

# CITY OF MERCED

*"Gateway to Yosemite"*



## **WELCOME TO YOUR REGIONAL AIRPORT AUTHORITY MEETING OF THE CITY OF MERCED**

### **AUTHORITY MEMBERS**

John Sundgren - Chair, Alvin Osborn - Vice-Chair, Michael Bodine,  
Desmond Johnston, and Ryan Smith

### **AGENDA SPECIAL MEETING**

**11:00 AM  
MERCED REGIONAL AIRPORT  
AIRPORT ADMINISTRATIVE OFFICE  
20 MACREADY DRIVE  
MERCED, CALIFORNIA**

**WEDNESDAY  
OCTOBER 14, 2015**

**([www.cityofmerced.org](http://www.cityofmerced.org))**

STAFF REPORTS OR OTHER WRITTEN DOCUMENTATION RELATING TO EACH ITEM OF BUSINESS REFERRED TO ON THE AGENDA ARE ON FILE IN THE AIRPORT ADMINISTRATION OFFICE OF THE AIRPORT MANAGER. ANY PERSON WHO HAS QUESTIONS CONCERNING ANY AGENDA ITEM MAY CALL THE AIRPORT MANAGER AT (209) 385-6873 TO MAKE INQUIRY REGARDING THE NATURE OF THE ITEM DESCRIBED ON THE AGENDA. PRIOR TO EACH REGULAR REGIONAL AIRPORT AUTHORITY MEETING, A COMPLETE AGENDA PACKET IS AVAILABLE FOR REVIEW IN THE FOYER OUTSIDE THE COUNCIL CHAMBERS AND ON THE CITY'S WEBSITE AT [WWW.CITYOFMERCED.ORG](http://WWW.CITYOFMERCED.ORG). ANY DOCUMENTS PROVIDED TO A MAJORITY OF THE COMMITTEE MEMBERS AFTER THIS AGENDA IS POSTED WILL BE AVAILABLE FOR PUBLIC INSPECTION IN THE CITY CLERK'S OFFICE DURING NORMAL BUSINESS HOURS.

FOR CITIZEN PARTICIPATION INSTRUCTIONS, PLEASE REFER TO THE CITY'S WEBSITE AT [WWW.CITYOFMERCED.ORG](http://WWW.CITYOFMERCED.ORG). A HANDOUT IS ALSO AVAILABLE AT THE MEETING ADJACENT TO THE AGENDA. INDIVIDUAL AGENDA ITEMS MAY BE HEARD IN AN ORDER THAT IS DIFFERENT THAN THEY APPEAR ON THE AGENDA TO ACCOMMODATE MEETING PARTICIPANTS.

INFORMATION FOR INDIVIDUALS WITH DISABILITIES:  
Accommodation for individuals with disabilities may be arranged by contacting the City Clerk's Office at 209-388-7100.

Assisted Hearing Devices Available for Hearing Impaired  
Teletypewriter (TTY) 209-385-6816

THE PUBLIC HAS THE OPPORTUNITY TO ASK QUESTIONS OR COMMENT AT THE TIME SPECIFIC AGENDA ITEMS ARE CONSIDERED. NORMALLY, EACH AGENDA ITEM WILL HAVE A STAFF PRESENTATION, FOLLOWED BY COMMENTS OR QUESTIONS BY THE AIRPORT AUTHORITY MEMBERS. IF REQUESTED BY AN AUDIENCE MEMBER, THE CHAIRPERSON WILL THEN ALLOW THE PUBLIC TO MAKE COMMENTS OR ASK QUESTIONS. AFTER ANY PUBLIC INPUT, THE AUTHORITY MAY HAVE FURTHER DISCUSSION BEFORE TAKING ACTION TO THE NEXT AGENDA ITEM.

- A. **CALL TO ORDER**
- B. **ROLL CALL**
- C. **WRITTEN PETITIONS AND COMMUNICATIONS**
- D. **ORAL COMMUNICATIONS**

AT THIS TIME, ANY MEMBER OF THE AUDIENCE MAY COMMENT ON ANY MATTER NOT LISTED ON THE AGENDA. PLEASE STAND AND STATE YOUR NAME AND ADDRESS FOR THE RECORD. THE AUTHORITY WILL NOT TAKE ACTION ON THE ITEM THAT IS BROUGHT TO THEIR ATTENTION THIS EVENING. IF IT REQUIRES ACTION, IT WILL BE REFERRED TO STAFF AND/OR LISTED ON THE NEXT AUTHORITY AGENDA.

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PLEASE BE BRIEF AND TO THE POINT. AVOID REPEATING WHAT PREVIOUS SPEAKERS HAVE SAID. IF TWO OR MORE INDIVIDUALS ARE HERE AS A GROUP AND WISH TO SPEAK ON ONE SIDE OF AN ISSUE, PLEASE SELECT A SINGLE SPOKESPERSON TO PRESENT YOUR VIEWS.

- E. **CONSENT CALENDAR**
  - 1. **AIRPORT AUTHORITY MINUTES FOR AUGUST 14, 2015.**

*Recommendation: Adopt a motion to approve and file.*

**F. REPORTS**

**1. THIRD AMENDMENT TO LEASE AGREEMENT WITH FINELINE INDUSTRIES**

*Recommendation: Adopt a motion to recommend approval to the City Council.*

**2. AIRPORT MANAGER'S REPORTS FOR AUGUST AND SEPTEMBER**

*Recommendation: Discussion as desired by Authority members.*

**G. AUTHORITY BUSINESS**

**1. POSSIBLE INCOMPATIBLE LAND USE ACTIVITY**

*Recommendation: Discussion as desired by Authority members.*

**2. OTHER BUSINESS FROM AUTHORITY MEMBERS**

*Recommendation: Discussion as desired by Authority members.*

**H. ADJOURNMENT:**

TO THE NEXT AIRPORT AUTHORITY MEETING, TUESDAY, NOVEMBER 17, 2015, AT 7:00 PM IN THE CITY COUNCIL CHAMBERS, 678 WEST 18<sup>TH</sup> STREET, MERCED, CA 95340.

**CITY OF MERCED  
REGIONAL AIRPORT AUTHORITY MINUTES**

**MERCED REGIONAL AIRPORT  
AIRPORT ADMINISTRATIVE OFFICE  
20 MACREADY DRIVE  
MERCED, CA**

**FRIDAY  
AUGUST 14, 2015**

**A. CALL TO ORDER**

Chair John Sundgren called the meeting to order at 11:35 a.m.

**B. ROLL CALL**

Members present: John Sundgren, Alvin Osborn, Michael Bodine, Ryan Smith, and Desmond Johnston

Members absent: (two vacancies)

Staff Present: Janet E. Young and Nancy Lee

**C. WRITTEN PETITIONS AND COMMUNICATION**

None.

**D. ORAL COMMUNICATIONS**

None.

**E. CONSENT CALENDAR**

M/S/C – Osborn/Bodine motion to approve and file the minutes of June 16, 2015, as submitted.

**F. REPORTS**

**1. ESSENTIAL AIR SERVICE (EAS) AND BOUTIQUE AIR LEASE OF TERMINAL SPACE.**

Interim Manager Young presented the item for the lease of airport terminal building space to Boutique Air.

M/S/C – Sundgren/Bodine motion to approve the lease and to recommend approval to the City Council.

## **2. AIRPORT MANAGER'S REPORT**

Interim Manager Young summarized the July 2015 Manager's Report.

### **G. AUTHORITY BUSINESS**

#### **1. POSSIBLE INCOMPATIBLE LAND USE ACTIVITY**

No items were raised.

#### **2. OTHER BUSINESS FROM AUTHORITY MEMBERS**

No items were raised.

### **H. ADJOURNMENT**

Chair Sundgren adjourned the meeting at 11:59 p.m. until the next Regional Airport Authority meeting on Tuesday, September 15, 2015, at 7:00 p.m. in the Council Chambers at 678 W 18<sup>th</sup> Street, in the Civic Center.

M/S/C – Osborn/Bodine

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John Sundgren, Chair  
Regional Airport Authority



# CITY OF MERCED

F-1  
Merced Civic Center  
678 W. 18th Street  
Merced, CA 95340

## ADMINISTRATIVE REPORT

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**File #:** 15-201

**Meeting Date:** 10/19/2015

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**Report Prepared by:** Janet E. Young, Interim Airport Manager, Merced Regional Airport

**SUBJECT:** Third Amendment to Lease Agreement with Finline Industries, LLC

### REPORT IN BRIEF

Consider approving third amendment to lease agreement with Finline Industries, LLC and continuation of a Temporary Encroachment Permit, allowing Finline Industries, LLC facilities to convey water from the Merced Irrigation District canal to Finline's boat testing facility.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Approving the third amendment to the lease agreement with Finline Industries, LLC, effective October 31, 2015, through October 30, 2025, and;
- B. Approving a continuation of the Temporary Encroachment Permit, allowing Finline Industries, LLC facilities to convey water from the Merced Irrigation District (MID) canal to the boat testing facility, subject to the arrangement between Finline Industries, LLC and MID, and;
- C. Authorizing the City Manager to execute the necessary documents.

### ALTERNATIVES

- 1. Approve the motion as recommended by the Airport Authority.
- 2. Modify the action (specify in motion).
- 3. Deny the action.

### AUTHORITY

Section 200 et seq. of the Merced City Charter.

### CITY COUNCIL PRIORITIES

This item aligns with the City Council priority for "Economic Development".

### DISCUSSION

On October 1, 1998, the City Council authorized the execution of a first amendment to the lease

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**File #:** 15-201**Meeting Date:** 10/19/2015

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agreement with Fineline Industries, LLC that allowed Fineline to construct a boat testing pond within the perimeter of the Merced Airport. A second amendment was executed in April 3, 2000, and extended the lease until October 30, 2015, and conveyed a Temporary Encroachment Permit. The second amendment provided for an expanded facility and the resultant expansion of storm water detention capacity and saved the City of Merced the cost of otherwise providing for such storm water detention capability.

To reduce the need for groundwater to maintain the water level in the pond, Fineline has an agreement to use MID surface water when it is available. Fineline also requires continuation of the Temporary Encroachment Permit allowing Fineline to maintain a private facility within the Thornton Avenue right of way. This facility is necessary for the continued conveyance of MID surface water to the boat testing pond. The boat test pond also is critical to the City of Merced for flood prevention in that the expanded pond serves as a storm water detention facility as called for in the Merced City Master Plan. Use of the boat test pond as a storm water detention basin will also minimize use of groundwater.

Fineline Industries, LLC employs about 150 personnel at this facility. The Third Amendment provides for rent at \$840.00 per month until January 1, 2016, when the amount is subject to adjustment. The term of the lease to be extended to October 30, 2025, and the rent will continue to have an escalator clause that adjusts annually with the CPI.

Staff and the Airport Authority recommend Council approve the Third Amendment to the lease and the continuation of the Temporary Encroachment Permit.

### **IMPACT ON CITY RESOURCES**

No appropriations from the general fund are associated with this lease.

### **ATTACHMENTS**

1. Third Amendment to Lease
2. Temporary Encroachment Permit

### THIRD AMENDMENT TO AIRPORT LEASE

This Third Amendment to Airport Lease is made and entered into this \_\_\_\_ day of October 2015 by and between the CITY OF MERCED, a Municipal Corporation, (hereinafter called "Lessor") and FINELINE INDUSTRIES, LLC, a Florida limited liability company (hereinafter called "Lessee").

#### WITNESSETH:

**WHEREAS**, Lessor and Lessee have entered into an Airport Lease dated November 3, 1997, as amended October 1, 1998, and an amendment to the lease on April 3, 2000; and,

#### NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Section 2, "Rent", of the Airport Lease shall be Eight hundred forty dollars (840.00) per month, effective October 31, 2015. This base rent shall be adjusted upward as of January 1, 2016, and each January 1 thereafter, according to the following computation: The base for computing the adjustment is the index figure for the month of December 2015 (the "Index Date"), as shown in the All Urban Consumer Index, U.S. City Average (USCA), as supplied by the Bureau of Labor Statistics.

If the described index shall no longer be published, another generally recognized as authoritative shall be submitted by agreement of the parties. If they are unable to agree within ten (10) days after demand by either party, the substitute index shall, on application of either party, be selected by the Chief Officer of the San Francisco Regional Office of the Bureau of Labor Statistics, or its successor.

2. Section 2, "Term", of the Airport Lease is amended to extend the term of the agreement through October 30, 2025.
3. Except as herein amended, the Airport Lease, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Airport Lease to be duly executed on the date and year first above written.

ATTEST:  
JOHN BRAMBLE, CITY CLERK

CITY OF MERCED  
A Municipal Corporation

By \_\_\_\_\_  
Deputy City Clerk

By \_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

FINELINE INDUSTRIES, a  
Florida limited liability company

By Ken Reed 10/8/15  
City Attorney

By \_\_\_\_\_

Title \_\_\_\_\_

Taxpayer I.D. No. 942875601

Address: 455 Grogan Avenue  
Merced, CA 95341

ACCOUNT DATA:

Telephone: (209) 384-0255

By \_\_\_\_\_  
Verified by Finance Officer

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# MEMORANDUM

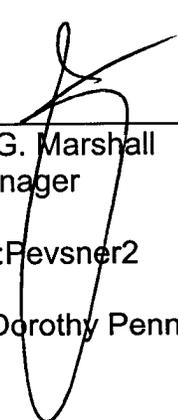
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**DATE:** April 4, 2000  
**TO:** Lee Pevsner, Director of Housing and Transportation  
**FROM:** James G. Marshall, City Manager  
**RE:** Temporary Encroachment Permit and Second Amendment to Lease Agreement with Finline Industries

On April 3, 2000, the City Council adopted a motion:

1. Approving the second amendment to a lease agreement with Finline Industries and authorizing the City Manager to execute the amendment; and
2. Approving a Temporary Encroachment Permit allowing Finline Industries facilities to convey water from the Merced Irrigation District canal to Finline's boat testing facility, and authorizing the City Manager to execute the permit.

Please proceed with implementation of this action.

  
\_\_\_\_\_  
James G. Marshall  
City Manager

JGM/nr:Pevsner2

cc: Dorothy Penner ✓

B. S. /  
F-1

# CITY OF MERCED

"Gateway to Yosemite"



**(209) 385-6867**

**April 6, 2000**

**Attn: Rick Lee  
Fineline Industries, Inc.  
455 Grogan Avenue  
Merced, California 95340**

**Dear Mr. Lee:**

**Enclosed is a copy of a duly executed Temporary Encroachment Permit from the City of Merced to construct and maintain a private facility within the Thornton Avenue right-of-way to convey MID surface water to the boat-testing pond.**

**Sincerely,**

A handwritten signature in cursive script that reads "Carol Brigaman".

**Carol Brigaman  
Deputy City Clerk**

**w/Enclosure**

**c: City Attorney  
Engineering  
Housing & Transportation  
Redevelopment  
Public Works**

**TEMPORARY ENCROACHMENT PERMIT**

A Temporary Encroachment Permit is hereby granted to Fineline Industries, hereinafter called "Permittee", to allow a structure to encroach within and upon real property in the City of Merced, County of Merced, State of California, said real property having been heretofore dedicated for street right-of-way purposes, subject to the following covenants and conditions:

1. Said encroachment is located in and adjacent to Thornton ~~And~~ is more fully described in Exhibit A, attached hereto.
2. Said encroachment shall be maintained in a condition free of defects at the sole cost of Permittee.
3. Neither the City of Merced, nor any officer or employee thereof shall be responsible or liable for damage to any property of Permittee installed or located upon the public easement covered by the Temporary encroachment Permit. Permittee by accepting this permit agrees to defend indemnify and hold the City of Merced, its officers, agents and employees, free and harmless from claims for damages of any kind whatsoever.
4. This permit does not constitute a deed or grant of any easement by the City of Merced, and is transferable or assignable with the permission of the City of Merced, and is revocable at any time by the City of Merced.
5. Unless the City of Merced abandons its interest in said property, permittee, by accepting the permit guarantees the removal of the structure herein permitted promptly upon notification from the City of Merced that this permit has been revoked.
6. This permit shall not become effective until receipt by the City of Merced of a copy of this permit with properly signed endorsement accepting the same, subject to terms and conditions contained herein.
7. This temporary Encroachment Permit is to be cancelled and is void and of no further effect upon the recording of the Abandonment of the Right-of-way to be filed for record by the City of Merced, affecting the herein described property.

Dated: Apr 5, 2000

CITY OF MERCED

ATTEST:

By: Carol Bryeman  
Deputy City Clerk

By: [Signature]  
City Manager

APPROVED AS TO FORM:

By: [Signature]  
City Attorney

By: [Signature]  
Fineline Industries

## EXHIBIT "A"

LEGAL DESCRIPTION

A 20 foot wide Temporary Encroachment for the installation of a water delivery system in a portion of Lot 8 of "GROGAN'S MERCED TRACT No. 2", recorded in Volume 5 of Official Plats at Page 18, Merced County Records, situate in Section 26 of Township 7 South, Range 13 East, Mount Diablo Meridian, County of Merced, State of California, more particularly described as follows:

Beginning at the intersection of the south right of way line of that certain 60 foot wide street right of way, known as Wardrobe Avenue, with the east right of way line of that certain 60 foot wide right of way, known as Thornton Road; thence S 89°46'15" E 178.37 feet along the south right of way line of said Wardrobe Avenue to the point of intersection of said south line with the northeasterly line of the Existing Runway Protection Zone of the Merced Municipal Airport; thence S 34°21'34" E 24.29 feet along said northeasterly line of the Existing Runway Protection Zone; thence N 89°46'15" W 252.72 feet along a line parallel with and 20 feet southerly of the south right of way line of said Wardrobe Avenue to a point on the west right of way line of said Thornton Road; thence N 01°44'54" E 20.01 feet along the west right of way line of said Thornton Road; thence S89°46'15" E 60.03 feet to the point of beginning.

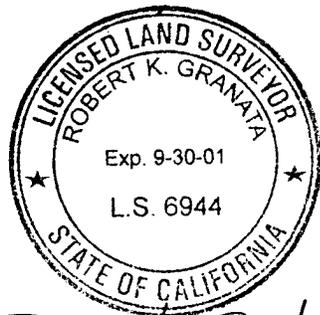
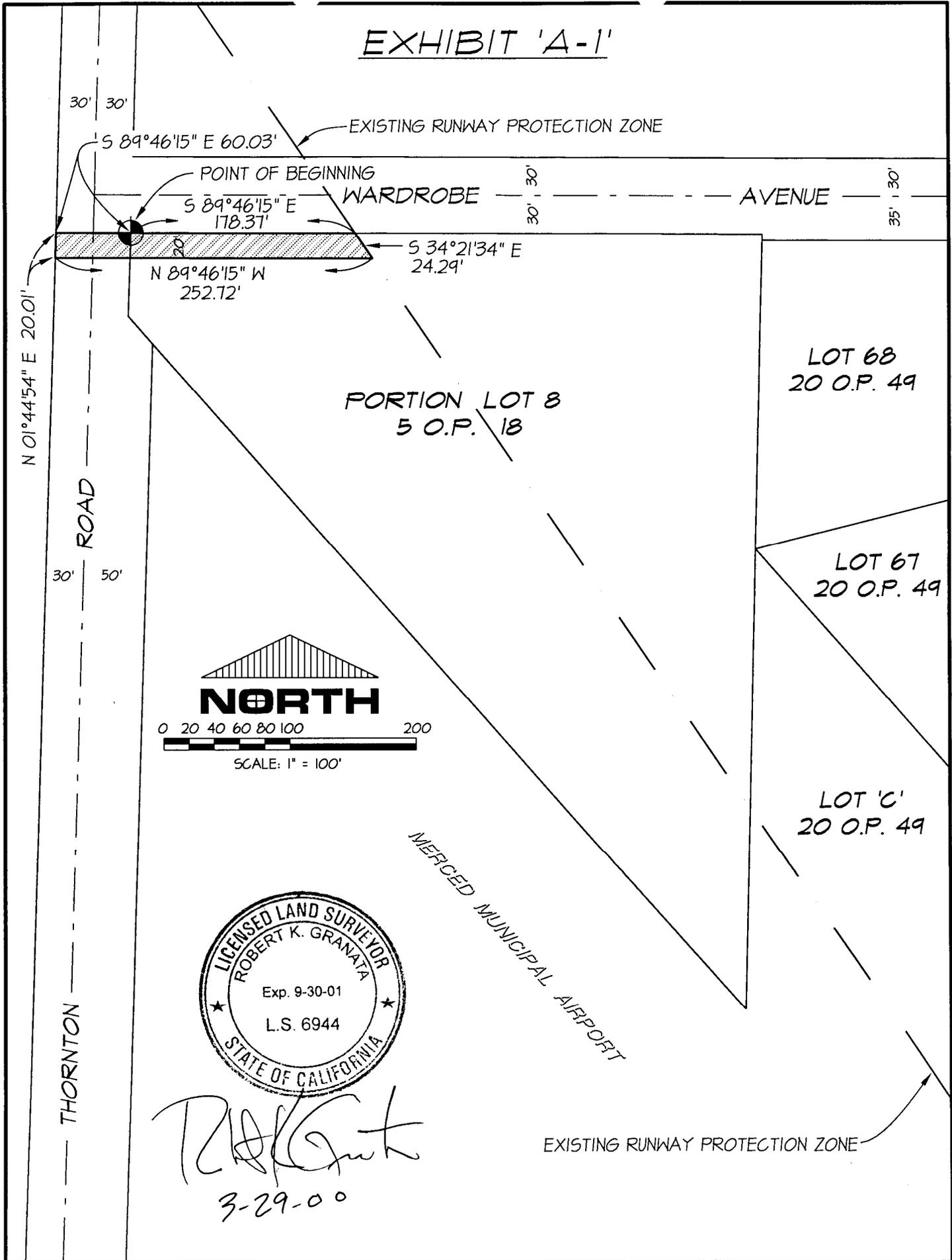
Containing 0.11 Acres more or less.

Subject to easements and reservations of record.



*Robert K. Granata*  
3-29-00

# EXHIBIT 'A-1'



*Robert K. Granata*  
3-29-00

**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

10/06/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Leap/Carpenter/Kemps Insurance 3187 Collins Dr. Merced, CA 95348 Michael J. Carpenter	<b>CONTACT NAME:</b> Michael J. Carpenter <b>PHONE (A/C, No, Ext):</b> 209-384-0727 <b>E-MAIL ADDRESS:</b>	<b>FAX (A/C, No):</b> 209-384-0401
	<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A : <b>Federal Insurance Co.</b>	
<b>INSURED</b> Fineline Industries, LLC 455 Grogan Avenue Merced, CA 95341	INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :	

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

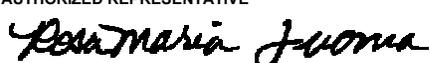
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X		79543198	02/23/2015	02/23/2016	EACH OCCURRENCE \$ <b>1,000,000</b> DAMAGE TO RENTED PREMISES (Ea occurrence) \$ <b>100,000</b> MED EXP (Any one person) \$ <b>5,000</b> PERSONAL & ADV INJURY \$ <b>1,000,000</b> GENERAL AGGREGATE \$ <b>2,000,000</b> PRODUCTS - COMP/OP AGG \$ <b>1,000,000</b> <b>Emp Ben.</b> \$ <b>1,000,000</b>
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (PER ACCIDENT) \$ \$
A	<b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ <b>10000</b>			79543200	02/23/2015	02/23/2016	EACH OCCURRENCE \$ <b>5,000,000</b> AGGREGATE \$ <b>5,000,000</b> \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			N/A			WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	<b>Marine Coverage</b> <b>SEE NOTES</b>			79543199	02/23/2015	02/23/2016	<b>Limit</b> <b>1,000,000</b>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Re: 1 Acre Vacant Land - Behind 455 Grogan Avenue, Merced CA  
 City of Merced is named as Additional Insured as respects to leased land.

**CERTIFICATE HOLDER****CANCELLATION**

<b>MERC-06</b>  City of Merced 678 W. 18th Street Merced, CA 95340	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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**NOTEPAD**

INSURED'S NAME **Fineline Industries, LLC**

**FINEL-2**  
**OP ID: RL2**

**Page 2**  
Date **10/06/2015**

**MARINE COVERAGES:**

**BOAT DEALERS COVERAGE**

**PERILS: ALL RISK**

<b>LIMIT: \$ 175,000</b>	<b>ANY ONE VESSEL</b>
<b>\$ 250,000</b>	<b>TRANSIT TO/FROM/BOAT SHOWS</b>
<b>\$ 200,000</b>	<b>TRANSIT WITHIN 300 MILES OF COVERED PREMISES</b>
<b>\$1,000,000</b>	<b>ANY ONE LOCATION</b>
<b>\$1,000,000</b>	<b>ANY ONE OCCURRENCE</b>

**DEDUCT: \$ 2,500**

**PROTECTION & INDEMNITY**

**PERILS: ALL RISK**

<b>LIMIT: \$1,000,000</b>	<b>EACH OCCURRENCE FOR BOAT DEALER OPERATIONS</b>
<b>\$1,000,000</b>	<b>EACH OCCURRENCE FOR MARINA OPERATIONS</b>
<b>\$ 2,000</b>	<b>MEDICAL PAYMENTS</b>

**DEDUCT: 0**

**Request for Taxpayer  
Identification Number and Certification**

Give form to the requester. Do not send to the IRS.

Print or type  
See Specific Instructions on page 2.

Name (as shown on your income tax return)  
**Fineline Industries, LLC**

Business name, if different from above

Check appropriate box:  Individual/Sole proprietor  Corporation  Partnership  Other  Exempt from backup withholding

Address (number, street, and apt. or suite no.)  
**2047 Grogan Ave**

City, state, and ZIP code  
**Merced, CA 95341**

List account number(s) here (optional)

Requester's name and address (optional)

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number								
or								
Employer identification number								
9	4	2	8	7	5	6	0	1

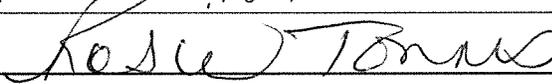
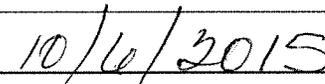
**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here      Signature of U.S. person       Date 

**Purpose of Form**

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding,
- Claim exemption from backup withholding if you are a U.S. exempt payee.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

- The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- The treaty article addressing the income.
- The article number (or location) in the tax treaty that contains the saving clause and its exceptions.



# Merced Regional Airport

Manager's Report August 2015

## OPERATIONS

Boutique Air is preparing to launch commercial airline service from the Merced Regional Airport, providing twice daily round trip service to Los Angeles International Airport (LAX), Oakland International Airport (OAK), and once a day round trip service to Las Vegas McCarron (LAS). No firm start of service date has been declared to date. The Merced City Manager provided the City's recommendation to the U. S. Department of Transportation (DOT) in early May that Boutique Air be selected as the Essential Air Service (EAS) carrier for the Merced Regional Airport. On June 12, 2015, the DOT issued an Order awarding the two-year EAS contract to Boutique Air. The award provides that Boutique could begin Merced service as early as August 1, 2015. Boutique and Airport management are consulting about scheduling, staffing, marketing, and start of service timeframes. Airport management also continues to pursue steps necessary to improve terminal facilities to accommodate the anticipated increase in passenger numbers. Great Lakes Airlines was "held in" by Order of the DOT to provide service through September 30, 2015, or until such date as Boutique begins service, however the airline gave notice on July 8, 2015, of its intent to curtail service on July 31, 2015. Boutique indicated in its bid that it could begin service between 60 days to 90 days following award of the service contract by the DOT.

The FAA Part 139 Inspection of the Airport took place from November 17 - 19, 2014. The inspection involved Airport management, the FBO, the Merced Fire Department, and Great Lakes Airlines. Airport management responded in a timely manner to the FAA Letter of Correction and the FAA Letter of Investigation that focused on ARFF training and the absence of FBO fueler recurrent training. In addition, the revised Airport Certification Manual was submitted to the FAA and contains updates as well as amendments suggested by the Inspector. The Letter of Correction included comments regarding outdated and faded signage; the need for re-marking of runway 12/30 and taxiways as well as lead-on and lead-off lines; pavement improvement issues; the need for B:C fire extinguishers on mobile fueler trucks, as well as recommendations related to ARFF training record maintenance. The corrective measures taken resulted in no further action on the Letter of Investigation. The faded signage panels and the signs with verbiage no longer current under FAA requirements have been replaced. The City purchased the required replacement B:C fire extinguishers for the FBO mobile fueler trucks to maintain the Part 139 certificate and the FBO is being billed for the expense. The City of Merced Fire Department has successfully developed a training matrix for ARFF personnel satisfactory to the FAA Inspector. The plan to address the required re-marking is being pursued through acquisition by the airport of an airport quality paint striper and the work will be performed by city staff. This approach was adopted when it became apparent that the FAA would not fund the work. A pavement assessment grant proposal included in the Airport Capital Improvement Plan was prepared by airport consultant, RS&H, and submitted by the City of Merced to the FAA for funding. Airport management also received approval of the revised mapping of emergency roads and access points, a revised sign and marking plan, and revised mapping of obstacles to address specific deficiencies in the Airport Certification Manual.

Airport management also is developing plans for a security drill at MCE in September or October, working with the Merced Police Department and regional TSA representatives. Airport management also is updating the Emergency Plan for the Airport. The revised draft will be circulated soon to the Merced Fire Department and Merced Police Department for review and comment prior to submission to the FAA for approval.

Visit the Merced Regional Airport website at [www.flymercedairport.com](http://www.flymercedairport.com)

**CAPITAL PROJECTS AND CONSTRUCTION**

Grant 21, Wildlife Hazard Assessment Study was approved and funded by the FAA. A final draft report is currently under review by Airport staff. The final draft will be submitted to the FAA during early September.

