



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

**Wednesday
November 10, 2021**

**Virtual Meeting
Zoom Meeting: [Zoom.us](https://zoom.us)
Meeting ID: [821-2466-2898](https://zoom.us/j/82124662898)
Meeting Password: 3217
9:00 A.M.**

**SPECIAL 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: Brown, Engel, Rafferty, Adams, Baskett

- 1. MINUTES OF THE REGULAR MEETING HELD October 28, 2021.**
- 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**
- 5. DISTRICT COUNSEL'S REPORT. (Joshua George and Natalie Frye Laacke)**

6. **PUBLIC SESSION:** Statements from the public will be heard during public session. Requests requiring board action will be referred to staff and brought on the next appropriate agenda. Members of the public may use the “raise hand” feature to be put in a speaking queue. Public comment will be limited to three (3) minutes. If a speaker continues speaking after being notified of the end of their public comment period, the meeting Host will mute the speaker and move on to the next person in the queue.

Please raise your hand in the following ways:

Telephone: Press “*9” to raise your hand and notify the meeting Host. You will be placed in the queue and unmuted, in order, so that you may provide public comment.

Computer and Mobile: Click the “raise hand” button to notify the Host. You will be placed in the queue and unmuted, in order, so that you may provide public comment.

7. **RESOLUTION 903. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR NEWSOM’S ORDER DATED MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT FOR THE PERIOD OF NOVEMBER 10, 2021, TO DECEMBER 10, 2021, PURSUANT TO BROWN ACT PROVISIONS.**
8. **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE TWENTY FOURTH AMENDMENT OF LEASE BETWEEN THE DISTRICT AND CJJ FARMING.**
9. **AUTHORIZATION FOR THE AWARD OF THE RUNWAY 20 DISPLACED THRESHOLD RELOCATION TO CAL STRIPE, INC. AND FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE CONTRACT BETWEEN THE DISTRICT AND CAL STRIPE, INC. FOR THE RUNWAY 20 DISPLACED THRESHOLD RELOCATION SUBJECT TO DISTRICT COUNSEL’S REVIEW OF INSURANCE AND BONDS.**
10. **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE BUILDING SPACE LEASE AGREEMENT BETWEEN THE DISTRICT AND DOUGLAS R. FANER, AN INDIVIDUAL, DBA FANAIR USA.**
11. **CLOSED SESSION.** The Board will hold a Closed Session to discuss the following item(s):
- a) Conference with Real Property Negotiators (Chris Hastert, Tom Ross, and District Counsel) Re: APN 111-231-11, APN 111-231-16, APN 111-291-033, APN 111-291-027 (Gov. Code Section 54956.8)
 - b) Conference with Legal Counsel-Existing Litigation pursuant to Paragraph (1) of subdivision (d) of Section 54956.9-SMPAD v. Baskett, Santa Barbara Superior Court Case No. 20CV04444.
 - c) Conference with Legal Counsel-Existing Litigation pursuant to Paragraph (1) of subdivision (d) of Section 54956.9-Baskett v. SMPAD, Santa Barbara Superior Court Case No. 21CV04183.

12. DIRECTORS' COMMENTS.

13. ADJOURNMENT.

MINUTES OF THE REGULAR BOARD
MEETING OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT
DISTRICT HELD OCTOBER 28, 2021

The Board of Directors of the Santa Maria Public Airport District held a Regular Meeting via a virtual meeting at 7:00 p.m. Present were Directors Brown, Engel, Rafferty, Adams and Baskett. General Manager Hastert, Manager of Finance & Administration Reade, and District Counsel George.

1. MINUTES OF THE REGULAR MEETING HELD October 14, 2021. Director Baskett made a Motion to approve the minutes of the regular meeting held October 14, 2021. Director Rafferty Seconded and it was carried by the following roll call vote. Directors Brown, Engel, Rafferty, Adams and Baskett voted "Yes".
2. COMMITTEE REPORT(S):
 - a) AVIATION SUPPORT & PLANNING (Standing or Ad Hoc) – The committee met to discuss the resolution on this agenda.
 - 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 the Business Park Specific Plan.
 - h) DRONE COMMITTEE (Ad Hoc)- The committee met to discuss the finding of the PARAS 0031 Airport Response to Unmanned Aircraft System (UAS) Threats and to discuss options for SMX to ward off possible threats.
 - i) ENERGY COMMITTEE (Ad Hoc)- The committee met to discuss possible options to help the airport gain energy independence.
3. GENERAL MANAGER'S REPORT. Mr. Hastert updated the Board on meetings he attended which include the Quarterly City meeting, the FAA to discuss the AIP and with RRM & The City to discuss the Specific Plan. He gave an update on Portland service and mentioned the recent rain had not caused any flooding. He also mentioned an upcoming event at the Santa Maria Museum of Flight. They will be hosting a movie night and will screen The Rocketeer. Board members were invited.
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 069555 through 069622 in the amount of \$382,789.57 was recommended for approval as presented. Director Baskett made a Motion to accept the Demand Register as presented. Director Rafferty Seconded and it was carried by the following roll call vote. Directors Brown, Engel, Rafferty, Adams and Baskett voted "Yes".

b) Quarterly Investment Report. Received and filed.

c) Financial Statements. Received and filed.

5. DISTRICT COUNSEL'S REPORT. District Counsel George mentioned the District had received a contract amendment from the GSA regarding COVID-19 Safety Protocols. He stated this agreement exceeded the scope of the executive order and that he would be monitoring for compliance.

6. PUBLIC SESSION: Statements from the public will be heard during public session. Requests requiring board action will be referred to staff and brought on the next appropriate agenda. Members of the public may use the "raise hand" feature to be put in a speaking queue. Public comment will be limited to three (3) minutes. If a speaker continues speaking after being notified of the end of their public comment period, the meeting Host will mute the speaker and move on to the next person in the queue.

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Mr. Bruce Brooks provided comments on the state of the Main Hangar. He asked the Board to consider approving building maintenance.

7. Resolution 902. A Resolution of the Board of Directors of the Santa Maria Public Airport District establishing a policy for non-airworthy aircraft storage in District hangars. Director Brown made a Motion to approve. Director Engel Seconded and it was carried by the following roll call vote. Directors Brown, Engel, Rafferty, and Adams voted "Yes". Director Baskett voted "No".

8. Authorization for up to four individuals to attend a headquarter meeting with SkyWest Airlines to be held in Saint George, UT., date to be determined. Director Baskett made a Motion to approve. Director Rafferty Seconded and it was carried by the following roll call vote. Directors Brown, Engel, Rafferty, Adams, and Baskett voted "Yes".

9. Authorization for two staff members to attend the Routes Americas Air Service Development Conference to be held February 15-17, 2022, in San Antonio, TX. Director Rafferty made a Motion to approve. Director Baskett Seconded and it was carried by the following roll call vote. Directors Brown, Engel, Rafferty, Adams, and Baskett voted "Yes".

10. CLOSED SESSION. At 7:18 p.m. the Board went into Closed Session to discuss the following item(s):

- a) Conference with Legal Counsel-Existing Litigation pursuant to Paragraph (1) of subdivision (d) of Section 54956.9-SMPAD v. Baskett, Santa Barbara Superior Court Case No. 20CV04444
- b) Conference with Legal Counsel-Existing Litigation pursuant to Paragraph (1) of subdivision (d) of Section 54956.9-SMPAD v. Smith, Santa Barbara Superior Court Case No. 20CV04445
- c) Conference with Real Property Negotiators (Chris Hastert, Tom Ross, and District Counsel) Re: APN 111-231-11, APN 111-231-16, APN 111-291-033, APN 111-291-027 (Gov. Code Section 54956.8)
- d) Conference with Legal Counsel-Existing Litigation pursuant to Paragraph (1) of subdivision (d) of Section 54956.9-Baskett v. SMPAD, Santa Barbara Superior Court Case No. 21CV04183.

At 7:47 p.m., the Board and staff reconvened to Open Public Session.

There were no reportable actions.

11. DIRECTORS' COMMENTS: Directors Brown, Engel, Rafferty, and Adams had no comment.

Director Baskett asked for an update on any recent reports of crime on airport property. Mr. Hastert notified him there were no incidents and showed him where on the report provided any incidents will be reported. He also stated that pavement is deteriorating, and cost to repair it is going up. He asked the Board to act sooner rather than later.

12. ADJOURNMENT. President Brown asked for a Motion to adjourn to a Regular Meeting to be held on November 11, 2021, at 7:00 p.m. via a virtual meeting. Director Rafferty made that Motion, Director Adams Seconded and it was carried by the following roll call vote. Directors Brown, Engel, Rafferty, Adams and Baskett voted "Yes".

ORDER OF ADJOURNMENT

This Regular Meeting of the Board of Directors of the Santa Maria Public Airport District is hereby adjourned at 7:54 p.m. on October 28, 2021.

Steve Brown, President

Hugh Rafferty, Secretary

2021-2022

**DEMAND REGISTER
SANTA MARIA PUBLIC AIRPORT DISTRICT**

Full consideration has been received by the Santa Maria Public Airport District for each demand, numbers 069623 to 069678 and electronic payments on Pacific Premier Bank and in the total amount of \$453,338.95.

