



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

**Thursday
August 14, 2025**

**Administration Building
Airport Boardroom
5:50 P.M.**

**SPECIAL MEETING
A G E N D A**

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL: Moreno, Adams, Brown, Clayton, Guy

- 1. PUBLIC SESSION FOR ITEMS ON THE AGENDA:** 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. The Board will establish a time limit for receipt of testimony.
- 2. AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE FIRST AMENDMENT TO COMMON INTEREST AGREEMENT BETWEEN THE COUNTY OF SANTA BARBARA, THE CITY OF SANTA MARIA AND THE DISTRICT.**
- 3. AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE FIRST AMENDMENT TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR BETWEEN THE DISTRICT, THE COUNTY OF SANTA BARBARA, THE CITY OF SANTA MARIA AND LANGAN CA, INC.**
- 4. AUTHORIZATION FOR THE PRESIDENT TO EXECUTE THE SECOND AMENDMENT TO TERM SHEET BETWEEN THE CENTRAL COAST REGIONAL WATER QUALITY CONTROL BOARD, COUNTY OF SANTA BARBARA, CITY OF SANTA MARIA, AND THE DISTRICT FOR THE SEMCO SITE CLEANUP AND ABATEMENT ORDER AND PETITIONS FOR WRIT OF MANDATE.**
- 5. ADJOURNMENT.**

FIRST AMENDMENT TO COMMON INTEREST AGREEMENT

This First Amendment to the Common Interest Agreement (hereinafter referred to as the “Agreement”), is entered into, by, between, and among the County of Santa Barbara (“COUNTY”), the Santa Maria Public Airport District (“AIRPORT DISTRICT”), and the City of Santa Maria (“CITY”). COUNTY, CITY and DISTRICT may be collectively referred to as “Parties” or in the singular as “Party,” as the context requires.

RECITALS

A. WHEREAS the Central Coast Regional Water Quality Control Board (“Water Board”) is the lead agency with jurisdiction over the investigation and cleanup of the real property consisting of six parcels identified as Santa Barbara County Assessor Parcel Numbers 111-291-035, 111-291-036, 111-291-037, 111-291-038, 111-291-041, and 111-291-042 (the “Site”).

B. WHEREAS, on September 26, 2023, the Water Board, issued Cleanup and Abatement Order No. R3-2023-0070 (“CAO”) related to the former operations of SEMCO Twist Drill and Tool Company, Inc. (“SEMCO”) at the Site. The CAO contends that SEMCO operated a precision tool manufacturing business at the Site and used cutting oil (a petroleum hydrocarbon-based lubricant) and volatile organic compounds (“VOCs”), such as trichloroethylene (“TCE”) and 1, 1, 1-trichloroethane (“TCA”), as degreasers to clean tools and metal parts, and requires those named therein, who are identified in the CAO as “dischargers,” to meet certain investigation and cleanup deadlines at the Site.

C. WHEREAS the Parties entered into a Common Interest Agreement effective on January 23, 2024 memorializing their mutual interest to implement the required actions under the CAO in a timely, efficient, complete, and coordinated manner.

D. WHEREAS the Parties entered into an Agreement for Services of Independent Contractor effective on March 25, 2024 in which the Parties retained Langan CA, Inc. following a public request for qualifications.

E. WHEREAS, on February 22, 2024, AIRPORT DISTRICT filed a petition for writ of mandate and complaint for injunctive relief to challenge whether it was a properly named party in the CAO in the Superior Court, originally filed in the County of Santa Barbara and transferred to the San Luis Obispo County Superior Court as Case No. 24CV-0379 (“Airport Petition”). The COUNTY and CITY have appeared and are real parties in interest in the Airport Petition.

F. WHEREAS, on February 22, 2024, COUNTY filed a petition for writ of mandate to challenge whether it was a properly named party in the CAO in the Superior Court, originally filed in the County of Santa Barbara and transferred to the San Luis Obispo County Superior Court as Case No. 24CV-0391 (“County Petition”). The AIRPORT DISTRICT and CITY have appeared and are real parties in interest in the County Petition.

