



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

**Thursday
June 9, 2022**

**Administration Building
Airport Boardroom
7:00 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: Engel, Brown, Rafferty, Adams, Baskett

- 1. MINUTES OF THE REGULAR MEETING HELD MAY 26, 2022.**
- 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 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 time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.
7. The Consent Calendar is approved by ROLL CALL VOTE on one Motion. These items are read only on request of Board members.

The following items are presented for Board approval without discussion as a single agenda item in order to expedite the meeting. **SHOULD ANYONE WISH TO DISCUSS OR DISAPPROVE ANY ITEM**, it must be dropped from the blanket Motion of approval and be considered as a separate item.

It is the recommendation of staff that the Board receives, and file and/or approve the following leases and agreements or other routine items and authorize the President and Secretary to execute them:

- a) **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE AIR SERVICE DEVELOPMENT CONTRACT BETWEEN THE DISTRICT AND MEAD & HUNT, INC.**
- b) **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE REVOCABLE LICENSE AGREEMENT BETWEEN THE DISTRICT AND VALLEY ART GALLERY.**
- c) **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO CONSENT TO THE TRANSFER OF THE HANGAR LOCATED AT 2985-A AIRPARK DRIVE TO SCOTT G. BUCKLEY AND R & A ROWAN TRUST.**
- d) **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE SIXTH AMENDMENT OF LEASE BETWEEN THE DISTRICT AND THE CITY OF SANTA MARIA FOR PIONEER PARK.**
- e) **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE SIXTH AMENDMENT OF GROUND LEASE BETWEEN THE DISTRICT AND SANTA MARIA KARTING ASSOCIATION.**
- f) **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE REVOCABLE PERMIT AGREEMENT BETWEEN THE DISTRICT AND CENTRAL COAST TECHNOLOGY FOR BANNER TOWING.**
- g) **AUTHORIZATION FOR TUITION REIMBURSEMENT FOR ONE STAFF MEMBER.**
- h) **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE TENTH AMENDMENT BETWEEN THE DISTRICT AND THE SANTA MARIA VALLEY CHAMBER OF COMMERCE AND VISITOR AND CONVENTION BUREAU.**

8. **RESOLUTION 916. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT ADOPTING THE APPROPRIATIONS SUBJECT TO LIMITATION FOR FISCAL YEAR 2022-2023 UNDER CALIFORNIA CONSTITUTION ARTICLE XIII B (AS AMENDED) AND IMPLEMENTING STATUTES.**
9. **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 111-231-09, APN 111-231-11, APN 111-231-17, APN 111-292-027 (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.**
 - d) **Significant exposure to litigation pursuant to Gov. Code Section 54956.9(b): One Case**
10. **DIRECTORS' COMMENTS.**
11. **ADJOURNMENT.**

MINUTES OF THE REGULAR BOARD
MEETING OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT
DISTRICT HELD MAY 26, 2022

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

1. MINUTES OF THE REGULAR MEETING HELD May 12, 2022. Director Rafferty made a Motion to approve the minutes of the regular meeting held May 12, 2022. Director Baskett Seconded and it was carried by a 5-0 vote.
2. COMMITTEE REPORT(S):
 - a) AVIATION SUPPORT & PLANNING (Standing or Ad Hoc) – A meeting will be 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 with the District Broker to discuss a few properties.
 - h) DRONE COMMITTEE (Ad Hoc) – A meeting will be scheduled.
 - i) ENERGY COMMITTEE (Ad Hoc) – A meeting will be scheduled.
3. GENERAL MANAGER'S REPORT. Mr. Hastert updated the board on his meeting with a new developer. The Santa Maria chapter of the 99's started to paint the compass rose. Mr. Hastert and President Engel met with the FAA Regional Manager. Maintenance is doing an excellent job fixing issues in the Runway Safety Area. The full-scale drill is scheduled for May 27th at 10am and the celebration of life for Jim Kunkle is scheduled for May 28th.
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 070246 through 070284 in the amount of \$146,740.62 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 a 5-0 vote.

b) Budget to Actual. Received and filed.

c) Financial Statements. Received and filed.

5. DISTRICT COUNSEL'S REPORT. Nothing to report.

6. 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 five-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.

7. Resolution 916. A Resolution of the Board of Directors of the Santa Maria Public Airport District adopting the Appropriations subject to limitation for fiscal year 2022-2023 under the California Constitution Article XIII B (As Amended) and Implementing Statutes. This item will sit in front of the public and be voted on at the next meeting.

8. Authorization for two staff members and one Director to attend the 2022 SWAAAE Summer Conference to be held July 10-13, 2022, in Sonoma, CA. Director Adams made a Motion to approve. Director Baskett Seconded and it was carried by a 5-0 vote.

9. Authorization for the President and Secretary to execute the Thirteenth Amendment of Agreement between the District and Fedak & Brown, LLP. Director Rafferty made a Motion to approve. Director Adams Seconded and it was carried by a 5-0 vote.

10. Authorization for the President and Secretary to execute the vacant land purchase agreement and escrow instructions for APN 111-292-033 between the District and Questa Industrial Properties, LLC. Director Brown made a Motion to approve. Director Adams Seconded and it was carried by a 5-0 vote.

11. CLOSED SESSION. At 7:17 p.m. the Board went into Closed Session to discuss the following item(s):

a) Conference with Real Property Negotiators (Chris Hastert, Tom Ross, and District Counsel) Re: APN 111-231-09, APN 111-231-11, APN 111-231-17, APN 111-292-027 (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.

d) Significant exposure to litigation pursuant to Gov. Code Section 54956.9(b): One Case

At 7:44 pm., the Board and staff reconvened to Open Public Session.

No reportable actions.

12. DIRECTORS' COMMENTS: Director Baskett is looking forward to setting up the meetings regarding drones and energy.

Director Rafferty updated the Board on a conference he attended for the CSDA in Sacramento.

Directors Brown, Adams, and Engel are happy to be back in person.

13. ADJOURNMENT. President Engel asked for a Motion to adjourn to a Regular Meeting to be held on June 9, 2022, at 7:00 p.m. at the regular meeting place. Director Brown made that Motion, Director Adams 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 7:46 p.m. on May 26, 2022.

Carl Engel, 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 070285 to 070342 and electronic payments on Pacific Premier Bank and in the total amount of \$184,833.28

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 070285 to 070342 and electronic payments on Pacific Premier Bank in the total amount of \$184,833.28 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 JUNE 9, 2022.

HUGH RAFFERTY
SECRETARY

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
* 070285	5/24/2022	American Assn of Airport Exec	\$450.00	Digicast 7/1/22 - 9/30/22
* 070286	5/24/2022	ADB SAFEGATE Americas LLC	\$3,215.38	Signs - Landing
* 070287	5/24/2022	Aflac	\$277.56	Voluntary Insurance - Employee
* 070288	5/24/2022	Allan Hancock College Foundation	\$253.53	Airfest Marketing - Posters
* 070289	5/24/2022	AT&T	\$41.93	Telephone Service
* 070290	5/24/2022	City of Guadalupe	\$28,538.49	Security Service/LEO
* 070291	5/24/2022	City of Santa Maria	\$444.75	Construction Meter Fees
* 070292	5/24/2022	De Lage Landen	\$102.18	Copier
* 070293	5/24/2022	Fastenal Company	\$61.37	Signs / Fencing and Gates
* 070294	5/24/2022	Federal Express	\$94.70	Shipping Services
* 070295	5/24/2022	Fence Factory	\$196.05	Fencing and Gates
* 070296	5/24/2022	Frontier Communications	\$787.77	Telephone Service
* 070297	5/24/2022	Home Depot	\$92.79	Fencing and Gates - Terminal
* 070298	5/24/2022	J B Dewar, Inc	\$844.31	Unleaded/Diesel Fuel
* 070299	5/24/2022	Letters, Inc.	\$143.43	Car Wash
* 070300	5/24/2022	Pacific Telemanagement Services	\$230.92	Pay Phone Services - Terminal
* 070301	5/24/2022	Pathpoint	\$2,337.28	Airport Maintenance Svc - Window Cleaning
* 070302	5/24/2022	Ponek Appraisal	\$3,500.00	Appraisal Report Fees
* 070303	5/24/2022	RRM Design Group	\$4,620.00	Business Park Specific Plan Amendment
* 070304	5/24/2022	SCS Engineers	\$6,619.00	PFAS Assessment - April 2022
* 070305	5/24/2022	Service Star	\$11,751.87	Janitorial Services
* 070306	5/24/2022	Sign Creations	\$957.00	Signs - Landing Area
* 070307	5/24/2022	S Lombardi & Assoc., Inc.	\$2,790.00	Airport Advertising
* 070308	5/24/2022	Santa Maria Valley Crop Service	\$3,458.78	Weed/Wildlife Maintenance
* 070309	5/24/2022	Smith's Alarms & Electronics Inc.	\$630.00	Fire Alarm Service - Hangars
* 070310	5/24/2022	Tri-Counties Plant Service	\$275.00	Interior Plant Service - Terminal
* 070311	5/24/2022	Thomas R. Widroe	\$2,500.00	Consulting Services
* 070312	6/2/2022	Adams, Chuck	\$200.00	Director's Fees
* 070313	6/2/2022	Adamski Moroski	\$4,133.28	Legal Counsel Services
* 070314	6/2/2022	ADB SAFEGATE Americas LLC	\$866.95	Lighting Maintenance - Landing Area
* 070315	6/2/2022	American Industrial Supply	\$2,452.88	Weed/Wildlife Maintenance
* 070316	6/2/2022	AT&T	\$151.53	Telephone Service
* 070317	6/2/2022	Berchtold Equipment Company	\$224.68	Vehicle Maintenance

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
* 070318	6/2/2022	BMI PacWest	\$1,749.00	HVAC Service
* 070319	6/2/2022	Bomar Security & Investigation	\$7,554.77	Security Service
* 070320	6/2/2022	Brown, Steve	\$600.00	Director's Fees
* 070321	6/2/2022	Coast Networx	\$375.00	Computer Support Services
* 070322	6/2/2022	City of Santa Maria-Util Div	\$5,799.19	Utilities - Water
* 070323	6/2/2022	Clark Pest Control	\$259.00	Building Maintenance - Terminal
* 070324	6/2/2022	Engel, Carl Jr.	\$600.00	Director's Fees
* 070325	6/2/2022	Fastenal Company	\$19.63	Vehicle Maintenance
* 070326	6/2/2022	Frontier Communications	\$199.36	Telephone Service
* 070327	6/2/2022	Grainger	\$214.64	Shop Supplies
* 070328	6/2/2022	Heath, Ray	\$3,575.20	Consulting Services - Contingencies
* 070329	6/2/2022	J.D. Humann Landscape Contr.	\$283.17	Building Maintenance - Terminal
* 070330	6/2/2022	Mission Linen Service	\$542.64	Uniform Service
* 070331	6/2/2022	Napa Auto Parts	\$274.81	Vehicle Maintenance/ Shop Supplies
* 070332	6/2/2022	Outdoor Supply Hardware	\$91.49	Fencing and Gates
* 070333	6/2/2022	Quinn Company	\$92.99	Vehicle Maintenance
* 070334	6/2/2022	Rafferty, Hugh	\$300.00	Director's Fees
* 070335	6/2/2022	Rafferty, Hugh - Reimbursement	\$1,267.81	CSDA Legislative Days - Reimb.
* 070336	6/2/2022	Ross Realty	\$4,879.00	Brokerage Services - Questa Lease
* 070337	6/2/2022	Santa Maria Ford Lincoln	\$68.70	Vehicle Maintenance
* 070338	6/2/2022	Verizon Wireless	\$955.30	Mobile Devices
* 070339	6/2/2022	WageWorks	\$100.00	Cafeteria Plan - Admin Fee
* 070340	6/2/2022	Oberon3, Inc	\$50.00	Building Maintenance - Terminal
* 070341	6/2/2022	Baskett, David	\$200.00	Director's Fees
* 070342	6/2/2022	Gsolutionz, Inc.	\$574.37	Voice/Cloud Support Svcs - Phones
		Subtotal	<u>\$113,869.48</u>	
ACH	5/24/2022	CalPers	\$5,629.92	Employee Retirement
ACH	5/26/2022	Paychex	\$26,243.35	Payroll
ACH	5/26/2022	Empower Retirement	\$4,621.56	Employee Paid Retirement
ACH	5/26/2022	Umpqua Bank	\$6,118.96	Business Travel, Consulting Svcs, Office Supplies
ACH	5/27/2022	Paychex	\$5,777.57	Payroll Taxes

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
ACH	5/27/2022	Paychex	\$190.12	Paychex invoice
ACH	6/1/2022	CalPers	\$12,931.83	Unfunded Liability
ACH	6/2/2022	Pacific Premier Bank	\$950.99	Credit Card Fees
ACH	6/3/2022	Collective Communications	\$8,172.80	Consulting Services
ACH	6/3/2022	Ready Refresh	\$326.70	Water Delivery
		Subtotal	<u>\$70,963.80</u>	
		Total	<u><u>\$184,833.28</u></u>	

MEMORANDUM

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

DATE: June 9, 2022

SUBJ: CONSENT CALENDAR ITEMS 6(a & b) for February 14, 2013

7(a) Staff recommends authorizing the President and Secretary to execute an air service development contract between the District and Mead and Hunt, Inc. This contract will provide services related to air service development including presentations for airlines and supporting reports and coordination. This District will save 10% from previous contracts by switching over to a retainer payment spread equally over the contract period.

7(b) Staff recommends authorizing the President and Secretary to execute a revocable license agreement between the District and Valley Art Gallery for the display and sale of local artist's work inside the terminal building.

7(c) Staff recommends authorizing the President and Secretary to consent to the transfer of the hangar located at 2985-A Airpark Dr. to Scott G. Buckley and R & A Rowan Trust. One of two current tenants for this owner build hangar have sold their half interest in the facility and look to have the lease assigned to the other current owner and new tenant.

7(d) Staff recommends authorizing the President and Secretary President to execute the sixth amendment of lease between the District and the City of Santa Maria, extending the term of Pioneer Park by one year

7(e) Staff recommends authorizing the President and Secretary President to execute the sixth amendment of lease between the District and Santa Maria Karting Association. This amendment extends the lease term by three years and includes a 13% CPI increase in rent calculated for the last three-year period.

7(f) Staff recommends authorizing the President and Secretary President to execute the revocable permit agreement between the District and Central Coast Technology for banner towing operations.

7(g) Staff recommends authorizing the Board authorize tuition reimbursement for one staff member in accordance with the current Santa Maria Public Airport District Personnel manual.

7(h) Staff recommends authorizing the President and Secretary President to execute the tenth amendment between the District and the Santa Maria Valley Chamber of Commerce and VCB. This amendment extends the current contract for an additional two years, with a corresponding increase to the fee by approximately 10.5% year one and an additional 4.8% year two.

SERVICE AGREEMENT

(Air Service Consulting Services)

By this Agreement, dated June 9, 2022, between SANTA MARIA PUBLIC AIRPORT DISTRICT (herein called "District") and MEAD & HUNT, Inc., a Wisconsin corporation, (herein after called "Consultant"), District and Consultant agree as follows:

1. SCOPE OF WORK

District hires Consultant to perform, and Consultant agrees to perform, professional air service consulting services as described in Exhibit "A", a letter proposal dated May 27, 2022, from Consultant to District's General Manager, attached and incorporated by this reference.

2. COMPENSATION

District shall compensate Consultant for all services to be provided by Consultant under this Agreement, as outlined in the table on pages 3-5 of Exhibit "A" attached and incorporated by this reference. Consultant shall be compensated for the work described under the Scope of Services as set forth for a lump sum monthly retainer of \$6,600.00 for the 12-month period for said services. Consultant shall bill District monthly for services rendered. Payment shall be due and payable 30 days following date of receipt of submitted bill.

Reimbursable Expenses as outlined in Exhibit "A" pages 3-5 are limited to air transportation, lodging, meals, printing, shipping, and expenses associated with presentations and meetings not to exceed \$7,600.00. All expenses will be reimbursed at cost and subject to review by the General Manager. There will be no reimbursement for office overhead, including but not limited to telephone, facsimile, postage, in-house copying, insurance, etc. which are included in the consulting fees.

