

## **RIGHT-OF-ENTRY AGREEMENT**

(No. 5394)  
San Carlos Airport  
San Carlos,  
California

THIS RIGHT-OF-ENTRY AGREEMENT ("Agreement") is made effective as of June 1, 2015, by and between the COUNTY OF SAN MATEO, a political subdivision of the State of California, ("County") and HUDSON SKYWAY LANDING, LLC, a Delaware limited liability company ("Operator").

### **WITNESSETH:**

WHEREAS, County is owner of the airport in the City of San Carlos known as the San Carlos Airport, (the "Airport"), a general purpose airport owned and maintained by County for use and benefit of the public and for servicing aviation needs; and

WHEREAS, Operator is the owner of Assessor's Parcel Numbers 046-081-770 & 046-081-780 (the "Property") which are improved with office buildings and aircraft hangars (the "Hangars"), and Operator desires to provide hangar space to tenants ("Hangar Tenants") of the Property who are not engaged in revenue generating aeronautical activities, except as described in Section 21 of this Agreement; and

WHEREAS, County and Operator (as successor in interest to Spieker Properties LP, a California limited partnership) are parties to that certain Right-Of-Entry-Agreement with Spieker Properties For Use Of San Carlos Airport dated April 25, 2000 (the "Existing REA"); provided, however, that the term of the Existing REA has expired but the Operator is holding over in accordance with Section 15 of such Existing REA; and

WHEREAS, Operator desires to continue to offer its Hangar Tenants the privilege of using the Airport; and

WHEREAS, the parties are willing to enter into this Agreement, authorizing non-revenue generating aircraft based on the Property, to use Airport's runway, taxiways, fueling facilities, and other services and conveniences open to the public on the Airport.

**NOW, THEREFORE, it is hereby agreed by the parties hereto as follows:**

### **1. TERM**

- a. The County of San Mateo grants to Operator for term of five (5) years, commencing June 1, 2015, and ending May 31, 2020, permission for aircraft based on the Property to use portions of the Airport under the terms and conditions hereinafter set forth.
- b. Operator shall have the option (the "Extension Option") to renew this Agreement for one additional five (5) year period (the "Extension Term"), expiring May 31, 2025. Operator may exercise the Extension Option, if at all, by giving written notice to County no later than January 31, 2020; provided, however, if Operator is in material default hereunder on the date of giving such notice and fails to cure such

default as provided herein, County may reject such exercise by delivering written notice thereof to Operator promptly after such failure to cure.

## **2. RIGHT-OF-ENTRY TAXI LANE**

Operator's Hangars abut Airport property along an existing taxi lane connecting to the Airport's taxiways and runway system. Subject to the conditions of Sections 19 (Closing of Airport) and 24 (Termination by County) of this Agreement, County will endeavor to keep this taxi lane free of obstructions at all times so aircraft may have ingress and egress to and from the Property.

## **3. RIGHT-OF ENTRY AIRCRAFT**

As used in this Agreement, a "Right-of-Entry Aircraft" is: (1) an aircraft based on the Property or (2) an aircraft used by a person visiting a tenant of the Property. County agrees that occasionally aircraft doing business with a tenant of the Property may stay overnight in Operator's Hangars in a transient status; but Operator shall not engage in transient overnight storage of aircraft on a regular basis, such that it might compete (in the County's reasonable judgment) with County's transient business.

## **4. USE OF AIRPORT FACILITIES**

County shall:

- a. Permit Right-of-Entry Aircraft to enter and exit the Airport through taxiways and taxilanes at all reasonable times during the term of this Agreement.
- b. Allow Right-of-Entry Aircraft full use of all facilities on the Airport which are normally open to and usable by the public subject to the Airport rules and regulations, as may be amended from time to time and published at the Airport and/or on the San Mateo County Public Works website (<http://publicworks.smcgov.org/documents/airport-regulations>), a current version of which is attached hereto for reference purposes as Appendix "C" (the "Rules and Regulations"). The right to use Airport facilities shall be non-exclusive and shall allow Right-of-Entry Aircraft to use the runway, taxiways, loading and transient aprons, fueling facilities, and any other facilities as required, if they are normally furnished to the public and if County receives payment for all services in accordance with fees charged users of these services and facilities.
- c. The rights and obligations described in this Section 4 shall be hereinafter referred to as the "Right of Entry."

## **5. RIGHT-OF-ENTRY FEES**

During the first 24 months of the term of this Agreement, Operator shall pay Seven Thousand Five Hundred and Eighty- Three dollars (\$7,583.00) per month (the "Right of Entry Fee"). This Right of Entry Fee represents the same monthly

amount per square foot the County charges its tenants to rent the County-owned Executive Power Door Hangars (the "Square Footage Rate") multiplied by the gross square footage of the Operator's Hangars. Effective as of June 1, 2017 and on each June 1 thereafter, the Right of Entry Fee shall increase automatically by three percent (3%) above the Right of Entry Fee applicable during the prior 12-month period. Such increases shall be applicable also during the Extension Term (if any). As of June 1, 2017, the Right of Entry fee shall be \$7,810.49 per month. The Right of Entry Fee shall be paid in full for each month on the first of each month without proration or offset as a result of the non-occupation of the Hangars. Any Right of Entry Fee, if not paid within ten (10) days following the due date, shall bear interest from the due date until paid at the rate of ten percent (10%) per year or, if a higher rate is legally permissible, at the highest rate an individual is permitted to charge under law (the "Interest Rate"). However, interest shall not be payable on late charges incurred by Operator as set forth in this Section, nor on any amounts on which late charges are paid by Operator to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Operator.

The Parties acknowledge that Operator has been in holdover status since June 1, 2015. Within 30 days after approval of this Agreement by the San Mateo County Board of Supervisors, the County shall provide Operator with an invoice for the total amount of Right of Entry Fee due for the period June 1, 2015 through the end of the month in which the San Mateo County Board of Supervisors approves this Agreement. Operator shall render payment on said invoice within 10 days. Thereafter, monthly payments shall be due and payable in accordance with the preceding paragraph.

Operator hereby acknowledges that late payment by Operator to County of the Right of Entry Fee or other sums due hereunder will cause County to incur costs not contemplated by this Agreement, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, administrative processing of delinquent notices and accounting charges. Accordingly, if any installment of the Right of Entry Fee due from Operator is not received by County within ten (10) days after said amount is due, that payment shall be delinquent and Operator shall pay to County, in addition to interest as set forth above in this Section 5, a late charge equal to six percent (6%) of the total balance due at that time or Fifty Dollars (\$50.00), whichever is greater. A late charge shall be applied for each month the Right of Entry Fee is delinquent. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that County will incur by reason of the late payment by Operator. Acceptance of late charges by County shall in no event constitute a waiver of Operator's default with respect to such overdue amount, nor prevent County from exercising any of the other rights and remedies granted hereunder.

Operator agrees to pay County a special handling charge of Fifty Dollars (\$50.00) for any check dishonored by the bank for any reason. This charge shall be added to and become part of Operator's obligations hereunder, and shall be in addition to any charge for late payment provided for herein. Operator agrees to pay County immediately upon request any and all charges for dishonored checks.

In the event any two payments are delinquent in a twelve-month period, County may require Operator to make future payments quarterly in advance for a 24-month probationary period. If Operator fails to make any payments on time during the probationary period, such failure shall constitute a material default as defined in Section 10 (Default) of this Agreement, and the County may pursue any and all remedies described therein.

## **6. ASSIGNMENT PROHIBITED**

Operator may not assign this Agreement or transfer any of its rights, privileges, duties, or obligations hereunder to any party without the County's prior written consent.

