



**SANTA MARIA PUBLIC AIRPORT DISTRICT  
BOARD OF DIRECTORS**

**Thursday  
July 27, 2023**

**Administration Building  
Airport Boardroom  
6:00 P.M.**

**REGULAR MEETING  
A G E N D A**

*This agenda is prepared and posted pursuant to the requirements of the California Government Code Section 54954.2. By listing a topic on this agenda, the Santa Maria Public Airport District has expressed its intent to discuss and act on each item. The Santa Maria Public Airport District welcomes orderly participation at its meetings from all members of the public. This includes assistance under the Americans with Disabilities Act to provide an equally effective opportunity for individuals with a disability to participate in and benefit from District activities. To request assistance with disability accommodation, please call (805) 922-1726. Notification at least 48 hours prior to the meeting would enable the Santa Maria Public Airport District to make reasonable arrangements to ensure accessibility to this meeting.*

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL: Moreno, Adams, Baskett, Clayton, Brown**

**1. MINUTES OF THE REGULAR MEETING HELD JULY 13, 2023**

**2. COMMITTEE REPORT(S):**

- a) AVIATION SUPPORT & PLANNING (Standing or Ad Hoc)
- b) ADMINISTRATION & FINANCIAL (Standing or Ad Hoc)
- c) MARKETING & PROMOTIONS (Standing or Ad Hoc)
- d) CITY & COUNTY LIAISON
- e) STATE & FEDERAL LIAISON
- f) VANDENBERG LIAISON
- g) BUSINESS PARK COMMITTEE (Ad Hoc)

**3. GENERAL MANAGER'S REPORT**

**4. MANAGER OF FINANCE & ADMINISTRATION REPORT**

- a) Demand Register
- b) Budget to Actual
- c) Financial Statements
- d) Budget Deviation

5. **PUBLIC SESSION:** Statements from the floor will be heard during public session. Request to Speak forms are provided for those wishing to address the board. After completing the form, please give it to the Clerk. Requests requiring board action will be referred to staff and brought on the next appropriate agenda. Members of the public are cordially invited to speak on agenda items as they occur. Staff reports covering agenda items are available for review in the offices of the General Manager on the Tuesday prior to each meeting. The Board will establish a time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.
6. **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE A CONSENT OF LESSOR BETWEEN MAHONEY LEASING, LLC AND VALLEY FARMS, INC.**
7. **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE A CONSENT OF LESSOR BETWEEN MAHONEY LEASING, LLC AND DURANT HARVESTING, INC AND DESTINY FARMS, LLC.**
8. **REVIEW AND APPROVAL OF THE FINAL PLANS FOR PLANES OF FAME AIR MUSEUM.**
9. **REVIEW AND APPROVE BUDGET FOR TWO DIRECTORS TO ATTEND THE COUNTER-UAS SUMMIT TO BE HELD AUGUST 15<sup>TH</sup>-16<sup>TH</sup>, 2023, IN OLD TOWN ALEXANDRIA, VA.**
10. **AUTHORIZATION FOR TOM WIDROE TO ATTEND THE NATIONAL BUSINESS AVIATION ASSOCIATION CONVENTION TO BE HELD OCTOBER 17<sup>TH</sup>-19<sup>TH</sup>, 2023, IN LAS VEGAS, NV FOR CUSTOMS MARKETING.**
11. **CLOSED SESSION.** The Board will hold a Closed Session to discuss the following item(s):
  - a) **Conference with Legal Counsel-Anticipated Litigation (Paragraph (2) or (3) of subdivision (d) of Gov. Code Section 54956.9) Significant exposure to litigation: (One case).**
12. **DIRECTORS' COMMENTS.**
13. **ADJOURNMENT.**

MINUTES OF THE REGULAR BOARD  
MEETING OF THE BOARD OF DIRECTORS  
OF THE SANTA MARIA PUBLIC AIRPORT  
DISTRICT HELD JULY 13, 2023

The Board of Directors of the Santa Maria Public Airport District held a Regular Meeting at the regular meeting place at 6:00 p.m. Present were Directors Moreno, Adams, Baskett, Clayton, Brown, General Manager Pehl, Manager of Finance & Administration Reade and District Counsel George.

1. MINUTES OF THE REGULAR MEETING HELD June 22, 2023. Director Baskett made a Motion to approve the minutes of the regular meeting held June 22, 2023. Director Clayton Seconded and it was carried by a 5-0 vote.
2. COMMITTEE REPORT(S):
  - a) AVIATION SUPPORT & PLANNING (Standing or Ad Hoc) – No meeting scheduled.
  - b) ADMINISTRATION & FINANCIAL (Standing or Ad Hoc) – No meeting scheduled.
  - c) MARKETING & PROMOTIONS (Standing or Ad Hoc) – No meeting scheduled.
  - d) CITY & COUNTY LIAISON – No meeting scheduled.
  - e) STATE & FEDERAL LIAISON – No meeting scheduled.
  - f) VANDENBERG LIAISON – No meeting scheduled.
  - g) BUSINESS PARK COMMITTEE (Ad Hoc) – The committee met to discuss Pioneer Park.
3. GENERAL MANAGER'S REPORT. General Manager Pehl notified the Board that he and Ms. Reade will be out of the office attending the S.W.A.A.E. Summer Conference in two weeks. He also attended a series of meetings with Planes of Fame discussing their project and AirFest.
4. The Manager of Finance & Administration presented the Demand Register to the Board for review and approval.
  - a) Demand Register. The Demand Register, covering warrants 071677 through 071724 in the amount of \$689,297.93, was recommended for approval as presented. Director Baskett made a Motion to accept the Demand Register as presented. Director Adams Seconded and it was carried by a 5-0 vote.
5. PUBLIC SESSION: Statements from the floor will be heard during public session. Request to Speak forms are provided for those wishing to address the board. After completing the form, please give it to the Clerk. Requests requiring board action will be referred to staff and brought on the next appropriate agenda. Members of the public are cordially invited to speak on agenda items as they occur. Staff reports covering agenda items are available for review in the offices of the General Manager on the Tuesday prior to each meeting. The Board has established a three-minute time limit for receipt of

testimony. The board reserves the right to establish further time limits for receipt of testimony.

No one requested to speak.

6. Authorization for one Director and two staff members to attend the Association of California Airports Annual Conference to be held September 12<sup>th</sup>-15<sup>th</sup>, 2023, in South Lake Tahoe, CA. Director Baskett made a Motion to approve. Director Adams Seconded and it was carried by a 5-0 vote.

7. Discussion and direction to staff regarding a hangar wait list application from David Baskett.

David Baskett, as a member of the public, voiced his concerns regarding Director Brown's participation in his eviction. Mr. Baskett filed a lawsuit against the District as a result of his eviction. He stated the lawsuit has caused unjustified cost to the airport. Mr. Baskett would like to see the District work on infrastructure instead of his eviction lawsuit. He asked for a Motion to stop the eviction and restore the hangar lease in his name.

Tom Gibbons, a member of the public, asked the Board to go into further details on the agenda items. He defined bankruptcy as a chance to give debtors a fresh start and would like the airport to produce revenue.

Director Adams made a Motion for the Board to vote on the potential approval of Director Baskett to be placed on the hangar wait list. Director Brown Seconded and it was carried by the following roll call vote. Directors Moreno, Adams, and Brown voted "No". Director Clayton voted "Yes", and Director Baskett abstained.

8. Authorization for the President and Secretary to execute the First Amendment of Lease Agreement between the District and the United States of America for the office space leased for the Transportation Security Administration located at 3249 Terminal Drive, Santa Maria, CA 93455. Director Brown made a Motion to approve. Director Baskett Seconded and it was carried by a 5-0 vote.

9. Discussion and direction to staff regarding one staff member and one Director to attend the Counter-UAS Summit to be held August 15<sup>th</sup> – 16<sup>th</sup>, 2023, in Old Town Alexandria, VA. Director Baskett made a Motion to attend, Director Clayton Seconded and it was carried by the following roll call vote. Directors Moreno, Baskett, and Clayton voted "Yes". Directors Brown and Adams voted "No".

RECESS: At 6:28 p.m.

Return to OPEN SESSION: At 6:36 p.m. The Board and staff reconvened to Open Session.

10. CLOSED SESSION. At 6:36 p.m. the Board went into Closed Session to discuss the following item(s):

- a) Conference with Legal Counsel-Anticipated Litigation (Paragraph (2) or (3) of subdivision (d) of Gov. Code Section 54956.9) Significant exposure to litigation: (One case).



- b) Conference with Legal Counsel-Existing Litigation pursuant to Paragraph (1) of subdivision (d) of Section 54956.9-Baskett v. SMPAD, United States Bankruptcy Court Central District of California – Northern Division Case No. 9:22-bk-10011-RC.

At 7:09 pm., the Board and staff reconvened to Open Public Session.

No reportable actions.

- 11. DIRECTORS' COMMENTS: Directors Moreno, Adams, and Clayton had no comment.

Director Brown stated that he has never called Director Baskett any names or cussed in the public forum. He has not started any legal action that has cost the District.

Director Baskett reiterated his belief on drone defense and knowing how to protect the airport. He asked for an update on the energy RFP. He would like to see phase two of the owner build hangars.

- 12. ADJOURNMENT. Director Moreno asked for a Motion to adjourn to a Regular Meeting to be held on July 27, 2023, at 6:00 p.m. at the regular meeting place. Director Adams made that Motion, Director Clayton Seconded and it was carried by a 5-0 vote.

#### ORDER OF ADJOURNMENT

This Regular Meeting of the Board of Directors of the Santa Maria Public Airport District is hereby adjourned at 7:11 p.m. on July 13, 2023.

\_\_\_\_\_  
Ignacio Moreno, President

\_\_\_\_\_  
David Baskett, Secretary

2023-2024

**DEMAND REGISTER  
SANTA MARIA PUBLIC AIRPORT DISTRICT**

Full consideration has been received by the Santa Maria Public Airport District for each demand, numbers 071725 to 071777 and electronic payments on Pacific Premier Bank and in the total amount of \$2,382,488.79.

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MARTIN PEHL  
GENERAL MANAGER

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DATE

The undersigned certifies that the attached register of audited demands of the Santa Maria Public Airport District for each demand, numbers 071725 to 071777 and electronic payments on Pacific Premier Bank in the total amount of \$2,382,488.79 has been approved as being in conformity with the budget approved by the Santa Maria Public Airport District and funds are available for their payment.

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VERONEKA READE  
MANAGER OF FINANCE AND ADMINISTRATION

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DATE

THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT APPROVED PAYMENT OF THE ATTACHED WARRANTS AT THE MEETING OF JULY 27, 2023.

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DAVID BASKETT  
SECRETARY

**Santa Maria Public Airport District**

**Demand Register**

Check Number	Check Date	Vendor Name	Check Amount	Description
* 71725	7/19/2023	Adams, Chuck	\$500.00	Director's Fees
* 71726	7/19/2023	Adamski Moroski	\$8,683.50	Legal Counsel Services
* 71727	7/19/2023	American Industrial Supply	\$298.58	Shop Supplies
* 71728	7/19/2023	Architect's Consulting Service	\$1,785.00	Hangar 3001 Roof Replacement
* 71729	7/19/2023	AT&T	\$44.86	Telephone Service
* 71730	7/19/2023	Bomar Security & Investigation	\$5,122.88	Security Service
* 71731	7/19/2023	Boyer's Diesel	\$815.00	Vehicle Maintenance
* 71732	7/19/2023	Brayton's Power Wash & Sweep	\$500.00	Street Sweeping
* 71733	7/19/2023	Brown, Steve	\$500.00	Director's Fees
* 71734	7/19/2023	CARR'S BOOTS	\$543.47	Safety Boots
* 71735	7/19/2023	Consolidated Electrical Distributors, Inc.	\$168.07	Building Maintenance - FBO
* 71736	7/19/2023	City of Guadalupe	\$19,656.80	Security Service/LEO
* 71737	7/19/2023	City of Santa Maria	\$413.60	Construction Meter Fees
* 71738	7/19/2023	Clark Pest Control	\$2,516.00	Weed/Wildlife Abatement
* 71739	7/19/2023	Comcast	\$1,304.15	Cable/Internet/Digital Voice
* 71740	7/19/2023	Comcast Business	\$2,205.77	Internet Service
* 71741	7/19/2023	Econ Alliance	\$5,000.00	Annual Support/Membership Fees
* 71742	7/19/2023	Frontier Communications	\$233.97	Telephone Service
* 71743	7/19/2023	Hayward Lumber Company	\$65.24	Shop Supplies
* 71744	7/19/2023	Interstate Batteries	\$158.72	Vehicle Maintenance
* 71745	7/19/2023	J B Dewar, Inc	\$4,931.74	Unleaded/Diesel Fuel
* 71746	7/19/2023	J.D. Humann Landscape Contr.	\$5,369.29	Terminal Landscaping and Maintenance
* 71747	7/19/2023	Letters, Inc.	\$56.00	Car Wash
* 71748	7/19/2023	Limotta Internet Technologies	\$3,780.00	Network Security Services
* 71749	7/19/2023	Mead & Hunt, Inc.	\$7,397.45	Airport Consulting Service
* 71750	7/19/2023	Mission Linen Service	\$782.05	Uniform Service
* 71751	7/19/2023	Pacific Telemanagement Services	\$303.00	Pay Phone Svs - Terminal
* 71752	7/19/2023	Pathpoint	\$1,747.54	Airport Maintenance Svc - Window Cleaning
* 71753	7/19/2023	Playnetwork, Inc.	\$95.85	Audio/Video Media Services
* 71754	7/19/2023	RRM Design Group	\$8,971.25	Parcel Rezoning/ Plan Amendment
* 71755	7/19/2023	Service Star	\$25,084.35	Janitorial Service
* 71756	7/19/2023	Sign Creations	\$41.87	Signs - Terminal
* 71757	7/19/2023	SM Valley Chamber of Commerce	\$9,000.00	Chairman Membership & Sponsorship
* 71758	7/19/2023	South Coast Emergency Vehicle Services	\$457.73	Vehicle Maintenance
* 71759	7/19/2023	Tartaglia Engineering	\$163,965.71	Taxiway Rehabilitation
* 71760	7/19/2023	Tri-Counties Plant Service	\$275.00	Interior Plant Service - Terminal
* 71761	7/19/2023	Ultrex Business Solutions	\$17.01	Equipment Lease - Usage Charge
* 71762	7/19/2023	U.S. Dept. of Agriculture	\$649.91	Wildlife Abatement Program
* 71763	7/19/2023	The Widroe Group, Inc.	\$18,000.00	Consulting Services
* 71764	7/19/2023	Zee Medical Service Company	\$497.09	First Aid
* 71765	7/19/2023	David K. Wolff Environmental, LLC	\$3,915.00	Environmental Consulting
* 71766	7/19/2023	Baskett, David	\$300.00	Director's Fees
* 71767	7/19/2023	Gsolutionz, Inc.	\$653.17	GPS Cloud Services
* 71768	7/19/2023	Ravatt Albrecht & Associates	\$4,197.15	SMX Customs Building Remodel
* 71769	7/19/2023	Digital West	\$950.65	Network Services - Terminal
* 71770	7/19/2023	Moreno, Ignacio	\$300.00	Director's Fees
* 71771	7/19/2023	Moreno, Ignacio - Reimbursements	\$143.00	EAA AirVenture Tickets

**Santa Maria Public Airport District**

**Demand Register**

Check Number	Check Date	Vendor Name	Check Amount	Description
* 71772	7/19/2023	Granite Construction	\$1,978,616.55	Taxiway Rehabilitation
* 71773	7/19/2023	Roux Associates, Inc.	\$25,286.30	Consulting Services
* 71774	7/19/2023	Bagnard, James	\$282.00	Tenant Refund
* 71775	7/19/2023	Hurte, Wayne	\$250.00	Tenant Refund
* 71776	7/19/2023	Kim Kolb Estate	\$121.00	Tenant Refund
* 71777	7/19/2023	Payne, Jon	\$26.00	Tenant Refund
		Subtotal	<u>\$2,316,979.27</u>	
ACH	7/11/2023	CalPers	\$15,773.65	Employee Health Insurance
ACH	7/11/2023	Umpqua Bank	\$166.15	Credit Card Fees
ACH	7/13/2023	Pacific Premier Bank	\$173.17	Analysis Activity
ACH	7/13/2023	Ready Refresh	\$68.44	Water Delivery
ACH	7/14/2023	PG&E	\$1,121.36	Terminal/Admin/Hangar Electricity
ACH	7/17/2023	The Gas Company	\$465.64	Utilities - Gas
ACH	7/18/2023	CalPers	\$6,137.74	Employee Retirement
ACH	7/20/2023	Empower Retirement	\$5,332.09	Employee Paid Retirement
ACH	7/20/2023	Paychex	\$28,213.08	Payroll
ACH	7/20/2023	Paychex	\$7,856.65	Payroll Taxes
ACH	7/21/2023	Paychex	\$201.55	Paychex Invoice
		Subtotal	<u>\$65,509.52</u>	
		Total	<u><u>\$2,382,488.79</u></u>	

**Santa Maria Public Airport District**

**Budget vs. Actual - YTD**

As of June 30, 2023

	<u>YTD</u>	<u>YTD BUD</u>	<u>VARIANCE</u>	<u>% VARIANCE</u>
61000-Landing fees	25,471.02	90,000.00	(64,528.98)	(71.7 %)
61100-Tiedowns	25,683.50	27,100.00	(1,416.50)	(5.2 %)
61200-Fuel Flowage Fees	87,700.74	82,600.00	5,100.74	6.2 %
62000-T-Hangar	434,543.00	436,800.00	(2,257.00)	(.5 %)
62100-Corporate Hangar	294,433.00	282,000.00	12,433.00	4.4 %
62200-Owner Build Hangar	19,788.00	19,800.00	(12.00)	(.1 %)
63000-T-Hangar Storage	32,508.00	32,600.00	(92.00)	(.3 %)
64100-Main Hangar	130,752.00	130,700.00	52.00	.0 %
64200-Commercial Aviation	406,020.57	369,300.00	36,720.57	9.9 %
64300-Land Lease - Commercial Aviation	98,532.00	170,700.00	(72,168.00)	(42.3 %)
65000-Car Rental	209,562.51	179,300.00	30,262.51	16.9 %
65100-Terminal Space Lease	166,071.67	160,200.00	5,871.67	3.7 %
66100-Agricultural Lease	1,084,154.16	1,073,700.00	10,454.16	1.0 %
66200-Non Aviation Land Leases	414,624.95	334,800.00	79,824.95	23.8 %
66300-Cell Tower Lease	60,600.00	61,400.00	(800.00)	(1.3 %)
66400-Mobile Home Parks	506,001.51	511,156.00	(5,154.49)	(1.0 %)
67000-Administrative Income	14,434.00	44,800.00	(30,366.00)	(67.8 %)
67200-Cares Grant	242,115.58	220,000.00	22,115.58	10.1 %
67205-BIL Grant	0.00	680,000.00	(680,000.00)	(100.0 %)
67210-Leo Reimbursement	3,480.00	12,900.00	(9,420.00)	(73.0 %)
68100-Airfest Ticket Sales	236,055.17	280,000.00	(43,944.83)	(15.7 %)
68150-Airfest Vendor Revenue	13,760.33	8,000.00	5,760.33	72.0 %
68200-Airfest Sponsorship	155,900.00	180,000.00	(24,100.00)	(13.4 %)
69100-Interest and Investment Earnings	125,464.76	24,400.00	101,064.76	414.2 %
69106-Land Sale	1,165,326.71	0.00	1,165,326.71	.0 %
69110-AIP Reimbursement	1,359,319.00	9,014,600.00	(7,655,281.00)	(84.9 %)
69120-PFC Revenue	59,321.02	73,000.00	(13,678.98)	(18.7 %)
69200-Tax Revenues	2,166,058.91	1,952,500.00	213,558.91	10.9 %
<b>Total Income</b>	<b>9,537,682.11</b>	<b>16,452,356.00</b>	<b>(6,914,673.89)</b>	<b>(42.0 %)</b>
80000-G&A	13,813.84	13,890.00	(76.16)	(.5 %)
80001-MHP - Maintenance	26,978.35	30,020.00	(3,041.65)	(10.1 %)
80002-MHP - MHP Liability Insurance	11,203.95	11,204.00	(0.05)	.0 %
80003-MHP - Property Management	25,850.00	28,200.00	(2,350.00)	(8.3 %)
80004-MHP - Salaries/ Employee Related Expenses	110,995.45	108,521.00	2,474.45	2.3 %
80005-MHP - Utilities	198,132.30	173,220.00	24,912.30	14.4 %
80100-Salaries- Administration	436,699.73	470,300.00	(33,600.27)	(7.1 %)
80101-Salaries - Maintenance & Operations	467,571.38	471,500.00	(3,928.62)	(.8 %)
80102-Employee Benefits - Other	56,066.15	65,500.00	(9,433.85)	(14.4 %)
80104-Employee Benefits - Medical	246,308.39	253,500.00	(7,191.61)	(2.8 %)
80105-Medicare Tax	15,226.28	14,100.00	1,126.28	8.0 %
80106-PERS Retirement	290,904.50	288,300.00	2,604.50	.9 %
81000-ARFF Services	673,422.00	900,000.00	(226,578.00)	(25.2 %)
81100-Electricity	190,083.95	187,000.00	3,083.95	1.6 %
81200-Natural Gas	15,598.78	11,300.00	4,298.78	38.0 %
81300-Water	68,071.45	72,900.00	(4,828.55)	(6.6 %)
81600-Communications	18,997.19	18,213.00	784.19	4.3 %
81601-Communications - Alarm	14,338.76	13,300.00	1,038.76	7.8 %
81602-Communications - Wireless	16,352.17	19,200.00	(2,847.83)	(14.8 %)
81603-Communications - Access Control	1,237.85	1,000.00	237.85	23.8 %
82400-Supplies Office	52,821.67	65,000.00	(12,178.33)	(18.7 %)
82410-Supplies Shop	41,005.71	42,000.00	(994.29)	(2.4 %)
82500-Fuel Expense	43,888.54	44,000.00	(111.46)	(.3 %)
83000-Maintenance - Misc	17,968.08	16,900.00	1,068.08	6.3 %
83001-Maintenance - Lighting	25,403.21	22,500.00	2,903.21	12.9 %
83002-Maintenance - Generator	12,905.01	12,965.00	(59.99)	(.5 %)
83003-Maintenance - Pavement	25,015.84	44,600.00	(19,584.16)	(43.9 %)
83004-Maintenance - Weed/Wildlife	51,044.37	51,270.00	(225.63)	(.4 %)
83005-Maintenance - Fencing & Gates	10,783.49	17,000.00	(6,216.51)	(36.6 %)

83006-Maintenance - Building	129,485.11	90,000.00	39,485.11	43.9 %
83007-Maintenance - Fire Alarm	7,486.57	22,500.00	(15,013.43)	(66.7 %)
83008-Maintenance - Drainage	9,152.89	7,500.00	1,652.89	22.0 %
83100-Signs	52,337.95	23,000.00	29,337.95	127.6 %
84000-Equipment Lease	10,523.87	9,900.00	623.87	6.3 %
84500-Janitorial	137,759.03	125,900.00	11,859.03	9.4 %
84700-Landscaping	194,609.65	74,200.00	120,409.65	162.3 %
85000-Vehicle Maintenance	51,390.80	52,509.00	(1,118.20)	(2.1 %)
85400-Dues and Membership	75,695.67	71,400.00	4,295.67	6.0 %
86000-Advertising	91,219.01	100,790.00	(9,570.99)	(9.5 %)
86001-Consulting - Admin	463,245.42	440,380.00	22,865.42	5.2 %
86002-Consulting Professional	354,074.86	454,458.00	(100,383.14)	(22.1 %)
86003-Consulting - Legal	300,555.40	272,134.00	28,421.40	10.4 %
86004-Consulting - Security	431,949.49	428,800.00	3,149.49	.7 %
86005-Bank Fees	19,249.50	25,000.00	(5,750.50)	(23.0 %)
86015-Depreciation - Hangar Area	72,894.81	92,178.00	(19,283.19)	(20.9 %)
86020-Depreciation - Owner Build	1,735.06	0.00	1,735.06	.0 %
86025-Depreciation - Landing Area	1,460,377.94	1,525,000.00	(64,622.06)	(4.2 %)
86035-Depreciation - FBO	30,224.47	37,000.00	(6,775.53)	(18.3 %)
86045-Depreciation - Revenue Gen Land	246,617.14	236,000.00	10,617.14	4.5 %
86055- Depreciation - Terminal Area	389,859.51	383,000.00	6,859.51	1.8 %
86100-Depreciation - Administration	207,239.30	205,000.00	2,239.30	1.1 %
86200-Insurance	384,413.20	350,500.00	33,913.20	9.7 %
86500-Permits	11,028.50	11,300.00	(271.50)	(2.4 %)
86600-Education and Recognition	18,191.27	21,400.00	(3,208.73)	(15.0 %)
86700-Business Travel	71,636.40	83,700.00	(12,063.60)	(14.4 %)
86800-Fire Fighting Training	0.00	47,500.00	(47,500.00)	(100.0 %)
86900-Election Expense	24,191.46	24,191.00	0.46	.0 %
87010-Real Estate Commission	108,234.27	108,234.00	0.27	.0 %
87025-Rent Credit	10,416.00	10,363.00	53.00	.5 %
88001-Airfest Expense - Performers	118,504.43	118,504.00	0.43	.0 %
88002-Airfest Expense - Gala/VIP Tent	162,260.16	162,260.00	0.16	.0 %
88003-Airfest Expense Insurance	7,921.00	7,921.00	0.00	.0 %
88004-Airfest Marketing	93,859.60	93,860.00	(0.40)	.0 %
88005-Airfest Expense - Lodging	69,890.27	69,890.00	0.27	.0 %
88007-Airfest Expense - Rental Cars	10,146.23	10,146.00	0.23	.0 %
88008-Airfest Expense - Safety & Security	122,983.19	122,983.00	0.19	.0 %
88009-Airfest Expenses- Miscellaneous	17,554.89	17,555.00	(0.11)	.0 %
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	9,147,602.71	9,404,359.00	(256,756.29)	(2.7 %)
	<hr/>	<hr/>	<hr/>	<hr/>
Net Income	390,079.40	7,047,997.00	(6,657,917.60)	(39.3 %)
	<hr/>	<hr/>	<hr/>	<hr/>

**Santa Maria Public Airport District**  
**Profit & Loss**  
**As of June 30, 2023**

	YTD	PTD	PTD AVG	% AVG/PTD
Revenues from Operations				
Landing Area				
Landing fees and tiedowns	51,154.52	2,791.50	4,262.88	152.7 %
Fuel flowage fees	87,700.74	8,612.76	7,308.40	84.9 %
Subtotal	138,855.26	11,404.26	11,571.28	101.5 %
Hangar area				
T-Hangar	434,543.00	37,057.00	36,211.92	97.7 %
Corporate T-Hangars	294,433.00	25,102.00	24,536.08	97.7 %
T-Hangar Storage Units	32,508.00	2,710.00	2,709.00	100.0 %
Owner Build Hangars	19,788.00	1,649.00	1,649.00	100.0 %
Subtotal	781,272.00	66,518.00	65,106.00	97.9 %
FBO Area				
Main Hangar	130,752.00	10,896.00	10,896.00	100.0 %
Commercial Hangars	406,020.57	30,696.44	33,835.05	110.2 %
Land Leases	98,532.00	8,211.00	8,211.00	100.0 %
Subtotal	635,304.57	49,803.44	52,942.05	106.3 %
Terminal Area				
Car Rental	209,562.51	20,213.16	17,463.54	86.4 %
Terminal Space Lease	166,071.67	13,688.71	13,839.31	101.1 %
TSA LEO Reimbursement	3,480.00	0.00	290.00	
Subtotal	379,114.18	33,901.87	31,592.85	93.2 %
Revenue generating land				
Land Lease Recreational	414,624.95	37,429.50	34,552.08	92.3 %
Agricultural Leases	1,084,154.16	92,531.91	90,346.18	97.6 %
Airport Business Park	60,600.00	5,050.00	5,050.00	100.0 %
Airport Hotel	14,434.00	2,220.00	1,202.83	54.2 %
Airport Mobile Home Park	506,001.51	31,000.00	42,166.79	136.0 %
Subtotal	2,079,814.62	168,231.41	173,317.88	103.0 %
Airfest				
Airfest Ticket Sales	236,055.17	0.00	19,671.26	
Airfest Vendors	13,760.33	0.00	1,146.69	
Airfest Sponsorship	155,900.00	0.00	12,991.67	
Subtotal	405,715.50	0.00	33,809.62	
Administrative				
Cares Grant Revenue	242,115.58	0.00	20,176.30	
Subtotal	242,115.58	0.00	20,176.30	
Total Revenue from operations	4,662,191.71	329,858.98	388,515.98	117.8 %

**Santa Maria Public Airport District**  
**Profit & Loss**  
**As of June 30, 2023**

	YTD	PTD	PTD AVG	% AVG/PTD
<b>Operating Expenses:</b>				
Landing Area	312,146.66	4,826.58	26,012.22	538.9 %
Hangar Area	75,336.84	5,187.06	6,278.07	121.0 %
FBO Area	118,169.47	40,951.31	9,847.46	24.0 %
Terminal Area	453,953.78	61,226.76	37,829.48	61.8 %
Revenue generating land	473,629.19	6,163.11	39,469.10	640.4 %
Salaries and Benefits	1,472,815.92	139,084.67	122,734.66	88.2 %
Utilities	82,393.38	7,415.35	6,866.12	92.6 %
Supplies	133,299.07	8,451.00	11,108.26	131.4 %
Maintenance and Repairs	92,191.05	5,392.83	7,682.59	142.5 %
Contractual Services	1,022,337.08	68,705.30	85,194.76	124.0 %
Real Estate Commission	108,234.27	0.00	9,019.52	
ARFF Services	673,422.00	0.00	56,118.50	
Security Services	431,949.49	73,632.74	35,995.79	48.9 %
Dues and Subscriptions	75,695.67	0.00	6,307.97	
Advertising	91,219.01	1,601.35	7,601.58	474.7 %
Depreciation	2,408,948.23	598,845.26	200,745.69	33.5 %
Insurance	384,413.20	94,386.97	32,034.43	33.9 %
Election Expense	24,191.46	0.00	2,015.96	
Business Travel	71,636.40	0.00	5,969.70	
Rent Credit	10,416.00	868.00	868.00	100.0 %
Air Show Expense	603,119.77	0.00	50,259.98	
Other Miscellaneous Expense	28,084.77	1,395.00	2,340.40	167.8 %
<b>Total Expenses</b>	<b>9,147,602.71</b>	<b>1,118,133.29</b>	<b>762,300.24</b>	<b>68.2 %</b>
<b>Operating income (loss)</b>	<b>(4,485,411.00)</b>	<b>(788,274.31)</b>	<b>(373,784.26)</b>	<b>47.4 %</b>
<b>Non-Operating Revenues (Expenses):</b>				
PFC Revenue	59,321.02	0.00	4,943.42	
Interest Income	125,464.76	67.20	10,455.40	15558.6 %
Tax Revenues	2,166,058.91	148,907.26	180,504.91	121.2 %
AIP Reimbursement	1,359,319.00	64,685.00	113,276.58	175.1 %
Gain on Land Sale	1,165,326.71	0.00	97,110.56	
<b>Total non-operating rev (exp)</b>	<b>4,875,490.40</b>	<b>213,659.46</b>	<b>406,290.87</b>	<b>190.2 %</b>
<b>Net Income</b>	<b>390,079.40</b>	<b>(574,614.85)</b>	<b>32,506.61</b>	<b>(5.7) %</b>



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Current Assets:	
Cash and cash equivalents	8,722,607
Restricted - cash and cash equivalents	1,559,251
Certificate-of-deposit	8,000
Accounts receivable - customers and tenants, net	(57,943)
Prepaid expenses and deposits	525,156
	<hr/>
Total current assets	10,757,072
	<hr/>
Non-current assets:	
Note receivable	166,218
Interest Receivable	0
Capital assets, not being depreciated	6,394,132
Depreciable capital assets	18,360,061
Deferred other post-employment benefits outflows	77,902
Deferred pension outflows	445,936
	<hr/>
Total non-current assets	25,444,249
	<hr/>
Total assets	36,201,322
	<hr/>
Current Liabilities:	
Accounts payable and accrued expenses	1,499,276
Accrued wages and related payables	9,721
Unearned Revenue (customer prepaid)	0
Hangar and other deposits	114,313
Long-term liabilities - due in one year:	
Compensated absences	29,965
Land improvements payable	15,816
	<hr/>
Total current liabilities	1,669,091
	<hr/>
Long-term liabilities - due in more than one year	
Compensated absences	89,895
Land improvements payable	89,624
Total other post-employment benefits liability	373,325
Net pension liability	2,056,379
Deferred pension inflows	92,912
	<hr/>
Total long term liabilities	2,702,135
	<hr/>
Total Liabilities	4,371,226
	<hr/>
Net position:	
Retained Earnings	34,086,476
Change in Net Position	390,144
	<hr/>
Total net position	34,476,620
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Total liabilities and net position	38,847,847
	<hr/>



**MEMORANDUM**

Santa Maria Public Airport District                      July 27, 2023

TO:            Board of Directors

FROM:        Manager of Finance and Administration

SUBJECT:     Budget Deviation #2 for 2022-2023 Budget

It is recommended that the 2022 - 2023 Budget be amended to include the following changes:

Expenses	Proposed Budget Amount	Current Budget Amount	Increase/ (Decrease)
1.) 84700      Landscaping	194,610	74,200	120,410
2.) 83006      Maintenance Building	129,485	90,000	39,485
3.) 86200      Insurance	384,413	350,500	33,913
4.) 83100      Signs	52,338	23,000	29,338
5.) 86003      Consulting Legal	300,555	272,134	28,421
6.) 80005      MHP - Utilities	198,132	173,220	24,912
7.) 86001      Consulting Admin	463,245	440,380	22,865
8.) 84500      Janitorial	137,759	125,900	11,859
9.) 81200      Natural Gas	15,599	11,300	4,299
10.) 85400     Dues and Memberships	75,696	71,400	4,296
11.) 86004     Consulting Security	431,949	428,800	3,149
12.) 81100     Electricity	190,084	187,000	3,084
13.) 83001     Maintenance Lighting	25,403	22,500	2,903
14.) 22030     Obstruction Removal	150,000	0	(150,000)
Total	<u>#####</u>	<u>#####</u>	<u>178,935</u>

- 1.)            Reclassification of tree removal from a fixed asset to an expense.
- 2.)            Main Hangar roof repair due to weather related damage.
- 3.)            Additional pollution insurance purchased.
- 4.)            Additional signs required by the FAA.
- 5.)            Additional legal services required due to environmental issues and pending lawsuits.
- 6.)            The majority of this money is a pass through to the District
- 7.)            Several consultants were hired post budget to handle unforeseen environmental and other issues.
- 8.)            Janitorial fees increased post budget preparation
- 9.)            Natural Gas prices increased significantly.
- 10.)          Dues increased over prior year.
- 11.)          Several consultants were hired post budget to handle unforeseen environmental and other issues.
- 12.)          Electricity Costs increased over the prior year.
- 13.)          New LED taxiway lights and baseplates were purchased.
- 14.)          Reclassification of tree removal from a fixed asset to an expense.

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Veroneka Reade, Manager of Finance and Administration

Recommended: \_\_\_\_\_  
Martin Pehl, General Manager

Approved Board Meeting  
of July 27, 2023 \_\_\_\_\_  
Dave Baskett, Secretary

**AIRPORT GROUND SUBLEASE: VALLEY FARMS, INC.**

This airport ground sublease (alternatively, “Sublease” or “Agreement”) is made as of July 1, 2023 at Santa Maria, California by and between Mahoney Leasing, LLC, a California limited liability company (“Tenant”) and Valley Farms, Inc., a California corporation (“Subtenant”). Tenant and Subtenant are sometimes hereinafter referred to jointly as the “Parties” and individually as the “Party.”

