold its consent to such financing terms and conditions.

SIGNATURE PAGE FOLLOWS

County of Siskiyou – Airport Ground Lease

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written. Executed in Yreka, California, on the date and year first above written.

LESSOR: COUNTY OF SISKIYOU

Date: _____

By: _____
NANCY OGREN, CHAIR
Board of Supervisors
County of Siskiyou
State of California

Date: Sept 3, 2024

Date: 9/3/2025

LESSEE: Richard F. Marshall, Inc.

Richard F. Marshall
Richard F. Marshall, President

Susan Marshall
Susan Marshall, Secretary

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

By: _____
Deputy

ACCOUNTING:

Fund	Organization	Account	Amount	FY
5230	3020	531100	\$ 404.39	25/26
5230	3020	531100	\$TBD	26/27
5230	3020	531100	\$TBD	27/28
5230	3020	531100	\$TBD	28/29
5230	3020	531100	\$TBD	29/30

Tenant will receive a letter from County every three years with the amount for future lease payments.

SVAP

Hangar 16 1,090 SF	Hangar 15 1090 SF Richard Marshall SV1225	Hangar 14 1,090 SF	Hangar 13 1,518 SF	Hangar 8 1,150 SF	Hangar 5 2,200 SF	Hangar 4 830 SF	Hangar 3 750 SF	
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Hangar B 2,050 SF Whipple	Hangar A 3,520 SF Harding	Hangar 12 1,680 SF	Hangar 11 1,800 SF	Hangar 10 920 SF	Hangar 9 750 SF	Hangar 7 2,050 SF	Hangar 2 1,300 SF	Hangar 1 900 SF
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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:	Richard	
	Physical Address:	11720	
	Mailing Address: (if different than billing)		
	Phone:	Home: 530 460 4204	Cell: 415 907 0420
	Email:	richard@RFMENC-B12	

CA 96032

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	231 MG	
Make	Mooney	
Model	231	
FAA Registration, (or bill of sale and FAA registration application) List name(s) of owner <u>Must submit with lease</u>	Richard F. Marshall INC	
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) <u>Must submit with lease</u>	2024 and 2025	
Airworthiness Certificate (FAA Form 8100-2, 8130-7, or older version) <u>Must submit with lease, unless project</u>	8/23/2024	
Copy of annual inspection sign-off or affidavit of flyability (annual requirement- affidavit shall include perjury wording at bottom of this form) <u>Must submit with lease</u>	8/23/2024	
Aircraft is homebased at:	Scott Valley	
In County / State of:	Siskiyou / California	

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

Signature: Richard Marshall

Date: 4-17-25

SV 1225

REGISTRATION NOT TRANSFERABLE

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION - FEDERAL AVIATION ADMINISTRATION CERTIFICATE OF AIRCRAFT REGISTRATION		This certificate must be in the aircraft when operated.
NATIONALITY AND REGISTRATION MARKS N 231MG		AIRCRAFT SERIAL NO. 25-0023
MANUFACTURER AND MANUFACTURER'S DESIGNATION OF AIRCRAFT MOONEY AIRCRAFT CORP. M20K ICAO Aircraft Address Code: 50406521		
I S S U E D T O	RICHARD F MARSHALL INC PO BOX 187 FORT JONES CA 96032-0187	This certificate is issued for registration purposes only and is not a certificate of title. The Federal Aviation Administration does not determine rights of ownership as between private persons.
	Corporation	
It is certified that the above described aircraft has been entered on the register of the Federal Aviation Administration, United States of America, in accordance with the Convention on International Civil Aviation dated December 7, 1944, and with Title 49, United States Code, and regulations issued thereunder.		
DATE OF ISSUE November 6, 1984 EXPIRATION DATE March 31, 2029		 ACTING ADMINISTRATOR
		 U.S. Department of Transportation Federal Aviation Administration

AC Form 8050-3 (10/2019) Supersedes previous editions

USAIG Certificate of Insurance

This is to certify to: **County of Siskiyou**
whose address is: 190 Greenhorn Road
Yreka, CA 96097

that: **Richard Marshall, Inc.**
whose address is: PO Box 187
Fort Jones, CA 96032

is at this date insured with one or more of the several participating companies of the United States Aircraft Insurance Group, for the Limits of Coverage stated below, at the following locations: the United States and its territories and possessions, Canada, Mexico, the Bahamas, the islands of the West Indies and Central America, or while enroute between these places.