## **7. INTENTIONALLY OMITTED**

## **8. LICENSES, FEES, TAXES**

Operator shall pay all federal, state and local taxes that are levied or required with respect to its employees, such as, but not limited to, social security and workers' compensation. As between Operator and County, Operator shall be responsible for the payment of all sales or excise taxes on its operation. Operator shall also be liable for any special assessments levied against the Property. Operator reserves the right to challenge any tax and special assessments. Operator shall pay, or cause to be paid, before delinquency, any and all taxes and assessments levied against Operator's interest created by this Agreement. Operator recognizes and understands in executing this Agreement that its interest created by this Agreement may be subject to a "possessory interest tax" that the County Assessor may impose on such interest, and any such tax would be the liability of and be paid solely by Operator in addition to any fee or other charges due hereunder. Operator agrees to pay promptly when due, any possessory interest tax imposed on its interest created by this Agreement.

## **9. RIGHT OF INSPECTION**

County reserves and shall at any and all reasonable times, with the accompaniment by authorized Operator personnel, have the right, upon reasonable notice to Operator, to inspect the Operator's means of access, to post notices of non-responsibility, and to alter, improve, repair or restore the portions of the Airport affected by this Agreement as County may deem necessary or desirable, without abatement of fees. For each of the aforesaid purposes, County shall at all times have and retain a key with which to unlock any gate in the fence that separates the Property from the Airport, and County shall have the right to use any and all means which County may deem proper to open said gate in an emergency without liability to County except for any failure to exercise due care for Operator's Property. Any such action by County shall not under any circumstances be construed or deemed to be a forcible or unlawful entry or a termination of this Agreement.

## **10. DEFAULT**

### **A. Default by Operator**



The occurrence of any one or more of the following events shall constitute a material default and breach of this Agreement by Operator:

- (i) Actions, inaction, conduct or other activity by Operator demonstrating the vacation or abandonment of the Right of Entry by Operator.
- (ii) The failure by Operator to make any payment of any fee, or any other payment required to be made by Operator hereunder, as and when due, where such failure shall continue for a period of ten (10) days after written notice thereof by County to Operator.
- (iii) The failure by Operator to observe or perform any of the terms, covenants or conditions of this Agreement to be observed or performed by Operator, other than as described in sub-sections 10.A.(i) and 10.A.(ii) hereinabove, where such failure shall continue for a period of thirty (30) days after written notice thereof by County to Operator; provided, however, that if the nature of Operator's default and breach is such that more than thirty (30) days are reasonably required for its cure, then Operator shall not be deemed to be in default and breach if Operator commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion within ninety (90) days.
- (iv) The making by Operator of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Operator of a petition to have Operator adjudged a bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Operator, the same is dismissed within sixty (60) days); or the appointment of a trustee or a receiver to take possession of substantially all of Operator's personal property at the Property or of Operator's interest in this Agreement, where possession is not restored to Operator within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of a Operator's personal property at the Property or of Operator's interest in this Agreement, where such seizure is not discharged within thirty (30) days.

#### **B. County's Remedies**

In the event of any such default and breach by Operator described hereinabove, County may at any time thereafter:

- (i) Terminate Operator's Right of Entry by any lawful means, in which case this Agreement shall terminate. In the event Operator shall have abandoned the Right of Entry, County shall have the option to either (1) deny Right of Entry and recover from Operator the amount specified in this Section, or (2) proceed under the provisions of the following Sub-section (ii).
- (ii) Maintain Operator's Right of Entry, in which case this Agreement shall continue in effect whether or not Operator shall have abandoned the Property or its Right of Entry. In such event, County shall be entitled to enforce all of County's rights and remedies under this Agreement, including the right to recover any fee as it becomes due hereunder.
- (iii) Pursue any other remedy now or hereafter available to County under applicable laws and judicial decisions.

### **C. Default by County**

County shall be in material default and breach of this Agreement if it fails or refuses to perform any of the terms, covenants or conditions of this Agreement that it is obligated to perform if the failure to perform is not cured within thirty (30) days after written notice of the default and breach has been given by Operator to County; provided, however, that if the default and breach of County is such that more than thirty (30) days are reasonably required for its cure, then, County shall not be deemed in default and breach if County commences to cure the default within thirty (30) days after the written notice and thereafter diligently prosecuted such cure to completion within ninety (90) days.

### **D. Operator's Remedies**

In the event of any such material default and breach by County described hereinabove, Operator may at any time thereafter: (a) terminate this Agreement with a written notice to County and relinquish the right of entry on the date of termination; and/or (b) pursue any other remedy now or hereafter available to Operator under the applicable laws and judicial decisions.

### **E. California Law Notice Requirements**

The notice requirements set forth in this Section modify and supersede the notice requirements of the unlawful detainer statutes of California.

## **11. Waivers**

No waiver by either party of any of the terms, conditions, or covenants of this Agreement shall be deemed or taken as a waiver at any time thereafter, nor of any other terms, conditions or covenants, nor of the strict and prompt performance thereof by the other party. Any waiver by either party must be in writing.

## **12. INDEMNIFICATION AND INSURANCE**

### **A. Hold Harmless**

Operator shall at all times relieve, indemnify, protect and hold harmless, County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought by third parties (including either party's employees) for, or on account of, injuries to or death of any person, including Operator, its owners (direct or indirect), officers, agents, employees, servants, invitees or permittees, or damage to property of any kind whatsoever and to whomever belonging, that may in whole or in part arise from, or be caused by:

- i. The operation, maintenance, use, or occupation of the Property and defects on the property in which the County has no control;
- ii. The acts or omissions of Operator, its owners (direct or indirect), officers, agents, employees, servants, invitees or permittees; or
- iii. The negligence, willful misconduct, violation of applicable law, or breach of this

Agreement of or by Operator, its owners (direct or indirect), officers, agents, employees, servants, invitees or permittees;

- iv. Any other loss or cost, resulting from the performance of any work required of Operator or payments made pursuant to this Agreement.
- v. Notwithstanding the foregoing, Operator's obligations to indemnify, defend and hold harmless as set forth herein shall not apply to injuries or damage for which the County, its officers, agents, employees or servants, has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence, willful misconduct, or breach of this Agreement. The duty of Operator to relieve, indemnify, protect and hold harmless, as set forth hereinabove, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

## **B. Property Insurance**

Operator shall maintain Special Cause of Loss or All Risk Insurance on the Property at replacement cost value as reasonably estimated by Operator. Operator's Special Cause of Loss Insurance on the Hangars shall (i) insure against all risks of direct physical loss or damage to the Hangars (including flood, if flood coverage is available at a commercially reasonable rate); (ii) be in an amount equal to at least 100% of the full replacement cost of the Hangars, as reasonably estimated by Operator, including all improvements, fixtures (other than trade fixtures), and permanent additions as the same shall exist from time to time (other than any such improvements, fixtures or additions that are insured, or required to be insured, by tenants under their leases); (iii) include coverage for any additional costs resulting from debris removal (subject to a commercially reasonable sublimit); (iv) include coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any damaged or undamaged sections of the Hangars required to be demolished or removed by reason of the enforcement of any building, zoning, safety or land use laws as the result of a covered cause of loss (to the extent such coverage is available at a commercially reasonable rate); (v) include coverage for vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion; (vi) provide business interruption coverage for a period of one (1) year, (vii) not provide for deduction for depreciation of the covered items; and (viii) be in amounts that meet any co-insurance clauses of the policies of insurance.

