

AIRPORT USE AND LICENSE AGREEMENT

between
Aircraft Owners and Pilots Association
and
City of Salinas

THIS AIRPORT USE AND LICENSE AGREEMENT, made and entered into this 1st day of February, 2015, by and between City Of Salinas, a California charter city and municipal corporation and political subdivision of the State of California, hereinafter referred to as "Licensor," and Aircraft Owners and Pilots Association, a non-profit, tax-exempt corporation, organized under the laws of the State of New Jersey with its principal place of business at 421 Aviation Way, Frederick, MD 21701, hereinafter referred to as "Licensee";

WITNESSETH:

WHEREAS, the Licensor administers and operates **Salinas Municipal Airport**, hereinafter referred to as "Airport" and Licensee desires to utilize certain portions of the Airport and its facilities in conjunction with a fly-in ("Event") to be conducted from **May 15 to May 16, 2015**; and

WHEREAS, the parties desire to enter into an Airport Use and License Agreement, hereinafter referred to as "Agreement", to provide for the terms and conditions of the use of the Airport and its facilities;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereto agree, for themselves, their successors and assigns, as follows:

1. Premises: The Licensor does hereby grant unto the Licensee permission to utilize such portions of the Airport runways, taxiways, ramp space, improved and unimproved areas, roads, walkways and such other facilities as shall be from time to time approved by the Licensor or the Licensor's Executive Director; and Licensee shall submit, for such approval, an Airport Use Plan and Location Layout (the "Premises"). In connection therewith, Licensee shall have the right to arrange, coordinate, host, and manage the Event, including the sale of food and beverages excluding alcoholic beverages, aircraft static displays, airplane rides, and specialty novelty sales, and Licensee shall be solely responsible for arranging for and contracting with all parties invited by Licensee to participate in or provide services to the event. It is understood by both parties that in so permitting such use for purposes of conducting the Event, close contact and cooperation between Licensee and the Licensor shall be required. Licensee commits itself to make every effort to keep the Licensor apprised of developments concerning the event through its designated representative.

2. Term: The term of this Agreement shall commence as of 6:00 a.m., PDT Time, on May 11, 2015, and terminate at 8:00 p.m. on May 20, 2015. Notwithstanding the foregoing, the parties acknowledge that they shall mutually cooperate in establishment of concession stands, designated parking areas, parking and storage of aircraft and equipment so as to cause the least disruption of normal aviation and business activity at the Airport prior to, during and subsequent to the Event.

3. Rights of Ingress and Egress: Licensee shall, upon the days of the fly-in, be allowed the right to control ingress and egress for its participants, members, employees, agents, and invitees in accordance with standards for the same to be agreed upon between the Licensee and the Licensor,

not to derogate against contractual rights of tenants. Licensee is required at all times to maintain safe and complete crowd control. Licensee shall be granted access to Airport facilities on May 15, 2015 for the purpose of setting-up displays or other required appurtenances without disrupting normal business activities.

4. Airport Surfaces Closure: Licensee acknowledges that only representatives of the Licensor are authorized to close or open Airport taxiways and runways and issue applicable Notices to Airmen (NOTAMs). The parties hereto agree that Airport shall remain open and there shall be no disruption to normal business activities on the Airport during the Event.

5. Rights and Privileges: While it is contemplated the Licensee shall be, and is hereby, granted the right to conduct its Event upon the Premises on the dates designated herein, said rights shall be subordinate to Federal Aviation Administration rules and regulations, regulations of the Airport, and needs of the flying public. Notwithstanding the foregoing, the parties acknowledge their mutual intent that arrangements be made satisfactory to all involved, including third parties, to the end that the general public as well as the flying public may benefit from both the contemplated event and utilization of the Airport for its normal purposes.

6. Taxes and Assessments: If Licensee is required to pay any taxes, charges, or fees with respect to its Event, together with the planning therefore, cleanup, or in any other fashion connected therewith, Licensee shall pay the same when due, and shall defend, indemnify and hold harmless the Licensor, its agents and employees from any claims, actions or expenses in conjunction therewith.

7. Maintenance, Utilities and Cleanup: Licensee shall be solely responsible for maintenance and utilities necessary or utilized in conjunction with the conduct of its Event and shall make appropriate arrangements for acquisition of those items. Licensee shall furnish appropriate personnel and equipment to clean up the Premises, the Airport areas utilized in conjunction with the Event, any areas affected thereby, and shall restore the same to the condition that prevailed immediately prior to commencement of the Event. If Licensor incurs any reasonable expenses to return the grounds and facilities to the original state that existed prior to the fly-in, Licensee agrees to reimburse Licensor for those expenses.

Licensee shall clean up the Air Operations Area of the Airport and the remainder of the Airport no later than 8:00 p.m. on May 20, 2015.

8. Airport Personnel: Licensee acknowledges that Airport personnel shall not be engaged in activities on behalf of the Licensee except at the direction of the appropriate staff of Licensor.