**Recitals**

- A. The Santa Maria Public Airport District, a public district of the State of California, by and through its agent’s, employees, officers and directors (“District”) has leased to Tenant certain land (the “Land”) at the Santa Maria Public Airport (“Airport”) in the City of Santa Maria, California, under a lease dated July 27, 2017 (the “Master Lease”), which said Master Lease is attached hereto as **Exhibit A**.
  
- B. Tenant, by this Sublease, intends to sublease to Subtenant a portion of the Land subject to the conditions and provisions of the Master Lease and this Sublease as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

**Agreement**

**1. Subleased Premises.** Tenant hereby subleases to Subtenant, and Subtenant takes and hires from Tenant, approximately 16.79 acres of the Land (hereinafter, alternatively, the “Subleased Premises” or “Premises”) situated in Santa Barbara County, California, the boundaries of which are generally identified in blue highlight on the attached **Exhibit B**, which is incorporated herein by this reference. The Parties hereto acknowledge and agree that they are familiar with the location and boundaries of the Subleased Premises.

By taking possession of the Subleased Premises, Subtenant shall be deemed to represent and warrant to Tenant that Subtenant has inspected the Subleased Premises and has found them to be free of defects of any type, including the presence of hazardous materials.

**1.1. Assumption of Master Lease by Subtenant.** In addition to the terms and covenants in this Sublease, Subtenant hereby expressly assumes and agrees to perform and be bound by all obligations, covenants and conditions to be kept, performed

or observed by Tenant under the Master Lease during the term of this Sublease as such obligations, covenants and conditions apply to the Subleased Premises or the use thereof. *Subtenant acknowledges receipt of a copy of the Master Lease. Subtenant understands that this Sublease is subordinate to the Master Lease and further understands each term and condition enumerated in the Master Lease, including but not limited to all termination provisions, planting restrictions, and other restrictions enumerated in the Master Lease. If any term or condition of this Sublease conflicts with any term or condition of the Master Lease, the terms and conditions of the Master Lease shall control for all purposes. Subtenant specifically agrees to defend and indemnify Tenant, inclusive of attorney's fees, for any breach or alleged breach by Subtenant of any term, provision, or condition of the Master Lease.*

**2. Term.** The term ("Term") of this Sublease shall be for three (3) years, beginning on September 1, 2023 and ending and terminating on August 31, 2026.

### **3. Rental**

**3.1. Payments.** Subtenant agrees to pay as rental for the use and occupation of the Subleased Premises for the first year of this Sublease the sum of \$2,500.00 per acre. Therefore, the total payment for the Subleased Premises for the first year of this Sublease shall be \$41,975.00. Payment of said amount shall be made as follows:

Subtenant shall pay Tenant \$20,987.50 on or before September 1, 2023; and

Subtenant shall pay Tenant \$20,987.50 on or before March 1, 2024.

Further, Subtenant agrees to pay as rental for the use and occupation of the Subleased Premises the sum of \$2,600.00 per acre for the second year of this Sublease. Therefore, the total payment for the Subleased Premises for the second year of this Sublease shall be \$43,654.00. Payment of said amount shall be made as follows:

Subtenant shall pay Tenant \$21,827.00 on or before September 1, 2024; and,

Subtenant shall pay Tenant \$21,827.00 on or before March 1, 2025.

Further, Subtenant agrees to pay as rental for the use and occupation of the Subleased Premises the sum of \$2,700.00 per acre for the last year of this Sublease. Therefore, the total payment for the Subleased Premises for the last year of this Sublease shall be \$45,333.00. Payment of said amount shall be made as follows:

Subtenant shall pay Tenant \$22,666.50 on or before September 1, 2025; and,

Subtenant shall pay Tenant \$22,666.50 on or before March 1, 2026.

**3.2. Late Charge.** Subtenant acknowledges that the late payment by Subtenant of any base rent or additional rent will cause Tenant to incur costs and expenses, the exact amount of which is extremely difficult and impractical to fix. Such costs and expenses will include administration, collection costs, processing and accounting expenses. Therefore, if any base rent or additional rent is not received by Tenant within fifteen (15) calendar days after it is due, Subtenant shall immediately pay to Tenant a late charge equal to five percent (5%) of such delinquent amount. Tenant and Subtenant agree that such late charge represents a reasonable estimate of such costs and expenses and is fair compensation to Tenant for the loss suffered by Subtenant's failure to make timely payment. In no event shall such late charge be deemed to grant to Subtenant a grace period or extension of time within which to pay any rent or prevent Tenant from exercising any right or enforcing any remedy available to Tenant upon Subtenant's failure to pay all rent due under this Sublease in a timely fashion, including the right to terminate this Sublease. All amounts of money payable by Subtenant to Tenant hereunder, if not paid when due, shall bear interest from the date due until paid at the maximum annual interest rate allowed by law for business loans (not primarily for personal, family or household purposes) not exempt from the usury law at such date or, if there is no such maximum annual interest rate, at the rate of fifteen percent (15%) per annum compounded daily.

If any check tendered in payment for any amount due under this Sublease is returned by Tenant's bank for any reason, then, in addition to any late charge which may be due, Subtenant shall pay Tenant a Non-Sufficient Funds charge of \$100.00.

**3.3. Payment Instruction.** All payments of any kind shall be payable in lawful money of the United States of America as follows:

- (a) One half of any and all payments shall be made to Mahoney Leasing, LLC, 5604 Oakhill Drive, Santa Maria, CA 93455, or at such other place, or places, as may be designated by Tenant.
- (b) One half of any and all payments shall be made to the Santa Maria Public Airport District at 3217 Terminal Drive, Santa Maria, CA 93455, or at such other place, or places, as may be designated by District.

**3.4. No Deduction, Abatement, or Offset.** The Subtenant acknowledges that Subtenant is familiar with the Subleased Premises and the sums due pursuant to this Sublease shall be due notwithstanding any variations in the actual acreage of the

Airport Sublease: Valley Farms, Inc.

Subleased Premises as may from time to time occur. Subtenant acknowledges that a portion or portions of the Subleased Premises may not be suitable for Subtenant's purposes and no adjustment in the rent shall occur therefore. All sums due to Tenant shall be paid without offset or deduction notwithstanding such claims that Subtenant may assert against Tenant.

**3.5. Utility Expenses.** To the extent available, all utility expenses necessary for any use of this Subleased Premises shall be paid by Subtenant. Nothing herein shall constitute a guarantee or warranty of any kind that any utility (whether water, electrical, or septic/sewer, or otherwise) is or will be available for Subtenant's use during the term of this Sublease.

**4. Disclaimer of Warranty: Soil Suitability.** Tenant makes no warranty of the soil's suitability for growing crops Subtenant is authorized to grow under this Sublease.

**5. Disclaimer of Warranty: Water Supply.** Tenant cannot and does not guarantee any source of water on the Subleased Premises. Subtenant understands that no water well currently exists on the Subleased Premises and Subtenant shall not construct any water well on the Subleased Premises.

**5.1. Water System Maintenance.** All maintenance of, and service and repairs to, any existing water conveyance structure installed by Subtenant (conveying water from adjacent land) shall be performed by Subtenant at Subtenant's sole cost and expense.

**6. Compliance With 2004 Conditional Waiver Program.** By execution below, Subtenant acknowledges that the Subleased Premises is presently subject to the terms, conditions, and requirements of the 2004 Conditional Waiver of Waste Discharge Requirements for Dischargers from Irrigated Lands (hereinafter, the "2004 Conditional Waiver") adopted by the Regional Water Quality Control Board for the Central Coast Region. Subtenant acknowledges and avers that it has read and is familiar with the terms, conditions, and requirements of the 2004 Conditional Waiver and that amendments to, or renewal or replacement of, the 2004 Conditional Waiver can occur at any time. Subtenant further agrees to comply with the terms, conditions, and requirements of the 2004 Conditional Waiver and any amendments to, or renewal or replacement of the 2004 Conditional Waiver affecting the Subleased Premises and/or Subtenant's use of the Subleased Premises, including, but not limited to the following; any requirement that Subtenant develop and implement a water quality management plan for the Subleased Premises; any requirement that Subtenant use best management practices on the Subleased Premises; any requirement that Subtenant keep, maintain and/or report water quality or other data relating to the Subleased Premises to a regulatory agency or

governmental body or to anyone else; any requirement that Subtenant provide water quality monitoring or other data to Tenant in order for Tenant to comply with reporting or any other requirements imposed on Tenant; any requirement that Subtenant pay fees and/or costs incurred by Central Coast Water Quality Preservation, Inc. or any other entity in providing sampling and/or monitoring or other services to the Subleased Premises; and any requirement that Subtenant pay any fines and/or penalties or other costs or monetary sanctions assessed against the Subleased Premises and/or on account of the Subtenant's use of the Subleased Premises.

On twenty four (24) hour notice from Tenant to Subtenant, Subtenant agrees to provide reasonable access onto the Subleased Premises to Tenant for the purposes of Tenant confirming Subtenant's compliance with all terms, conditions, and requirements of the 2004 Conditional Waiver or any amendments to, or renewal or replacement of, the 2004 Conditional Waiver. Subtenant agrees to provide prompt notice (herein, the term "prompt notice" shall mean notice given within 5 days of receipt by Subtenant) to Tenant of any communication to Subtenant from any regulatory agency or governmental or other body to the effect that Subtenant is in breach or violation of, or potential breach or violation of, any term, condition, or requirement imposed under the 2004 Conditional Waiver or any amendments to, or renewals or replacement of, the 2004 Conditional Waiver.

Subtenant further agrees to fully indemnify, defend, and hold Tenant and District harmless from and against any and all actual damages, costs and expenses (including reasonable attorney's fees) incurred by Tenant or District as a result of Subtenant's failure to comply with any of the terms, conditions, or requirements of the 2004 Conditional Waiver or any amendments to, or renewals or replacement of, the 2004 Conditional Waiver. Subtenant agrees to pay all water quality monitoring fees and/or costs, as well as any fines and/or penalties or other costs or monetary sanctions of any type assessed against the Subleased Premises or against Subtenant during the Term of this Sublease.

**6.1. Indemnity for Water Runoff and Other RWQCB Regulations.**

Subtenant represents and warrants that, should the need arise, Subtenant will work with and comply with all rules, regulations, mandates, or orders promulgated by the Central Coast Regional Water Quality Control Board, Region 3, or any other state or federal regulatory body (hereinafter, collectively, "RWQCB"). Subtenant agrees to retain sole responsibility for all costs and compliance associated with such rules, regulations, mandates and orders. Subtenant further agrees to defend, indemnify (inclusive of attorney's fees), and hold harmless Tenant and District from and against any claim



related to or arising from any matter related to RWQCB, including, but not limited to, claims related to water run-off or water quality, whether groundwater or surface water, whether involving nitrate or any other constituent. Subtenant further agrees to defend, indemnify (inclusive of attorney's fees), and hold harmless Tenant and District from any other claim, whether private or otherwise, arising from any water run-off or water quality issue, whether agricultural or otherwise, arising from or related to the Subleased Premises.

**6.2. Compliance with Drinking Water Standards: Indemnification.**

Subtenant is notified that the Premises is or may be subject to California Health and Safety Code Section 116270, et. seq. and/or other provisions of the California Health and Safety Code or other law relative to safe water uses, including but not limited to, safe drinking water standards. Subtenant avers that Subtenant has full knowledge of said code section and laws relevant to safe drinking water uses and agrees to comply with all laws, rules, policies, regulations, or other requirements related to drinking water quality standards. Subtenant further agrees to take any and all actions required by any jurisdictional entity to comply with any safe drinking or washing water rules, regulations, or standards, or permitting. Subtenant further agrees to indemnify, save harmless, and defend Tenant, to the fullest extent allowed under California law, for any claims, actions, allegations, or assertion relating to or arising from any water quality law, rule, policy, regulation, requirement, or standard, whether concerning safe drinking water or otherwise, made by any public entity, private entity, governmental entity or any other person or persons, entity or otherwise, with the exception of Tenant, or any agent, employee, or invitee of Tenant.

**6.3. Proposition 65 Warning.** Subtenant is advised that the Premises may contain chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm. These chemicals may be contained in emissions and fumes from building materials, products and materials used, or have been used, to maintain the Premises, and emissions and fumes from a variety of sources and activities, including the activities of previous tenants.

**6.4. General Maintenance of Premises.** Subtenant shall have no duty or obligation to maintain the Premises or any other improvements thereon except as otherwise specifically provided in this Agreement. Subtenant hereby expressly waives the benefits of California Civil Code Sections 1932(2), 1933(4), 1941 and 1942, any iterations thereof, and any and all other statutes or laws inconsistent with the terms hereof, permitting a tenant to make repairs at the expense of a landlord or to terminate a lease by reason of the condition of the premises.

**7. Holding Over.** No holding over the Term of this Sublease, even with the express or implied consent of Tenant, shall be construed as a renewal of the Term. Such holding over shall be considered merely a tenancy at will at a rental amount equal to 150 percent of the last regular annual rental amount prorated on daily basis and subject to all of the terms and conditions of this Sublease and such holding over shall further be terminable at the will of Tenant upon Tenant giving notice, in writing, to Subtenant to vacate the Subleased Premises. In the event of any such holding over, Subtenant hereby expressly waives all rights and privileges conferred by Section 1161 of the Code of Civil Procedure (or any subsequent iteration thereof) and Section 789 of the Civil Code (or any subsequent iteration thereof) of the State of California regarding the automatic renewal of agricultural leases by holding over of possession thereof.

**8. Permitted Uses.** The Subleased Premises are subleased to Subtenant for the purpose of cultivation of row crops and associated activities consistent with this Sublease and for no other purpose, or purposes, unless consented to, in writing, by Tenant.

**9. Acceptance of Premises.** Subtenant, in accepting this Sublease, acknowledges that Subtenant has read it and the Master Lease carefully, and understands them fully, and that Subtenant accepts this Sublease with full knowledge of the condition of the land, fences, roads, water wells, and all other improvements and structures located on the Subleased Premises. Upon the expiration or sooner termination of this Sublease, Subtenant agrees to surrender the Subleased Premises to Tenant in the same or better condition as when received, reasonable wear and tear and damage by fire, the elements, or other causes beyond Subtenant's control, excepted. Tenant makes no warranties not contained in this Sublease concerning the fertility of the soil, the water supply on the Subleased Premises, the condition of the improvements upon the Subleased Premises, or the suitability of the Subleased Premises for agricultural purposes.

**10. Farming Operations.**

**10.1. Relationship.** The relationship between the Parties is that of Tenant and Subtenant and not partners or joint venturers. All farming operations on the Subleased Premises shall be at Subtenant's expense. Further, Subtenant shall not have the right to bind Tenant, the District, or the Subleased land, to any union contract, collective bargaining agreement, or similar agreement, and any such agreement signed by Subtenant shall not be binding upon Tenant, the District, or the Subleased Premises.

**10.2. Assurances: Security Interest.** Subtenant agrees to keep the Subleased Premises free and clear of all liens, or claims of any kind, arising out of Subtenant's operations on the Subleased Premises, or elsewhere, except for security interests or crop

mortgages on the crops to be grown on the Subleased Premises. Tenant shall have and Subtenant shall grant, a security interest in the crops grown on the Subleased Premises and proceeds therefrom to secure payment of the rental and any late charges as described herein. Tenant may file with the appropriate governmental agencies, and Subtenant agrees to execute and to otherwise cooperate in the preparation of any documentation that Tenant deems necessary to perfect and protect its security interest, including, without limitation, UCC Financing statements. Subtenant shall further provide to all brokers and merchants responsible for the packaging, marketing, and sale of Subtenant's crops, written assignments of crop proceeds naming Tenant as assignee. Subtenant shall further ensure that all brokers and marketers shall honor this assignment and execute any and all documents necessary to perfect this assignment.

**10.3. Indemnity and Hold Harmless: Contamination.** Subtenant represents and warrants that all crops grown by Subtenant will be produced using only agricultural materials registered for use under all applicable federal, state, and local laws. Subtenant agrees to comply with all applicable laws in the use, application, and disposal of all such approved materials on the Subleased Premises as well as all environmental conditions, obligations, and restrictions enumerated in the Master Lease. Subtenant further agrees to defend, indemnify (inclusive of attorney's fees), and hold harmless Tenant and District from any claim arising from the use, misuse, application, misapplication, or disposal of any material or product on the Subleased Premises and any similar environmental condition imposed by the Master Lease. Subtenant further agrees to defend, indemnify (inclusive of attorney's fees) and hold harmless Tenant and District for any claims related to contamination which may arise from or relate to Subtenant's presence on and/or use of the Subleased Premises and any breach or alleged breach of any condition enumerated in the Master Lease.

**10.4. Agricultural Practices.** Subtenant agrees that it will undertake agricultural practices which are standard to the agricultural community in Santa Maria, California, including, but not limited to, the following;

**10.4.1. Rodent Control.** Subtenant agrees to use Subtenant's best efforts to eradicate squirrels, gophers and other rodents on the Subleased Premises in a manner consistent with the terms of this Sublease;

**10.4.2. Weed & Rubbish Abatement.** Subtenant agrees to keep the Subleased Premises reasonably free and clear of all noxious and undesirable weeds by using methods approved under federal, state, and/or local laws consistent with the terms of this Sublease.

Airport Sublease: Valley Farms, Inc.

Subtenant further agrees to keep the Subleased Premises free and clean from accumulations of rubbish, waste and the like. Subtenant agrees that any trash, rubbish, debris or yard waste, whether biodegradable or not that exists on the property at the inception of this Sublease, shall not be buried or disposed of in any way on the subject property and that any such waste shall be removed first from the property before any fill materials are placed in areas containing such waste materials;

**10.4.3. Soil Maintenance.** Subtenant further agrees that Subtenant will, at Subtenant's expense, during the Term of this Sublease, maintain the fertility of the soil by the use of fertilizers, crop rotations and other appropriate methods consistent with good farming practices and the terms of this Sublease.

**10.4.4. Soil Removal.** Subtenant further agrees that, during any leveling operations, no soil material shall be removed from the Subleased Premises.

**10.4.5. Irrigation.** Subtenant further agrees to irrigate the Subleased Premises in such a manner so as to prevent water from escaping onto lands of other adjacent landowners or upon public highways in a deleterious manner to the extent feasible.

**10.4.6. Dust Control.** Subtenant shall further use reasonable care and caution in the use of roads and the undertaking of all agriculturally related work on the Subleased Premises so as to prevent dust from damaging crops or property of other landowners to the extent feasible.

**10.4.7. Environmental Compliance.** Subtenant shall not release or permit any hazardous or toxic substances, materials or waste to be deposited or released on or from the Subleased Premises that will constitute a violation of any federal, state or local law, rule or regulation, and Subtenant shall further comply with all applicable environmental laws, rules and regulations in Subtenant's operations on and use of the Subleased Premises, including, but not limited to, laws, rules and regulations associated with air quality.

**10.4.8. Exclusion of Others.** Subtenant further agrees to use all

reasonable efforts to prevent the general public and all unauthorized persons from using the private roads located on the Subleased Premises, including, when necessary or appropriate, filing complaints with authorities for trespass or doing such other things as may be necessary to prevent the acquisition of prescriptive rights to the Subleased Premises. Subtenant shall further not have the right to place the Subleased Premises in any agricultural conservation program, such as the soil bank program of the U. S. Department of Agriculture or any other program under present or future laws or regulations.

**10.4.9. Limitation on Use of Agricultural Chemicals.** Subtenant shall not use any agricultural chemical or similar substance, including any pesticide or herbicide, with a residual life longer than the Term of this Sublease or in such a way as to prevent the use of the soil for other crops of any type following the Term of this Sublease unless Tenant's written consent is first obtained.

**11. Hazardous Materials.** Tenant shall not be liable for any spill, release or deposit of any hazardous or toxic substances, materials or waste, including, but not limited to, chemicals of any kind including any pesticide or herbicide of any kind and in any form, on the Subleased Premises during the Term of this Sublease caused by Subtenant, or attributable to Subtenant's use and occupation of the Subleased Premises, or for any fines or penalties resulting therefrom, or for the cost of cleanup, and Subtenant shall defend and indemnify Tenant and the Subleased Premises for any such loss, costs or damage, including attorneys' fees and shall further defend and indemnify (including attorney's fees) Tenant, the District, and the Subleased Premises for any breach of any environmental condition enumerated in the Master Lease. Furthermore, should soil, crops, or other items on property adjacent to (or in the vicinity of) the Subleased Premises be contaminated or damaged, or alleged to be contaminated or damaged, due to the actions of Subtenant or Subtenant's employees, contractors, subcontractors, or affiliates, whether related to hazardous or toxic substances or otherwise, Subtenant shall be responsible for any and all remediation and other remedies that are required to said adjacent property soil, crops, or other items and shall defend, indemnify (including attorney's fees), and hold Tenant and District harmless from any and all claims arising from or associated with said actual or alleged contamination or damage. Upon the termination or expiration of this Sublease, Subtenant shall remove any toxic or hazardous materials that Subtenant brought on the Subleased Premises and will further clean-up all spills or other releases of toxic or hazardous materials on the Subleased Premises.

**12. Destruction of Improvements.** In the event of destruction of any of the existing improvements by fire, earthquake, windstorm or any other cause, Tenant shall not be obligated to rebuild, reconstruct or repair such improvements. Furthermore, should the soil, crops, or other items on the Subleased Premises be contaminated due to the actions of any third party, whether said third party is employed and/or contracted by Subtenant or not, and whether the contamination occurs as a result of overspray or drift from adjacent operations or not, Subtenant shall be responsible for any and all remediation that is required to return the soil on the Subleased Premises to the same or better condition as when received by Subtenant.

**13. Construction of Improvements.** Subtenant shall not have the right to erect buildings and other improvements on the Subleased Premises.

**14. Compliance with Law.** Subtenant shall comply with all state, county and other governmental laws, rules and regulations now in force, or which may hereafter be in force, pertaining to Subtenant's use and occupation of the Subleased Premises, including all applicable environmental laws, rules and regulations.

**15. Taxes.** Subtenant shall pay before delinquency all taxes, assessments, license fees or public charges, including property taxes, levied or assessed against the Subleased Premises (on a pro-rata basis) and any personal property belonging to Subtenant and located on the Subleased Premises.

**16. Assignment. Subletting. Transfer by Operation of Law.** Subtenant shall not have the right to assign this Sublease or to sublet the Subleased Premises during the Term of this Sublease, without first obtaining Tenant's and the District's written consent. As a condition to said assignment or sublease, any assignee or subtenant shall execute a written document agreeing to be bound by, and comply with, each and every term and condition of this Sublease and the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof), and such written document shall be presented to Tenant and District prior to any such written consent being issued by Tenant or District. Subtenant understands and agrees that any such assignment or sublease shall not relieve Subtenant of its duties and obligations under this Sublease or the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof), that Subtenant shall continue to be responsible for compliance with each and every term and condition of this Sublease and the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof), and that, should any such assignee or subtenant fail to comply with any term or condition of this Sublease or the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased

Premises or the use thereof), Subtenant agrees to immediately take any and all action or actions required to be performed under this Sublease or the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof). In the event of any breach of any provision of this Sublease or the Master Lease by any assignee or subtenant, Subtenant agrees and understands that Subtenant shall be jointly and severally liable for any such breach. It is further agreed that in the event of the bankruptcy or insolvency by the Subtenant or any assignee or subtenant, this Sublease shall not be considered an asset in bankruptcy and Tenant shall have the right and option to terminate and end this Sublease in such event. It is further agreed that should any receiver be appointed to take charge of Subtenant's business (or any assignee or subtenant's business), or should an attachment or execution be levied upon Subtenant's (or any assignee or subtenant's) interest in this Sublease, and should such receivership, attachment or execution not be released, discharged or dissolved within a period of thirty days, then Tenant shall have the right and option to end and terminate this Sublease.

**17. Reservation of Right of Entry.** Tenant and District shall have the right to enter upon the Subleased Premises at all reasonable times and without notice for the purpose of inspection and to determine whether the terms, covenants and conditions of this Sublease and/or the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof) are being complied with.

**18. Sublease Subject to Existing Rights.** This Sublease is subject to all existing easements, servitudes, licenses and rights of way for canals, ditches, levees, roads, oil production, highways and telephone, telegraph and electric power lines, pipelines and other purposes, whether recorded or not.

**19. Tenant's Rights Upon Default.** Should Subtenant fail to comply with any term, covenant or condition of this Sublease, as to which Subtenant is in default for a period of ten days after written notice from Tenant to comply therewith. Tenant may, at Tenant's option, end, terminate and cancel this Sublease and forfeit all of Subtenant's rights hereunder. Tenant shall further have the right of re-entry and the right to take possession of all crops, harvested or unharvested, and to remove all persons and property from the Subleased Premises. Tenant may store the property removed in a public warehouse, or elsewhere, at Subtenant's expense and for Subtenant's account. Tenant, at Tenant's election, shall become the owner of all crops of which Tenant has so taken possession and shall not be obligated to compensate Subtenant for them. The foregoing remedies shall not be exclusive and, in addition thereto, Tenant shall have all the remedies permitted by law.

**20. Nonliability of Tenant for Damages: Indemnity.** Subtenant, its heirs, successors and assigns hereby RELEASES, ACQUITS AND FOREVER DISCHARGES, and WAIVES any and all losses, liens, claims, actions, causes of action, liability, damages, demands, costs and expenses (including, without limitation, court costs and reasonable attorneys' fees) against any of Tenant Parties (hereinafter defined) that arise from or relate to Subtenant's occupancy of and/or activities on the Premises, and agrees not to sue any of Tenant Parties for such losses, liens, claims, actions, causes of action, liability, damages, demands, costs and expenses. Without limiting the foregoing, Subtenant agrees that Tenant Parties shall not be liable to Subtenant, its heirs, successors and assigns for personal injury, property damage or any other claims, causes of action, liabilities (including, without limitation, strict liability), losses, damages, demands (including, without limitation, environmental damages, consequential, punitive, special, exemplary and indirect damages), suits, fines, penalties, costs and expenses (including, without limitation, court costs, attorneys' fees, consultant fees and expert fees) of every kind or character, known or unknown, and whether in contract, in tort or existing at common law, or by virtue of any statute, regulation or ordinance (each a "*Claim*", and collectively, "*Claims*") arising from or related to Subtenant's exercise of its rights under this Sublease or any condition, characteristic, or flaw of the Premises. Subtenant assumes all risks and responsibilities for accidents, injuries or death resulting from such injuries or damages to person or property occurring in, on or about the Premises or in connection with the transportation of crops or livestock to market, and SUBTENANT AGREES TO RELEASE, PROTECT, DEFEND UPON REQUEST WITH COUNSEL ACCEPTABLE TO TENANT PARTIES, INDEMNIFY, REIMBURSE AND HOLD HARMLESS TENANT AND TENANT'S EMPLOYEES, OFFICERS, MEMBERS, MANAGERS, PARTNERS, AGENTS (INCLUDING, WITHOUT LIMITATION, TRUSTEES), INVESTORS, HEIRS, DEVISEES, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS AND AFFILIATES AND EACH OF THEIR CURRENT, FORMER AND FUTURE OFFICERS, DIRECTORS, EMPLOYEES, PARENT COMPANIES, AFFILIATES, DIVISIONS, PREDECESSORS, SUCCESSORS, SUBSIDIARIES, ADMINISTRATORS, INSURERS, SURETIES, ASSIGNS, REPRESENTATIVES, AGENTS, HEIRS, ATTORNEYS, GENERAL AND LIMITED PARTNERS, AND INDEPENDENT MANAGERS (COLLECTIVELY, "*TENANT PARTIES*," AND EACH INDIVIDUALLY, A "*TENANT PARTY*") FROM ANY AND ALL CLAIMS (AS DEFINED HEREIN), (A) ARISING, DIRECTLY OR INDIRECTLY, OUT OF, FROM OR IN CONNECTION WITH, IN WHOLE OR IN PART, THE CONDITION, USE OR CONTROL OF THE PREMISES (INCLUDING, WITHOUT LIMITATION, ANY IMPROVEMENT OR WATER SYSTEM COMPONENT AND/OR OTHER PROPERTY OR EQUIPMENT THEREON) DURING THE TERM OF THIS AGREEMENT, OR (B) IMPOSED UPON OR INCURRED BY OR ASSERTED, DIRECTLY OR INDIRECTLY, AGAINST ANY TENANT PARTY, IN WHOLE OR IN PART, BY REASON OF (I) ANY FAILURE ON THE PART OF

Airport Sublease: Valley Farms, Inc.



SUBTENANT TO PERFORM OR COMPLY WITH ANY OF THE TERMS OF THIS SUBLEASE, (II) ANY ENFORCEMENT OR REMEDIAL ACTION TAKEN BY ANY TENANT PARTY IN THE EVENT OF ANY SUBTENANT PARTY'S (AS DEFINED BELOW) FAILURE TO PERFORM OR COMPLY WITH THE TERMS OF THIS SUBLEASE; (III) ANY LITIGATION INVOLVED OR CONCERNED (EXCEPT TO THE EXTENT DUE TO THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF TENANT) RESPECTING THIS SUBLEASE, THE PREMISES OR THE USE OR OCCUPANCY THEREOF BY SUBTENANT PARTIES, AND/OR (IV) ANY ACTION BY A LAW ENFORCEMENT OR REGULATORY OFFICIAL WITH RESPECT TO ANY ACT OR CONDUCT BY ANY SUBTENANT PARTY IN CONNECTION WITH THE PREMISES OR THE AGRICULTURAL ACTIVITIES THEREON. Subtenant shall be liable to Tenant Parties for any damages to the Premises or any improvement thereon, including any equipment owned by Tenant, and for any act or omission by Subtenant or any employee, agent, contractor, subcontractor, invitee, licensee, representative, successor, assignee, guest of Subtenant or any other person acting on behalf of Subtenant (collectively, "*Subtenant Parties*," and each individually, a "*Subtenant Party*"). For avoidance of doubt, the term "Tenant Parties" shall include Tenant, and the term "Subtenant Parties" shall include Subtenant. For purposes of the indemnity provisions in this Sublease, any act or omission of any Subtenant Party (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to Subtenant and as such shall fall within the scope of Subtenant's obligation to indemnify Tenant Parties. Tenant Parties need not have first paid any such Claim to be so indemnified and held harmless by Subtenant. Subtenant, upon written notice from Tenant, shall defend any Claim against any Tenant Party at Subtenant's sole expense, using legal counsel reasonably satisfactory to Tenant. Subtenant shall promptly notify Tenant in writing if Subtenant obtains knowledge of any potential Claim against Tenant in connection with the Premises or in any way related to the use of the Premises by Subtenant, and such notice shall set forth reasonable detail of such potential Claim. Subtenant's indemnity obligations under this Section and all other sections of this Sublease shall survive the expiration or termination of this Sublease, without limitation of time or as allowed under California law.

**21. Liability Insurance.** Subtenant further agrees to take out and keep in force during the Term of this Sublease, at Subtenant's own expense, public liability insurance and property damage insurance with companies and through brokers approved by Tenant for protection against (1) liability to the public and the Subleased Premises arising as an incident to the use of, or resulting from, any accident occurring in or about the Subleased Premises and (2) damage to the Subleased Premises, whether caused by Subtenant or by third parties. The limits of liability under this insurance are to be not less than \$3,000,000.00 combined limit liability and \$3,000,000.00 for property damage. These insurance policies shall insure the contingent liability of Tenant and District and Tenant

and District shall be named as additional insured. Such policies shall contain a written obligation on the part of the insurance companies to notify Tenant and District, in writing, before any cancellation of the insurance. Subtenant agrees that if Subtenant does not keep the insurance in force, Tenant may take out the necessary insurance and pay the premiums. The repayment of the premiums shall be part of the rental and payment shall be made upon Tenant's written demand. Subtenant further agrees to take out and keep in force during the Term of this Sublease, and any extension hereof, at Subtenant's own expense, proper and adequate workers' compensation insurance. If, due to inflation, increased risks of operation, generally higher liability awards, or for other reasons, the limits of liability of such insurance shall become inadequate, Subtenant shall, from time to time, increase the limits of liability under such insurance policies to amounts adequate to cover the risk involved in Subtenant's use and occupancy of the Subleased Premises.

**21.1. Waiver of Subrogation.** Subtenant hereby waives its right of recovery against the Tenant and the District for any loss insured by fire, extended coverage and other property insurance policy. Subtenant shall apply to its insurer to obtain said waiver and shall secure any special endorsement if required by its insurer to comply with this provision.

**22. Attorneys' Fees.** In any action or proceeding by either Party to enforce this Sublease, or any provision thereof, the prevailing Party shall be entitled to all costs incurred and to reasonable attorneys' fees.

**23. Venue.** In any action or proceeding by either Party to enforce this Sublease, or any provision thereof, then exclusive venue for such an action will be the Superior Court in the State of California, County of Santa Barbara, Santa Maria Cook Street Branch.

**24. Miscellaneous Provisions.**

**24.1. Surrender of Premises.** The voluntary or other surrender of this Sublease by Subtenant, or mutual cancellation thereof, shall not work as a merger and shall, at the option of Tenant, terminate all or any existing subleases, or may, at the option of Tenant, operate as an assignment to Tenant of any or all such subleases.

**24.2. Accord and Satisfaction.** No payment by Subtenant or receipt by Tenant of a lesser amount than the Sublease amount due and owing shall be deemed to be other than on account of the earliest accrued rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Tenant may accept such check or payment without prejudice to Tenant's right to recover the balance of such rent or pursue any other

remedy in this Sublease provided.

**24.3. Personal Liability.** Each person executing this Sublease on behalf of Subtenant hereby agrees to be personally liable for any breach or default by Subtenant hereunder.

**24.4. Abandonment.** Subtenant shall not vacate or abandon the Subleased Premises at any time during the Term of this Sublease, and, if Subtenant shall abandon, vacate or surrender the Subleased Premises or be dispossessed by process of law or otherwise, any personal property belonging to Subtenant and left on the Subleased Premises shall be deemed to be abandoned and shall be sold or otherwise disposed of in accordance with California Code of Civil Procedure Section 1174 or any subsequent iteration thereof.

**24.5. Waiver.** The failure of Tenant to terminate this Sublease for any violation of its terms, or to enforce any remedy provided for herein or by law, shall not be construed as a waiver of any of Tenant's rights hereunder and shall not stop or prevent Tenant from terminating this Sublease or enforcing any remedies provided for herein or by law, for any subsequent or continuing violation.

**24.6. Binding on Successors.** The covenants and conditions of this Agreement shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all of the Parties hereto.

**24.7. Time of Essence.** Time is of the essence of this Sublease with respect to the performance by Subtenant of all of the conditions and covenants to be observed and performed by Subtenant.

**24.8. Parties Defined; Use of Pronoun.** If more than one person or corporation is named as Tenant or Subtenant in this Sublease and executes the same as such, then the words "Tenant" or "Subtenant," wherever used in this Sublease, are intended to refer to all such persons or corporations and the liability of such persons or corporations for compliance with the performance of all of the terms, covenants and provisions of this Sublease shall be joint and several.

**24.9. Captions.** The captions to the paragraphs of this Sublease are for the convenience of the Parties only and shall not be construed as limiting or otherwise interpreting any of the provisions contained in such paragraphs.

**24.10. Notices.** All notices provided in this Sublease or provided by law may be served personally, or by mail, and, if served by mail, service of such notice shall be

deemed complete twenty-four hours after being deposited in a United States Post Office, registered, postage prepaid, return receipt requested, or available express mail carrier, such as Federal Express, Emory, Airborne Express, and the like, with postage or charges fully prepaid, addressed to the other Party at the following addresses:

**To Tenant at:**

Mahoney Leasing, LLC  
c/o Maureen Mahoney  
5604 Oakhill Dr.  
Santa Maria, CA 93455

**To Subtenant at:**

Valley Farms, Inc.  
c/o Ignacio Partida Contreras  
318 N. Pine Street  
Santa Maria, CA 93455

Either Party may change their address by serving written notice of such change on the other Party in the manner provided above.

**24.11. No Modification.** This Agreement may not be modified or amended except by the written consent of all the Parties hereto.

