

RESOLUTION NO. 773

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT
AMENDING AIRPORT RULES AND REGULATIONS,
RATES AND CHARGES OF THE DISTRICT TO
SPECIFY INSURANCE REQUIREMENTS OF THE DISTRICT
FOR COMMERCIAL USE PERMITS**

WHEREAS, the Board of Directors is authorized to make all needful rules regarding use of the Airport, landing fees or aerial traffic and other aerial facilities of the District and to charge and collect fees, tolls and rentals for use of all or part of the aerial facilities by Public Utilities Code §§22555 and 22556, respectively; and

WHEREAS, the Board previously adopted and subsequently amended Rules and Regulations, Rates and Charges for the District which, among other things, regulate and require revocable commercial use permits for operation of commercial aircraft and rendering of aircraft services at the Santa Maria Public Airport which are not otherwise expressly authorized by the District in writing by a lease, license or agreement; and

WHEREAS, the District currently requires revocable commercial use permit holders to provide evidence of insurance coverage and copies of insurance policies and certificates of insurance as required by the Board of Directors of the District without specifying the types and limits of such insurance; and

WHEREAS, the Board of Directors wishes to specify minimum insurance requirements for revocable commercial use permit holders; and

WHEREAS, Paragraph 23 of the District's Rules and Regulations, Rates and Charges provides that the same may be amended by filing the proposed amendment with the Secretary of the District, who shall post the proposed amendment on all public bulletin boards on the Airport and who shall mail the proposed amendment to all fixed-base operators and local pilots organizations operating on the Airport two (2) weeks prior to adoption.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Santa Maria Public Airport District, as follows:

1. This amendment has been duly posted and mailed as required by Paragraph 23 of the Rules and Regulations, Rates, and Charges for the requisite period of time.

2. Commercial use permit holders shall provide to District a copy of all required insurance policies, and endorsements and certificates of insurance for District Counsel's approval. A Commercial Use Permit is required for operation of Commercial Aircraft or rendering of aircraft services at the Santa Maria Public Airport which are not otherwise expressly authorized by the District in writing by a Lease, License, or Agreement.

3. Commercial use permit holders shall provide the following minimum insurance:

a. Aircraft rental operations under 6,000 pounds (over 6,000 pounds requires a license agreement with the District):

(i) Aircraft liability insurance, including bodily injury and death liability, property damage liability, and contractual liability (by endorsement), with a combined single limit of liability of at least Two Million Dollars (\$2,000,000) for each aircraft for each accident or occurrence and with no more than a Five Thousand Dollar (\$5,000) deductible for each accident or occurrence.

(ii) Airport liability insurance, including comprehensive general liability, bodily injury and death liability, property damage liability, completed operations and products liability coverage and contractual liability (by endorsement) with a combined single limit of liability of at least Two Million Dollars (\$2,000,000) for each accident of occurrence, and with no more than a Five Thousand Dollars (\$5,000) deductible for each accident or occurrence.

(iii) Automobile and mobile equipment insurance for all vehicles and equipment used on the Airport providing bodily injury and death liability coverage in the amount of at least \$300,000 per person, \$500,000 per accident or occurrence, and property damage liability coverage in the amount of at least \$100,000 per accident or occurrence.

b. Flight instruction, aircraft maintenance services, aircraft radio services, aircraft instrument services, sales of aircraft parts, radio equipment and pilot supplies, miscellaneous aircraft services not otherwise specified:

(i) Airport liability insurance, including comprehensive general liability, bodily injury and death liability, property damage liability, completed operations and products liability coverage and contractual liability (by endorsement) with a combined single limit of liability of at least One Million Dollars (\$1,000,000) for each accident of occurrence, and with no more than a Five Thousand Dollars (\$5,000) deductible for each accident or occurrence.

(ii) Automobile and mobile equipment insurance for all vehicles and equipment used on the Airport providing bodily injury and death liability coverage in the amount of at least \$300,000 per person, \$500,000 per accident or occurrence, and property damage liability coverage in the amount of at least \$100,000 per accident or occurrence.

c. Flying clubs:

(i) Aircraft liability insurance, including bodily injury and death liability, property damage liability, and contractual liability (by endorsement), with a combined single limit of liability of at least Two Million Dollars (\$2,000,000) for each aircraft for each accident or occurrence and with no more than a Five Thousand Dollar (\$5,000) deductible for each accident or occurrence.

(ii) Airport liability insurance, including comprehensive general liability, bodily injury and death liability, property damage liability, completed operations and products liability coverage and contractual liability (by endorsement) with a combined single limit of liability of at least Two Million Dollars (\$2,000,000) for each accident of occurrence, and with no more than a Five Thousand Dollars (\$5,000) deductible for each accident or occurrence.

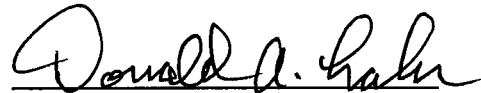
(iii) Automobile and mobile equipment insurance for all vehicles and equipment used on the Airport providing bodily injury and death liability coverage in the amount

of at least \$300,000 per person, \$500,000 per accident or occurrence, and property damage liability coverage in the amount of at least \$100,000 per accident or occurrence.

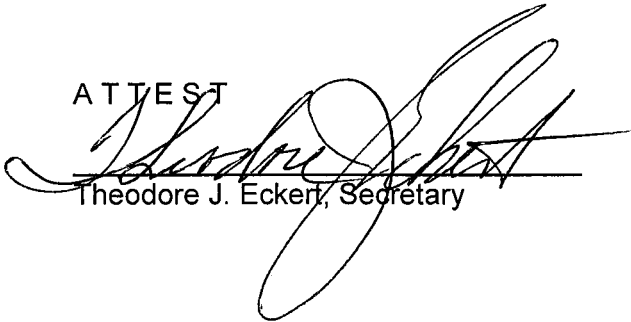
4. These amounts shall be minimums. At such time as District approves a lease, license or other agreement with a tenant or licensee on the Airport providing similar services that requires a higher or different amount or type of insurance, these minimum requirements shall be deemed amended to reflect such higher limits or additional or different types of coverage. Upon notice from District's General Manager, use permit holders shall obtain such insurance as soon as possible, but in no event later than the renewal date of the use permit.

PASSED AND ADOPTED at the Regular meeting of the Board of Directors of the Santa Maria Public Airport District held on September 24 2008 on motion of Director Eckert, seconded by Director Engel, and carried by the following roll call vote:

AYES: Eckert, Lahr, Damiano, Engel, Will
NOES:
ABSTAIN:
ABSENT:


Donald A. Lahr, President

ATTEST


Theodore J. Eckert, Secretary

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