3. TIME OF PERFORMANCE

Consultant shall commence performance of the services hereunder upon receipt of written authorization to proceed and shall complete the services beginning July 1, 2022, to June 30, 2023.

4. MATERIALS AND DOCUMENTS

Except as otherwise specified in this agreement, Consultant will bear the cost and expense of all materials, supplies, tests and data used or needed by Consultant in the performance of its services and the work products to be delivered to District. District shall be the owner of all drawings, maps, mylars, reproducibles, plans, specifications, test reports, and other documents, data and work products produced or resulting from the services of Consultant. District will make available all existing plans, maps, data and information it has that may be needed by Consultant to perform its services. Consultant may retain copies of the original documents for its files.

5. ASSIGNMENT

This Agreement or any interest herein shall not be assigned by either party hereto.

6. CONSULTANT INDEPENDENT CONTRACTOR

The parties intend that Consultant shall be an independent contractor in performing the services provided by this Agreement. District is interested only in the results to be achieved, and the conduct and control of the work will lie solely with Consultant. Consultant is not to be considered an agent or employee of District for any purpose, and the officers, employees and agents of Consultant are not entitled to any of

the benefits that District provides for its employees, including worker's compensation insurance. It is understood that Consultant is free to contract for similar services to be provided to others while under contract with the District, provided there is no actual or perceived conflict of interest. District's General Manager shall have the right, in his sole discretion, to determine if a conflict of interest exists.

7. CONSULTANT'S RECORDS

Full and complete records of Consultant's services and expenses and records between District and Consultant shall be kept and maintained by Consultant and shall be retained by Consultant for seven (7) years after District makes final payment to Consultant hereunder and all pending matters regarding Consultant's services and the Project is closed. The District, the U.S. Department of Transportation, the FAA, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books of account, documents, papers, and records of Consultant which are directly pertinent to Consultant's work for the purpose of making audits, examinations, excerpts and transcriptions.

8. TERMINATION

This Agreement may be terminated by District upon failure by Consultant to satisfactorily perform the terms and conditions of this Agreement within fifteen (15) days of receipt of written notice from the District specifying the manner in which Consultant has failed to satisfactorily perform. In the event of such termination, Consultant shall not be entitled to further compensation from District. Either party may terminate this Agreement for any reason on thirty (30) days written notice to the other.

9. SUSPENSION OR ABANDONMENT OF PROJECT

District may at any time suspend or abandon the Project or any part thereof. In the event District should determine to suspend or abandon all or any part of the Project, it shall give written notice thereof to Consultant, who shall immediately terminate all work upon that portion of the Project suspended or abandoned in the notice. Within thirty (30) days of the date of notice of suspension or abandonment, District shall pay to Consultant, as full and final settlement, compensation for all of Consultant's services performed and costs and expenses incurred prior to receipt of notice of suspension or abandonment in a prorated amount equal to the proportion that the Consultant's services rendered to the date of receipt of such notice bears to the total compensation the Consultant would have received had the Project been completed.

10. INDEMNIFICATION

Consultant agrees to defend, indemnify and hold harmless District, its directors, officers, employees and agents from and against any and all loss, damage, liability, claims, demands, detriments, costs, charges, expenses and causes of action of any nature or character which District may incur, sustain or be subject to, including attorney's fees, rising out of or in any way connected with the services or work to be performed by Consultant, or arising from the negligence, act or omission of Consultant, its officers, agents and employees, excepting only liability or loss attributable to the sole active negligence of District or its willful misconduct.

11. INSURANCE

Consultant shall at Consultant's expense take out and maintain during the life of this Agreement the following types and amounts of insurance insuring Consultant and Consultant's officers and employees:

Automobile Liability and Comprehensive General Liability: Automobile liability insurance and comprehensive general liability insurance including public liability, and contractual liability coverage, each providing bodily injury, death and property damage liability limits of not less than \$1,000,000 for each accident or occurrence.

Before or concurrently with the execution of this Agreement, Consultant shall file with the District a certificate or certificates of insurance, issued by the insurance carrier, covering the specified insurance.

Each such certificate and policy shall bear an endorsement precluding the cancellation, or reduction in coverage, of any policy before the expiration of thirty (30) days after the District shall have received notification by registered or certified mail from the insurance carrier. District shall be named as an additional insured on each policy required herein without offset to any insurance policies of District. Each policy shall be on an "occurrence" basis and not a "claims made" basis.

12. DISTRICT'S DESIGNATED REPRESENTATIVE

District designates its General Manager, as its "Designated Representative". The Designated Representative is authorized to review, critique, and approve the services of Consultant.

13. EXTRA SERVICES

There will be no payment of extra services by Consultant unless it is expressly authorized in writing by General Manager before the services are performed and the amount District shall pay Consultant for said extra services has been mutually agreed upon in writing.

14. COVENANT AGAINST DISCRIMINATION

Contractor covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through them, that there shall be no discrimination against or segregation or, any person or group of people on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Contractor shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

15. INTERPRETATION

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either part by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

16. INTEGRATION; AMENDMENT

There are no oral agreements between the parties affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

17. SEVERABILITY

In the event that part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

18. ATTORNEYS' FEES

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees, and costs whether or not the matter proceeds to judgment.

19. NOTICES

Notices pursuant to this Agreement shall be given by United States mail, postage prepaid, addressed to the parties hereto as follows:

District: Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, CA 93455

Consultant: Trina Froehlich
Mead & Hunt, Inc.
476 Salty Way
Eugene, OR 97404

20. CERTIFICATE OF CONSULTANT

Consultant agrees to complete, execute and deliver to District upon execution of this Agreement a certificate in the form and content of Exhibit "B" attached hereto and incorporated herein. Consultant agrees to comply with the conditions and provisions of the certificate.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be fully executed.

Dated: June 9, 2022

DISTRICT:

Approved as to content for

SANTA MARIA PUBLIC AIRPORT
DISTRICT

District:

General Manager

Carl Engel, President

Approved as to form for District

Hugh Rafferty, Secretary

District Counsel

CONSULTANT:

MEAD & HUNT, INC.

Joseph Pickering

EXHIBIT “A”

May 27, 2022, LETTER PROPOSAL



2440 Deming Way
 Middleton, Wisconsin 53562
 608-273-6380
 meadhunt.com

May 27, 2022

Christ Hastert, CM
 General Manager
 Santa Maria Airport
 3217 Terminal Drive
 Santa Maria, CA 93455

Subject: Proposal for Air Service Consulting Services

Dear Chris:

Based on our discussions, it is my understanding that Santa Maria Airport (SMX) is interested in a proposal for air service consulting services for the July 1, 2022, to June 30, 2023, fiscal year. Mead & Hunt is pleased to submit this proposal for your review, which includes a scope of services and compensation.

Scope of Services

The suggested scope of services includes assisting SMX in air service development efforts for a 12-month period, beginning July 1, 2022, and ending June 30, 2023. *Attachment A* includes a description of tasks over the term of this agreement.

Compensation

Mead & Hunt will be compensated for the work described under the Scope of Services (*Attachment A*) for a lump sum monthly retainer of \$6,600 for the 12-month period. Mead & Hunt will bill associated expenses (e.g., pro-rated registration, airfare, hotel, meals, printing) at cost. Expenses for the 12-month period are estimated to be an additional \$7,600.

Additional services provided by Mead & Hunt not described above or in other supporting documentation will be accommodated by an amendment to this agreement or billed in accordance with the Standard Billing Rate Schedule, attached hereto and incorporated herein by reference. The following are Mead & Hunt's Standard Billing Rates for services billed on a time-and-materials basis.

Standard Billing Rates	
Clerical	\$80.00 / hour
Accounting/Administrative Assistant	\$100.00 / hour
Technical Editor	\$110.00 / hour
Senior Editor	\$180.00 / hour

Chris Hastert, CM

May 27, 2022

Page 2

Standard Billing Rates	
Managing Director	\$205.00 / hour
Project Manager	\$215.00 / hour
Vice President	\$235.00 / hour
Expenses	
Company or Personal Car Mileage	IRS Rate
Air and Surface Transportation	Cost
Lodging and Subsistence	Cost
Out-of-Pocket Direct Job Expenses	Cost

Please send all correspondence to my attention at the following address:

Mead & Hunt, Inc.
476 Salty Way
Eugene, OR 97404
541-521-5962

We appreciate the opportunity to submit this proposal to SMX.

Respectfully submitted,
MEAD & HUNT, Inc.



Trina Froehlich
Project Manager

Scope of Services

Page 3 of 5

After acceptance of this proposal, Mead & Hunt shall complete the following tasks:

1. Airline Headquarters Meetings (3 per 12-month period)

Airline headquarters meetings are recommended as frequently as possible based on the airline's willingness to accept meetings and are typically held in the second half of the calendar year due to many industry conferences held in the first half of the year. Primary target airlines include Alaska Airlines, American Airlines, Delta Air Lines and United Airlines. Mead & Hunt will provide the analysis, preparation, presentation and consulting services associated with the airline meetings. It is anticipated that SMX representatives and Mead & Hunt staff will meet with the airline. The existing SMX airline presentation format will be updated for the meetings. Updates will include market performance information, route forecasts, as applicable, and the incentive program. Once meeting dates are secured, Mead & Hunt will complete the presentation. The schedule is dependent on SMX's timely response to Mead & Hunt requests for airport and community provided information. Likewise, airline management availability and the ever-changing airline environment may impact the schedule.

2. Airline Industry Conferences (4 per 12-month period)

We recommend attending several air service development conferences, including Routes Americas 2023 (March 2023), Mead & Hunt's Air Service Conference (Spring 2023) and ACI-NA JumpStart Air Service Development Program (June 2023). While some duplication may occur in the airline meetings, it provides an additional opportunity to present SMX's business case. In addition to the above, Mead & Hunt recommends attending Allegiant's annual airport conference (Spring 2023). Mead & Hunt will prepare custom presentations for each meeting highlighting SMX and the community for use at the airline meetings and assist with airline meetings. Mead & Hunt will complete the presentations no later than the week prior to the date of the conference. Keep in mind schedules change frequently at these conferences. Mead & Hunt will do our best to attend all of the airline meetings considered a top priority for SMX.

3. Air Service Pro Forma (1 per 12-month period)

In preparation of airline headquarters meetings and industry conference meetings, route forecasts should be updated/completed on an as needed basis. Mead & Hunt will prepare the financial analysis/projections and related performance information on an identified top market opportunity. Mead & Hunt will provide the following professional services and data in preparation of SMX's pro forma analyses:

- Development of a service proposal that is integrated into the carrier's existing service (e.g., schedule, aircraft type, route)
- Detailed analysis and forecast of passengers, load factors, overall average ticket price, average ticket price by market, revenue, cost, and profit margin
- Analysis of passenger stimulation, retention, and diversion
- Airline and aircraft specific cost projections (first segment and beyond destinations)

The output of this effort will be included in the presentations to the airlines. Mead & Hunt will complete the pro forma analyses as determined necessary.

4. Community Meeting (1 per 12-month period)

Mead & Hunt will prepare and make a PowerPoint presentation at a community meeting to be set by SMX. Mead & Hunt anticipates that, in general, the presentation to the community will cover: an overview of the airline industry, airline performance in the SMX market and air service opportunities/next steps. Mead & Hunt will prepare and present a PowerPoint presentation. The date of the meeting will be determined based on a mutually agreed upon date.

5. True Market Estimate (1 per 12-month period)

The True Market Estimate is the base foundation for route forecasts and the airline business case. The True Market Estimate has been updated for calendar year 2021; however, with demand recovery still underway, it is important to continue to estimate the most recent true market. It is recommended that the True Market Estimate be updated for calendar year 2022. The True Market Estimate will quantify by destination the number of air travelers in the market, including those air travelers that drive to an airport other than SMX to originate the air travel portion of their trip. Mead & Hunt will obtain Airline Reporting Corporation (ARC) data for the SMX catchment area. ARC data will represent a statistically valid sample of airline tickets from within the airport catchment area. ARC data collected will include, but is not limited to, the originating airport, destination and airline. The output will include the top 25 domestic true markets, top 15 international true markets, and the top 50 aggregated true markets, including identification of passenger retention by destination and diverted origin and destination passengers. Mead & Hunt will provide SMX a draft of the True Market Estimate by PDF within 60 days of data availability for calendar year 2022, estimated to be in April 2023.

6. True Visitation Estimate (1 per 12-month period)

While the True Market Estimate analyzes the air travel market, the True Visitation Estimate includes both the drive and fly market and provides an indicator of continued visitation recovery to the Central Coast. It is recommended that SMX continues to update this information annually. The True Visitation Estimate will identify preferred travel patterns by visitors from the U.S. using GPS data and will measure the number of people coming to the destination for calendar year 2022. The level of visitation will be determined, market-by-market, on a monthly and seasonal basis. The output of the True Visitation Estimate will include visitation to the Santa Maria Valley and the Central Coast broken down by region, state and metropolitan statistical area. The report will be delivered in PDF. Mead & Hunt will provide SMX a draft of the True Visitation Estimate within 60 days of the availability of calendar year 2022 GPS data.

7. Destination Analysis Update (1 per 12-month period)

Like the True Visitation Estimate, the Destination Analysis uses GPS data to analyze travel trends; however, this analysis analyzes outbound trends to top destinations. SMX completed a Destination Analysis for calendar year 2021. It is recommended the data be updated for calendar year 2022 to continue to monitor travel demand from the Central Coast. The data will capture a representative sampling of visitation to a destination, regardless of the mode of transportation used, while identifying seasonality trends. The findings will be used to strengthen the airline route business case for nonstop air service to destination markets. Up to 10 domestic destinations that people from the Central Coast travel will be reviewed, including volume of demand by month, providing a month-over-month recovery

Chris Hastert, CM

May 27, 2022

Page 5

comparison. Mead & Hunt will provide SMX a draft of the Destination Analysis within 60 days of the availability of calendar year 2022 GPS data.

8. Additional Services (32 hours per 12-month period)

Additional services may be requested by SMX that are not described above. Additional services may include, but are not limited to, the preparation of ad hoc reports; communication with airlines; coordination with SMX; revenue guarantee negotiations and other elements as identified on an as needed basis.

EXHIBIT "B"

CERTIFICATION OF CONSULTANT

I hereby certify that I am the owner or principal executive officer and duly authorized representative of the firm of Mead & Hunt, Inc., a Wisconsin corporation whose address is 2440 Deming Way, Middleton, WI 53562, and that neither I nor the firm I represent has:

- A. Employed or retained for commission, percentage, brokerage contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above firm) to solicit or secure this contract;
- B. Agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the contract; or
- C. Paid or agreed to pay to any firm, organization, or person (other than a bona fide employee working solely for me or the above firm) any fee, contribution, donation, or consideration of any kind for or in connection with procuring or carrying out the contract, except as herein expressly stated (if any):

I acknowledge that this certificate is to be furnished to the Federal Aviation Administration of the United States Department of Transportation in connection with this contract involving participation of federal funds and is subject to applicable state and federal laws, both criminal and civil.

Date

Joseph Pickering

REVOCABLE LICENSE AGREEMENT
(Display in Airline Terminal)

This Revocable License Agreement ("License") is made and entered into this 9th day of June 2022, by and between the SANTA MARIA PUBLIC AIRPORT DISTRICT, a public airport district of the State of California (hereinafter "District") and Valley Art Gallery, a California Non-Profit Corporation (hereinafter referred to as "Licensee"); jointly referred to hereinafter as the "Parties".