Descriptive Schedule of Coverages 1979 Mooney 231 (M20K), N231MG

Kind of Insurance	Policy Number	Policy Term	Limits of Coverage		
			Each Passenger	Each Person	Each Occurrence
AIRCRAFT LIABILITY Combined Liability Coverage for bodily injury and property damage Subject to a maximum of	360AC-826160	June 25, 2025 - June 25, 2026	\$ 100,000		\$ 1,000,000
Medical Coverage				\$ 5,000	
AIRCRAFT PHYSICAL DAMAGE - ALL RISKS	360AC-826160	June 25, 2025 - June 25, 2026			
	Not In-Motion Deductible \$ Nil	In-Motion Deductible \$ Nil			Amount of Insurance \$ Per policy
AIRPORT PREMISES LIABILITY Combined Liability Coverage for bodily injury and property damage	360AC-826160	June 25, 2025 - June 25, 2026			Each Occurrence \$ Included above

Only with respect to operations by, for or on behalf of the "Policyholder":

The "Who's covered" section of your policy, under "Your Liability Coverage," shall include **County of Siskiyou**, but only for claims of bodily injury, mental anguish or property damage and specifically excluding claims for personal injury that result from your ownership, maintenance or use of airport premises.

We won't cover **County of Siskiyou** for claims arising out of their liability as a manufacturer, seller, handler, distributor or service facility of any product or service sold, handled, distributed or provided.

If we or the Aviation Managers cancel your policy for any reason other than nonpayment of premium, we agree to give thirty (30) days notice before the cancellation date, to the following person(s) or organization(s):

County of Siskiyou
190 Greenhorn Road
Yreka, CA 96097

However, the "Cancellation" provisions stated above shall not be less than the required statutory limits.

This certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein regardless of any terms or conditions set forth in any other contract, document or agreement.

UNITED STATES AVIATION UNDERWRITERS, INC., Aviation Managers

Address: 301 N. Main Street, Suite 1450, Wichita, KS 67202

By


John T. Brogan, President

date: June 26, 2025

USAIG All-Clear

Additional Insured(s)/Products Exclusion/Notice of Cancellation

The "Who's covered" section of your policy, under "Your Liability Coverage," shall include **County of Siskiyou**, but only for claims of bodily injury, mental anguish or property damage and specifically excluding claims for personal injury that result from your ownership, maintenance or use of airport premises.

We won't cover **County of Siskiyou** for claims arising out of their liability as a manufacturer, seller, handler, distributor or service facility of any product or service sold, handled, distributed or provided.

If we or the Aviation Managers cancel your policy for any reason other than nonpayment of premium, we agree to give thirty (30) days notice before the cancellation date, to the following person(s) or organization(s):

**County of Siskiyou
190 Greenhorn Road
Yreka, CA 96097**

However, the "Cancellation" provisions stated above shall not be less than the required statutory limits.

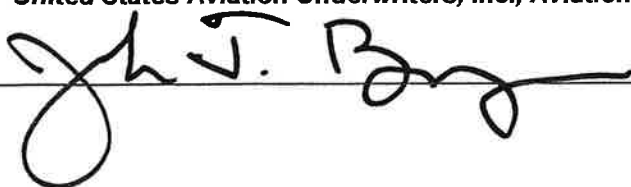
This endorsement does not change any of your coverage except as stated above. It is effective on the date and hour shown below, local Standard Time at the "Policyholder's" address.

Policy Issued to: **Richard Marshall, Inc.**

14	360AC-820409	June 25, 2024 at 12:01 A.M.
Endorsement No.	Policy No.	Date and hour endorsement takes effect

Approved: **United States Aviation Underwriters, Inc., Aviation Managers**

By



368-0817

(360)

USAIG All-Clear Aircraft Policy Coverage Summary Page

Policy No. 360AC-820409

Former Policy No. 360AC-814614

The Coverage Summary Pages, along with your policy and any attached forms and endorsements you have, form your complete insurance policy.

Name and Address of "Policyholder:"

Richard Marshall, Inc.
PO Box 187
Fort Jones, California 96032

Your Policy Period is from **June 25, 2024** to **June 25, 2025** beginning and ending at 12:01 AM Local Standard Time at the address shown above.

"Policyholder" is a(n): Corporation.

Your business is: Real Estate.

You own the aircraft by yourself.

Aircraft Use. You may not charge any person or organization for using your aircraft. However, you may be reimbursed for operating expenses.

Aircraft

Year, Make and Model	Type	Airworthiness Certificate	FAA Identification	Passenger Capacity Excluding Crew
1979 Mooney 231 (M20K)	Land	Standard	N231MG	3

You keep your aircraft principally in the state of **California**.

Pilots:

Richard Marshall, holding an FAA Private Pilot Certificate.

Any pilot holding an FAA Private or Commercial Pilot Certificate with FAA Instrument Rating who has logged a minimum of 500 hours as Pilot in Command, at least 100 hours of which have been logged in retractable gear aircraft and at least 10 hours of which have been logged in a(n) Mooney 231 (M20K) Aircraft.

Whom We'll Pay. Payments for loss covered under "Your Aircraft Physical Damage Coverage" will be made to you.

USAIG All-Clear Aircraft Policy Coverage Summary Page

Policy No. 360AC-820409

Limits of Your Coverage. You are insured up to the Limits shown below. The limits may be altered by the policy or by any attached endorsements.

Coverage	Limits of Coverage	
Combined Liability Coverage for bodily injury and property damage Subject to a maximum of	\$ 1,000,000 \$ 100,000	Each Occurrence Each Passenger (Part of and not in addition to Your Liability Coverage)
Personal Injury	\$ 1,000,000 \$ 100,000	Each Occurrence and Aggregate Each Passenger (Part of and not in addition to Combined Liability Coverage)
Medical Coverage	\$ 5,000	Each Person
Voluntary Settlement	\$ 100,000 \$ 100,000	Each Passenger times the number of passenger seats Excluding crew Each Occurrence

Aircraft Physical Damage Coverage:

<u>FAA Identification</u>	<u>Not In-Motion Deductible</u>	<u>In-Motion Deductible</u>	<u>Limit</u>
N231MG	\$ Nil	\$ Nil	\$ 90,000

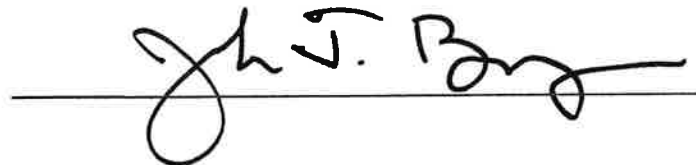
This policy contains the following Endorsements which are part of your policy: 1 through 15.

Unless stated otherwise, all sums shown in your policy are expressed in United States currency.

Premium	\$ 2,363
Endorsement Premium	\$ Included
Total Premium	\$ 2,363

This policy is written through the Aviation Managers on June 10, 2024.

Approved by: **United States Aviation Underwriters, Inc.**
Aviation Managers



IN WITNESS WHEREOF, the Company(ies) hereunder have caused this policy to be executed on their behalf by the Aviation Managers.

SEE ATTACHED PARTICIPATING COMPANY SCHEDULE

N 231 MG. Airworthiness Certificate

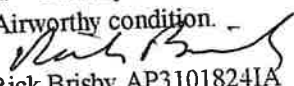
DATE	TOTAL TIME IN	REFERENCE OF MAJOR REPAIRS AND MODIFICATIONS
19-		
 Phantom Aircraft Services, LLC 3500 PINEHURST ST., CORVALLIS, OR 97331 541-409-3302 N#: N231MG TACH: 9.8 ACTT: 1822.3 DATE: 8/23/2024 M20K S/N 25-0023 Completed an Annual Inspection IAW with the scope and details of FAR 43 Appendix D using a 100-hour inspection checklist as a guide. ELT inspected and tested IAW FAR 91.207 (d). ELT battery due replacement (9/2026). All the wheel bearings and brakes were checked and the bearings re-greased. Serviced battery, Hydraulic reservoir, and tire pressures. The landing gear was cycled several times, and the emergency extension was performed. The gear pre-load was checked and within limits. The Oxygen bottle is due a hydrostatic test. Sent bottle out for testing Reinstalled bottle and serviced with ABO. Replaced worn right inbd cowl flap hinge bracket and bushing with new hinge bracket and bushing. Inspected and cleaned induction filter. Replacement is due 491.2 Hobbs or 2307.4 ACTT. C/W AD 85-24-03 Eff. Date 1/5/89 IAW SB 229A SB next due at 109.8 Hobbs. C/W AD 76-07-12 Ign. Eff. Date 8/30/77. Ignition SW by operational check. Checked normal. Next due at 109.8 Hobbs. C/W AD 23-09-09 Eff. date 7/17/23 Spot welded V-Band couplies by inspection per AD para. 2 (k) (1) thru (7). The Next inspection is due 2/2025 or 109.8 Hobbs. Replacement due 7/2025. All applicable ADs thru (2024-16) have been complied with. I certify that this Aircraft has been Inspected IAW an Annual Inspection and was determined to be in Airworthy condition. W/O: 24-0619  Rick Brisby AP3101824IA		

Exhibit C - Base Rent

Tenant: Richard F. Marshall, Inc. SV1225

Total Square Footage: 1,090.00

Prior Rate: \$ 0.326

Land Lease #15 Hanger

Year of Lease	Lease Date	Initial Rate	Monthly Rent Payment	Total Rent Amount Per Year	Adjustment Factor
1st Year	23/24	\$ 0.340	\$ 30.88	\$ 370.60	4.414%
2nd Year	24/25	\$ 0.355	\$ 32.25	\$ 386.95	4.414%
3rd Year	25/26	\$ 0.371	\$ 33.70	\$ 404.39	4.414%
4th Year	26/27	TBD	TBD	TBD	TBD
5th Year	27/28	TBD	TBD	TBD	TBD

Exhibit D – Siskiyou County Code – Title 2. – Chapter 1

CHAPTER 1. - AIRPORTS*

Sec. 2-1.01. - Management.

The administrative functions of maintaining and operating airports and airport properties which the County has acquired and such other airports as the County may from time to time acquire in the future by Title or lease of shall be provided by the Department of Public Works, Transportation Division.