**24.12. Integration.** This Agreement constitutes a single, integrated written contract expressing the entire agreement of the Parties hereto relative to the subject matter hereof. No covenants, agreements, representations or warranties of any kind whatsoever have been relied upon by any Party hereto, except as specifically set forth in this Agreement. All prior discussions and negotiations have been and are merged and integrated into this Agreement and are fully superseded hereby.

**24.13. Counterparts.** This Agreement may be executed and delivered in two or more counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts together constitute but one and the same instrument and agreement.

**24.14. Severance.** If any provision of this Agreement is determined, by a court of competent jurisdiction to be illegal or unenforceable, said provision shall be deemed to be severed and deleted and neither such provision, its severance or deletion, shall affect the validity of the remaining provisions of this Agreement.

**24.15. Governance.** THE PARTIES AGREE THAT THE TERMS OF THIS AGREEMENT SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED

Airport Sublease: Valley Farms, Inc.

THERE TO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS AGREEMENT AND SUCH WAIVER IS ALLOWED BY LAW.

**24.16. Construction.** This Agreement shall not be construed against the Party or its representative who drafted this Agreement or any portion hereof. Subtenant understands and agrees that the provisions of this Agreement are intended to be as broad and inclusive in favor of Tenant as permitted by the laws of California and that if any ambiguity is alleged to exist in this Agreement or any provision herein, such ambiguity shall be interpreted in favor of Tenant.

**24.17. Limitation on Right of Recovery Against Tenant.** Subtenant acknowledges and agrees that the liability of Tenant under this Agreement or any matter relating to or arising out of the occupancy or use of the Premises shall be limited to Subtenant's actual direct, but not consequential, damages therefor and shall be recoverable only from Tenant's interest in the Premises. No personal judgment shall lie against Tenant upon extinguishment of its rights in the Premises and any judgment so rendered shall not give rise to any right of execution or levy against Tenant's assets. For the purposes of this Section, the term "Tenant" shall mean and include all Tenant Parties. The provisions hereof shall inure to Tenant's successors and assigns. The foregoing provisions are not intended to relieve Tenant from the performance of any of Tenant's obligations under this Agreement, but only to limit the personal liability of Tenant in case of recovery of a judgment against Tenant.

**24.18. Documentary Evidence of Execution.** Facsimile signatures or emailed signatures of this Agreement in portable document format (i.e. .pdf) shall be acceptable as evidence of execution without the need for delivery of the original, executed document.

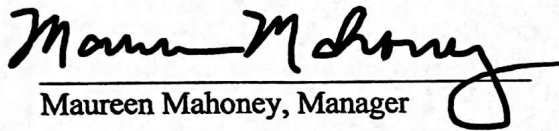
**24.19. Termination of All Previous Instruments.** The Parties hereto agree that this Sublease shall supplant and supersede all previous written instruments, including leases, related to the Subleased Premises between the Parties and any members of the Parties if the same is a company or corporation. To the extent that previous written instruments, including leases, exist between the Parties related to the Subleased Premises, the Parties agree that all such written instruments, including leases, are hereby terminated and shall have no force and effect as of the date first written above.

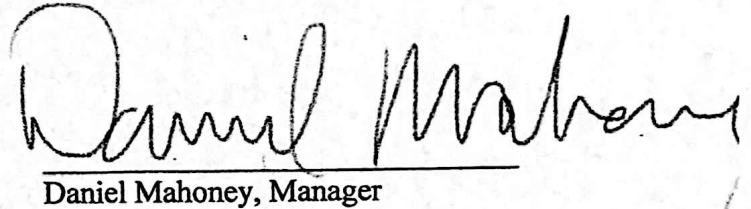
**24.20. Authority to Sign.** If Subtenant is a corporation, partnership (general or limited), limited liability company or trust, each person signing this Sublease as an officer, partner, manager, member or trustee of Subtenant represents to Tenant that such

officer, partner, manager, member or trustee of Subtenant represents to Tenant that such person is authorized to execute this Sublease without the necessity of obtaining any other signature of any officer, partner, manager, member, trustee or beneficiary, that the execution of this Sublease has been properly authorized by the Board of Directors of the corporation, by the partners of the partnership, the members and/or managers of the limited liability company or the trustee or the trust, as the case may be, and that this Sublease is fully binding on Subtenant.

IN WITNESS WHEREOF, the Parties have executed this Sublease as of the date first written above.

**Tenant: Mahoney Leasing LLC**

  
Maureen Mahoney, Manager

  
Daniel Mahoney, Manager

**Subtenant: Destiny Farms, LLC**

  
Tom Durant, Manager

**CONSENT OF LESSOR**

The undersigned is the Lessor in the Master Lease dated July 27, 2017, between SANTA MARIA PUBLIC AIRPORT DISTRICT and the MAHONEY LEASING, LLC ("Tenant"), and hereby consents to the Sublease Agreement between Tenant and VALLEY FARMS, INC., referred to as "Subtenant", dated July 1, 2023, waiving none of its rights under the Master lease as to the Lessee or under the Sublease Agreement as to the Sublessee.

**Dated: July 27, 2023**

**Approved as to content for District:**

\_\_\_\_\_  
General Manager

**DISTRICT:**

By: \_\_\_\_\_  
Ignacio Moreno, President

**Approved as to form for District:**

\_\_\_\_\_  
District Counsel

By: \_\_\_\_\_  
David Baskett, Secretary

LAND LEASE

This Land Lease ("Lease") dated July 27, 2017 for reference purposes, is made and entered into by and between SANTA MARIA PUBLIC AIRPORT DISTRICT, a public district of the State of California (herein called "District") and Mahoney Leasing, LLC, a California limited liability company (herein called "Tenant").

1. Premises. Subject to any approval required of the Federal Aviation Administration, which approval District shall promptly apply for, District hereby leases to Tenant, and Tenant hires from District, for the term and rent, upon the terms, conditions and covenants, and subject to the reserved rights and easements, of record or set forth below, the real property at the Santa Maria Public Airport (the "Airport") in Santa Maria, California, consisting of approximately 28.79 acres, as shown shaded on the plot plan marked Exhibit "A" attached and incorporated by this reference, together with those appurtenances specifically granted in this Lease (the "Premises"). District reserves the right to remove acreage from the lease upon one (1) year's written notice to Tenant, if necessary to comply with mitigation measures or other conditions imposed by federal, state or local agencies, as a condition of development of other District owned property. In such event, rent shall be reduced proportionately.

2. Term. The term of this Lease shall be for a five (5) year period commencing on September 1, 2017 and ending on August 31, 2022, unless sooner terminated pursuant to the terms of this Lease; provided, District reserves the right to terminate this Lease on one (1) year's written notice in accordance with the provisions of Paragraph 23, District's Right to Early Termination. This Lease shall automatically be extended in one (1) year increments, unless either party provides notice to the other party of its intent to cancel at least one (1) year prior to the Lease's expiration, as it may be extended, up to a maximum of five (5) times (expiring August 31, 2027, at the latest).

a. If Tenant remains in possession of the Premises or any part thereof after the expiration or termination of this Lease, such occupancy shall be a tenancy from month to month upon all the provisions of this Lease pertaining to the obligations of Tenant; and in the event of any such holding over, Tenant waives all rights under Section 1161 of the Code of Civil Procedure and Section 789 of the Civil Code of the State of California, regarding the automatic renewal of agricultural leases by holding over of the possession thereof. If Tenant does not surrender the Premises upon expiration or termination of this Lease, Tenant shall indemnify and hold District harmless from any damages resulting to District, including claims made by a successor tenant.

3. Rent. In addition to its other obligations set forth in this Lease, Tenant shall pay to District as annual rent for the Premises, the sum of Eleven Dollars (\$11.00) per acre per year, (28.79 acres x \$11/acre = \$316.69). Tenant shall the annual rent in advance to District on September 1 of each year, commencing September 1, 2017. Rent is payable in lawful money of the United States at the District's office at 3217 Terminal Drive, Santa Maria, CA 93454, without notice, demand, reduction, or offset on the dates specified.

a. Late Charge. Tenant acknowledges that late payment by Tenant to District of rent will cause District to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation,



processing and accounting charges. Therefore, if any installment of rent due from Tenant is not received by District on or before the tenth (10<sup>th</sup>) calendar day after the date it is due, Tenant shall pay to District an additional sum of ten percent (10%) of the overdue rent as a late charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that District will incur by reason of late payment by Tenant. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the rights and remedies available to District.

b. Rent Increase. Effective September 1, 2018, and annually thereafter on September 1 of each calendar year, the per acre rental rate shall be adjusted upwards, but not downwards, by the percentage proportion of the change in the Consumer Price Index, All Items, 1982-84 = 100, Los Angeles-Anaheim-Riverside, For All Urban Consumers (the "CPI") published by the United States Department of Labor, Bureau of Labor Statistics, or its successor in function, for the most recent 12-month period available before the adjustment date.

4. Water Not Provided by District. Tenant acknowledges and agrees that Tenant will be solely responsible for arranging for the delivery and paying for the provision of irrigation water to the Premises. Tenant shall operate and maintain its irrigation system and water supply at its sole cost, and will comply with all federal, state, and local laws and regulations regarding the provision of water to the Premises for any permitted use. District will not provide any water to the Premises for Tenant's use, and District makes no representations or warranties about the availability of or quality of water to the Premises.

5. Prevention of Escape of Irrigation Water. Tenant shall not allow any of Tenant's irrigation water to escape from the Premises by airborne spray or surface flow except in minor amounts such as that associated with good irrigation practice, as approved by the applicable regulatory agency (currently Santa Barbara County Environmental Health Services). Tenant shall irrigate the Premises in such a manner as to prevent water from escaping the Premises onto property of others, or other property owned by District or Tenant or upon public highways. In the event of any escape of irrigation water in amounts which cause damage downstream, Tenant shall pay all damages occasioned thereby, and take all necessary steps to prevent any such escape of irrigation water in the future at Tenant's sole cost and expense.

6. Irrigation. Tenant shall use best farming practices in the use and application of Tenant's irrigation water to avoid waste and unnecessary runoff, and to prevent water from escaping onto lands of other adjoining landowners or lands owned by Landlord or upon public highways, and in the event of any such escaping of irrigation water, Tenant agrees to pay all damages occasioned thereby. Tenant shall also comply with all drainage and runoff regulations, limitations and requirement imposed by the Regional Water Quality Control programs, including any storm water runoff permit requirements. Except to the extent commercially unreasonable, Tenant shall use drip irrigation for established plants but may use sprinkler irrigation for newly planted crops.

7. Permitted Uses of Premises. Tenant shall use the Premises only for strawberry, vegetable or other crop cultivation. Tenant shall not use the Premises or any portion thereof for any other purposes, unless the use and rent increase are approved in advance in writing by the District. Nothing contained herein shall be deemed to give Tenant exclusive rights at the Airport

in connection with any of the permitted uses herein. Tenant may install and maintain a tight, 5-wire fence completely enclosing the Premises. Tenant is aware that adjacent property is leased for livestock grazing. District shall not be liable to Tenant for any damage caused by livestock or other tenants.

For any strawberry, vegetable or other irrigated crop use, Tenant and any subtenant shall comply with the following conditions:

a. If the use of any impervious or semi-impervious surface coverings (such as plastic) increases storm water runoff to the extent that downstream property is eroded, Tenant shall, upon notice from District, repair the eroded property, and prevent any subsequent downstream erosion or else cease the use that is creating the erosion. Should Tenant fail to do so within fifteen (15) days of notice from District, District shall have the right to terminate this Lease upon thirty (30) days' written notice to Tenant. In the event of any such termination, Tenant shall still be obligated to repair any eroded property. Nothing herein shall be deemed to make Tenant responsible for an act of God wherein storm waters are of such volume or velocity that the damage would have been caused regardless of the impervious or semi-impervious surface coverings.

b. No irrigated crops shall be grown, no spraying of any herbicide, insecticide or other substance shall occur within fifty (50) feet of any City of Santa Maria or District water well. No storage or ponding, even temporarily, of any chemicals or fuel or storage of chemical or fuel dispensing equipment shall be permitted within 300 feet of any City of Santa Maria water well.

8. Specific Prohibited Uses. Tenant shall not use or permit use of the Premises or the Airport, or any portions thereof, for any of the following purposes:

a. Retail sale of crops, livestock or any other items;

b. Grazing or pasturing of livestock;

c. Use any portion of the Airport contrary to or in violation of the directives, rules or regulations of the District, or governmental entity or agency having jurisdiction, as such directives, rules or regulations now exist or may exist in the future; provided, however, that if any directive, rule or regulation adopted in the future unreasonably impairs Tenant's ability to grow crops on the Premises, then Tenant shall have the right to terminate this Lease on sixty (60) days' written notice to District delivered no later than thirty (30) days after the effective date of the directive, rule or regulation.

d. Store on the Premises or elsewhere on the Airport any property or articles, or conduct any activities or operations which are not directly related or incident to the permitted uses in Paragraph 7 of this Lease; provided any storage incident to the Permitted Uses requires prior written consent of District's General Manager as set forth in Paragraph 17.

e. Erect any structure except fences and gates and irrigation system on the Premises.

f. Conduct any use or activity which would affect safe air navigation, or would be hazardous to safe operation of aircraft, including but not limited to: use or location on the Premises of any material which would cause sunlight to be reflected toward an aircraft on initial climb or final descent; any use or activity which would direct steady or flashing lights at aircraft, on initial climb or final descent; any use or activity which would generate smoke or attract large concentrations of birds.

g. Permit any hazardous or toxic materials (defined in Exhibit "B" attached hereto) to be brought, kept or used in, on, under or about the Premises by Tenant, its agents, employees, contractors, licensees, sub-lessees, assignees, concessionaires or invitees, unless: (a) the use of such hazardous or toxic materials is necessary and incident to Tenant's business on the Premises; (b) District has approved such use in writing; and (c) such hazardous or toxic materials are used, kept, monitored, stored and disposed of in a manner that: (i) complies with all laws and required permits relating to such hazardous or toxic materials; (ii) will not endanger any other persons or property; and (iii) will not invalidate, limit the coverage or increase the premiums of any insurance policy affecting or covering the Premises.

(h) Permit any residential use or overnight camping or occupancy.

(i) Conduct any use other than the permitted uses in Paragraph 7.

9. Farming Operations.

a. All farming operations on the Premises shall be performed at the sole cost and expense of Tenant. Tenant further agrees to use the Premises in good and farmer like manner, in accordance with the best practice of farming. Tenant will at all times use every effort to keep the soil in good shape and condition and up to its present strength by the use of fertilizer and other chemicals. Tenant further agrees to render Tenant's best efforts to: (i) poison squirrels, gophers and other rodents on the Premises; (ii) prevent pest infestations; and (iii) keep the Premises reasonably free and clear of all weeds at all times. Tenant shall abide by all laws and obtain all permits necessary in the application of pesticides, herbicides, defoliant, fumigants or rodenticides.

b. Tenant shall keep in good repair all improvements on the leased land, including all fences, irrigation systems and flood control facilities, if any.

c. Tenant shall promptly pay and discharge, when or before they mature, all bills for labor done or materials supplied or used in connection with any work which may be done by Tenant upon or in connection with the Premises, and shall indemnify the District and save it and the Premises free and clear from all liens, claims and liabilities, based upon or arising out of the doing of any such labor or the furnishing of any such supplies or materials. Tenant shall have the right to contest, in good faith and by appropriate proceedings, the validity or amount of any lien or claimed lien in the manner. Notice is hereby given that District will not be liable for any labor, services or materials furnished to Tenant in association with the Premises or any part thereof through or under Tenant.

10. Litter and Trash.

a. Clean Condition. Tenant shall keep the Premises, at Tenant's expense, clean and free from litter, trash and refuse and in an orderly and sanitary condition at all times. Tenant shall make a diligent effort to prevent the spread of all noxious weeds, and rodents and other vertebrate pests on or from the leased Premises and to take reasonable measures to protect the leased Premises and Airport from infestation of birds, insects and other pests. Tenant shall comply with all orders and instructions of District's General Manager in the use of the leased Premises or Airport property which the General Manager deems in his sole discretion to be in the best interest of the District, the public or users of the Airport, or for their safety and welfare.

11. Utilities. District shall have no responsibility to provide utility extensions of any kind to the Premises, and any such extension by Tenant shall be at Tenant's sole cost and expense after consent by District as provided in Paragraph 16 herein.

12. Taxes, Licenses. Tenant shall pay before delinquency any and all taxes, assessments, fees or charges, including possessory interest taxes, and real property taxes which may be imposed, levied or assessed upon any leasehold or possessory interests of Tenant, and personal property, crops, improvements or fixtures owned, controlled or installed by Tenant and used or located on the Airport or used in Tenant's business. Tenant shall also secure and maintain in force during the term of this Lease all licenses and permits, which are required by law for the conduct of Tenant's business or operations.

13. Assumption of Risks. Tenant represents that Tenant has inspected the Airport and the Premises and accepts the condition of the Premises and fully assumes all risks incidental to the use of the Airport and the Premises. District shall not be liable to Tenant's agents, employees, visitors, guests or invitees from any cause or condition whatsoever. District makes no warranty of the suitability of the Premises for the purpose contemplated by Tenant or that the leased Premises are zoned for the uses permitted.

14. Indemnity. Tenant shall defend (with counsel acceptable to District), indemnify and hold harmless District, its directors, officers, employees, agents and representatives, and the leased Premises (collectively "District") at all times from and against any and all liabilities, proceedings, liens, actions, penalties, losses, expenses, claims or demands of any nature, including costs and expenses for legal services and causes of action of whatever character which District may incur, sustain or be subjected to (collectively "Liabilities") arising out of or in any way connected with: the acts or omissions of Tenant, any subtenant, or either of their officers, agents, employees, guests, customers, visitors or invitees (collectively "Tenant"); or Tenant's or any subtenant's operations on, or use or occupancy of, the Premises. The foregoing indemnification excludes only Liabilities caused by the sole active negligence of District or its willful misconduct. Tenant shall also indemnify and hold District harmless from and against any Liabilities including third party claims, environmental requirements and environmental damages (as defined in Exhibit "B"), costs of investigation and cleanup, penalties, fines, and losses (including, without limitation, diminution in property value of the leased Premises or the improvements thereon or District's property or improvements in the vicinity of the leased Premises) of whatever kind or nature, which result from or are in any way connected with the release, receipt, handling, use, storage, accumulation,

transportation, generation, discharge, or disposal (collectively "Release") of any toxic or hazardous materials (defined in Exhibit "B") which occurs in, on or about the leased Premises or the Airport as the result of any of Tenant's or any subtenant's activities or of any of Tenant's or any subtenant's officers, agents', employees', customers, visitors, invitees', licensee, guests', successors' or assigns' activities. Tenant shall notify District immediately of any Release of any toxic or hazardous material on the Premises. Tenant shall not be responsible for any debris, trash or hazardous or toxic material on the Premises which predates Tenant's occupancy of the Premises (under this Lease or any prior lease or sublease), including, but not limited to, asbestos in buildings and existing oil pipelines. For the purposes of this lease, the materials that Tenant is not responsible for removing and the area in which they are located are generally identified on the attached Exhibit "A".

15. Insurance. Tenant shall secure and maintain, without cost to District, in full force and effect at all times during the term of this Lease, the following types and amounts of insurance:

a. A policy of general liability insurance, including public liability, property damage, bodily injury and death liability, and contractual liability insurance with a single combined liability limit of not less than \$3,000,000.00, insuring against all liability of Tenant arising out of and in connection with Tenant's use or occupancy of the Premises. The policy shall insure performance by Tenant of the indemnity provisions of Section 16. Landlord shall be named as an additional insured, and the policy shall contain cross-liability endorsements.

b. Tenant shall maintain on Tenant's alterations, fixtures, and equipment, in, on, or about the Premises, and its personal property in, on, or about the Premises, a policy of insurance providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, flood and special extended perils ("all risk", as such term is used in the insurance industry), to the extent of at least one hundred percent (100%) of their full replacement value. The proceeds from any such policy shall be used by Tenant for the replacement of personal property or the restoration of Tenant's Alterations, fixtures, and equipment.

c. Tenant shall maintain during the Lease Term at Tenant's sole cost and expense proper and adequate Worker's Compensation Insurance.

d. Farm equipment liability and automobile liability insurance for all mobile equipment and vehicles used on the Airport, with a combined single limit of bodily injury and property damage liability of at least \$300,000 per person and \$500,000 for each accident or occurrence.

All insurance required under this Lease shall be issued by responsible insurance companies qualified to do business in California and reasonably acceptable to District. All such insurance shall be issued as primary, not blanket, policies. Tenant shall provide District with copies of the policies of insurance required under this Sections 17 or certificates evidencing the existence and amounts of such policies. No such policy shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days prior written notice to District. Tenant shall, at least ten (10) days prior to the expiration of any such policy, provide Landlord with renewals or "binders" thereof, or Landlord may order insurance and charge the cost thereof to Tenant, which

amount shall be payable by Tenant on demand. The types of coverage and liability limits of all insurance specified above may be changed or increased at the option of District, in the exercise of its reasonable discretion in evaluating its liability exposure, upon giving Tenant at least thirty (30) days' prior written notice of the increased limits. Tenant shall also provide District with an endorsement for the contractual liability insurance.

16. Alterations; Removal of Tenant-Installed Property. Except as expressly permitted herein, Tenant shall make no alterations, additions or improvements on the Premises or otherwise at the Airport without District's prior written consent. Before granting such consent, District may require Tenant to prepare and submit for District's approval detailed written plans. Any such consent shall be deemed conditioned upon Tenant obtaining any required permits from appropriate governmental agencies, and upon Tenant's compliance with all conditions of such permits. Any such consent may be conditioned upon Tenant's providing to District, at Tenant's expense, a lien and completion bond to insure District against any liability for liens and to insure completion of the work, and may further be conditioned on such matters as Landlord deems appropriate. All alterations, additions or improvements made by Tenant at the Airport shall, during the Lease, be Tenant's property. All such improvements shall, unless District elects otherwise, become the property of District at the expiration or termination of the Lease including, without limitation, fences and irrigation system, and shall remain upon and shall be surrendered with the Premises without disturbance, molestation, or injury. If District elects (by written notice to Tenant) that all or a designated portion of the alterations, additions, or improvements made by Tenant shall be removed by and at expense of Tenant, then Tenant shall at Tenant's expense remove (within 30 days after such notice) such alterations, additions or improvements, or such portion thereof designated by District, restore District's property to at least its former condition and repair any damage resulting from such removal.

17. Airport Facilities. Tenant's automobiles, farm equipment and other vehicles of Tenant and Tenant's employees and business invitees shall be parked, loaded and unloaded only on the Premises. Tenant shall observe, obey and abide by all directives, rules and regulations for maintenance and conduct of Tenant's operations at the Airport, which exist now or may hereafter be imposed by District's board of directors, Federal Aviation Administration, City of Santa Maria, or any other governmental agency having jurisdiction; provided that if any directive, rule or regulation unreasonably interferes with Tenant's farming operations, Tenant shall have the right to terminate the Lease on sixty (60) days' written notice to District, delivered no later than thirty (30) days after the effective date of the directive, rule or regulation. Tenant shall not store any supplies, materials, vehicles or equipment on the Premises or the Airport without the prior written consent of District's General Manager. District has no obligation to provide security guards, lighting or fencing. Tenant is specifically denied access to the Airport Operating Area. Tenant shall not allow any gate to be left open unless it is attended in such a manner as to prevent the escape of livestock onto roads or property of others, or as to prevent unauthorized entry onto the Airport.

18. Federal Aviation Administration Rider Attached. The provisions of the FAA Rider are attached hereto as Exhibit "C" and are incorporated herein and made a part hereof.

19. Repairs and Maintenance. Tenant shall, at Tenant's sole cost and expense, keep and maintain the Premises and every part thereof in good and clean order, condition and repair, thereby waiving all rights to make repairs at the expense of District.

20. Acceptance; Surrender. Tenant agrees on the expiration or sooner termination of this Lease to surrender promptly to District the Premises in the same condition as when received, damage by acts of God or by the elements excepted, subject to the provisions of Paragraph 16.

21. Condemnation. In the event of any taking or damage of all or any part of the Premises or any interest therein by reason of any exercise of the power of eminent domain, whether by a condemnation proceeding or otherwise, or any transfer of all or any part of the Premises or any interest therein made in avoidance of an exercise of the power of eminent domain (all of the foregoing being hereinafter referred to as "appropriation") during the term of this Lease, this Lease shall terminate as of the date of such appropriation, the rental shall be prorated to the date of termination, District shall be entitled to the entire award made with respect to such appropriation of the land and District improvements, and Tenant hereby assigns to District all of Tenant's interest, if any, in such award as to the land and District improvements. Nothing herein shall be deemed to constitute a waiver or transfer of any award due Tenant associated with the loss of any of its crops or improvements installed by Tenant.

22. Termination by District. District, in addition to any right of termination as a matter of law or any other right herein given to District, may at its option cancel and terminate this Lease and agreement upon any default, by written notice thereof given to Tenant and a ten (10) day opportunity to cure, upon or after the occurrence of any of the following events:

a. Failure of Tenant to pay rent or make any other payment required under this Lease, as and when due.

b. Filing by or against Tenant of a voluntary or involuntary petition in bankruptcy or for reorganization, or taking of Tenant's assets pursuant to a proceeding under the Federal Reorganization Act, or the adjudication of Tenant as a bankrupt, or the appointment of a receiver of Tenant's assets, or divestiture of Tenant's assets or estate herein by operation of law or otherwise, or assignment by Tenant of its assets for the benefit of creditors.

c. The breach by Tenant or failure of Tenant to keep, observe or perform any of the covenants, conditions or provisions herein contained on the part of Tenant to be observed, kept or performed.

d. Dissolution or liquidation of Tenant of all or substantially all of its assets.

e. The transfer, in whole or in part, of Tenant's interest in this Lease or in the premises, or any rights hereunder, by operation of law, whether by judgment, attachment, execution, process or proceeding of any court or any other means.

f. If the City of Santa Maria requires District to eliminate or reduce acreage for irrigated crops as a condition of development on any Airport property, including but not limited to the Santa Maria Research park and a golf course.

23. District's Right to Early Termination. Notwithstanding any other provision contained in this Lease, District shall have the right to terminate this Lease as to all or the applicable portion of the Premises in the event District's Board of Directors (i) authorizes the sale of the Premises or any portion thereof and directs District staff to market the same for sale, or (ii) authorizes the lease of the Premises or any portion thereof for any use or purpose other than irrigated crops and directs District staff to market the same for lease, or (iii) grants an easement over the Premises that is incompatible with the permitted uses, or (iv) directs District staff to initiate use of the Premises or any portion thereof for airport or aeronautical purposes or any purpose or use beside irrigated crops, (v) determines that termination of all or a portion of the Lease is required by any governmental agency or entity as a mitigation measure of condition of development on any District property, including but not limited to, the Santa Maria Business Park and golf course, or (vi) determines that irrigation of the Premises is contributing to soil saturation/liquefaction beneath the Airport operating pavements; provided, District shall give Tenant written notice of the exercise of such right at least one (1) year prior to the date as of which such termination is to be effective. The term of this Lease shall then expire and come to an end on such date, as fully and completely as if that date were the day definitely fixed for expiration of the term.

24. Notices. All notices required herein shall be in writing and may be given by personal delivery or by registered or certified mail, postage prepaid, to the addresses set forth below the signature lines. Either party may at any time change its address for such notice by giving written notice of such change to the other party. Delivery of any notice shall be deemed complete upon being deposited as aforesaid at any United States Post Office or branch or substation.

25. Nuisance. Tenant shall not commit, or suffer or permit waste, noise, odors, dust or any other nuisance on the Premises or any activity constituting an unreasonable interference with other District tenants or persons using, or neighbors of the Airport.

26. Assignment, Subletting and Encumbering.

a. Tenant shall not assign, mortgage, encumber or grant control of this Lease or any interest, right or privilege herein or license or grant concessions for use of the leased Premises or any part thereof. Any such assignment, mortgage, encumbrance, transfer, permit or concession shall be void and, at the option of District, shall terminate this Lease. Tenant shall not sublet any portion of the Premises without the prior written consent of the District. Tenant shall provide District with copies of all subleases for prior written approval, which shall specifically be subject to the terms of this Lease, and have a copy attached, and obtain District's written consent. Unless otherwise specifically provided in any sublease that may be approved by District, Tenant shall pay District at least one-half of any rent or consideration received from any subtenant which exceeds the rent paid under this Lease.



b. Regardless of District's consent, no sublease shall release Tenant from Tenant's obligations hereunder or alter the primary liability of Tenant to pay rent and to perform all other obligations to be performed by Tenant hereunder. The acceptance of rent by Landlord from any other person shall not be deemed to be a release by Landlord of Tenant's liability hereunder. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. In the event of default by an assignee or subtenant of Tenant or any successor of Tenant, in the performance of any of the terms hereof, District may proceed directly against Tenant without the necessity of exhausting remedies against such successor.

27. Consent to Entry by F.A.A. Contractor(s). Tenant consents to entry on the Premises without charge by District, the F.A.A., an F.A.A. contractor, or any of their subcontractors, employees or agents for inspection, investigation or construction, operation or maintenance of an airport surveillance radar system. Rent shall be equitably abated for reduction in any useable land during construction.

28. Prohibition of Crops Within 20 Feet of Airport Operating Area Fence. The Premises do not include land within twenty (20) feet of the Airport Operating Area ("AOA") perimeter fence. Tenant has no right to plant crops within twenty (20) feet of the AOA perimeter fence. Tenant shall remove any and all crops planted within twenty (20) feet of the AOA perimeter fence. If Tenant fails to do so, District may remove such crops at Tenant's expense. Tenant shall indemnify, defend and hold District harmless from and against any and all liability for costs of removal and damage to such crops. Tenant shall remove any mounds or debris caused by Tenant operations against the AOA perimeter fence which effectively lowers the height of the fence below six (6) feet, not including barbwire.

29. Right of Entry. District, the Federal Aviation Administration, City of Santa Maria, County of Santa Barbara, any government entity having jurisdiction and any utility company shall have the right to enter the Premises at any reasonable time for inspections, to make repairs, or to show the Premises to prospective buyers or tenants or at any time in case of emergency.

30. Use of Hazardous Material. Tenant may not make any application of any pesticide, herbicide, rodenticide, fungicide or potentially hazardous material except under the direct supervision of a certified pest control operator, pest control applicator, or qualified applicator, whichever is appropriate to the material being applied and the process used to apply it.

31. Attorneys' Fees. In the event either party hereto commences any legal action or proceeding against the other party to perform or keep any term, covenant or condition of this lease to be kept or performed by the other party or arising out of this Lease, the party prevailing in such action shall be entitled to recover court costs and a reasonable attorney's fee to be fixed by the court (including the reasonable value of services rendered in such action by District's appointed District Counsel).

32. Compliance With Laws. Tenant shall comply with all applicable and valid laws, rules, regulations and orders of federal, state and local governments and governmental agencies, including, but not limited to, any and all regulations concerning air quality and/or water quality, the environment or endangered species; fire and/or occupational safety; or accessibility; which

may apply to the conduct of Tenant's business at the Airport. Tenant specifically agrees that it is a condition of the continuation of this lease that all materials used by Tenant for which a Material Safety Data Sheet is required, or otherwise referenced or listed on Exhibit "B", will be stored, used and disposed of, together with any contaminated by—products of such use, in strict compliance with the applicable Material Safety Data Sheet or the requirements of the governmental agency with authority to regulate such storage, use and disposal. Tenant shall not store or dispose of any such materials on the leased premises. Tenant will maintain on the leased premises and available for inspection at any reasonable time adequate records of material stored, used or disposed of, including but not limited to Material Safety Data Sheets and Uniform Hazardous Waste Manifests for material shipped from the leased premises.

33. General.

a. Each term and each provision of this lease agreement performable by Tenant shall be construed to be both a covenant and a condition. Time is of the essence of each term, condition and provision of this lease agreement.

b. One or more waivers by District of any covenant or condition shall not be construed as a waiver of a subsequent breach of the same or any other covenant or condition. District's consent to or approval of any act by Tenant requiring District's consent or approval of any act by Tenant requiring District's consent or approval shall not be deemed to waive or render unnecessary District's consent to or approval of any subsequent similar act by Tenant. No act or thing done by District or District's employees or agents shall be deemed an acceptance of a surrender of the premises, and no agreement to accept such surrender shall be valid unless in writing signed by District.

c. This lease and Tenant's rights hereunder are subject and subordinate to all conditions, reservations, restrictions, easements, rights, rights—of—way, and encumbrances affecting the premises now of record or hereafter granted, caused or suffered by District. This Lease is subordinate to any rights granted in the past or in the future by District to any government entity or any utility company or for construction and operation of radar, wires, cables, poles, conduits, wells, pipelines, brine disposal, related appurtenances, equipment, structures, facilities, access roadways and fencing associated therewith. This Lease is further subordinate to District's operation and construction and maintenance of water reclamation and flood control projects including dams, ditches, reservoirs and pipelines and rights thereto granted to the Santa Barbara County Flood Control and Water Conservation District.

d. Captions appearing herein are for convenience of reference only and shall not govern the construction of this agreement.

e. If any provision of this Lease shall be held by a court of competent jurisdiction to be invalid, the remainder of this Lease shall continue in full force and effect and shall in no way be affected or invalidated thereby. This Lease contains all of the agreements and conditions made between the parties and may not be modified orally or in any other manner than by an agreement in writing signed by the parties to this agreement. No provision of this Lease shall be deemed to have been waived by District unless such waiver be in writing signed by District.

f. This Lease is made subject to any approval of the Federal Aviation Administration which may be required.

g. This Lease may be executed in multiple counterparts, each of which shall be deemed an original document, and all of which shall constitute one agreement

h. This Lease contains all the agreements of the parties with respect to the Premises and cannot be amended or modified except by a written agreement.

34. Interpretation and Venue. This Lease is to be interpreted in accordance with the laws of the State of California. Any legal action relating to this Lease shall be brought in the court of appropriate jurisdiction in the county of Santa Barbara, State of California.

35. Landlord's Remedies. Landlord shall have the following remedies if Tenant breaches the Lease:

a. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law.

b. Landlord can continue this Lease in full force and effect, and the Lease will continue in effect as long as Landlord does not terminate Tenant's right to possession, and Landlord shall have the right to collect rent when due. During the period, Tenant is in default, Landlord can enter the Premises and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in reletting the Premises, including, without limitation, brokers' commissions, expenses of remodeling the Premises required by the reletting, and like costs. Reletting can be for a period shorter or longer than the remaining term of this Lease. Tenant shall pay to Landlord the rent due under this Lease on the dates the rent is due, less the rent Landlord receives from any reletting. No act by Landlord allowed by this paragraph shall terminate this Lease unless Landlord notifies Tenant that Landlord elects to terminate this Lease. After Tenant's default and for as long as Landlord does not terminate Tenant's right to possession of the Premises, if Tenant obtains Landlord's consent Tenant shall have the right to assign or sublet its interest in this Lease, but Tenant shall not be released from liability. Landlord's consent to a proposed assignment or subletting shall not be unreasonably withheld.

c. Landlord can terminate Tenant's right to possession of the Premises at any time. No act by Landlord other than giving notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant:

i. The worth, at the time of the award of the unpaid rent that had been earned at the time of termination of this Lease;

ii. The worth, at the time of the award of the amount by which the unpaid rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided;

iii. the worth, at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided; and

iv. Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default.

"The worth, at the time of the award," as used in (i) and (ii) of this paragraph, is to be computed by allowing interest at the rate of 10% per annum. "The worth, at the time of the award," as referred to in (iii) of this paragraph, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%.

d. In addition to any other remedy District may have under this agreement or by operation of law, District shall have the right, in the event of Tenant's nonpayment of rent, or in the event of any other default by Tenant in the performance or observance of any of the terms or condition of this Lease, or if Tenant shall abandon or vacate the Premises, to terminate this Lease upon written notice to Tenant and reenter the Premises and eject all persons and remove all property from the Premises or any part of the Premises. Any property removed from the Premises upon re-entry by District under this paragraph may be stored in a public warehouse or elsewhere at the cost of and for the account of Tenant, and District shall have no liability therefor.

e. If Tenant is in default of this Lease Landlord shall have the right to have a receiver appointed to collect rent and conduct Tenant's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

f. Landlord, at any time after Tenant commits a default, can cure the default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord at the time the sum is paid, and if paid at a later date shall bear interest at the rate set forth in subparagraph g, below, from the date the sum is paid by Landlord until Landlord is reimbursed by Tenant. The sum, together with interest on it, shall be additional rent.

g. Rent not paid when due shall bear interest from the date due until paid at the maximum rate an individual is permitted by law to charge.

IN WITNESS WHEREOF, the parties have duly executed this agreement.

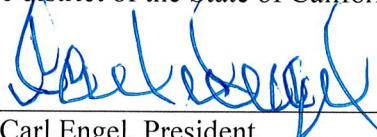
**Approved as to Content for District:**

Address: 3217 Terminal Drive  
Santa Maria, California 93455


By:   
Chris Hastert, General Manager


**DISTRICT:**

Santa Maria Public Airport District,  
a public district of the State of California

By:   
Carl Engel, President

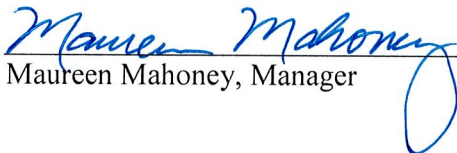
**Approved as to Form:**


By:   
District Counsel

By:   
Chuck Adams, Secretary

**TENANT:**

Mahoney Leasing, LLC,  
a California limited liability company

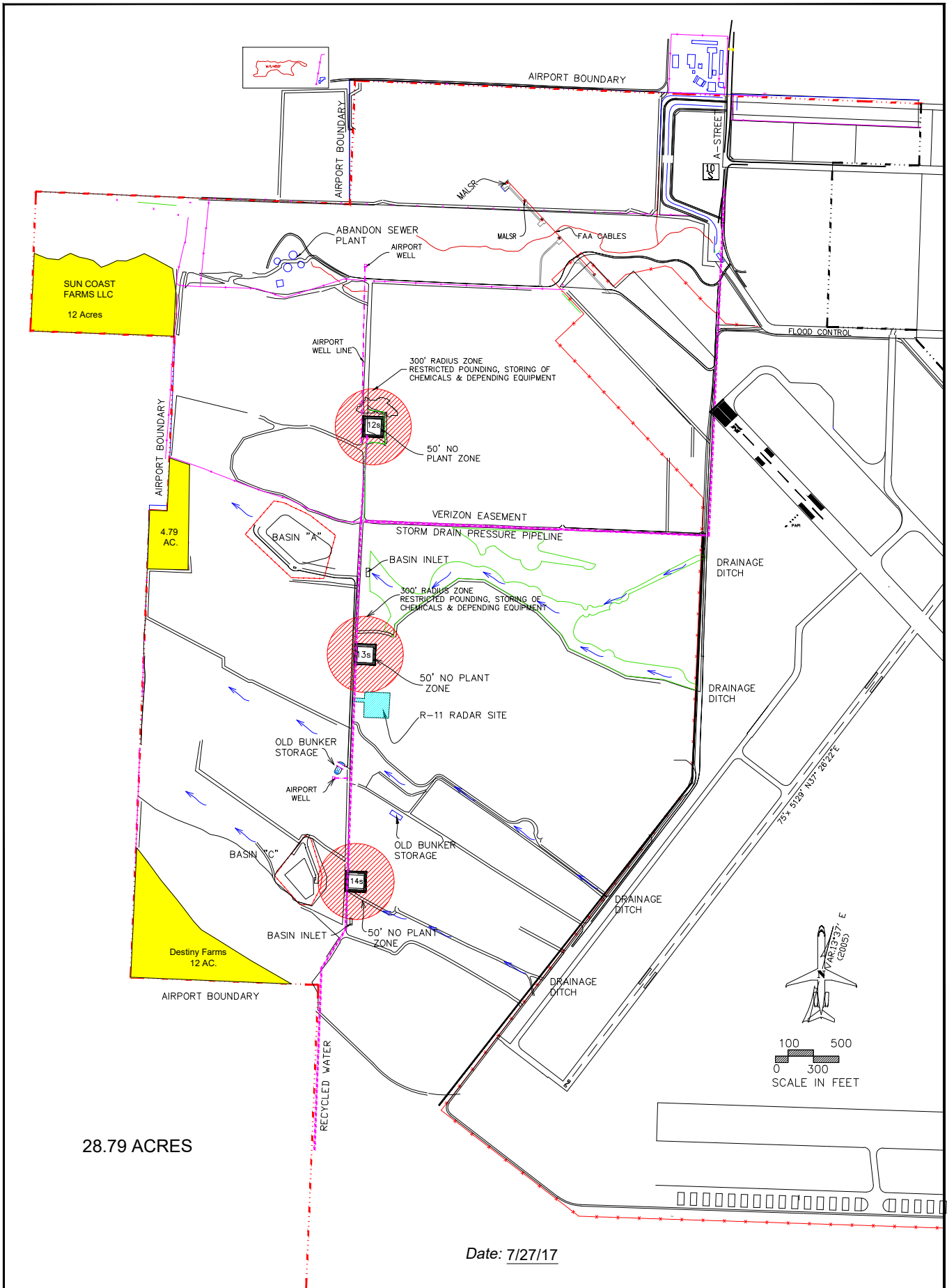
By:   
Maureen Mahoney, Manager

By:   
Daniel Mahoney, Manager


**Address:**

5604 Oakhill Dr.  
Santa Maria, CA 93455

F:\Drawings\AutoCad\LEASES\MAHONEY LEASING LLC.dwg, 8/11/2017 10:53:59 AM



Date: 7/27/17

	3217 TERMINAL DR. SANTA MARIA, CA 93455. (805) 922-1726	REVISIONS DATE By:	DRAWN BY: Roy Heath	EXHIBIT "A" MAHONEY LEASING	DRAWING NUMBER MAHONEY LEASING
		7/27/17 RH			

## Exhibit "B"

### A. HAZARDOUS MATERIAL

Hazardous Material means any substance:

(I) the presence of which requires investigation or remediation under any federal, state or local statute, regulation, ordinance, order, action, policy or common law; or

(ii) which is or becomes defined as a "hazardous waste", "hazardous substance", pollutant or contaminant under any federal, state or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.); or

(iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of California or any political subdivision thereof; or

(iv) the presence of which on the Premises or the Airport causes or threatens to cause a nuisance upon the Premises or the Airport or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Premises or Airport; or

(v) the presence of which on adjacent properties could constitute a trespass by; or

(vi) without limitation, which contains gasoline, diesel fuel or other petroleum hydrocarbons; or

(vii) without limitation, which contains polychlorinated bipheynols (PCBs), asbestos or urea formaldehyde foam insulation; or

(viii) without limitation radon gas.

### B. ENVIRONMENTAL REQUIREMENTS

Environmental Requirements means all applicable present and future statutes, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, and similar items, of all governmental agencies, departments, commissions, boards, bureaus, or instrumentalities of the United States, states and political subdivisions thereof and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, including, without limitation:

1. All requirements, including but not limited to those pertaining to reporting, licensing, permitting, investigation, and remediation of emissions, discharges, releases, or

threatened releases of "Hazardous Materials", chemical substances, pollutants, contaminants, or hazardous or toxic substances, materials or wastes whether solid, liquid, or gaseous in nature, into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of chemical substances, pollutants, contaminants, or hazardous or toxic substances, materials, or wastes, whether solid, liquid, or gaseous in nature; and

2. All requirements pertaining to the protection of the health and safety of employees or the public.

### C. ENVIRONMENTAL DAMAGES

Environmental Damages means all claims, judgments, damages, losses, penalties, fines, liabilities, encumbrances, liens, costs, and expenses of investigation and defense of any claims, whether or not such claim is ultimately defeated, and of any good faith settlement of judgment, of whatever kind or nature, contingent or otherwise, matured or unmatured, foreseeable or unforeseeable, including without limitation reasonable attorneys' fees and disbursements and consultants' fees, any of which are incurred at any time caused by "Hazardous Materials" upon, about, beneath the Premises or Airport or migrating or threatening to migrate from the Premises or the Airport, or the existence of a violation of "Environmental Requirements" pertaining to the Premises or the Airport as the result of Tenant's use or occupancy of the Premises or the Airport or as the result of any of Tenant's (or Tenant's agents, employees, invitees or officers') actions or omissions, including without limitation:

1. Damages for personal injury, or injury to property or natural resources occurring upon or off of the Premises or the Airport, (foreseeable or unforeseeable), including, without limitation, lost profits, consequential damages, the cost of demolition and rebuilding of any improvements on real property, interest and penalties;

2. Fees incurred for the services of attorneys, consultants, contractors, experts, laboratories and all other costs incurred in connection with the investigation or remediation of such "Hazardous Materials" or violation of "Environmental Requirements" including, but not limited to, the preparation of any feasibility studies or reports or the performance of any cleanup, remediation, removal, response, abatement, containment, closure, restoration or monitoring work required by any federal, state or local governmental agency or political subdivision, and including without limitation any attorney's fees, costs and expenses incurred in enforcing this agreement or collecting any sums due hereunder; and

3. Liability to any third person or governmental agency to indemnify such person or agency for costs expended in connection with the items referenced in subparagraph 2 herein;

4. Diminution in the value of the Premises or the Airport, and damages for the loss of business and restriction on the use of or adverse impact on the marketing of rentable or usable space or of any amenity of the Premises or the Airport.



## Exhibit "C"

### FAA Rider

Rider to Land Lease dated September 1, 2017 (herein called "this lease") between SANTA MARIA PUBLIC AIRPORT DISTRICT (herein called "District") and MAHONEY LEASING, LLC, a California limited liability company (herein called "Tenant").

#### LEASE PROVISIONS REQUIRED BY FEDERAL AVIATION ADMINISTRATION

1. Tenant, for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the leased premises described in this lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, 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. Tenant for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree 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 the leased premises 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 Tenant shall use the leased 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, 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.

3. That in the event of breach of any of the above nondiscrimination covenants, District shall have the right to terminate this lease and to reenter and repossess the leased premises and the facilities thereon, and hold the same as if this lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

4. Tenant 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 Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

5. Noncompliance with Provision 4 above shall constitute a material breach thereof and in the event of such noncompliance District shall have the right to terminate this lease and the estate hereby created without liability therefor or at the election of the District or the United States either or both said governments shall have the right to judicially enforce Provision 4 above.

6. Tenant agrees that it shall insert the above five provisions in any lease agreement, contract, license, permit or other instrument by which Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the leased premises.

7. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participation in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant 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. Tenant assures that it will require that its covered suborganizations provide assurances to the Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

8. District 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 Tenant and without interference or hindrance.

9. District reserves the right, but shall not be obligated to Tenant, 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 Tenant in this regard.

10. This lease shall be subordinate to the provisions and requirements of any existing or future agreement between District and the United States relative to the development, operation or maintenance of the Airport.

11. Tenant 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 leased premises, or in the event of any planned modification or alterations of any present or future building or structure situated on the leased premises.

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

13. There is hereby reserved to District, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the leased premises. This public right of flight shall include the right to cause in said airspace

any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the Airport.

14. Tenant by accepting this lease expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the leased premises above the mean sea level elevation of 359 feet. In the event the aforesaid covenants are breached, District reserves the right to enter upon the leased premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Tenant.

15. Tenant by accepting this lease 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, District reserves the right to enter upon the leased premises and cause the abatement of such interference at the expense of Tenant.

16. This lease 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 nonexclusive use of the Airport by the United States during the time of war or national emergency.



**AIRPORT GROUND SUBLEASE: DESTINY FARMS, LLC**

This airport ground sublease (alternatively, “Sublease” or “Agreement”) is made as of July 1, 2023 at Santa Maria, California by and between Mahoney Leasing, LLC, a California limited liability company (“Tenant”) and Durant Harvesting, Inc., a California corporation and Destiny Farms, LLC, a California limited liability company (collectively, “Subtenant”). Tenant and Subtenant are sometimes hereinafter referred to jointly as the “Parties” and individually as the “Party.”

**Recitals**

- A. The Santa Maria Public Airport District, a public district of the State of California, by and through its agent’s, employees, officers and directors (“District”) has leased to Tenant certain land (the “Land”) at the Santa Maria Public Airport (“Airport”) in the City of Santa Maria, California, under a lease dated July 27, 2017 (the “Master Lease”), which said Master Lease is attached hereto as **Exhibit A**.
  
- B. Tenant, by this Sublease, intends to sublease to Subtenant a portion of the Land subject to the conditions and provisions of the Master Lease and this Sublease as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, it is agreed as follows:

**Agreement**

**1. Subleased Premises.** Tenant hereby subleases to Subtenant, and Subtenant takes and hires from Tenant, approximately 12 acres of the Land (hereinafter, alternatively, the “Subleased Premises” or “Premises”) situated in Santa Barbara County, California, the boundaries of which are generally identified in blue highlight on the attached **Exhibit B**, which is incorporated herein by this reference. The Parties hereto acknowledge and agree that they are familiar with the location and boundaries of the Subleased Premises.

By taking possession of the Subleased Premises, Subtenant shall be deemed to represent and warrant to Tenant that Subtenant has inspected the Subleased Premises and has found them to be free of defects of any type, including the presence of hazardous materials.

**1.1. Assumption of Master Lease by Subtenant.** In addition to the terms and covenants in this Sublease, Subtenant hereby expressly assumes and agrees to

perform and be bound by all obligations, covenants and conditions to be kept, performed or observed by Tenant under the Master Lease during the term of this Sublease as such obligations, covenants and conditions apply to the Subleased Premises or the use thereof. *Subtenant acknowledges receipt of a copy of the Master Lease. Subtenant understands that this Sublease is subordinate to the Master Lease and further understands each term and condition enumerated in the Master Lease, including but not limited to all termination provisions, planting restrictions, and other restrictions enumerated in the Master Lease. If any term or condition of this Sublease conflicts with any term or condition of the Master Lease, the terms and conditions of the Master Lease shall control for all purposes. Subtenant specifically agrees to defend and indemnify Tenant, inclusive of attorney's fees, for any breach or alleged breach by Subtenant of any term, provision, or condition of the Master Lease.*

**2. Term.** The term ("Term") of this Sublease shall be for three (3) years, beginning on September 1, 2023 and ending and terminating on August 31, 2026.

### **3. Rental**

**3.1. Payments.** Subtenant agrees to pay as rental for the use and occupation of the Subleased Premises for the first year of this Sublease the sum of \$2,300.00 per acre. Therefore, the total payment for the Subleased Premises for the first year of this Sublease shall be \$27,600.00. Payment of said amount shall be made as follows:

Subtenant shall pay Tenant \$13,800.00 on or before September 1, 2023; and

Subtenant shall pay Tenant \$13,800.00 on or before March 1, 2024.

Further, Subtenant agrees to pay as rental for the use and occupation of the Subleased Premises the sum of \$2,350.00 per acre for the second year of this Sublease. Therefore, the total payment for the Subleased Premises for the second year of this Sublease shall be \$28,200.00. Payment of said amount shall be made as follows:

Subtenant shall pay Tenant \$14,100.00 on or before September 1, 2024; and,

Subtenant shall pay Tenant \$14,100.00 on or before March 1, 2025.

Further, Subtenant agrees to pay as rental for the use and occupation of the Subleased Premises the sum of \$2,400.00 per acre for the last year of this Sublease. Therefore, the total payment for the Subleased Premises for the last year of this Sublease shall be \$28,800.00. Payment of said amount shall be made as follows:

Subtenant shall pay Tenant \$14,400.00 on or before September 1, 2025; and,

Subtenant shall pay Tenant \$14,400.00 on or before March 1, 2026.

**3.2. Late Charge.** Subtenant acknowledges that the late payment by Subtenant of any base rent or additional rent will cause Tenant to incur costs and expenses, the exact amount of which is extremely difficult and impractical to fix. Such costs and expenses will include administration, collection costs, processing and accounting expenses. Therefore, if any base rent or additional rent is not received by Tenant within fifteen (15) calendar days after it is due, Subtenant shall immediately pay to Tenant a late charge equal to five percent (5%) of such delinquent amount. Tenant and Subtenant agree that such late charge represents a reasonable estimate of such costs and expenses and is fair compensation to Tenant for the loss suffered by Subtenant's failure to make timely payment. In no event shall such late charge be deemed to grant to Subtenant a grace period or extension of time within which to pay any rent or prevent Tenant from exercising any right or enforcing any remedy available to Tenant upon Subtenant's failure to pay all rent due under this Sublease in a timely fashion, including the right to terminate this Sublease. All amounts of money payable by Subtenant to Tenant hereunder, if not paid when due, shall bear interest from the date due until paid at the maximum annual interest rate allowed by law for business loans (not primarily for personal, family or household purposes) not exempt from the usury law at such date or, if there is no such maximum annual interest rate, at the rate of fifteen percent (15%) per annum compounded daily.

If any check tendered in payment for any amount due under this Sublease is returned by Tenant's bank for any reason, then, in addition to any late charge which may be due, Subtenant shall pay Tenant a Non-Sufficient Funds charge of \$100.00.

**3.3. Payment Instruction.** All payments of any kind shall be payable in lawful money of the United States of America as follows:

- (a) One half of any and all payments shall be made to Mahoney Leasing, LLC, 5604 Oakhill Drive, Santa Maria, CA 93455, or at such other place, or places, as may be designated by Tenant.
- (b) One half of any and all payments shall be made to the Santa Maria Public Airport District at 3217 Terminal Drive, Santa Maria, CA 93455, or at such other place, or places, as may be designated by District.

**3.4. No Deduction, Abatement, or Offset.** The Subtenant acknowledges that Subtenant is familiar with the Subleased Premises and the sums due pursuant to this Sublease shall be due notwithstanding any variations in the actual acreage of the

Subleased Premises as may from time to time occur. Subtenant acknowledges that a portion or portions of the Subleased Premises may not be suitable for Subtenant's purposes and no adjustment in the rent shall occur therefore. All sums due to Tenant shall be paid without offset or deduction notwithstanding such claims that Subtenant may assert against Tenant.

**3.5. Utility Expenses.** To the extent available, all utility expenses necessary for any use of this Subleased Premises shall be paid by Subtenant. Nothing herein shall constitute a guarantee or warranty of any kind that any utility (whether water, electrical, or septic/sewer, or otherwise) is or will be available for Subtenant's use during the term of this Sublease.

**4. Disclaimer of Warranty: Soil Suitability.** Tenant makes no warranty of the soil's suitability for growing crops Subtenant is authorized to grow under this Sublease.

**5. Disclaimer of Warranty: Water Supply.** Tenant cannot and does not guarantee any source of water on the Subleased Premises. Subtenant understands that no water well currently exists on the Subleased Premises and Subtenant shall not construct any water well on the Subleased Premises.

**5.1. Water System Maintenance.** All maintenance of, and service and repairs to, any existing water conveyance structure installed by Subtenant (conveying water from adjacent land) shall be performed by Subtenant at Subtenant's sole cost and expense.

**6. Compliance With 2004 Conditional Waiver Program.** By execution below, Subtenant acknowledges that the Subleased Premises is presently subject to the terms, conditions, and requirements of the 2004 Conditional Waiver of Waste Discharge Requirements for Dischargers from Irrigated Lands (hereinafter, the "2004 Conditional Waiver") adopted by the Regional Water Quality Control Board for the Central Coast Region. Subtenant acknowledges and avers that it has read and is familiar with the terms, conditions, and requirements of the 2004 Conditional Waiver and that amendments to, or renewal or replacement of, the 2004 Conditional Waiver can occur at any time. Subtenant further agrees to comply with the terms, conditions, and requirements of the 2004 Conditional Waiver and any amendments to, or renewal or replacement of the 2004 Conditional Waiver affecting the Subleased Premises and/or Subtenant's use of the Subleased Premises, including, but not limited to the following; any requirement that Subtenant develop and implement a water quality management plan for the Subleased Premises; any requirement that Subtenant use best management practices on the Subleased Premises; any requirement that Subtenant keep, maintain and/or report water quality or other data relating to the Subleased Premises to a regulatory agency or



governmental body or to anyone else; any requirement that Subtenant provide water quality monitoring or other data to Tenant in order for Tenant to comply with reporting or any other requirements imposed on Tenant; any requirement that Subtenant pay fees and/or costs incurred by Central Coast Water Quality Preservation, Inc. or any other entity in providing sampling and/or monitoring or other services to the Subleased Premises; and any requirement that Subtenant pay any fines and/or penalties or other costs or monetary sanctions assessed against the Subleased Premises and/or on account of the Subtenant's use of the Subleased Premises.

On twenty four (24) hour notice from Tenant to Subtenant, Subtenant agrees to provide reasonable access onto the Subleased Premises to Tenant for the purposes of Tenant confirming Subtenant's compliance with all terms, conditions, and requirements of the 2004 Conditional Waiver or any amendments to, or renewal or replacement of, the 2004 Conditional Waiver. Subtenant agrees to provide prompt notice (herein, the term "prompt notice" shall mean notice given within 5 days of receipt by Subtenant) to Tenant of any communication to Subtenant from any regulatory agency or governmental or other body to the effect that Subtenant is in breach or violation of, or potential breach or violation of, any term, condition, or requirement imposed under the 2004 Conditional Waiver or any amendments to, or renewals or replacement of, the 2004 Conditional Waiver.

Subtenant further agrees to fully indemnify, defend, and hold Tenant and District harmless from and against any and all actual damages, costs and expenses (including reasonable attorney's fees) incurred by Tenant or District as a result of Subtenant's failure to comply with any of the terms, conditions, or requirements of the 2004 Conditional Waiver or any amendments to, or renewals or replacement of, the 2004 Conditional Waiver. Subtenant agrees to pay all water quality monitoring fees and/or costs, as well as any fines and/or penalties or other costs or monetary sanctions of any type assessed against the Subleased Premises or against Subtenant during the Term of this Sublease.

**6.1. Indemnity for Water Runoff and Other RWQCB Regulations.**

Subtenant represents and warrants that, should the need arise, Subtenant will work with and comply with all rules, regulations, mandates, or orders promulgated by the Central Coast Regional Water Quality Control Board, Region 3, or any other state or federal regulatory body (hereinafter, collectively, "RWQCB"). Subtenant agrees to retain sole responsibility for all costs and compliance associated with such rules, regulations, mandates and orders. Subtenant further agrees to defend, indemnify (inclusive of attorney's fees), and hold harmless Tenant and District from and against any claim

related to or arising from any matter related to RWQCB, including, but not limited to, claims related to water run-off or water quality, whether groundwater or surface water, whether involving nitrate or any other constituent. Subtenant further agrees to defend, indemnify (inclusive of attorney's fees), and hold harmless Tenant and District from any other claim, whether private or otherwise, arising from any water run-off or water quality issue, whether agricultural or otherwise, arising from or related to the Subleased Premises.

**6.2. Compliance with Drinking Water Standards: Indemnification.**

Subtenant is notified that the Premises is or may be subject to California Health and Safety Code Section 116270, et. seq. and/or other provisions of the California Health and Safety Code or other law relative to safe water uses, including but not limited to, safe drinking water standards. Subtenant avers that Subtenant has full knowledge of said code section and laws relevant to safe drinking water uses and agrees to comply with all laws, rules, policies, regulations, or other requirements related to drinking water quality standards. Subtenant further agrees to take any and all actions required by any jurisdictional entity to comply with any safe drinking or washing water rules, regulations, or standards, or permitting. Subtenant further agrees to indemnify, save harmless, and defend Tenant, to the fullest extent allowed under California law, for any claims, actions, allegations, or assertion relating to or arising from any water quality law, rule, policy, regulation, requirement, or standard, whether concerning safe drinking water or otherwise, made by any public entity, private entity, governmental entity or any other person or persons, entity or otherwise, with the exception of Tenant, or any agent, employee, or invitee of Tenant.

**6.3. Proposition 65 Warning.** Subtenant is advised that the Premises may contain chemicals known to the State of California to cause cancer, birth defects, and other reproductive harm. These chemicals may be contained in emissions and fumes from building materials, products and materials used, or have been used, to maintain the Premises, and emissions and fumes from a variety of sources and activities, including the activities of previous tenants.

**6.4. General Maintenance of Premises.** Subtenant shall have no duty or obligation to maintain the Premises or any other improvements thereon except as otherwise specifically provided in this Agreement. Subtenant hereby expressly waives the benefits of California Civil Code Sections 1932(2), 1933(4), 1941 and 1942, any iterations thereof, and any and all other statutes or laws inconsistent with the terms hereof, permitting a tenant to make repairs at the expense of a landlord or to terminate a lease by reason of the condition of the premises.

**7. Holding Over.** No holding over the Term of this Sublease, even with the express or implied consent of Tenant, shall be construed as a renewal of the Term. Such holding over shall be considered merely a tenancy at will at a rental amount equal to 150 percent of the last regular annual rental amount prorated on daily basis and subject to all of the terms and conditions of this Sublease and such holding over shall further be terminable at the will of Tenant upon Tenant giving notice, in writing, to Subtenant to vacate the Subleased Premises. In the event of any such holding over, Subtenant hereby expressly waives all rights and privileges conferred by Section 1161 of the Code of Civil Procedure (or any subsequent iteration thereof) and Section 789 of the Civil Code (or any subsequent iteration thereof) of the State of California regarding the automatic renewal of agricultural leases by holding over of possession thereof.

**8. Permitted Uses.** The Subleased Premises are subleased to Subtenant for the purpose of cultivation of row crops and associated activities consistent with this Sublease and for no other purpose, or purposes, unless consented to, in writing, by Tenant.

**9. Acceptance of Premises.** Subtenant, in accepting this Sublease, acknowledges that Subtenant has read it and the Master Lease carefully, and understands them fully, and that Subtenant accepts this Sublease with full knowledge of the condition of the land, fences, roads, water wells, and all other improvements and structures located on the Subleased Premises. Upon the expiration or sooner termination of this Sublease, Subtenant agrees to surrender the Subleased Premises to Tenant in the same or better condition as when received, reasonable wear and tear and damage by fire, the elements, or other causes beyond Subtenant's control, excepted. Tenant makes no warranties not contained in this Sublease concerning the fertility of the soil, the water supply on the Subleased Premises, the condition of the improvements upon the Subleased Premises, or the suitability of the Subleased Premises for agricultural purposes.

**10. Farming Operations.**

**10.1. Relationship.** The relationship between the Parties is that of Tenant and Subtenant and not partners or joint venturers. All farming operations on the Subleased Premises shall be at Subtenant's expense. Further, Subtenant shall not have the right to bind Tenant, the District, or the Subleased land, to any union contract, collective bargaining agreement, or similar agreement, and any such agreement signed by Subtenant shall not be binding upon Tenant, the District, or the Subleased Premises.

**10.2. Assurances: Security Interest.** Subtenant agrees to keep the Subleased Premises free and clear of all liens, or claims of any kind, arising out of Subtenant's operations on the Subleased Premises, or elsewhere, except for security interests or crop

mortgages on the crops to be grown on the Subleased Premises. Tenant shall have and Subtenant shall grant, a security interest in the crops grown on the Subleased Premises and proceeds therefrom to secure payment of the rental and any late charges as described herein. Tenant may file with the appropriate governmental agencies, and Subtenant agrees to execute and to otherwise cooperate in the preparation of any documentation that Tenant deems necessary to perfect and protect its security interest, including, without limitation, UCC Financing statements. Subtenant shall further provide to all brokers and merchants responsible for the packaging, marketing, and sale of Subtenant's crops, written assignments of crop proceeds naming Tenant as assignee. Subtenant shall further ensure that all brokers and marketers shall honor this assignment and execute any and all documents necessary to perfect this assignment.

**10.3. Indemnity and Hold Harmless: Contamination.** Subtenant represents and warrants that all crops grown by Subtenant will be produced using only agricultural materials registered for use under all applicable federal, state, and local laws. Subtenant agrees to comply with all applicable laws in the use, application, and disposal of all such approved materials on the Subleased Premises as well as all environmental conditions, obligations, and restrictions enumerated in the Master Lease. Subtenant further agrees to defend, indemnify (inclusive of attorney's fees), and hold harmless Tenant and District from any claim arising from the use, misuse, application, misapplication, or disposal of any material or product on the Subleased Premises and any similar environmental condition imposed by the Master Lease. Subtenant further agrees to defend, indemnify (inclusive of attorney's fees) and hold harmless Tenant and District for any claims related to contamination which may arise from or relate to Subtenant's presence on and/or use of the Subleased Premises and any breach or alleged breach of any condition enumerated in the Master Lease.

**10.4. Agricultural Practices.** Subtenant agrees that it will undertake agricultural practices which are standard to the agricultural community in Santa Maria, California, including, but not limited to, the following;

**10.4.1. Rodent Control.** Subtenant agrees to use Subtenant's best efforts to eradicate squirrels, gophers and other rodents on the Subleased Premises in a manner consistent with the terms of this Sublease;

**10.4.2. Weed & Rubbish Abatement.** Subtenant agrees to keep the Subleased Premises reasonably free and clear of all noxious and undesirable weeds by using methods approved under federal, state, and/or local laws consistent with the terms of this Sublease.

Airport Sublease: Destiny Farms, LLC

Subtenant further agrees to keep the Subleased Premises free and clean from accumulations of rubbish, waste and the like. Subtenant agrees that any trash, rubbish, debris or yard waste, whether biodegradable or not that exists on the property at the inception of this Sublease, shall not be buried or disposed of in any way on the subject property and that any such waste shall be removed first from the property before any fill materials are placed in areas containing such waste materials;

**10.4.3. Soil Maintenance.** Subtenant further agrees that Subtenant will, at Subtenant's expense, during the Term of this Sublease, maintain the fertility of the soil by the use of fertilizers, crop rotations and other appropriate methods consistent with good farming practices and the terms of this Sublease.

**10.4.4. Soil Removal.** Subtenant further agrees that, during any leveling operations, no soil material shall be removed from the Subleased Premises.

**10.4.5. Irrigation.** Subtenant further agrees to irrigate the Subleased Premises in such a manner so as to prevent water from escaping onto lands of other adjacent landowners or upon public highways in a deleterious manner to the extent feasible.

**10.4.6. Dust Control.** Subtenant shall further use reasonable care and caution in the use of roads and the undertaking of all agriculturally related work on the Subleased Premises so as to prevent dust from damaging crops or property of other landowners to the extent feasible.

**10.4.7. Environmental Compliance.** Subtenant shall not release or permit any hazardous or toxic substances, materials or waste to be deposited or released on or from the Subleased Premises that will constitute a violation of any federal, state or local law, rule or regulation, and Subtenant shall further comply with all applicable environmental laws, rules and regulations in Subtenant's operations on and use of the Subleased Premises, including, but not limited to, laws, rules and regulations associated with air quality.

**10.4.8. Exclusion of Others.** Subtenant further agrees to use all

reasonable efforts to prevent the general public and all unauthorized persons from using the private roads located on the Subleased Premises, including, when necessary or appropriate, filing complaints with authorities for trespass or doing such other things as may be necessary to prevent the acquisition of prescriptive rights to the Subleased Premises. Subtenant shall further not have the right to place the Subleased Premises in any agricultural conservation program, such as the soil bank program of the U. S. Department of Agriculture or any other program under present or future laws or regulations.

**10.4.9. Limitation on Use of Agricultural Chemicals.** Subtenant shall not use any agricultural chemical or similar substance, including any pesticide or herbicide, with a residual life longer than the Term of this Sublease or in such a way as to prevent the use of the soil for other crops of any type following the Term of this Sublease unless Tenant's written consent is first obtained.

**11. Hazardous Materials.** Tenant shall not be liable for any spill, release or deposit of any hazardous or toxic substances, materials or waste, including, but not limited to, chemicals of any kind including any pesticide or herbicide of any kind and in any form, on the Subleased Premises during the Term of this Sublease caused by Subtenant, or attributable to Subtenant's use and occupation of the Subleased Premises, or for any fines or penalties resulting therefrom, or for the cost of cleanup, and Subtenant shall defend and indemnify Tenant and the Subleased Premises for any such loss, costs or damage, including attorneys' fees and shall further defend and indemnify (including attorney's fees) Tenant, the District, and the Subleased Premises for any breach of any environmental condition enumerated in the Master Lease. Furthermore, should soil, crops, or other items on property adjacent to (or in the vicinity of) the Subleased Premises be contaminated or damaged, or alleged to be contaminated or damaged, due to the actions of Subtenant or Subtenant's employees, contractors, subcontractors, or affiliates, whether related to hazardous or toxic substances or otherwise, Subtenant shall be responsible for any and all remediation and other remedies that are required to said adjacent property soil, crops, or other items and shall defend, indemnify (including attorney's fees), and hold Tenant and District harmless from any and all claims arising from or associated with said actual or alleged contamination or damage. Upon the termination or expiration of this Sublease, Subtenant shall remove any toxic or hazardous materials that Subtenant brought on the Subleased Premises and will further clean-up all spills or other releases of toxic or hazardous materials on the Subleased Premises.

**12. Destruction of Improvements.** In the event of destruction of any of the existing improvements by fire, earthquake, windstorm or any other cause, Tenant shall not be obligated to rebuild, reconstruct or repair such improvements. Furthermore, should the soil, crops, or other items on the Subleased Premises be contaminated due to the actions of any third party, whether said third party is employed and/or contracted by Subtenant or not, and whether the contamination occurs as a result of overspray or drift from adjacent operations or not, Subtenant shall be responsible for any and all remediation that is required to return the soil on the Subleased Premises to the same or better condition as when received by Subtenant.

**13. Construction of Improvements.** Subtenant shall not have the right to erect buildings and other improvements on the Subleased Premises.

**14. Compliance with Law.** Subtenant shall comply with all state, county and other governmental laws, rules and regulations now in force, or which may hereafter be in force, pertaining to Subtenant's use and occupation of the Subleased Premises, including all applicable environmental laws, rules and regulations.

**15. Taxes.** Subtenant shall pay before delinquency all taxes, assessments, license fees or public charges, including property taxes, levied or assessed against the Subleased Premises (on a pro-rata basis) and any personal property belonging to Subtenant and located on the Subleased Premises.

**16. Assignment. Subletting. Transfer by Operation of Law.** Subtenant shall not have the right to assign this Sublease or to sublet the Subleased Premises during the Term of this Sublease, without first obtaining Tenant's and the District's written consent. As a condition to said assignment or sublease, any assignee or subtenant shall execute a written document agreeing to be bound by, and comply with, each and every term and condition of this Sublease and the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof), and such written document shall be presented to Tenant and District prior to any such written consent being issued by Tenant or District. Subtenant understands and agrees that any such assignment or sublease shall not relieve Subtenant of its duties and obligations under this Sublease or the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof), that Subtenant shall continue to be responsible for compliance with each and every term and condition of this Sublease and the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof), and that, should any such assignee or subtenant fail to comply with any term or condition of this Sublease or the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased

Premises or the use thereof), Subtenant agrees to immediately take any and all action or actions required to be performed under this Sublease or the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof). In the event of any breach of any provision of this Sublease or the Master Lease by any assignee or subtenant, Subtenant agrees and understands that Subtenant shall be jointly and severally liable for any such breach. It is further agreed that in the event of the bankruptcy or insolvency by the Subtenant or any assignee or subtenant, this Sublease shall not be considered an asset in bankruptcy and Tenant shall have the right and option to terminate and end this Sublease in such event. It is further agreed that should any receiver be appointed to take charge of Subtenant's business (or any assignee or subtenant's business), or should an attachment or execution be levied upon Subtenant's (or any assignee or subtenant's) interest in this Sublease, and should such receivership, attachment or execution not be released, discharged or dissolved within a period of thirty days, then Tenant shall have the right and option to end and terminate this Sublease.

**17. Reservation of Right of Entry.** Tenant and District shall have the right to enter upon the Subleased Premises at all reasonable times and without notice for the purpose of inspection and to determine whether the terms, covenants and conditions of this Sublease and/or the Master Lease (as the same relates to the obligations, covenants and conditions of the Subleased Premises or the use thereof) are being complied with.

**18. Sublease Subject to Existing Rights.** This Sublease is subject to all existing easements, servitudes, licenses and rights of way for canals, ditches, levees, roads, oil production, highways and telephone, telegraph and electric power lines, pipelines and other purposes, whether recorded or not.

**19. Tenant's Rights Upon Default.** Should Subtenant fail to comply with any term, covenant or condition of this Sublease, as to which Subtenant is in default for a period of ten days after written notice from Tenant to comply therewith. Tenant may, at Tenant's option, end, terminate and cancel this Sublease and forfeit all of Subtenant's rights hereunder. Tenant shall further have the right of re-entry and the right to take possession of all crops, harvested or unharvested, and to remove all persons and property from the Subleased Premises. Tenant may store the property removed in a public warehouse, or elsewhere, at Subtenant's expense and for Subtenant's account. Tenant, at Tenant's election, shall become the owner of all crops of which Tenant has so taken possession and shall not be obligated to compensate Subtenant for them. The foregoing remedies shall not be exclusive and, in addition thereto, Tenant shall have all the remedies permitted by law.



**20. Nonliability of Tenant for Damages: Indemnity.** Subtenant, its heirs, successors and assigns hereby RELEASES, ACQUITS AND FOREVER DISCHARGES, and WAIVES any and all losses, liens, claims, actions, causes of action, liability, damages, demands, costs and expenses (including, without limitation, court costs and reasonable attorneys' fees) against any of Tenant Parties (hereinafter defined) that arise from or relate to Subtenant's occupancy of and/or activities on the Premises, and agrees not to sue any of Tenant Parties for such losses, liens, claims, actions, causes of action, liability, damages, demands, costs and expenses. Without limiting the foregoing, Subtenant agrees that Tenant Parties shall not be liable to Subtenant, its heirs, successors and assigns for personal injury, property damage or any other claims, causes of action, liabilities (including, without limitation, strict liability), losses, damages, demands (including, without limitation, environmental damages, consequential, punitive, special, exemplary and indirect damages), suits, fines, penalties, costs and expenses (including, without limitation, court costs, attorneys' fees, consultant fees and expert fees) of every kind or character, known or unknown, and whether in contract, in tort or existing at common law, or by virtue of any statute, regulation or ordinance (each a "*Claim*", and collectively, "*Claims*") arising from or related to Subtenant's exercise of its rights under this Sublease or any condition, characteristic, or flaw of the Premises. Subtenant assumes all risks and responsibilities for accidents, injuries or death resulting from such injuries or damages to person or property occurring in, on or about the Premises or in connection with the transportation of crops or livestock to market, and SUBTENANT AGREES TO RELEASE, PROTECT, DEFEND UPON REQUEST WITH COUNSEL ACCEPTABLE TO TENANT PARTIES, INDEMNIFY, REIMBURSE AND HOLD HARMLESS TENANT AND TENANT'S EMPLOYEES, OFFICERS, MEMBERS, MANAGERS, PARTNERS, AGENTS (INCLUDING, WITHOUT LIMITATION, TRUSTEES), INVESTORS, HEIRS, DEVISEES, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS AND AFFILIATES AND EACH OF THEIR CURRENT, FORMER AND FUTURE OFFICERS, DIRECTORS, EMPLOYEES, PARENT COMPANIES, AFFILIATES, DIVISIONS, PREDECESSORS, SUCCESSORS, SUBSIDIARIES, ADMINISTRATORS, INSURERS, SURETIES, ASSIGNS, REPRESENTATIVES, AGENTS, HEIRS, ATTORNEYS, GENERAL AND LIMITED PARTNERS, AND INDEPENDENT MANAGERS (COLLECTIVELY, "*TENANT PARTIES*," AND EACH INDIVIDUALLY, A "*TENANT PARTY*") FROM ANY AND ALL CLAIMS (AS DEFINED HEREIN), (A) ARISING, DIRECTLY OR INDIRECTLY, OUT OF, FROM OR IN CONNECTION WITH, IN WHOLE OR IN PART, THE CONDITION, USE OR CONTROL OF THE PREMISES (INCLUDING, WITHOUT LIMITATION, ANY IMPROVEMENT OR WATER SYSTEM COMPONENT AND/OR OTHER PROPERTY OR EQUIPMENT THEREON) DURING THE TERM OF THIS AGREEMENT, OR (B) IMPOSED UPON OR INCURRED BY OR ASSERTED, DIRECTLY OR INDIRECTLY, AGAINST ANY TENANT PARTY, IN WHOLE OR IN PART, BY REASON OF (I) ANY FAILURE ON THE PART OF

Airport Sublease: Destiny Farms, LLC

SUBTENANT TO PERFORM OR COMPLY WITH ANY OF THE TERMS OF THIS SUBLEASE, (II) ANY ENFORCEMENT OR REMEDIAL ACTION TAKEN BY ANY TENANT PARTY IN THE EVENT OF ANY SUBTENANT PARTY'S (AS DEFINED BELOW) FAILURE TO PERFORM OR COMPLY WITH THE TERMS OF THIS SUBLEASE; (III) ANY LITIGATION INVOLVED OR CONCERNED (EXCEPT TO THE EXTENT DUE TO THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF TENANT) RESPECTING THIS SUBLEASE, THE PREMISES OR THE USE OR OCCUPANCY THEREOF BY SUBTENANT PARTIES, AND/OR (IV) ANY ACTION BY A LAW ENFORCEMENT OR REGULATORY OFFICIAL WITH RESPECT TO ANY ACT OR CONDUCT BY ANY SUBTENANT PARTY IN CONNECTION WITH THE PREMISES OR THE AGRICULTURAL ACTIVITIES THEREON. Subtenant shall be liable to Tenant Parties for any damages to the Premises or any improvement thereon, including any equipment owned by Tenant, and for any act or omission by Subtenant or any employee, agent, contractor, subcontractor, invitee, licensee, representative, successor, assignee, guest of Subtenant or any other person acting on behalf of Subtenant (collectively, "*Subtenant Parties*," and each individually, a "*Subtenant Party*"). For avoidance of doubt, the term "Tenant Parties" shall include Tenant, and the term "Subtenant Parties" shall include Subtenant. For purposes of the indemnity provisions in this Sublease, any act or omission of any Subtenant Party (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to Subtenant and as such shall fall within the scope of Subtenant's obligation to indemnify Tenant Parties. Tenant Parties need not have first paid any such Claim to be so indemnified and held harmless by Subtenant. Subtenant, upon written notice from Tenant, shall defend any Claim against any Tenant Party at Subtenant's sole expense, using legal counsel reasonably satisfactory to Tenant. Subtenant shall promptly notify Tenant in writing if Subtenant obtains knowledge of any potential Claim against Tenant in connection with the Premises or in any way related to the use of the Premises by Subtenant, and such notice shall set forth reasonable detail of such potential Claim. Subtenant's indemnity obligations under this Section and all other sections of this Sublease shall survive the expiration or termination of this Sublease, without limitation of time or as allowed under California law.

**21. Liability Insurance.** Subtenant further agrees to take out and keep in force during the Term of this Sublease, at Subtenant's own expense, public liability insurance and property damage insurance with companies and through brokers approved by Tenant for protection against (1) liability to the public and the Subleased Premises arising as an incident to the use of, or resulting from, any accident occurring in or about the Subleased Premises and (2) damage to the Subleased Premises, whether caused by Subtenant or by third parties. The limits of liability under this insurance are to be not less than \$3,000,000.00 combined limit liability and \$3,000,000.00 for property damage. These insurance policies shall insure the contingent liability of Tenant and District and Tenant

and District shall be named as additional insured. Such policies shall contain a written obligation on the part of the insurance companies to notify Tenant and District, in writing, before any cancellation of the insurance. Subtenant agrees that if Subtenant does not keep the insurance in force, Tenant may take out the necessary insurance and pay the premiums. The repayment of the premiums shall be part of the rental and payment shall be made upon Tenant's written demand. Subtenant further agrees to take out and keep in force during the Term of this Sublease, and any extension hereof, at Subtenant's own expense, proper and adequate workers' compensation insurance. If, due to inflation, increased risks of operation, generally higher liability awards, or for other reasons, the limits of liability of such insurance shall become inadequate, Subtenant shall, from time to time, increase the limits of liability under such insurance policies to amounts adequate to cover the risk involved in Subtenant's use and occupancy of the Subleased Premises.

**21.1. Waiver of Subrogation.** Subtenant hereby waives its right of recovery against the Tenant and the District for any loss insured by fire, extended coverage and other property insurance policy. Subtenant shall apply to its insurer to obtain said waiver and shall secure any special endorsement if required by its insurer to comply with this provision.

**22. Attorneys' Fees.** In any action or proceeding by either Party to enforce this Sublease, or any provision thereof, the prevailing Party shall be entitled to all costs incurred and to reasonable attorneys' fees.

**23. Venue.** In any action or proceeding by either Party to enforce this Sublease, or any provision thereof, then exclusive venue for such an action will be the Superior Court in the State of California, County of Santa Barbara, Santa Maria Cook Street Branch.

**24. Miscellaneous Provisions.**

**24.1. Surrender of Premises.** The voluntary or other surrender of this Sublease by Subtenant, or mutual cancellation thereof, shall not work as a merger and shall, at the option of Tenant, terminate all or any existing subleases, or may, at the option of Tenant, operate as an assignment to Tenant of any or all such subleases.

**24.2. Accord and Satisfaction.** No payment by Subtenant or receipt by Tenant of a lesser amount than the Sublease amount due and owing shall be deemed to be other than on account of the earliest accrued rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Tenant may accept such check or payment without prejudice to Tenant's right to recover the balance of such rent or pursue any other

remedy in this Sublease provided.

**24.3. Personal Liability.** Each person executing this Sublease on behalf of Subtenant hereby agrees to be personally liable for any breach or default by Subtenant hereunder.

**24.4. Abandonment.** Subtenant shall not vacate or abandon the Subleased Premises at any time during the Term of this Sublease, and, if Subtenant shall abandon, vacate or surrender the Subleased Premises or be dispossessed by process of law or otherwise, any personal property belonging to Subtenant and left on the Subleased Premises shall be deemed to be abandoned and shall be sold or otherwise disposed of in accordance with California Code of Civil Procedure Section 1174 or any subsequent iteration thereof.

**24.5. Waiver.** The failure of Tenant to terminate this Sublease for any violation of its terms, or to enforce any remedy provided for herein or by law, shall not be construed as a waiver of any of Tenant's rights hereunder and shall not stop or prevent Tenant from terminating this Sublease or enforcing any remedies provided for herein or by law, for any subsequent or continuing violation.

**24.6. Binding on Successors.** The covenants and conditions of this Agreement shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all of the Parties hereto.

**24.7. Time of Essence.** Time is of the essence of this Sublease with respect to the performance by Subtenant of all of the conditions and covenants to be observed and performed by Subtenant.

**24.8. Parties Defined; Use of Pronoun.** If more than one person or corporation is named as Tenant or Subtenant in this Sublease and executes the same as such, then the words "Tenant" or "Subtenant," wherever used in this Sublease, are intended to refer to all such persons or corporations and the liability of such persons or corporations for compliance with the performance of all of the terms, covenants and provisions of this Sublease shall be joint and several.

**24.9. Captions.** The captions to the paragraphs of this Sublease are for the convenience of the Parties only and shall not be construed as limiting or otherwise interpreting any of the provisions contained in such paragraphs.

**24.10. Notices.** All notices provided in this Sublease or provided by law may be served personally, or by mail, and, if served by mail, service of such notice shall be

deemed complete twenty-four hours after being deposited in a United States Post Office, registered, postage prepaid, return receipt requested, or available express mail carrier, such as Federal Express, Emory, Airborne Express, and the like, with postage or charges fully prepaid, addressed to the other Party at the following addresses:

**To Tenant at:**

Mahoney Leasing, LLC  
c/o Maureen Mahoney  
5604 Oakhill Dr.  
Santa Maria, CA 93455

**To Subtenant at:**

Destiny Farms, LLC  
c/o Tom Durant  
P.O. Box 1370  
Santa Maria, CA 93456

Either Party may change their address by serving written notice of such change on the other Party in the manner provided above.

**24.11. No Modification.** This Agreement may not be modified or amended except by the written consent of all the Parties hereto.

**24.12. Integration.** This Agreement constitutes a single, integrated written contract expressing the entire agreement of the Parties hereto relative to the subject matter hereof. No covenants, agreements, representations or warranties of any kind whatsoever have been relied upon by any Party hereto, except as specifically set forth in this Agreement. All prior discussions and negotiations have been and are merged and integrated into this Agreement and are fully superseded hereby.

**24.13. Counterparts.** This Agreement may be executed and delivered in two or more counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts together constitute but one and the same instrument and agreement.

**24.14. Severance.** If any provision of this Agreement is determined, by a court of competent jurisdiction to be illegal or unenforceable, said provision shall be deemed to be severed and deleted and neither such provision, its severance or deletion, shall affect the validity of the remaining provisions of this Agreement.

**24.15. Governance.** THE PARTIES AGREE THAT THE TERMS OF THIS

Airport Sublease: Destiny Farms, LLC

AGREEMENT SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS AGREEMENT AND SUCH WAIVER IS ALLOWED BY LAW.

**24.16. Construction.** This Agreement shall not be construed against the Party or its representative who drafted this Agreement or any portion hereof. Subtenant understands and agrees that the provisions of this Agreement are intended to be as broad and inclusive in favor of Tenant as permitted by the laws of California and that if any ambiguity is alleged to exist in this Agreement or any provision herein, such ambiguity shall be interpreted in favor of Tenant.

**24.17. Limitation on Right of Recovery Against Tenant.** Subtenant acknowledges and agrees that the liability of Tenant under this Agreement or any matter relating to or arising out of the occupancy or use of the Premises shall be limited to Subtenant's actual direct, but not consequential, damages therefor and shall be recoverable only from Tenant's interest in the Premises. No personal judgment shall lie against Tenant upon extinguishment of its rights in the Premises and any judgment so rendered shall not give rise to any right of execution or levy against Tenant's assets. For the purposes of this Section, the term "Tenant" shall mean and include all Tenant Parties. The provisions hereof shall inure to Tenant's successors and assigns. The foregoing provisions are not intended to relieve Tenant from the performance of any of Tenant's obligations under this Agreement, but only to limit the personal liability of Tenant in case of recovery of a judgment against Tenant.

**24.18. Documentary Evidence of Execution.** Facsimile signatures or emailed signatures of this Agreement in portable document format (i.e. .pdf) shall be acceptable as evidence of execution without the need for delivery of the original, executed document.

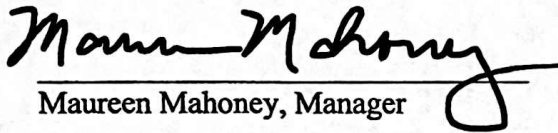
**24.19. Termination of All Previous Instruments.** The Parties hereto agree that this Sublease shall supplant and supersede all previous written instruments, including leases, related to the Subleased Premises between the Parties and any members of the Parties if the same is a company or corporation. To the extent that previous written instruments, including leases, exist between the Parties related to the Subleased Premises, the Parties agree that all such written instruments, including leases, are hereby terminated and shall have no force and effect as of the date first written above.

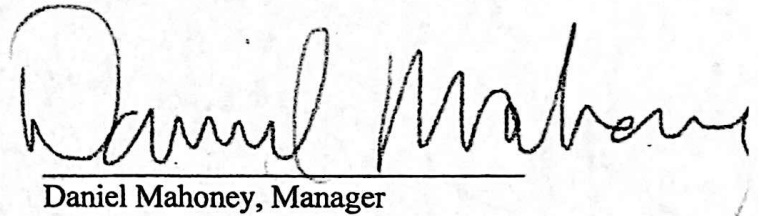
**24.20. Authority to Sign.** If Subtenant is a corporation, partnership (general or limited), limited liability company or trust, each person signing this Sublease as an

officer, partner, manager, member or trustee of Subtenant represents to Tenant that such person is authorized to execute this Sublease without the necessity of obtaining any other signature of any officer, partner, manager, member, trustee or beneficiary, that the execution of this Sublease has been properly authorized by the Board of Directors of the corporation, by the partners of the partnership, the members and/or managers of the limited liability company or the trustee or the trust, as the case may be, and that this Sublease is fully binding on Subtenant.

IN WITNESS WHEREOF, the Parties have executed this Sublease as of the date first written above.

**Tenant: Mahoney Leasing LLC**

  
Maureen Mahoney, Manager

  
Daniel Mahoney, Manager

**Subtenant: Destiny Farms, LLC**

  
Tom Durant, Manager

**CONSENT OF LESSOR**

The undersigned is the Lessor in the Master Lease dated July 27, 2017, between SANTA MARIA PUBLIC AIRPORT DISTRICT and the MAHONEY LEASING, LLC ("Tenant"), and hereby consents to the Sublease Agreement between Tenant and DURANT HARVESTING, INC., and DESTINY FARMS, LLC, referred to as "Subtenant", dated July 1, 2023, waiving none of its rights under the Master lease as to the Lessee or under the Sublease Agreement as to the Sublessee.

**Dated: July 27, 2023**

**Approved as to content for District:**

**DISTRICT:**

\_\_\_\_\_  
General Manager

By: \_\_\_\_\_  
Ignacio Moreno, President

**Approved as to form for District:**

By: \_\_\_\_\_  
David Baskett, Secretary

\_\_\_\_\_  
District Counsel



LAND LEASE

This Land Lease ("Lease") dated July 27, 2017 for reference purposes, is made and entered into by and between SANTA MARIA PUBLIC AIRPORT DISTRICT, a public district of the State of California (herein called "District") and Mahoney Leasing, LLC, a California limited liability company (herein called "Tenant").

1. Premises. Subject to any approval required of the Federal Aviation Administration, which approval District shall promptly apply for, District hereby leases to Tenant, and Tenant hires from District, for the term and rent, upon the terms, conditions and covenants, and subject to the reserved rights and easements, of record or set forth below, the real property at the Santa Maria Public Airport (the "Airport") in Santa Maria, California, consisting of approximately 28.79 acres, as shown shaded on the plot plan marked Exhibit "A" attached and incorporated by this reference, together with those appurtenances specifically granted in this Lease (the "Premises"). District reserves the right to remove acreage from the lease upon one (1) year's written notice to Tenant, if necessary to comply with mitigation measures or other conditions imposed by federal, state or local agencies, as a condition of development of other District owned property. In such event, rent shall be reduced proportionately.

2. Term. The term of this Lease shall be for a five (5) year period commencing on September 1, 2017 and ending on August 31, 2022, unless sooner terminated pursuant to the terms of this Lease; provided, District reserves the right to terminate this Lease on one (1) year's written notice in accordance with the provisions of Paragraph 23, District's Right to Early Termination. This Lease shall automatically be extended in one (1) year increments, unless either party provides notice to the other party of its intent to cancel at least one (1) year prior to the Lease's expiration, as it may be extended, up to a maximum of five (5) times (expiring August 31, 2027, at the latest).

a. If Tenant remains in possession of the Premises or any part thereof after the expiration or termination of this Lease, such occupancy shall be a tenancy from month to month upon all the provisions of this Lease pertaining to the obligations of Tenant; and in the event of any such holding over, Tenant waives all rights under Section 1161 of the Code of Civil Procedure and Section 789 of the Civil Code of the State of California, regarding the automatic renewal of agricultural leases by holding over of the possession thereof. If Tenant does not surrender the Premises upon expiration or termination of this Lease, Tenant shall indemnify and hold District harmless from any damages resulting to District, including claims made by a successor tenant.

3. Rent. In addition to its other obligations set forth in this Lease, Tenant shall pay to District as annual rent for the Premises, the sum of Eleven Dollars (\$11.00) per acre per year, (28.79 acres x \$11/acre = \$316.69). Tenant shall the annual rent in advance to District on September 1 of each year, commencing September 1, 2017. Rent is payable in lawful money of the United States at the District's office at 3217 Terminal Drive, Santa Maria, CA 93454, without notice, demand, reduction, or offset on the dates specified.

a. Late Charge. Tenant acknowledges that late payment by Tenant to District of rent will cause District to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation,

processing and accounting charges. Therefore, if any installment of rent due from Tenant is not received by District on or before the tenth (10<sup>th</sup>) calendar day after the date it is due, Tenant shall pay to District an additional sum of ten percent (10%) of the overdue rent as a late charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that District will incur by reason of late payment by Tenant. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the rights and remedies available to District.

b. Rent Increase. Effective September 1, 2018, and annually thereafter on September 1 of each calendar year, the per acre rental rate shall be adjusted upwards, but not downwards, by the percentage proportion of the change in the Consumer Price Index, All Items, 1982-84 = 100, Los Angeles-Anaheim-Riverside, For All Urban Consumers (the "CPI") published by the United States Department of Labor, Bureau of Labor Statistics, or its successor in function, for the most recent 12-month period available before the adjustment date.

4. Water Not Provided by District. Tenant acknowledges and agrees that Tenant will be solely responsible for arranging for the delivery and paying for the provision of irrigation water to the Premises. Tenant shall operate and maintain its irrigation system and water supply at its sole cost, and will comply with all federal, state, and local laws and regulations regarding the provision of water to the Premises for any permitted use. District will not provide any water to the Premises for Tenant's use, and District makes no representations or warranties about the availability of or quality of water to the Premises.

5. Prevention of Escape of Irrigation Water. Tenant shall not allow any of Tenant's irrigation water to escape from the Premises by airborne spray or surface flow except in minor amounts such as that associated with good irrigation practice, as approved by the applicable regulatory agency (currently Santa Barbara County Environmental Health Services). Tenant shall irrigate the Premises in such a manner as to prevent water from escaping the Premises onto property of others, or other property owned by District or Tenant or upon public highways. In the event of any escape of irrigation water in amounts which cause damage downstream, Tenant shall pay all damages occasioned thereby, and take all necessary steps to prevent any such escape of irrigation water in the future at Tenant's sole cost and expense.

6. Irrigation. Tenant shall use best farming practices in the use and application of Tenant's irrigation water to avoid waste and unnecessary runoff, and to prevent water from escaping onto lands of other adjoining landowners or lands owned by Landlord or upon public highways, and in the event of any such escaping of irrigation water, Tenant agrees to pay all damages occasioned thereby. Tenant shall also comply with all drainage and runoff regulations, limitations and requirement imposed by the Regional Water Quality Control programs, including any storm water runoff permit requirements. Except to the extent commercially unreasonable, Tenant shall use drip irrigation for established plants but may use sprinkler irrigation for newly planted crops.

7. Permitted Uses of Premises. Tenant shall use the Premises only for strawberry, vegetable or other crop cultivation. Tenant shall not use the Premises or any portion thereof for any other purposes, unless the use and rent increase are approved in advance in writing by the District. Nothing contained herein shall be deemed to give Tenant exclusive rights at the Airport

in connection with any of the permitted uses herein. Tenant may install and maintain a tight, 5-wire fence completely enclosing the Premises. Tenant is aware that adjacent property is leased for livestock grazing. District shall not be liable to Tenant for any damage caused by livestock or other tenants.

For any strawberry, vegetable or other irrigated crop use, Tenant and any subtenant shall comply with the following conditions:

a. If the use of any impervious or semi-impervious surface coverings (such as plastic) increases storm water runoff to the extent that downstream property is eroded, Tenant shall, upon notice from District, repair the eroded property, and prevent any subsequent downstream erosion or else cease the use that is creating the erosion. Should Tenant fail to do so within fifteen (15) days of notice from District, District shall have the right to terminate this Lease upon thirty (30) days' written notice to Tenant. In the event of any such termination, Tenant shall still be obligated to repair any eroded property. Nothing herein shall be deemed to make Tenant responsible for an act of God wherein storm waters are of such volume or velocity that the damage would have been caused regardless of the impervious or semi-impervious surface coverings.

b. No irrigated crops shall be grown, no spraying of any herbicide, insecticide or other substance shall occur within fifty (50) feet of any City of Santa Maria or District water well. No storage or ponding, even temporarily, of any chemicals or fuel or storage of chemical or fuel dispensing equipment shall be permitted within 300 feet of any City of Santa Maria water well.

8. Specific Prohibited Uses. Tenant shall not use or permit use of the Premises or the Airport, or any portions thereof, for any of the following purposes:

a. Retail sale of crops, livestock or any other items;

b. Grazing or pasturing of livestock;

c. Use any portion of the Airport contrary to or in violation of the directives, rules or regulations of the District, or governmental entity or agency having jurisdiction, as such directives, rules or regulations now exist or may exist in the future; provided, however, that if any directive, rule or regulation adopted in the future unreasonably impairs Tenant's ability to grow crops on the Premises, then Tenant shall have the right to terminate this Lease on sixty (60) days' written notice to District delivered no later than thirty (30) days after the effective date of the directive, rule or regulation.

d. Store on the Premises or elsewhere on the Airport any property or articles, or conduct any activities or operations which are not directly related or incident to the permitted uses in Paragraph 7 of this Lease; provided any storage incident to the Permitted Uses requires prior written consent of District's General Manager as set forth in Paragraph 17.

e. Erect any structure except fences and gates and irrigation system on the Premises.

f. Conduct any use or activity which would affect safe air navigation, or would be hazardous to safe operation of aircraft, including but not limited to: use or location on the Premises of any material which would cause sunlight to be reflected toward an aircraft on initial climb or final descent; any use or activity which would direct steady or flashing lights at aircraft, on initial climb or final descent; any use or activity which would generate smoke or attract large concentrations of birds.

g. Permit any hazardous or toxic materials (defined in Exhibit "B" attached hereto) to be brought, kept or used in, on, under or about the Premises by Tenant, its agents, employees, contractors, licensees, sub-lessees, assignees, concessionaires or invitees, unless: (a) the use of such hazardous or toxic materials is necessary and incident to Tenant's business on the Premises; (b) District has approved such use in writing; and (c) such hazardous or toxic materials are used, kept, monitored, stored and disposed of in a manner that: (i) complies with all laws and required permits relating to such hazardous or toxic materials; (ii) will not endanger any other persons or property; and (iii) will not invalidate, limit the coverage or increase the premiums of any insurance policy affecting or covering the Premises.

(h) Permit any residential use or overnight camping or occupancy.

(i) Conduct any use other than the permitted uses in Paragraph 7.

9. Farming Operations.

a. All farming operations on the Premises shall be performed at the sole cost and expense of Tenant. Tenant further agrees to use the Premises in good and farmer like manner, in accordance with the best practice of farming. Tenant will at all times use every effort to keep the soil in good shape and condition and up to its present strength by the use of fertilizer and other chemicals. Tenant further agrees to render Tenant's best efforts to: (i) poison squirrels, gophers and other rodents on the Premises; (ii) prevent pest infestations; and (iii) keep the Premises reasonably free and clear of all weeds at all times. Tenant shall abide by all laws and obtain all permits necessary in the application of pesticides, herbicides, defoliant, fumigants or rodenticides.

b. Tenant shall keep in good repair all improvements on the leased land, including all fences, irrigation systems and flood control facilities, if any.

c. Tenant shall promptly pay and discharge, when or before they mature, all bills for labor done or materials supplied or used in connection with any work which may be done by Tenant upon or in connection with the Premises, and shall indemnify the District and save it and the Premises free and clear from all liens, claims and liabilities, based upon or arising out of the doing of any such labor or the furnishing of any such supplies or materials. Tenant shall have the right to contest, in good faith and by appropriate proceedings, the validity or amount of any lien or claimed lien in the manner. Notice is hereby given that District will not be liable for any labor, services or materials furnished to Tenant in association with the Premises or any part thereof through or under Tenant.

10. Litter and Trash.

a. Clean Condition. Tenant shall keep the Premises, at Tenant's expense, clean and free from litter, trash and refuse and in an orderly and sanitary condition at all times. Tenant shall make a diligent effort to prevent the spread of all noxious weeds, and rodents and other vertebrate pests on or from the leased Premises and to take reasonable measures to protect the leased Premises and Airport from infestation of birds, insects and other pests. Tenant shall comply with all orders and instructions of District's General Manager in the use of the leased Premises or Airport property which the General Manager deems in his sole discretion to be in the best interest of the District, the public or users of the Airport, or for their safety and welfare.

11. Utilities. District shall have no responsibility to provide utility extensions of any kind to the Premises, and any such extension by Tenant shall be at Tenant's sole cost and expense after consent by District as provided in Paragraph 16 herein.

12. Taxes, Licenses. Tenant shall pay before delinquency any and all taxes, assessments, fees or charges, including possessory interest taxes, and real property taxes which may be imposed, levied or assessed upon any leasehold or possessory interests of Tenant, and personal property, crops, improvements or fixtures owned, controlled or installed by Tenant and used or located on the Airport or used in Tenant's business. Tenant shall also secure and maintain in force during the term of this Lease all licenses and permits, which are required by law for the conduct of Tenant's business or operations.

13. Assumption of Risks. Tenant represents that Tenant has inspected the Airport and the Premises and accepts the condition of the Premises and fully assumes all risks incidental to the use of the Airport and the Premises. District shall not be liable to Tenant's agents, employees, visitors, guests or invitees from any cause or condition whatsoever. District makes no warranty of the suitability of the Premises for the purpose contemplated by Tenant or that the leased Premises are zoned for the uses permitted.

14. Indemnity. Tenant shall defend (with counsel acceptable to District), indemnify and hold harmless District, its directors, officers, employees, agents and representatives, and the leased Premises (collectively "District") at all times from and against any and all liabilities, proceedings, liens, actions, penalties, losses, expenses, claims or demands of any nature, including costs and expenses for legal services and causes of action of whatever character which District may incur, sustain or be subjected to (collectively "Liabilities") arising out of or in any way connected with: the acts or omissions of Tenant, any subtenant, or either of their officers, agents, employees, guests, customers, visitors or invitees (collectively "Tenant"); or Tenant's or any subtenant's operations on, or use or occupancy of, the Premises. The foregoing indemnification excludes only Liabilities caused by the sole active negligence of District or its willful misconduct. Tenant shall also indemnify and hold District harmless from and against any Liabilities including third party claims, environmental requirements and environmental damages (as defined in Exhibit "B"), costs of investigation and cleanup, penalties, fines, and losses (including, without limitation, diminution in property value of the leased Premises or the improvements thereon or District's property or improvements in the vicinity of the leased Premises) of whatever kind or nature, which result from or are in any way connected with the release, receipt, handling, use, storage, accumulation,

transportation, generation, discharge, or disposal (collectively "Release") of any toxic or hazardous materials (defined in Exhibit "B") which occurs in, on or about the leased Premises or the Airport as the result of any of Tenant's or any subtenant's activities or of any of Tenant's or any subtenant's officers, agents', employees', customers, visitors, invitees', licensee, guests', successors' or assigns' activities. Tenant shall notify District immediately of any Release of any toxic or hazardous material on the Premises. Tenant shall not be responsible for any debris, trash or hazardous or toxic material on the Premises which predates Tenant's occupancy of the Premises (under this Lease or any prior lease or sublease), including, but not limited to, asbestos in buildings and existing oil pipelines. For the purposes of this lease, the materials that Tenant is not responsible for removing and the area in which they are located are generally identified on the attached Exhibit "A".

15. Insurance. Tenant shall secure and maintain, without cost to District, in full force and effect at all times during the term of this Lease, the following types and amounts of insurance:

a. A policy of general liability insurance, including public liability, property damage, bodily injury and death liability, and contractual liability insurance with a single combined liability limit of not less than \$3,000,000.00, insuring against all liability of Tenant arising out of and in connection with Tenant's use or occupancy of the Premises. The policy shall insure performance by Tenant of the indemnity provisions of Section 16. Landlord shall be named as an additional insured, and the policy shall contain cross-liability endorsements.

b. Tenant shall maintain on Tenant's alterations, fixtures, and equipment, in, on, or about the Premises, and its personal property in, on, or about the Premises, a policy of insurance providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, flood and special extended perils ("all risk", as such term is used in the insurance industry), to the extent of at least one hundred percent (100%) of their full replacement value. The proceeds from any such policy shall be used by Tenant for the replacement of personal property or the restoration of Tenant's Alterations, fixtures, and equipment.

c. Tenant shall maintain during the Lease Term at Tenant's sole cost and expense proper and adequate Worker's Compensation Insurance.

d. Farm equipment liability and automobile liability insurance for all mobile equipment and vehicles used on the Airport, with a combined single limit of bodily injury and property damage liability of at least \$300,000 per person and \$500,000 for each accident or occurrence.

All insurance required under this Lease shall be issued by responsible insurance companies qualified to do business in California and reasonably acceptable to District. All such insurance shall be issued as primary, not blanket, policies. Tenant shall provide District with copies of the policies of insurance required under this Sections 17 or certificates evidencing the existence and amounts of such policies. No such policy shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days prior written notice to District. Tenant shall, at least ten (10) days prior to the expiration of any such policy, provide Landlord with renewals or "binders" thereof, or Landlord may order insurance and charge the cost thereof to Tenant, which

amount shall be payable by Tenant on demand. The types of coverage and liability limits of all insurance specified above may be changed or increased at the option of District, in the exercise of its reasonable discretion in evaluating its liability exposure, upon giving Tenant at least thirty (30) days' prior written notice of the increased limits. Tenant shall also provide District with an endorsement for the contractual liability insurance.

16. Alterations; Removal of Tenant-Installed Property. Except as expressly permitted herein, Tenant shall make no alterations, additions or improvements on the Premises or otherwise at the Airport without District's prior written consent. Before granting such consent, District may require Tenant to prepare and submit for District's approval detailed written plans. Any such consent shall be deemed conditioned upon Tenant obtaining any required permits from appropriate governmental agencies, and upon Tenant's compliance with all conditions of such permits. Any such consent may be conditioned upon Tenant's providing to District, at Tenant's expense, a lien and completion bond to insure District against any liability for liens and to insure completion of the work, and may further be conditioned on such matters as Landlord deems appropriate. All alterations, additions or improvements made by Tenant at the Airport shall, during the Lease, be Tenant's property. All such improvements shall, unless District elects otherwise, become the property of District at the expiration or termination of the Lease including, without limitation, fences and irrigation system, and shall remain upon and shall be surrendered with the Premises without disturbance, molestation, or injury. If District elects (by written notice to Tenant) that all or a designated portion of the alterations, additions, or improvements made by Tenant shall be removed by and at expense of Tenant, then Tenant shall at Tenant's expense remove (within 30 days after such notice) such alterations, additions or improvements, or such portion thereof designated by District, restore District's property to at least its former condition and repair any damage resulting from such removal.

17. Airport Facilities. Tenant's automobiles, farm equipment and other vehicles of Tenant and Tenant's employees and business invitees shall be parked, loaded and unloaded only on the Premises. Tenant shall observe, obey and abide by all directives, rules and regulations for maintenance and conduct of Tenant's operations at the Airport, which exist now or may hereafter be imposed by District's board of directors, Federal Aviation Administration, City of Santa Maria, or any other governmental agency having jurisdiction; provided that if any directive, rule or regulation unreasonably interferes with Tenant's farming operations, Tenant shall have the right to terminate the Lease on sixty (60) days' written notice to District, delivered no later than thirty (30) days after the effective date of the directive, rule or regulation. Tenant shall not store any supplies, materials, vehicles or equipment on the Premises or the Airport without the prior written consent of District's General Manager. District has no obligation to provide security guards, lighting or fencing. Tenant is specifically denied access to the Airport Operating Area. Tenant shall not allow any gate to be left open unless it is attended in such a manner as to prevent the escape of livestock onto roads or property of others, or as to prevent unauthorized entry onto the Airport.

18. Federal Aviation Administration Rider Attached. The provisions of the FAA Rider are attached hereto as Exhibit "C" and are incorporated herein and made a part hereof.

19. Repairs and Maintenance. Tenant shall, at Tenant's sole cost and expense, keep and maintain the Premises and every part thereof in good and clean order, condition and repair, thereby waiving all rights to make repairs at the expense of District.

20. Acceptance; Surrender. Tenant agrees on the expiration or sooner termination of this Lease to surrender promptly to District the Premises in the same condition as when received, damage by acts of God or by the elements excepted, subject to the provisions of Paragraph 16.

21. Condemnation. In the event of any taking or damage of all or any part of the Premises or any interest therein by reason of any exercise of the power of eminent domain, whether by a condemnation proceeding or otherwise, or any transfer of all or any part of the Premises or any interest therein made in avoidance of an exercise of the power of eminent domain (all of the foregoing being hereinafter referred to as "appropriation") during the term of this Lease, this Lease shall terminate as of the date of such appropriation, the rental shall be prorated to the date of termination, District shall be entitled to the entire award made with respect to such appropriation of the land and District improvements, and Tenant hereby assigns to District all of Tenant's interest, if any, in such award as to the land and District improvements. Nothing herein shall be deemed to constitute a waiver or transfer of any award due Tenant associated with the loss of any of its crops or improvements installed by Tenant.

22. Termination by District. District, in addition to any right of termination as a matter of law or any other right herein given to District, may at its option cancel and terminate this Lease and agreement upon any default, by written notice thereof given to Tenant and a ten (10) day opportunity to cure, upon or after the occurrence of any of the following events:

a. Failure of Tenant to pay rent or make any other payment required under this Lease, as and when due.

b. Filing by or against Tenant of a voluntary or involuntary petition in bankruptcy or for reorganization, or taking of Tenant's assets pursuant to a proceeding under the Federal Reorganization Act, or the adjudication of Tenant as a bankrupt, or the appointment of a receiver of Tenant's assets, or divestiture of Tenant's assets or estate herein by operation of law or otherwise, or assignment by Tenant of its assets for the benefit of creditors.

c. The breach by Tenant or failure of Tenant to keep, observe or perform any of the covenants, conditions or provisions herein contained on the part of Tenant to be observed, kept or performed.

d. Dissolution or liquidation of Tenant of all or substantially all of its assets.

e. The transfer, in whole or in part, of Tenant's interest in this Lease or in the premises, or any rights hereunder, by operation of law, whether by judgment, attachment, execution, process or proceeding of any court or any other means.



f. If the City of Santa Maria requires District to eliminate or reduce acreage for irrigated crops as a condition of development on any Airport property, including but not limited to the Santa Maria Research park and a golf course.

23. District's Right to Early Termination. Notwithstanding any other provision contained in this Lease, District shall have the right to terminate this Lease as to all or the applicable portion of the Premises in the event District's Board of Directors (i) authorizes the sale of the Premises or any portion thereof and directs District staff to market the same for sale, or (ii) authorizes the lease of the Premises or any portion thereof for any use or purpose other than irrigated crops and directs District staff to market the same for lease, or (iii) grants an easement over the Premises that is incompatible with the permitted uses, or (iv) directs District staff to initiate use of the Premises or any portion thereof for airport or aeronautical purposes or any purpose or use beside irrigated crops, (v) determines that termination of all or a portion of the Lease is required by any governmental agency or entity as a mitigation measure of condition of development on any District property, including but not limited to, the Santa Maria Business Park and golf course, or (vi) determines that irrigation of the Premises is contributing to soil saturation/liquefaction beneath the Airport operating pavements; provided, District shall give Tenant written notice of the exercise of such right at least one (1) year prior to the date as of which such termination is to be effective. The term of this Lease shall then expire and come to an end on such date, as fully and completely as if that date were the day definitely fixed for expiration of the term.

24. Notices. All notices required herein shall be in writing and may be given by personal delivery or by registered or certified mail, postage prepaid, to the addresses set forth below the signature lines. Either party may at any time change its address for such notice by giving written notice of such change to the other party. Delivery of any notice shall be deemed complete upon being deposited as aforesaid at any United States Post Office or branch or substation.

25. Nuisance. Tenant shall not commit, or suffer or permit waste, noise, odors, dust or any other nuisance on the Premises or any activity constituting an unreasonable interference with other District tenants or persons using, or neighbors of the Airport.

26. Assignment, Subletting and Encumbering.

a. Tenant shall not assign, mortgage, encumber or grant control of this Lease or any interest, right or privilege herein or license or grant concessions for use of the leased Premises or any part thereof. Any such assignment, mortgage, encumbrance, transfer, permit or concession shall be void and, at the option of District, shall terminate this Lease. Tenant shall not sublet any portion of the Premises without the prior written consent of the District. Tenant shall provide District with copies of all subleases for prior written approval, which shall specifically be subject to the terms of this Lease, and have a copy attached, and obtain District's written consent. Unless otherwise specifically provided in any sublease that may be approved by District, Tenant shall pay District at least one-half of any rent or consideration received from any subtenant which exceeds the rent paid under this Lease.

b. Regardless of District's consent, no sublease shall release Tenant from Tenant's obligations hereunder or alter the primary liability of Tenant to pay rent and to perform all other obligations to be performed by Tenant hereunder. The acceptance of rent by Landlord from any other person shall not be deemed to be a release by Landlord of Tenant's liability hereunder. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. In the event of default by an assignee or subtenant of Tenant or any successor of Tenant, in the performance of any of the terms hereof, District may proceed directly against Tenant without the necessity of exhausting remedies against such successor.

27. Consent to Entry by F.A.A. Contractor(s). Tenant consents to entry on the Premises without charge by District, the F.A.A., an F.A.A. contractor, or any of their subcontractors, employees or agents for inspection, investigation or construction, operation or maintenance of an airport surveillance radar system. Rent shall be equitably abated for reduction in any useable land during construction.

28. Prohibition of Crops Within 20 Feet of Airport Operating Area Fence. The Premises do not include land within twenty (20) feet of the Airport Operating Area ("AOA") perimeter fence. Tenant has no right to plant crops within twenty (20) feet of the AOA perimeter fence. Tenant shall remove any and all crops planted within twenty (20) feet of the AOA perimeter fence. If Tenant fails to do so, District may remove such crops at Tenant's expense. Tenant shall indemnify, defend and hold District harmless from and against any and all liability for costs of removal and damage to such crops. Tenant shall remove any mounds or debris caused by Tenant operations against the AOA perimeter fence which effectively lowers the height of the fence below six (6) feet, not including barbwire.

29. Right of Entry. District, the Federal Aviation Administration, City of Santa Maria, County of Santa Barbara, any government entity having jurisdiction and any utility company shall have the right to enter the Premises at any reasonable time for inspections, to make repairs, or to show the Premises to prospective buyers or tenants or at any time in case of emergency.

30. Use of Hazardous Material. Tenant may not make any application of any pesticide, herbicide, rodenticide, fungicide or potentially hazardous material except under the direct supervision of a certified pest control operator, pest control applicator, or qualified applicator, whichever is appropriate to the material being applied and the process used to apply it.

31. Attorneys' Fees. In the event either party hereto commences any legal action or proceeding against the other party to perform or keep any term, covenant or condition of this lease to be kept or performed by the other party or arising out of this Lease, the party prevailing in such action shall be entitled to recover court costs and a reasonable attorney's fee to be fixed by the court (including the reasonable value of services rendered in such action by District's appointed District Counsel).

32. Compliance With Laws. Tenant shall comply with all applicable and valid laws, rules, regulations and orders of federal, state and local governments and governmental agencies, including, but not limited to, any and all regulations concerning air quality and/or water quality, the environment or endangered species; fire and/or occupational safety; or accessibility; which

may apply to the conduct of Tenant's business at the Airport. Tenant specifically agrees that it is a condition of the continuation of this lease that all materials used by Tenant for which a Material Safety Data Sheet is required, or otherwise referenced or listed on Exhibit "B", will be stored, used and disposed of, together with any contaminated by—products of such use, in strict compliance with the applicable Material Safety Data Sheet or the requirements of the governmental agency with authority to regulate such storage, use and disposal. Tenant shall not store or dispose of any such materials on the leased premises. Tenant will maintain on the leased premises and available for inspection at any reasonable time adequate records of material stored, used or disposed of, including but not limited to Material Safety Data Sheets and Uniform Hazardous Waste Manifests for material shipped from the leased premises.

33. General.

a. Each term and each provision of this lease agreement performable by Tenant shall be construed to be both a covenant and a condition. Time is of the essence of each term, condition and provision of this lease agreement.

b. One or more waivers by District of any covenant or condition shall not be construed as a waiver of a subsequent breach of the same or any other covenant or condition. District's consent to or approval of any act by Tenant requiring District's consent or approval of any act by Tenant requiring District's consent or approval shall not be deemed to waive or render unnecessary District's consent to or approval of any subsequent similar act by Tenant. No act or thing done by District or District's employees or agents shall be deemed an acceptance of a surrender of the premises, and no agreement to accept such surrender shall be valid unless in writing signed by District.

c. This lease and Tenant's rights hereunder are subject and subordinate to all conditions, reservations, restrictions, easements, rights, rights—of—way, and encumbrances affecting the premises now of record or hereafter granted, caused or suffered by District. This Lease is subordinate to any rights granted in the past or in the future by District to any government entity or any utility company or for construction and operation of radar, wires, cables, poles, conduits, wells, pipelines, brine disposal, related appurtenances, equipment, structures, facilities, access roadways and fencing associated therewith. This Lease is further subordinate to District's operation and construction and maintenance of water reclamation and flood control projects including dams, ditches, reservoirs and pipelines and rights thereto granted to the Santa Barbara County Flood Control and Water Conservation District.

d. Captions appearing herein are for convenience of reference only and shall not govern the construction of this agreement.

e. If any provision of this Lease shall be held by a court of competent jurisdiction to be invalid, the remainder of this Lease shall continue in full force and effect and shall in no way be affected or invalidated thereby. This Lease contains all of the agreements and conditions made between the parties and may not be modified orally or in any other manner than by an agreement in writing signed by the parties to this agreement. No provision of this Lease shall be deemed to have been waived by District unless such waiver be in writing signed by District.

f. This Lease is made subject to any approval of the Federal Aviation Administration which may be required.

g. This Lease may be executed in multiple counterparts, each of which shall be deemed an original document, and all of which shall constitute one agreement

h. This Lease contains all the agreements of the parties with respect to the Premises and cannot be amended or modified except by a written agreement.

34. Interpretation and Venue. This Lease is to be interpreted in accordance with the laws of the State of California. Any legal action relating to this Lease shall be brought in the court of appropriate jurisdiction in the county of Santa Barbara, State of California.

35. Landlord's Remedies. Landlord shall have the following remedies if Tenant breaches the Lease:

a. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law.

b. Landlord can continue this Lease in full force and effect, and the Lease will continue in effect as long as Landlord does not terminate Tenant's right to possession, and Landlord shall have the right to collect rent when due. During the period, Tenant is in default, Landlord can enter the Premises and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in reletting the Premises, including, without limitation, brokers' commissions, expenses of remodeling the Premises required by the reletting, and like costs. Reletting can be for a period shorter or longer than the remaining term of this Lease. Tenant shall pay to Landlord the rent due under this Lease on the dates the rent is due, less the rent Landlord receives from any reletting. No act by Landlord allowed by this paragraph shall terminate this Lease unless Landlord notifies Tenant that Landlord elects to terminate this Lease. After Tenant's default and for as long as Landlord does not terminate Tenant's right to possession of the Premises, if Tenant obtains Landlord's consent Tenant shall have the right to assign or sublet its interest in this Lease, but Tenant shall not be released from liability. Landlord's consent to a proposed assignment or subletting shall not be unreasonably withheld.

c. Landlord can terminate Tenant's right to possession of the Premises at any time. No act by Landlord other than giving notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant:

i. The worth, at the time of the award of the unpaid rent that had been earned at the time of termination of this Lease;

ii. The worth, at the time of the award of the amount by which the unpaid rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided;

iii. the worth, at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided; and

iv. Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default.

"The worth, at the time of the award," as used in (i) and (ii) of this paragraph, is to be computed by allowing interest at the rate of 10% per annum. "The worth, at the time of the award," as referred to in (iii) of this paragraph, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%.

d. In addition to any other remedy District may have under this agreement or by operation of law, District shall have the right, in the event of Tenant's nonpayment of rent, or in the event of any other default by Tenant in the performance or observance of any of the terms or condition of this Lease, or if Tenant shall abandon or vacate the Premises, to terminate this Lease upon written notice to Tenant and reenter the Premises and eject all persons and remove all property from the Premises or any part of the Premises. Any property removed from the Premises upon re-entry by District under this paragraph may be stored in a public warehouse or elsewhere at the cost of and for the account of Tenant, and District shall have no liability therefor.

e. If Tenant is in default of this Lease Landlord shall have the right to have a receiver appointed to collect rent and conduct Tenant's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Lease.

f. Landlord, at any time after Tenant commits a default, can cure the default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord at the time the sum is paid, and if paid at a later date shall bear interest at the rate set forth in subparagraph g, below, from the date the sum is paid by Landlord until Landlord is reimbursed by Tenant. The sum, together with interest on it, shall be additional rent.

g. Rent not paid when due shall bear interest from the date due until paid at the maximum rate an individual is permitted by law to charge.

IN WITNESS WHEREOF, the parties have duly executed this agreement.

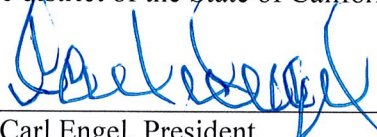
**Approved as to Content for District:**

Address: 3217 Terminal Drive  
Santa Maria, California 93455


By:   
Chris Hastert, General Manager


**DISTRICT:**

Santa Maria Public Airport District,  
a public district of the State of California

By:   
Carl Engel, President

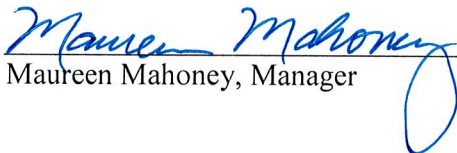
**Approved as to Form:**


By:   
District Counsel

By:   
Chuck Adams, Secretary

**TENANT:**

Mahoney Leasing, LLC,  
a California limited liability company

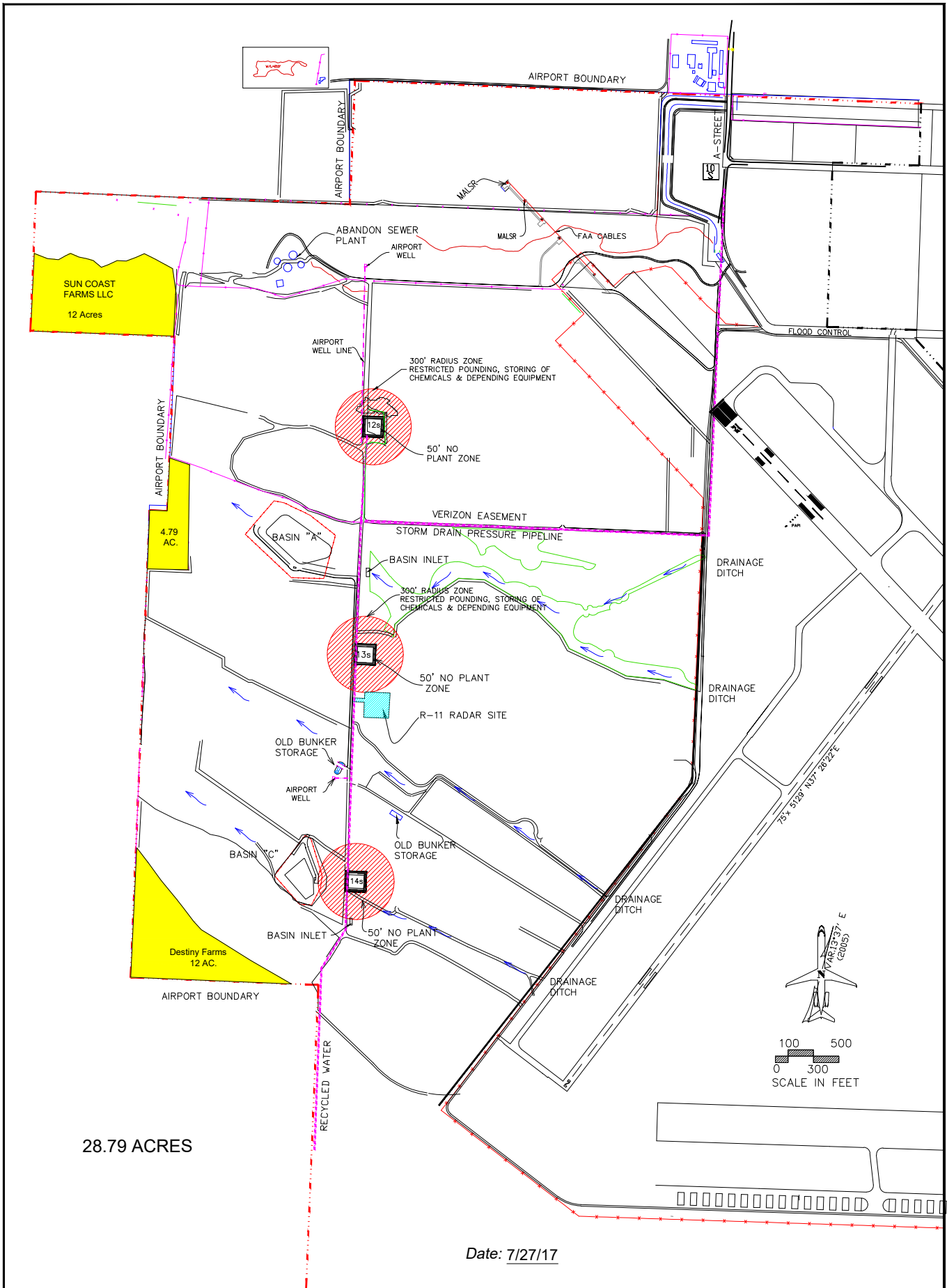
By:   
Maureen Mahoney, Manager

By:   
Daniel Mahoney, Manager

**Address:**

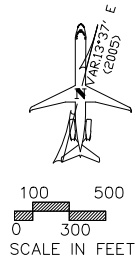
5604 Oakhill Dr.  
Santa Maria, CA 93455


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28.79 ACRES

Date: 7/27/17



	3217 TERMINAL DR. SANTA MARIA, CA 93455. (805) 922-1726	REVISIONS	DRAWN BY: Roy Heath	EXHIBIT "A" MAHONEY LEASING	DRAWING NUMBER MAHONEY LEASING
		DATE: 7/27/17 By: RH			

## Exhibit "B"

### A. HAZARDOUS MATERIAL

Hazardous Material means any substance:

(I) the presence of which requires investigation or remediation under any federal, state or local statute, regulation, ordinance, order, action, policy or common law; or

(ii) which is or becomes defined as a "hazardous waste", "hazardous substance", pollutant or contaminant under any federal, state or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.); or

(iii) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of California or any political subdivision thereof; or

(iv) the presence of which on the Premises or the Airport causes or threatens to cause a nuisance upon the Premises or the Airport or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Premises or Airport; or

(v) the presence of which on adjacent properties could constitute a trespass by; or

(vi) without limitation, which contains gasoline, diesel fuel or other petroleum hydrocarbons; or

(vii) without limitation, which contains polychlorinated bipheynols (PCBs), asbestos or urea formaldehyde foam insulation; or

(viii) without limitation radon gas.

### B. ENVIRONMENTAL REQUIREMENTS

Environmental Requirements means all applicable present and future statutes, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, and similar items, of all governmental agencies, departments, commissions, boards, bureaus, or instrumentalities of the United States, states and political subdivisions thereof and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, including, without limitation:

1. All requirements, including but not limited to those pertaining to reporting, licensing, permitting, investigation, and remediation of emissions, discharges, releases, or



threatened releases of "Hazardous Materials", chemical substances, pollutants, contaminants, or hazardous or toxic substances, materials or wastes whether solid, liquid, or gaseous in nature, into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of chemical substances, pollutants, contaminants, or hazardous or toxic substances, materials, or wastes, whether solid, liquid, or gaseous in nature; and

2. All requirements pertaining to the protection of the health and safety of employees or the public.

### C. ENVIRONMENTAL DAMAGES

Environmental Damages means all claims, judgments, damages, losses, penalties, fines, liabilities, encumbrances, liens, costs, and expenses of investigation and defense of any claims, whether or not such claim is ultimately defeated, and of any good faith settlement of judgment, of whatever kind or nature, contingent or otherwise, matured or unmatured, foreseeable or unforeseeable, including without limitation reasonable attorneys' fees and disbursements and consultants' fees, any of which are incurred at any time caused by "Hazardous Materials" upon, about, beneath the Premises or Airport or migrating or threatening to migrate from the Premises or the Airport, or the existence of a violation of "Environmental Requirements" pertaining to the Premises or the Airport as the result of Tenant's use or occupancy of the Premises or the Airport or as the result of any of Tenant's (or Tenant's agents, employees, invitees or officers') actions or omissions, including without limitation:

1. Damages for personal injury, or injury to property or natural resources occurring upon or off of the Premises or the Airport, (foreseeable or unforeseeable), including, without limitation, lost profits, consequential damages, the cost of demolition and rebuilding of any improvements on real property, interest and penalties;

2. Fees incurred for the services of attorneys, consultants, contractors, experts, laboratories and all other costs incurred in connection with the investigation or remediation of such "Hazardous Materials" or violation of "Environmental Requirements" including, but not limited to, the preparation of any feasibility studies or reports or the performance of any cleanup, remediation, removal, response, abatement, containment, closure, restoration or monitoring work required by any federal, state or local governmental agency or political subdivision, and including without limitation any attorney's fees, costs and expenses incurred in enforcing this agreement or collecting any sums due hereunder; and

3. Liability to any third person or governmental agency to indemnify such person or agency for costs expended in connection with the items referenced in subparagraph 2 herein;

4. Diminution in the value of the Premises or the Airport, and damages for the loss of business and restriction on the use of or adverse impact on the marketing of rentable or usable space or of any amenity of the Premises or the Airport.

## Exhibit "C"

### FAA Rider

Rider to Land Lease dated September 1, 2017 (herein called "this lease") between SANTA MARIA PUBLIC AIRPORT DISTRICT (herein called "District") and MAHONEY LEASING, LLC, a California limited liability company (herein called "Tenant").

#### LEASE PROVISIONS REQUIRED BY FEDERAL AVIATION ADMINISTRATION

1. Tenant, for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the leased premises described in this lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, 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. Tenant for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree 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 the leased premises 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 Tenant shall use the leased 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, 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.

3. That in the event of breach of any of the above nondiscrimination covenants, District shall have the right to terminate this lease and to reenter and repossess the leased premises and the facilities thereon, and hold the same as if this lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

4. Tenant 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 Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

5. Noncompliance with Provision 4 above shall constitute a material breach thereof and in the event of such noncompliance District shall have the right to terminate this lease and the estate hereby created without liability therefor or at the election of the District or the United States either or both said governments shall have the right to judicially enforce Provision 4 above.

6. Tenant agrees that it shall insert the above five provisions in any lease agreement, contract, license, permit or other instrument by which Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the leased premises.

7. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participation in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant 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. Tenant assures that it will require that its covered suborganizations provide assurances to the Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

8. District 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 Tenant and without interference or hindrance.

9. District reserves the right, but shall not be obligated to Tenant, 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 Tenant in this regard.

10. This lease shall be subordinate to the provisions and requirements of any existing or future agreement between District and the United States relative to the development, operation or maintenance of the Airport.

11. Tenant 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 leased premises, or in the event of any planned modification or alterations of any present or future building or structure situated on the leased premises.

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

13. There is hereby reserved to District, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the leased premises. This public right of flight shall include the right to cause in said airspace

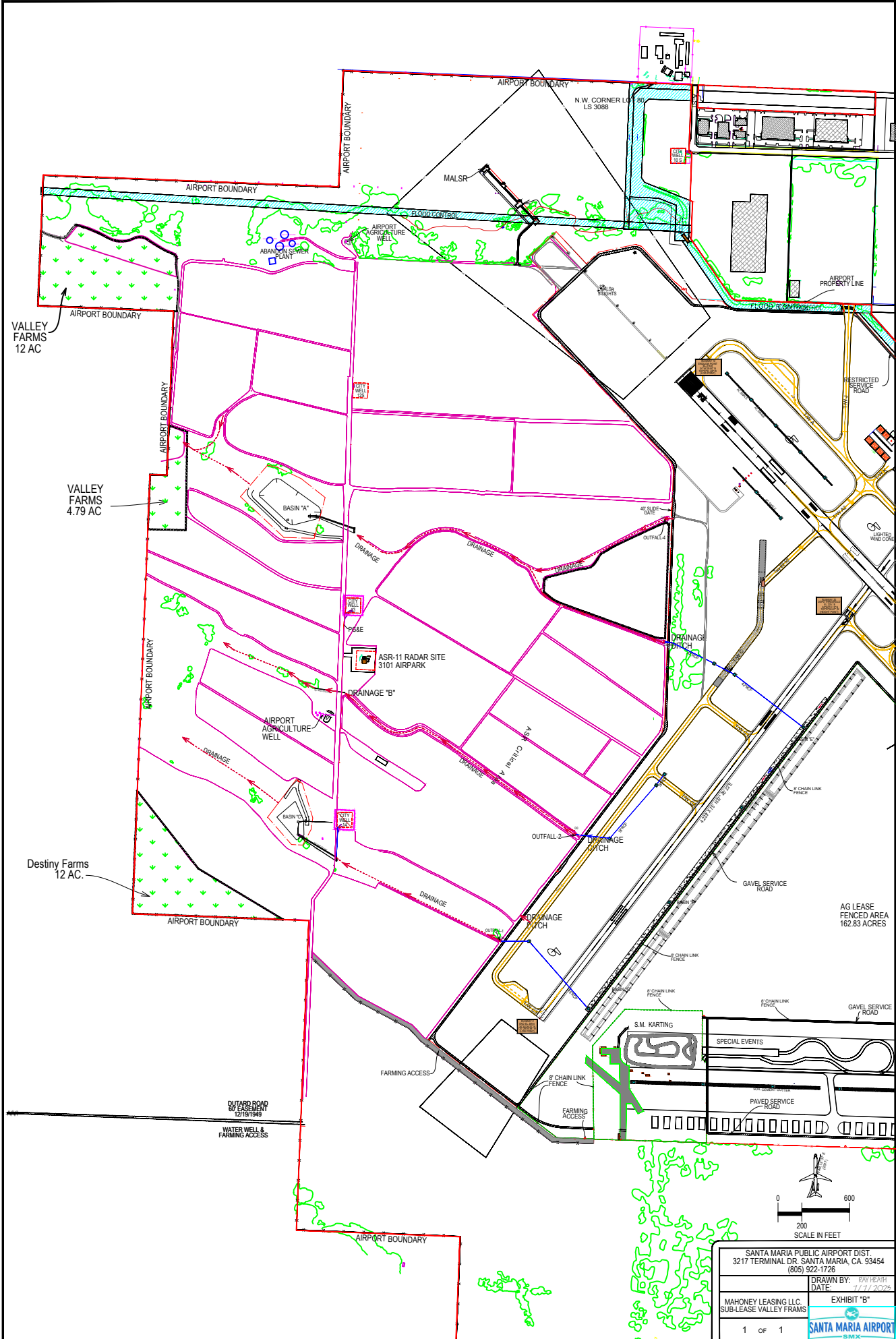
any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the Airport.

14. Tenant by accepting this lease expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the leased premises above the mean sea level elevation of 359 feet. In the event the aforesaid covenants are breached, District reserves the right to enter upon the leased premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Tenant.

15. Tenant by accepting this lease 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, District reserves the right to enter upon the leased premises and cause the abatement of such interference at the expense of Tenant.

16. This lease 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 nonexclusive use of the Airport by the United States during the time of war or national emergency.

D:\Drawings\AutoCAD\LEASES\MAHONEY LEASING LLC 2023.dwg, 7/10/2023 2:43:04 PM



SANTA MARIA PUBLIC AIRPORT DIST. 3217 TERMINAL DR. SANTA MARIA, CA 93454 (805) 922-1726	
DRAWN BY: ERY BEASH DATE: 1/11/2022	EXHIBIT "B"
MAHONEY LEASING LLC. SUB-LEASE VALLEY FRAMS	
1 OF 1	

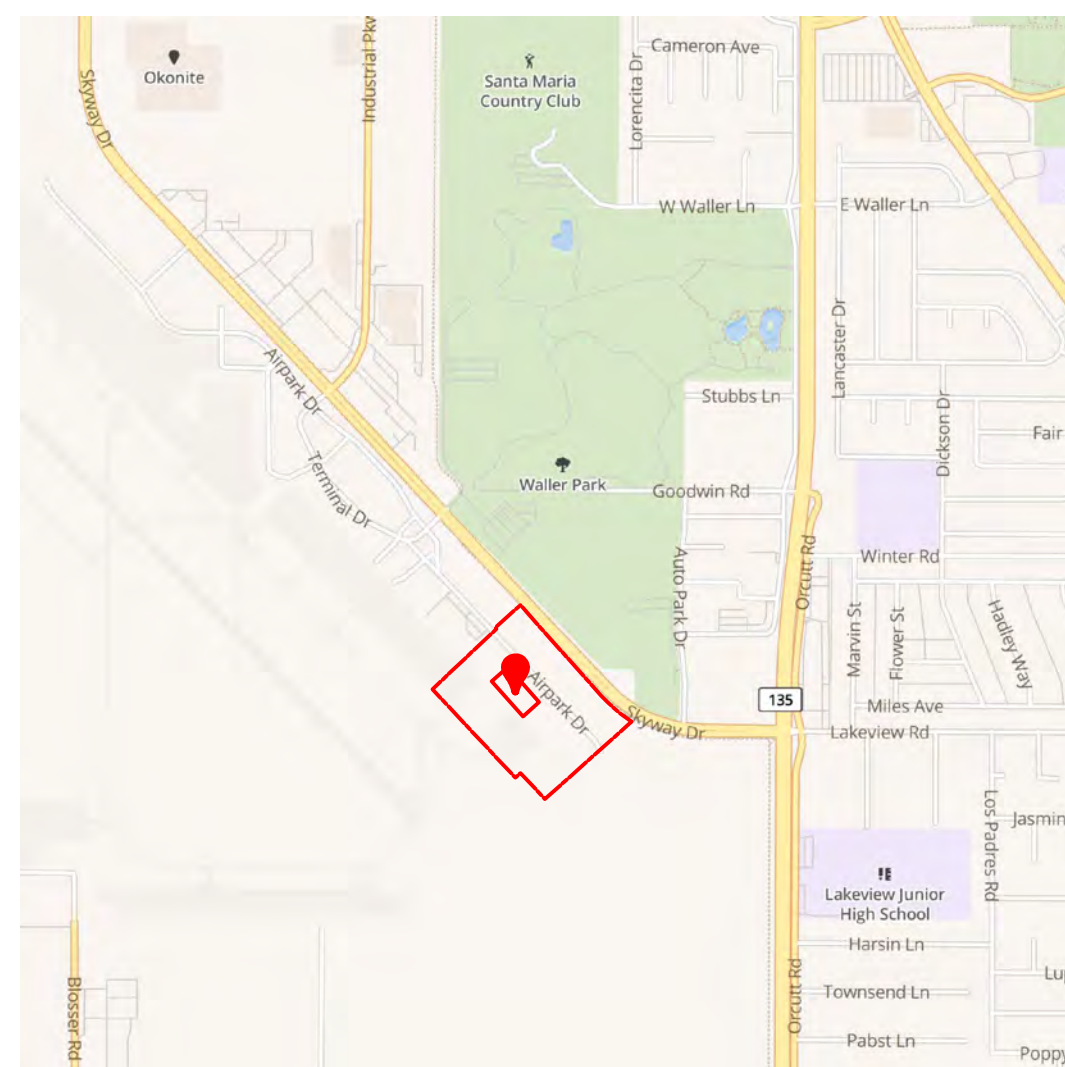






# POF BUILDING ONLY

DATE	CITY AGENCIES APPROVALS
	BUILDING AND SAFETY DIVISION
	ENVIRONMENTAL PROGRAMS DIVISION
	GRADING AND DRAINAGE SECITON
	FIRE PREVENTION BUREAU
	SEWER PERMIT
	SCHOOL DISTRICT
	WATER AVAILABILITY LETTER



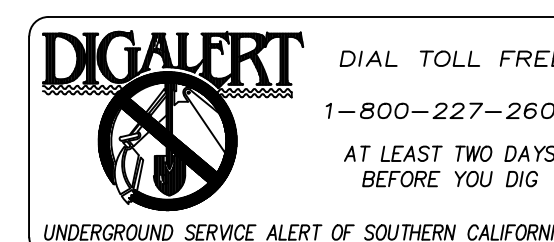
POF BUILDING SPECIFICATIONS	
<b>BUILDING INFORMATION:</b>	
STREET ADDRESS:	3211 TERMINAL DRIVE
CITY:	SANTA MARIA
STATE:	CALIFORNIA, 93455
<b>BUILDING CODES:</b>	
CALIFORNIA BUILDING CODE	2019
CALIFORNIA GREEN BUILDING CODE	2019
CALIFORNIA ELECTRICAL CODE	2019
CALIFORNIA PLUMBING CODE	2019
CALIFORNIA FIRE CODE	2019
<b>DESIGN LOADS:</b>	
ROOF LIVE LOAD:	20.0 PSF
ROOF DEAD LOAD W/ SOLAR:	15 PSF
WIND SPEED:	42 MPH, EXPOSURE 'C'
SEISMIC ZONE:	SDC = 'D'
SOIL BEARING:	1500 PSF
	SDS = 0.751
<b>BUILDING DATA:</b>	
CONSTRUCTION TYPE:	TYPE II-B
OCCUPANCY:	S-1
USE:	AIRCRAFT STORAGE HANGAR
NUMBER OF STORIES:	1 STORY
GROSS BUILDING AREA:	1 UNIT AT 56,635 S.F. EA. TOTAL SQUARE FEET 56,635
<b>FIRE SPRINKLER THROUGHOUT</b>	NFPA-13 (LABC 903.2.4) OBTAIN PLUMBING PERMIT PRIOR TO INSTALLATION
<b>BUILDING OCCUPANCY LOAD:</b>	USING TABLE 1004.1.1 500 FOR STORAGE; 100 FOR OFFICE AND MIXED USE A LOAD OF 150

**STRUCTURAL ENGINEER**  
DAVID C. WEISS STRUCTURAL ENGINEER AND ASSOCIATES, INC.  
20912 VENTURA BLVD. SUITE 200  
WOODLAND HILLS, CA 91364  
818.227.8040 PH. 818.227.8041 FAX  
LIC. # 2833

**ARCH./CIVIL ENGINEER**  
BMI ASSOCIATES INC. CONSULTING ENGINEERS PLANNERS, SURVEYORS  
17331 VENTURA BLVD. SUITE 1122C  
INGENIO, CA 91316  
818.901.8009 PH. 424.216.6232 PH.  
LIC. # C38454

**PROJECT LOCATION**  
PLANES OF FAME AIR MUSEUM  
SANTA MARIA AIRPORT  
3211 TERMINAL DRIVE  
SANTA MARIA, CA 93455

**SOILS ENGINEER**  
EARTH SYSTEMS  
4519 OLD SANTA FE ROAD  
SAN LUIS OBISPO, CA 93401  
805.544.3276 PH.  
LIC. # 10206



CITY OF SANTA MARIA STORM WATER MANAGEMENT PLAN

THE CITY'S SWMP DEFINES STRATEGIES AND GUIDELINES FOR PROTECTION FOR WATER QUALITY AND REDUCTION OF POLLUTANT DISCHARGES TO THE MAXIMUM EXTENT (MEP) FROM ALL AREAS AND FACILITIES WITHIN THE CITY. SECTION OF THE SWMP PROVIDES AN OVERVIEW OF THE CITY, INCLUDING CURRENT LAND USE, CITY FACILITIES AND THE WATERSHED. SECTION 3 ADDRESSES THE REGULATORY FRAMEWORK OF THE CITY AS A BASIS FOR INCORPORATING THE MANAGEMENT PRACTICES AND GOALS ESTABLISHED BY THE SWMP SECTION 4 THROUGH 9 IDENTIFY AND DESCRIBE THE BEST MANAGEMENT PRACTICES (BMPs) AND ASSOCIATED MEASURABLE GOALS THAT WILL FULFILL THE REQUIREMENTS OF THE SIX MINIMUM CONTROL MEASURES OUTLINE THE GENERAL PERMIT.