G. WHEREAS, on December 19, 2024, CITY filed a petition for writ of mandate to challenge whether it was a properly named party in the CAO in the Superior Court, originally filed in the County of Santa Barbara and transferred to the San Luis Obispo County Superior Court as Case No. 25CV-0136 (“City Petition”). The COUNTY and AIRPORT DISTRICT have appeared and are real parties in interest in the City Petition.

H. WHEREAS the Airport Petition, County Petition, and City Petition are referred to herein collectively as “Petitions.”

I. WHEREAS the Parties have reached a settlement with the Water Board to resolve the Petitions and the Parties’ obligations under the CAO. A copy of the fully executed Settlement Agreement is attached as Exhibit A and memorializes the terms and obligations, including a scope of work that the Parties have agreed to perform (defined therein as “Settlement Work”) in exchange for a release from the Water Board.

J. WHEREAS the Parties have a common interest and desire to cooperate and share in the obligations and performance of the Settlement Agreement between the Parties and the Water Board, which modifies the terms of the Parties’ Common Interest Agreement.

NOW, THEREFORE, for the purpose of performing the obligations in the Settlement Agreement, and in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby stipulate and agree to the amendments and modifications to the Common Interest Agreement as follows.

TERMS

1. EFFECTIVE DATE. This Amendment shall become effective as of the date the last signature set forth at the end of this agreement.
2. AMENDED TERMS. The following terms of the Common Interest Agreement are amended as follows:
 - A. Paragraph 1, Shared Work, of the Common Interest Agreement is amended to read as follows:
 1. Shared Work. The Parties agree to work cooperatively and in good faith to (i) carry out the required actions necessary to comply with the Settlement Agreement between

the Parties and the Water Board, and any modifications or amendments thereto, and (ii) perform any other work associated with the Site that is otherwise determined by the Parties to be in their mutual best interests and that the Parties mutually agree to undertake (collectively, the “Settlement Work”).

B. Paragraph 2, Joint Consultant, of the Common Interest Agreement subsections b (Management of Consultants), c (Regional Board Communications), d (Reimbursements), and e (Independent Work) are amended to read as follows:

- b. Management of Consultant. The COUNTY and CITY shall be responsible for ensuring compliance with the terms and obligations in the Settlement Agreement relating to the Settlement Work through receipt of a completion determination from the Water Board pursuant to subparagraph 3.8 of the Settlement Agreement. The COUNTY shall take the lead in facilitating the performance and completion of the Settlement Work, including but not limited to: (1) authorizing task orders of the joint consultant, (2) having sole authority to terminate the Joint Consultant, and (3) overseeing and approving actions and reports by the joint consultant. The CITY shall participate as an active partner with the COUNTY in facilitating the performance and completion of the Settlement Work. The AIRPORT DISTRICT shall not be responsible for or actively participate in facilitating the performance and completion of the Settlement Work and is only obligated to provide contribution to the costs of work as set forth in subsection d below.
- c. Regional Board Communications. The COUNTY shall have the lead responsibility to conduct all communications with the Water Board on behalf of the Parties that relate predominantly to the Settlement Work.
- d. Reimbursement and Payment Terms. The Cost of the Settlement Work in the Settlement Agreement is estimated to be one million one hundred fifty thousand dollars (\$1,150,000) (“Shared Funds”). The COUNTY shall be responsible for accepting the contributions set forth below, holding the Shared Funds in an earmarked account, and reimbursing the Joint Consultant for its fees, costs, and expenses incurred to carry out the Settlement Work. The Shared Funds shall be used in the first instance in full to reimburse the Joint Consultant.
 - 1. The COUNTY shall contribute \$487,500 toward the Settlement Work.
 - 2. The CITY shall contribute \$437,500 toward the Settlement, which the CITY shall provide to the COUNTY within thirty (30) days of the date the Settlement Agreement takes effect.

3. The AIRPORT DISTRICT shall contribute \$225,000 to the Settlement Work and shall make installment payments in accordance with the following schedule:

Within 45 days of the Effective Date of the Settlement Agreement:	\$75,000
July 15, 2026	\$75,000
July 15, 2027	\$75,000

The AIRPORT DISTRICT shall not be required to make any additional contributions beyond the \$225,000 towards the costs necessary to complete the Settlement Work.

The COUNTY and CITY shall each be responsible for one-half of any and all costs necessary to complete the Settlement Work that exceed the above contribution amounts of \$1,150,000. Upon depletion of the Shared Funds, the COUNTY and CITY shall reimburse the Joint Consultant on an equal, one-half pro rata basis for its fees, costs, and expenses incurred to carry out the remainder of the Settlement Work.

If there are any funds remaining from the contribution amounts of \$1,150,000 after completion of the Settlement Work, those amounts shall be credited to the COUNTY and CITY, in equal shares, to reduce the amounts of their total contribution set forth above.

- e. Independent Work. No Party, or its independent consultant, shall have the right to conduct invasive sampling or testing of the Site or surrounding properties without the written consent of all Parties. This provision does not extend to the CITY's operation or sampling of its drinking water supply wells, except for Wells 2AS. Each of the Parties, including its independent consultant, shall have the right, at their own expense to access any portion of the Site during the performance of the Settlement Work and Party any may oversee, monitor, take split samples, photos or otherwise document the Settlement Work for the purposes of ensuring compliance with this Agreement and the Settlement Agreement.
- C. Paragraph 2, Joint Consultant, of the Common Interest Agreement is amended to add the subsection f as follows:
- f. Amendment to Joint Consultant Contract. The March 25, 2024 Agreement for Services with the Parties' Joint Consultant, Langan, shall be amended to be consistent with the terms of this Agreement, including modifications to Paragraph 5, Paragraph 19, Exhibit A (Statement of Work), and Exhibit B (Payment Arrangements). The

amendment to the Joint Consultant contract shall become effective and be conditioned on the execution of the Settlement Agreement with the Water Board.

- D. Paragraph 3, Funding Outreach, of the Common Interest Agreement is removed. The Parties agree that no funding outreach will be jointly pursued at this time. Any further efforts shall be made through amendment of this Agreement in writing, if it should become necessary and desirable.
- E. Paragraph 4, Term, of the Common Interest Agreement is amended to remove the reference “unless terminated earlier as provided herein.” The remainder of Paragraph 4 remains in full force and effect.
- F. Paragraph 5, Termination, of the Common Interest Agreement is removed.
- G. Paragraph 17, Survival, of the Common Interest Agreement is amended to read as follows:

Sections 6, 7, 20, and 21 of this Agreement shall expressly survive termination of this Agreement. All other provisions and warranties, which by their nature, shall also survive termination of this Agreement

- H. Paragraphs 19 (Cooperation), 20 (Indemnity), and 21 (No Attorney’s Fees and Costs) are added to the Common Interest Agreement as follows:

19. Cooperation.

- a. Generally. The Parties, and each of them, shall cooperate and assist the other Parties and the Water Board to take all steps necessary to implement the Settlement Work and any other obligations of the Settlement Agreement, including but not limited to motions for good faith determination and dismissals and any changes in conditions.
- b. Well Ownership. The CITY shall own and maintain the two deep groundwater monitoring wells to be installed by the Joint Consultant pursuant to the Settlement Agreement until completion of the Settlement Work described in the Settlement Agreement. Once the groundwater monitoring scope of the Settlement Work is completed, the CITY may quit claim or otherwise transfer ownership of the two wells to the current property owner(s) of the SEMCO Site or take other steps to transfer ownership of the wells to another party that is named in the CAO, who shall own and be responsible for properly maintaining the wells. The COUNTY and CITY shall work cooperatively to ensure that the future owner of the well located on the COUNTY’s public property has proper and legal ownership with a license agreement for its location in the public right of way. The COUNTY shall approve the form of any quitclaim or other ownership transfer conveyance for any well located on COUNTY property.

- c. Sites Access. The COUNTY and CITY shall be responsible for and work cooperatively to obtain site access agreements for all of the properties subject to the Settlement Work, including the Site and the Mafi Trench site. The COUNTY and CITY shall also not prevent access to their respective public properties as necessary to complete the Settlement Work, including but not necessarily limited to CITY's drinking water supply well 2AS, and the location designated for the two deep groundwater monitoring wells that are contemplated to be located one on COUNTY property and one on CITY property near the Site.
20. Indemnity. The COUNTY and CITY shall indemnify and hold the AIRPORT DISTRICT harmless against any and all third-party claims caused from the Settlement Work. The Parties maintain the right to seek any and all relief from the Parties' Joint Consultant under the Consultant Contract. The indemnity obligation in this section expressly does not include any third-party claims arising outside of the scope of the Settlement Work, including but not limited to claims relating to any existing contamination at or originating on the Site or any claim arising from the AIRPORT DISTRICT's former ownership of, or operations at the Site.
21. No Attorney's Fees and Costs. The Parties agree that each will be responsible for its own expenses, including attorney's fees and costs, in connection with the underlying Petitions, any costs outside of the Joint Consultant costs necessary to complete the Settlement Work, and the enforcement of this Agreement.

(Signature Pages Follow)

IN WITNESS WHEREOF, the Parties have entered into this First Amendment to the Common Interest Agreement as of the Effective Date set forth above.

CITY OF SANTA MARIA

By: _____

Title: _____

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

Melissa Guerrero
Risk Manager, City of Santa Maria

By: _____
Risk Management

SANTA MARIA PUBLIC AIRPORT DISTRICT

By: _____

Title: _____

Date: _____

ATTEST:

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Title: _____

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____

Title: _____

Date: _____

COUNTY OF SANTA BARBARA

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel, County of Santa Barbara

**APPROVED AS TO ACCOUNTING
FORM:**

Betsy M. Schaffer, CPA
Auditor-Controller, County of Santa Barbara

By: _____
Deputy County Counsel

By: _____
Deputy

APPROVED AS TO FORM:

Gregory Milligan, ARM
Risk Manager, County of Santa Barbara

By: _____
Risk Management

**FIRST AMENDMENT TO AGREEMENT FOR
SERVICES OF INDEPENDENT CONTRACTOR**

This First Amendment to the Agreement for Services of Independent Contractor Langan CA, Inc. (“Amendment”), is entered into, by, between, and among the County of Santa Barbara, a political subdivision of the State of California (COUNTY), the City of Santa Maria, a political subdivision of the State of California (CITY), and the Santa Maria Public Airport District, a special district (AIRPORT DISTRICT) (COUNTY, CITY and DISTRICT hereafter collectively AGENCIES), and Langan CA, Inc., a California corporation (CONTRACTOR), with an address at 924 Anacapa Street, Suite 2X, Santa Babara, CA 93101.

A. WHEREAS, the Parties entered into an Agreement for Services of Independent Contractor effective on March 25, 2024 (“Agreement”) in which the AGENCIES retained Langan CA, Inc., in part, to provide technical environmental services as needed to respond to Cleanup and Abatement Order No. R3-2023-0070 (CAO) related to the former operations of SEMCO Twist Drill and Tool Company, Inc. (SEMCO) at the Site.

B. WHEREAS, the COUNTY, CITY, and DISTRICT each filed a petition for writ of mandate to challenge whether it was a properly named party in the CAO.

C. WHEREAS, the AGENCIES have entered a settlement with the Central Coast Regional Water Quality Control Board (Water Board) to resolve the respective petitions for writ of mandate and the CAO with respect to the AGENCIES, and the AGENCIES have agreed to perform a scope of work under the settlement that is consistent with the statement of work in the Agreement.

D. WHEREAS the AGENCIES entered into a Common Interest Agreement effective on January 23, 2024 memorializing their mutual interest to implement the required actions under the CAO in a timely, efficient, complete, and coordinated manner.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties hereby agree to the amendments and modifications to the Agreement as follows.

TERMS

1. EFFECTIVE DATE. This Amendment is conditioned upon the execution of the Settlement Agreement between the Water Board and the AGENCIES, and shall become effective as of April 24, 2025.
2. AMENDED TERMS. The following terms of the Agreement are amended as follows:

A. Paragraph 5, Compensation of Contractor, of the Agreement is amended to read as follows:

In full consideration for CONTRACTOR’s services, CONTRACTOR shall be paid for performance of the Services under this Agreement in accordance with the terms

of EXHIBIT B, attached hereto and incorporated herein by reference. Pursuant to the separate First Amendment to the Common Interest Agreement between the AGENCIES, the AGENCIES have agreed to contribute a portion of the estimated amount of costs for the Settlement Work. Based on that agreement, billing for any work after April 24, 2025 (Settlement Work) until the total amount of the services reaches \$1,150,000.00 shall be made by invoice, which shall include the contract number assigned by COUNTY, delivered to the COUNTY at the address for Notices to COUNTY set forth in Section 2 of the Agreement, following completion of the increments identified on EXHIBIT B.

If CONTRACTOR's services for the Settlement Work exceed \$1,150,000.00, then all Billing for any Settlement Work in excess of thereof shall be made by invoice, with the total of each invoice split into equal shares between the COUNTY and CITY, which shall include the contract number assigned by COUNTY, delivered to the COUNTY and CITY at the address for Notices to COUNTY and CITY set forth in Section 2 of the Agreement, following completion of the increments identified on EXHIBIT B.

Unless otherwise specified on EXHIBIT B, payment shall be net forty-five (45) days from delivery of invoice.

B. Paragraph 19, Termination, of the Agreement is amended to read as follows:

A. By AGENCIES. Any of the AGENCIES may, by written notice to CONTRACTOR and all parties listed in Section 2 (Notices) above, terminate this Agreement in whole or in part at any time, whether for any of the AGENCIES' convenience, for nonappropriation of funds, or because of the failure of CONTRACTOR to fulfill its obligations hereunder.

1. **For Convenience.** The COUNTY may terminate this Agreement in whole or in part upon thirty (30) days written notice to all parties listed in Section 2 (Notices) of the Agreement. If this Agreement is terminated by the COUNTY, during the thirty (30) day period, CONTRACTOR shall, as directed by the COUNTY, wind down and cease its services as quickly and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on AGENCIES from such winding down and cessation of services.
2. **For Nonappropriation of Funds.** Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, State, COUNTY or CITY governments, or sufficient funds are not otherwise available for payments hereunder in the fiscal year(s) covered by the Term of this Agreement, then

AGENCIES will notify CONTRACTOR and all parties listed in Section 2 (Notices) above of such occurrence, and AGENCIES may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, the AGENCIES shall have no obligation to make payments with regard to the remainder of the Term.

3. **For Cause.** Should CONTRACTOR default in the performance of this Agreement or materially breach any of the provisions hereof, COUNTY may, at COUNTY's sole option, terminate or suspend this Agreement in whole or in part upon written notice to all parties listed in Section 2 (Notices) above ("Termination Notice"). Upon receipt of such Termination Notice, CONTRACTOR shall immediately discontinue all Services (unless otherwise directed in such Termination Notice) and notify AGENCIES in writing of the status of CONTRACTOR's performance of Services hereunder. The date of termination shall be the date the Termination Notice is received by CONTRACTOR, unless the Termination Notice directs otherwise.