## **C. Liability Insurance**

Operator at its cost shall maintain Comprehensive Liability insurance for the following coverages with the following limits insuring against all liability of Operator and its authorized representatives arising out of and in connection with Operator's use or occupancy of the Hangars:

- (i) Airport Premises Liability with a minimum limit of \$2,000,000 Combined Single Limit (CSL) each occurrence; and
- (ii) County shall be named as "additionally insured"; and

- (iii) All required insurance shall contain a Separation of Insureds or Severability of Interests provision; and
- (iv) The policy shall not be cancelled or non-renewed unless the County has received 30 days prior written notice. (Ten days prior notice in the event of cancellation for nonpayment of premium is acceptable). Written notice shall be sent to: County of San Mateo, Attn: Airport Manager, 620 Airport Drive, San Carlos, CA 94070.

#### **D. Workers' Compensation and Employer's Liability Insurance**

During the entire term of this Agreement, Operator shall have in effect Workers' Compensation coverage providing full statutory benefits and employer's liability in the minimum amount of \$1,000,000. In executing this Agreement, Operator makes the following certification:

*I am aware of the provisions of Section 3700 of the California Labor Code, which require every employer (1) to be insured against liability for Workers' Compensation or (2) to undertake self-insurance in accordance with the provisions of the Code. I will comply with such provisions.*

#### **E. Miscellaneous Insurance Provisions**

Operator shall pay the premiums for maintaining the insurance required hereinabove. All the insurance required under this Agreement shall:

- (i) Be issued by insurance companies authorized to do business in the State of California, with a financial rating of at least an AV status as rated in the most recent edition of Best's Insurance Reports. Coverage provided by State Fund Insurance shall satisfy this requirement.
- (ii) May be issued as a primary or excess/umbrella policy.

#### **F. Certificate of Insurance**

A certificate of insurance, together with evidence of payment of premium, shall be deposited with County at the commencement of this Agreement, and on renewal of the policy not less than twenty (20) days before expiration of each policy.

In the event Operator fails to deliver the certificate of insurance verifying insurance coverage as required in this Section, County shall have the option, after a ten (10) day notice to Operator requesting a certificate, either (a) to terminate this Agreement immediately thereafter with a notice to Operator, or (b) to take out all or part of the required insurance and pay the premium thereon on behalf of Operator. If County opts to take out the insurance on behalf of Operator, the cost of the premium paid by County shall be deemed additional rent due and payable by Operator with the next regular Right of Entry Fee payment.

### **13. AIRPORT RULES AND REQUIREMENTS**

Operator agrees to comply with all San Mateo County Airport ordinances,



resolutions, and the Airport's Rules and Regulations, as such may be amended from time to time, applicable to Operator's use of the Airport pursuant to the terms hereof.

In connection with the Operator's use of the Airport pursuant to the terms hereof, Operator shall comply with the standard provisions promulgated by the Federal Aviation Administration, as set forth in the attached Appendix B, as those provisions may be revised from time to time.

Operator shall notify its Hangar Tenants, licensees, and all users of Right of Entry Aircraft as to the requirements of this Section 13 and shall require such parties to comply with the terms of this Section 13.

#### **14. NON-ABROGATION OF UNITED STATES GOVERNMENT RIGHTS**

The provisions of this Agreement in no way abrogate any rights vested in the United States of America relative to the Airport as such rights exist between the United States of America and the County of San Mateo.

#### **15. AGREEMENT BINDING ON SUCCESSORS**

The terms and conditions of this Agreement shall apply to and bind the heirs, successors, executors, administrators, and assignees of all the parties hereto (to the extent a transfer of Operator's rights and obligations hereunder was permitted to such party under the terms of this Agreement) and all of the parties hereto shall be jointly and severally liable hereunder. This Agreement shall continue until it expires or is earlier terminated pursuant to the terms hereof.

#### **16. HOLDING OVER**

The holding over after the expiration of the term of this Agreement with County's consent shall be construed to be a tenancy from month to month (terminable by either party on 30 days' prior written notice), with fees adjusted in accordance with Section 5 hereof, on the terms and conditions herein specified so far as applicable.

#### **17. MOTOR VEHICLES & PEDESTRIAN ACCESS**

Unless otherwise expressly permitted by the Airport Manager, all vehicle and pedestrian access by the Operator's tenants, users, customers, contractors, invitees, guests and animals is expressly prohibited through the Airport's vehicle and pedestrian gates and on Airport property. All access to Operator's Hangars shall occur through the Operator's Property. Should the Operator's tenants, users, customers, contractors, invitees, guests and animals violate the foregoing restriction or enter the Airport's taxiways or runway without authorization from the Air Traffic Control tower (in each case, a "Vehicle/Pedestrian Deviation" or "V/PD"), County may exercise its right to terminate this Agreement in accordance with Section 23 of this Agreement.

## **18.OPERATION OF RADIO EQUIPMENT**

Operator shall not operate any radio equipment transmitting electronic signals on the Airport which might interfere with operations of the Airport Control Tower, UNICOM, County radios or other electronic transmissions essential to the operation of the airports.

## **19.CLOSING OF AIRPORT FOR MAINTENANCE AND CONSTRUCTION**

County may from time to time be required to close the runway, taxiways, Right-of-Entry, taxilane, roads, parking lots, buildings and other facilities for purposes of necessary maintenance, repair or new construction. Operator shall not be entitled to any compensation or damages from County for loss of the use of the whole or any part of the Airport facilities, loss of revenue, or any inconvenience or annoyance as a result of such maintenance or construction.

## **20.INTENTIONALLY OMITTED.**

## **21.LIMITS ON USE OF HANGARS BY OPERATOR AND HANGAR TENANTS**

- a. Operator affirms that it has requested access to the Airport so that it may provide its tenants, users and guests having airplanes with the convenience of having a Hangar in which they can store their aircraft.
- b. Operator agrees that the use of their Hangars shall be exclusively for the storage of aircraft as well as any *de minimus* activity associated with such storage, including self-service of such aircraft as allowed by FAA Order 5190B, Chapter 11 "Self-Service." Any aircraft stored in the Hangars may not participate in any commercial aeronautical activity on the Airport property, which is aeronautical activity (as defined in FAA Advisory Circular 150/5190-1 or subsequent revisions thereof) provided on the Airport property in exchange for payment.
- c. Operator shall prohibit any use of its Hangars that is inconsistent with the Federal Aviation Administration's Policy on the Use of Airport Hangars as set forth in 14 CFR Chapter I [Docket No. FAA 2014-0463] FAA Policy on the Non-Aeronautical Use of Airport Hangars, as may be amended from time-to-time.
- d. Nothing in this section shall prohibit Operator or Hangar Tenants from obtaining services from aeronautical service providers who have agreements with the County to operate at the Airport. In the event that the Operator or Hangar Tenants require a service that a provider who has an agreement with the County cannot provide, the Operator or Hangar Tenant may obtain such service from an off-airport provider so long as that provider obtains authorization from the County.
- e. Operator also recognizes that County must have a procedure for

investigating alleged violations and agrees to the procedure stated herein. Upon receipt of an allegation that the provisions of this section are being violated, County will set forth the allegations in a letter to Operator.

Operator will refer the matter to the alleged violator and make all reasonable efforts to obtain a reply to be sent to County within ten (10) days after receipt of letter containing allegations. If Operator determines a violation of this paragraph of the Agreement has occurred, it will take any action it considers appropriate and will advise County of such action.

Should the violation continue, County may deny access to the Airport from Operator's Hangars until County receives reasonable assurance the situation will not recur. Operator shall, if requested by County, take all commercially reasonable action necessary to make available all information about aircraft based on Operator's Property.

- f. Nothing in this Agreement shall operate to deny the owner of any aircraft the right to personally perform on the owner's aircraft any and all types of aircraft maintenance and repair that owner is authorized by the FAA to perform. If an aircraft owner wishes to have such work performed for remuneration of any sort, the owner shall be subject to the same policies and rules as those applying to all other operations and aircraft based on the Airport. The Airport Manager shall keep Operator advised of such policies and changes thereto.