RECITALS

- A. District owns and operates the Santa Maria Public Airport (hereinafter "Airport") located in the City of Santa Maria, County of Santa Barbara, State of California. The Airport Terminal Building at the Airport has Display Space available.
- B. Licensee desires to secure from District a non-exclusive, non-transferable and revocable license to use Display Space in the Airline Terminal Building at the Airport to display artwork during term of this agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the terms, conditions, covenants hereinafter contained to be kept and performed by the Parties hereto, the Parties agree as follows:

1. License. District hereby gives Licensee, under the conditions set forth herein, a non-exclusive, non-transferable and revocable license to place approximately 45 pieces of artwork by Licensee in Display Spaces in the Terminal Building, at 3249 Terminal Drive, Santa Maria, CA 93455, at the location shown on the diagram marked Exhibit "A", attached and incorporated by this reference (the "Premises"). District reserves the right to amend the space available upon 30 days written notice to Licensee. District reserves the right to install, maintain or license other displays in the Terminal Building.
2. Term/Termination of License. The term of this License shall be one year commencing July 1, 2022 and expiring on June 30, 2023.
3. License Fees. Not Applicable
4. Permitted Use of Display. Subject to the terms and conditions set forth, Licensee may use the Display Space only as described in Paragraph 1. Specific artwork is subject to review and approval of District's General Manager and shall be tasteful and sensitive to the primary nature of the space as a passenger terminal. The Display shall not contain any items or materials which advertise, promote or comment on any person, business, service, entity, cause, belief or action.
5. Utilities and Building Services. District will provide adequate light, heat, water, janitorial service and air conditioning for the public spaces in the Terminal Building.
6. Taxes, Rents. Licensee shall pay, before delinquency, any and all taxes, assessments, fees or charges, including possessory interest taxes which may be imposed, levied or assessed upon any leasehold or possessory interests of

Licensee, and personal property, improvements or fixtures owned, controlled or installed by Licensee and used or located on the Airport. Licensee shall also secure and maintain in force during the term of this License all licenses and permits necessary or required by law for the conduct of Licensee's business or operations.

7. Use and Condition of Premises. Licensee may use the Display Space only for the permitted uses herein. Licensee represents that it has inspected the Display Space and accepts the condition and location of the Display and assumes all risks incidental to use thereof.

8. Parking. While setting up or changing the contents of the Display, vehicles of Licensee and Licensee's employees and invitees shall be parked only in areas designated by District.

9. Licensee's Agreements. Licensee agrees to do all of the following:

- a. Comply with the rules, regulations and directives of District related to use of the Display, the Airport and its facilities.
- b. Comply with all laws, regulations, ordinances, and orders of federal, state and local governments as they relate to Licensee's use of the Display, the Airport and Airport facilities.
- c. Deliver possession of the Display Space to District on termination of this License in at least as good condition as it is at the inception of this License, ordinary wear and tear and damage by fire or act of God excepted, and free of any personal property.
- d. Maintain the Display Space in a clean, orderly and safe manner at all times.

10. Prohibitions. Licensee agrees not to do any of the following:

- a. Install or place any material or items in the Display without the prior written approval of District's General Manager.
- b. Store any property on the Airport in addition to the artwork on display.
- c. Alter, change, or improve the Display without District's prior written consent.
- d. Fasten or erect any sign on the Display Space or the Airport without the written consent of District.
- e. Assign this License or any portion thereof.
- f. Use the Display in any manner not consistent with the International Conference of Building Officials Uniform Building Code and Western Fire Chiefs Association Uniform Fire Code editions currently in use.

- g. Place any toxic, hazardous or explosive materials or items in the Display Space.

11. Notices. Notices required under this License shall be by United States Mail, postage prepaid, addressed as follows:

District: Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, CA 93455
Attention: General Manager

Licensee: Valley Art Gallery
PO Box 2285
Santa Maria, CA 93455
Attention: Rob Paulus

Either party may change its address for notices by written notice to the other party.

12. Indemnification and Release. Licensee shall indemnify, hold harmless and defend (with counsel acceptable to District) District, its officers, directors, employees and representatives from and against any and all claims, demands, liability, loss, damages, costs, attorneys' fees and other expenses resulting or allegedly resulting from Licensee's performance under this License or Licensee's use, misuse or neglect of the Display, the Airport or the Airport facilities. Licensee releases District, its officers, directors, employees and representatives from any and all loss or damage to the Display and their contents, regardless of cause.

13. Security. District shall have no obligation to provide security for the Display.

14. Attorneys' Fees. In the event any action or proceeding is brought by either party against the other under this License, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees.

15. Assignment. Licensee shall not assign or transfer this License, in whole or in part, in any manner, directly or indirectly, by operation of law or otherwise. Any attempt to assign or transfer this Agreement in violation of the provisions of this paragraph shall immediately terminate the License.

16. Interpretation and Venue. This License shall be governed by and construed in accordance with the laws of the State of California. This License has been entered into and is to be performed in the City of Santa Maria, County of Santa Barbara, State of California. Any legal action relating to this License shall be brought in the court of appropriate jurisdiction in the County of Santa Barbara, State of California.

17. FAA Rider. The provisions of the Federal Aviation rider attached hereto as Exhibit "B" are incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this License the day and year first above written.

Dated: June 9, 2022

Approved as to content for District

General Manager

Approved as to form for District:

District Counsel

DISTRICT:

SANTA MARIA PUBLIC AIRPORT DISTRICT

By: _____
Carl Engel, President

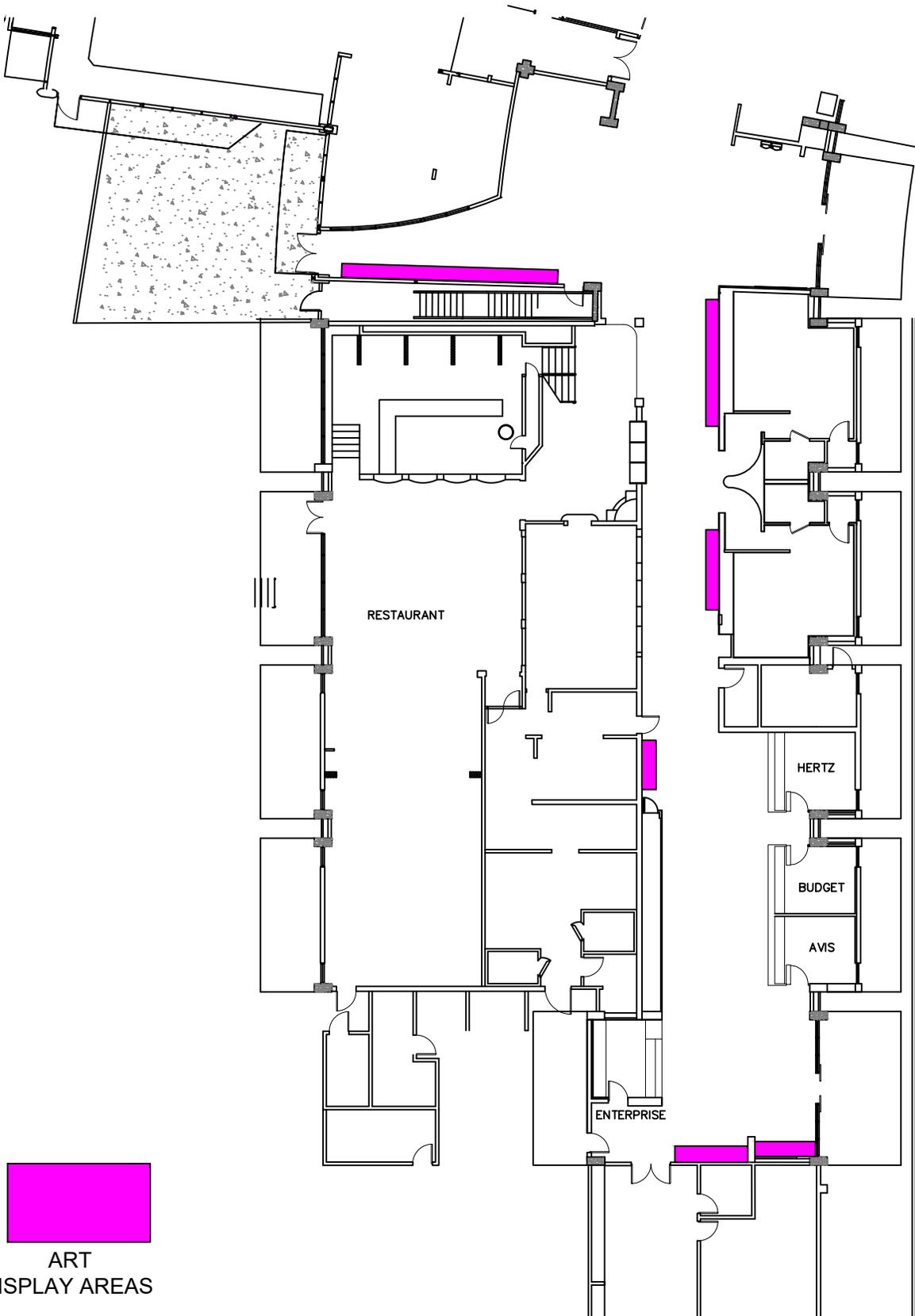
By: _____
Hugh Rafferty, Secretary

PERMITTEE:

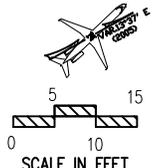
Valley Art Gallery

Rob Paulus, President

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ART
DISPLAY AREAS



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

DATE	BY	DRAWN BY:
6/10/19	RH	RH
3/16/13	RH	

EXHIBIT "A"
DATE: _____

3249 TERMINAL DR.
VALLEY ART GALLERY

DRAWING
TOWN CENTER
GALLERY
1 OF 1

EXHIBIT "B"

RIDER

Rider to the Revocable Permit dated July 1, 2022, herein called "License") between Santa Maria Public Airport District (herein called "District") and Valley Art Gallery (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 ensure 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.

ASSIGNMENT OF LEASE

2997-B Airpark Drive

The Assignment of Lease is made this *9th day of June 2022*, by and between Shapley Living Trust & R & A Rowan Trust, an owner, builder, hereinafter called "Tenant" or "Assignor", and **Scott G. Buckley and R & A Rowan Trust**, hereinafter called "Assignee".

Recitals

a. Tenant and Santa Maria Public Airport District (hereinafter called "Landlord" or District") made and entered into a written ground lease dated March 1, 2004 for leased premises located at the SANTA MARIA PUBLIC AIRPORT, Santa Maria, California, hereinafter referred to as the "Lease". A true copy of the Lease is marked Exhibit "A", attached and incorporated herein in full by this reference.

b. Tenant is transferring its ownership to the Assignee and hereby requests the District to consent to an Assignment of the Lease.

Now, therefore, the parties agree as follows:

Assignment

1. Recitals. The recitals set forth in this Agreement are true and correct and are incorporated by this reference.

2. Assignment. As of the effective date referred to herein, Assignor assigns and transfers to Assignee all right, title, and interest in the Lease.

3. Effective Date of Assignment. The Assignment shall be effective on June 15, 2022, provided Tenant/Assignor is not in default under the terms of the Lease.

4. Assumption of Lease Obligations. Assignee does hereby accept the foregoing assignment and assumes and agrees to perform, full and be bound by all the terms, covenants, conditions, and obligations required to be performed and fulfilled by Assignor as Tenant under the Lease, as of the effective date, including timely payment of any and all payments due to the Landlord or payable on behalf of Tenant to Landlord under the Lease as they become due and payable. Assignee acknowledges that all terms and provisions of the Lease continue in full force and effect as to Assignee.

5. Assignor's Covenants. Assignor covenants that the copies of the Lease, attached hereto as Exhibit "A" are true and accurate copies of said documents.

6. Further Assignments. Assignee shall not further assign or transfer any interest in the Lease and/or Leased Premises except as provided in Paragraph 16 of the Lease.

7. Litigation Costs and Attorney Fees. In the event of any action or proceeding brought by either party against the other under or arising out of this Assignment of Lease, the prevailing party shall be entitled to recover all reasonable costs, expenses, expert witness expenses and attorneys' fees in such action or proceeding including costs of appeal, if any. In addition, should it be necessary for the District to employ legal counsel to enforce any of the provisions herein contained, Assignor and Assignee agree to pay all District's attorneys' fees, costs, expenses and expert witness expenses reasonably incurred.

8. Indemnification. Assignor indemnifies Assignee from and against any loss, cost, or expense, including attorney fees and court costs relating to the failure of Assignor to fulfill Assignor's obligations under the Lease, and accruing with respect to the period on or prior to the date of this Assignment. Assignee indemnifies Assignor from and against any loss, cost, or expense, including attorney fees and court costs relating to the failure of Assignee to fulfill

Assignment. Assignor states that no other assignment by Assignor exists in connection with the Lease.

9. Successors and Assigns. The Assignment shall be binding on and inure to the benefit of the parties to it, their heirs, executors, administrators, successors in interest, and assigns.

10. Governing Law. This Assignment shall be governed by and construed in accordance with California law and litigation shall be filed and prosecuted in Santa Barbara County, North County Division, State of California

11. Notices. Any notice shall be given as set forth in paragraph 16-A of the Lease to Assignee shall be sent to:

**ASSIGNOR: Shapley Living Trust
6115 Hot Springs Drive
El Dorado Hills, CA 95762**

**ASSIGNOR: R & A Rowan Trust
114 Little Currant Lane
Sneads Ferry, NC 28460**

**ASSIGNEE: Scott G. Buckley
4540 Rita Lane
Orcutt, CA 93455**

**ASSIGNEE: R & A Rowan Trust
114 Little Currant Lane
Sneads Ferry, NC 28460**

Dated: _____

**Tenant: _____
Edward Shapley (Executor)**

Dated: _____

**Tenant: _____
Arlene Rowan (Executor)**

Dated: _____

**Assignee: _____
Scott G. Buckley**

Dated: _____

**Assignee: _____
Arlene Rowan (Trustee)**

12. Consent of Landlord

The undersigned, as Landlord under the Lease, hereby consents to the foregoing Assignment of Lease dated June 9, 2022, from Shapley Living Trust & R & A Rowan Trust, Assignor, to Scott Buckley and R & A Rowan Trust, Assignee. Landlord's consent to this assignment shall in no way be deemed a waiver of its rights under Paragraph 16 of the Lease, Assignment, Subletting, and Encumbering, to prohibit assignment in future.

Dated: June 9, 2022

Approved as to content for District:

Santa Maria Public Airport District

General Manager

Carl Engel, President

Approved as to form for District:

District Counsel

Hugh Rafferty, Secretary

EXHIBIT "A"

LEASE AND AGREEMENT

Owner/Built Hangar Site

As of March 1, 2004, SANTA MARIA PUBLIC AIRPORT DISTRICT, (herein called "District"), and RICHARD O. SHAPLEY & ROBERT L. ROWAN, A Partnership, ("Tenant,"), agree as follows:

1. **Leasehold Premises.** District leases to Tenant unimproved land located on the Santa Maria Public Airport known as **Hangar Site 2**, commonly as **2997-B Airpark Drive**, in the City of Santa Maria, County of Santa Barbara, State of California, consisting of **3575 square feet**, and more particularly described on Exhibit "B" attached hereto and incorporated by this reference, subject to all existing and future easements and rights, restrictions, reservations and matters of record (the "Premises").

2. **Term.** The term of this Lease is Forty (40) years commencing on the date first above written and expiring on February 29 2044. This Lease maybe extended for two (2) additional five (5) year terms provided: (1) Tenant is not in default, and (2) Tenant delivers to District, 60 days prior to the end of each term written notice of its intent to exercise its option to extend the lease. The terms and conditions of the Lease will remain unchanged during the extension, except as provided herein.

3. **District Right to Relocate.** District reserves the right to relocate the Premises and Tenant's improvements thereon to a different location on the Airport selected by District, at District's expense at any time during the Initial Term or any Extended Term. District shall have no obligation to pay Tenant for Tenant's time or inconvenience in any such relocation or cost of relocating Tenant's personal property. Tenant shall relocate Tenant's personal property at Tenant's sole cost and expense.

4. **Rent**

a. **Monthly Rent During First Five Years.** Monthly rent for and during the first five (5) years of the term shall be the sum of **\$ 60.78**, calculated by multiplying the number of square feet leased by a factor of \$.017 per square foot per month (based on the Districts Long-term Land Lease Policy and recovery of capital cost over twenty years) ("Base Rent").

Tenant shall pay Base Rent to District in advance on the first calendar day of each month. Rent is payable without prior notice, demand, deduction or offset at District's office at 3217 Terminal Drive, Santa Maria, CA 93455, or at such other address District may direct Tenant in writing. The Base Rent shall be adjusted every five years on the anniversary of the commencement date of the Lease (the "Adjustment Date"). Adjustments, if any, shall be based upon increases, if any, in the Consumer Price Index, All Items, 1982-84 = 100, published by the United States Department of Labor, Bureau of Labor Statistics, for Los Angeles/Riverside/Orange County Area for All Urban Consumers ("Index"). The Index in publication three (3) months immediately before the commencement of the term of this lease shall be the "Base Index." The Index in publication three (3) months immediately before the then Adjustment Date shall be the "Comparison Index." As of each Adjustment Date, the monthly Base Rent payable during the ensuing five (5) year period shall be increased by a percentage

Comparison Index for any Adjustment Date is equal to or less than the Comparison Index for the preceding Adjustment Date (or the Base Index, in the case of First Adjustment Date), the Base Rent for the ensuing five-year period shall remain unchanged. When the Base Rent payable as of each Adjustment Date is determined, District shall promptly give Tenant written notice of such adjusted Base Rent and the manner in which it was computed. The adjusted Base Rent shall become the new "Base Rent" but shall not exceed five percent (5%) CPI increase per year.

b. Late Charge. Tenant acknowledges that late payment of rent by Tenant to District 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.

c. Additional Rent. The rent shall be absolutely net to District. Tenant shall pay all costs, fees, taxes, liens, interest, insurance, charges, expenses, assessments, reimbursements, maintenance and obligations of every kind and nature whatsoever relating to the Premises or the improvements to be constructed thereon that may arise or become due during the term or any extended term of, or arising out of the provisions of, this lease (Additional Rent). Tenant shall indemnify and save District harmless from and against Additional Rent. Should Tenant fail to pay any Additional Rent when due, District shall have all of the rights, powers and remedies provided for in this lease in the event of nonpayment of rent or other event of default. District shall at all times have the right (at its sole election and without any obligation to do so) to advance on behalf of Tenant any amount payable under the terms hereof by Tenant, or to otherwise satisfy any of Tenant's obligations hereunder deemed necessary to protect the interests of District under this lease. No advance by District shall operate as a waiver of any of District's rights under this lease and Tenant shall remain fully responsible for the performance of its obligations under this lease. Any sums so paid by District shall constitute Additional Rent and shall be immediately due and payable from Tenant.

5. Construction by Tenant.

a. Obligation To Construct. **THE PREMISES ARE BEING LEASED EXPRESSLY FOR THE DEVELOPMENT, CONSTRUCTION AND OPERATION BY TENANT OF AN AIRCRAFT STORAGE HANGAR FOR THE EXPRESSED PURPOSE OF STORING THE TENANT'S OWN AIRCRAFT.** Tenant leases the Premises with the obligation of constructing the Improvements together with any related or on- or off-site improvements necessitated by the development of the Premises and any subsequent improvements, at Tenant's sole cost and expense. Tenant shall construct all on and off-site improvements required herein, at Tenant's sole cost and expense, in the time and manner set forth herein. Tenant shall obtain any and all governmental approval legally required to improve or alter the Premises. Tenant shall construct the improvements free of claims against District and the Premises in compliance with the requirements set forth in Exhibit "A", entitled "Owner Built Hangar Specifications", attached,

and incorporated by this reference. **TENANT SHALL CONSTRUCT THE IMPROVEMENTS (INCLUDING THE FINISHED FLOOR) AND THE FINISHED GRADE IN ACCORDANCE WITH THE PROJECT GRADING PLAN AND THE INDIVIDUAL SITE PLAN. THE INDIVIDUAL SITE PLAN IS ATTACHED AS EXHIBIT "C" AND INCORPORATED BY THIS REFERENCE.**

b. Schedule of Improvements. Tenant shall begin construction and installation of the Improvements within six (6) months of the lease commencement. Tenant shall complete construction of the Improvements within eighteen (18) months after the lease commencement. This eighteen (18) month period may be increased by any delay due to acts of God or actions of third parties not subject to Tenant's control, not to exceed one additional year. If Tenant fails to timely begin and complete construction, District may terminate this lease after thirty (30) days' notice of its intent to terminate.

c. Indemnity Against Claims. Tenant shall keep the Premises and improvements thereon free and clear of all mechanic's liens and other liens. Tenant shall defend, indemnify and save harmless District and the Premises from and harmless against any and all liability, loss, damage, claims, costs, attorneys' fees and other expenses of any type arising out of work performed on the Premises or in easements and rights-of-way for or by Tenant, or on account of claims for liens of contractors, subcontractors, materialmen, laborers, architects, engineers or other design professionals, for work performed or materials or supplies furnished by Tenant or persons claiming under it. District shall have the right, but not the duty, to pay or otherwise discharge, stay, or prevent the execution of any judgment or lien, or both. Tenant shall reimburse District for all sums paid by District under this paragraph, together with all of District's reasonable attorneys' fees and costs, plus interest on all sums expended at the rate of ten percent (10%) per annum from the date paid by District to the date paid by Tenant.

d. Licensed Contractor. All work on the improvements shall be done by licensed and insured contractors; provided Tenant may act as general contractor for itself as long as licensed and insured subcontractors perform the work. Tenant shall provide proof satisfactory to District that all contractors carry workers' compensation insurance for anyone working on the Premises, and public liability and property damage insurance (\$1,000,000 combined single limit). District shall be an additional insured.

e. Plans and Specifications. Prior to beginning construction, Tenant shall deliver to District a set of plans and specifications of all improvements in sufficient detail to determine compliance with District's requirements for appearance, site development and for approval from various agencies responsible for issuing building permits. District shall have final approval authority and no work on site shall commence until the lease with District has been executed and District has issued a written confirmation of its approval.

f. Notice of Non-Responsibility. At least ten (10) days prior to initiation of any improvement, or delivery of any materials to the Premises, Tenant shall notify District of same in writing. District shall have the right to post and record a Notice of Non-Responsibility in accordance with Civil Code 3094.

g. Parcel or Subdivision Map. District, at its cost and expense, shall prepare a Parcel Map and file same with the City of Santa Maria identifying individual parcels that will be leased to individual tenants.

6. **Tenant's Use of Premises.** The Premises shall be used for the storage, maintenance, and repair of Tenant's aircraft and aircraft equipment and for no other purpose.

a. **Permitted Uses.**

i. Indoor storage of aircraft registered in the Tenant's name. The Tenant must be the owner of the improvements (hangar) on the Premises;

ii. Indoor storage of automobiles while the aircraft is being operated outside the hangar;

iii. Indoor storage of equipment and tools used for preventive maintenance, construction or restoration of the aircraft stored on the Premises;

iv. Maintenance, construction and restoration of an aircraft as described in FAR Part 43, Appendix A, or under the direct supervision of a mechanic properly and appropriately certified by the Federal Aviation Administration; and

v. As long as at least one aircraft stored on the Premises is registered to Tenant, other non-owned aircraft may be stored on the Premises, subject to the provisions of Section 16, Assignment.

b. **Specific Prohibited Uses.** Tenant shall not use or permit use of the Premises, or any portions thereof, for any of the following prohibited purposes or uses:

i. Use any portion of the Premises contrary to or in violation of the directives, rules or regulations of the District as they exist now or in the future.

ii. Store any property outside of the hangar on the Premises.

iii. Store hazardous or toxic materials in quantities greater than ten (10) gallons, except with a safety plan approved by the City of Santa Maria Fire Department and after issuance of appropriate permits.

iv. Any use, activity or improvement which will generate smoke affecting aircraft visibility or attract large concentrations of birds or which may otherwise affect safe air navigation.

v. Any use or activity which would interfere with or create a hazard to the operation of the Airport or aircraft.

vi. Spray painting, except spray painting of aircraft in an approved paint booth.

vii. Any residential use.

viii. Any trade, profession, business or commercial use, enterprise or activity, except approved subleases for aircraft storage.

ix. Storage of jet or aviation or other fuel on the Premises, other than inside fuel tanks of aircraft stored on the Premises or vehicles temporarily parked on the Premises.

x. Place any signs without District's prior written approval.

7. **Nuisance or Unlawful Uses.** Tenant shall not commit waste, including environmental contamination, nuisance or unlawful activity on the premises nor shall Tenant permit others to commit waste, nuisance or unlawful activity on the premises.

8. **Alterations and Improvements.**

a. Tenant shall make no alterations, additions or improvements on the Premises or otherwise at the Airport without District's prior written consent, except interior, non-structural alterations or improvements. District specifically reserves the right to approve the exterior appearance of the improvements throughout the term of the Lease. All alterations, additions or improvements made by Tenant at the Airport shall be Tenant's property during the term of the Lease. Tenant shall remove all fixtures and improvements, including slabs and foundations, and cap all utilities, at Tenant's expense, at expiration or termination of the Lease, unless directed otherwise in writing by District. District may, at District's sole option, elect that the slab and foundation shall remain on the Premises at expiration or termination. The slab and foundation shall thereafter become District's property without any payment to Tenant. Tenant shall restore District's property to at least its former condition as when received and repair any damage resulting from any removal.

b. Should Tenant fail to remove the improvements at the expiration or termination of the Lease, District may, at its option, remove the improvements, at Tenant's expense, or the improvements shall become District's property, without payment to Tenant, free and clear of all liens and encumbrances. Tenant shall indemnify and hold District harmless from and against any liens or encumbrances.

9. **Tenant's First Right to New Lease of Premises.** If, within six (6) months prior to the expiration of the term of this Lease, District elects to enter into a new lease of the Premises for aircraft storage purposes, then District shall first negotiate with Tenant the terms and conditions of a new lease for said Premises before offering the Premises to anyone else.

10. **Holdover.** If Tenant holds over beyond the term or extended term with the consent of District, such tenancy shall be from month to month subject to the terms and conditions of this Lease. Holdover shall not be renewal of this Lease. The monthly Base Rent shall be the monthly Base Rent due immediately prior to the holdover, increased by any increase in the Index defined in Section 4, since the last rent adjustment, unless otherwise agreed in writing by both parties.

11. **Repairs and Maintenance.**

a. Tenant shall, at Tenant's sole cost and expense, keep and maintain the Premises and all improvements thereon in first class condition and repair at all times in accordance with all applicable laws, rules, ordinances, orders and regulations of any governmental agency or body having jurisdiction. Tenant shall keep the Premises, at Tenant's expense, clean and free from litter, garbage, refuse and debris at all times. Tenant shall take reasonable measures to protect the Leased Premises and airport from infestation of birds, insects, rodents and other pests. Tenant shall comply with all reasonable orders and instructions of District's General Manager in the use of the Leased Premises, which the General Manager deems to be in the best interest of the District, the public or users of the Airport, or for their safety and welfare.

b. If Tenant fails to maintain or make repairs as required herein, District shall have the option, but not the obligation, of making necessary corrections after a reasonable written notice from District of its intent to do so. All costs incurred by District in making said corrections, including but not limited to the cost of labor, materials, equipment and administration, shall be Additional Rent, and Tenant shall pay the same within fifteen (15) days of receipt of a statement of District's costs. District may, at its option, choose other remedies available herein as allowed by law.

12. **Tenant Obligations.** Tenant shall:

a. Comply with the rules, regulations and directives of the District related to the use of the Airport and its facilities, including the owner-built hangar sites.

b. Comply with, at Tenant's expense, all laws, regulations, ordinances and orders of federal, state and local governments as they relate to Tenant's use of Tenant's aircraft or Tenant's use or occupation of the Premises, the Airport or Airport facilities.

c. Furnish District with a copy of the registration certificate: (i) for each aircraft to be stored on the Premises prior to commencement of the Lease; (ii) after commencement of the Lease, within ten (10) days of acquiring a different or additional aircraft, or subleasing to a non-owned aircraft; and (iii) immediately after District's written request for such a copy at any other time.

d. Provide annual proof, to District's reasonable satisfaction, that the aircraft registered to the Tenant is in fact stored on the Premises. If an experimental aircraft is being constructed on the Premises, provide annual proof, to District's reasonable satisfaction, of reasonable progress towards completion.

e. When the aircraft is in operation out of the hangar, park all vehicles inside the hangar.

13. **Utilities.** District shall have no responsibility to provide water, utility service or extensions of any kind to the Premises, and any such water, utility service or extension by Tenant shall be at Tenant's sole cost and expense after consent by District as provided in Paragraph 8 herein. District will provide electrical and telephone conduit to each lot. Tenant is responsible to provide wiring. District has a 4-inch sewer lateral available to certain lots (2995a and b, 2997a and b, 2987a, b, c and d, and 2989 a, b, c and d, Airpark Drive). If Tenant is

leasing one of those lots, Tenant may, at Tenant's cost, extend piping and obtain a meter from the City of Santa Maria for water. Tenant shall extend the utilities, as needed, separately meter each utility and pay all utility service charges.

14. **Indemnification.** Tenant shall investigate, protect, defend (with counsel reasonably acceptable to District) indemnify and hold harmless District, its directors, officers, employees, agents and representatives, and the Premises (collectively "District") at all times from and against any and all liability, proceedings, liens, actions, penalties, liabilities, 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 "Liability or Loss") arising out of or in any way connected with: the acts or omissions of Tenant or any subtenant, or their officers, agents, employees, or guests (collectively "Tenant"); or Tenant's operations on, or use or occupancy of, the Premises or the Santa Maria Public Airport. The foregoing indemnification excludes only Liability or Loss caused by the sole active negligence of District or its willful misconduct. Tenant shall also indemnify and hold District harmless from and against any Liability or Loss, including third party claims, environmental requirements and environmental damages (as defined in Exhibit "D", Hazardous Material Definitions) costs of investigation and cleanup, penalties, fines, and losses (including, without limitation, diminution in property value of the 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 "D") which occurs in, on or about the Premises as the result of any of Tenant's activities on the Premises. Tenant shall notify District immediately of any Release of any toxic or hazardous material on the Premises or Airport.

15. **Insurance**

a. Tenant shall procure and maintain during the term of this Lease and any extensions, general liability insurance to protect against bodily injury, including death, products, and personal/advertising injury liability; contractual liability; liability for damages through the use of or arising out of accidents occurring on or about the Premises, or arising out of any act of Tenant, or caused by the neglect or misconduct of the Tenant in a minimum amount \$100,000.00 combined single limit for bodily injury and property damage per person and \$250,000.00 per occurrence combined single limit for bodily injury and property damage.

b. The policies shall name District as an additional insured and shall provide that Tenant's insurance will operate as primary insurance and District's insurance will not be called upon to contribute to a loss covered by this paragraph or the indemnification provisions of this Lease. Tenant shall require the insurer to notify District in writing, at least thirty (30) days prior to cancellation, modification or refusal to renew such policy. All policies shall be issued by companies admitted and licensed to do business in California and having a Best's rating of "A". Tenant shall provide District with a current insurance certificate issued by the insurer. The types, coverage, form and liability limits of insurance may be changed or increased by District's Board of Directors after giving Tenant at least ninety (90) days' prior written notice.