Airport management in consultation with RS&H is revising the five-year Airport Capital Improvement Plan (ACIP) proposal for submission to the FAA Airports District Office. A preliminary discussion will take place during Fall 2015, with the leadership team of the FAA San Francisco Airports District Office.

Airport Management also is continuing to develop plans and budget estimates for a slate of improvements and upgrades to the Merced Regional Airport Terminal to accommodate anticipated increased passenger numbers. City approval will be sought, as appropriate.



# Merced Regional Airport

Manager's Report September 2015

## OPERATIONS

Boutique Air is preparing to launch commercial airline service from the Merced Regional Airport on October 5, 2015, providing twice daily round trip service to Los Angeles International Airport (LAX), and Oakland International Airport (OAK). The once a day round trip service to Las Vegas McCarron (LAS) will begin on November 1, 2015. The Merced City Manager provided the City's recommendation to the U. S. Department of Transportation (DOT) in early May that Boutique Air be selected as the Essential Air Service (EAS) carrier for the Merced Regional Airport. On June 12, 2015, the DOT issued an Order awarding the two-year EAS contract to Boutique Air.

The FAA Part 139 Inspection of the Airport took place from November 17 - 19, 2014. The inspection involved Airport management, the FBO, the Merced Fire Department, and Great Lakes Airlines. Airport management responded in a timely manner to the FAA Letter of Correction and the FAA Letter of Investigation that focused on ARFF training and the absence of FBO fueller recurrent training. In addition, the revised Airport Certification Manual was submitted to the FAA and contains updates as well as amendments suggested by the Inspector. The Letter of Correction included comments regarding outdated and faded signage; the need for re-marking of runway 12/30 and taxiways as well as lead-on and lead-off lines; pavement improvement issues; the need for B:C fire extinguishers on mobile fueller trucks, as well as recommendations related to ARFF training record maintenance. The corrective measures taken resulted in no further action on the Letter of Investigation. The faded signage panels and the signs with verbiage no longer current under FAA requirements have been replaced. The City purchased the required replacement B:C fire extinguishers for the FBO mobile fueller trucks to maintain the Part 139 certificate and the FBO is being billed for the expense. The City of Merced Fire Department has successfully developed a training matrix for ARFF personnel satisfactory to the FAA Inspector. The plan to address the required re-marking is being pursued through acquisition by the airport of an airport quality paint striper and the work is underway, performed by airport staff and volunteers. The remarking priorities are the runway, taxiway and other markings identified in the inspection report. This approach was adopted because of the FAA decision to not fund the work. Airport management also received approval of the revised mapping of emergency roads and access points, a revised sign and marking plan, and revised mapping of obstacles to address specific deficiencies in the Airport Certification Manual.

Airport management also is developing plans for a security drill at MCE in October or November, working with the Merced Police Department and regional TSA representatives. Airport management also is updating the Emergency Plan for the Airport. The revised draft is being circulated to the Merced Fire Department and Merced Police Department for review and comment prior to submission to the FAA for approval.

## CAPITAL PROJECTS AND CONSTRUCTION

Grant 21, Wildlife Hazard Assessment Study was approved and funded by the FAA. The Wildlife Hazard Assessment was submitted to the FAA Part 139 Certification inspector in September and airport is awaiting formal response as to potential further action.

A pavement assessment grant proposal included in the Airport Capital Improvement Plan and prepared by airport consultant, RS&H was granted in late September.

Visit the Merced Regional Airport website at [www.flymercedairport.com](http://www.flymercedairport.com)

Airport management in consultation with RS&H is revising the five-year Airport Capital Improvement Plan (ACIP) proposal for submission to the FAA Airports District Office. A preliminary discussion will take place during October 2015, with the leadership team of the FAA San Francisco Airports District Office.

Airport Management also is continuing to develop plans and budget estimates for a slate of improvements and upgrades to the Merced Regional Airport Terminal to accommodate anticipated increased passenger numbers. City approval will be sought, as appropriate.

To: Regional Airport Authority  
From: Janet E. Young, Interim Airport Manager  
Date: October 14, 2015  
**Re: Possible Incompatible Land Use Activity**

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Discussion as desired by authority members.

To: Regional Airport Authority  
From: Janet E. Young, Interim Airport Manager  
Date: October 14, 2015  
**Re: Other Business from the Authority**

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Discussion as desired by authority members.