

**RED BLUFF MUNICIPAL AIRPORT
OFF-AIRPORT OPERATOR AGREEMENT**

This Agreement made and entered on this ____ day of _____, by and between the City of Red Bluff, a political subdivision of the State of California, hereinafter referred to as "City", and _____, herein after referred to as "Permittee".

Location and activity of Off-Airport Operation: _____

PREAMBLE

The City is the owner of the Red Bluff Municipal Airport, hereinafter referred to as "Airport", in the City of Red Bluff, County of Tehama, State of California, said Airport being a general aviation airport owned and maintained by City for the use and benefit of the public.

Permittee wishes to conduct certain commercial, business, personal or recreational aviation activities at said Airport on real property owned by Permittee adjacent to said Airport. Said real property has been developed for commercial, business, personal or recreational aviation uses that require access to the Red Bluff Municipal Airport.

Permittee desires to obtain for itself the right to move aircraft between the taxiway systems of the Red Bluff Municipal Airport and the adjacent private off-airport property.

The City as owner of the Airport is entitled to seek reasonable recovery of initial and continuing costs of providing a public use landing area.

The development of aeronautical enterprises or activities on land uncontrolled by the owner of the public airport may result in a competitive advantage for the "through-the-fence" operator to the detriment of on-airport operators. To equalize the imbalance, the City may obtain from any off-airport enterprise or activity a fair return for its use of the landing area.

STANDARD PROVISIONS

1. **OPERATIONS:** Permittee's approved aviation related operation at or adjacent to the Airport is pursuant to applicable provisions of the Code of Federal Regulations, Federal Aviation Administration. Permittee is authorized to conduct aviation operations in accordance with applicable "Operating Rules & Regulations and Minimum Standards", adopted by the City of Red Bluff, regarding operations at the Airport or within the Airport Operational Area (see Exhibit B) and granted the right to access the facility as an "off-airport" user. No other aviation services or activities are authorized without the written permission of the City.

Aircraft operated or under the control of the Permittee may be owned by the Permittee or others. Permittee, at all times and at its own expense, shall maintain all operating aircraft within their control in an air worthy condition, free from known mechanical defects.

The method and arrangement for operating on the Airport, including but not limited to the parking of aircraft, shall be subject to the review and approval of the Airport

Manager. The Airport Manager shall at all times have final authority to designate the aprons, ramps, taxiways, runways, roadways, terminal, and common use areas at the Airport to be utilized by Permittee in connection with its aircraft operations.

All of the activities conducted by the Permittee at the Airport must be in accordance with appropriate Federal and State statutory and decisional laws, City of Red Bluff ordinance, Operating Rules and Regulations, and the requirements of any other duly authorized government agency. However, in the event any such law, rules, regulations or requirement is changed subsequent to the execution of this permit and Permittee's activities are affected thereby, Permittee shall be allowed a reasonable time within which to comply with such change. Permittee shall conform and comply with all noise abatement rules and regulations applicable to Airport. Permittee agrees to conduct all flights, activities authorized herein, and ground operations on, at, or near the Airport in accordance with proper rules and regulations of all authorities having jurisdiction over such operations and activities.

2. TERM: The term of this Agreement shall be twenty (20) years commencing _____, and terminating _____. This Agreement can be renewed prior to the expiration of the term for additional five (5) year periods upon written authorization from the City. The City for reasonable cause may terminate this Agreement at any time upon not less than ninety (90) days advance written notice to Permittee.

3. CONSIDERATION: Permittee agrees to make the following payments to City in consideration for the rights granted to Permittee under this Agreement:

- A. Permittee shall pay to City an annual user fee of _____ per year which will be prorated to July 1 and billed annually. Permittee reserves the right to pay monthly, at a rate of _____ per month upon written notification submitted to City prior to the July 1st due date.
- B. The annual user fee shall be based on the square foot area of the building being used for aviation purposes, i.e., hangar, storage, aviation repair, etc. by the Off-Airport operation. The rate shall be set at \$ 0.02 per square foot.
- C. The annual user fee, payable by the Permittee under this Agreement, shall be adjusted by the percent change in the Consumer Price Index, U.S. City Average for the previous twelve (12) month period April to April with the exception that the adjustment shall not exceed 3 percent per annum. The adjusted commercial user fee amount shall become effective the first day of July of each year.
- D. Properties purchased prior to the implementation of the Off-Airport Operator Agreement are not required to comply with paragraph 3 subsections A, B, and C. However, upon the expiration of the original twenty (20) year agreement the provisions of section 3.D shall become null and void and the provisions of paragraph 3 subsections A, B, and C will apply.

4. INTEREST PENALTY: Any payment specified in this Agreement that is not received by the City or postmarked on or before the due date is subject to a late charge of 1.5 percent per month or fraction thereof which shall be added to the payment and the total sum shall become immediately due and payable.