16. **Assignment**

a. Tenant shall not assign, transfer, mortgage, encumber or grant control of this Lease or any interest, right or privilege herein, or sublet a portion of the leased premises without the prior written consent of District. District's consent shall not be unreasonably withheld for an assignment or transfer to Tenant's spouse, child(ren), sibling(s) or parent(s). The assignee, transferee, mortgagor, or other person acquiring an interest in the Lease shall agree in writing to be bound by all terms and conditions of the Lease. A sublease of the entire Premises is expressly prohibited and void and, at the option of District, shall terminate the Lease. The Premises must be occupied by the person who owns the improvements (hangar) and owns an aircraft stored on the Premises. Tenant's interest in this Lease is not assignable by operation of law. To prevent speculation in the construction and resale of hangars, if Tenant wishes to assign, transfer, sell or grant control of this Lease and/or the improvements thereon, and District approves, the approval will be conditioned on Tenant paying to District a transfer fee equal to the following:

- i. During the first year after occupancy, the sum of \$15,000;
- ii. During the second year after occupancy, the sum of \$10,000;
- iii. During the third through fifth years of occupancy, the sum of \$5,000;

provided, no transfer fee shall be required if Tenant assigns or transfers the Lease to Tenant's spouse, child(ren), sibling(s) or parent(s).

b. Subject to the District's General Manager's prior written consent, Tenant may sublet a portion, but not all, of the Premises for storage of aircraft owned by another. District's General Manager's consent may be conditioned on:

i. Ongoing proof that at least one (1) aircraft stored in the hangar is owned by and registered to Tenant.

ii. Each subtenant has a written sublease incorporating the terms and conditions of this Lease.

iii. Ongoing proof that at least one (1) aircraft stored in the hangar is owned by and registered to subtenant.

iv. Tenant shall notify District in writing within ten (10) days of any storage of non-owned aircraft with such identifying information as District requests, together with the written sublease for District consent.

v. Tenant shall pay any sublease rent to District which is in excess of the sublessee's pro rata share, based on per square foot occupancy, of: the rent charged under this Lease, utilities, taxes, insurance, maintenance and Cost of the Improvements (amortized at eight percent (8%) over twenty (20) years). The "Cost of Improvements" is defined as the amount paid by Tenant for constructing the slab, foundation, utility extensions, hangar and other improvements made by Tenant to the Premises, including engineering and design fees, prior to occupancy by Tenant.

vi. No District owned hangars are available for lease in the near future.

17. **Taxes, Licenses and Permits.** Tenant shall pay before delinquency any and all taxes, (including real property and possessory interest taxes, assessments, fees or charges) which may be imposed, levied or assessed upon any leasehold or possessory interests of Tenant, or Tenant's occupancy of the Premises, and personal property, structures, improvements or fixtures owned, controlled or installed by Tenant. Tenant acknowledges that by entering into this lease, a possessory interest, subject to taxation, may be created. Tenant agrees to pay all such taxes. Tenant shall also 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 operations.

18. **District's Remedies on Tenant's Breach.** In the event Tenant fails to pay rent when due, abandons or vacates the Premises, or is in default under any provision of this lease, District may terminate this lease and resort to the rights and remedies provided by the laws of the State of California, as well as the following cumulatively or in the alternative remedies:

a. District may recover from Tenant on terminating the Lease damages proximately resulting from the breach, including the cost of recovering the premises and the value of the premises for the remainder of the Lease term, less any rent received by District from subleases or reletting of the Premises, which sum shall be immediately due District from Tenant.

b. Tenant assigns to District all subrents and other sums falling due from subtenants, up to the amounts due District under this Lease during any period in which Tenant is in default. District may, at District's election, re-enter the Premises and improvements with or without process of law, with or without terminating this Lease, and either or both collect these sums or bring action for the recovery of the sums directly from such obligors, or both.

19. **Nondiscrimination.** Tenant will not discriminate or permit discriminations against any person or class of persons by reason of race, color, creed, sex or national origin in any such manner prohibited by Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, or as the regulation may be amended from time to time.

20. **Right of Entry.** District and City of Santa Maria and authorized agents of each shall have the right to enter the Premises for any reasonable purpose upon twenty-four (24) hours' oral or written notice, and at any time without notice in case of any emergency.

21. **Miscellaneous**

a. Notices shall be written and delivered personally to the person to whom the notice is to be given or mailed postage prepaid, addressed to such person. District's and Tenant's addresses for this purpose are:

District: Santa Maria Public Airport District
3217 Terminal Drive

Santa Maria, CA 93455

Tenant:	Name	RICHARD O. SHAPLEY	ROBERT L. ROWAN
	Address	260 ROBLES ROAD	226 S. ALPINE
	City, State & Zip Code	ARROYO GRANDE, CA	ARROYO GRANDE CA 93420
	Phone	93420 805-474-9047	805-489-5099

Either party may change its address for such notice by giving written notice of such change to the other party. Notice shall be deemed delivered at time of personal delivery or 48 hours after deposit in any United States Post Office or mailbox.

b. District's waiver of breach of one term, covenant or condition of this Lease is not a waiver of breach of others nor of subsequent breach of the one waived. District's acceptance of rent installments after breach is not a waiver of the breach. Any waiver by District must be in writing and signed by District.

c. This Lease and its terms, covenants and conditions apply to and are binding upon and inure to the benefit of the heirs, successors, executors, administrators and assigns of the parties hereto.

d. Time is of the essence herein.

e. The prevailing party shall recover from the non-prevailing party reasonable attorney's fees and costs in the event any legal action or proceeding between District and Tenant arises in connection with this Lease.

f. No prior and contemporaneous conversations, negotiations, possible and alleged agreements concerning the subject matter hereof, other than those referred to herein, are merged herein. This is an integrated agreement. Any modification of this Lease must be agreed upon in writing by every Party to this Lease.

g. If any provision of this Lease is determined to be invalid or unenforceable, the remaining provisions shall continue to operate to the extent possible.

h. This Lease shall be construed in accordance with the laws of the State of California.

i. This Lease is deemed to have been drafted by the Tenant and District.

j. The parties executing this Lease represent they have appropriate authority.

k. Unless stated otherwise herein, no real estate brokers have been involved in this Lease and no real estate broker commissions or fees are due or owed from District.

l. In any real estate transaction it is recommended that you consult with a professional.

22. **Federal Aviation Administration Rider Attached.** The provisions of the FAA Rider attached hereto as Exhibit "E", consisting of four pages, are incorporated herein and made a part hereof.

23. **FAA Approval.** This Lease is made subject to any approval of the Federal Aviation Administration which may be required.

24. **Surrender and Site Assessment.** Tenant shall, on expiration or sooner termination, surrender to District the Premises in the same or better condition as when received, normal wear and tear, damage by acts of God or by the elements excepted.

At District's option, exercised by written notice to Tenant, within thirty (30) days of expiration or sooner termination of this Lease, Tenant shall, at Tenant's sole cost and expense, cause to be conducted a site assessment of the Premises to confirm that the Premises are free of any hazardous material or contamination. The nature and extent of the site assessment and the selection of the person performing the site assessment and certification shall be approved by District. The Premises shall be certified to be free of any hazardous material or contamination by a person certified by the appropriate governmental agency to conduct such site assessments. Any contamination or environmental damage on the Premises or originating on the Premises and migrating off the Premises shall be remediated by Tenant to meet or exceed the strictest governmental standards or requirements and to District's reasonable satisfaction. Tenant shall be responsible for all remedial investigation and remediation, including submission and approval of the remediation closure plan.

25. **Damage or Destruction.** In the event the improvements are damaged or destroyed, Tenant may, at its option, either (1) continue paying rent and restore the improvements to their former condition and appearance, within a reasonable period of time, not to exceed one hundred eighty (180) days from the date of damage or destruction; or (2) terminate the Lease by thirty (30) days' written notice to District, remove the remaining improvements, and restore the Premises to their same or better condition as when received.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement or caused it to be executed as of the day, month and year first above written.

Dated: February 26, 2004

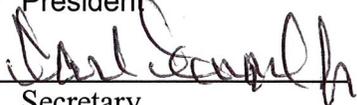
DISTRICT:

APPROVED AS TO CONTENT:

SANTA MARIA PUBLIC AIRPORT DISTRICT


General Manager

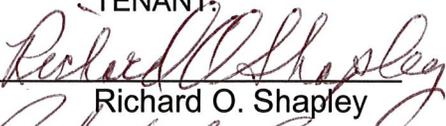
By: 
President

By: 
Secretary

APPROVED AS TO FORM:

TENANT:


District Counsel


Richard O. Shapley

Robert L. Rowan

EXHIBIT "B"

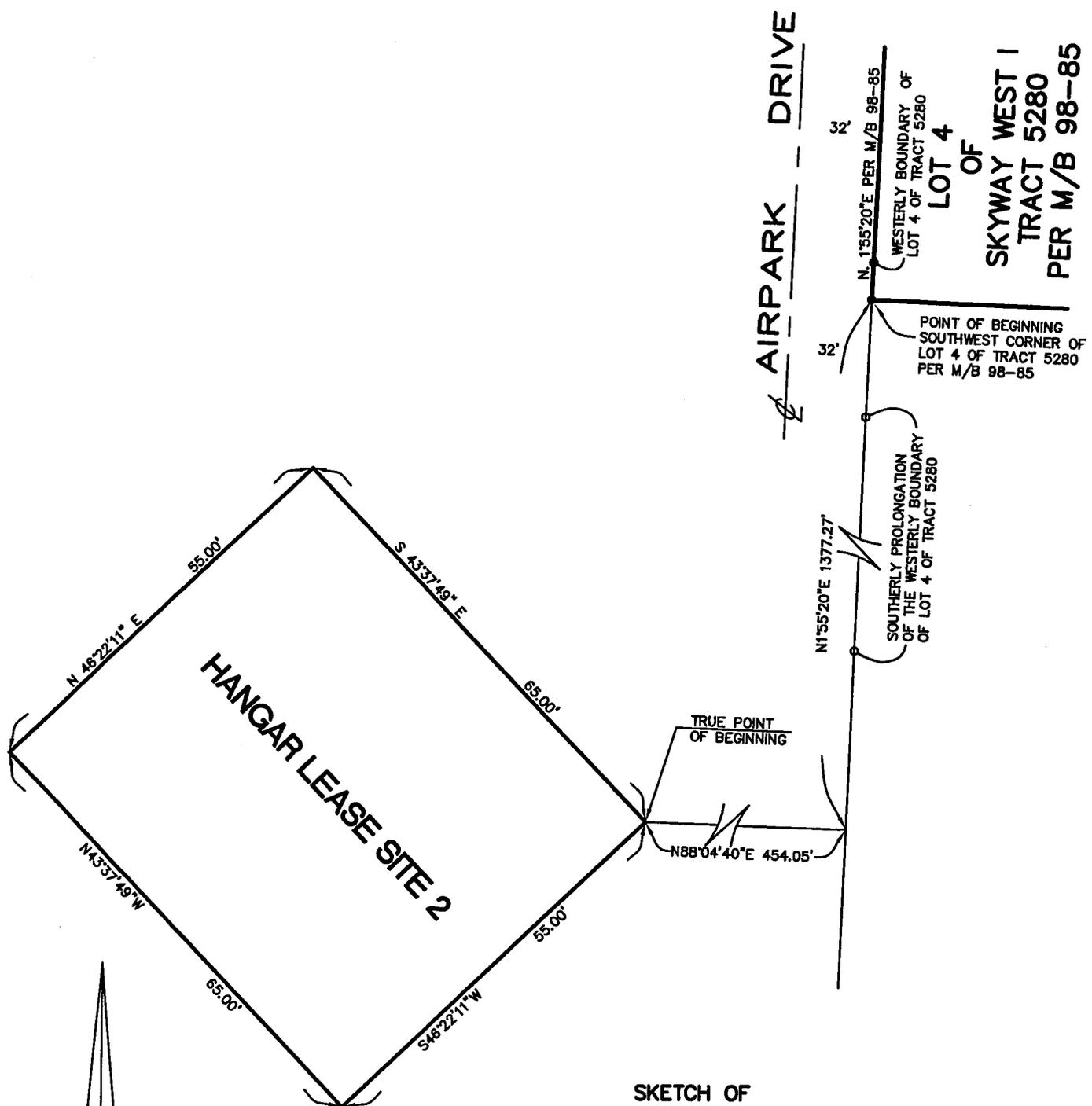
LEASE DESCRIPTION FOR HANGAR SITE 2

THAT PORTION OF THE WESTERLY HALF OF SECTION 34, TOWNSHIP 10 NORTH, RANGE 34 WEST, SAN BERNARDINO MERDIAN, IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 4 OF "SKYWAY WEST I TRACT 5280" RECORDED AS MAP BOOK 98, PAGES 85 AND 86, RECORDS OF THE COUNTY OF SANTA BARBARA, IN THE CITY OF SANTA MARIA, STATE OF CALIFORNIA; THENCE SOUTH $1^{\circ} 55' 20''$ WEST 1377.27 FEET ALONG THE SOUTHERLY PROLONGATION OF THE WESTERLY BOUNDARY OF SAID LOT 4 TO A POINT; THENCE NORTH $88^{\circ} 04' 40''$ WEST 454.05 FEET TO THE **TRUE POINT OF BEGINNING**; THENCE SOUTH $46^{\circ} 22' 11''$ WEST 55.00 FEET; THENCE NORTH $43^{\circ} 37' 49''$ WEST 65.00 FEET; THENCE NORTH $46^{\circ} 22' 11''$ EAST 55.00 FEET; THENCE SOUTH $43^{\circ} 37' 49''$ EAST 65.00 FEET TO THE **TRUE POINT OF BEGINNING**.

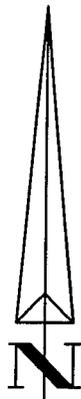
0313 HANGAR SITE 2 - 2/19/04 4:46 PM

E:\aaa-land projects\3\2003\0313 BUILD YOUR OWN HANGAR\dwg\LOT GRADING PLAN.dwg, 02/19/04 03:26:19 PM, 1:60



SKETCH OF
HANGAR LEASE SITE 2
2997-B AIRPARK DRIVE

BEING A PORTION OF THE WESTERLY HALF
 OF SECTION 34, TOWNSHIP 10 NORTH, RANGE 34
 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY
 OF SANTA MARIA, COUNTY OF SANTA BARBARA,
 STATE OF CALIFORNIA



SCALE: 1"=20'



EXHIBIT "B"

PREPARED BY:

SKYWAY ENGINEERING, INC.
 3130 SKYWAY DRIVE-SUITE 305
 SANTA MARIA, CA 93455(805)928-1221

Owner build Hangar Specs

Hangar Type: Steel Pre-fabricated Rectangular Hangar building

Maximum hangar size to fit: Plot A (45 feet x 50 feet)-40 feet x 45 feet hangar
Plot B (55 feet x 65 feet)-50 feet x 60 feet hangar

Structure must be 2.5 feet from property line

	60'x50' Hangar	45'x40'
Eave Height	18'	14'
Hangar Skin Gauge	26 GAUGE	26GAUGE
Doors (see below)	See below	See below

Door options: Door cannot intrude on adjoining property

- Bi-fold
- Stacking
- Roll inside hangar
- Roll up

Skylights: Interior natural lighting to be provided by wall or door panels only. Minimum standard for skylight material is 8 ounces per square foot.

Roof: Low profile ridge line perpendicular to taxilane
Slope 1"rise for each 12 inches of horizontal run
Panels shall overlay outside walls a minimum of 4"
Roof to slope to side of hangar
Gutters installed along side edges, downspouts at front corners (gutters and downspouts comprised of same material and same paint color)

PREFABRICATED METAL BUILDINGS

- a. Prefabricated metal building types, conforming to the drawings with indicated dimensions and specified requirements.
- b. Preliminary requirements to the work as follows.
 1. Design calculations, record drawings, shop and erection drawings.
 2. Obtaining building permits (fees paid by Owner builder).
 3. Field measurements and verification of existing field conditions prior to any building work.
 4. Coordination and cooperation with work of other trades.
- c. Prefabricated metal building assembly and field erection of components complete and inclusive with listings as follows.
 1. Structural steel and miscellaneous metal, including anchor bolts and other anchorage embedded in concrete.
 2. Light gauge steel members, roofing and siding.
 3. Cold formed members.
 4. Hangar doors, hardware and locking hasp and staple.
 5. Confirm location of anchors and embedded items.
 6. Flashing and trim members.

7. Gutters and downspouts.
8. Factory finish on galvanized metal surfaces.
9. Factory panel painting.
10. All accessories, closures and hardware required for a complete installation.
11. Closures, caulking, sealants and waterproofing as required for a complete weathertight installation.
12. Twenty (20) year bonded guarantee on roof and wall panel finish.

QUALITY ASSURANCE

- a. Fabricator/erector qualifications: Firm with successful experience in design, engineering, construction and erection of buildings similar to those erected around Santa Maria Public Airport.
- b. Design Criteria: Design and engineer buildings to comply with Codes applicable at the building site. Obtain building permits for work of this Section before starting fabrication. Building shall be in accord with MBMA and AISC standards.

REFERENCE SPECIFICATIONS AND STANDARDS

- a. Provide work conforming to latest edition of the City of Santa Maria Building Code, and comply with pertinent recommendations of the manufacturer of the approved Prefabricated Metal Buildings Systems.
- b. American Society for Testing and Materials (ASTM) as referenced herein.

SUBMITTALS

- a. Shop and erection drawings. Contractor shall submit shop and erection drawings to the City of Santa Maria Building Department for the purpose of the Contractor obtaining approval of building permit and for checking by the District Engineer.
- b. Shop and erection drawings required for building permit purposes shall be identified by the Contractor as shop and erection drawings. Contractor shall submit shop and erection drawings as well as such other drawings as may be required by the Building Department of the City of Santa Maria, Community Development Department, for issuance of building permit. Drawings shall include but will not necessarily be limited to the following:
 1. Foundation plans showing construction joints; foundation details; allowable soil pressure; loads; anchor bolts; etc.
 2. Plans and details for grade beams and concrete flooring.
 3. Framing plan showing typical sections and connection detail, eave condition, diagonal bracing, purlin, beam, and column layout.
 4. Floor plan showing interior partitions, operation of sliding hangar doors (in open and closed position) and other pertinent information.
 5. Exterior elevations and floor elevations.
 6. Roof framing and bracing plan.
 7. Electrical plan.
 8. Miscellaneous details such as: Hangar door construction, including locking devices, cane bolts, door stops and other accessories. Hangar door restraint in all

positions. Spacing details of continuous members. Typical high rib wall and roof panels. Roof and wall panel fasteners. Typical purlin details and connections. Ridge and rake details. Exterior and interior base details.

9. Engineering calculations: The Contractor shall furnish to the City Building Official three (3) copies of complete engineering calculations signed by a Structural Engineer or Civil Engineer registered in the State of California. The calculation shall accompany the drawings described above, as applicable. Shop and erection drawings shall bear the signature of a California registered Civil or Structural Engineer.

10. Revisions: Any and all revisions to the drawings required by District and by the City Building Official to obtain building permits shall be performed at no additional cost to the District.

FIELD MEASUREMENTS

Before starting work, secure field measurements pertaining to or affecting the work of this section, and verify the locations and exact positions of anchor bolts.

DESIGN LOADS

Except as stipulated otherwise, the design loads for each Prefabricated Metal Building shall be in accordance with City of Santa Maria Building Codes, latest edition. Building shall withstand wind loads with doors opened or closed.

Materials

Flange material for built up sections - minimum yield stress of 50,000 psi

Web material for built up sections - minimum yield stress of 36,000 psi

Cold-formed structural members - steel having a minimum yield stress of 50,000 psi

High tensile bolts - electrogalvanize plated followed by supplementary gold di-chromate treatment applied by the dip process

Machine bolts – same as above

Galvanized steel - zinc coating shall be 1.25 ounces per square foot

Diagonal brace rods – steel, galvanized 7 wire strand extra high strength grade with a minimum guaranteed proof load.

Exterior wall and roof covering - prime, hot dip, galvanized steel not less than 26 gauge.

Zinc coating - 1.25 ounces per square foot

Panel high ribs - not less than 1¼" minimum depth

(Top and bottom of panel must be filled with foam closer strips.)

Fasteners

- a. Roof fasteners - Stair. s Steel No. 14 X 3/4" long self-tapping bolts *or* Stainless Steel No. 12 self-drilling bolts. A sealing washer of 1/8" thick neoprene appropriate diameter shall be provided at each bolt.
- b. Roof Lap. Roof lap fasteners - No. 10 X 1/2" long self-tapping bolt
- c. The No. 10 bolt shall be stainless steel and shall be furnished with a 5/16" hexagonal head. Washer shall be integral with the head and shall be 1/2" diameter. Bolt shall have a type "A" point. The fastener shall be installed at one-third points between purlins.
- d. Wall fasteners for color walls. Wall panel fasteners for color walls shall be No. 14 X 3/4" self-tapping bolts or No. 12 self-drilling bolts, with a tough thermo-plastic nylon resin 7/16" or greater hexagonal head, colored to match the panel color. The nylon head shall have a flared flange to act as self-sealing washer, a tapered outer edge, and a molded inner ring on a recessed undersurface to provide a double seal. The No. 14 X 3/4" bolt shall have a Type "A" point and shall be manufactured from material meeting AISI No. C-1018. The bolt shall be plated with .0005" thickness zinc coating, and a chromate finish. The fastener shall be installed in the flat of the panel at 1'-0" spacing at intermediate points. Panel ends to be bolted at 6" nominal spacing.
- e. Wall fastener for galvanized partitions shall be a No. 14 X 3/4" self-tapping bolt or No. 12 self-drilling bolts. The bolts shall be cadmium plated and shall be furnished with a 3/8" or larger hexagonal head. The washer shall be separate and shall be 5/8" or larger diameter. The bolt shall have a Type "A" point. The bolt shall be manufactured of material meeting AISI No. C-1018. The bolt shall be plate with zinc plating of .00075" thickness and coated with clear chromate dip. The fastener shall be installed in the flat of the panel at 1'-0" intermediate spacing, and at 6" spacing (nominal) at panel ends.
- f. Wall panel lap fasteners shall be 1/8" diameter blind rivets colored to match the panel color. The fastener shall be installed at one-third points between girts. Blind rivets *shall be stainless steel.*

Mastic:

- a. Standard mastic shall be preformed bead type meeting or exceeding Military Specification MIL-C-18969, Type 2 Grade B.
- b. At roof side laps, a permanently pliable three thirty seconds by one half inch preformed bead of mastic shall be placed on the under lapping rib in a bead of constant cross section to insure continuous contact of the mastic with the upper and lower panels.

Base Angle:

- a. Base angle for exterior perimeter of building shall be a roll formed section, shaped such that panel fasteners at base are not exposed to the interior of building.
- b. Base angle shall be 18 gage material preprinted

Conforming ridge caps, which are required, per standard of manufacturer, shall be not less than 26 gauge, hot dip galvanized steel with not less than 1.25 ounces of zinc per square foot of surface. Ridge cap shall have factory painting to match roof panels. **Conforming three foot ridge caps which match the panel configuration and the roof pitch are required.**

Concrete Foundations and Slab Floors.

a. Concrete Foundations

P.C. concrete with 15% flyash replacement by weight of cement of type I.P. & P. Permanente Portland-Pozzolan cement meeting ASTM C595 with 15% by weight or Port Costa 1/4" X 8 mesh light weight aggregate as produced by Kaiser Sand and Gravel Co., Santa Maria plant and minimum 28 day strength of 3000 psi shall be used. Provide mix design by state certified laboratory for approval 5 days prior to beginning any concrete work. Install in accord with approved foundation plan. Slump shall not exceed 3" for foundations.

b. P.C. Concrete Floor Slabs

1. P.C. concrete with 15% flyash replacement by weight of cement of type I.P. & P. Permanente Portland-Pozzolan cement meeting ASTM C595 with 15% by weight or Port Costa 1/4" X 8 mesh light weight aggregate as produced by Kaiser Sand and Gravel Co., Santa Maria plant and minimum 28 day strength of 3000 psi shall be used. Provide mix design by state certified laboratory 5 days prior to any desired use for review and approval. Slump shall not exceed 4".

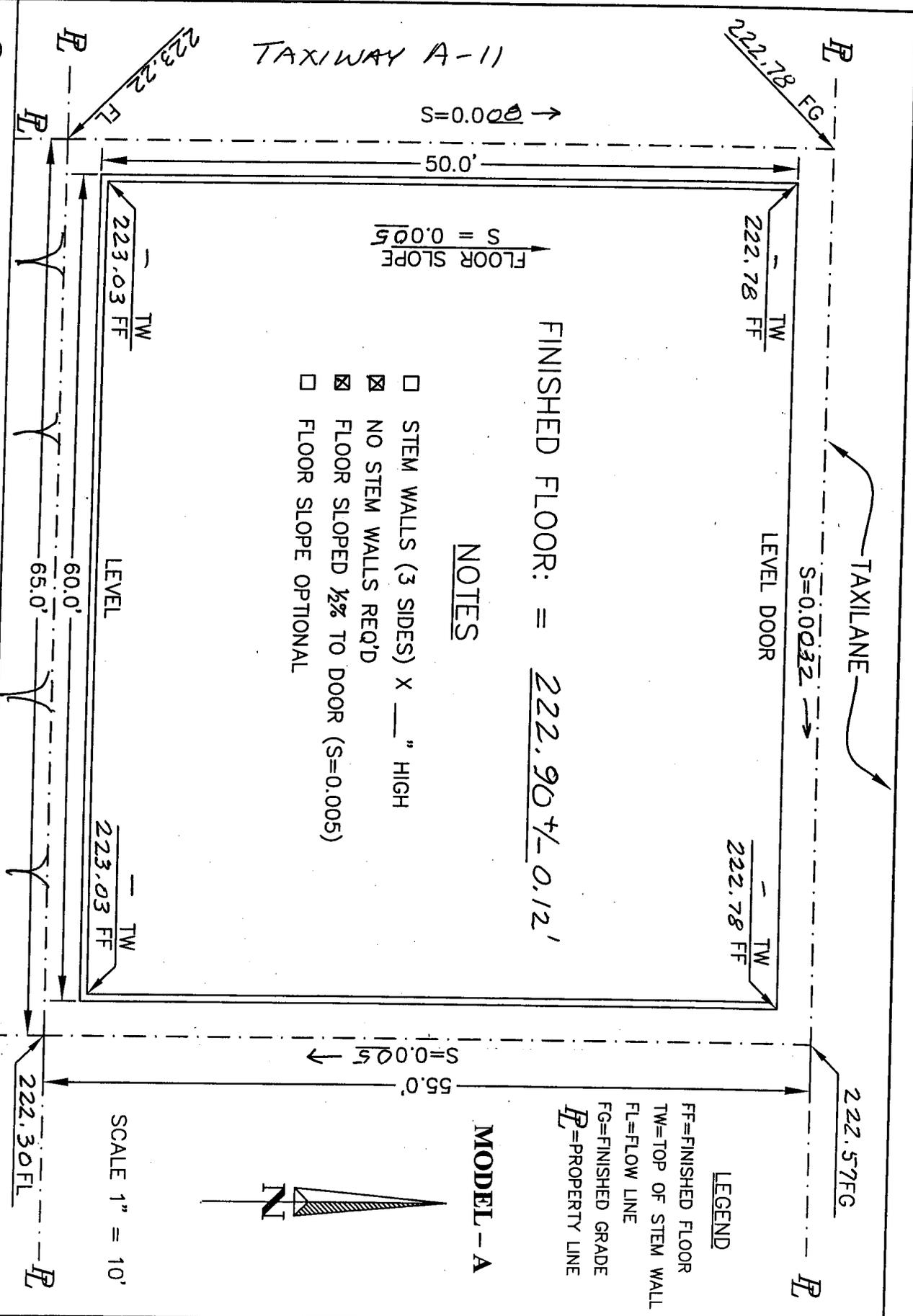
Contraction Joints

Determined by size of slab using ratio of 2.5 times thickness of slab measured in feet.

Lease Site:

Entire site must be covered with impermeable material. If site is not fully paved, suitable material must be approved by General Manager.

All drainage must flow to taxilane in front of hangar.



TAXIWAY A-11

S=0.000 →

FLOOR SLOPE
S = 0.005 →

TAXI LANE
S=0.0032 →

FINISHED FLOOR: = 222.90 +/- 0.12'

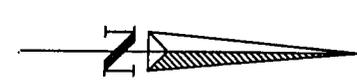
NOTES

- STEM WALLS (3 SIDES) X ___ " HIGH
- NO STEM WALLS REQ'D
- FLOOR SLOPED 1/2% TO DOOR (S=0.005)
- FLOOR SLOPE OPTIONAL

LEGEND

- FF=FINISHED FLOOR
- TW=TOP OF STEM WALL
- FL=FLOW LINE
- FG=FINISHED GRADE
- F=PROPERTY LINE

MODEL - A



SCALE 1" = 10'

SANTA MARIA PUBLIC AIRPORT DISTRICT
3217 TERMINAL DRIVE SANTA MARIA, CA 93465

LOT #
2

ADDRESS:
2997-B

EXHIBIT
C

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 biphenols (PCBs), asbestos or urea formaldehyde foam insulation; or

(viii) without limitation radon gas.

EXHIBIT "D"

John D-1
CE
P.H.K.

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:

JFK D-2
K. L. F. C. E.
[Signature]

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.

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D-3
F.H.R. CE 

EXHIBIT "E"

RIDER

Rider to the Owner/Built Hangar Site Lease and Agreement dated February 26, 2004, and commencing March 1, 2004 herein called "Lease & Agreement") between Santa Maria Public Airport District (herein called "District") and Richard O. Shapley & Robert L. Rowan, A Partnership, (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 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.

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R.L.R.

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.

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R.H.R.

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.

E-3
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R.L.B.

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.

A handwritten signature in blue ink, appearing to be "J. K. S.", is written over the page number "E-4".

SIXTH AMENDMENT OF LEASE

Re: Land Lease dated July 14, 1994, between SANTA MARIA PUBLIC AIRPORT DISTRICT and CITY OF SANTA MARIA, covering land on the southeast corner of Blosser Road and Foster Road at Santa Maria Public Airport.

The undersigned, SANTA MARIA PUBLIC AIRPORT DISTRICT, ("District") and CITY OF SANTA MARIA ("Tenant") do hereby agree to amend the above-referenced Lease, effective July 22, 2022, as follows:

1. Extension of Term. District grants Tenant a one (1) year extension of the Lease, commencing July 22, 2022, and expiring on July 21, 2023, unless sooner terminated. No options to extend are granted; any additional extension of this Lease shall be by mutual agreement of the parties only.

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

Dated: June 9, 2022

Approved as to content for District

SANTA MARIA PUBLIC AIRPORT DISTRICT

General Manager

By: _____
Carl Engel, President

Approved as to form for District

By: _____
Hugh Rafferty, Secretary

District Counsel

TENANT- CITY OF SANTA MARIA

By: _____
Jason Stilwell, City Manager

SIXTH AMENDMENT OF GROUND LEASE

RE:THIS GROUND LEASE, dated May 31, 2012, is made and executed by and between SANTA MARIA PUBLIC AIRPORT DISTRICT, a public district of the State of California (herein called "District") and the SANTA MARIA KARTING ASSOCIATION, a non-profit California corporation, (herein called "Tenant").

The undersigned SANTA MARIA PUBLIC AIRPORT DISTRICT ("District") and SANTA MARIA KARTING ASSOCIATION ("Tenant") do hereby agree to amend the above-referenced Lease as follows:

- 1. Extension of Term. The term of the Ground lease is extended for 3 additional years, now expiring May 31, 2025.
- 2. Rent.
 - (a) Beginning July 1, 2022, Tenant agrees to and shall pay to District as rent for the leased premises \$7,458 for annual usage of no more than 1,550 hours, payable in 12 equal monthly installments on or before the 15th day of each month. For any hours in excess of the 1,550 initially set forth, Tenant shall purchase additional usage in 100-hour block increments in the amount of \$425 per block. In addition, should Tenant desire to conduct a karting association event used by more than 250 people at one time, then Tenant shall pay District an event fee of \$150 per day.
 - (b) Payment. Rent is payable without prior notice or demand, or without deduction or offset at District's office at 3217 Terminal Drive, Santa Maria, California 93455 or such other address as District may direct Tenant in writing.