2-1.02. - (Repealed)

Sec. 2-1.03. - Findings and purpose.

The County finds that:

- (a) The County owns and operates a system of airports which includes Siskiyou County Airport, Weed Airport, Happy Camp Airport, Scott Valley Airport, Butte Valley Airport, which are used for the taking off, landing, operation and storage of aircraft, and the conduct of businesses supporting aviation activities; and
- (b) The Airports promote a strong economic base for the community, assist and encourage world trade opportunities, and are of vital importance to the health, safety, and welfare of the State of California; and
- (c) It is essential that the airports remain financially self-sufficient to perform their transportation role in the community and to provide the community with cost effective aviation facilities; and
- (d) The revenues received from users of the airports are vital to the economic well-being of the airports; and
- (e) The County will incur substantial expenditure for capital investment, operation, maintenance, and development of the facilities at the airports to meet the future demand for airport services to accommodate the air transport of persons and cargo; and
- (f) Siskiyou County Airport, Weed Airport, Happy Camp Airport, Scott Valley Airport, Butte Valley Airport, have sustained net losses throughout their respective periods of operation by the County, and have never produced revenues sufficient to offset the County's operating and capital costs for aeronautical assets in use at such airports; and
- (g) Fuel flowage fees imposed on the delivery of fuel at the airports currently paid by certain aviation tenants have not been sufficient to offset the County's costs of providing airfield assets and services at the airports; and
- (h) As a recipient of financial assistance from the United States Government for development of the airports, the County is required, pursuant to 49 USC § 47107, to maintain a schedule of charges for use of facilities and services at the airports that will

Exhibit D – Siskiyou County Code – Title 2. – Chapter 1

make the airports as self-sustaining as possible under the circumstances existing at the Airport, including volume of traffic and economy of collection; and

- (i) Pursuant to 49 USC § 47107, the County is required to make the airports available for public use on reasonable conditions and without unjust discrimination; and
- (j) The Federal Aviation Administration (FAA) has directed airports to ensure that rates, fees, rentals, landing fees, and other service charges imposed on aeronautical users of the airports for aeronautical uses are fair and reasonable and, unless otherwise agreed to by the affected aeronautical users, do not exceed the costs of providing airfield assets and services currently in aeronautical use at the airports; and
- (k) The FAA has further directed that airport fees should be established using a consistent methodology for comparable aeronautical users, that fees imposed on a group of aeronautical users should not exceed the costs allocated to that user group, that reasonable distinctions may be made among aeronautical users, and that differing charges may be imposed on categories of aeronautical users based on those distinctions; and
- (l) The State Aeronautics Act (California Public Utilities Code § 21001 et seq.) (the "Act") authorizes the County to operate and maintain airports and collect charges for the use of such facilities. The Act further authorizes the County to provide by regulation for charges, fees, and tolls for the use of the airports and civil penalties for the violations of such regulations; and
- (m) In order to raise revenue for purposes of making the airports as self-sustaining as possible under the circumstances existing at the airport and maintaining, operating, and developing the airports for the convenience of aviation users and the traveling public, and to preserve existing revenues, protect the public, preserve order, provide for the public health, safety and welfare, enhance the welfare of the County, and govern use of airport property, it is necessary to adopt and implement the fees specified in this chapter to be paid by persons utilizing the airports for aviation purposes; and
- (n) Because commercial aircraft operators and commercial aeronautical users derive revenues from using the airports for commercial purposes, it is fair and reasonable that commercial aircraft operators and commercial aeronautical users contribute to a greater degree than non-revenue generating users toward the maintenance, operation, and continued development of the airports and making the airports self-sustaining, and that such greater contribution by commercial aircraft operators and commercial aeronautical users does not unjustly discriminate against this group of Airport users; and
- (o) Because large aircraft make greater demands on runways, taxiways, and other Airport facilities, which requires greater maintenance, operating, and capital expenditures by the County to permit such continued use for the airports by such large aircraft, a

Exhibit D – Siskiyou County Code – Title 2. – Chapter 1

landing fee imposed on operators of such large Aircraft does not unjustly discriminate against this group of Airport users; and

- (p) It is customary for airports that charge landing fees to base the fees on landed weight of aircraft, and to exclude from the landing fee requirement aircraft below a minimum landed weight; and
- (q) The operation of fuel transportation vehicles on the airports without appropriate environmental and safety precautions poses a threat to the health, economic vitality, and safety of persons living in the community, the State of California, and other citizens utilizing the airports, and exposes the County to potential liability for environmental cleanup and remediation; and
- (r) In order to protect the public, to provide for public safety, and to preserve the good order of the County, it is necessary to enact and provide for implementation of standards, controls, and procedures for operation of fuel transportation vehicles on the airports.

Sec. 2-1.04. - Purpose.