CHRIS HASTERT
GENERAL MANAGER

DATE

The undersigned certifies that the attached register of audited demands of the Santa Maria Public Airport District for each demand, numbers 069623 to 069678 and electronic payments on Pacific Premier Bank in the total amount of \$453,338.95 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.

VERONEKA READE
MANAGER OF FINANCE AND ADMINISTRATION

DATE

THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT APPROVED PAYMENT OF THE ATTACHED WARRANTS AT THE MEETING OF NOVEMBER 10, 2021.

HUGH RAFFERTY
SECRETARY

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
* 069623	10/28/2021	Aflac	\$277.56	Voluntary Insurance - Employee
* 069624	10/28/2021	AT&T	\$173.02	Telephone Service
* 069625	10/28/2021	Barnes & Thornburg	\$4,950.00	Storm Water Compliance Program
* 069626	10/28/2021	Boyer's Diesel	\$400.00	Vehicle Maint. - Engine Service
* 069627	10/28/2021	Consolidated Electrical Distributors, Inc.	\$44.59	Small Tools
* 069628	10/28/2021	City of Santa Maria	\$413.60	Construction Meter Fees
* 069629	10/28/2021	City of Santa Maria-Util Div	\$7,370.33	Utilities - Water
* 069630	10/28/2021	Clark Pest Control	\$333.00	Weed/Vector Control
* 069631	10/28/2021	De Lage Landen	\$21.36	Lease/Maint. - Copier
* 069632	10/28/2021	Emergency Repair Door Service	\$312.50	Terminal Automatic Door Maintenance
* 069633	10/28/2021	Fastenal Company	\$33.35	Small Tools
* 069634	10/28/2021	Frontier Communications	\$705.78	Telephone Service
* 069635	10/28/2021	Home Depot	\$763.08	Build. Maintenance - Terminal
* 069636	10/28/2021	J B Dewar, Inc	\$47.87	Vehicle Maintenance
* 069637	10/28/2021	Letters, Inc.	\$252.95	Car Wash
* 069638	10/28/2021	McMasters and Carr	\$379.38	Build. Maintenance - Hangar Area
* 069639	10/28/2021	Mead & Hunt, Inc.	\$2,856.18	Airport Consulting Service
* 069640	10/28/2021	Mission Uniform Service	\$167.41	Uniform Service
* 069641	10/28/2021	Pat's Automotive	\$127.50	Vehicle Maintenance
* 069642	10/28/2021	Principal Financial Group	\$2,678.52	Employee Dental, Life & Disability Insurance
* 069643	10/28/2021	Safety-Kleen	\$175.00	Oil Service Fee
* 069644	10/28/2021	Statewide Safety & Signs, Inc	\$129.15	Shop Supplies
* 069645	10/28/2021	Sutton Agricultural Enterprises, Inc.	\$542.01	Weed/Wildlife Maintenance
* 069646	10/28/2021	White Cap, L.P.	\$260.56	Shop Supplies
* 069647	10/28/2021	Brown, Steve - Reimbursements	\$62.00	Tenant Refund - 3023-J
* 069648	11/3/2021	Adams, Chuck	\$200.00	Director's Fees
* 069649	11/3/2021	Adamski Moroski	\$15,496.45	Legal Counsel Service

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
* 069650	11/3/2021	Armstrong's Lock and Key	\$279.84	Build. Maintenance - FBO
* 069651	11/3/2021	AT&T	\$179.20	Telephone Service
* 069652	11/3/2021	Bomar Security & Investigation	\$6,158.45	Security Service
* 069653	11/3/2021	Brayton's Power Wash & Sweep	\$500.00	Street Sweeping
* 069654	11/3/2021	Brown, Steve	\$600.00	Director's Fees
* 069655	11/3/2021	Consolidated Electrical Distributors, Inc.	\$871.55	Build. Maintenance - Terminal
* 069656	11/3/2021	Coast Networkx	\$210.00	Computer Support Services
* 069657	11/3/2021	City of Santa Maria	\$209,860.00	ARFF Services July-September 2021
* 069658	11/3/2021	Clark Pest Control	\$666.00	Weed/Vector Control
* 069659	11/3/2021	Coast Clutch & Brake Supply	\$431.81	Vehicle Maintenance
* 069660	11/3/2021	Engel, Carl Jr.	\$300.00	Director's Fees
* 069661	11/3/2021	Fedak & Brown LLP	\$1,825.00	Annual Audit
* 069662	11/3/2021	Frontier Communications	\$1,371.52	Telephone Service
* 069663	11/3/2021	Gas Company, The	\$545.70	Utilities - Gas
* 069664	11/3/2021	Grainger	\$162.63	Shop Supplies/ Build. Maintenance
* 069665	11/3/2021	Groveman Hiete LLP	\$2,650.00	Legal Counsel Services
* 069666	11/3/2021	Heath, Ray	\$3,575.20	Consulting Services
* 069667	11/3/2021	J B Dewar, Inc	\$725.45	Unleaded/Diesel Fuel Expense
* 069668	11/3/2021	MarTeeney Designs	\$1,275.00	Website Maintenance
* 069669	11/3/2021	Mission Uniform Service	\$167.41	Uniform Service
* 069670	11/3/2021	Outdoor Supply Hardware	\$457.19	Build. Maintenance, Shop Supplies
* 069671	11/3/2021	Quinn Company	\$481.29	Equipment Rental
* 069672	11/3/2021	Hugh Rafferty	\$600.00	Director's Fees
* 069673	11/3/2021	SCS Engineers	\$95,050.00	Consulting Services - PFAS assessment
* 069674	11/3/2021	S Lombardi & Assoc., Inc.	\$11,161.53	Airport Advertising
* 069675	11/3/2021	Verizon Wireless	\$851.08	Mobile Devices
* 069676	11/3/2021	Work World America, Inc	\$761.15	Safety Equipment - Shop

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
* 069677	11/3/2021	Oberon3, Inc	\$50.00	Building Maintenance - Terminal
* 069678	11/3/2021	Fidelity National Title Company	\$1,000.00	Report Fees
*				
		Subtotal	<u>\$381,940.15</u>	
ACH	10/26/2021	CalPers	\$5,451.57	Employee Retirement
ACH	10/28/2021	Paychex	\$26,434.98	Payroll
ACH	10/28/2021	Umpqua Bank	\$4,974.14	Bus. Travel, Transp. Security, Consult. Svcs
ACH	10/29/2021	CA Dept of Tax and Fee Administration	\$63.00	Sales and Use Tax 3rd Quarter
ACH	10/29/2021	Paychex	\$190.12	Paychex Invoice
ACH	10/29/2021	Paychex	\$5,607.22	Payroll Taxes
ACH	11/1/2021	Ready Refresh	\$194.25	Water Delivery
ACH	11/1/2021	CalPers	\$12,931.83	Unfunded Liability
ACH	11/1/2021	Mass Mutual	\$6,666.30	Employee Paid Retirement
ACH	11/2/2021	Pacific Premier Bank	\$903.57	CC Fees
ACH	11/5/2021	Amazon Capital Services	\$157.13	Terminal Accessories/Office Supplies
ACH	11/8/2021	PG&E	\$7,824.69	Terminal/Admin/Main Hangar
		Subtotal	<u>\$71,398.80</u>	
		Total	<u><u>\$453,338.95</u></u>	

RESOLUTION NO. 903

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR NEWSOM'S ORDER DATED MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT FOR THE PERIOD OF NOVEMBER 10, 2021 TO DECEMBER 10, 2021 PURSUANT TO BROWN ACT PROVISIONS

Recitals

WHEREAS, the SANTA MARIA PUBLIC AIRPORT DISTRICT ("District") is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings the District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically, the State of Emergency declared by Governor Newsom on March 4, 2020, due to COVID-19; and

WHEREAS, on September 5, 2021, the Santa Barbara County Health Officer issued Order 2021-10.4 requiring face coverings in all public indoor settings attributable to the rise in SARS-CoV-2 Delta Variant; and

WHEREAS, the Board of Directors does hereby find that the rise in SARS-CoV-2 Delta Variant has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency exists and ratify the proclamation of state of emergency by the Governor of the State of California and the Santa Barbara County Health Officer's Order 2021-10.4; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of the District shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the Board of Directors adopted virtual meeting protocols on April 9, 2020, which include options for public participation.

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

1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the District, and COVID-19 has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District.
3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.
4. Remote Teleconference Meetings. The General Manager and Staff of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.
5. Effective Date of Resolution. This Resolution shall take effect on November 10, 2021, and shall be effective until the earlier of (i) December 10, 2021, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

ADOPTED by the Board of Directors of the Santa Maria Public Airport District on November 10, 2021, by the following roll call votes:

AYES:

NOES:

ABSENT:

ABSTAINED:

Dated: November 10, 2021

SANTA MARIA PUBLIC AIRPORT DISTRICT

Approved as to content for District:

General Manager

By: _____

Steve Brown, President

Approved as to form for District:

By: _____

Hugh Rafferty, Secretary

District Counsel

TWENTY FOURTH AMENDMENT OF LEASE

Re: Land Lease (Farming) dated April 13, 2000, commencing retroactively on April 1, 2000 between SANTA MARIA PUBLIC AIRPORT DISTRICT and CJJ FARMING, a California corporation, covering land at the Santa Maria Public Airport, as extended ("Lease")

The undersigned, SANTA MARIA PUBLIC AIRPORT DISTRICT, ("District") and CJJ FARMING, a California corporation ("Tenant") do hereby agree to amend the above-referenced Lease effective immediately, as follows:

1. Rent. Effective January 1, 2022, rent is increased to \$35,513.36 per month, based upon approximately 339.57 acres of land for agricultural/farming at the rate of \$1,255.00 per acre, per year. No water is included in the rent, and District shall have no obligation to provide water to the Premises.

