

GROUND LEASE AGREEMENT
LAKE TAHOE AIRPORT
1901 AIRPORT ROAD
SOUTH LAKE TAHOE, CA 96150

This Lease Agreement is made and entered into as of the **xST day of MONTH/YEAR** by and between the **City of South Lake Tahoe**, a municipal corporation ("City") and **NAME OF LESSEE** ("Lessee").

RECITALS

A. WHEREAS, the City owns that certain real property more fully described in **Exhibit A**; and

B. WHEREAS, Lessee desires to enter into a ground lease of said property for the purpose of **DESCIRPTION OF BUSINESS ACTIVITIES**.

AGREEMENT

1. Scope and Purpose of Lease. Subject to the provisions herein, the City hereby grants a ground lease to Lessee for the following purpose(s): **DESCRIBE PURPOSE OF LEASEHOLD AREA AND NATURE OF BUSINESS ACTIVITIES**

This lease is revocable by either the City or the Lessee on 30 days advanced written notice. Both parties agree that, notwithstanding any expenditure, regardless of the amount incurred with respect to the Premises as defined herein, either party shall have the right to revoke this lease at any time and for any reasons by giving the other party 30 days advance written notice. Both parties agree not to contest the other party's right to revoke this lease upon the giving of such notice.

2. The Leased Premises. The property being leased is more specifically identified in **Exhibit A**, attached hereto and incorporated herein by reference, and is located at 1901 Airport Road, South Lake Tahoe, CA 96150.
3. Term of Lease. The term of this Lease shall begin on the date set forth above and continue month to month.

Upon the end of the term of this Lease, as provided herein, or any extension thereof, or sooner termination of this Lease, the Lessee shall surrender to City the ground lease site, except as provided under the terms and conditions set forth in Section 8, Termination.

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4. Lease Fee. Upon execution of this Lease Agreement, Lessee agrees to pay to City on or before the first day of each calendar month during the term of this Lease, a monthly fee of **MONTHLY LEASE AMOUNT**. Such lease fee shall not include utilities. Lessee shall pay said Lease fee on the first day of each month in the form of a check sent to the City's Finance Department located at 1901 Airport Road, Suite 210, South Lake Tahoe CA 96150, and made out to: City of South Lake Tahoe. The Lessee's account number shall be listed on the check. Lessee may also pay in person with a credit card.

a) Prorated Rents. If this Lease begins on any day other than the first day of a month, the Lease fee for the first month of the Lease shall be prorated for the number of days remaining in the calendar month based on a 30 day month.

b) Late Payment. If any monthly rent or other payment due from Lessee is not received by City within ten (10) days of the date upon which it is due, Lessee shall pay to City an additional amount of \$50.00 will be charged.

c) CONSUMER PRICE INDEX (CPI). Lessee shall pay to CITY as additional rent a cost of living adjustment computed annually as follows: On April 1st of each year, regardless of the commencement date of this Agreement, the monthly rent shall be re-computed. The resulting monthly rent shall be equal to the original initial monthly rent multiplied by the ratio of the Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers, San Francisco, all items published by the United States Department of Labor, Statistics (1982-84=100 base). In the event said index is changed or discontinued, the most nearly comparable official price index of the United States Government shall be used for computing the forgoing adjustments of minimum rent, after converting the existing index as of the base rate to the new index. The minimum monthly rent payable following an adjustment under the terms of this paragraph shall continue at the adjusted level until the next adjustment period or the end of the lease term, whichever first occurs. The City Council reviews City fees yearly and reserves the right to suspend any rate increases. The current airport fees are attached in Exhibit C.

d) Deposits. Lessee shall pay the following refundable deposits prior to taking possession of the property:

Rent/Security Deposit: \$750.00
Gate Card: \$50.00 per card

e) Utilities. Lessee agrees to pay before delinquency all charges for natural gas, electricity, water and sewer charges, telephone, internet, cable, including connection charges if the services are separately metered for the Premises. City shall in no event be liable to Lessee for any interruption in

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the service of any utility furnished to the Premises howsoever caused, provided that such interruption is not caused by the intentional act or omission of City or its authorized representatives. This lease shall continue in full force and effect despite any such interruptions.