5. OTHER CHARGES AND FEES: Permittee shall pay City all other fees and charges as billed by City pursuant to any separate agreement between the parties for services not referred to herein.
6. SPACE: This Agreement does not allow Permittee to possess any portion of the Airport, and rents no space for Permittee's operation as described in this Agreement.
7. OBLIGATIONS OF PERMITTEE: Permittee shall comply with all applicable provisions of the Red Bluff Municipal Airport "Operating Rules & Regulations and Minimum Standards for Airport Aeronautical Service Providers" and all subsequent changes and modifications thereto.
8. ASSIGNMENT OR TRANSFER: This Agreement and the rights granted to Permittee hereunder are not assignable or transferable without the written authorization of the City, which shall not be unreasonably withheld. Any attempted assignment or transfer, or assignment or transfer occurring by operation of law, without the written authorization of the City shall be null and void, and shall render the Agreement immediately terminated at City's sole option.
9. INSURANCE: Permittee agrees, at its own expense and at all times during the term of this permit and any extensions thereof, to maintain in force an appropriate amount of general liability and property damage insurance coverage written by one or more responsible insurance carriers authorized to do business within California commensurate with the Permittee's aviation related activity to protect against liability claims for injury to or death of persons, or loss or damage to personal property, occurring during the term of this lease and any extensions thereof, in, about, or adjacent to the Permittee's premises. Failure of the Permittee to maintain appropriate insurance coverage shall be considered a breach of contract, resulting in the termination of this agreement and the access rights it affords.
10. INDEMNITY: Permittee shall indemnify and defend the City and its officers, agents and employees against and hold it harmless from any and all loss, damage, and liability for damages, including attorneys' fees and other costs of defense incurred by City, whether for damage to or loss of property, or injury to or death of person, including properties of City and injury to or death of City's officers, agents and employees, which shall in any way arise out of or be connected with Permittee's operations hereunder, unless such damage, loss, injury or death shall be caused solely by the negligence of City.
11. COMPLIANCE WITH SPONSOR'S FEDERAL GRANT ASSURANCES: To the extent applicable, Permittee shall comply with all Federal Aviation Administration (FAA) assurances as shown on Exhibit A, attached hereto and made a part hereof.
12. SIGNS: Permittee shall not, without the prior written approval of City, erect, maintain, or display any signs on the Airport. Any conditions, restrictions, or limitations, with regard to signage as stated by City in writing, shall become conditions of this Agreement.

13. **SECURITY:** Permittee shall provide and maintain security fencing on their property to prevent uncontrolled access to the airport facility. Fencing shall be a minimum of four (4) feet in height and include a locking gate(s). The City will be responsible for installing and maintaining security fencing for the remaining property within the boundary of the Airport facility.

14. **FAA CERTIFICATION:** Permittee shall not engage in any operations at Airport prior to obtaining any certifications that may be required with respect thereto by the FAA. Permittee shall furnish the Airport Manager a copy of any such certifications, upon request.

14. **NOTICES:** Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party pursuant to this Agreement shall be in writing and either served personally or sent by prepaid, first-class mail. Such matters shall be addressed to the other party at the following address:

To City at:
Airport Manager
City of Red Bluff
555 Washington Street
Red Bluff, CA 96080

To Permittee at:

Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this paragraph. An affidavit of such mailing shall be executed under penalty of perjury by the person depositing such notice in the mail, and such affidavit shall set forth the date, time and place of such mailing and be delivered to the other party within 48 hours of such mailing.

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

CITY OF RED BLUFF

PERMITTEE NAME

Airport Manager

Name, Owner

ATTEST:

APPROVED AS TO FORM:

Kathy Engel, City Clerk

City Attorney

EXHIBIT A

FEDERAL AVIATION ADMINISTRATION ASSURANCES

A. COMPLIANCE WITH SPONSOR'S FEDERAL GRANT ASSURANCES: To the extent applicable, Lessee shall comply with all Federal Aviation Administration (FAA) assurances below:

1. The Lessee for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenants and agree that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Agreement for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, COT, 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. The Lessee for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (in the case of leases add "as a covenant running with the land") that: (1) 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 said facilities, (2) that 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 subject to discrimination, (3) that the (lessee, licensee, permittee, etc. shall use the premises 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, Non-discrimination 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. That in the event of breach of any of the above nondiscrimination covenants, the City of Red Bluff shall have the right to terminate the lease. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

4. Lessee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT the Lessee may be allowed to 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 thereof and in the event of such non-compliance to City of Red Bluff shall have the right to terminate the agreement and the estate hereby created without liability therefore or at the election of the City of Red Bluff or the United States either or both said Governments shall have the right to judicially enforce Provisions.

6. Lessee agrees that it shall insert the above five provisions in any agreement by which said permittee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the premises herein permitted.

7. The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Par 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered sub-organizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR 152, Subpart E, to the same effort.

8. The City of Red Bluff reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee and without interference or hindrance.

9. The City of Red Bluff reserves the right, but shall not be obligated to the Lessee to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport together with the right to direct and control all activities of the Lessee in this regard.

10. This agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the City of Red Bluff and United States, relative to the development, operation or maintenance of the airport.

11. Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the permitted premises, or in the event of any planned modification or alteration of any present of future building or structure situated on the permitted premises.

12. It is understood and agreed that nothing herein contained shall be constructed 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).

13. 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.