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

Dated: June 9, 2022

SANTA MARIA PUBLIC AIRPORT DISTRICT

Approved as to content for District:

General Manager

By: _____
Carl Engel, President

Approved as to form for District:

By: _____
Hugh Rafferty, Secretary

District Counsel

TENANT:

Santa Maria Karting Association

REVOCABLE PERMIT AGREEMENT
BANNER TOWING

THIS REVOCABLE PERMIT AGREEMENT, (herein called "Agreement") entered into this 1st day of June 2022;

BY AND BETWEEN

SANTA MARIA PUBLIC AIRPORT DISTRICT, a public airport district organized pursuant to Public Utilities Code Sections 22001, et seq., hereinafter referred to as "District";

and

CENTRAL COAST TECHNOLOGY, INC., DBA: CLOUD NINE AERIAL ADVERTISING hereinafter referred to as "Permittee";

WITNESSETH

WHEREAS, District is the owner of the Santa Maria Public Airport ("Airport"), which airport is located in the City of Santa Maria, County of Santa Barbara, California; and

WHEREAS, Permittee desires to use portions of said Airport at various times throughout the year from June 1, 2022 through May 31, 2023 for the purpose of preparing for and conducting banner towing; and

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and promises contained herein below, it is mutually agreed as follows:

1. SCOPE OF PERMIT

District hereby gives Permittee permission to utilize portions of the Santa Maria Public Airport for staging and conducting banner towing, hereinafter referred to as "Activities", and for purposes incidental thereto for the dates and times described in Paragraph 4 below, subject to the conditions set forth below.

2. FEE

Pursuant the Districts' rates and charges schedule, the fee for this permit is \$150.00.

3. NATURE OF INTEREST GRANTED

For all the purposes of this permit, Permittee is and shall be deemed to be, with respect to District, a licensee. It is mutually agreed and understood that nothing contained in this permit shall be deemed or construed to constitute a partnership or joint venture between the parties to this permit. This Agreement is merely for the purpose of allowing Permittee to use the airport and the facilities thereon to stage and conduct said Event and activities related and incidental thereto.

4. EFFECTIVE DATES OF PERMIT

This permit shall allow Permittee to utilize portions of the airfield of the Santa Maria Public Airport depicted in Exhibit "A" attached and incorporated by this reference, pursuant to the terms and conditions of this Agreement and any reasonable access for preparation, removal of equipment, and cleanup associated with the Activities.

5. OBLIGATIONS OF PERMITTEE

This Agreement is contingent upon the following:

A. Permittee shall obtain the approval of the Federal Aviation Administration (FAA) for all phases of said Activities requiring such approval.

B. Permittee shall notify and coordinate with the District and obtain approval for specific dates and times for use. The Activities shall not affect normal airport operations and shall minimize the Activity's impact to tenants and other users.

C. Permittee shall furnish all personnel necessary to direct automobile parking, give traffic direction, and provide crowd control.

D. Permittee shall provide all sanitary and first aid facilities necessary to accommodate expected crowds and sufficient adult security personnel to protect based and transient aircraft and participating aircraft, vehicles and equipment, to direct automobile parking, give traffic directions, to provide crowd control, and to prevent attendees from leaving the Activity area and entering onto active aircraft pavements during the period of this permit.

E. Permittee shall arrange all fire protection, ambulance and aircraft crash rescue functions as are deemed necessary by the parties hereto or by any agency with jurisdiction.

F. Permittee shall clean up, repair and maintain any area of the Santa Maria Public Airport impacted by activity under this permit, immediately subsequent to the close of the Activities. Permittee shall clean the entire area used by it, remove any and all debris and trash, and restore the area to the condition existing immediately prior to the commencement of Permittee's operations.

G. Permittee shall obtain and timely bear the expense of all licenses, permits, and other authorization required by applicable public agencies. Permittee shall pay promptly all lawful taxes and assessments which may be levied by federal, state, county, city or other tax levying body on any taxable interest of Permittee, including possessory interest taxes, as well as all taxes and assessments on taxable personal property of whatever nature owned by Permittee and located on the permit premises.

H. Permittee and its invitees shall access the Activity area only through the gate 15. Use of any other gate is specifically prohibited.

6. OBLIGATIONS OF DISTRICT

A. District may in its sole discretion make available for use by Permittee District-owned property, both real (buildings, etc.) and personal for which District may charge a reasonable fee.

B. The use of District's real or personal property shall be at no cost to District above and beyond normal operating costs of the Airport and Permittee shall bear all costs connected with the staging of said Activities incidental thereto.

C. Permittee shall not interfere with the regular operation of persons engaged in air commerce or tenants doing business on the airport by virtue of a lease with District.

7. SAFETY

Safety shall be the keynote of this Activity. Anyone deemed to have acted, flown or driven in an unsafe or reckless manner, or in a manner and style considered beyond good airmanship and safety shall be barred from the Event, escorted from the airport by Permittee or District, and barred from any further flight. It shall be the duty of Permittee to ensure that safety and proper airmanship will be observed at all times. Permittee shall take any and all steps necessary, including prohibition of flying, when Permittee or District determine that the principles of good airmanship and/or safety have been violated. In the absence of an FAA monitor, District's General Manager, or his representative, may stop any and/or all unsatisfactory flight operation until the unsafe or unsatisfactory condition is corrected.

8. INSURANCE

A. To the extent insurance covering the Event is available, Permittee shall obtain and maintain in full force and effect during the period of the Event and/or any activity pertaining thereto (including setup of premises, practice flights, performance, cleanup, and dismantling):

a) Commercial general liability insurance, including bodily injury and death liability, property damage liability and premises liability of at least \$300,000 for each accident or occurrence.

b) The Santa Maria Public Airport District, its directors, employees, officers, agents, and representatives, are to be included as additional named insured.

c) Comprehensive general liability insurance including public liability, contractual liability and property damage.

d) The Santa Maria Public Airport District shall be an additional insured on the policy and shall be provided a Certificate of Insurance not less than fifteen (15) days prior to the scheduled event date showing that coverage is in effect for the entire period of the Permit. No material change in coverage or cancellation may be made after that time.

B. Permittee shall file with District's General Manager prior to any and all activities pertinent to the granting of this permit and/or its rights and privileges (including setup of premises, practices, performances, cleanup, and dismantling), a Worker's Compensation insurance certificate covering its employees (if any). Coverage shall be statutory limits.

9. DISTRICT HELD HARMLESS

Permittee shall defend (with legal counsel acceptable to District), indemnify, and hold harmless the District, its officers, employees and agents from and against all liability, loss, judgment, claims, demands, costs and expenses for injuries to or death of persons, or damages to property caused by Permittee, its agents, invitees, performers or employees, or by their use or occupancy of the Santa Maria Public Airport, excluding only liability or loss occasioned, caused or suffered by the sole active negligence or willful misconduct of District.

Further, Permittee shall defend, indemnify, and hold harmless the District, its officers, employees and agents, from and against all liability, judgment, loss, claims, demands, costs and expenses which may accrue, as a consequence of District granting this permit and agreement to Permittee, and from Permittee's compliance with the provisions of District's rules, regulations, resolutions and ordinances required by District.

10. NO DEMANDS UPON DISTRICT

Permittee accepts the Santa Maria Public Airport in the condition the Airport is in immediately prior to Permittee's occupation and use thereof for the purposes of this permit and shall make no demand upon District for any alterations, repairs, or construction.

11. USE OF SANTA MARIA PUBLIC AIRPORT

Permittee may use such public-use areas and facilities at the Santa Maria Public Airport as are designated by District's General Manager. Permittee shall have the right to construct and maintain such temporary facilities and/or structures as are necessary for operations as allowed by this permit, including controlling the ingress and egress of the public and Event participants, provided District's General Manager first approves any such temporary facilities and/or structures. Upon the request of District's General Manager, Permittee shall remove said temporary facilities and/or structures.

12. DAMAGE TO SANTA MARIA PUBLIC AIRPORT

Permittee shall repair or cause to be repaired, at its own expense, any and all damage and injury to the property of District or to the property of others on the Santa Maria Public Airport, and which damage has been caused by Permittee, its agents, employees, or others who may be on the airport for any purpose connected with the staging and operation of the Event or attendance at the Event. This provision includes but is not limited to all aircraft moved from their normal and regular tiedown or parking spaces to make room for Event activities, until returned to their normal and regular tiedown or parking spaces. Permittee accepts full legal liability and responsibility for all such aircraft while located at the Santa Maria Public Airport whether at their regular tiedown locations or otherwise.

13. COVENANTS

Permittee specifically agrees, and covenants as follows:

A. That in its operation of the Activity and the operation of all of its activities on the Santa Maria Public Airport, neither it nor any person or organization occupying space or facilities thereon will discriminate against any person or class of persons by reason of age, disability, sex, race, color, creed, or national origin in the use of any facilities provided for the public on the airport.

B. That in rendering to the public any service (including the furnishing or sale of admission tickets, transportation, supplies, or materials) essential to its operation at the airport, it will:

1) Furnish such service on a fair, equal, and not unjustly discriminatory basis to all users thereof; and

2) Charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; provided that Permittee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

C. This permit is subject to all existing leases, licenses, and other agreements for the use of the Airport between District and any other person or entity.

D. Permittee will obey the rules and regulations as may from time to time be promulgated by District or its authorized agents in charge of the airport, to ensure the safe and orderly conduct of operations at the Airport. Permittee shall also obey the aviation-related rules and regulations as may from time to time be promulgated by the United States, or by any of its departments or agencies, and by the State of California. Specifically, District's official Rules and Regulations governing operations at the Santa Maria Public Airport, as may be amended from time to time, are incorporated by reference into this permit and made a part hereof.

E. Permittee shall use the airport in an orderly, peaceable, and quiet manner, and in strict compliance with all applicable laws and ordinances and shall not use the premises, nor allow any person or persons to use the premises, for any purpose whatsoever that is in violation of any law or ordinance.

14. NO ASSIGNMENT, DELEGATION, NOR SUBLICENSING

This Agreement, being the nature of a personal and revocable permit, may not be assigned, delegated, nor can it as a whole, be the subject of a concession or sublicense agreement. However, Permittee may allow concessionaires to enter upon the Santa Maria Public Airport for the performance of functions and services within the scope of the uses allowed to Permittee under the provisions of this Agreement. To avoid uncontrolled vending of merchandise during the period of this permit, only those tenants having an agreement with District, and concessionaires, exhibitors, and salespersons having written agreements with Permittee, will be allowed to sell to the public on the airport.

15. RIGHT TO AMEND

This permit shall be subordinate to the provisions of any existing or future Agreement between District and the United States, including those by which District obtains federally owned surplus property or federal aid for the improvement, operation, and/or maintenance of the airport. In the event that the Federal Aviation Administration, or any other federal agency, requires modifications or changes in or revocation of this permit as a condition for the granting of funds for the improvement of the airline terminal or lands and improvements covered by its laws, rules, or regulations, Permittee agrees to consent to the amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements, or revocation of this permit as may be required to obtain such funds.

16. SPECIAL PROVISION

Nothing contained in this permit shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958.

17. CANCELLATION BY DISTRICT

District, in addition to any rights to which it may be entitled by law, may cancel or revoke this permit upon or after the occurrence of any of the following events:

A. The assumption by the United States Government, or any of its authorized agencies, of the operational use or control of the Santa Maria Public Airport, or any substantial part of the airport, in such manner as to substantially restrict the use of the airport for any of the purposes for which Permittee is authorized;

B. The existence or operation of any rule, regulation, sponsor assurance, or order of the Federal Aviation Administration, directly or indirectly, requiring the discontinuance or substantial reduction of the use of the airport for any of the purposes for which Permittee is authorized;

C. The issuance of an injunction by any court of competent jurisdiction restraining the use of the airport for any of the purposes for which Permittee or District are authorized;

D. The appointment of a receiver of Permittee's assets which results in a liquidation of Permittee's assets;

E. The general assignment of this permit by Permittee for the benefit of creditors;

F. The default by Permittee in the performance of any of the terms and conditions required by this permit to be kept and performed.

G. The occurrence of any event which in the opinion of District's General Manager threatens the safety of those using the Airport, the Airport itself, or property on the Airport.

18. WAIVER

It is agreed that a failure on the part of District to take appropriate action or to declare this permit terminated for default by Permittee in any one or more of the terms, covenants, or conditions will not be considered or construed as a waiver by District of such right on any further or future default on the part of Permittee.

19. SURRENDER

Permittee covenants that on the expiration of this permit, Permittee will peaceably and quietly leave and surrender the premises in as good condition as they are now (or may be at time of entry under this permit) after making alterations, additions, or improvements as permitted by District, ordinary wear and tear excepted.

20. TIME

Concerning this permit and the performance of each and every provision contained in it, time is of the essence.

21. SECTION HEADINGS

The section headings contained in this permit are for convenience in reference and are not intended to define, govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this permit.

22. NOTICES

Notices pursuant to this Agreement shall be given by United States mail, postage prepaid, addressed to the parties hereto as follows:

District: SANTA MARIA PUBLIC AIRPORT DISTRICT
3217 Terminal Drive
Santa Maria, CA 93455

Permittee: Shawn Knight
Central Coast Technology, Inc.
1101 S. Broadway
Santa Maria, CA 93454

23. ATTORNEY FEES

In the event of any action, proceeding or lawsuit to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable attorney fees.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be fully executed.

DATED: June 9, 2022

Approved as to content
for District:

SANTA MARIA PUBLIC AIRPORT DISTRICT

General Manager

By _____
Carl Engel, President

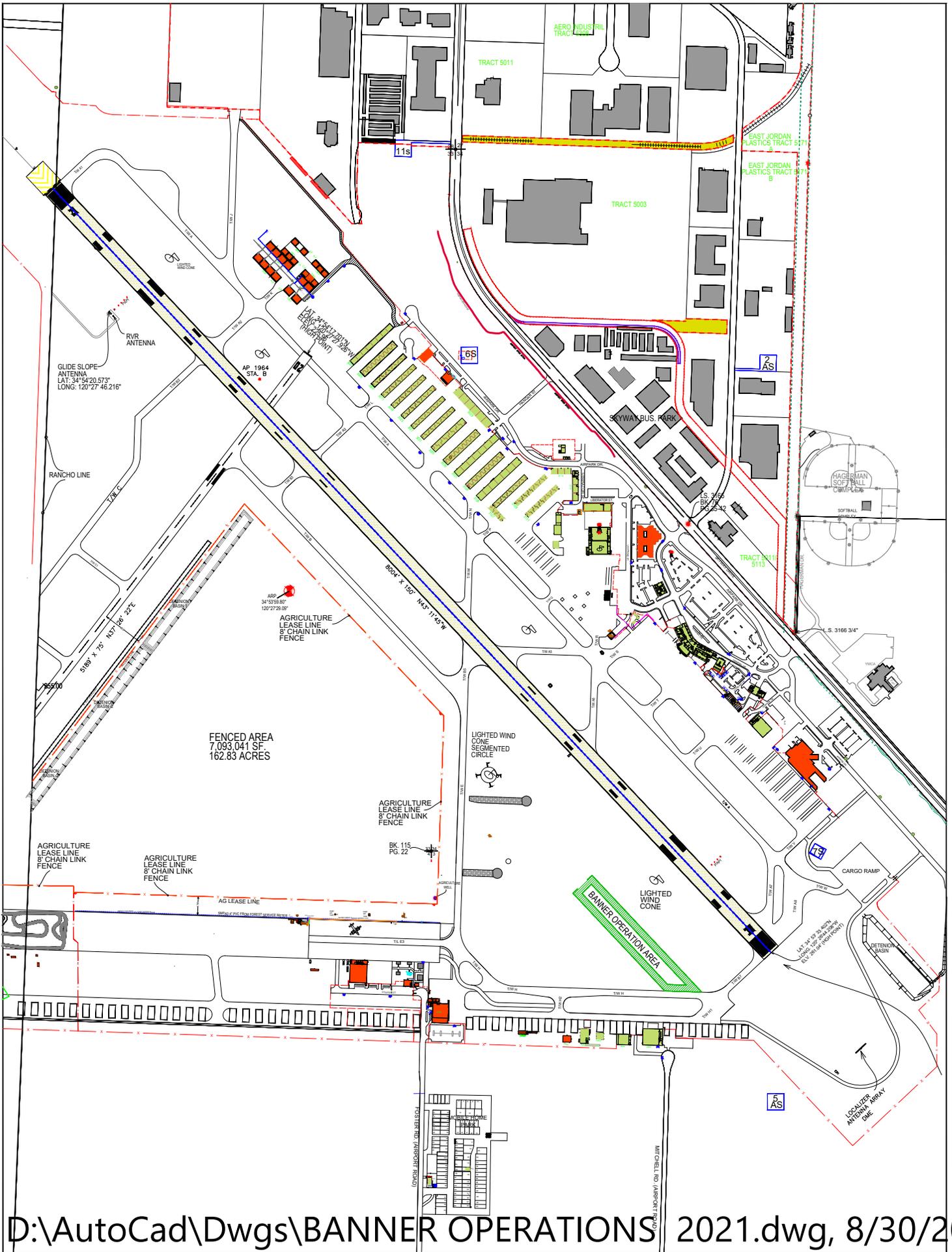
Approved as to form
for District:

By _____
Hugh Rafferty, Secretary

District Counsel

CENTRAL COAST TECHNOLOGY, INC., DBA:
CLOUD NINE AERIAL ADVERTISING

By _____
Shawn Knight, CEO





June 9, 2022

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

Subject: Authorization for tuition reimbursement for one staff member

Summary

Based upon section 10.5 of the Personnel Manual I am requesting reimbursement for Carla Osborn. Ms. Osborn has completed and passed this course at Embry-Riddle Aeronautical University.