## **22.MISCELLANEOUS RESPONSIBILITIES OF OPERATOR**

- a. Operator shall take all commercially reasonable steps to restrict unauthorized access from the Operator's Property onto Airport property, including controlling thoroughfare access through the Property. Such steps shall include, at a minimum: locked, self-closing entry doors; entry doors that sound an alarm when open longer than a reasonable period. Such systems should be designed to enable Operator to ensure compliance with Section 17 of this Agreement. Operator shall also (i) comply with all current and/or future Airport gate, fencing and security requirements and (ii) to the extent that Operator is aware of any needed gate or fencing repair, Operator will notify County of such needed repair.
- b. Intentionally omitted.
- c. No later than January 15 of every calendar year, Operator shall submit to County a listing of all aircraft based on the Property as of January 1 of that calendar year. Such listing shall contain the aircraft description including make, model, year, color, registry number, owner's name, address, contact telephone number and the date the aircraft began using Operator's Property.
- d. Operator shall prevent any aircraft from being fueled on its Property except by concessionaires holding a valid fueling concession agreement with County for the fueling of aircraft on San Carlos Airport.

### **23.CLOSING OF RIGHT-OF-ENTRY TAXIWAY**

Upon the expiration of the term of this Agreement, or upon any sooner termination, Operator shall immediately stop operations under this Agreement, and County may block off the area set aside for Operator's ingress and egress to the Airport and may use this land formerly reserved for the right of ingress and egress for whatever use it desires.

### **24.TERMINATION BY COUNTY**

Upon the expiration of the term of this Agreement, or upon sooner termination, Operator shall immediately stop operations under this Agreement. County may also terminate this Agreement in its entirety immediately upon the happening of any of the following events:

- a. Occurrence of any act by Operator, which might deprive Operator permanently of the ability to perform its obligations under this Agreement.
- b. Abandonment and discontinuance by Operator of activities at the Airport.
- c. Any purported assignment, subleasing or other transfer of Operator's rights under this Agreement, or any part thereof, without County's prior written approval.
- d. A V/PD caused by one of Operator's tenants, users, customers, contractors, invitees, guests, or animals.

This Agreement shall terminate immediately upon delivery of written notice of such termination to Operator. In the event of any such termination of this Agreement, this Agreement shall terminate on the same terms and conditions as if the Agreement had otherwise expired, and the County shall take whatever action deemed necessary for the protection and enforcement of County's rights.

### **25.TERMINATION BY OPERATOR**

- a. Operator may cancel this Agreement immediately upon notice to the County upon assumption by the United States or the State of California or any authorized agent of the operation, control, or use of (or the implementation of any restrictions by such governmental entities upon the Operator's use of) the Airport or its facilities or any substantial part in a manner substantially restricting Operator's activities.
- b. In addition, upon 30 days prior written notice from Operator to the County, Operator may terminate this Agreement.

### **26.SPECIAL REQUIREMENTS/CONDITIONS**

- a. Acceptance by County of any statement made or information furnished by Operator with respect to fees or operations shall not preclude County from



thereafter questioning its accuracy or completeness.

- b. To the extent that a Hazardous Materials Business Program ("HMBP") is required by applicable law with respect to the use and operation of the Operator's Hangars, Operator shall provide such HMBP to the County promptly upon written request. The County has provided a copy of the current County's Airport Storm Water Pollution Prevention PLAN (a copy of which is attached hereto as Appendix D, the "SWPPP"), and Operator shall comply with the SWPPP, as may be amended from time to time, to the extent applicable to the Operator's activities under this Agreement. The County shall provide an updated copy of the SWPPP in the event of any amendment thereto. Nothing in this section 26(b) shall be construed to modify or otherwise change any of the terms of the Airport License Agreement for Storm Drainage Facilities between the County of San Mateo and Spieker Properties, L.P. dated December 7, 1999.
- c. Intentionally omitted.
- d. Intentionally omitted.
- e. Operator agrees to encourage the operation of all Right of Entry Aircraft covered under this Agreement in compliance with all airport noise abatement guidelines. The County shall from, time to time, notify Operator of said guidelines, which consist of reasonable efforts to address noise issues including, but not limited to: flight procedures, flight routes, take-off and landing routes, engine break-in procedures and hours of operation.
- f. Operator shall be responsible for the actions and behavior of its tenants, users, customers, contractors, invitees, guests and animals using their hangar and shall be responsible for ensuring they are made of aware of and operate in accordance with all Airport rules, policies and procedures.
- g. Operator acknowledges and accepts that this Agreement is subject to Federal Aviation Administration approval and oversight and is specifically exempt from the requirements governing aeronautical agreements located on the Airport as described in Federal Aviation Administration Order 5190.6B, as amended.

## **27. NOTICES**

Any notices shall be by certified mail, return receipt requested, prepaid and addressed as follows:

### **County:**

County of San Mateo  
County Manager's Office  
Real Property Services  
400 County Center  
Redwood City, CA 94063

With a copy to:

San Carlos Airport  
620 Airport Drive – Ste 10  
San Carlos, CA 94070

and to:

Director of Public Works  
555 County Center, 5<sup>th</sup>  
Floor  
Redwood City, CA 94063

**Operator:**

Hudson Pacific Properties, Inc.  
555 Twin Dolphin Drive, Suite 180  
Redwood City, CA 94065  
Attn: Portfolio Manager

with a copy to:

Hudson Pacific Properties, Inc.  
950 Tower Lane, Suite 1800  
Foster City, CA 94404  
Attn: Managing Counsel

and to:

Hudson Pacific Properties, Inc.  
11601 Wilshire Blvd., 9th Floor  
Los Angeles, CA 90025  
Attn: Director of Contract Services

Any Notice shall be deemed received on the earlier of the date of actual delivery or the date on which delivery is refused, or, if the recipient has vacated its notice address without providing a new notice address, three (3) days after the date the notice is deposited as described above. Either party may change its address by giving written notice to the other. Nothing herein contained shall preclude or render inoperative service of notices on either party in the manner prescribed by law.

**28. EXISTING REA.**

The parties acknowledge and agree that the Existing REA shall be deemed to have expired as of May 31, 2015.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, OPERATOR ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF THE COUNTY HAS AUTHORITY TO COMMIT THE COUNTY HERETO UNLESS AND UNTIL THE COUNTY'S BOARD OF SUPERVISORS SHALL HAVE DULY ADOPTED A RESOLUTION OR ENACTED AN ORDINANCE APPROVING THIS AGREEMENT AND AUTHORIZING CONSUMMATION OF THE TRANSACTION CONTEMPLATED HEREBY. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF COUNTY HEREUNDER ARE CONTINGENT UPON ADOPTION OF SUCH A RESOLUTION, AND THIS LEASE SHALL BE NULL AND VOID UNLESS COUNTY'S BOARD OF SUPERVISORS APPROVE THIS AGREEMENT, IN THEIR RESPECTIVE SOLE AND ABSOLUTE DISCRETION, AND IN ACCORDANCE WITH ALL APPLICABLE LAWS. APPROVAL OF THIS AGREEMENT BY ANY DEPARTMENT, COMMISSION OR AGENCY OF COUNTY SHALL NOT BE DEEMED TO IMPLY THAT SUCH RESOLUTION WILL BE ADOPTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON COUNTY.