5. Expenses of Lessee. In addition to the Lease Fee, Lessee shall pay the costs and expenses listed below:

- a. Maintenance and Repairs.

Lessee Owned Building and Permeant Fixture Maintenance: The Lessee will maintain its buildings, subsurface utilities, permanent fixtures, associated appurtenances, and the surrounding leasehold area in compliance with all South Lake Tahoe City Codes. Additionally, and the Lessee shall perform such repairs, maintenance, and upkeep as the Lessor shall deem necessary and appropriate to maintain the safety of the Airport and to maintain the attractive and professional appearance of the Airport in compliance with South Lake Tahoe City Code.

Any damage to structures owned by the Lessee at the Airport, shall be repaired, or removed. If any structure owned by the Lessee at the Airport is removed, the Lessee shall restore the leased area to its original condition, within 120 days of the date the damage occurred, unless otherwise specified. Upon petition by the Lessee, the Lessor may grant an extension of time if it appears such extension is warranted Failure to comply with the specified deadlines may result in administrative citations.

The Lessee agrees to maintain all structures, facilities, improvements, and equipment at the Leased Premises, at Lessee's sole cost and expense, during the entire Term.

The Lessee shall repair any area of the Airport including areas outside of the leased premises if damaged by Lessee, Lessee's agents, employees, invitees, and/or visitors.

Please note a permit may be required to perform repairs. Under the California Building Code, Section 105.1, any owner or authorized agent who intends to construct, enlarge, alter, repair, move, demolish, or change the occupancy of a building or structure, or to erect, install, enlarge, alter, repair, remove, convert or replace any electrical, gas, mechanical or plumbing system, the installation of which is regulated by this code, or to cause any such work to be done, shall first make application to the building official and obtain the required permit.

Should Lessee fail, neglect, or refuse to do so, the City shall have the right, but not the obligation, to perform such maintenance or repairs for the Lessee's account, and the Lessee agrees to promptly reimburse the City

for the cost thereof (plus an additional twenty percent (20%) for overhead), provided, however, that the City shall first give Lessee ten (10) days' written notice of its intention to perform such maintenance. City shall not be obligated to make any repairs to or maintain any improvements on the subject Leased Premises unless otherwise required by this Agreement.

City reserves the right of entry for its employees and agents to inspect the Leased Premises as deemed necessary by City, and the right (but not obligation) to do any and all work of any nature necessary for preservation, maintenance and operation of the Leased Premises. The City shall provide reasonable prior notice of the exercise of such right except in case of an emergency, and shall take reasonable measures to avoid interference with Lessee's business operations in doing so.

Lessee shall be given reasonable notice when any such work may become necessary and will reasonably adjust operations to permit City to proceed expeditiously with such work. Subject to City's maintenance and repair obligations as expressly set forth above, City shall not be liable to Lessee for injury or damage that may result from any defect in the construction or condition of the Leased Premises, nor for any damage that may result from interruption of Lessee's use of the Leased Premises during any repairs by City. Lessee waives any right to repair the Leased Premises at the expense of City under any applicable law.

City shall have the obligation to repair or replace the Leased Premises and the facilities thereon solely to the extent the damage or destruction are caused by the sole negligence of City.

- b. Lessee shall remove all improvements installed by lessee upon termination of this lease without cost to the City, or said improvements will revert to the City, at the City's option. Such option shall only be effective if provided by City in writing to Lessee. All improvements and alterations require prior written approval of the Airport Manager.
6. Use. Lessee's right to use the Premises is exclusive, and Lessee and the City, its agents, employees and contractors shall have the right to enter the Premises for any purpose that does not unreasonably interfere with the rights granted to Lessee under this Lease Agreement. Such purposes may include but are not limited to the City entering to: inspect the Premises; show the Premises to prospective tenants; determine whether Lessee is complying with the Lease Agreement; make repairs, alterations or improvements.

Lessee hereby acknowledges that the use of the Premises consist of conducting day to day business as it relates to **Description of business activities**.. Lessee at its sole cost shall provide all other necessary supplies, equipment, furnishings and

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personnel necessary for the administration, staffing, operation and maintenance of the Premises.

7. Qualifications on Use. Lessee's right to use the Premises shall be for **Name of Lessee Business/Commercial Activity** which provides **Description of business activities**. All other uses shall be considered a breach of this Lease Agreement, and shall give the City authority to immediately terminate this Lease.
 - a. Prior Encumbrances. This Lease is subject to all easements, leases, liens, conditions, restrictions, encumbrances and claims of title which may affect the Premises. Lessee accepts the Premises in its present condition.
 - b. Parking. Employee parking shall be permitted without charge in assigned areas as designated by the Airport Manager. Employees shall obtain a parking permit from the Airport Administration office and display the permit in their vehicles at all times if required by the Airport Manager.
 - c. **ONLY IF AERONAUTICAL LEASE** FAA Requirements. Lessee shall comply with the following procedures adopted by the City of South Lake Tahoe which comply with the Federal Aviation Administration's requirements:
 - i. Lake Tahoe Airport Rules and Regulations
 - ii. Lake Tahoe Airport Minimum Standards
 - iii. Lake Tahoe Airport Policies and Procedures
 - d. Licenses, Permits, etc. Lessee shall, at Lessee's own cost and expense, obtain and maintain all licenses, permits, certificates or other authorizations of any governmental authority having jurisdiction over the Leased Premises and Lessee's use of the Leased Premises; without limiting the generality of the foregoing, Lessee shall comply with all applicable laws, resolutions, codes, rules, orders, directions, ordinances and regulations of any department, bureau or agency or any governmental authority having jurisdiction over the operations, occupancy, maintenance and use of the Premises for the purposes hereunder, except for those requiring major Alterations the Leased Premises as distinguished from those relating to furniture, fixtures or equipment of Lessee therein. Lessee shall indemnify and save City harmless from and against any claims, penalties, losses, damages or expenses imposed by reason of Lessee's violation of any applicable law or the rules and regulations of governmental authorities having jurisdiction thereof.
8. Termination. This Lease Agreement may be terminated by City or Lessee immediately for cause or without cause upon thirty days (30) days written notice of termination. Notice shall be given by email or Certified service from the USPS.

Termination, revocation, or expiration of this Lease Agreement shall not release either party from liability resulting from an event which occurred prior to such termination, revocation or expiration.

Upon termination, revocation or expiration of this Lease, Lessee shall discontinue the use of the Premises.

Upon termination, revocation, or expiration of this Lease, Lessee shall have forty five (45) days to remove from the Leased Premises all personal property owned by Lessee and any structures placed thereon by Lessee, provided that the removal of such structures and property can be accomplished without damage to the land and provided that Lessee repairs and restores the land to the condition the land was placed by the Lessor prior to Lessee alteration. Property of Lessee not removed from the Premises after forty five (45) days following the termination, revocation, or expiration of this Lease, shall become the property of the Lessor unless the Lessor agrees in writing to other terms on the disposition of said property. The Lessor reserves the right to reject acceptance of Lessee's property upon termination if it is determined by the Lessor that this property poses a legal, environmental or financial liability to the Lessor. Lessee property includes but is not limited to buildings, structures, permanent fixtures and/or subsurface utility improvements. If the Lessor agrees to accept property remaining on the Premises after termination, a separate transfer of ownership agreement will be negotiated between the parties.

If this Lease is terminated, City shall have all of the rights and remedies of a Lessor provided by Civil Code section 1951.2, in addition to any other rights and remedies City may have. The damages which City may recover shall include without limitation; (i) the worth at the time of award of the unpaid rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of the rental that Lessee proves could have been reasonably avoided; (iii) the worth at the time of award computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%) of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss that Lessee proves could be reasonably avoided; (iv) all reasonable out-of-pocket legal expenses and other related costs incurred by City following Lessee's default; (v) all reasonable costs incurred by City in restoring the Premises in good order and condition to re-lease the Premises; and (vi) all reasonable costs, including without limitation, any brokerage commissions incurred by City in re-leasing the Premises.