9. Rules and Regulations: Licensee agrees to observe and obey all existing Licensor, Federal, State and Local rules and regulations with respect to the use of the Airport and the conduct of Licensee's Event, including aircraft operations; and, provided further, that such rules and regulations shall not be inconsistent with the provisions of this Agreement or the procedures or orders prescribed or approved from time to time by the Federal Aviation Administration with respect to the operation of aircraft at Airport, as well as any ground activities subject to Federal Aviation Administration authority. Licensee shall ensure that vendors of food, beverages and novelties shall, at a minimum, meet all requirements of law, including those laws, ordinances and regulations with respect to public health and sanitation.

10. Security: Licensee shall provide such security on or about the Premises as shall be required by the Licensors through the Licensors' CEO or the FAA. The Licensors shall advise Licensee of such security requirements upon execution of this Agreement to allow Licensee adequate time to schedule necessary services. Licensee shall observe all rules and regulations regarding safety as shall be required by the Licensors through the Licensors' CEO or the FAA. Licensee shall be responsible for the enforcement of such rules and regulations amongst its agents, employees, volunteers, guests, and invitees. Crowd control is the responsibility of the Licensee and any unsupervised activities will not be allowed.

11. Damage or Destruction of Premises: If any Airport facilities or those of tenants of the Licensors at Airport are damaged in any fashion by Licensee's negligence or willful misconduct in its conduct of the Event, said damage shall be repaired, or the damage items replaced, with due diligence by Licensee at Licensee's own cost and expense, except, however, to the extent caused by the negligence or willful misconduct of Licensors, its officers, directors, agents or employees.

12. Insurance:

A. Licensee shall, at its expense, maintain insurance in full force and effect for the Event during the term of this Agreement as defined in Article 2 in such amounts as to meet the minimum limits of liability specified below, and insurance shall be placed with companies or underwriters authorized to do business in the State of California and carry a Best's rating no lower than A-. Failure to obtain and maintain such insurance shall constitute a default under this Agreement. The insurance policy(ies) shall be the standard comprehensive insurance coverage, for operations of the Licensee and shall cover bodily injury; property damage; automobile liability including owned, non-owned, leased and hired; aviation risks excluding aircraft owned or operated by Licensee; and contractual coverage. The Licensors shall be named as additional insured with respect to Licensee's use of the Premises which are subject of this Agreement. Licensee shall promptly upon execution of this Agreement, furnish to the Licensors appropriate certificates of insurance evidencing coverage affected and to be maintained for the term of this Agreement. The coverage shall not be less than Two Million Dollars (\$2,000,000), combined single limit equal or split limits equal to and not less than Two Million Dollars (\$2,000,000), for bodily injury and property damage with respect to each occurrence.

B. Licensors shall, at its expense, maintain insurance in full force and effect during the term of this Agreement as defined in Article 2 in such amounts as to meet the minimum limits of liability specified below, and insurance shall be placed with companies or underwriters authorized to do business in the State of California and carry a Best's rating no lower than A-. The insurance policy(ies) shall cover bodily injury; property damage; premises liability, automobile including owned, non-owned, leased and hired; and hangar keepers liability. Licensors shall promptly upon execution of this Agreement, furnish to the Licensee appropriate certificates of insurance evidencing coverage affected and to be maintained for the term of this Agreement. The coverage shall not be less than Two Million Dollars (\$2,000,000), combined single limit equal or split limits equal to and not less than Two Million Dollars (\$2,000,000), for bodily injury and property damage with respect to each occurrence.

13. Indemnification of Licensors:

A. The Licensee shall indemnify, hold harmless and defend the Licensors, its officers, directors, officials, and employees from and against any and all claims and actions, demands,

damages, civil penalties, charges, judgments, losses, liabilities of any character or kind and other legal actions and proceedings of whatever nature, including reasonable attorney's fees (including fees to establish the right to indemnification) resulting from, arising out of, or caused by, Licensee's conduct of the Event, or from any activity or other things done, permitted, or suffered by Licensee in, or about the Premises and/or Airport or other act or failure to act, excluding only claims or actions arising out of the negligence or willful misconduct of the Licensor, its officers, directors, officials, and employees, provided that the Licensor shall give the Licensee prompt and reasonable notice of any such claim or actions made or filed against it.

B. Licensee hereby agrees to release and hold harmless the Licensor, its officers, directors, officials and employees, from any damages to the Licensee caused by noise, vibrations, fumes, dust, fuel particles and all other effects that may be caused by the operation of aircraft landing at or taking off from, or operating at or on Airport; and the Licensee does hereby fully waive and release any right or cause of action which it may now have or which it may have in the future against the Licensor, its successors and assigns, due to such noise, vibrations, fumes, dust, fuel particles, and all other effects that may be caused or may have been caused by the operation at or on the Airport. The above exception shall not limit a cause of action against other persons or entities, including licensees, concessionaires or aircraft operators.

C. Licensee further agrees to hold the Licensor, its officers, directors, officials and employees free and harmless for any claims arising out of the damage, destruction or loss of Licensee's equipment excluding any claims arising out of the negligence or willful misconduct of the Licensor, its officers, directors, officials, and employees.