THE SIX MINIMUM CONTROL MEASURES (MCMs) REQUIRED BY THE GENERAL PERMIT ARE:

- PUBLIC EDUCATION - DISTRIBUTING EDUCATION MATERIALS AND PERFORMING OUTREACH TO INFORM CITIZENS OF REASONS TO CONTROL STORM WATER RUNOFF.
- PUBLIC PARTICIPATION AND INVOLVEMENT - PROVIDING OPPORTUNITIES FOR CITIZENS TO PARTICIPATE IN STORM WATER PROGRAM DEVELOPMENT AND IMPLEMENTATION.
- ILLCIT DISCHARGE DETECTION AND ELIMINATION - DEVELOPMENT AND IMPLEMENTING A PLAN TO DETECT AND ELIMINATE ILLICIT DISCHARGES TO THE CITY'S STORM WATER SYSTEM.
- CONSTRUCTION SITE RUNOFF CONTROL - DEVELOPING, IMPLEMENTING, AND ENFORCING A SEDIMENT AND EROSION CONTROL PROGRAM FOR CONSTRUCTION ACTIVITIES.
- POST-CONSTRUCTION RUNOFF CONTROL - DEVELOPING, IMPLEMENTING, AND ENFORCING A PROGRAM TO ADDRESS DISCHARGES OF POST-CONSTRUCTION RUNOFF AND SPECIFIES APPROPRIATE BMPs
- POLLUTION PREVENTION AND GOOD HOUSEKEEPING - DEVELOPING AND IMPLEMENTING A PROGRAM WITH THE GOAL OF PREVENTING OR REDUCING POLLUTANT RUNOFF FROM MUNICIPAL OPERATIONS.

THE SWMP ALSO DEFINES HOW THESE BMPs WILL BE MONITORED, AND PROVIDES DIRECTION FOR ANNUAL REPORTING (SUMMARIZED IN SECTION 10). SPECIFIC EXISTING CITY POLICIES, PLANS ORDINANCES ARE DEFINED AS BMPs IN THE SWMP. THESE EXISTING BMPs ARE THE BASELINE OF THE CITY'S SWMP, AND FUTURE BMPs WILL BE IMPLEMENTED OVER THE NEXT FIVE YEARS TO COMPLY WITH REQUIREMENTS IN THE GENERAL PERMIT.

DRAWING INDEX	
SHEET	DESCRIPTION
COVER	COVER (BUILDING)
SHEET-1	COVER EXCAVATION AND RECOMPACTION
SHEET-2	COVER EXCAVATION AND RECOMPACTION
RENDERING	ELEVATION
A-1	ELEVATIONS
A-2	ELEVATIONS
A-3	ROOF PLANS
A-4	ELEVATIONS
A-5	FLOOR PLAN
A-6	FLOOR PLAN ENLARGED
A-7	FLOOR PLAN ENLARGED
A-8	FLOOR PLAN ENLARGED
A-9	REFLECTED CEILING
A-10	ROOF PLAN
A-11	INTERIOR ELEVATIONS
A-12	INTERIOR ELEVATIONS
A-13	RESTROOM PLAN
A-14	RESTROOM INTERIOR ELEVATIONS
A-15	DOOR AND WINDOW SCHEDULES
G-1	SITE PLAN
G-2	PARKING PLAN
G-3	SURVEY AND SITE LAYOUT
L-1	LANDSCAPING
N-1	GREEN BUILDING FORMS AND ABBREVIATIONS
N-2	ACCESSIBILITY AND GENERAL NOTES
N-3	ACCESSIBILITY NOTES
N-4	ACCESSIBILITY NOTES
N-5	ACCESSIBILITY DETAILS
N-6	ACCESSIBILITY DETAILS
N-7	ACCESSIBILITY DETAILS
N-8	ACCESSIBILITY DETAILS
N-9	ACCESSIBILITY DETAILS
N-10	ACCESSIBILITY DETAILS
SN-1	STRUCTURAL NOTES
F-1	FOUNDATION PLAN
F-2	FOUNDATION PLAN
F-3	FOUNDATION PLAN
F-4	WALL FRAMING
F-5	ROOF FRAMING
F-6	ROOF FRAMING / TRUSS STRUTS
F-7	ROOF FRAMING / TRUSS BRACING
F-8	ROOF FRAMING / ROOF BRACING
F-9	FRAMING ELEVATIONS
F-10	FRAMING ELEVATIONS
F-11	FRAMING ELEVATIONS
F-12	FRAMING ELEVATIONS
F-13	FRAMING ELEVATIONS
F-14	FRAMING ELEVATIONS
F-15	TRUSS DETAIL
F-16	TRUSS DETAIL
F-17	CONNECTION DETAILS
F-18	COMPONENT DETAILS
A5-1	TYPICAL ASSEMBLY DETAILS
A5-2	TYPICAL ASSEMBLY DETAILS

REVISION

THIS DOCUMENT AND THE IDEAS AND DESIGNS INCORPORATED HEREIN, AS AN INSTRUMENT OF PROFESSIONAL SERVICE, IS THE PROPERTY OF ARGUBRIGHT STEEL STRUCTURES AND DOORS AND IS NOT TO BE USED IN WHOLE OR IN PART FOR ANY OTHER PROJECT WITHOUT WRITTEN CONSENT OF STEVE ARGUBRIGHT. THIS DOCUMENT IS NOT TO BE PRODUCED AND/OR MODIFIED IN ANY WAY, NOR SHALL ANY REPRODUCTION BE MADE WITHOUT THE PRIOR WRITTEN CONSENT OF STEVE ARGUBRIGHT.

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**SMX PLANES OF FAME**

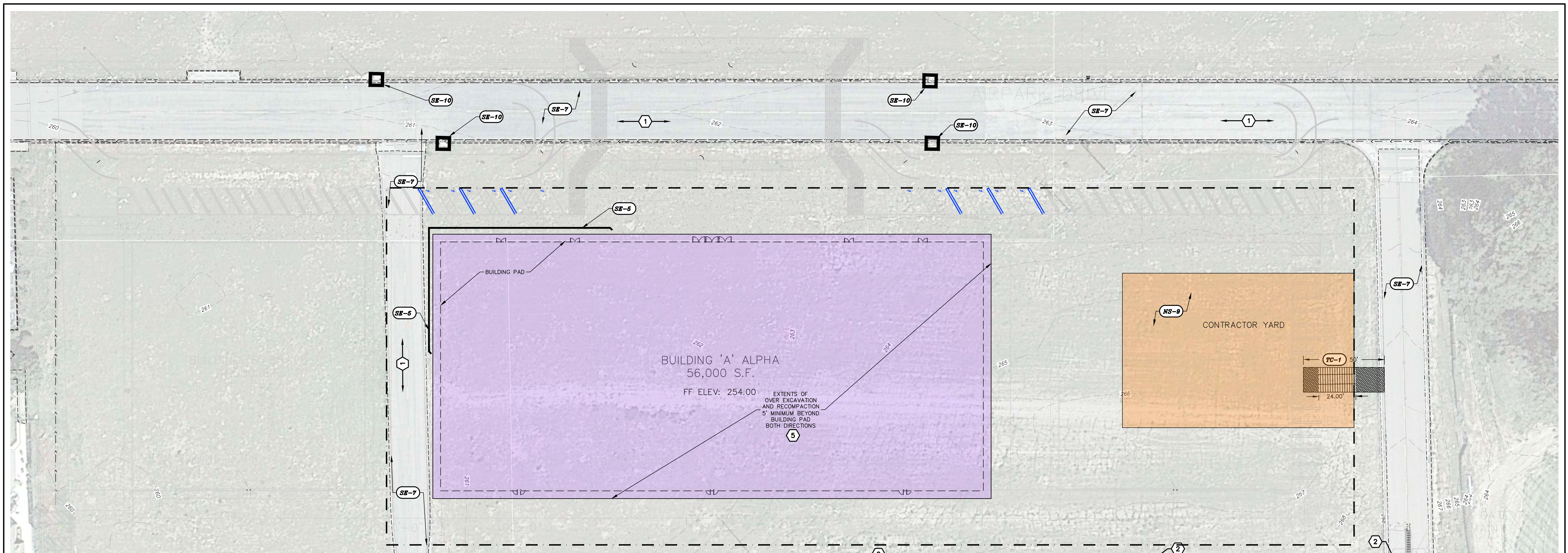
PLANES OF FAME BUILDING

GENERAL CONTRACTOR  
ARGUBRIGHT CONST., INC.  
18140 INDEX STREET  
NORTHridge, CA 91326  
B-1 493620 FABL/MS HT150  
818.360.6024 PH. 818.360.6438 FAX

12-JUNE-2023

COVER





CONTRACTOR TO IMPLEMENT THE FOLLOWING BMP'S FOR THE DURATION OF THIS EFFORT, EVENINGS, WEEKENDS, AND EXTENDED NON-WORK PERIODS INCLUDED.

**BMP'S:**

BMP#	BMP NAME
* EC-3	HYDRAULIC MULCH
* EC-9	EARTH DIKES AND DRAINAGE SWALES
* SE-2	SEDIMENT BASIN
(SE-5)	FIBER ROLLS
(SE-7)	STREET SWEEPING & VACUUMING
* SE-8	SANDBAG BARRIERS
* SE-9	STRAW BALE BARRIER
(SE-10)	STORM DRAIN INLET PROTECTION
* WE-1	WIND EROSION CONTROL
(TC-1)	STABILIZED CONSTRUCTION ENTRANCE / EXIT
(NS-9)	VEHICLE & EQUIPMENT FUELING

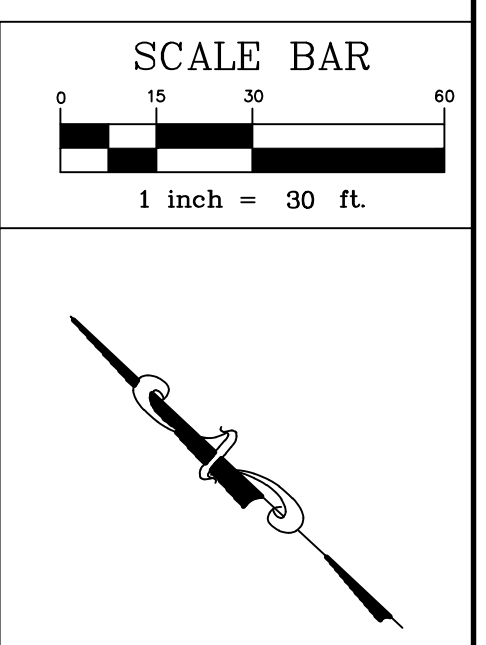
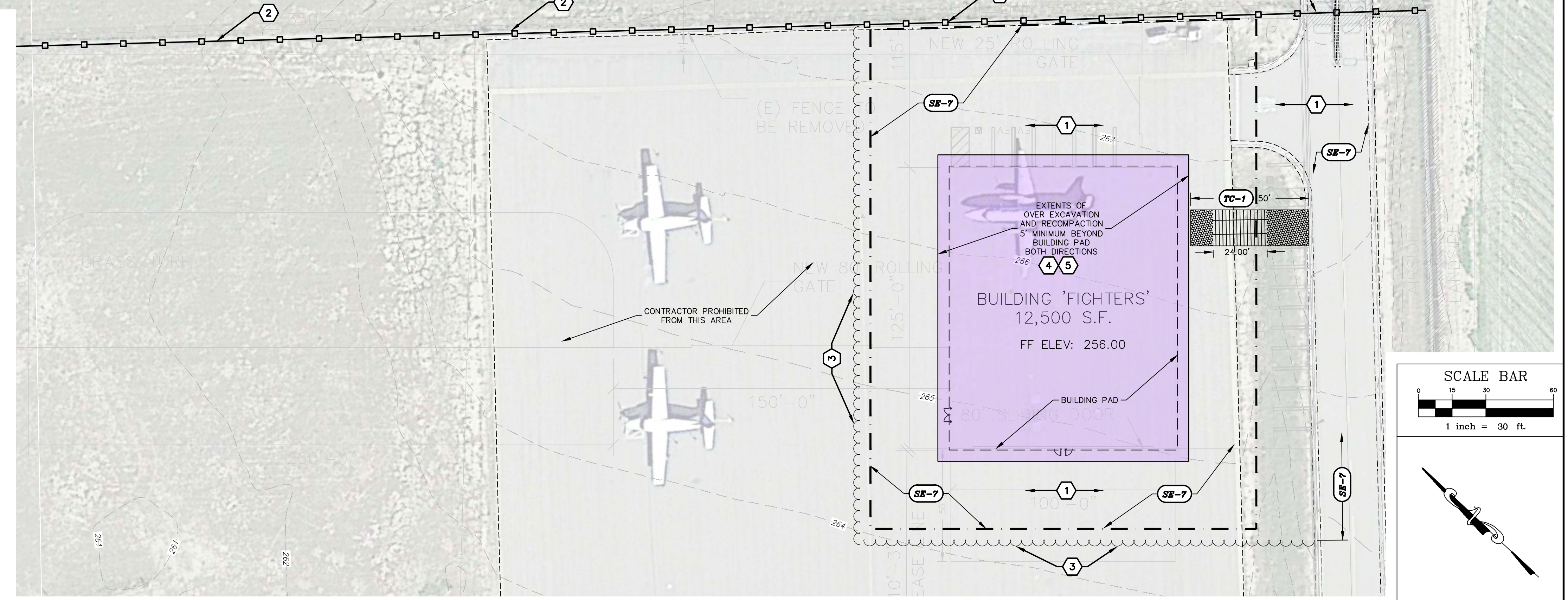
\* SPECIFIC LOCATION NOT IDENTIFIED. IMPLEMENT AS NEEDED THROUGHOUT WORK AREA REFLECTIVE OF WORK AREA ACTIVITIES, AND ADJACENT PUBLIC SPACES.

**CONSTRUCTION NOTES (WPCD SHEETS):**

- SAVE AND PROTECT EXISTING ASPHALT PAVED SURFACES.
- SAVE AND PROTECT CHAIN LINK FENCE AND AUTOMATIC GATES.
- INSTALL AND MAINTAIN PERIMETER WORK AREA DELINEATION FOR AREA WITHIN AOA IN ACCORDANCE WITH EITHER OPTION PRESENTED IN DETAILS ON SHEET 1.
- REMOVE AND DISPOSE EXISTING ASPHALT PAVEMENT AND AGGREGATE BASE SECTION TO THE LIMITS NECESSARY TO PERFORM OVER-EXCAVATION AND RE-COMPACTION OF THE NEW BUILDING SUBGRADE.
- PERFORM OVER-EXCAVATION AND RE-COMPACTION OF THE NATIVE EARTH IN ACCORDANCE WITH THE REQUIREMENTS OF THE GEOTECHNICAL REPORT.

**LEGEND (WPCD SHEETS):**

- - - 700 - - - EXISTING SURFACE CONTOUR
- - - - - EXISTING UTILITY
- - - - - EXISTING SURFACE FLOW LINE
- - - - - DESIGN SURFACE FLOW LINE
- - - 700 - - - DESIGN SURFACE CONTOUR
- FINISH GRADE ELEVATION
- RSA- RUNWAY SAFETY AREA
- ROFA- RUNWAY OBJECT FREE AREA
- TSA- TAXIWAY SAFETY AREA
- TOFA- TAXIWAY OBJECT FREE AREA
- - - - - TRAVEL WAY ALIGNMENT
- - - - - EXISTING CHAIN LINK FENCE
- - - - - TEMPORARY WORK AREA DELINEATION FE
- - - - - EDGE OF PAVEMENT
- INLET PROTECTION
- FIBER ROLL
- TRUCK ENTRANCE
- - - - - CONSTRUCTION AREA LIMITS
- - - - - EDGE OF BUILDING PAD



UNDERGROUND SERVICE ALERT

**811** DIAL 811

TWO WORKING DAYS BEFORE YOU DIG

# WATER POLLUTION CONTROL DRAWING (WPCD)

## PLAN

REV.	DESCRIPTION	DATE	APP.
1			

**TARTAGLIA ENGINEERING**

PLANES OF FAME

BUILDING SUBGRADE PREPARATION

REGISTERED PROFESSIONAL ENGINEER  
JOHANN A. SMITH  
No. 46852  
EXP. 6-30-23  
CIVIL  
STATE OF CALIFORNIA

DESIGN MRA  
DRAWN MRA  
CHECKED JAS  
DWG. NO. 21-107  
DATE 11/14/2022  
SHEET 2 of 2

PLOT DATE: 11/14/2022





Planes of Fame Air Museum  
Central Coast  
3217 Terminal Drive  
Santa Maria, CA 93455





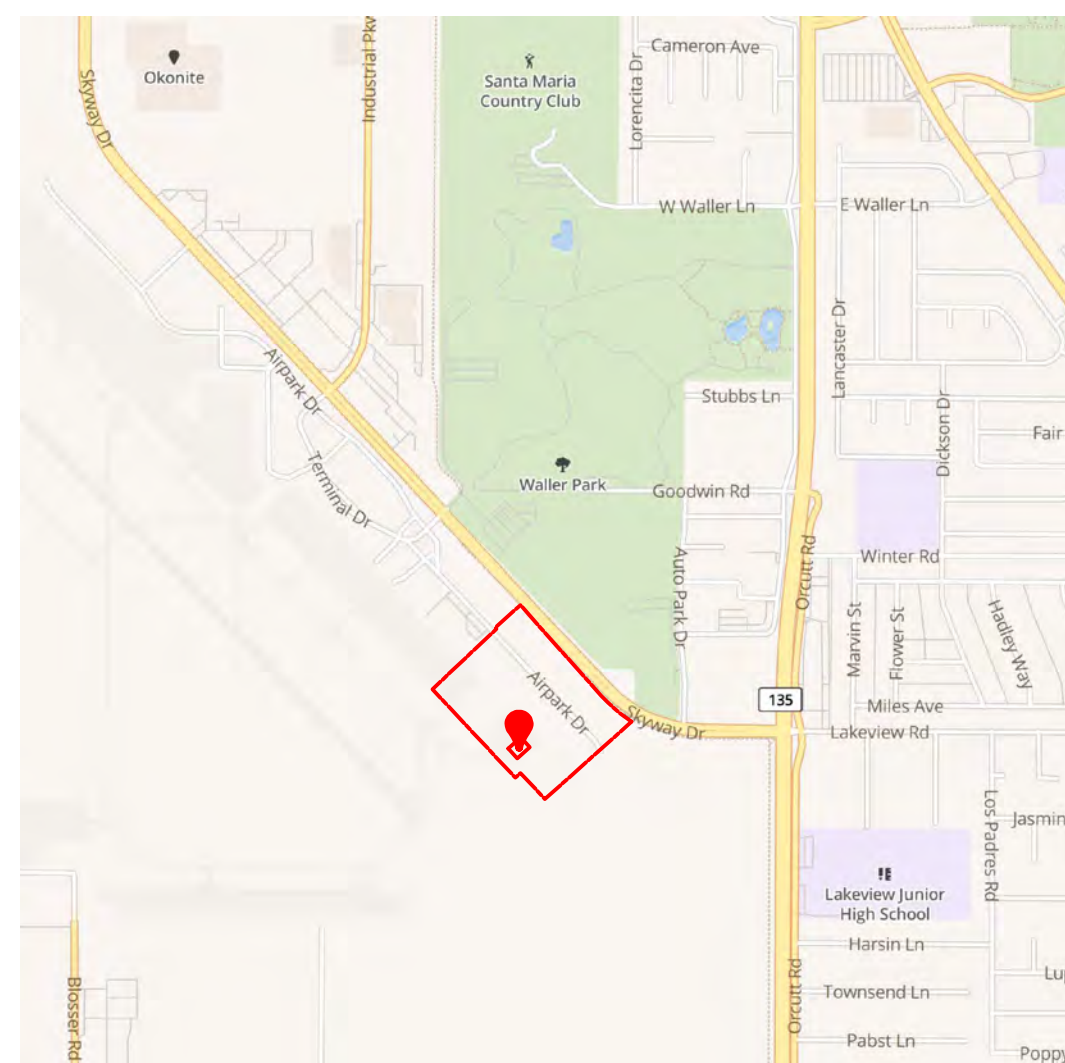






# FIGHTERS BUILDING ONLY

DATE	CITY AGENCIES APPROVALS
	BUILDING AND SAFETY DIVISION
	ENVIRONMENTAL PROGRAMS DIVISION
	GRADING AND DRAINAGE SECITON
	FIRE PREVENTION BUREAU
	SEWER PERMIT
	SCHOOL DISTRICT
	WATER AVAILABILITY LETTER



FIGHTERS BUILDING SPECIFICATIONS	
<b>BUILDING INFORMATION:</b>	
STREET ADDRESS:	3211 TERMINAL DRIVE
CITY:	SANTA MARIA
STATE:	CALIFORNIA, 93455
<b>BUILDING CODES:</b>	
CALIFORNIA BUILDING CODE	2019
CALIFORNIA GREEN BUILDING CODE	2019
CALIFORNIA ELECTRICAL CODE	2019
CALIFORNIA PLUMBING CODE	2019
CALIFORNIA FIRE CODE	2019
<b>DESIGN LOADS:</b>	
ROOF LIVE LOAD:	20.0 PSF
ROOF DEAD LOAD W/ SOLAR:	7.5 PSF
WIND SPEED:	42 MPH, EXPOSURE 'C'
SEISMIC ZONE:	SDC = 'D'
SOIL BEARING:	1500 PSF
	SDS = 0.751
<b>BUILDING DATA:</b>	
CONSTRUCTION TYPE:	TYPE II-B
OCCUPANCY:	S-1
USE:	AIRCRAFT STORAGE HANGAR
NUMBER OF STORIES:	1 STORY
GROSS BUILDING AREA:	1 UNIT AT 12,801 SF. EA. TOTAL SQUARE FEET 12,801
<b>FIRE SPRINKLER THROUGHOUT</b>	NFPA-13 (LABC 903.2.4) OBTAIN PLUMBING PERMIT PRIOR TO INSTALLATION
<b>BUILDING OCCUPANCY LOAD:</b>	USING TABLE 1004.1.1 500 FOR STORAGE AND 100 FOR OFFICE A LOAD OF 22

**STRUCTURAL ENGINEER**  
DAVID C. WEISS STRUCTURAL ENGINEER AND ASSOCIATES, INC.  
20912 VENTURA BLVD. SUITE 200  
WOODLAND HILLS, CA 91364  
818.227.8040 PH. 818.227.8041 FAX  
LIC. # 2833

**ARCH./CIVIL ENGINEER**  
BMI ASSOCIATES INC. CONSULTING ENGINEERS PLANNERS, SURVEYORS  
17331 VENTURA BLVD. SUITE 1122C  
WOODLAND HILLS, CA 91364  
818.901.8009 PH. 424.216.6232 PH.  
LIC. # C38454



**PROJECT LOCATION**  
PLANES OF FAME AIR MUSEUM  
SANTA MARIA AIRPORT  
3211 TERMINAL DRIVE  
SANTA MARIA, CA 93455

**SOILS ENGINEER**  
EARTH SYSTEMS  
4519 OLD SANTA FE ROAD  
SAN LUIS OBISPO, CA 93401  
805.544.3276 PH.  
LIC. # 10206

**CITY OF SANTA MARIA STORM WATER MANAGEMENT PLAN**

THE CITY'S SWMP DEFINES STRATEGIES AND GUIDELINES FOR PROTECTION FOR WATER QUALITY AND REDUCTION OF POLLUTANT DISCHARGES TO THE MAXIMUM EXTENT (MEP) FROM ALL AREAS AND FACILITIES WITHIN THE CITY. SECTION OF THE SWMP PROVIDES AN OVERVIEW OF THE CITY, INCLUDING CURRENT LAND USE, CITY FACILITIES AND THE WATERSHED. SECTION 3 ADDRESSES THE REGULATORY FRAMEWORK OF THE CITY AS A BASIS FOR INCORPORATING THE MANAGEMENT PRACTICES AND GOALS ESTABLISHED BY THE SWMP. SECTION 4 THROUGH 9 IDENTIFY AND DESCRIBE THE BEST MANAGEMENT PRACTICES (BMPs) AND ASSOCIATED MEASURABLE GOALS THAT WILL FULFILL THE REQUIREMENTS OF THE SIX MINIMUM CONTROL MEASURES OUTLINE THE GENERAL PERMIT.

THE SIX MINIMUM CONTROL MEASURES (MCMs) REQUIRED BY THE GENERAL PERMIT ARE:

- PUBLIC EDUCATION - DISTRIBUTING EDUCATION MATERIALS AND PERFORMING OUTREACH TO INFORM CITIZENS OF REASONS TO CONTROL STORM WATER RUNOFF.
- PUBLIC PARTICIPATION AND INVOLVEMENT - PROVIDING OPPORTUNITIES FOR CITIZENS TO PARTICIPATE IN STORM WATER PROGRAM DEVELOPMENT AND IMPLEMENTATION.
- ILLCIT DISCHARGE DETECTION AND ELIMINATION - DEVELOPMENT AND IMPLEMENTING A PLAN TO DETECT AND ELIMINATE ILLICIT DISCHARGES TO THE CITY'S STORM WATER SYSTEM.
- CONSTRUCTION SITE RUNOFF CONTROL - DEVELOPING, IMPLEMENTING, AND ENFORCING A SEDIMENT AND EROSION CONTROL PROGRAM FOR CONSTRUCTION ACTIVITIES.
- POST-CONSTRUCTION RUNOFF CONTROL - DEVELOPING, IMPLEMENTING, AND ENFORCING A PROGRAM TO ADDRESS DISCHARGES OF POST-CONSTRUCTION RUNOFF AND SPECIFIES APPROPRIATE BMPs
- POLLUTION PREVENTION AND GOOD HOUSEKEEPING - DEVELOPING AND IMPLEMENTING A PROGRAM WITH THE GOAL OF PREVENTING OR REDUCING POLLUTANT RUNOFF FROM MUNICIPAL OPERATIONS.

THE SWMP ALSO DEFINES HOW THESE BMPs WILL BE MONITORED, AND PROVIDES DIRECTION FOR ANNUAL REPORTING (SUMMARIZED IN SECTION 10). SPECIFIC EXISTING CITY POLICIES, PLANS ORDINANCES ARE DEFINED AS BMPs IN THE SWMP. THESE EXISTING BMPs ARE THE BASELINE OF THE CITY'S SWMP, AND FUTURE BMPs WILL BE IMPLEMENTED OVER THE NEXT FIVE YEARS TO COMPLY WITH REQUIREMENTS IN THE GENERAL PERMIT.

DRAWING INDEX	
SHEET	DESCRIPTION
COVER	COVER (BUILDING)
SHEET-1	COVER EXCAVATION AND RECOMPACTION
SHEET-2	COVER EXCAVATION AND RECOMPACTION
RENDERING	ELEVATIONS
A-1	ELEVATIONS
A-2	ELEVATIONS
A-3	ELEVATIONS
A-4	ELEVATIONS
A-5	FLOOR PLAN
A-6	REFLECTED CEILING
A-7	ROOF PLAN
A-8	INTERIOR ELEVATIONS
A-9	INTERIOR ELEVATIONS
A-10	RESTROOM INTERIOR ELEVATIONS
A-11	RESTROOM PLAN
A-12	SCHEDULES
C-1	SITE PLAN
C-2	PARKING PLAN
C-3	SURVEY AND SITE LAYOUT
L-1	LANDSCAPING
N-1	GREEN BUILDING FORMS AND ABBREVIATIONS
N-2	ACCESSIBILITY AND GENERAL NOTES
N-3	ACCESSIBILITY NOTES
N-4	ACCESSIBILITY NOTES
N-5	ACCESSIBILITY DETAILS
N-6	ACCESSIBILITY DETAILS
N-7	ACCESSIBILITY DETAILS
N-8	ACCESSIBILITY DETAILS
N-9	ACCESSIBILITY DETAILS
N-10	ACCESSIBILITY DETAILS
S-1	STRUCTURAL NOTES
S-2	FOUNDATION PLAN
S-3	FOUNDATION PLAN
S-4	WALL FRAMING
S-5	ROOF FRAMING
S-6	ROOF FRAMING / TRUSS STRUTS
S-7	FRAMING ELEVATIONS
S-8	FRAMING ELEVATIONS
S-9	FRAMING ELEVATIONS
S-10	FRAMING ELEVATIONS
S-11	TRUSS DETAIL
S-12	TRUSS DETAIL
S-13	CONNECTION DETAILS
A5-1	COMPONENT DETAILS
A5-2	TYPICAL ASSEMBLY DETAILS
D-1	TYPICAL ASSEMBLY DETAILS
D-2	BI-FOLD DOOR AND TRUSS ASSEMBLY

REVISION

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**SMX FIGHTERS**

FIGHTERS BUILDING

GENERAL CONTRACTOR  
ARGUBRIGHT CONST., INC.  
18140 INDEX STREET  
NORTHridge, CA 91326  
B-1 493630 FAX/L1M5 H150  
818.360.6024 PH. 818.360.6438 FAX

13-JUNE-2023

COVER





Planes of Fame Air Museum  
Central Coast  
3217 Terminal Drive  
Santa Maria, CA 93455







July 27, 2023

Board of Directors  
 Santa Maria Public Airport District  
 3217 Terminal Drive  
 Santa Maria, CA 93455

**Subject:** Authorization for two Directors to attend the Counter-UAS Summit to be held August 15<sup>th</sup>-16<sup>th</sup>, 2023, in Old Town Alexandria, VA.

**Summary**

This agenda item was previously presented to the Board at the July 13<sup>th</sup> Meeting. The Board requested a budget for this event.

**Budget**

		Attendees	Days	Rate	Total
Fees:	Registration	2		\$1,595.00	\$3,190.00
	Air Travel	2		\$834.00	\$1,668.00
	Ground Transportation	1		\$210.00	\$210.00
	Lodging	2	3	\$208.00	\$1,248.00
	Meals	2	4	\$100.00	\$800.00
	<b>Total:</b>				\$7,116.00

**Overall Impact:**

2023-2024 Budget for Business Travel	\$85,000.00
Previously Approved Business Travel	\$37,550.37
Current Balance for Business Travel	\$47,449.63
Amount of this Request	\$7,116.00
Balance Remaining if Approved	\$40,333.63

Sincerely,

Veroneka Reade  
 Manager of Finance and Administration



# Defeating the UAS Threat from Homeland to Battlefield

August 15-16, 2023 • Westin, Old Town Alexandria, Virginia

## 2023 Expert Speakers Include



**Colonel Tony Behrens,**  
Deputy Director,  
**Joint Integrated Air and Missile Defense Organization (JIAMDO)**



**Colonel William Parker,**  
Deputy Director,  
**U.S. Army Joint Counter-small UAS Office (JCO)**



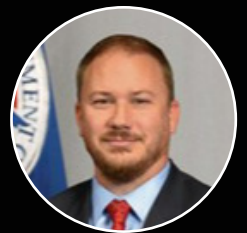
**Mike Torphy,**  
Supervisory Special Agent,  
Surveillance Emerging Technologies Unit,  
**FBI**



**Darshan "Dash" Divakaran,** Head of Airspace Innovation,  
**AFWERX**



**Stanley Darbro,** Deputy Director,  
**Army Rapid Capabilities and Critical Technologies**



**Brent Cotton,** Director,  
**DHS C-UAS Policy**

- ➔ Advance your Counter-UAS capability through next-generation applications and proactive detection systems that are enhancing battlefield readiness
- ➔ Invest in industry partnerships that accelerate the adoption of innovative Counter-UAS solutions that support the countering of small UAS threats

- ➔ Assess the defense supply chains that the DoD has prioritized as focus areas of particular importance to national security
- ➔ Get updated on the direction of Counter-UAS technology and tactics and stay ahead of potential adversary capability

Two Star Partners



One Star Partners



Media Partner



# Welcome

Dear Colleague,

Since its inception in 2018, IDGA's Counter-UAS Summit has developed a leading reputation in the United States, year after year, for bringing together the foremost practitioners and industry providers from across the military services and homeland security ecosystem. This conference attracts up to 200 senior leaders, all working tirelessly to develop and acquire solutions that can stay abreast of the ever-changing UAS threat.

Providing a vital platform to learn, share and connect, we will address how the U.S. and its allies and partners are working to decisively counter the evolving and complex threat that UAS pose. New topics for 2023 include:

- How UAS are redefining the modern battlefield and the critical lessons learned from the Russia-Ukraine war and other warfighting theaters
- Organic Counter-UAS Capability across the ground maneuver forces
- How UAS are being weaponized in the Middle East by non-state actors
- National Action Plan updates, one year on
- Projected UAS trends in 2023 and beyond, including counter-countermeasures

I look forward to welcoming you to the Counter-UAS Summit in Alexandria, VA, which will provide unrivaled insights from our valued experts in the room.

Yours sincerely,

**Harriet Turner**

Counter-UAS Summit 2023, Conference Director



**CONFERENCE CHAIRMAN:**  
**Colonel (Ret.) David Shank,**  
Former Commander,  
U.S. Army Air Defense Artillery School,  
US Army



***I learned so much about the C-UAS technology and found it extremely valuable***

**DHS**

***Solid speakers and solid participants. A very nice gathering of relevant C-UAS stakeholders from government and industry***

**D-Fend Solutions**

***Quality of attendees and speakers. Important govt CUAS reps and good representation from industry***

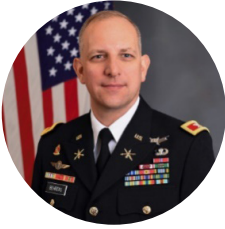
**Harlaxton Group**

***Depth and Breadth of the C-sUAS requirements and needs across a range of organizations from DHS, DoD and Prisons. International Flavor***

**Synovision Solutions**



# Our Expert 2023 Speaker Faculty



**Colonel Tony Behrens,**  
Deputy Director,  
**Joint Integrated Air  
and Missile Defense  
Organization (JIAMDO)**



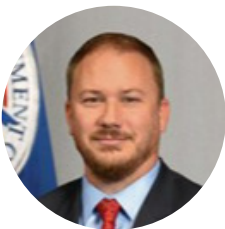
**Colonel William Parker,**  
Deputy Director,  
**U.S. Army Joint Counter-  
small UAS Office (JCO)**



**Mike Torphy,**  
Supervisory Special Agent,  
Surveillance Emerging  
Technologies Unit,  
**FBI**



**Darshan "Dash" Divakaran,**  
Head of Airspace Innovation,  
**AFWERX**



**Brent Cotton,**  
Director,  
**DHS C-UAS Policy**



**Keith Jones,**  
Deputy Executive Assistant  
Commissioner, Air and  
Marine Operations (AMO),  
**U.S. Customs and Border  
Protection (CBP)**



**Colonel Bradley Sams,**  
Deputy Program Manager,  
Ground Based Air Defense,  
**U.S. Marine Corps**



**Sarah J. Parker,**  
C-UAS IPT Lead,  
**DEVCOM**



**Yannick Veilleux-Lepage,**  
PhD, Assistant Professor,  
Royal Military College  
of Canada,  
**Department of  
National Defence**



**Jarred D. Pennington,**  
Branch Chief, Unmanned  
Systems Security Branch,  
**Federal Protective Service**



**Kevin Jinks,**  
Senior Counsel,  
Office of Legal Policy,  
**U.S. Department of Justice**



**Zak Kallenborn,**  
Policy Fellow, Center for  
Security Policy Studies,  
**George Mason University**



**Ryan Berry,**  
UAS Security  
Division Manager,  
**Federal Aviation  
Administration**



**Major Jake A. LaGue,**  
Assistant Program  
Manager, PdM Medium  
Caliber, PM MAS,  
**U.S. Army**



**Scott Parker,**  
Branch Chief, Unmanned  
Aircraft Systems Office  
of Security Programs,  
**Cybersecurity and  
Infrastructure Agency**



**DJ Smith,**  
Unmanned Aerial Systems  
Program Coordinator,  
**Virginia State Police**

# Day One | August 15, 2023

## 0800 REGISTRATION AND REFRESHMENTS

### Session Overview

The opening session of day one will begin with two strategic overviews on the United States' future vision and how it can ensure it outpaces adversaries and nefarious actors - from homeland to the battlefield - drawing on the use of UAS in theaters all over the world and how their extensive use has notably altered the contemporary character of warfare.