9. Maintenance of Common Shared Premises. Lessee agrees to be liable and reimburse Lessor for all damage to roadways, taxiways, and other permanent surfaces caused by the aircraft or equipment of Lessee or its subtenant(s), except for ordinary wear and tear.

10. Permanent Fixtures & Construction: The Lessee shall have the right to erect, maintain and alter buildings or structures upon the premises providing such buildings or structures are in accordance with all federal, state, and local regulations. All plans for such buildings or structures shall be reviewed and approved in writing by the Lessor prior to construction. The Lessee shall not hereafter make use of the premises in any manner which might create electrical or electronic interference with navigational signals or radio communications impair the ability of pilots to visually distinguish the airfield, or otherwise endanger the landing, taking off, or maneuvering of aircraft. Lessor reserves the right to enter upon the premises hereby and abate any such hazard at the expense of Lessee. Title to the building and or permanent fixtures erected by the Lessee shall remain with the Lessee and shall be transferable with permission of the Lessor should the building and/or fixtures remain on airport property. Upon termination of this lease, the Lessee shall remove the buildings, equipment, and personal property, and restore the leased property to its original condition, unless otherwise agreed by in writing by Lessor. Lessee shall pay for all labor done or materials furnished in the repair, replacement, development, or improvement of the Leased Premises by Lessee, and shall keep said Leased Premises and Lessee's possessory interest therein free and clear of any lien or encumbrance of any kind whatsoever created by Lessee's act or omission. Purchase money mortgage liens on Lessee's Improvements or Lessee's Personal Property are not subject to this provision. Any and all Purchase money mortgage liens for Lessee's Improvements shall be subordinate to the Lessor's interests.
11. Surety for Performance and Payment: Before any major work of construction, alteration or repair is commenced on the Premises, Lessee shall furnish Lessor adequate surety for performance and payment in a form acceptable to the City Finance Director, in an amount not less than the cost of the improvements to be constructed, and which will 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 Agreement. The surety will state the following:
- a. It is conditioned to secure the completion of the proposed construction free from all liens and claims from contractors, sub-contractors, mechanics, laborers and material persons following the commencement of construction;
 - b. The construction work shall be completed by Lessee, the general contractor, or, on their default, the surety;
 - c. In default of such completion and payment, such part of the amount of the surety as shall be required to complete the work shall be paid to Lessor as liquidated and agreed damages for the nonperformance of the Lessee's agreements, it being agreed that the exact amount of the Lessor's damages is difficult and impractical to ascertain; and
 - d. The surety will defend, hold harmless and indemnify City against all loss cost, damage, expense and liability arising out of or connected with the work improvement.

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City may, but shall not unreasonably, disapprove the surety. The surety shall be deemed approved unless notice of disapproval is given within Thirty (30) business days after receipt of the proposed surety.

12. Obstruction Lights: Whenever determined necessary by the Lessor, the Lessee agrees to install, maintain and operate proper obstruction lights on the tops of all of Lessee's buildings or structures, at Lessee's sole cost.
13. Signs: No signs or advertising matter may be erected on the leased premises without the prior written consent of the Lessor.
14. Obstructions: Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the airport which, in the opinion of the Lessor, would limit the usefulness of the airport or constitute a hazard to aircraft. Lessee shall, upon approval by Lessor and prior to any construction of any nature within the boundaries of the airport, prepare and submit to the Federal Aviation Administration, FAA Form 7460-1, "Notice of Proposed Construction or Alteration", as required by Federal Aviation Regulation Part 77 and the California Public Utility Code Section 21001 et seq.
15. Airport Development: The Lessor reserves the right to further develop and improve the airport as Lessor sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance from the Lessee. If the development of the airport requires the removal and/or relocation of the Lessee's hangar building(s), the Lessor and Lessee agree that such removal and/or relocation shall occur pursuant to the following terms and conditions:
 - a. The Lessor will provide the Lessee with written notice at least 180 days prior to said removal and/or relocation, and
 - i. The Lessor shall, in the Lessor's sole discretion, pay a third party to relocate the Lessee's building(s) to a new location on the airport.
16. Rules and Regulations. In undertaking any activities under this Agreement or on the Leased Premises, Lessee, its officers, employees, agents, subtenants, and invitees shall obey all applicable laws and regulations, whether established by Lessor, the State of California, or the United States, or by any other governmental agencies having jurisdiction over said premises including the current Airport Rules and Regulations attached herein as Exhibit D.
17. Noninterference with Landing and Taking Off. By accepting this lease, Lessee agrees for itself, its successors and assigns that it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the Lessor reserves the right to enter upon the Leased