The purpose of this chapter is to enact landing and fuel flowage fees and to establish environmental and safety requirements for fuel transportation vehicles consistent with the above findings and this chapter shall be liberally construed to effectuate this purpose.

Sec. 2-1.05. - Definitions.

As used in this chapter:

- (a) "Airports" and "Airport".

"Airports" shall mean, collectively, those certain airports located in Siskiyou County, California, known as Siskiyou County Airport, Weed Airport, Happy Camp Airport, Scott Valley Airport, Butte Valley Airport, including all facilities and road located at or on such airports. "Airport" shall mean any one of the airports.

- (b) "Aircraft".

"Aircraft" shall mean every contrivance invented, used, or designed to navigate, or fly in, the air.

- (c) "Commercial Aircraft Operator".

"Commercial aircraft operator" shall mean any person engaged in the carriage in air commerce of persons or property for compensation or hire including but not limited to any person whose operations are governed by Parts 121 or 135 of the Code of Federal Regulations, Title 14, Chapter I, Subchapter G, promulgated by the United States Federal Aviation Administration, Department of Transportation, as in effect on the

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effective date of this chapter, and as amended, supplemented, and replaced from time to time.

(d) "Excluded Commercial Aircraft Operator".

"Excluded commercial aircraft operator" shall mean a person described in Section 2-1.07(a) of this chapter.

(e) "Airport Director".

"Airport director" shall mean the County's Airport Director or his/her designee.

(f) "Fee".

"Fee" shall mean the landing fee and fuel flowage fee authorized by this chapter.

(g) "Fuel".

"Fuel" shall mean any gasoline and any other inflammable or combustible gas or liquid usable as fuel for the operation of aircraft.

(h) "Fuel Flowage Fee".

"Fuel flowage fee" shall mean the fuel flowage fee authorized in Section 2-1.09 of this chapter.

(i) "Fuel Operator".

"Fuel operator" shall mean any person who operates any system, devise, or container used to store or dispense fuel at the airports, including but not limited to a fuel storage tank, fuel transportation vehicle, or similar system or devise.

(j) "Fuel Transportation Vehicle".

"Fuel transportation vehicle" shall mean any form of transportation that is used in and capable of transporting fuel on airport roads, parking areas, ramp areas, taxiways, runways, or elsewhere on the airport.

(k) "Government Aircraft".

"Government aircraft" shall mean any aircraft owned or operated by the United States government or any of its agencies.

(l) "Landed Weight".

"Landed weight" shall mean the maximum permissible gross weight which an aircraft may lawfully have at the time of landing at any airport in the United State as set forth in Federal Aviation Administration specifications for such aircraft.

(m) "Landing Fee".

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"Landing fee" shall mean the landing fee authorized in Section 2-1.06 of this chapter.

(n) "Large Aircraft".

"Large aircraft" shall mean any aircraft having a landed weight that exceeds ten thousand (10,000) pounds.

(o) "Large Aircraft Operator".

"Large aircraft operator" shall mean a person operating any large aircraft.

(p) "Mobile Storage Tank Use Agreement".

"Mobile storage tank use agreement shall mean an agreement in force between the County and a person which expressly authorizes the person to operate a fuel transportation vehicle on an Airport in accordance with prescribed terms and conditions.

(q) "Permit".

"Permit" shall mean the permit required pursuant to Section 2-1.11.

(r) "Permittee".

"Permittee" shall mean any person required by this chapter to have a permit for operation of a fuel transportation vehicle on an Airport.

(s) "Person".

"Person" shall mean an individual, sole proprietorship, association, corporation, partnership, limited liability company, joint venture, or any other business arrangement or organization.

(t) "The County".

"The County" shall mean the County of Siskiyou.

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Sec. 2-1.06. - Landing fees—Fees required.

Except as provided in Section 2-1.07, every commercial aircraft operator and every large aircraft operator shall pay a fee ("landing fee") on each landing of an aircraft at any airport. The Airport Director shall establish landing fee rates for each airport assessed per one thousand (1,000) pounds of takeoff weight; provided that such rates shall be fair and reasonable for the affected Person and shall not exceed the County's costs of providing airfield assets and services currently in aeronautical use at the airports. The Airport Director may adjust landing fee rates from time to time consistent with this section.

- (a) The following rates are hereby established for each landing except those included in Section 2-1.07.
 - Gross Takeoff Weight 10,000 to 12,499 — \$100.00
 - Gross Takeoff Weight 12,500 to 14,999 — \$130.00
 - Gross Takeoff Weight 15,000 and above — \$160.00

Sec. 2-1.07. - Exceptions.