2. Extension of Term. District grants Tenant a one (1) year extension of the Lease, commencing January 1, 2022, and expiring on December 31, 2022, for the 248.3 acre portion of the premises shown on Exhibit "A" dated November 9, 2021 and the 91.27 acre portion of the premises shown on Exhibit "B" dated November 9, 2021 unless sooner terminated. District grants no options to extend; any additional extension of this Lease shall be by mutual agreement of the parties only.

All of the terms, covenants, conditions, and provisions and agreements of said Lease, as amended, shall remain in full force and effect.

Dated: November 10, 2021

Approved as to content for District:

SANTA MARIA PUBLIC AIRPORT
DISTRICT

General Manager

Steve Brown, President

Approved as to form for District:

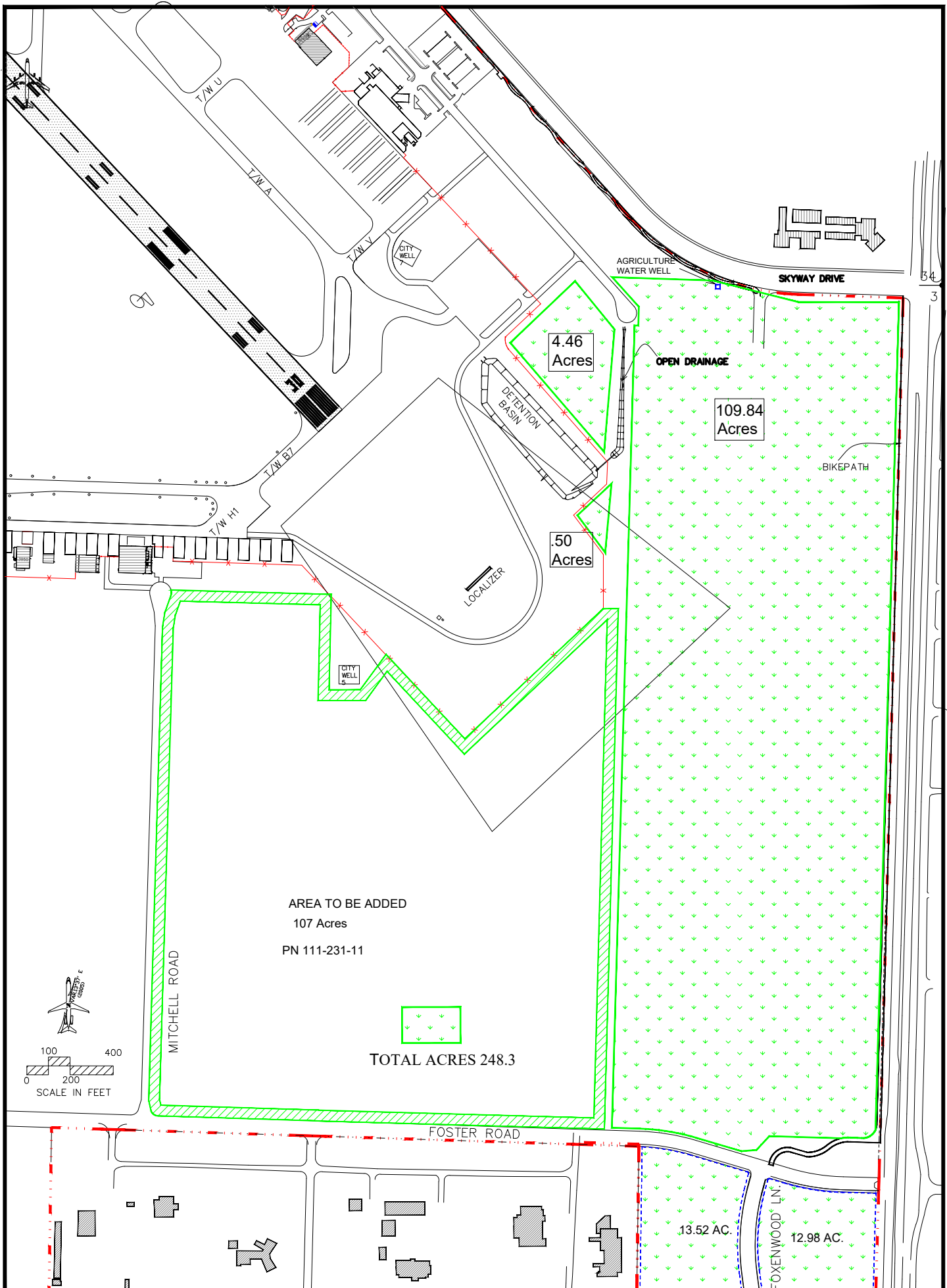
Hugh Rafferty, Secretary

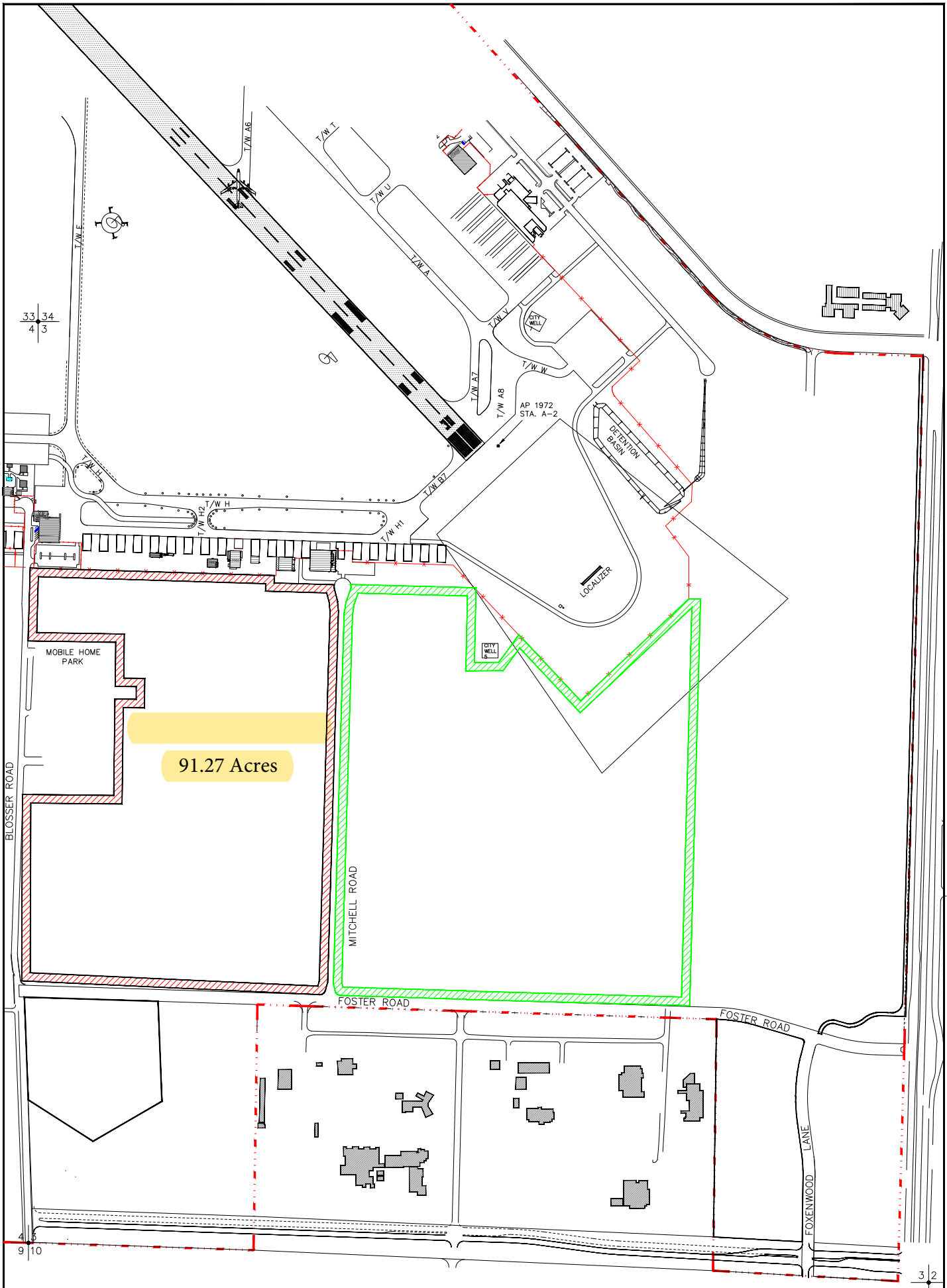
District Counsel

CJJ FARMING, a California corporation

Juan Cisneros, General Manager

Jesus Cisneros, Secretary







November 10, 2021

Item 9
11-10-21

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

Subject: Runway 20 Displaced Threshold Relocation Project

Recommendation:

Staff recommends Authorizing the Award of the Runway 20 Displaced Threshold Relocation project to Cal Stripe, Inc. and for the President and Secretary to execute the contract between the District and Cal Stripe, Inc. for the Runway 20 Displace Threshold Relocation subject to District Counsel review of insurance and bonds.

Discussion:

This project was identified in the 2019 Airport Master Plan as a project to allow the extension of Airpark Dr. to connect with the norther portion up to Fairway Dr. The initial estimate for this project was in the amount of \$153,840, which was updated to \$216,020 based on increases due to the current bidding climate. Only one bid was received in the amount of \$199,399.50 which is \$16,620.50 below the engineer's estimate.

Although only one bid was received, staff recommends award, the bid received appears competitive as compared to the engineers estimate, and if the project was re-bid, we are not likely to see different results.

Attached is the bid result and Engineer's recommendation letter with additional information related to the efforts to attract more than one bid.

Please let me know if you have any questions.

Sincerely,

Chris Hastert, CM
General Manager

TARTAGLIA ENGINEERING

7360 El Camino Real, Suite E • P.O. Box 1930 • Atascadero, CA 93423
Phone: 805-466-5660 • civilengineers@tartaglia-engineering.com

Chris Hastert, General Manager
Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, CA 93455

November 3, 2021

Project: Runway 20 Displaced Threshold
Subject: Bid Opening

Dear Mr. Hastert:

In accordance with the Notice Inviting Sealed Bids, bids were received for the Runway 20 Displaced Threshold Project Wednesday afternoon, October 27, 2021. A total of one (1) bid was received and reviewed:

No	Entity	Bid
1	Cal Stripe, Inc., Colton	\$199,399.50
	Engineer's Estimate	\$216,020.00

A review of the bidder, the bid received, and the bidding process revealed the following:

1. The bidder was present at the mandatory Pre-Bid Job Walk.
2. During the Pre-Bid Job Walk the bidder appeared to fully grasp the scope of the project.
3. The bid was received in advance of the date and time for receipt of bids.
4. Bid included the required Bid Bond.

Tartaglia Engineering performed a thorough review of the bid package received with a focus on the following:

1. Preparation of a detailed, spread-sheet summary of all bid items to confirm bid totals. Math errors, if they exist, were evaluated based on the following two parameters:
 - A. In the event of discrepancy between unit pricing and total pricing, unit pricing shall prevail.
 - B. In the event of discrepancy between words and figures, words shall prevail.There were no math errors in the bid received.
2. Unit pricing review for possible un-balanced bid. The bid received is considered proper and well balanced.
3. Contractor licensing through the State of California, Department of Consumer Affairs. The bidder is properly licensed.
4. Confirmation that the contractor is registered with the State Department of Industrial Relations.
5. Confirmation of proper and adequate bid bond.
6. Confirmation that the subcontractor schedule was properly and adequately filled out and that all certificates were signed.
7. Confirmation of DBE goal or Good Faith Effort requirements for the low bidding contractor.
8. Confirmation of acknowledgement / receipt of any addendum. One addendum was issued.

In general, it is felt the bid received accurately reflect the scope of work and the level of difficulty associated with this undertaking. In addition, it reflects the current construction pricing for similar work in this area.

Although only one bid was received, a significant effort was put forth to generate interest in the project.

The mandatory pre-bid job walk on September 30, was attended by two contractors. One contractor was a slurry seal contractor and the other a striping contractor. It became apparent that these contractors could possibly be bidding together as a general and a subcontractor, and possibly only receive one bid for the project.

As a result, an addendum was issued for an additional pre-bid jobwalk on October 13 and the bid date was pushed back to October 27. The second jobwalk brought in three additional potential bidders. With five potential bidders our confidence in receiving multiple bids was increased.

While it is unusual to award a contract where only one bid is received it is not necessarily disqualifying. There are many potential reasons the prospective bidders did not submit a bid for this project.

Currently, pavement marking materials including paint and reflective media have a significant wait time to receive the material from suppliers and the material costs are changing rapidly due to this issue, thus increasing the risk of potential contractors. In addition to material cost variability and wait times is the current construction environment. When there are a significant number of projects with a similar scope of work are bidding at the same time of year a contractor may choose to only bid the project that is a best fit for their individual circumstances (location, duration, or scope of work of a potential project).

If we were to re-package and re-bid this project it is unlikely that we would see different results.

The submitted bid was found to be within 10% of the engineer's estimate for the cost of construction, which is a good indicator that the contractor has presented competitive pricing for the work.

Based on this review of the bid process, the current construction environment, and material availability, Tartaglia Engineering recommends award of the construction contract to Cal Stripe, Inc., of Colton, the apparent low bidder, in the amount of \$199,399.50.

Enclosed for your review you will find the bid result spread sheet, suitable for posting on the District web site. Please call with any questions you may have regarding the project or this correspondence.

Sincerely,

TARTAGLIA ENGINEERING



Brett J Dolan, P.E.
Project Engineer

Enclosure: Bid Result Spreadsheet

RUNWAY 20 DISPLACED THRESHOLD**Santa Maria Public Airport**21-72
October 27, 2021 2:00 pm

1 Addendum Issued							
	<u>Bid Schedule</u>			<u>Engineer's Estimate</u>		<u>Cal Stripe Inc., Colton</u>	
Item	Description	Unit	Quantity	Unit Cost	Total Cost	Unit Cost	Total Cost
1	Mobilization	LS	1.0	\$8,000.00	\$8,000.00	\$15,000.00	\$15,000.00
2	Safety and Security	LS	1.0	\$7,000.00	\$7,000.00	\$19,895.00	\$19,895.00
3	Remove Existing Pavement Marking	SF	36,700.0	\$2.00	\$73,400.00	\$0.90	\$33,030.00
4	Pavement Marking: Single Coat, with Reflective Media	SF	7,000.0	\$1.50	\$10,500.00	\$1.06	\$7,420.00
5	Pavement Marking: Single Coat, without Reflective Media	SF	2,500.0	\$0.75	\$1,875.00	\$0.70	\$1,750.00
6	Pavement Marking: Two Coat, with Reflective Media	SF	25,150.0	\$2.30	\$57,845.00	\$1.95	\$49,042.50
7	Pavement Marking: Two Coat, without Reflective Media	SF	12,000.0	\$1.30	\$15,600.00	\$1.15	\$13,800.00
8	Slurry Seal Emulsion	GAL	1,300.0	\$6.00	\$7,800.00	\$3.39	\$4,407.00
9	Slurry Seal Aggregate	TON	30.0	\$150.00	\$4,500.00	\$82.50	\$2,475.00
10	Surface Prep, Slurry Seal, Mix, Spread, and Roll	SY	4,500.0	\$5.00	\$22,500.00	\$11.00	\$49,500.00
11	Asphalt Emulsion Tack Coat	GAL	350.0	\$20.00	\$7,000.00	\$8.80	\$3,080.00
	Total Bid				\$216,020.00		\$199,399.50
	Total Bid Identified on Bid Form						\$199,399.50
	Cal Stripe, Inc.						
	2040 E. Steel Road, Colton, CA 92324						
	License: 685387 (A)						
	DIR: 1000001100						
	Contractors Attending the Mandatory Pre-Bid Job Walk:						
	Cal Stripe, Inc.						
	VSSI Inc.						
	Super Seal and Stripe						
	Chrisp Company						
	Pavement Coatings						

BUILDING SPACE LEASE

This Building Space Lease ("Lease"), dated November 10, 2021, is entered into by and between the SANTA MARIA PUBLIC AIRPORT DISTRICT (herein called "Landlord" or "District"), a public airport district of the State of California, and Douglas R Faner, an individual, dba FANAIR USA (herein called "Tenant").

In consideration of the conditions, covenants and agreements herein contained, the parties agree as follows:

1. **Definitions.** Unless the context otherwise requires, the following terms have the meanings specified as follows:

- a. **"Airport"** means the Santa Maria Public Airport at Santa Maria, California.
- b. **"FAA"** means the Federal Aviation Administration or its successor organization or department.
- c. **"Improvements"** include buildings, structures, fixtures, partitions, counters, and other property affixed to the realty in any manner.
- d. **"Leased Premises" or "Premises"** mean and include the commercial aviation unit located at 3123 Liberator Street, at the Santa Maria Public Airport, in the City of Santa Maria, State of California, as shown outlined in red on the plot plan marked Exhibit "A" attached hereto and made a part hereof, together with those appurtenances specifically granted in this Lease.
- e. **"Movement Area"** means the runways, taxiways and other areas of the Airport, which are used for taxiing or hover taxiing, air taxiing, takeoff and landing by aircraft.
- f. **"Party" or "parties"** mean the District and/or Tenant.

2. **Premises.** District leases to Tenant and Tenant leases from District the Premises for the rent and on the terms and conditions hereinafter set forth.