Premises and cause the abatement of such interference at the expense of the Lessee.

18. No Exclusive Right Granted. It is understood and agreed that nothing herein shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. § 1349a.).
19. Non-Discrimination. The Lessee, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
 - a. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Subject Property or Lessee's Improvements.
 - b. In the construction of any improvements on, over, or under such land and the 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 subjected to discrimination,
 - c. The Lessee shall use the Subject Property and Lessee's Improvements in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, 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.
20. Lease Subject to U.S. Government Acquisition, Control. This Agreement and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.
21. Indemnity. Lessee hereby agrees to and shall indemnify and hold harmless City, its elected and appointed boards, officers, agents, employees and volunteers from and against any liability for any and all claims, demands, actions, losses, damages and injuries, direct or indirect (including any and all reasonable out-of-pocket costs and expenses in connection therein), arising out of this Lease Agreement or caused in any way by Lessee's use of the Premises, except for any such claims arising out of the negligence or willful misconduct of the City. City hereby releases Lessee from any and all liability or claims related to the negligence or willful misconduct of the City or its agents or employees.

City does not, and shall not, waive any rights against Lessee which it may have by reason of the aforesaid hold harmless agreement, because of the acceptance by City, or the deposit with City by Lessee, of any of the insurance policies hereinafter set forth. This hold harmless agreement by Lessee shall apply to all damages and claims for damages, or alleged to have been suffered, regardless of whether or not

such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

Lessee further waives any and all rights to any type of express or implied indemnity or right of contribution from the City for any liability, claims, demands, costs, charges and expenses and causes of action of whatsoever arising out of or in any way connected with this Lease Agreement, and Lessee's use of the Premises pursuant to this agreement.

22. Insurance Requirements.

- a. Lessee, at Lessee's own cost and expense, shall procure and maintain, for the duration of the Agreement, the following insurance policies.
 - i. Workers' Compensation Coverage. Lessee shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, Lessee shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation of all Workers' Compensation policies must be received by City at least thirty (30) days prior to such change. Lessee shall provide thirty (30) days written notice of nonrenewal of any Workers' Compensation policies. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Lessee for City.
 - ii. Commercial Liability Coverage. Lessee shall maintain in full force and effect for the period covered by this Agreement, commercial general liability insurance. This insurance shall include, but shall not be limited to, comprehensive general liability insurance providing protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from any act or occurrence arising out of Lessee's operations in the performance of this Agreement. The policy shall provide not less than single limit coverage applying to bodily and personal injury, including death resulting therefrom, and Property damage in the minimum amounts of One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000.00) per aggregate. The insurance shall include coverage for the following: (i) Premises/Operations; (ii) Contractual; (iii) Broad Form Property Damage and (iv) Personal Injury.