Budget

Course	Tuition	Books	Total
Aviation and Aerospace Comm	\$1,346.00		\$1,346.00

Overall Impact

Approved 2021-2022 Budget for Education	\$17,600.00
Previously Approved for Education	7,951.00
Current Balance for Education	9,649.00
Amount of this Request	1,346.00
Balance Remaining if Approved	8,303.00

Recommendation

I recommend we repay Mrs. Osborn. The District will benefit as a result of additional training and these classes will assist the Operations Officer's pursuit of her bachelor's degree.

Sincerely,

A handwritten signature in blue ink, appearing to read "Veroneka Reade", is written over a light blue circular graphic element.

Veroneka Reade
Manager of Finance & Administration

EMBRY-RIDDLE

Aeronautical University

Carla Osborn
[REDACTED]

Account No: 2513380
Statement Print Date: 6/1/2022 11:41 AM
Statement From/To Date: 3/1/2022 To 3/30/2022

Charges				
Date Posted	Term	Item Description	Amount	Currency
Total Charges:			.00	

Payments				
Date Posted	Term	Item Description	Amount	Currency
03/18/2022	Student Financials CR	Payment by Check	-1,346.00	USD
Total Payments:			-1,346.00	

Refunds				
Date Posted	Term	Item Description	Amount	Currency
Total Refunds:			.00	

Financial Aid				
Date Posted	Term	Item Description	Amount	Currency
Total Financial Aid:			.00	

Net Total for Statement Date Range: -1,346.00

Charges are based on your home campus published rates. Residential and Worldwide students are only eligible for your campus specific rates regardless of modality.

Embry-Riddle will not provide refunds of tuition or fees due to suspension, modification, or cancellation of operations resulting from an act of God, strike, riot, disruption, health or safety emergency, or for any other reason beyond the control of the University.

Daytona Beach Campus:
1 Aerospace Boulevard
Daytona Beach, FL 32114
386-226-6285

Prescott Campus:
3700 Willow Creek Rd.
Prescott, AZ 86301
928-777-3726

Worldwide Campus:
Campus of Attendance
386-226-6280

EMBRY-RIDDLE

Aeronautical University

Name: Osborn,Carla

ID: 2513380

Term: Worldwide 2022-03 March

Cumulative GPA: 3.930

Class	Course Title	Units	Grade
COMD 322	Aviation & Aerospace Comm	3.00	A

TENTH AMENDMENT OF AGREEMENT

RE: Agreement dated March 9, 2006, between SANTA MARIA PUBLIC AIRPORT DISTRICT and SANTA MARIA VALLEY CHAMBER OF COMMERCE & VISITOR AND CONVENTION BUREAU

The SANTA MARIA PUBLIC AIRPORT DISTRICT ("District") and SANTA MARIA VALLEY CHAMBER OF COMMERCE & VISITOR AND CONVENTION BUREAU ("Chamber") do hereby agree to amend the above-referenced Agreement effective July 1, 2022, as follows:

- 1. The term of the Agreement is extended for two (2) years, now expiring June 30, 2024.
- 2. In consideration of the services to be performed by the Chamber during the additional two (2) years, District shall pay to the Chamber the sum set forth below:
 - (a) District shall pay to the Chamber the sum of \$42,000, payable within thirty (30) after July 1, 2022, for fiscal year 2022-2023.
 - (b) For the second year of this Service Agreement the District shall pay to the Chamber the sum of \$44,000, payable within thirty (30) days after July 1, 2023, for fiscal year 2023-2024.

All other terms and conditions of the Agreement, as amended, remain in full force and effect."

Dated: June 9, 2022

SANTA MARIA PUBLIC AIRPORT DISTRICT

Approved as to content for District:

General Manager

By: _____
Carl Engel, President

Approved as to form for District:

By: _____
Hugh Rafferty, Secretary

District Counsel

CHAMBER:

SANTA MARIA VALLEY CHAMBER OF
COMMERCE & VISITOR AND CONVENTION
BUREAU

Glenn Morris, CEO/President

EXHIBIT “A”



Building a Thriving Community: Economic Development

FY 2022-2024

*The Santa Maria Valley Chamber helps the business community prosper.
We are a catalyst for business growth, a convener of leaders and influencers,
and a champion for a stronger Santa Maria Valley.*

The Santa Maria Valley Chamber of Commerce is proud to partner each year with the Santa Maria Public Airport District to facilitate community vitality through economic prosperity. Together, we promote our community as a destination, not just for visitors, but also for those looking for a place where they can create a successful business – one that provides jobs for our neighbors and resources for our community.

The partnership between the Airport and Chamber primarily involves the Chamber’s Economic Development division, but also includes joint efforts to promote commercial airline service and tourism activities that benefit the community and the District.

The Chamber is proud of the work we have led in these arenas over the past several decades – and we are committed to a continued partnership with the Airport to further position Santa Maria as the premier community on the Central Coast in which to live, recreate, and work. We look forward to formally renewing our joint work for the FY2022-23 and FY2023-24 program/budget cycles.

This document outlines the strategic emphasis that will guide the work of the Chamber/Visitor Bureau/Economic Development Commission during this contract cycle and shares examples of activities that we will pursue on behalf of local employers and our broader community.

FY2022 – 2024 Strategies and Performance Metrics

Strategic Priorities

The Chamber’s Board of Directors has identified four key strategic priorities to guide our work for the next two-year planning cycle. Without restricting the organization’s ability to pivot and respond to economic and community conditions as we find them, this framework gives us clear direction to organize and prioritize our efforts and investments.

The four strategic priorities are:

Community Identity/Attractiveness	Local Talent Pipeline	Business & Community Leader Engagement	Business Activity Growth
<ul style="list-style-type: none">•Encourage/facilitate catalytic development projects that enhance economic vitality (e.g. jobs, wages) while also improving the quality of life of the community	<ul style="list-style-type: none">•Develop a stronger workforce through leadership development, higher education access, K-12 partnerships, and effective recruiting and retention tools for business use	<ul style="list-style-type: none">•Ensure business and community leaders are aware of issues impacting economic and community vitality and are fully engaged in dialogue and decisions	<ul style="list-style-type: none">•Support increase in economic activity through growth in new and existing businesses, visitor expenditures, and stronger business connections

The Chamber offers a broad range of services and programs that address these strategic focus areas. During the past two years, much of the Chamber's work naturally focused on helping local businesses survive the pandemic. We pivoted to ensure all businesses in the community had accurate, reliable information about changing regulations and newly available resources. At the same time we worked to encourage the community to patronize and support local businesses as much as possible, while instilling confidence among the public that our business community was doing their part to provide safe and appropriate ways to engage as customers and as employees.

It's noteworthy that even during the pandemic, the Chamber's economic development team continued to partner with the Airport on attracting prospective business tenants and to stay in front of the airlines as they plan for future service in our region. Additionally, the Chamber and Airport partnered on a Market Study that helped identify industries that we can focus on for business recruitment and shed light on features and conditions that those industries value as they select business locations.

Looking to the next contract/planning cycle, we are excited to move beyond helping businesses survive and recover, and to instead proactively work on tactics that will lead to growth and new opportunities for local businesses and the community at large. Currently, we anticipate new or increased activity in the following specific tactical areas:

- Increase Business Attraction Marketing. Coming out of the pandemic, we believe it is time to turn to proactive business recruiting, with particular emphasis on head-of-household jobs. We intend to build on our regional partnerships with organizations like REACH, SCORE, and EconAlliance, as well as the recent market study mentioned previously, to target and engage with businesses that fit the unique profile of the Santa Maria Valley. In addition to direct outreach, this strategy will include a strong PR element as we use the stories of successful businesses already in our community to communicate the benefits of joining us. We know that the Airport will be a critical partner in this effort as the District controls most of the available land that can be developed for industrial uses.
- Marketing to Groups. In addition to individuals and families, we intend to introduce the Santa Maria Valley to larger groups and events. Starting with the development of a specific strategy & marketing plan for festivals and events, we will proactively target event promoters and organizers who can bring events that fit our unique assets and can attract large numbers of over-night visitors. Examples of the kinds of events we think make sense include motorcycle ride-ins, hot air balloon festivals, sporting events, etc. This is an area where we anticipate increased collaboration with the Airport as a potential location for some of the events/festivals.
- Renewed emphasis on the Visitor Experience. As visitor traffic returns to the community, we want to make sure that their time with us is rewarding and memorable for all the right reasons. Some of the tactics we will implement include:
 - Ensuring visitors have access to unique local experiences, such as the Wine Trolley or curated adventures in the local outdoors.
 - Enhancing the "welcome" we offer to visitors through updated banners and customized links to activities and experiences, while also investing in the attractiveness of the community through support for public art.
 - Supporting the successful return of local events and attraction with marketing and planning assistance.
 - Improving access to the region through continued efforts to attract commercial air service.
- Enhancing the menu of Experiential Businesses. Identifying businesses that can provide unique experiences and recruiting them to set up in the Santa Maria Valley creates added value for our visitors, while simultaneously supporting local industry's recruiting and retention efforts. Even better, success in this effort will improve the quality of life experienced by our friends and neighbors in the community.

Projects in this area will range from the large and transformative (Downtown, Skyway) to the individual and unique (new restaurant types, entertainment venues, unique retail). This strategy represents a unique intersection between the Tourism and Economic Development functions supported by the City within the Chamber.

- Improve Local Talent Pipeline. Through continued engagement with our existing workforce partners and ongoing dialogue with our business community, we will continue to pursue strategies that result in increased educational opportunities and skill attainment at all stages of the talent pipeline, with a goal of ensuring that local industry can find the workforce it needs and that local residents can find fulfilling and rewarding careers in our community.
- Strengthening Engagement with Existing Businesses. While we work to bring new job creators to the community, we will also strengthen our relationships and engagement with existing businesses to ensure we understand their needs and can facilitate their continued success. Two specific initiatives here include the resumption of our Business Visitation program and the launch of a Hispanic Business Committee to ensure we're having the conversations necessary to be effective advocates and facilitators.

Performance Measurement

Economic Development and Tourism work is indirect in nature. It can be almost impossible to connect specific activities to specific outcomes. For instance, we rarely will know whether a specific ad is the direct cause of a family choosing Santa Maria as their vacation destination. That said, we know that it is important to have some method for evaluating the overall effectiveness and impact of the work we do in these arenas. To that end, we look to metrics which either look at the overall market performance or which measure our activity in terms of the interventions that we believe lead to the ultimate strategic results.

Relative to our work in Tourism, TOT tax collections and TMD assessments provide the most available, broad measure of the health of our local hospitality industry, and have long been a key top-line metric we track. Additionally, the Chamber believes there are a number of key metrics that help measure the impact of our Tourism strategies and work:

- **TOT/TMD Assessments.** Growth in assessments vs prior year totals.
- **Public Relations/media stories.** Number of placements and marketing value.
- **Web/Social Media Engagement.** Number and quality of interactions between potential visitors and our various digital marketing channels.
- **Large Group/Event Sales.** Number of qualified proposals submitted; estimated economic impact of pipeline of events/groups

In terms of Economic Development, we don't have a similar overarching measure like TOT represents for tourism. However, we believe the following metrics will provide feedback about our impact in assuring the ability for local businesses to thrive and create increased levels of economic vitality for our community:

- **Employment.** Total jobs and growth in workforce.
- **Investment.** Value of new/significant construction projects started (based on permit values).
- **Business Growth and Potential.** Increases in new business licenses; new business start-ups; Industrial, Office, and Retail occupancy/vacancy rates.
- **Retail Sales.** Sales tax per capita.

Specific annual targets for these metrics will be finalized prior to the start of the new fiscal year through our stakeholder-informed strategic planning processes.

FY2022-2023 Economic Development Partnership Investment

The Chamber believes this is an important cycle for our work with the Airport, particularly in recruiting new business tenants for the Airport District’s properties.

Based on the strategies and tactics envisioned for the FY2022-23 and FY2023-24 contract years, the Chamber requests the Airport’s investment in the Visitor Bureau and Economic Development Commission be as follows:

	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24
Econ Dev Commission	\$36,300	\$38,000	\$38,000	\$42,000	\$44,000

Please let me know if you have any questions or would like additional details on any element of our plan and request for this contract cycle.

RESOLUTION 916

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT
DISTRICT ADOPTING THE APPROPRIATIONS
SUBJECT TO LIMITATION FOR FISCAL YEAR
2022-2023 UNDER CALIFORNIA CONSTITUTION
ARTICLE XIII B (AS AMENDED) AND
IMPLEMENTING STATUTES**

WHEREAS, Article XIII B of the California Constitution provides that beginning with the 1980-1981 fiscal year, an appropriations limit for each local government shall be established for each fiscal year.

WHEREAS, Government Code Section 7910 provides that each year the governing body of each local jurisdiction shall by resolution establish its appropriations limit for the following fiscal year pursuant to Article XIII B of the California Constitution at a regularly scheduled meeting or noticed special meeting; that 15 days prior to such meeting documentation used in the determination of the appropriations limit shall be available to the public.

WHEREAS, Article XIII B of the California Constitution was amended by Proposition 111 to change the price and population factors that may be used by a local jurisdiction in setting the appropriations limit.

THEREFORE, BE IT RESOLVED, that the sum of \$7,975,866.00 is the appropriations limit of the Santa Maria Public Airport District subject to California Constitution Article XIII B for fiscal year 2022-2023.

IT IS FURTHER RESOLVED, that the calculations establishing the foregoing appropriations subject to the limitations imposed by Article XIII B of the California Constitution (as amended), which were made available to the public at least 15 days prior to the date of the meeting at which this resolution was adopted, are as follows:

Factor for percentage change in California
Capita personal income pursuant to
Government Code Section 79011.0755

Factor for annual population percentage
Change for State of California
Determined by Department of Finance,
State of California, pursuant to Revenue
and Taxation Code Section 2228(a)(iii)997

Ratio change in above factors: 1.0755 x .977 = 1.0723
Appropriations limits of District
For Fiscal year 2021-2022

2021-2022 appropriations limits of District as
established by Resolution 899 7,414,283

Addition to District's appropriation limit
For property tax administration fee
Imposed by Senate Bill 2557 23,993
7,438,276

Multiplied by above factors change ratio x 1.0723

2022 – 2023 appropriations limit \$7,975,866

PASSED AND ADOPTED at the Regular, meeting of the Board of Directors
of the Santa Maria Public Airport District held June 9, 2022, on Motion by Director
_____ Seconded by Director _____ and carried by the following roll call vote.

AYES:
NOES:
ABSENT:
ABSTAINED:

Carl Engel Jr., President

Hugh Rafferty, Secretary