3. **Term.** The term of this Lease shall be three (3) years, commencing November 10, 2021, and terminating on November 9, 2024.

4. **Rent.** Beginning January 1, 2024, Tenant shall pay to District as monthly rent, the sum of \$564 (1,150 s.f. X \$0.49 /sq.ft./mo) on the first day of each calendar month, without prior notice, demand, deduction or offset, at District's office at 3217 Terminal Drive, or such other address as District may direct Tenant in writing. Rent for partial month occupancy shall be prorated.

5. **Security Deposit.** Upon execution of this Lease, Tenant shall deposit with District \$1,128.00 as a security deposit for the performance by Tenant of the provisions of this Lease. If Tenant is in default, District can use the security deposit, or any portion of it, to cure the default or to compensate District for any damage sustained by District resulting from Tenant's default. Tenant shall immediately upon demand pay to District a sum equal to the portion of the security deposit expended or applied by District as provided in this section so as to maintain the

security deposit in the sum initially deposited with District. If Tenant is not in default at the expiration or termination of this Lease, District shall return the security deposit to Tenant. District's obligations with respect to the security deposit are those of a debtor and not a trustee. District shall deposit and maintain the security deposit in an interest-bearing and federally insured account in the name of District with a bank or savings and loan association in Santa Maria, subject to withdrawal and retention by District of all or any part of the amount on deposit or accrued interest to cure the default of Tenant or to compensate District for all damage sustained by District resulting from Tenant's default. Interest on the security deposit required herein shall accumulate to the benefit of Tenant.

6. **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 date it is due (or on the next business day of the District that is not a Saturday, Sunday or holiday on which the administrative office of the District is closed for a whole day, if the date the rent installment is due falls on a Saturday, Sunday or holiday on which the administrative office of the District is closed for a whole day), 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.

7. **Permitted Uses of Premises.** Tenant may use the Premises only for the following commercial aviation purposes:

a. Office incidental to, and storage incidental to the following permitted aviation-related businesses conducted on the Premises and permitted pursuant to subparagraphs b-k, below (construction of any such office requires compliance with Paragraph 16).

b. Sale of aircraft and aircraft parts, components, and accessories.

c. Park automobiles of Tenant, its employees and invitees, outside the building, only in designated parking lots, or in areas designated in writing by District's General Manager for Tenant's use; provided, Tenant may park its portable test cell in the building.

d. Rental of aircraft.

e. Flight instruction.

f. Air taxi and on-demand aircraft charter services to the general public.

All facilities required by Tenant shall be installed by and at Tenant's expense and in compliance with local, state and federal laws, ordinances, regulations and codes applicable thereto. Tenant shall not use the Premises, or any portion thereof, for any other purposes, unless the use is 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.

8. **Prohibited Uses.** Tenant shall not use or permit use of the Premises or the Airport,

or any portion thereof, for any of the following purposes:

- a. Sale of gasoline or other fuels not dispensed by a third-party supplier.
- b. Spray painting within the building using flammable liquids or paints without proper, approved suppression and protection equipment and facilities, or in a manner which is prohibited by any applicable law, ordinance or governmental order or regulation or in a manner that does not meet the requirements of District's fire and liability insurance carriers.
- c. Store any flammable liquids or substances or explosives within the building, except as may be authorized by District in writing and by the City of Santa Maria Fire Department, and except for aviation fuel in parked aircraft. Minor amounts of new lubricating engine oil, grease and similar combustible liquids necessary to the permitted uses will generally be permitted when stored in original Underwriters Laboratory listed containers.
- d. Use any portion of the Airport contrary to or in violation of the directives, rules or regulations of the District or the FAA or in such a manner which may interfere with the landing or taking off of aircraft from the Airport or otherwise constitute a hazard.
- e. Store on the Premises any property or articles or conduct any activities or operations which are not directly related or incidental to the permitted uses in Paragraph 7 of this Lease, or store any property outside the building.
- f. Use any paint stripping or aircraft finish removal process.
- g. Operation of rotary wing aircraft to or from Premises. Rotary wing aircraft will be towed to and from a "movement area" on the Airport.
- h. Washing of aircraft, equipment or vehicles where runoff and/or wastewater will directly enter District's storm drain system or City sewer system without permit or approved treatment.
- i. Any use which is not directly related to the Permitted Uses and which does not require location on the Airport within the Airport Operating Area ("AOA").
- j. Use any torches, heaters or other devices on the Premises that cause a flame or fire.
- k. Use as a temporary or permanent residence is specifically prohibited.
- l. Storage of any recreational vehicle, trailer, camper, or other vehicle equipped with or usable as living quarters, on the Airport or on the Premises is prohibited.

9. **Landlord Improvements.** District shall not be responsible for any improvements to the Premises.

10. **Utilities.** Tenant shall pay all costs, charges and deposits for all utilities and services furnished to or used by Tenant, including without limitation, gas, water, electricity, telephone service,

trash collection and for all connection charges. District shall have no obligation to extend utility services to the Premises. Tenant shall reimburse District on a monthly basis for a proportionate share of costs for water, gas and electricity used by Tenant as estimated by District unless Tenant elects to, at Tenant's expense, separately meter the utilities.

11. **Taxes.** Tenant shall pay before delinquency any and all taxes, (including real property taxes) assessments, fees or charges, including possessory interest taxes, which may be imposed, levied or assessed upon any leasehold or possessory interest of Tenant, and personal property, improvements or fixtures owned, controlled or installed by Tenant and used or located on the Airport or Tenant's business. By entering into this Lease, a possessory interest subject to property taxation may be created, and Tenant may be subject to payment of property taxes levied on such interest. Tenant shall pay all such taxes.

12. **Assumption of Risks.** Tenant represents that Tenant has inspected the Airport and Premises and accepts the condition of the Premises and assumes all risks incidental to the use of the Airport and Premises. District shall not be liable to Tenant for any damages or injury to persons or property of any of Tenant's agents, employees, visitors, guests or invitees from any cause or condition whatsoever.

13. **Indemnity.** Tenant shall defend (with counsel acceptable to District), indemnify and hold harmless District, its directors, officers, employees, agents and representatives and the Premises (collectively herein "District") at all times from and against any and all liability, suits, proceedings, liens, actions, penalties, damages, 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 subject to (collectively "Liability") arising out of or in any way connected with: the acts or omissions of Tenant or its officers, agents, employees, guests, customers, visitors or invitees; or Tenant's operations on, or use or occupancy of the Premises or the Airport. The forgoing indemnification excludes only Liability caused by the sole active negligence of District or its willful misconduct. Tenant shall also defend (with counsel acceptable to District), indemnify and hold District harmless from and against, all Liability, including third party claims, environmental requirements and environmental damages (as defined in Exhibit "B", Hazardous Material Definitions), costs of investigation and cleanup, penalties, fines, and losses (including, without limitation, diminution in property value of the Premises or the Airport or the improvements thereon or District's property or improvements in the vicinity of the 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 Premises or the Airport as the result of any activities of Tenant or Tenant's agents, employees, invitees, licensees, guests, successors or assigns, or subtenants. Tenant shall notify District immediately of any Release of any toxic or hazardous material on the Premises.

14. **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 minimum amounts of insurance:

a. Commercial general liability insurance, including bodily injury and death liability, property damage liability, premises liability, completed operations and products liability coverage, contractual liability, public liability, and owners and contractors protective coverage with

a combined single limit of liability of at least \$1,000,000 for each accident or occurrence.

b. Aircraft and airport operations insurance, including passengers, products and completed operations for each aircraft owned or operated by Tenant on the Airport, or manufactured or stored on the Premises, with a combined single limit for bodily injury and property damage of \$1,000,000 for each occurrence.

c. For and during the time Tenant has vehicles or mobile equipment which are used in Tenant's business or used in, on or about the Premises or anywhere on District property, automobile and mobile equipment liability insurance covering all vehicles and mobile equipment used by Tenant on the Airport providing bodily injury, personal injury and death liability limits of not less than \$1,000,000 per person per occurrence and property damage of not less than \$500,000 for each accident or occurrence.

District shall be named as an additional insured in each policy required herein without offset to any insurance policies of the District.

Tenant shall provide District with copies of all insurance policies and certificates issued by the insurer, including in each instance an endorsement or certificate providing that such insurance shall not be cancelled or coverage reduced except after thirty (30) days' written notice to District and an endorsement providing the contractual liability coverage for the indemnification required in Paragraph 13 above.

The foregoing limits of liability coverage may be annually reviewed by the District's General Manager and, upon report of his recommendations for an increase or decrease to the Board of Directors of the District, the District may increase or decrease the limits of liability of such liability insurance coverage's in accordance with the General Manger's recommendations or otherwise.

15. **Insurance Premium Increase.** Tenant shall not do or permit to be done any act or thing upon the Premises which will invalidate or be in conflict with the fire insurance or liability policies covering the Premises or which shall or might subject District to any unreasonable risks or exposure to liability or responsibility for injury to any person or persons or to any property by reason of any business activity or operation being carried on by Tenant upon the Premises. Tenant shall pay for any additional premiums of District's fire and liability insurance policies charged by reason of Tenant's use or operations on the Premises.