## 0850 CHAIR'S OPENING REMARKS

### 0900 PROTECTING THE HOMELAND AS UAS PROLIFERATION ACCELERATES

- ➔ National Domestic Counter-UAS Action Plan
- ➔ Pending C-UAS legislation
- ➔ DHS supported the Expansion of C-UAS Authorities

Brent Cotton, Director, **DHS C-UAS Policy**

### 0930 ATTRITABLE SENSORS & ACTIONABLE DATA

- ➔ Defining the information parameters of the battlespace and the role sensors play
- ➔ The challenge of translating range requirements into actionable data
- ➔ Importance of base layer data fidelity in improving awareness
- ➔ Maintaining economic symmetry against inexpensive drones

Tom Driscoll, Chief Technology Officer and Co-Founder, **Echodyne**



### 1000 LESSONS IDENTIFIED FROM THE USE OF UAS IN THEATERS ALL OVER THE WORLD

- ➔ Overview of the JCO's LOE in ensuring optimal UAS and Counter-UAS as a critical component of combined arms
- ➔ Assessing the way in which the rising use of UAS has transformed the contemporary conflict
- ➔ Evaluating how the U.S. and allies can implement lessons identified

Colonel William "Bill" Parker, Military Deputy Director, **Joint C-sUAS Office (JCO)**

## 1030 COFFEE AND NETWORKING BREAK

### Session Overview

The second session will assess the core challenges that UAS could pose on the 21st century battlefield and delve into non-kinetic and kinetic solutions that will enable the U.S. to decisively counter the evolving threat.

### 1100 ENHANCING EXPEDITIONARY CAPABILITIES: GROUND BASED AIR DEFENSE IN THE MARINE CORPS

- ➔ Empowering the Marine Corps with the capability to efficiently and organically counter the UAV threat, enabling austere expeditionary forces to effectively defend against airborne threats.
- ➔ Exploring how the Marine Corps' organic GBAD capabilities are centered around the LAAD Battalions within Marine Air Wings, and understand the importance of these specialized units in providing effective air defense in low-altitude environments.
- ➔ Unlocking Future Possibilities: Discover the potential of GBAD beyond its UAV countermeasures role. This session will discuss the myriad other possibilities that GBAD opens up for future expeditionary forces, showcasing its versatility and its ability to enhance overall operational effectiveness.

Colonel Bradley Sams, Deputy Program Manager, Ground Based Air Defense, **U.S. Marine Corps**

### 1130 FIRESIDE CHAT: TACTICAL C-UAS IS A REQUIREMENT FOR SMALL UNIT SURVIVABILITY ON THE MODERN BATTLEFIELD

- ➔ Protecting the mobile, dispersed force requires individual C-UAS capabilities
- ➔ Ukraine Takeaway: Tactical C-UAS is critical to operational and strategic success
- ➔ Learning from the enemy: advances in commercial UAS space assist in C-UAS capabilities

Dane S. Pigott, CEO and Co-Founder, **Kinard Technologies**



### 1200 AFFORDABLE KINETIC OPTIONS FOR COUNTERING THE S-UAS THREAT

- ➔ Providing a rapid solution to the warfighter
- ➔ The future of kinetic C-sUAS options and emerging solutions
- ➔ Challenges to overcome

Major Jake A. LaGue, Assistant Product Manager, PdM Medium Caliber, PM MAS, **U.S. Army**



**1230 NETWORKING LUNCH****Session overview**

Post-lunch, we will be evaluating the threat of UAS to the homeland, beginning with a panel discussion exclusively focused on the NAP and how it has evolved over a year since our last summit. This will then be followed by expert insights into how the challenge is growing and how the CBP is meeting this.

**1400 PANEL DISCUSSION: THE NATIONAL ACTION PLAN (NAP) A YEAR ON: WHERE DO THE CRITICAL GAPS AND CHALLENGES REMAIN?**

- ➔ Closing the remaining gaps in the legal and policy landscape and expanding the authority for other federal agencies to use detection and mitigation Counter-UAS technologies
- ➔ Establishing U.S. Government authorized detection equipment to guide existing and newly authorized entities in purchasing UAS detection systems
- ➔ Increasing training accessibility and promoting interagency cross-training and collaboration to ensure more efficient use of Counter-UAS technologies
- ➔ How has this evolved, one year on?

Panelists include:

Kevin Jinks, Senior Legal Counsel, **Department of Justice**

**1500 MITIGATING THE EVOLVING UAS THREAT FROM HOMELAND TO THE BATTLEFIELD**

- ➔ CBP operates C-UAS devices at select, active locations targeting specific threats to ensure homeland security.
- ➔ Transnational criminal organizations use of UAS devices enables them to conduct unauthorized surveillance of law enforcement personnel to evade law enforcement detection and facilitate smuggling activities.
- ➔ The illicit use of unmanned aircraft systems threatens the safety of CBP's frontline personnel, poses a collision risk to our aircraft, and adversely affects our border security operations.

Keith Jones, Deputy Executive Assistant Commissioner, Air and Marine Operations (AMO), **U.S. Customs and Border Protection (CBP)**

**1530 COFFEE AND NETWORKING BREAK****Session overview**

In the concluding session of the day, we will hear from leading scholars and thought leaders in the Counter-UAS field, delving into the emerging challenge of UAS countermeasures which has received little attention thus far. We will then hear about how UAS have and continue to be weaponized by non-state actors, drawing on the scale of damage that can be caused and the necessary steps for the U.S. and its partners and allies going forward.

**1600 EMERGING CHALLENGES AND PROJECTED UAS TRENDS IN 2023 AND BEYOND**


- ➔ UAS Counter-counter measures
- ➔ Growing importance of UGVs / USVs / UUVs
- ➔ Autonomy and UAS

Zak Kallenborn, Policy Fellow, **Schar School of Policy and Government**

**1630 ASSESSING THE USE OF WEAPONIZED UAS IN THE MIDDLE EAST**

- ➔ Examining the drone programs of five non-state groups operating in the Middle East
- ➔ Assessing how UAS can enhance the activities of non-state groups
- ➔ What nations and armies need to do to ensure it can out-innovate and adapt against non-state adversaries

Yannick Veilleux-Lepage, PhD, Assistant Professor, **Royal Military College of Canada**

**1700 CHAIR'S CLOSING REMARKS**

***This was a timely event, with the UAS/Drone/Loitering Munition threat steadily increasing around the globe - discussing how to counter this threat with users, customers and industry partners is valuable. The speaker line up was excellent and the participants were the right level across the board***

Northrop Grumman Corporation

# Day Two | August 16, 2023

## 0815 REGISTRATION AND REFRESHMENTS

### Session Overview

Opening day two, we will be exploring how we can ensure the Warfighter is optimally prepared with a strong layered capability for the current and future operational environment across the military services in addition to delving into the opportunities for industry to help fulfil growing requirements.

## 0850 CHAIR'S OPENING REMARKS

## 0900 ALIGNING EXISTING AND FUTURE COUNTER-UAS SOLUTIONS TO WARFIGHTERS NEEDS ACROSS THE SERVICES

- ➔ Closing capability gaps across services through enhanced integration of Counter-UAS technologies
- ➔ Utilizing non-kinetic capabilities such as directed-energy weapons to address key C-UAS challenges including the unacceptable cost-exchange ratio that continues to exist, consequently placing a strain on budgets across the services
- ➔ Developing and fielding a wide range of capabilities to confront the multi-faceted challenges posed to US forces

Colonel Tony Behrens, Deputy Director, **Joint Integrated Air & Missile Defense Organization (JIAMDO)**

## 0930 REVOLUTIONIZING WARFARE: THE DOMINATION POTENTIAL AND SIGNIFICANT THREAT OF DRONES IN THE BATTLESPACE

- ➔ Recent Drone Threat
- ➔ Technology Advances / Usage
- ➔ US National Defense Strategy Directives
- ➔ ElbitAmerica "Counter Drone" Focus

Battlespace

- ➔ Domination through Partnerships – Where we are, where we are going

Mike Powell, Director of Business Development Innovation Solutions, **Elbit Systems of America**



## 0945 RESERVED FOR SENTRYCS



## 1000 SYNCHRONIZING JOINT MATERIEL CAPABILITIES

- ➔ Process for Acquisition Synchronization [Army as EA and RCCTO as Materiel support]
- ➔ More Joint solutions are needed
- ➔ Semi-Annual Demonstrations for Industry

Reserved for Senior RCCTO representative

## 1030 COFFEE AND NETWORKING BREAK

### Session overview

The second session of day two will explore how we can safely integration UAS into NAS and achieve the future desired and manageable level of fidelity. There will be a panel discussion, delving into priorities, challenges and requirements faced by the agencies that are responsible for the protection of public and critical infrastructure assets.

## 1100 PANEL DISCUSSION: CONFRONTING CRITICAL AND PUBLIC INFRASTRUCTURE CHALLENGES

- ➔ Identifying vulnerable targets for sUAS attacks such as prisons, stadiums, bases, and national monuments
- ➔ Bolstering hard and soft target security by identifying appropriate non-kinetic solutions
- ➔ Developing the legislative and regulatory landscape to effectively counter UAS and looking at what needs to be done going forward

Panelists include:

Ryan Berry, UAS Security Division Manager, **Federal Aviation Administration**

Scott Parker, Branch Chief, Strategic Planning Section, Soft Targets and Crowded Places Task Force,

**Cybersecurity and Infrastructure Security Agency**

DJ Smith, Unmanned Aerial Systems Program Coordinator, **Virginia State Police**

## 1130 RESERVED FOR SKYSAFE



**1200 ASSURING THE SAFE AND JUDICIOUS EXPANSION AND INTEGRATION OF UAS INTO NAS**

- ➔ Enabling the safe integration of UAS in urban and rural areas
- ➔ How the UTM is ensuring that the U.S. can benefit from the positive applications of UAS, such as the provision of disaster relief, search and rescue missions and delivery services, while simultaneously minimizing disruption

Darshan “Dash” Divakaran, Head of Airspace Innovation, **AFWERX**

**1230 NETWORKING LUNCH****Session Overview**

Post-lunch, we will have a dual-focused session – offering unrivaled insight into the FBI’s experience conducting UAS detection and mitigation operations at special events, in addition to a brief dedicated to how DEVCOM is working towards achieving mission critical priorities, spearheaded by innovation.

**1400 CONDUCTING UAS DETECTION AND MITIGATION OPERATIONS AT SPECIAL EVENTS**

- ➔ Overview of unique mission requirements
- ➔ Breakdown of operations and critical capability gaps during special events
- ➔ Proposed support to the Domestic Counter-UAS National Action Plan

Mike Torphy, Supervisory Special Agent, Surveillance Emerging Technologies Unit, **FBI**

**1430 DEVCOM’S LONG-TERM COUNTER-UAS GOALS**

- ➔ Addressing capability gaps and limitations of current systems to improve future capabilities
- ➔ Fuelling innovation and experimentation to ensure that long-term counter-UAS goals can be achieved

Sarah J. Parker, DEVCOM C-UAS IPT Lead, **Air & Missile Defense Capability Area Lead**

**1530 COFFEE AND NETWORKING BREAK****Session Overview**

The final session of the day will offer an opportunity for key senior industry and military leaders to come together and discuss the most pressing challenges and how the DOD and industry can collaboratively get beyond them through optimizing innovation. We will then conclude the day with an all-important maritime perspective.

**1600 PANEL DISCUSSION: TECHNOLOGICAL INNOVATION**

- ➔ What steps can be taken to strengthen the relationship between DOD acquisition efforts and industry partners?
- ➔ In what ways have existing solutions not met the challenges for UAS security?
- ➔ What is the ideal layered defense for Counter-UAS?
- ➔ How is the DOD aligning Counter-UAS requirements and capability development?

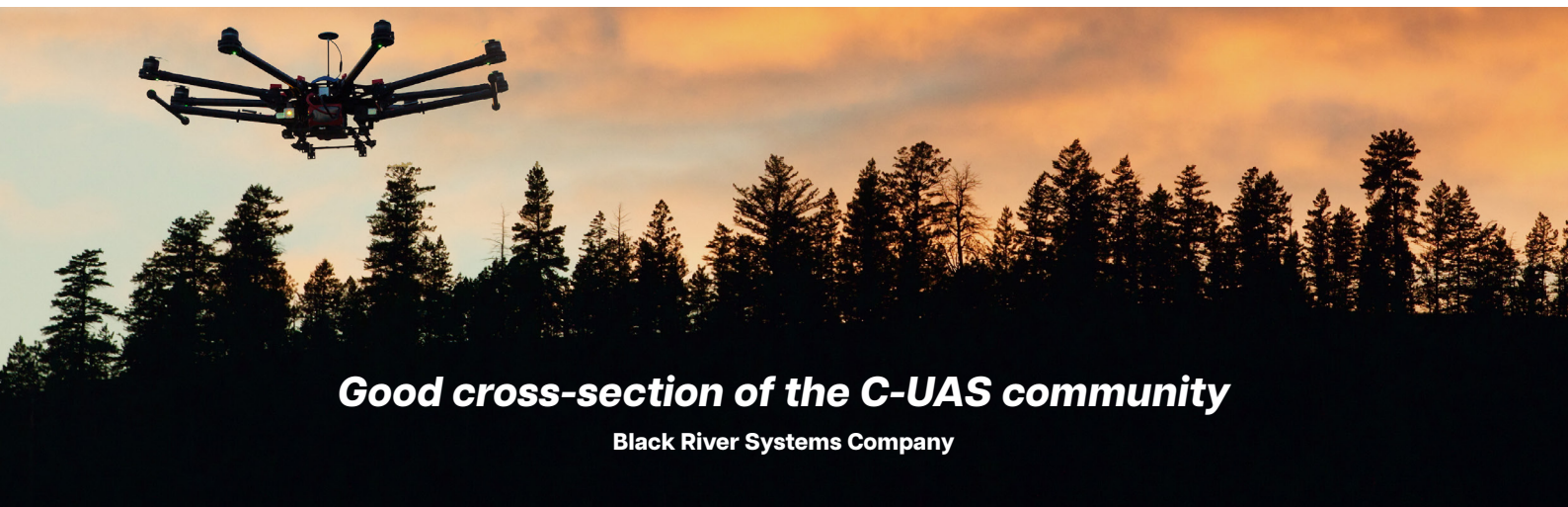
Panelists include:

Darshan “Dash” Divakaran, Head of Airspace Innovation, **AFWERX**

**1700 LESSONS FROM OPERATIONAL MARITIME COUNTER-UAS DEPLOYMENTS**

- ➔ Critical capability gaps and challenges in the maritime environment which must be addressed
- ➔ Assuring the security of naval assets and the maritime border
- ➔ Lessons learned from deployments

Reserved for Senior Representative from the **U.S. Navy**

**1730 CHAIR’S CLOSING REMARKS AND END OF CONFERENCE**

**Good cross-section of the C-UAS community**

**Black River Systems Company**

# Maximise Your Involvement: Sponsorship and Exhibition Opportunities

## Invest in making an impact with the people that matter to your business

Sponsorship is the most effective solution to share your company's idea to leading professionals from across the Counter-UAS community, who are searching for actionable detection and mitigation solutions for the evolving threat, from homeland to the battlefield.

**Counter-UAS 2023** will be attended by senior officials and decision-makers from across the military and homeland security ecosystem, bringing together industry leaders and budget-holders in one location. With tailored networking, sponsors can achieve the face-to-face contact that overcrowded trade shows cannot deliver.

Exhibiting and Sponsorship options are extensive, and packages can be tailor-made to suit your individual company's needs

### Features of sponsorship include:

- ➔ Prominent exhibition space in the main conference networking area
- ➔ Thought leadership speaking opportunities
- ➔ Participation in comprehensive pre-event marketing campaigns
- ➔ Tailored networking solutions

**For more information and to discuss the right opportunity, contact us on +1 646 200 7515 or [sponsor@idga.org](mailto:sponsor@idga.org)**

## Two Star Partners



Anduril is a defense technology company with the mission to transform U.S. & allied military and national security capabilities. By bringing the expertise, technology, and business model of the 21st century's most innovative companies to the defense industry, Anduril is changing how military systems are designed, built, and sold.

Anduril leverages software and autonomous systems to bring advanced technological solutions to missions like counter UAS (CUAS), ISR & targeting, counter intrusion, border security, and multi-domain command and control.

Anduril's CUAS solution automates the detect-track-identify phases of the kill chain and empowers human operators to counter threats with greater speed, precision & efficiency. Anduril leverages Lattice OS, our open software platform, to integrate and fuse Anduril and Third-Party sensors and effectors to create a family of systems approach. The Anduril approach to CUAS can be scaled to the larger air and missile defense mission.

Anduril products and solutions are deployed all around the world today in support of homeland security, military, and combat operations. Anduril is a proven provider of comprehensive capabilities, most notably as the Systems Integration Partner for USSOCOM's counter UAS program of record.

**Website: [www.anduril.com](http://www.anduril.com)**



Echodyne offers the highest performing compact, software-defined, solid-state, true electronically scanned array (ESA) radar sensors. Ideally suited for securing ground and airspace perimeters, Echodyne's commercially priced radars are used by governments, industries, and solution integrators for counter-drone, border and perimeter security, and comprehensive critical infrastructure protection.

**Website: [Echodyne.com](http://Echodyne.com)**



Elbit Systems of America, headquartered in Fort Worth, Texas, is a leading provider of high-performance products, system solutions, and support services focusing on the defense, homeland security, law enforcement, commercial aviation, and medical instrumentation markets. With facilities throughout the U.S., Elbit Systems of America is dedicated to supporting those who contribute daily to the safety and security of the United States. For additional information, visit: [www.ElbitAmerica.com](http://www.ElbitAmerica.com) or follow us on Twitter, LinkedIn and Instagram.

**Website: [www.elbitamerica.com](http://www.elbitamerica.com)**



## Two Star Partners

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Kinard Technologies exists to supply revolutionary warfighting systems to the United States and our allies to ensure overmatch against the the enemies of the free world. The Collaborative Augmented Targeting System, CATS, is our revolutionary cUAS offering. CATS enables small units to successfully engage and kinetically destroy sUAS by utilizing existing small-arms weapons platforms and marrying them with cutting-edge hardware, software and AI in a modular platform. With CATS, Soldiers rapidly identify targets, digitally share them with others, and direct significant and coordinated massed fires to engage UAS targets as well as any stationary, moving, ground, or aerial targets. CATS uses an intuitive interface to bring the operator on target while accounting for target motion, ballistic profiles and operator reaction speeds to deliver a point and shoot experience and does not interfere with the operation of the weapon in any way. Using CATS, small units are more informed, more connected, and more lethal.

**Website:** [www.kinardtechnologies.com](http://www.kinardtechnologies.com)

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Sentrycs is a global leader in integrated counter-drone solutions. With the rising use of commercial drones, security officers protecting sensitive sites face escalating threats. They need an effective response tailored to their needs without compromising existing security frameworks. Safeguarding communities, assets, and critical infrastructure requires a comprehensive approach beyond technology implementation. Addressing this multifaceted challenge necessitates collaboration among key stakeholders, including regulatory bodies, UTM players, technology vendors, and drone users. Recognizing the complexity, Sentrycs' team of Communications and Radio Frequency experts began a mission in 2017. They aimed to develop modular solutions customized to meet the unique security requirements and drone ecosystems of each partner. By collaborating with their expertise, Sentrycs strives to provide effective counter-drone measures, ensuring the safety and protection of communities worldwide.

**Website:** [www.sentrycs.com](http://www.sentrycs.com)

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Without airspace awareness, responding to an unauthorized or malicious drone is a matter of luck. SkySafe Cloud alerts users to the presence of unwanted drones in real-time, so the proper countermeasures can be taken. This cutting-edge, Cloud-based SaaS platform puts real-time and historical drone data at your fingertips, without the need to acquire, install, or maintain expensive hardware. SkySafe's full suite of products also includes the Covert Forensics Imaging Device (CFID), a handheld solution for best-in-class forensic drone data collection.

**Website:** [skysafe.io](http://skysafe.io)

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## One Star Partners

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D-Fend Solutions is the leading counter-drone, cyber-takeover technology provider, enabling full control, safety and continuity during rogue drone incidents across complex and sensitive environments, to overcome both current and emerging drone threats. With hundreds of deployments worldwide, EnforceAir, the company's flagship offering, focuses on the most dangerous drone threats in military, public safety, airport, prison, major event and critical infrastructure environments. D-Fend Solutions' technology has been chosen as best-in-class and is in deployment at high-tier U.S. government agencies – including with U.S. military, federal law enforcement and homeland security bodies – as well as major international airports globally. EnforceAir autonomously executes RF, cyber-takeovers of rogue drones for a safe landing and outcome, ensuring the smooth flow of communications, commerce, transportation, and everyday life.

**Website:** [www.d-fendsolutions.com](http://www.d-fendsolutions.com)

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The ability to capture, stream, process, and interpret high-quality video in real time has emerged as a key technology component for effective decision-making, data analytics, and ultimately – mission success. Maris offers compact and modular video and AI architecture designed to integrate with autonomous and semi-autonomous land, sea, air, and space platforms for a wide range of applications.

Maris' sophisticated solutions offer a smart onboard architecture that enables real-time and accurate video and AI acceleration, such as object detection, classification, and tracking. These sophisticated capabilities make Maris the field-proven solution of choice for intelligence gathering, situational awareness, and decision-making effectiveness.

**Website:** [www.maris-tech.com](http://www.maris-tech.com)

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## Media Partner

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Our mission at C-UAS Hub is to provide those crucial informational resources for this fast-moving and agile security mission in one place. The more we understand this quickly-evolving security mission, the better we can protect our critical infrastructure, assets, and mass gatherings. This page is a great place to start your journey for understanding more about airspace awareness and protection.

**Website:** [www.cuashub.com](http://www.cuashub.com)

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**August 15-16, 2023**  
**Westin, Old Town Alexandria, Virginia**

To speed registration, please provide the priority code located on the mailing label or in the box below.

My registration code **PDFW**

INDUSTRY SOLUTION PROVIDERS	2 Day
Register & pay by Friday 24th March 2023*	<b>SAVE \$300</b> \$1,295
Register & pay by Friday 26th May 2023*	<b>SAVE \$200</b> \$1,395
Register & pay by Friday 21st July 2023*	<b>SAVE \$100</b> \$1,495
Standard Price	\$1,595

ACADEMIA, NON-PROFIT & FOREIGN MILITARY	2 Day
Register & pay by Friday 24th March 2023*	<b>SAVE \$300</b> \$295
Register & pay by Friday 26th May 2023*	<b>SAVE \$200</b> \$395
Register & pay by Friday 21st July 2023*	<b>SAVE \$100</b> \$495
Standard Price	\$595

SERVING US GOVERNMENT AND MILITARY PERSONNEL **	2 Day
Standard Price	\$49

\*To qualify for early booking discounts, payment must be received by the early booking deadline. All prices are exclusive of UK VAT is charged at 20%. VAT Registration #: GB 799 2259 67  
 \*\*Military and government discounted rates apply to serving military officers, government, and university personnel only. Serving Generals/Flag Officers 1 Star and above may attend the conference free of charge. Please contact [enquire@defenceiq.com](mailto:enquire@defenceiq.com) for further details.

## DELEGATE DETAILS

Please photocopy for each additional delegate

Mr  Mrs  Miss  Ms  Dr  Other

First Name

Family Name  Job Title

Tel No.

Work Email

Yes I would like to receive information about products and services via email

IQPC Point of contact

Organisation

Nature of business

Address

Postcode Country

Telephone

Fax

Approving Manager

Name of person completing form if different from delegate

I agree to IQPC's cancellation, substitution and payment terms

Special dietary requirements:  Vegetarian  Non-dairy  Other (please specify)

Please indicate if you have already registered by:  Phone  Fax  Email  Web

Please note: if you have not received an acknowledgement before the conference, please call us to confirm your booking.

## PAYMENT

Total price for your Organisation  
 (Add total of all individuals attending):

Billing address (if different from above):

Credit Card: please phone to process payment

Invoice: please send me an invoice (subject to £49 + VAT processing fee per delegate)

Cheque: please enclose a cheque payable to IQPC Ltd for £

# 3 WAYS TO REGISTER

WEB: [WWW.IDGA.ORG/EVENTS-COUNTERUAS-USA/SRSPRICING](http://WWW.IDGA.ORG/EVENTS-COUNTERUAS-USA/SRSPRICING)

PHONE: +1 646 200 7515

EMAIL: [IDGA@IDGA.ORG](mailto:IDGA@IDGA.ORG)

## TEAM DISCOUNTS\*

IQPC recognises the value of learning in teams.

- Groups of 3 or more booking at the same time from the same company receive a 10% discount
- 5 or more receive a 15% discount
- 7 receive a 20% discount

Only one discount available per person. Team discounts are not applicable in conjunction with another discount.

## START KNOWLEDGE SHARING AND NETWORKING BEFORE THE EVENT

 Follow our LinkedIn page  
 IDGA - Institute for Defense & Government Advancement

## VENUE & ACCOMMODATION

Westin, Old Town Alexandria, Virginia  
 For updates on the venue and accommodation information, please visit: <https://www.idga.org/events-counteruas-usa>

Travel and accommodation are not included in the registration fee.

## FREE ONLINE RESOURCES

You can access a variety of free resources such as whitepapers, articles, news, podcasts and presentations online at [www.idga.org/events-counteruas-usa/downloads](http://www.idga.org/events-counteruas-usa/downloads)

## TERMS AND CONDITIONS

Please read the information listed below as each booking is subject to IQPC Ltd standard terms and conditions. **Payment Terms:** Upon completion and return of the registration form, full payment is required no later than 5 business days from the date of invoice. Payment of invoices by means other than by credit card, or purchase order (UK Plc and UK government bodies only) will be subject to a £49 per delegate processing fee. Payment must be received prior to the conference date. We reserve the right to refuse admission to the conference if payment has not been received. **IQPC Cancellation, Postponement and Substitution Policy:** You may substitute delegates at any time by providing reasonable advance notice to IQPC. For any cancellations received in writing not less than eight (8) days prior to the conference, you will receive a 90% credit to be used at another IQPC conference which must occur within one year from the date of issuance of such credit. An administration fee of 10% of the contract fee will be retained by IQPC for all permitted cancellations. No credit will be issued for any cancellations occurring within seven (7) days (inclusive) of the conference. In the event that IQPC cancels an event for any reason, you will receive a credit for 100% of the contract fee paid. You may use this credit for another IQPC event to be mutually agreed with IQPC, which must occur within one year from the date of cancellation. In the event that IQPC postpones an event for any reason and the delegate is unable or unwilling to attend in on the rescheduled date, you will receive a credit for 100% of the contract fee paid. You may use this credit for another IQPC event to be mutually agreed with IQPC, which must occur within one year from the date of postponement. Except as specified above, no credits will be issued for cancellations. There are no refunds given under any circumstances. IQPC is not responsible for any loss or damage as a result of a substitution, alteration or cancellation/postponement of an event. IQPC shall assume no liability whatsoever in the event this conference is cancelled, rescheduled or postponed due to a fortuitous event, Act of God, unforeseen occurrence or any other event that renders performance of this conference impracticable, illegal or impossible. For purposes of this clause, a fortuitous event shall include, but not be limited to: war, fire, labour strike, extreme weather or other emergency. Please note that while speakers and topics were confirmed at the time of publishing, circumstances beyond the control of the organisers may necessitate substitutions, alterations or cancellations of the speakers and/or topics. As such, IQPC reserves the right to alter or modify the advertised speakers and/or topics if necessary without any liability to you whatsoever. Any substitutions or alterations will be updated on our web page as soon as possible. **Discounts:** All 'Early Bird' Discounts require payment at time of registration and before the cut-off date in order to receive any discount. Any discounts offered by IQPC (including team discounts) also require payment at the time of registration. Discount offers cannot be combined with any other offer.

**CLICK HERE TO SUBMIT FORM VIA EMAIL**

**PAYMENT MUST BE RECEIVED PRIOR TO THE CONFERENCE**

CONFERENCE CODE: 40093.005



August 20-22, 2019 | Sheraton Pentagon City

# Current Attendee Snapshot





August 20-22, 2019 | Sheraton Pentagon City

## Organizations

128th Aviation Brigade  
147 SFS  
174th Security Forces Squadron  
193 Special Operations Security Forces Squadron  
1st Special Force Group  
263 Army Air Missile Defense Command  
263d AAMDC  
2d Low Altitude Air Defense Battalion  
A Co, 742 MI BN  
AETC Airfield Operations, Civ, DAF  
Air Force  
Alion Science and Technology  
Argonne National Laboratory  
Asymmetric Warfare Group  
Avion Solutions  
BAE Systems FAST Labs  
BAI Inc.  
Booz Allen Hamilton  
CACI- BITSystems  
Centerra- Los Alamos  
Centerra -SRS  
Charon Technologies  
Charon Technologies LLC  
CISA  
City of Roanoke Fire  
Communications Center  
Consolidated Nuclear Security LLC  
Contingency Operations Division JFHQ-  
NCR/MDW USNORTHCOM  
Corra Group  
Counterterrorism Division, CASP, FBI  
Customs and Border Protection  
Customs and Border Protection / Air and Marine Operations  
CWO3  
Cybersecurity and Infrastructure Security Agency  
Dataminr  
DC Homeland Security Emergency Management Agency  
Defense Technical Information Center  
Defense Threat Reduction Agency  
Department of Energy  
Department of Homeland Security  
Dept. of Homeland Security \_S&T  
DHS  
DHS / Countering Weapons of Mass Destruction  
DHS / TSA  
DHS CWMD  
DHS TSA Federal Air Marshal Service  
DHS/S&T  
DHS-OIG  
Digital Global Systems  
District of Columbia Homeland Security and Emergency Management Agency  
DOD  
DoD/USCENTCOM CCJ3-JSO  
DOJ/NIJ  
DTIC  
Dynerics  
EMBASSY OF ISRAEL  
Executive Office of Public Safety and Security





August 20-22, 2019 | Washington, D.C.

## Organizations

Expeditionary Warfighting Development Center  
FAA  
FBI  
FBI / Operational Technology Division  
FCC  
Federal Aviation Administration  
Federal Bureau of Prisons  
Federal Communications Commission  
Federal Police of Germany  
Federal Police of Germany, Special Operations Command 11  
FLIR  
FUTURES AND CONCEPTS CENTER  
Georgia Army National Guard  
German Aerospace Center  
GKI Aerospace  
Homeland Security & Emergency Management Agency  
HQ NORAD & USNORTHCOM  
HQ USAFE-AFAFRICA/A4S  
HQDA  
HSEMA  
Integration Assessment Unit  
ISC  
IXI Technology  
JECC  
Joint Non-Lethal Weapons Directorate  
Letterkenny Army Depot / Directorate of Emergency Services  
Marine Corps Systems Command  
Michigan State Police

MILITARY DISTRICT OF WASHINGTON, U.S.  
Army  
Mitsubishi International Corporation  
NAOC  
National Geospatial-Intelligence Agency (Nga)  
Naval Criminal Investigative Service  
Naval Research Laboratory  
Naval undersea warfare center  
NAVFAC - Public Works  
NAVSEA Warfare Center Keyport  
Navy Information Region SW  
NAWCWD QRCO - Chinal Lake  
NCIS- Naval Criminal Investigative Service  
NCTC  
New Jersey State Police  
NGA  
NIST  
NJTTF  
NOAA  
NSWC Crane  
NSWC Crane Div  
NSWC IHEODTD  
NTIC Cyber Center  
NTS - National Technical Systems  
NY Army National Guard  
ODNI  
Office of Field Operations; CBP  
Office of Mission and Capability Support (MCS), DHS  
Office of the Adjutant General  
Office of the Chief of Naval Operations  
Parsons Corporation  
PD Aerostat



August 20-22, 2019 | Washington, D.C.

## Organizations

HQDA  
IMSAR  
Infor  
Intelligent Fusion Technology, Inc.  
Interagency Training Center  
JFHQ-NCR/USAMDW  
Johns Hopkins University Applied Physics Lab  
Joint Improvised Threat Defeat Organization, Tech and Strategy Branch  
Joint Staff, JDAT  
Justice Technology Information Center  
Kratos Defense  
L3 Technologies  
Lockheed Martin  
Lone Star UAS Test Site  
LTC, AD  
Marine Corps Warfighting Laboratory  
Maritime Warfare Control Systems Division  
Maryland Air National Guard  
MCCDC FPID  
Metropolitan Washington Airports Authority  
Police Department  
MOD of Japan  
National Council on Public Safety UAS  
National Defense University  
National Geospatial-Intelligence Agency (Nga)  
National Ground Intelligence Center  
National Guard Bureau  
National Institute of Justice  
National Institute of Standards and Technology  
National Instruments  
National Reconnaissance Office  
NATO ACT  
NAVAIR Rapid Research and Development  
NAVAIR RRD Det N.I.  
Naval Research Laboratory  
Naval Surface Warfare Center Port Hueneme Division  
Naval Surface Warfare Center  
Naval Surface Warfare Center, Crane  
NCTC  
New Mexico Tech  
NGA  
NGB  
NIM Aviation  
NJOHSP  
NORAD and USNORTHCOM  
North Central Texas Council of Governments  
Norwegian Army Land Warfare Center  
NSWC Crane  
NSWC Dahlgren  
NuAire  
NY ANG 224 ADS Det-1  
NYPD  
NYPD Counterterrorism Bureau  
ODNI  
Office of Homeland Security



**August 20-22, 2019 | Washington, D.C.**

## Organizations

Pentagon  
PENTAGON FORCE PROTECTION AGENCY  
Phoenix Police Department  
Psionic, LLC  
Qioptiq Ltd.  
Raytheon  
Roanoke Police Department  
Royal School of Artillery  
RTCA  
S&T Directorate, Department of Homeland Security  
S&T, DHS  
Savannah River National Laboratory  
SRC, Inc.  
SSP  
Strategic Systems Programs  
System Rugged Computers  
Thales  
The Mitre Corporation  
Transportation security administration  
TSA  
TSA Federal Air Marshal Service / Security Assessments Section  
U.S Army  
U.S. Army CERDEC I2WD

U.S. Department of Homeland Security  
U.S. Department of Homeland Security/CISA  
U.S. Naval Research Lab  
U.S. Navy  
United States Air Force  
United States Capitol Police  
United States Marine Core  
US Air Force Academy  
US Air Force Reserve Command  
US Army Europe  
US Capitol Police  
US Coast Guard HQ  
US Customs and Border Security  
US Department of Homeland Security  
USAF  
USAF Expeditionary Center  
USAF Kirtland AFB  
USCENTCOM  
USN, Chief, Integration & Delivery Directorate  
Virginia State Police  
VT Systems  
Weapons of Mass Destruction Directorate  
White House Military Office



July 27, 2023

Board of Directors  
 Santa Maria Public Airport District  
 3217 Terminal Drive  
 Santa Maria, CA 93455

**Subject:** Authorization for Tom Widroe to attend the National Business Aviation Association Convention to be held October 17<sup>th</sup>-19<sup>th</sup>, 2023, in Las Vegas, NV for Customs Marketing.

**Summary**

NBAA-BACE is the world’s largest business aviation event where game-changing innovation takes center stage. NBAA-BACE is your ultimate opportunity to interact with thousands of dedicated and visionary individuals and explore technologies that are driving the excitement, safety, and sustainability of aviation.

**Budget**

		Attendees	Days	Rate	Total
Fees:	Registration	1		\$510.00	\$510.00
	Air Travel	1		\$338.00	\$338.00
	Ground Transportation	1		\$100.00	\$100.00
	Lodging	1	4	\$249.00	\$996.00
	Meals	1	4	\$100.00	\$400.00
	<b>Total:</b>				\$2,344.00

**Overall Impact:**

2023-2024 Budget for Business Travel	\$85,000.00
Previously Approved Business Travel	\$44,666.37
Current Balance for Business Travel	\$40,333.63
Amount of this Request	\$2,344.00
Balance Remaining if Approved	\$37,989.63

Sincerely,

Veroneka Reade  
 Manager of Finance and Administration