No landing fee shall be imposed pursuant to Section 2-1.06 on the following landing:

- (a) Excluded Commercial Aircraft Operator. A landing by a commercial aircraft operator who is required to pay a fee to the County for such landing pursuant to the terms of an agreement between the County and the commercial aircraft operator (an "Excluded Commercial Aircraft Operator").
- (b) Emergency or Precautionary Landings. A landing of an aircraft which departs from a Airport for another destination and if forced to return and land at the same Airport because of meteorological conditions, mechanical or operating causes, or for any similar emergency or precautionary reason.
- (c) Helicopter Landings on Leased Areas. A landing by a commercial aircraft operator or large aircraft operator of a helicopter on an area leased by the commercial aircraft operator or large aircraft operator from the County pursuant to a lease which permits the landing of helicopters on such area.

Sec. 2-1.08. - Collection of landing fees.

Landing fees shall be collected by the County in accordance with procedures established by the Airport Director. Unless the Airport Director has established other payment procedures, or credit arrangements satisfactory to the Airport Director that have been made in advance, every commercial aircraft operator and large aircraft shall promptly pay applicable landing fees by cash or check to be deposited into fee collection box or complete a form provided by the County which contains information necessary to calculate the landing fee and deposit said form into the collection box. The County will bill all commercial aircraft operator and large aircraft

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within thirty (30) days of landing. Payments are due upon receipt of invoice. A delinquency charge in an amount established by the Airport Director shall be imposed on all landing fees not paid when due.

Sec. 2-1.09. - Tiedown and overnight fees.

Aircraft parked for a period that extends from one day to the next (through midnight), will be charged an overnight fee. Tiedown fees for aircraft at all Siskiyou County-owned Airports are established as follows:

Transient Aircraft*:

Overnight	\$ 3.00
Weekly	\$ 10.00
Monthly	\$ 30.00
Yearly	\$ 100.00

*Includes gliders w/trailers

Sec. 2-1.10. - Parking fees.

(a) Vehicle Parking:

Daily parking	\$ 2.00
Parking in excess of 30 days	\$ 40.00 Annual Fee
— Vehicles must be registered with the County Airport Director's Office.	
— Cars with expired licenses and/or parked after more than 30 days without an annual parking sticker will be towed away.	

(b) Special Event Parking:

1. Designated areas only with prior authorization by Airport Director's Office.
2. RV parking is authorized only during permitted special events at a rate of Ten and no/100ths (\$10.00) Dollars per day.

If applicable fees are not paid within thirty (30) days of airport use a late fee of ten (10) percent of the total charge owed will be applied per month.

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Sec. 2-1.11. - Fuel flowage fees required.

Every fuel operator shall pay a fuel flowage fee ("fuel flowage fee") on all fuel transported onto the airports; provided that no fuel flowage fee shall be imposed on fuel which is sold to an excluded commercial aircraft operator. The fuel flowage fee shall be an amount payable on each gallon of fuel dispensed and may be adjusted by the airport director from time to time.

Fees per gallon \$0.12

Fees will be collected on the total gallons dispensed of any fueling vehicle or container brought onto the airport regardless of actual quantity in the vehicle.

Sec. 2-1.12. - Collection of fuel flowage fees.

Fuel flowage fees shall be collected by the county in accordance with procedures established by the Airport Director. Unless the Airport Director has established other payment procedures, or credit arrangements satisfactory to the Airport Director have been made in advance, all fuel flowage fees shall be paid by a fuel operator no later than twenty (20) days after the end of the calendar month in which fuel is transported onto an airport. A delinquency charge in an amount established by the Airport Director shall be imposed on all fuel flowage fees not paid when due. All fuel operators shall promptly provide the County's fuel flowage certification form containing information specified by the County which is necessary to calculate the fuel flowage fee.

If applicable flowage fees are not paid within thirty (30) days of use of fuel a late fee of ten (10) percent of the total charge owed will be applied per month.

Sec. 2-1.13. - Use of airports by fuel transportation vehicles—Permit required.

No person shall operate a fuel transportation vehicle on any portion of an airport except pursuant to a valid permit ("permit") issued by the County or pursuant to a mobile storage tank use agreement expressly allowing such operation. The permit shall contain, at a minimum, the terms and conditions contained in this chapter, and such other terms and conditions as the Airport Director deems necessary or appropriate. Use of the airports or any of the airport facilities by tank operator of a fuel transportation vehicle shall be deemed acceptance of the terms and condition of the permit. Fees for the permit shall be based on the period of time for which the permit is issued:

0 to 120 Days = \$ 150.00

121 to 365 = \$ 250.00

Sec. 2-1.14. - Permit terms.

At a minimum, all permittees shall be required by the terms of the permit to:

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- (a) Insurance. Provide the County written certificates of insurance evidencing insurance coverage of types and in amounts established by the Airport Director.
- (b) Indemnity. Indemnify the County and its commissioners and employees against any claim of any type whatsoever arising out of the presence of the permittee or the permittee's fuel transportation vehicle at the airport.
- (c) Fuel Transportation Vehicle Identification. Provide the County the make, model, color, license number, identification number, and motor vehicle registration number of all fuel transportation vehicles to be operated on the airports.
- (d) Business Permits. Provide the County written proof, upon request by the County, of all business and motor vehicle permits required by local, state, and federal regulations.
- (e) Other Standards. Comply with all environmental and safety laws applicable to operation of fuel transportation vehicles at the airports, and such other standards as the Airport Director deems necessary or appropriate to protect the environment, the County, and the public health, safety, and welfare from the potential harmful effects of spills and releases from fuel transportation vehicles.