B. By CONTRACTOR. Should any of the AGENCIES fail to pay CONTRACTOR all or any part of the payment set forth in EXHIBIT B, CONTRACTOR may, at CONTRACTOR's option, terminate this Agreement if such failure is not remedied by AGENCIES within thirty (30) days of written Notice to COUNTY of such late payment. If less than all AGENCIES fail to pay CONTRACTOR, CONTRACTOR may terminate the AGREEMENT as to the defaulting AGENCIES only, and may continue to provide services hereunder to the non-defaulting AGENCIES, who shall be responsible for equal shares of services thereafter.

- C. Upon termination, CONTRACTOR shall deliver to AGENCIES, all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by CONTRACTOR in performing this Agreement, whether completed or in process, except such items as AGENCIES may, by written permission, permit CONTRACTOR to retain. Notwithstanding any other payment provision of this Agreement, terminating AGENCIES shall pay CONTRACTOR for satisfactory Services performed as of the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CONTRACTOR be paid an amount in excess of the Maximum Contract Amount, or for profit on unperformed portions of Services. CONTRACTOR shall furnish to AGENCIES such financial information as in the judgment of AGENCIES is necessary to determine the reasonable value of the Services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the Services rendered by CONTRACTOR, the decision of AGENCIES shall be final. The foregoing is cumulative and shall not affect any right or remedy which AGENCIES may have in law or equity.

D. Exhibit A, Statement of Work, of the Agreement is amended to read as follows:

The scope of work to be performed by CONTRACTOR shall include, but not be limited to:

Conduct Work as Needed to Respond to the Order, including but not limited to:

- Conduct project oversight, act as point of contact, and other technical support, as needed, to timely respond to Cleanup and Abatement Order R3-2023-0070 and Monitoring and Reporting Program Order No. R3-2023-0071 (including any subsequent amendments) requirements and other directives of the Regional Water Board relating to the Site.*
- Conduct environmental site assessments and investigations, risk assessments, groundwater monitoring, workplans, reports, feasibility studies, remedial design, remediation, cost analyses, alternative analyses, and other technical environmental services as needed.*

Review and Provide Comment on Work Performed at the Site, including but not limited to:

- Provide comment and direction on existing data, data gaps, and additional investigations necessary to fully delineate the site.*
- Review, interpret, and provide comment and direction on any data, reports or other response actions by any other discharger named in the Cleanup and Abatement Order R3-2023-0070 and Monitoring and Reporting Program Order No. R3-2023-0071 (including any subsequent amendments).*
- Provide legal support and related support at the direction of legal counsel, if necessary.*

Prior to starting any work on this Project or performing any services, the CONTRACTOR shall provide to the COUNTY and CITY a task order of the services to be provided for a particular phase or scope of work as part of this Project with a not to exceed budget for the work included in the task order. No work is authorized to be performed until the COUNTY's and CITY's DESIGNATED REPRESENTATIVES approve the proposed task order and budget in writing. In addition, work may be directed by the COUNTY's DESIGNATED REPRESENTATIVES, as long as the proposed work is outlined in a task order with a not to exceed budget for the work that has been approved by the COUNTY's and CITY's DESIGNATED REPRESENTATIVES.

Suspension for Convenience. The COUNTY may, without cause, order CONTRACTOR in writing to suspend, delay, or interrupt the services under this Agreement in whole or in part for up to 365 days. The AGENCIES shall incur no

liability for suspension under this provision and suspension shall not constitute a breach of this Agreement.