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- iii. Automobile Liability Coverage. Lessee shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence.
 - v. Aircraft Liability Insurance (if applicable). Lessee shall maintain in full force and effect for the period covered by this Agreement, a policy of Aircraft Liability Insurance with a minimum limit of \$500,000 each occurrence for Bodily Insurance and Property Damage Liability, which may be subject to a Passenger Liability limit of \$100,000 each passenger. The Aircraft Liability Policy shall be endorsed to name City of South Lake Tahoe as an additionally insured for the full amount of the policy limits.
 - vi. Leasehold Improvement Coverage. During the Term, Lessee shall maintain fire and extended coverage in full force and effect on all leasehold improvements installed by the Lessee and the Lessee's previous owner/operators. These include buildings, improved structures, interior and exterior signage, fixtures, merchandise, and other personal property from time to time in, on or upon the Leased Premises, fire and extended coverage insurance in the amount of the full replacement value thereof containing sprinkler leakage, replacement cost and inflation endorsements, and providing for no deductible in excess of two thousand dollars (\$2,000) per loss. All proceeds from the insurance required pursuant to this subsection shall be used for the repair or replacement of the property damaged or destroyed. Both City and Lessee shall be named as co-insured's as to coverage of leasehold improvements, and alterations, though not as to Lessee's personal property.
 - v. Pollution Liability Coverage (if conducting aircraft maintenance, storage of hazardous materials greater than 5 gallons or fueling activities). Lessee shall obtain Pollution liability insurance covering all operations on airport property for both gradual and sudden events in an amount no less than One Million Dollars (\$1,000,000) per occurrence, and Two Million Dollars (\$2,000,000) annual policy aggregate, shall be maintained, subject to a deductible or self-insured retention of no more than Twenty-Five Thousand Dollars (\$25,000) per occurrence.
- b. Endorsements. Each general liability and automobile liability insurance policy shall be with insurers possessing a AM Best's rating of no less than A:VII and shall be endorsed with the following specific language:

- i. City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insured's with respect to Lessee's operations under the Lessee's General Liability and Automobile Liability policies with respect to liability arising out of this Agreement and/or work performed by or on behalf of the Lessee, including materials, parts or equipment furnished in connection with such work or operations.
 - ii. This policy shall be considered primary insurance as respects City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by City, including any self-insured retention City may have, shall be considered excess insurance only and shall not contribute with it.
 - iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring Lessee.
 - iv. The insurer waives all rights of subrogation against City except for Lessee's Professional Liability and Employers' Liability policies, its elected or appointed officers, officials, employees or agents.
 - v. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its elected or appointed officers, officials, employees, agents or volunteers.
 - vi. No policies of insurance carried by Lessee shall be suspended, voided, canceled, or changed in coverage or in limits except after thirty (30) days written notice to the City (ten (10) days' notice in case of non-payment of premium)
- c. Deductibles and Self-Insured Retentions. The Lessee shall be responsible for all deductibles in all of Lessee's insurance policies. The amount of deductibles for insurance coverage required herein shall be reasonable in keeping with Lessee's general operations.
- d. Certificates of Insurance. Lessee shall provide certificates of insurance with original endorsements or copies of endorsements to City as evidence of the insurance coverage required herein. Lessee shall not commence work on the premises under this contract until all insurance required under this section has been approved by City as to form, amount and carrier, nor shall Lessee allow any subcontractor to commence work on any subcontract until all similar insurance required and reasonably consistent limits of the subcontractor has been so obtained and approved.

23. Hazardous Materials. Lessee, its Agents, Employees and contractors, at all times, shall keep the Leased Premises and common areas free of non-contained Hazardous Materials to the extent caused by Lessee or its Agents, Employees, or contractors. **Lessee may keep (some) properly stored fuels, oil and other products necessary for, and ancillary to use on an aircraft/helicopter or directly tied to the nature of the business activities associated with this Agreement.** Lessee shall not generate, manufacture, release, or dispose of Hazardous Materials in, on, or about the Leased Premises or the Common Areas.

Lessee acknowledges that it is responsible for compliance during the entire term of this Agreement with all federal, state, and local laws, rules and regulations relating to the emission into the air, discharge onto lands and ground and surface waters, storage, use, and disposal of hazardous or toxic materials, substances, and wastes (collectively, "Hazardous Materials"), and all other federal, state and local environmental laws, rules and regulations applicable to the Leased Premises (collectively, "Environmental Laws"). Lessee shall not store, use, or dispose of on the Leased Premises or the Airport grounds any Hazardous Materials except in strict compliance with all applicable Environmental Laws. Further, Lessee shall not permit any of its subtenants to store, use, or dispose of any Hazardous Materials on the Leased Premises or Airport grounds except in strict compliance with all applicable Environmental Laws.