**Balance of Page Intentionally Blank**


IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

OPERATOR

**Hudson Skyway Landing, LLC,  
a Delaware limited liability company**

By: Hudson Pacific Properties, L.P.,  
a Maryland limited partnership,  
its sole member

By: Hudson Pacific Properties, Inc.,  
a Maryland corporation,  
its general partner

By:   
Name: Drew Gordon  
Title: SR VP

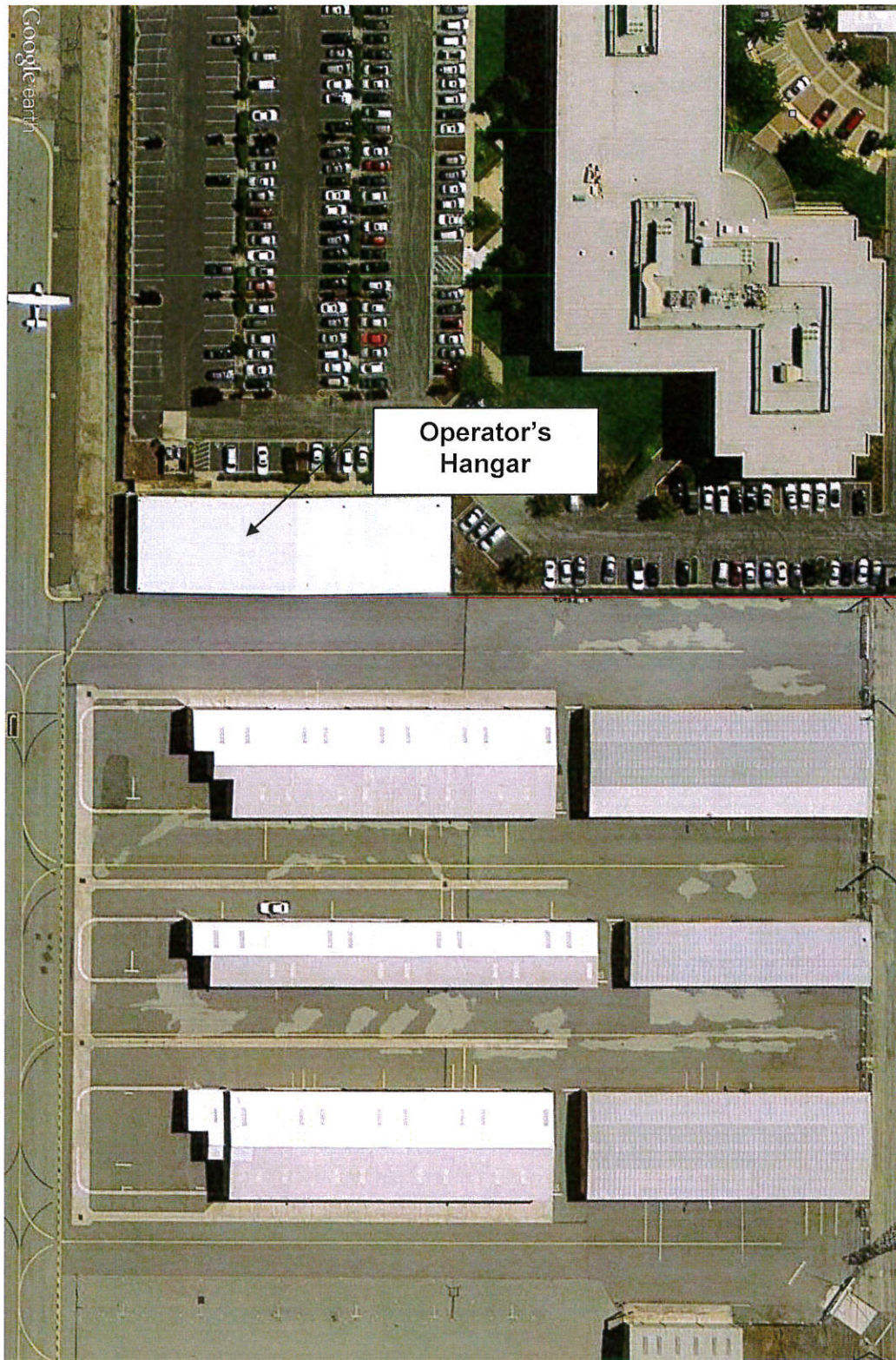
COUNTY

**COUNTY OF SAN MATEO**

By: \_\_\_\_\_



APPENDIX "A"  
Map of Access Agreement



Airport Property

N

**APPENDIX "B"**

**STANDARD FAA PROVISIONS FOR ALL  
LEASES, USE, AND OTHER AGREEMENTS AND  
PERMITS SAN MATEO COUNTY AIRPORTS**

1. Operator/Lessee for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree "as a covenant running with the land" that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease, agreement or permit for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Operator/Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
2. Operator/Lessee for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, sex, sexual orientation, color, national origin, religion, age or disability shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under the lands and furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that Operator shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, CFR, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
3. In the event of breach of any of the above nondiscrimination covenants, County may terminate the lease, agreement or permit and re-enter and repossess the land (other than the Property) and the facilities thereon and hold them as if the lease, agreement or permit had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed, including expiration of appeal rights.
4. Operator/Lessee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users and shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided that Operator/Lessee may make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.



5. Non-compliance with Provision 4 above shall constitute a material breach of the lease, agreement or permit. In the event of such non-compliance (beyond any applicable notice and cure period), County may terminate this lease, agreement or permit and the estate hereby created without liability thereof; or, at the election of County or the United States either or both of these governments may judicially enforce the provision.
6. County may further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of Operator/Lessee and without interference or hindrance.
7. County may, but shall not be obligated to Operator/Lessee to, maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport. County also may direct and control the activities of Operator/Lessee in this regard.
8. The lease, agreement or permit shall be subordinate to the provisions and requirements of any existing or future agreement between County and the United States relative to the development, operation or maintenance of the airport.
9. There is hereby reserved to County, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises (other than the Property) covered by the lease, agreement or permit. This public right of flight shall include the right to cause in such airspace any noise inherent in the operation of any aircraft used for navigation of flight through the airspace or to land at, take off from or operate on the San Carlos or Half Moon Bay Airport, as the case may be.
10. Operator/Lessee shall comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations if future construction of a building is planned for the premises (other than the Property) covered by the lease, agreement or permit or in the event of any planned modification or alteration of any present or future building or structure on the premises (other than on the Property).
11. Operator/Lessee, by accepting this lease, agreement or permit, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on any land leased that would be in conflict with the provisions of Part 77 of the Federal Aviation regulations. If these covenants are breached, County may enter upon the land and remove the offending structure or object and cut the offending tree, all of which shall be at Operator/Lessee's expense. This provision 11 shall not apply to any portion of the Property.
12. Operator/Lessee, by accepting this lease, agreement or permit, agrees for itself, its successors and assigns that it will not make use of the premises covered by the lease, agreement or permit in any manner which might interfere with the landing and taking off of aircraft from the airport or otherwise constitute a hazard. If this covenant is breached, County may enter upon the premises and cause the abatement of such interference at Operator/Lessee's expense. This provision 12 shall not apply to any portion of the Property.
13. Nothing contained in the lease, agreement or permit shall be construed to grant or

authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958 (49 U.S.C. 1349A).

14. The lease, agreement or permit and all its provisions shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the airport or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency.
15. Operator/Lessee will conduct its programs and operate its facilities in accordance with the requirements of the Americans with Disabilities Act of 1992 and will assure that no qualified disabled person shall, solely by reason of his or her disability be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination, including discrimination in employment. Operator/Lessee will conduct its programs and operate its facilities in compliance with all the requirements imposed by or pursuant to **49 CFR Part 27**.
16. Operator/Lessee shall insert (incorporate by reference or otherwise require compliance with) the above provisions in any lease, agreement, contract, permit, etc., by which it grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the premises covered by the lease, agreement or permit, including any subleases, and hereby assures that the above provisions will be included in (or incorporated by reference in) any applicable agreement, contract, permit or further sub-lease granted or entered into by any sub-lessee of the Operator/Lessee.

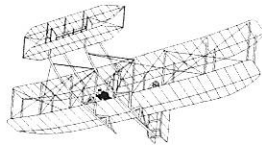


**APPENDIX "C"**  
**RULES AND REGULATIONS**  
**(see attached)**

# SAN MATEO COUNTY AIRPORTS

## COUNTY OF SAN MATEO AIRPORT REGULATIONS

for  
SAN CARLOS AIRPORT  
and  
HALF MOON BAY AIRPORT



Adopted by  
THE BOARD OF SUPERVISORS OF  
SAN MATEO COUNTY  
Ordinance No. 02613, Dated 10/16/79

Prepared by the Office of  
THE DIRECTOR OF PUBLIC WORKS  
County Government Center  
Redwood City, California

Copies available from  
THE AIRPORTS MANAGER

San Carlos Airport, 573-3700

Half Moon Bay Airport, 573-3701

### **SAN CARLOS AIRPORT**

DATA: Paved Runway, 75'x 2600' at 2' MSL 37° 31' N 122° 15' W, One mile north of San Carlos City; lights, beacon, tower 119.0, ground 121.6, unicom 122.95 Atis 125.9

Phone (415) 573-3700

F.A.A. Tower (415) 592-5289

CAUTION: Heavy flight school traffic, power towers south of field 104' MSL, Cross SFO ILS (northeast) below 1100 MSL observe San Francisco Airport, T.C.A.

### **HALF MOON BAY AIRPORT**

DATA: paved runway, 150'x 5000' at 64' MSL 37° 31' N 122° 30' W, Five miles northeast of Half Moon Bay; lights, beacon, unicom 122.8

Phone (415) 573-3701

CAUTION: High terrain east and south of field, occasional turbulence at low levels.

## **COUNTY OF SAN MATEO**

### **AIRPORT REGULATIONS**

**SECTION 1.** Article 32, Sections 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, is hereby added to Chapter 1 of Division II of the San Mateo County Ordinance Code to read as follows:

#### **ARTICLE 32. COUNTY OF SAN MATEO AIRPORT REGULATIONS**

##### **SECTION 2660. DEFINITIONS**

- A. "County" shall mean the County of San Mateo, California.
- B. "Airport" shall mean each airport and all airport property owned, operated or controlled by the County including all improvements, facilities and appurtenances.
- C. "Airport Manager" shall mean the Manager of County Airports or any duly authorized representative.
- D. "FAA" shall mean the Federal Aviation Administration of the United States of America.
- E. "Person" shall mean a natural person, a partnership, firm or corporation.
- F. "Driveway" shall mean any street or roadway either improved or unimproved within the boundaries of the Airports set aside or designated for use by vehicles.
- G. "Traffic" shall mean pedestrians and vehicles, either individually or together while using any driveway.
- H. "Air Traffic" shall mean aircraft in operation anywhere in the air space and on those areas of the Airports normally used for the movement of aircraft.
- I. "Parking Area" shall mean any portion of the Airports set aside for the parking of vehicles.
- J. "Aircraft Parking Area" shall mean the areas set aside for the parking of aircraft.
- K. "Commercial Vehicle" is a vehicle used or maintained for the ground transportation of persons or property for hire, compensation or profit.
- L. "Acrobatic" shall mean maneuvers intentionally performed by an aircraft involving an abrupt change in its attitude, an abnormal attitude, or an abnormal acceleration.
- M. "Aircraft Operating Area" shall mean that surface of an Airport normally reserved for the use of aircraft for ground operation; i.e. the runway, taxiways, infields, overrun areas, and Airport clear zones.
- N. "Based Aircraft" shall mean any aircraft which utilizes an Airport as a base of operations, as opposed to occasional transient purposes, and is assigned a reserved parking space, tie-down, or hangar space on the Airport or adjoining property, whether or not such assignment is made under a written agreement with the County. An aircraft may be based at only one Airport.

O. "Transient Aircraft" shall mean any aircraft which utilizes an Airport for occasional transient purposes and is based at another airport and is not assigned a reserved parking space, tie-down or hangar space on the Airport or adjoining property.

## **SECTION 2661. GENERAL**

### **A. USE OF PROPERTY**

1. Entry upon or use of County Airports by any person (including aircraft operators, crew members and passengers, spectators, sightseers, pleasure and commercial vehicles, officers and employees of airlines, lessees and other persons occupying space at the Airports, persons doing business with the Airports, its lessees, sublessees and permittees, and all other persons whatsoever whether or not of the type indicated), is conditioned upon compliance with Airport rules and regulations; and entry upon or into the Airports by any person shall be deemed to constitute an agreement by such person to comply with said rules and regulations.

2. The County reserves the right to deny use of the Airports to any person or persons for cause.

B. **BUSINESS ACTIVITIES.** No person shall use the airports in any manner whatsoever for any commercial profit, gainful, or revenue producing purpose, regardless of the form of compensation, without a valid Permit, Concession or Right of Entry Agreement with the County. Business activities include but are not limited to flight instruction or mechanical work. The director of Public Works, or his designated representative, may issue permits for activities to be conducted on County Airports subject to such rules and regulations as may be prescribed by the board.

C. **HIRING PROHIBITED.** The hiring of persons, groups or corporations engaged in business activities in violation of Paragraph B of the section is prohibited.

D. **DISTRIBUTING, POSTING OR DISPLAYING PRINTED MATERIAL.** No person shall distribute, post or display any commercial or non-commercial signs, circulars, handbills or advertisements without the consent of the Airport Manager.

E. **FUND SOLICITATION.** No person shall solicit funds for any purposes on the Airports.

F. **ROADS AND WALKS.** No person shall travel on any portion of the Airports except upon the roads, walks or places provided for the particular class of traffic, nor occupy the roads or walks in such a manner as to hinder or obstruct their proper use.

G. **CHILDREN.** Children under the age of sixteen must be accompanied by an adult.

H. **ANIMALS.** Dogs and other animals are permitted on the Airports only if on a leash in such a manner as to be under control.

### **I. DISORDERLY CONDUCT.**

1. No person shall commit any disorderly, obscene, indecent or unlawful act or commit any nuisance on the Airports.

2. No person shall drink any intoxicating liquors upon any portion of the Airports open to the public, except in a restaurant or other place properly designated and licensed for on-sale liquor dispensing.

3. No person shall become intoxicated on any portion of the Airports nor shall any intoxicated person enter upon or loiter on or about the Airports or any of their facilities.



J. SANITATION. Garbage, papers and refuse or other waste materials shall be placed in receptacles provided for that purpose.

K. PRESERVATION OF PROPERTY. No person shall:

1. Destroy, injure, deface or disturb in any way, any building, sign, equipment, marker or other structure, tree, shrub, flower, lawn or seeded area on the Airports.

2. Conduct activities that are injurious, detrimental or damaging to Airport property or to activities and business of the Airports.

3. Abandon any personal property on the Airports.

L. DAMAGED PROPERTY. Any and all Airport property destroyed, injured or damaged by accident or otherwise, shall be paid for by the party or parties responsible for such destruction, injury or damage. Persons responsible for damaging or destroying Airport property shall report such damage to the Airport Manager within 24 hours of the occurrence of the damage.

M. ACCIDENT REPORTS. Witnesses to and participants in accidents occurring on or within the Airports shall make a full report to the Airport Manager as soon after the accident as practicable, together with their names and addresses.

N. FIREARMS. No person except peace officers, Federal, State and County employees, or members of the Armed Forces of the United States on official duty shall carry any loaded firearms or explosives without prior permission of the Airport Manager. No person shall hunt, conduct target practice or discharge firearms on Airport property.

O. LOST ARTICLES. Any person finding lost articles shall immediately deposit them at the office of the Airport Manager or with the attendant on duty.

P. SAFEGUARDING PUBLIC. The Airport Manager shall have authority and shall perform all duties necessary to safeguard the public and the Airports.

Q. LIABILITY. The County, its agents or employees operating the Airports assumes no responsibility for property stored thereon or property thereon of persons using the Airport facilities, by reason of fire, theft, vandalism, windstorm, flood, earthquake and/or collision, nor does it assume any liability by reason of injury to persons while on the Airport or while using its facilities.

## **SECTION 2662. VEHICLES**

A. GENERAL. Motor vehicles shall be operated in a proper and safe manner in accordance with the motor vehicles laws of the State of California and ordinances of the County.

B. NO VEHICLES ON AIRCRAFT OPERATING AREA. No motor vehicle or other vehicle shall be operated on the aircraft operating area except by persons authorized by the Airport Manager. No motor vehicle or other vehicle except one having clearance from the Airport Manager shall be operated on or across runways or taxiways. Operators of such authorized vehicles shall be alert at all times while on the runway and shall operate on runways only in connection with work performed on runways. Vehicles shall not cross any runway without FAA control tower clearance when a control tower is in operation. All vehicles shall yield the right of way to aircraft. Authorized vehicles shall carry appropriate warning flags as directed by the Airport Manager.

C. MOTORCYCLES AND BICYCLES PROHIBITED. The operation of motorcycles or bicycles on the Airports aircraft operating areas is prohibited.

D. **SPEED LIMIT FOR MOTOR VEHICLES.** Motor vehicles shall be operated on established streets and roadways in strict compliance with speed limits posted on traffic signs and in no event at speeds in excess of fifteen (15) miles per hour. On passenger loading ramps and in areas immediately adjacent to hangars, speed shall not exceed ten (10) miles per hour.

E. **AIRCRAFT SUPPORT VEHICLES.** Portable loading ramps, baggage trucks and other such vehicles shall be equipped with brakes. Brakes shall be set or suitable locking devices shall be securely set when equipment is parked or not in use.

F. **PARKING.** Vehicles shall be parked in parking areas only in the manner and at locations indicated by posted traffic signs and markings. Vehicles shall not be parked so as to obstruct aircraft movement.

G. **HANGAR ENTRANCES.** Hangar entrances shall be kept clear at all times for ingress and egress of tenants' aircraft. The Airport Manager may move or have towed parked vehicles which hinder any approved operation.

H. **LOADING AND UNLOADING PASSENGERS.** No common carrier or vehicle for hire shall load or unload passengers at any place other than those designated by the Airport Manager.

I. **COMMERCIAL VEHICLES.** No person shall operate any vehicle for hire on or from the Airports without an appropriate permit from the County and complying with such conditions as may be prescribed by the County.

J. **REPAIR OF MOTOR VEHICLES.** No person shall clean or make repairs to motor vehicles anywhere on the Airports except those minor repairs necessary to remove such vehicles from the Airport.

### **SECTION 2663. AIRCRAFT**

A. **GENERAL.** No person shall operate any aircraft, land aircraft upon, fly aircraft from or conduct any aircraft operation on or from the Airports other than in conformity with the Federal, State, and local rules and regulations.

#### **B. IN-FLIGHT AND GROUND OPERATIONS.**

1. Aircraft shall not take-off or land except in conformance with the then-approved traffic pattern.
2. No turn shall be made after take-off until the Airport boundary has been reached and the pilot has attained an altitude of at least 400 feet and ascertained that there will be no danger of turning into the path of a following aircraft. Aircraft entering the pattern shall enter at a 45° angle to the downwind leg.
3. Formation flying, including take-offs and landings, is prohibited in the Airports traffic areas.
4. Acrobatic maneuvers are prohibited in the Airports traffic areas.
5. Low flying within the confines of Airport traffic patterns, except when necessary to climb to the designated pattern altitude or descent to a landing, is prohibited.
6. Straight-in approaches are prohibited unless authorized by an operating FAA control tower.
7. Take-off shall be made at the ends of the runway only. Take-off shall not be made while another aircraft is on the runway or on final approach to a landing, nor unless it is safe to do so.
8. Landing shall not be made while another aircraft is on the runway, nor unless it is safe to do so.

9. All landing aircraft will expeditiously clear the runway and will avoid contact with runway and taxi-way marker lights.

10. Aircraft shall not remain on the landing or take-off area for the purpose of instructing students between flights.

11. When an FAA control tower is in operation, aircraft shall not cross any runway except by control tower clearance.

12. Aircraft shall not cross any runway until the pilot has stopped and made certain by visual inspection that there is no danger of collision with any person or object.

13. Aircraft shall not be taxied closer than 100 feet to the runway for warm-up. Aircraft shall taxi on taxi-way only.

14. Aircraft shall not be taxied except at a safe and reasonable speed and in no case in excess of 15 miles per hour. Taxiing in and out of hangars is prohibited.

15. Aircraft engines shall not be operated in such a manner or position that hangars, buildings or other facilities or property or persons shall be damaged from such operation.

16. Aircraft engines shall not be started or run unless a competent person is at the controls and an effective brake is on and locked, or wheels are blocked.

17. Aircraft engines shall not be operated inside a hangar or other structure.

18. Engines shall be stopped while passengers are being emplaned or deplaned.

19. No pilot or other member of the crew of an aircraft in operation or any person attending or assisting in said operation shall be under the influence of intoxicating liquor or habit-forming drugs, nor shall any person under the influence of intoxicating liquor or habit-forming drugs be permitted to board any aircraft except a medical patient under proper care.

20. Witnesses to and participants in any accident or damage to aircraft occurring at the Airport shall promptly make a full report of such damage or accident to the Airport Manager. Aircraft operators, owners or their agents shall be responsible for, and shall cooperate and assist in, the prompt removal of damaged aircraft, parts, property or debris resulting from any accident, except, however, that the Airport Manager or officials of the Federal Aviation Administration may prohibit the movement or removal of any damaged aircraft or property.

21. The Airport Manager may regulate practice landings whenever traffic volume is such that regulation is necessary for the safe, orderly operation of the Airport.

22. The Airport Manager may refuse clearance to or delay any flight or other operation at the Airport if deemed by the Airport Manager to be in the interest of safety.

23. No aircraft shall take off or land when transporting explosives or other hazardous material without prior permission of the Airport Manager.

24. No person shall park or store any aircraft in any area not designated for such purpose without prior consent of the Airport Manager.

25. No aircraft shall be left unattended on the Airport unless properly secured to the ground by ropes or other appropriate means, or in a hangar.

26. No person shall start the engine of any aircraft when there is gasoline on the ground or pavement thereunder. When gasoline spills or leaks around an aircraft, notify the Airport Manager so that the area may be washed down.

27. Deviation from these inflight and ground operation rules is authorized only under emergency conditions or on approval of an operating FAA control tower.

C. **INSURANCE.** No person shall base aircraft at County Airports unless such person shall file with the Airports Manager and keep in current effect a certificate of public liability and property damage insurance naming the county as additionally insured, providing a ten-day advance notice in event of cancellation, and executed by a company authorized to carry on insurance business in this State. The minimum amounts and types of insurance coverage shall be specified by the Airport Manager after consultation with the County Risk Manager.