16. **Alterations.** Tenant shall make no alterations, additions or improvements in the Premises or otherwise at the Airport without District's prior written consent. Except as otherwise provided below, any improvements installed in accordance with this paragraph shall be District's property upon completion. Upon expiration or termination of the Lease, if District elects (upon written notice to Tenant of such election) that all or a designated portion of the alterations, additions, or improvements made by Tenant shall be removed by and at the 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, normal wear and tear excepted, and repair any damage resulting from such removal. Machinery, equipment and trade fixtures installed by Tenant in the Premises shall not be considered "alterations, additions or improvements" subject to the foregoing provisions and shall be removed from the Airport by Tenant on or before expiration or termination of this Lease, providing

any damage to District property resulting from such removal shall be repaired or restored at Tenant's expense. All alterations, additions and improvements made by Tenant shall be done in a workmanlike manner, with good materials, and in full compliance with all applicable building codes, laws, ordinances, regulations and directions of public agencies having jurisdiction. In consideration for required improvements/construction as shown on "Exhibit D", District agrees to offset rent through December 31, 2023.

17. **Airport Facilities.** All aircraft owned by Tenant or under the care, custody and control of Tenant, and mobile equipment parked, loaded and unloaded outside the Premises shall be parked, loaded and unloaded only in locations designated by District. Tenant agrees to observe, obey and abide by all directives, rules and regulations for the common and joint use of Airport facilities and for maintenance and conduct of Tenant's business at the Airport, which may hereafter be imposed by District's Board of Directors, FAA, City of Santa Maria, or any other governmental entity or agency having jurisdiction. Tenant shall not store any cargo, supplies or materials outside the Premises without the prior written consent of District. District has no obligation to provide security guards, lighting or fencing or to provide any services or utilities not expressly set forth in this Lease.

18. **FAA Restrictions and Reservations.** The Rider marked "Exhibit C" attached hereto, consisting of four pages of provisions required by the Federal Aviation Administration, is incorporated herein and made a part hereof. Tenant agrees to comply with all of the terms and conditions of said Rider.

19. **Permits/Compliance With Laws Payment of Costs of Compliance.** Tenant shall secure and maintain in force during the term of this Lease all licenses and permits necessary or required by law for the conduct of Tenant's business or operations. Tenant shall at all times comply with, and shall pay all costs and expenses which may be incurred or required to be paid in order to comply with all applicable laws, statutes, ordinances, rules, regulations, and orders of federal, state and local governments, and other public agencies ("laws") which apply to the operation and/or use of the Premises. These laws include, but are not limited to, all laws concerning air and/or water quality, fire and/or occupational safety, and accessibility, as well as those requiring alterations or additions to be made to, or safety appliances and devices to be maintained or installed in, on, or about the Premises under any laws now or hereafter adopted, enacted or made and applicable to the Premises. Tenant shall pay any fees, charges, or assessments arising out of or in any way related to the Premises as a source of adverse environmental impacts or effects. 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, whichever is more stringent. Tenant further agrees to maintain adequate storage and disposal facilities on the Premises. Tenant will maintain on the 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 Premises.

20. **Repairs and Maintenance/Entry.** Except as otherwise provided herein, Tenant shall, at Tenant's sole cost, keep and maintain the Premises and every part thereof in good and sanitary order, condition and repair. Tenant shall not make any repairs, which are the responsibility

of District without District's prior written consent. Tenant waives all rights to make repairs at District's expense. Tenant shall keep the Premises, at Tenant's expense, clean and free from litter and dust at all times. District will, at District's expense, repair and maintain the roof, exterior walls and doors of the Premises. District's obligation to maintain does not include any damage or changes caused by Tenant or Tenant's employees, contractors or invitees. District and the utility companies shall have the right to enter the Premises for the purposes of inspection, installation, and repair of utility facilities. District and authorized agents of District shall have the right to enter the Premises at all reasonable times for the purpose of inspecting or repairing the same or at any time in case of an emergency.

21. **Acceptance: Surrender.** Tenant accepts the Premises as being in good and sanitary order, condition and repair and agrees on the last day of the term or sooner termination to surrender to District the Premises in the same condition as when received, reasonable use and wear and damage by fire, act of God or by the elements excepted, and subject to the provisions of Paragraph 16, **Alterations.**

22. **Condemnation.** In the event of taking or damage to 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") prior to or during the term (or any extension or renewal), the rights and obligations of District and Tenant with respect to such appropriation shall be as hereinafter provided. In the event of an appropriation of the Premises, this Lease shall terminate as of the date of such appropriation. The rents and all other obligations of Tenant shall be prorated to the date of termination, and District shall be entitled to the entire award made with respect to the appropriation, and Tenant hereby assigns to District all of Tenant's interest, if any, in such award.

23. **Damage or Destruction.**

a. **Partial Destruction - Insured Loss.** If (i) the Premises or any portion thereof are damaged or destroyed by fire or other cause, (ii) the Premises are not thereby rendered totally untenable, (iii) the loss is covered by insurance, and (iv) the destruction can be repaired within sixty (60) days from the date of destruction, this Lease shall not automatically terminate. District may, at its option, repair or rebuild the same from and to the extent of the insurance proceeds payable for the loss. If there should be a substantial interference with Tenant's business, a just and proportionate part of the rent shall be abated from the fifteenth day following the damage or destruction until the Premises are repaired or rebuilt, unless the damage or destruction is attributable to Tenant, its successors or assigns, its employees, agents, representatives, invitees or customers.

b. **Total Destruction - Uninsured Loss.** If (i) the Premises or any portion thereof are damaged or destroyed by fire or other cause and are thereby rendered wholly untenable or are more than fifty percent (50%) damaged or destroyed, or (ii) the damage or destruction of the Premises is not covered by insurance, then, in either event, District, if District so elects, may repair or rebuild the building within a reasonable time after such destruction or damage, or District may

give notice terminating this Lease as of a date not later than thirty (30) days after such damage or destruction. If District elects to repair or rebuild the Premises, District shall, within thirty (30) days after such damage or destruction, give Tenant notice of District's intention to repair or rebuild and shall proceed with reasonable speed to make the repairs or to rebuild. Unless District elects to terminate this Lease, this Lease shall remain in full force and effect, and the parties waive the provision of any law to the contrary. If there should be a substantial interference with Tenant's business, a just and proportionate part of the rent shall be abated from the fifteenth day following the damage or destruction until the Premises are repaired or rebuilt, unless the damage or destruction is attributable to Tenant, its successors or assigns, its employees, agents, representatives, invitees or customers. In the event of termination under this subparagraph, rent will be prorated to the date of termination and surrender of possession of the Premises to District.

c. **Extent of Rebuilding.** If District should elect or be obligated to repair or rebuild the building because of any damage or destruction, District's obligation shall be limited to the basic building. Tenant shall at Tenant's expense fully repair or replace all fixtures, equipment, and other installations installed by or for Tenant at its expense.

24. **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, by written notice thereof given to Tenant, upon or after the occurrence of any of the following events:

a. 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.

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

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

d. 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.

25. **Additional Remedies of District.** 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 required under this Lease, or in the event of default of any of the terms or conditions of this Lease, or if Tenant shall abandon or vacate the Premises, to terminate this Lease upon written notice to Tenant and re-enter the Premises and eject all persons and remove all property, other than District's 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 therefore. No waiver by District of a default by Tenant of any of the terms, covenants, conditions or provisions hereof to be kept, observed or performed shall be construed to be a waiver by District of any subsequent default. If Tenant breaches this Lease and abandons the property

before the end of the term, or if its right to possession is terminated by District because of Tenant's breach of this Lease, this Lease terminates. On such termination, District may recover from Tenant:

a. The worth at the time of award of the unpaid rent, which had been earned at the time of termination;

b. The worth at the time of the award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided.

c. The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss for such period that Tenant proves could be reasonably avoided; and

d. Any other amount necessary to compensate District for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom; and

a. At District's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of the State of California.

The "worth at the time of award" of the amounts referred to in subparagraphs (a) and (b) above is computed by allowing interest at the maximum legal interest rate. The worth at the time of award of the amount referred to in subparagraph (c) above is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

26. **Contact Personnel.** Tenant shall designate and furnish District with the names, telephone numbers and addresses of two employees of Tenant who have authority to provide access to the Premises by District's personnel for emergency purposes.

27. **Notices.** All notices required herein shall be in writing and may be given by personal delivery or by registered or certified mail, postage prepaid, and addressed to District at 3217 Terminal Drive, Santa Maria, California 93455, and the Tenant at 23860 Long Valley Rd., Hidden Hills, CA 91302. Either party may at any time change its address for such notice by giving written notice of such change to the other party. Any notice provided for herein shall be deemed delivered upon being deposited as aforesaid at any United States Post Office or branch or substation or in any United States mailbox, or at time of personal delivery.

28. **Attorneys' Fees.** If either party commences any legal action or proceeding against the other party to interpret, perform or keep any term, covenant or condition of this Lease or cause any term, covenant or condition of this Lease to be kept or performed by the other party, 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).