E. Exhibit B, Payment Arrangements – Periodic Compensation, of the Agreement is amended to read as follows:

- A. For CONTRACTOR services to be rendered under this Agreement, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$2,572,000. As provided in Exhibit A, CONTRACTOR services shall only be approved, directed and provided by written task order with a “not to exceed” budget that has been approved in writing by the COUNTY’s and CITY’s DESIGNATED REPRESENTATIVES. Any extra work or costs in excess of the amount listed in the task order must first be reviewed and approved by the COUNTY’s and CITY’s DESIGNATED REPRESENTATIVES in writing before such work is allowed and will be compensated.
- B. Payment for services and /or reimbursement of costs shall be made upon CONTRACTOR’s satisfactory performance, based upon the scope and methodology contained in **EXHIBIT A** as determined by the COUNTY and CITY. Payment for services and/or reimbursement of costs shall be based upon the costs, expenses, overhead charges and hourly rates for personnel, as defined in Attachment B-1 (Schedule of Fees). Invoices submitted for payment that are based upon the scope of the Settlement Work in the Settlement Agreement, and may overlap with some work described in Attachment B-1, and must contain sufficient detail to enable an audit of the charges and provide supporting documentation if so specified in EXHIBIT A.
- C. Until the total amount of the services for the Settlement Work (after April 24, 2025) reaches \$1,150,000.00, CONTRACTOR shall submit, quarterly, an invoice to the COUNTY that represents the costs of all services provided under the approved task order for the period specified. For any amount of services for the Settlement Work exceed \$1,150,000.00, CONTRACTOR shall submit, quarterly, two invoices (one to the COUNTY and one to the CITY) that represents the prorated costs of all services provided under the approved task order for the period specified.
- D. Invoices shall be provided to the COUNTY’s and, once applicable, CITY’s DESIGNATED REPRESENTATIVES for service performed over the period specified, clearly identifying the tasks performed including the percentage complete of each task correlated to the Scope of Settlement Work. These invoices must reference the assigned Contract Number.
- E. The COUNTY’s and, once applicable, CITY’s DESIGNATED REPRESENTATIVES shall evaluate the quality of the service performed and if

found to be satisfactory and within the cost basis of the approved task order budget
inv

- F. shall initiate payment processing. COUNTY and, once applicable, CITY shall pay invoices or claims for satisfactory work within 45 days of receipt of correct and complete invoices or claims form CONTRACTOR.
- G. COUNTY, CITY, and/or AIRPORT DISTRICT'S failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of COUNTY, CITY, and/or AIRPORT DISTRICT'S right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.

IN WITNESS WHEREOF, the Parties have entered into this First Amendment to this Agreement to be effective on April 24, 2025.

COUNTY OF SANTA BARBARA

By: _____

Name: _____

Title: _____

CONTRACTOR

By: _____

Name: _____

Title: _____

CITY OF SANTA MARIA

By: _____

Name: _____

Title: _____

SANTA MARIA PUBLIC AIRPORT DISTRICT

By: _____

Name: _____

Title: _____

**SECOND AMENDMENT TO
TERM SHEET BETWEEN THE CENTRAL COAST REGIONAL WATER QUALITY
CONTROL BOARD, COUNTY OF SANTA BARBARA, CITY OF SANTA MARIA, AND
SANTA MARIA PUBLIC AIRPORT DISTRICT FOR THE SEMCO SITE CLEANUP
AND ABATEMENT ORDER AND PETITIONS FOR WRIT OF MANDATE**

On April 24, 2025, the Parties executed the Term Sheet. On June 12, 2025, the Parties executed the First Amendment to the Term Sheet, which amended Paragraph 12 to allow the Parties additional time to enter into a written settlement agreement. This Second Amendment to the Term Sheet, which amended Paragraph 12 to allow the Parties additional time to finalize the written settlement agreement. The remaining terms remain effective and unchanged.

12. Parties will enter into a written settlement agreement by October 31, 2025 that will incorporate the terms of the April 24, 2025 Term Sheet, subject to final approval from one or more of the agencies' respective boards/councils.

Date: 8/5/2025

Christine Monroe

COUNTY OF SANTA BARBARA

By: Christine Monroe

Title: Deputy County Counsel

Date:

CENTRAL COAST REGIONAL WATER BOARD

By: _____

Title: _____

Date:

8/11/25

Casey Stone

CITY OF SANTA MARIA

By: Casey Stone

Title: Asst. City Attorney

Date:

SANTA MARIA PUBLIC AIRPORT DISTRICT

By: _____

Title: _____