D. **TRANSIENT AIRCRAFT.** Transient aircraft shall park only in the areas designated for transient aircraft. Overnight parking fees for transient aircraft shall be paid prior to departure.

E. **BASED AIRCRAFT PARKING.** Based aircraft shall park only in the space assigned to them. Assignments may be changed by the Airport Manager as required for the operation and improvements of the Airport. Charges for parking and storage of based aircraft shall apply to all persons in accordance with the appropriate schedule of fees. Monthly charges are due and payable in advance for each calendar month. Charges for terminating reserved parking or hangar space at other than the end of the month will not be prorated. Notice of termination shall be provided in writing to the Airport Manager thirty (30) days prior to the end of the month.

F. **DELINQUENT ACCOUNTS.** When an aircraft parking account is delinquent for fifteen days or more, the Airport Manager may lock up the aircraft until storage charges are paid. No aircraft on which any tie-down or parking fees are unpaid may be removed from the Airport without the prior consent of the Airport Manager. In addition to all other remedies provided by law for the collection and enforcement of charges or fees due for the parking of aircraft, the County shall have a lien upon the aircraft for the parking thereof. Whenever such lien is lost by reason of loss of possession through trick, fraud or device, the repossession by the County shall revive such lien. Any lien of the County upon aircraft for the parking thereof may be foreclosed in the same manner as is provided generally by the Civil Code of California for the foreclosure of liens upon personal property.

#### **SECTION 2664. FUELING AND DEFUELING**

A. **DISPENSARY.** No aircraft shall be fueled except by a fuel dispensary authorized by the County.

B. **WHEN PROHIBITED.** No aircraft shall be fueled or defueled while the aircraft engine is running or while such aircraft is in a hangar or other enclosed space.

C. **SMOKING PROHIBITED.** Smoking is prohibited within fifty (50) feet of an aircraft while the aircraft is being fueled or defueled.

D. **ATTENDANT REQUIRED WHEN PASSENGERS IN AIRCRAFT.** During fuel handling, passengers are not permitted in the aircraft unless a cabin attendant is stationed at or near the cabin door.

E. **GROUNDING REQUIRED.** During fuel handling, the aircraft and the fuel-dispensing or draining apparatus shall be properly grounded to prevent the possibility of static ignition of volatile liquids. All hoses, funnels, and appurtenances used in fueling and draining operations shall be properly equipped with a grounding device to prevent possibility of static ignition of volatile liquids.

F. **PREVENTION OF FUEL OVERFLOW.** Persons engaged in aircraft fuel handling shall exercise care to prevent overflow of fuel.

G. **OPERATION OF ELECTRICAL SWITCHES.** During fuel handling, no person shall operate any radio transmitter or receiver, or operate electrical aircraft switches.

H. ONLY ESSENTIAL PERSONNEL PERMITTED. Only personnel engaged in fuel handling, maintenance and operation of an aircraft shall be permitted within fifty (50) feet of fuel tanks of such aircraft during any fueling or defueling operation, except as provided in Paragraph D of this Section.

I. STATIC SPARK MATERIALS PROHIBITED. During fuel handling in connection with any aircraft, no person shall use any material which is likely to cause static spark within fifty (50) feet of such aircraft.

J. MAINTENANCE OF FUELING EQUIPMENT. Fueling hoses, static grounding lines and draining equipment shall be maintained in a safe, sound and non-leaking condition.

#### **SECTION 2665. FIRE PROTECTION**

A. CLEANING OF AIRCRAFT - PARTS, VEHICLES, ETC. No person shall clean or degrease aircraft and/or engines except in a maintenance station properly equipped to handle such work or in a space designated by the Airport Manager.

B. OPEN-FLAME OPERATIONS. No person shall conduct any open flame operation in any hangar; or in any shop, building, room or other place if it may, or may be likely to, endanger persons or property.

C. STORAGE. No person shall store or stock material in such a manner or of such nature as to constitute a fire hazard.

D. STORAGE OF FLAMMABLE MATERIALS. No person shall keep, store, or discard any flammable liquids, gasses, signal flare or other flammable material in any hangar, shop, building, room or other place if it may, or may be likely to, endanger persons or property, except that such materials may be kept in aircraft in the proper receptacles installed in the aircraft for such purpose, or in a room specifically approved for such storage by the Airport Manager.

E. LUBRICATING OILS. No person shall keep or store bulk lubricating oils in open containers in or about hangars, shops, garages or other buildings except that such materials may be kept in the aircraft in the proper receptacles installed in the aircraft for such purposes or in hangars, shops, garages or other buildings, in sealed containers, steel drums or other dispensing equipment provided with suitable draw-off devices.

F. WASTE. No person shall keep or store oily waste, rags or other flammable rubbish within any hangar. All waste and/or rubbish shall be kept in suitable covered metal containers and shall be removed from hangars daily.

G. SMOKING. No person shall smoke in any hangar, shop or other building where it is dangerous to do so or where it is prohibited by the Airport Manager. NO SMOKING signs shall be strictly observed.

H. CLEANING FLUIDS. No person shall use volatile flammable substances for cleaning purposes in the hangars, shops or other buildings except as cited in Paragraph A. of this Section.

I. FLOOR CARE. The floor of all hangars, shops, aprons and areas adjacent thereto, shall be kept free and clean of oil, grease, waste and other flammable material.

J. DOPING AND PAINTING. All doping and painting of aircraft shall be performed in an authorized, Fixed-Base operator maintenance station or in a space designated by the Airport Manager. Doping and painting is prohibited in individual hangars.

K. FIRES. Report location by telephone to the local Fire Department and to the Airport Manager.



#### **SECTION 2666. HANGARS AND TIE-DOWNS**

A. GENERAL. The lease of county-owned hangars and tie-downs shall be by written lease on a month-to-month basis.

B. CARE OF HANGARS. Lessees shall maintain the interior of hangars in clean and orderly condition. Cleaning solvents, lubricating oils, and other flammable liquids for use by the lessee may be stored in hangars in limited quantities in sealed metal containers. Sealed metal container size shall not exceed five (5) gallons, and total storage of flammable liquids in individual hangars shall not exceed six (6) gallons. Lessees shall not use the structure of the hangar to suspend any weights or do any lifting.

C. TELEPHONES. Telephones may be installed in hangars only with prior written approval of the Airport Manager.

D. CARE AND USE OF TIE-DOWNS. Lessees shall maintain assigned tie-downs in a clean and orderly condition. Minor maintenance of aircraft may be performed on assigned tie-down, provided the area is not damaged. Maintenance other than minor shall be performed in an authorized Fixed-Base operator maintenance station or in an area designated by the Airport Manager.

E. SUB LEASING. Lessees may not sublet their hangar or tie-down without prior written approval from the Airport Manager. Sun-lessees shall be governed by all rules and regulations required of the lessee.

F. LOCKS. Lessees shall either use a lock provided by the county or, if a personal lock is used, provide a key for the hangar lock to the Airport Manager.

#### **SECTION 2667. COMPLIANCE**

A. Failure to comply with any part of this ordinance shall be grounds for the suspension or termination of any rights or privileges by individuals or groups to enter upon or use the Airport facilities.

B. The Airport Manager may suspend or terminate any agreement, permit, license or other arrangement for noncompliance with this ordinance.

C. A civil action may be filed in Superior Court to enjoin any violation of this ordinance.

#### **SECTION 2668. POLICIES AND PROCEDURES**

The Airport Manager shall have the authority to promulgate policies and procedures to implement this ordinance and to insure the safe and efficient operation of county Airports.

SECTION 2. This ordinance rescinds Resolution No. 24363 dated September 19, 1967.

SECTION 3. This ordinance shall be in full force and effective thirty (30) days after its passage.