Sec. 2-1.15. - Use of airports—Permit required.

- (a) Permit Required. No person shall hold any operations on any portion of an Airport without obtaining a use permit expressly allowing such operation. The permit shall contain, at a minimum, the terms and conditions contained in this chapter, and such other terms and conditions as the Airport Director deems necessary or appropriate.
- (b) Use Fees. Use of any County owned airport requires a fee to be paid for said use. Fees to be established by Director of Airports based on length of use, type of use and liability to the County Airport.
- (c) Permit Terms. At a minimum, all permittees shall be required by the terms of the permit to:
 - 1. Insurance. Provide the County written certificates of insurance evidencing insurance coverage of types and in amounts established by the Airport Director.
 - 2. Indemnity. Indemnify the County and its commissioners and employees against any claim of any type whatsoever arising out of the presence of the permittee at the Airport.
 - 3. Other Standards. Comply with all laws applicable to use of airport property, and such other standards as the Airport Director deems necessary or appropriate to protect the environment, the County, and the public health, safety, and welfare of the public.

Sec. 2-1.16. - Penalties.

- (a) Civil Sanctions. In the event any person violates any term or condition of this chapter, the County may exercise any rights or remedies allowed by law or equity, including without

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limitation, imposition of a civil penalty pursuant to Siskiyou County Code of Ordinances Title I Chapter 2 Section 2-1.03 through Title I Chapter 2 Section 2-1.15 - of not more than Five Hundred and no/100ths (\$500.00) Dollars per violation, and, in the case of a violation of any term or condition of any permit granted pursuant to this chapter, after reasonable notice and hearing, suspension or termination of the rights granted pursuant to the permit. In the event that any permit is so suspended or terminated, any covenant or condition (including, but not limited to, indemnification covenants), set forth in the permit, the full performance of which is not specifically required prior to the suspension or termination to that permit, and any covenant or condition which by its terms is to survive, shall survive the suspension or termination of the permit and shall remain fully enforceable thereafter.

- (b) Criminal Sanctions. Any person violating this chapter shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not more than Two Hundred Fifty and no/100ths (\$250.00) Dollars per violation.

Sec. 2-1.17. - Severability.

In the event any phrase, clause, sentence, paragraph, or paragraphs of this chapter is declared invalid for any reason, the remainder of the chapter shall not be thereby invalidated, but shall remain in full force and effect, all parts being declared separable and independent of all others.

Exhibit E – Siskiyou County Code Title 3. – Chapter 6

CHAPTER 6. - AIRPORTS AND AIRCRAFT*

Sec. 3-6.01. - Title and purpose of chapter.

This chapter shall be known as the "Airport and Aircraft Regulations of Siskiyou County". The purpose of this chapter is to promote safe aircraft operations at County airports.

Sec. 3-6.02. - Definitions.

For the purposes of this chapter, unless otherwise apparent from the context, certain words and phrases used in this chapter are defined as follows:

- (a) "Person" shall mean any individual, firm, partnership, corporation, company, association, joint stock association, or body politic, except the United States, the State, and the County, and shall include any agent, trustee, executor, receiver, assignee, or other similar representative thereof.
- (b) "Aircraft" shall mean a device to be used, or intended to be used, for flight in the air.
- (c) "Director" shall mean the person employed by the County to manage airports.
- (d) "Airport" shall mean any airport owned or operated by the County.

Sec. 3-6.03. - Application and authority of chapter.

This chapter shall apply to all County airports. The provisions of this chapter are intended to supplement local, State, and Federal laws.

Sec. 3-6.04. - Exceptions.

Written permission to act contrary to the provisions of this chapter may be obtained from the Director.

Sec. 3-6.05. - Airport privileges.

The privileges of using any County airport and its facilities are conditioned upon the assumption of full responsibility and risk by the user thereof, and the County, and its agents and/or employees, shall not be liable for loss, incident, or mishap of any nature whatsoever to any individual, aircraft, or property occurring on an airport.

Sec. 3-6.06. - Use of taxiways.

Landing or taking off from a taxiway shall be prohibited except during an emergency.

Sec. 3-6.07. - Use of runways.

Runways shall be used only for the taking off, landing, or taxiing of aircraft.

Exhibit E – Siskiyou County Code Title 3. – Chapter 6

Sec. 3-6.08. - Noise.

No person shall operate any aircraft in flight or on the ground in such a manner as to cause unnecessary noise as determined by applicable Federal, State, or local laws and regulations.

Sec. 3-6.09. - Use of aircraft parking aprons.

There shall be no reserved parking on the public aircraft parking aprons.