In the event that Lessee or any of its subtenants causes or contributes to any soil, air, groundwater, surface water, or other environmental contamination (collectively, "Environmental Contamination"), or if any Environmental Contamination is attributable to any Hazardous Materials brought onto the Leased Premises or the Airport grounds by Lessee or any of its subtenants, Lessee shall at its sole expense promptly take all investigatory and/or remedial action reasonably required for the remediation of such Environmental Contamination. Prior to undertaking any investigatory or remedial action, however, Lessee shall first obtain Lessor's approval of any proposed investigatory or remedial action. Should Lessee fail at any time to promptly take such action, Lessor may enter the Leased Premises and undertake such action at Lessee's sole cost and expense, and Lessee shall reimburse Lessor for all such expenses within thirty (30) days of being billed for those expenses, and any amount not paid within that thirty (30) day period shall thereafter be deemed delinquent rent. These obligations are in addition to any defense and indemnity obligations that Lessee may have under this Agreement.

"Hazardous Materials" shall include, but not be limited to, substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 USC Sec., 9601, et seq.; the hazardous Materials Transportation Act, 49 USC 1801 1 et seq.; the Resource Conservation and Recovery Act, 42 uses Sec. 6901, et seq.; and those substances defined as "hazardous wastes" in Section 25117 of the California Health & Safety Code or as "hazardous substances" in

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Section 25316 of the California Health & Safety Code and in the regulations adopted and publications promulgated pursuant to said laws.

Notwithstanding the foregoing, Lessee shall be entitled to utilize and store reasonable quantities of Hazardous Materials of the type typically used in Lessee's business operations in compliance with all applicable laws and regulations.

24. Taxes. The Lessee shall pay all taxes, licenses, fees and other lawfully levied monies imposed as a result of this tenancy to the appropriate government entity. **NOTICE IS HEREBY GIVEN THAT PURSUANT TO CALIFORNIA REVENUE AND TAXATION CODE SECTION §107.6, THAT THIS LEASE MAY CREATE A POSSESSORY INTEREST AND, IN THAT EVENT, OCCUPANT IS HEREBY OBLIGATED TO PAY ANY AND ALL REAL PROPERTY TAXES LEVIED ON SAID POSSESSORY INTEREST.**

25. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally, via email or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: Airport Manager
 City of South Lake Tahoe
 1901 Airport Rd., Suite 100
 South Lake Tahoe, CA 96150

Provide a copy to: City Attorney's Office
 City of South Lake Tahoe
 1901 Airport Road, Suite 300
 South Lake Tahoe, CA 96150

If to Lessee: **ANYPERSON**
 Anytown USA
 State, ZIP CODE
 Tel:
 Email:

Provide a copy to: **ANYPERSON**
 Anytown USA
 State, ZIP CODE
 Tel:
 Email:

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26. Assignment and Subleasing. This Lease is personal to Lessee. As such, Lessee has no right to assign this Lease in whole or in part or sublease the Premises in whole or in part. Lessee may not grant concessions in or upon the Premises without the prior written approval of the City. Neither this Lease nor any interest in this Lease shall be assignable without the prior written consent of City.
27. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.
28. Controlling Law Venue. This Lease Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in the Superior Courts in the County of El Dorado, South Lake Tahoe Division.
29. Equal Opportunity Employment. Lessee represents that it is an equal opportunity employer and it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, disability, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Lessee shall also comply with all relevant provisions of the Lake Tahoe Airport Disadvantaged Minority Business Enterprise program, Affirmative Action Plan, or other related programs or guidelines currently in effect or hereinafter enacted.
30. Drug-Free Workplace Certification. By signing this Agreement, Lessee hereby certifies under penalty of perjury under the laws of the State of California that the Consultant Lessee will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350, et seq.) and will provide a drug-free work place by taking the following actions:
- a. Publish a statement notifying employees that unlawful manufacture, distribution dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355 (a).
 - b. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
 - i. The dangers of drug abuse in the workplace;
 - ii. The person's or organization's policy of maintaining a drug-free workplace;
 - iii. Any available counseling, rehabilitation and employee assistance program; and
 - iv. Penalties that may be imposed upon employees for drug abuse violations.
 - c. Provide, as required by Government Code Section 8355(c), that every employee who performs grant activities under this Agreement:

- i. Will receive a copy of the Consultant's Lessee's drug-free policy statement; and
 - ii. Will agree to abide by the terms of the Consultant's Lessee's statement as a condition of employment on this Agreement.
 - d. Failure to comply with these requirements may result in termination of the Agreement, or both, and Lessee may be ineligible for award of any future City agreements if City determines that any of the following has occurred: the Consultant Lessee (1) has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.
- 31. Americans with Disabilities Act. By signing this Agreement, Consultant Lessee assures the City that it complies with the American with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101, et. seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to ADA on building, fixtures and access to the Lessee's Leased Premises. This provision is limited to the area defined in Exhibit A, Description of the Leased Premises.
- 32. Assignment and Subleasing. This Lease is personal to Lessee. As such, Lessee has no right to assign this Lease in whole or in part or sublease the Premises in whole or in part. Lessee may not grant concessions in or upon the Premises without the prior written approval of the City, not to be unreasonably withheld, conditioned, or delayed. Neither this Lease nor any interest in this Lease shall be assignable without the prior written consent of City, not to be unreasonably withheld, conditioned, or delayed.
- 33. Subordination: This lease shall be subordinate to the provisions of any existing or future agreement between the Lessor and the United States 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 expenditure of federal or state funds for the development of the airport. Furthermore, this lease may be amended to include provisions required by those agreements with the United States or the State of California.
- 34. National Emergency: During time of War or other State or National emergency, the Lessor shall have the right to suspend this Contract, and to turn over operation and control of the Airport to the State of California and/or the United States Government During any period when the airport shall be closed by any lawful authority, thereby restricting the use of the airport in such a manner as to interfere with the use of same by Lessee, the rent shall abate, and the period of such closure.
- 35. Amendments. This Lease Agreement may be modified or amended only by a written document executed by both Lessee and City and approved as to form by the City Attorney.

LAKE TAHOE airport

36. Severability. If any term or portion of this Lease Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Lease Agreement shall continue in full force and effect.

37. Entire Agreement. This Lease Agreement constitutes the complete and exclusive statement of Agreement between City and Lessee. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Lease Agreement.

38. Execution. This Lease Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Lease Agreement, it shall not be necessary to produce or account for more than one such counterpart.

39. Time is of the Essence. Time is of the essence for this Agreement.

40. Authority to Enter Agreement. Lessee has all requisite power and authority to execute, deliver, and perform under this Lease Agreement. Each party warrants that the individuals who have signed this Lease Agreement have the legal power, right, and authority to make this Lease Agreement and to bind each respective party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF SOUTH LAKE TAHOE:

LESSEE: NAME OF LESSEE

By _____
Dirk Brazil, Interim City Manager

By _____
[Click here to enter text.](#)

APPROVED AS TO FORM:

By _____
Heather Stroud, City Attorney

ATTEST:

By _____
Sue Blankenship, Assistant City Clerk

LAKE TAHOE airport

Attachments:

- Exhibit A – Description of the Premises
- Exhibit B – Minimum Standards for Commercial Activity and Service Providers
- Exhibit C – Rates and Charges - Airport
- Exhibit D – Airport Rules and Regulations

LAKE TAHOE  ~~airport~~

EXHIBIT A

DESCRIPTION OF THE PREMISES

EXHIBIT B

Minimum Standards for Commercial Activity and Service Providers

PLEASE SEE WEBSITE FOR CURRENT REGULATIONS:

<https://www.cityofslt.us/992/Rules-Regulations>

EXHIBIT C

RATES AND CHARGES - AIRPORT

PLEASE SEE WEBSITE FOR CURRENT CHARGES:

<https://www.cityofslt.us/991/Airport-Fee-Schedule-Updated-Annually-on>

EXHIBIT D

RULES AND REGULATIONS

PLEASE SEE WEBSITE FOR CURRENT REGULATIONS:

<https://www.cityofslt.us/992/Rules-Regulations>