29. **Advances.** In the event of Tenant's breach of any covenant or condition of this Lease, District may, but shall not be obligated to at any time, with or without prior notice, cure such

breach for the account and at the expense of Tenant, and in such event the amount thereof shall be immediately due and payable by Tenant to District upon demand in writing and shall bear interest at the maximum rate an individual is permitted by law to charge from the date such expenses were incurred until repaid in full.

30. **Signs.** No sign, advertisement, notice or other lettering shall be inscribed, painted or affixed by Tenant on any part of the Premises or on any portion of the Airport without the prior written consent of District's General Manager. Any such sign, advertisement, notice or other lettering must be removed by Tenant at Tenant's expense before the end of the term of this Lease, including repair of any damage in such removal. Any sign not removed at the end of the term shall be deemed abandoned and may be retained as property of the District or may be removed by District in which case Tenant shall pay District the cost of removal thereof. All signs shall be kept in good repair and condition by Tenant. All signs must conform to the ordinances and regulations of the City of Santa Maria and approval of the District. Banners are prohibited.

31. **Vehicles.** Any motor vehicles of Tenant permitted to operate on any aircraft movement area at the Airport shall be equipped with two-way radios capable of two-way communication with the control tower at the Airport.

32. **Nuisance.** Tenant shall not commit, or suffer or permit waste, excessive noise, excessive accelerations of air, obnoxious odors, excessive dust or any other nuisance in, on, about or adjacent to the Premises constituting an unreasonable interference with other District tenants or persons using the Airport.

33. **Assignment. Subletting and Encumbering.** Tenant shall not assign, mortgage, encumber or grant control of this Lease or any interest, right or privilege herein or sublet the whole or any part of the Premises or license or grant concessions for use of the Premises or any part thereof. Any assignment, mortgage, encumbrance, transfer, sublease, permit, license or concession in violation of this paragraph shall be void and, at the option of District, shall terminate this Lease.

34. **Fire Safety.** Tenant shall furnish and keep adequate fire extinguishers in sufficient numbers and in convenient and accessible places upon the Premises; said fire extinguishers shall be charged and ready for immediate use as required by fire regulations and applicable laws or ordinances. If Tenant receives an inspection notice or a deficiency or correction notice following an inspection by the City of Santa Maria Fire Department, Tenant agrees to make any and all corrections immediately in the manner required by the fire department, but in no event later than five (5) days after receipt of the notice.

35. **Access.** Tenant shall have reasonable access to the Premises through the closest airfield gate only.

36. **Parking.** Tenant and Tenant's employees and invitees shall park vehicles where designated by the District's General Manager.

37. **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 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. Delivery of keys to any agent or employee of District shall not operate as a termination of this Lease or a surrender of the Premises. No provision of this agreement shall be deemed to have been waived by District unless such waiver is 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.

d. Captions appearing herein are for convenience of reference only and shall not govern the construction of this agreement. All exhibits attached hereto are incorporated herein and made a part hereof.

e. If any provision of this agreement shall be held by a court of competent jurisdiction to be invalid, the remainder of this agreement shall continue in full force and effect and shall in no way be affected or invalidated thereby.

f. This agreement 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.

g. This agreement is made subject to any approval or consent of the Federal Aviation Administration, which may be required.

38. **Aircraft Engine Run-ups and Repair and Maintenance.** District may impose restrictions on Tenant to observe the following provisions relating to engine run-ups of aircraft on the Premises and at the Airport:

a. Full power engine run-ups for other than immediate flight operations shall be prohibited between the hours of 10:00 p.m. and 7:00 a.m. local time.

b. Except for emergencies, Tenant agrees that Tenant will not operate any rotary wing aircraft at the airport between the hours of 10:00 p.m. and 7:00 a.m. local time.

39. **Quitclaim.** At the expiration or earlier termination of this Lease, Tenant shall execute, acknowledge and deliver to District within thirty (30) days after written demand from District to Tenant any quitclaim deed or other document required by any reputable title company to remove the cloud of this Lease from the real property subject to this Lease.

40. **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.

41. **Holding Over.** If Tenant shall hold over the Premises after the expiration of the term hereof with the consent of District, either expressed or implied, such holding over shall be construed to be only a tenancy from month-to-month, subject to all the covenants, conditions and obligations contained in this Lease, including the obligation to pay rent monthly in advance, in an amount equal to the current rent or the rent as determined by the District's most recent approved rates and charges for aviation related commercial office space whichever is higher.

42. **Tenant's Obligations.** Tenant shall:

a. If a California corporation, furnish to District a copy of its Articles of Incorporation and a current listing of its officers, directors and agent for service of process filed with the California Secretary of State. If an out-of-state corporation, also furnish a copy of a current Certificate of Qualification issued by the California Secretary of State qualifying the corporation to do business in the State of California, as well as a certificate designating its agent for service of process in the State of California.

If a partnership, furnish District a copy of the published statement of doing business under a fictitious name filed with the Santa Barbara County Clerk.

If any other type of entity, furnish such information as District may reasonably request to verify the nature and status of the entity and responsible individuals.

b. Tenant's signatories on the Agreement shall complete, as individuals, and return to District District's Lessee/Licensee Information Form.

IN WITNESS WHEREOF, the parties have executed this Lease.

DISTRICT:

Approved as to content for District:

SANTA MARIA PUBLIC AIRPORT DISTRICT

General Manager

By: _____
Steve Brown, President

Approved as to form for District:

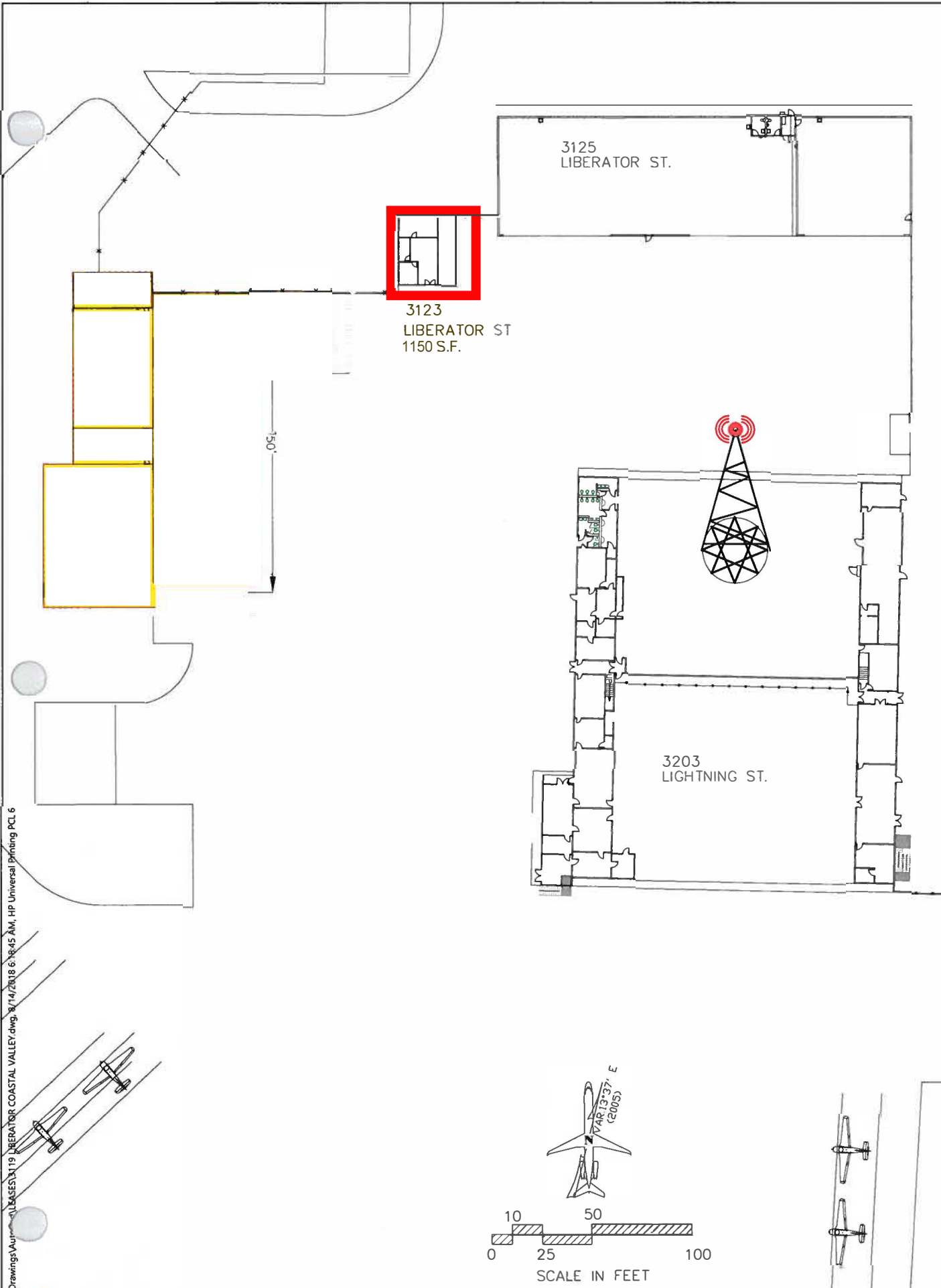
By: _____
Hugh Rafferty, Secretary

District Counsel

TENANT:

Douglas R Faner,
An Individual, dba FANAIR USA

By: _____



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3217 TERMINAL DR.
SANTA MARIA, CA
93455.
(805) 922-1726

REVISIONS	
DATE	By:
1/23/18	RH

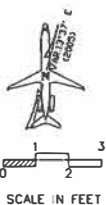
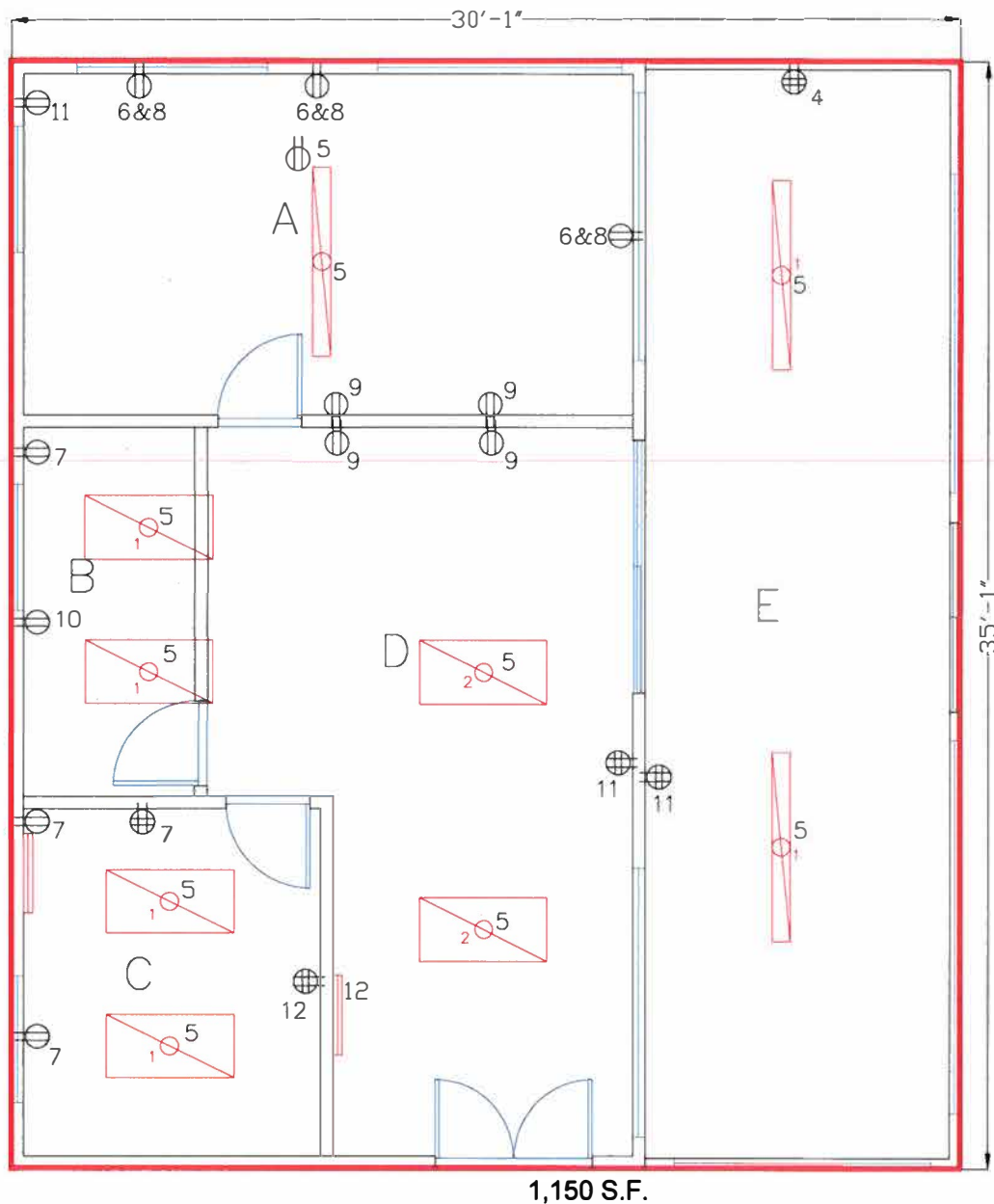
DRAWN BY:
RAY HEATH

EXHIBIT A

FANAIR USA
3123 Liberator St.
1,150 S.F.

DRAWING

CCT #.	POLES	BRKR. AMPS	USE & LOCATION
1	1	50	MAIN
2	1	20	SPARE
3	1	50	MAIN
4	2	20	PEDESTRIAN GATE & RECEP.
5	1	20	LIGHTS ALL
6	2	15	RECEP.
7	1	15	REPEC.
8	2	20	RECEP.
9	2	20	RECEP.
10	2	20	RECEP.
11	1	20	RECEP.
12	1	20	HEATER & RECEP.



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3217 TERMINAL DR.
SANTA MARIA, CA
93455.
(805) 922-1726

REVISIONS	
DATE	By
3/22/05	RH

DRAWN BY:
RAY HEATH

FANAIR USA
3123 LIBERATOR ST.

DRAWING
3123 LIBERATOR ST.
1 OF 1

HAZARDOUS MATERIAL
Definitions

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 biphenyls (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, regardless of whether the existence of such "Hazardous Materials" or the violation of "Environmental Requirements" arose prior to the present ownership or operation of the Premises, and 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, "Tenant's", 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"

RIDER

Rider to the License Agreement dated November 10, 2021, herein called "License") between Santa Maria Public Airport District (herein called "District") and FANAIR USA (herein called "Licensee").

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 property 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 property 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 property 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 property 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 property.

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

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 property. 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 property above the mean sea level elevation of 300 feet. In the event the aforesaid covenants are breached, District reserves the right to enter upon the leased property 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 property 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 property 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.

**BUILDING REPAIRS**

**3123 Liberator Street
Santa Maria, CA 93455**

Note:

Visual inspection done on 08/31/2021.

Initial list of repairs and clean-up required.

During construction other repairs might be required when observed.

Interior of Building:**Entry and main office area-**

Repair small holes and cracks in drywall areas.

Re-hang 2 doors, leading into offices, verify hardware in working order.

Paint all walls and ceilings, flat finish Dunn Edwards half formula Swiss Coffee color.

Paint doors, semi-gloss finish Dunn Edwards, Color half formula Swiss Coffee.

Small office area, (south side of building)-

Repair small holes and cracks in drywall areas.

Paint all walls and ceilings, flat finish Dunn Edwards half formula Swiss Coffee.

Paint trim, semi-gloss finish Dunn Edwards, Color half formula Swiss Coffee.

Large office area, (north side of building)-

Drywall existing paneling areas.

Insulate then drywall ceiling.

Install 2 lights to match the exiting recessed lights.

Paint all walls and ceilings, flat finish Dunn Edwards, Color half formula Swiss Coffee.

Paint trim, semi-gloss finish Dunn Edwards half formula Swiss Coffee.

Long office area, (east side of building)-

Remove existing damaged dropped ceiling.

Replace with new dropped ceiling.

Insulate above dropped ceiling.

Install 4 lights to match the exiting recessed lights.

Repair small holes and cracks in drywall areas.

Paint all walls and ceilings, flat finish Dunn Edwards, Color half formula Swiss Coffee.

Paint trim, semi-gloss finish Dunn Edwards half formula Swiss Coffee.

Exterior of Building:**South elevation, airport side of office building-**

Sheet this side with grooved Hardy Board, continued thru the addition side of the building.

(This will repair the heavily damaged areas and make the entire front match).

Repair small holes and cracks in wall areas.

Paint all walls and eaves, flat finish Dunn Edwards Swiss Coffee.

Paint fascia's, eggshell finish Dunn Edwards, Color Taupe.

East elevation, side of office building-

Repair small holes and cracks in wall areas.

Paint all walls and eaves, flat finish Dunn Edwards, Color Swiss Coffee.

Paint fascia's, eggshell finish Dunn Edwards, Color Taupe.

Exhibit "D"



North elevation, front of office building-

Repair small holes and cracks in wall areas.

Paint all walls and eaves, flat finish Dunn Edwards Swiss Coffee.

Paint fascia's, eggshell finish Dunn Edwards, Color Taupe.

West elevation, side of office building-

Repair small holes and cracks in wall areas.

Paint all walls and eaves, flat finish Dunn Edwards Swiss Coffee.

Paint fascia's, eggshell finish Dunn Edwards, Color Taupe.

Exterior roof areas-

Verify with roofing contractor all roofs do not leak. Special attention to the shed roof addition, east side, repair or replace if required.

Exterior pavement areas-

Sawcut 4' width in front of building, south side, (airport side), remove old and pave with new asphalt.

Remove old asphalt to existing concrete on east side, (airport side), and pave with new asphalt.

General Cleaning Note:

Remove all vegetation, weeds, 10' beyond perimeter of building.

Broom and pick up debris and shop vac all areas.

Broom and pick up debris and shop vac all areas on parking side of building.

Two aircraft parking areas, one in front of building, and one on west side clean so there is no gravel or debris.

Broom and pick up debris and shop vac all areas.