Sec. 3-6.10. - Related aviation activities.

Model aircraft, parachuting, ballooning, glider, ultralight, and crop dusting operations shall be conducted only as approved by the Director (§ 1, Ord. 21, eff. March 24, 1983)

Sec. 3-6.11. - Vehicular traffic on airports.

No person shall operate a vehicle of any kind on any airport in a reckless or negligent manner.

Sec. 3-6.12. - Traffic pattern altitudes.

(a) The traffic pattern altitude shall be 1,000 feet above the runway elevation at the following airports:

- (1) Siskiyou County Airport;
- (2) Weed Airport; and
- (3) Happy Camp Airport.

(b) The traffic pattern altitude shall be 800 feet above the runway elevation at the following airports:

- (1) Butte Valley Airport; and
- (2) Scott Valley Airport.

Sec. 3-6.13. - Storage of inflammables.

No person shall place or store any inflammable or explosive substance on a County airport, except fuel in the factory-installed fuel tanks of aircraft and vehicles, or as approved by the Fire Marshal and the Director (§ 1, Ord. 21, eff. March 24, 1983)

Sec. 3-6.14. - Unrestrained animals prohibited.

No person shall wilfully and knowingly permit any animal to enter any aircraft operations area unless the animal is controlled by a leash or some other means of restraint.

Sec. 3-6.15. - Unauthorized use of firearms prohibited.

No person shall discharge a firearm from, into, or across any portion of an airport or have in his possession or under his control on any airport any firearm which is loaded or any

Exhibit E – Siskiyou County Code Title 3. – Chapter 6

explosive. Peace officers and military personnel, while acting in the performance of their duties, shall be exempted from the provisions of this section.

Sec. 3-6.16. - Fuel sales.

No person shall deliver aviation fuels or lubricants to, or dispense such fuel from at, or upon an airport without approval from the Director. For the right, privilege, and concession of making deliveries of all types of aviation fuels and lubricants and other fuels to any person or location at or upon airports, other than to a central fuel service stand provided by the airport, or to a bulk storage plant of an oil company on the airport, there shall be a gallonage charge for each gallon of fuel so delivered.

Sec. 3-6.17. - Refueling aircraft.

Refueling operations on County airports shall be conducted in compliance with the Uniform Fire Code, Uniform Fire Code Standards, and Chevron (or other supplier) Airport Dealer safe operating procedures.

Sec. 3-6.18. - Accident reports.

Witnesses or any participant in accidents on or within any County airport shall make a full report to the Director as soon after the accident as possible, together with names and addresses.

Sec. 3-6.19. - Removal of damaged aircraft.

The pilot, operator, or owner of any aircraft damaged or disabled because of an accident on any airport shall be responsible for the prompt removal of such aircraft, or parts thereof, from the runway or operational area as instructed by the Director. If such pilot, operator, or owner shall fail to, or is unable to, comply with such directions, such damaged or disabled aircraft, or parts thereof, may be removed by the County or its agent at the expense of the pilot, operator, or owner without liability for any damage which may result in the course of such removal.

Sec. 3-6.20. - Airport closures.

The Director is hereby authorized to close any County airport to aircraft operations whenever hazardous conditions warrant such closing.

Sec. 3-6.21. - Enforcement of chapter provisions.

The Director or any other duly authorized County official shall have the responsibility of enforcing the provisions of this chapter (§ I, Ord. 21, eff. March 24, 1983)



ASSURANCES

Airport Sponsors

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements.

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

Federal Legislation

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act – 5 U.S.C. 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.^{1 2}
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).¹
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.¹
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.¹
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.

- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

Executive Orders

- a. Executive Order 11246 - Equal Employment Opportunity¹
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 - Environmental Justice

Federal Regulations

- a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].^{4, 5, 6}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³
- m. 49 CFR Part 20 - New restrictions on lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.

- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.^{1 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

Specific Assurances

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

Footnotes to Assurance C.1.

¹ These laws do not apply to airport planning sponsors.

² These laws do not apply to private sponsors.

³ 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

⁴ On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

⁵ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

⁶ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and

has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans,

specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal,

state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-

- 1) Operating the airport's aeronautical facilities whenever required;
 - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or

to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-

- 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
 - d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
 - e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
 - f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
 - g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
 - h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
 - i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular 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.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or

operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

- 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 - 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. It will keep up to date at all times an airport layout plan of the airport showing
 - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and

roads), including all proposed extensions and reductions of existing airport facilities;

- 3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and
 - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

- a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by, or pursuant to these assurances.
- b. Applicability
 - 1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
 - 2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

- 3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

- 1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
- 2) So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

e. Required Contract Provisions.

- 1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a

covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

- a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another

eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated _____ (the latest approved version as of this grant offer) and included in this grant, and in accordance

with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its DBE and ACDBE programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
 - 1) Describes the requests;
 - 2) Provides an explanation as to why the requests could not be accommodated; and
 - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.