14. Termination by Licensor: If Licensee fails to timely and fully perform any provision of this License Agreement, the Licensor may, at its sole option, after providing Licensee notice of such deficiency and a reasonable opportunity to cure, terminate this Agreement immediately, regardless of whether the contemplated event has commenced, is in process, or has been terminated.

15. Surrender of Possession: Within the cleanup period referred to herein, Licensee shall surrender all Airport premises, or portions thereof, utilized in conjunction with the contemplated event, and shall cease and vacate Airport premises without delay.

16. Inspection by Licensor: The Licensor, through any of its members, agents, or other Airport staff, may enter any premises, including concessionaires' premises placed or allowed to be placed on Airport premises by the Licensee in conjunction with the Event, at any time for any purpose necessary or incidental to Airport operations for assurance of proper performance of this Agreement by Licensee.

17. Prohibition Against Assignment: Parties acknowledge this Agreement is personal to Licensee, which shall have no authority to assign, sublet, delegate, or any other way alienate this Agreement or its responsibilities or its benefits hereunder.

18. Signs - Advertising: No signs or other advertising matter or devices shall be used or displayed in or about Airport premises without the prior express approval of Licensor or Airport management. Any such signs, advertising, tickets, promotional devices, or the like, shall clearly and expressly designate Licensee as the promoter of the Event, and shall in no fashion indicate, imply nor suggest that the Licensor is the sponsor of or responsible for the Event.

19. Nondiscrimination Clause: In the Event Licensee engages in service to the public in its contemplated activity conducted on or from Airport, Licensee agrees and promises to furnish such services to the public on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service, provided, that the Licensee may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers of services. Licensee further promises and agrees that it will not, on the grounds of race, color, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by federal law and regulations in providing such services. Licensee's breach of any promise or agreement contained in this paragraph shall constitute grounds of immediate termination of this Agreement; and, in addition thereto, the Licensor shall have the right to take such other remedial action as the United States Government may direct.

20. Non-liability of Licensor: In the event of termination of this Agreement by the Licensor pursuant to the provisions of Paragraph 14 or Paragraph 23 of this Agreement, neither the Licensor, its officers, directors, officials or employees shall be responsible for any damages, claims or actions ("Damages") either from the Licensee, its intended participants, observers, ticket holders, concessionaires, nor any other persons. Licensee agrees to hold harmless, defend and indemnify the Licensor, from such Damages provided that the Licensor gives the Licensee prompt and reasonable notice of, and shall not voluntarily accept responsibility for, such Damages.

21. Relationship of the Licensor and Licensee: Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent, partnership, or joint venture partners, and no provision contained in this Agreement nor any acts of Licensee and the Licensor shall be deemed to create any relationship other than that of Licensee and the Licensor.

22. Notices and Contacts: All notices and demands required herein shall be deemed to be properly served if hand delivered, or if sent by certified or registered mail, to the last address previously furnished by the parties hereto. Unless changed by the parties, in writing, notices shall be sent to the following addresses:

(LICENSOR)

Aircraft Owners and Pilots Association
Chris Eads, Director –Outreach & Events
421 Aviation Way
Frederick, Maryland 21701

City of Salinas, Salinas Municipal Airport
Brett J. Godown, Airport Manager
30 Mortensen Ave.
Salinas, CA 93905

Telephone contacts for the Event shall be as follows:

LICENSOR-

- FAA coordination: Jeff Ebey, (office) (480) 291-7681 , (cell) (____) ____- ____
- Airport operations and Maintenance:
Earl Paisant, (office) (831) 758-7214 , (cell) (831) 970-8463

LICENSEE:

- Event coordination: Chris Eads, Director of Outreach and Events, (301) 695-2183(office); (703) 999-4845 (cell)
- FAA coordination/airside operations, Toni Mensching, (office) (301) 695-2149, (cell) (662) 402-0713

(FBO):

- Jet West – Ryan Gauger, Manager, (office) (831) 422-9400 , (cell) (775) 771-4000

23. Force Majeure. Neither party shall be responsible or liable for, or deemed in default for, any delay or failure of performance due to causes beyond its control, including but not limited to accidents, acts of God, labor disputes, acts of a government agency, interruptions or delays in transportation, fuel supplies or electrical power.

24. Integration, Venue and Attorney Fees: This Agreement contains the entire understanding of the parties. Any attempted modification or addition hereof shall be enforceable only if in writing and signed by the party to be charged. This Agreement shall be governed by the laws of the State of California. In the event of litigation to enforce the rights and obligations hereunder, venue shall lie in Monterey County, CA; and the prevailing party shall be entitled to its reasonable attorney fees in addition to court costs.

IN WITNESS HEREOF, the parties have fixed their signatures hereto the day and year first above written.

AIRCRAFT OWNERS AND PILOTS ASSOCIATION

 Erica J. Saccoia
 Title: Senior VP, Finance and Accounting

(LICENSOR) CITY OF SALINAS

 Joe Gunter, Mayor

 Date

RECOMMENDED FOR APPROVAL

 Brett J. Godown, Airport Manager

 Date

APPROVED AS TO FORM:

Christopher A. Callihan, City Attorney

Date

ATTEST:
