



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

**Thursday
October 9, 2025**

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

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

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

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

- 1. MINUTES OF THE REGULAR MEETING HELD SEPTEMBER 25, 2025**
- 2. COMMITTEE REPORT(S):**
 - a) EXECUTIVE**
 - b) ADMINISTRATION & FINANCIAL**
 - c) SAFETY & SECURITY**
 - d) REAL ESTATE**
 - e) AIRPORT PLANNING & CAPITAL IMPROVEMENT**
 - f) GOVERNMENT AFFAIRS**
 - g) MARKETING & PROMOTIONS**
 - h) GENERAL AVIATION**
- 3. GENERAL MANAGER'S REPORT**
- 4. FINANCE REPORT**
 - a) Demand Register**

5. **PUBLIC SESSION:** Statements from the floor will be heard during public session. Request to Speak forms are provided for those wishing to address the board. After completing the form, please give it to the Clerk. Requests requiring board action will be referred to staff and brought on the next appropriate agenda. Members of the public are cordially invited to speak on agenda items as they occur. Staff reports covering agenda items are available for review in the offices of the General Manager on the Tuesday prior to each meeting. The Board will establish a time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.
6. **AUTHORIZATION FOR ONE STAFF MEMBER TO ATTEND THE 2026 ALLEGIANT AIRPORT CONFERENCE TO BE HELD MARCH 31 – APRIL 2, 2026, IN LAS VEGAS, NV.**
7. **AUTHORIZATION FOR THE PRESIDENT TO EXECUTE THE AGREEMENT BETWEEN THE DISTRICT AND RICHARDS, WATSON & GERSHON, LAW FOR LEGAL SERVICES.**
8. **AUTHORIZATION FOR THE PRESIDENT TO EXECUTE THE SETTLEMENT AGREEMENT AND RELEASE BETWEEN THE DISTRICT, THE COUNTY OF SANTA BARBARA, THE CITY OF SANTA MARIA, AND THE CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD.**
9. **RESOLUTION 952. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT EXPRESSING APPRECIATION TO ADAMSKI, MOROSKI, MADDEN, CUMBERLAND, AND GREEN, LLP FOR SERVICE AS DISTRICT COUNSEL OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT.**
10. **DIRECTORS' COMMENTS.**
11. **ADJOURNMENT.**

MINUTES OF THE REGULAR BOARD
MEETING OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT
DISTRICT HELD SEPTEMBER 25, 2025

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

1. MINUTES OF THE REGULAR MEETING HELD September 11, 2025. Director Guy made a Motion to approve the minutes of the regular meeting held September 11, 2025. Director Brown Seconded, and it was carried by a 4-0 vote. Director Adams abstained.
2. COMMITTEE REPORT(S):
 - a) EXECUTIVE – The committee met to set the agenda.
 - b) ADMINISTRATION & FINANCIAL – No meeting scheduled.
 - c) SAFETY & SECURITY – No meeting scheduled.
 - d) REAL ESTATE – No meeting scheduled.
 - e) AIRPORT PLANNING & CAPITAL IMPROVEMENT– No meeting scheduled.
 - f) GOVERNMENT AFFAIRS – No meeting scheduled.
 - g) MARKETING & PROMOTIONS – No meeting scheduled.
 - h) GENERAL AVIATION – No meeting scheduled.
3. GENERAL MANAGER’S REPORT: General Manager Pehl provided an update on the ongoing projects around the airport including Runway Rehabilitation, Customs, Solar, and the Parking Lot and Apron Pavement. He toured the airport with Tartaglia Engineering to pinpoint the project order for the upcoming Airport Capital Improvement Plan update. He would like to show the appropriate Board committee what will be presented to the FAA for 2026. He notified the Board of a meeting he attended with Santa Maria Town Center for marketing opportunities.
4. The General Manager presented the Demand Register to the Board for review and approval.
 - a) Demand Register. The Demand Register, covering warrants 074015 through 074055 in the amount of \$328,424.87, was recommended for approval as presented. Director Brown made a Motion to accept the Demand Register as presented with the exception to the check made to ProDIGIQ. Director Clayton Seconded, and it was carried by a 5-0 vote.
 - b) Budget vs. Actual. Received and filed.
 - c) Financial Statements. Received and filed.
5. PUBLIC SESSION: Statements from the floor will be heard during public session. Request to Speak forms are provided for those wishing to address the board. After completing the form, please give it to the Clerk. Requests requiring board action will be referred to staff and brought on the next appropriate agenda.

Members of the public are cordially invited to speak on agenda items as they occur. Staff reports covering agenda items are available for review in the offices of the General Manager on the Tuesday prior to each meeting. The Board has established a three-minute time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.

No one requested to speak.

6. Discussion and direction to staff regarding sponsorship for the United Way Mayor's Bash. Director Brown made a motion to sponsor the event in the amount of \$2,500. Director Adams Seconded, and it was carried by a 4-0 vote. Director Guy abstained.
7. Discussion and direction to staff regarding sponsorship for the annual Santa Maria Parade of Lights. Discussion was held and direction was given to sponsor the event in the amount of \$5,000.00.
8. Authorization for the President and Secretary to execute the Service Agreement for terminal advertising between the District and FUSE Connect, LLC. Director Clayton made a Motion to approve. Director Brown Seconded, and it was carried by a 4-0 vote. Director Adams abstained.
9. Resolution 952. A Resolution of the Board of Directors of the Santa Maria Public Airport District adopting a policy to reimburse dues for civic club memberships to members of the Board of Directors of the Santa Maria Public Airport District. This item was tabled.
10. Closed Session. At 6:21 p.m. the Board went into Closed Session to discuss the following item(s):
 - a) Public Employment – Legal Counsel pursuant to Gov. Code Section 54957.
 - b) Conference with Legal Counsel-threatened litigation: 3111-K Airpark Drive, Santa Maria, CA 93455. Agency negotiators: General Manager and District Counsel. Negotiating parties: Ravindra Chandrasena. Under negotiation: Settlement Agreement (Gov. Code Section 54956.9).

At 7:21 p.m., the Board and staff reconvened to Open Public Session.

There were two reportable actions.

Item 10b. The Board has approved the settlement offer from the lessee at 3111-K Airpark Drive in the amount of \$4,160 subject to execution of a mutual release to be drafted by District Counsel in standard terms and has authorized the General Manager to execute that release.

Item 10. Public Employment. The Board has selected Richards Watson Gershon Law as new legal counsel pursuant to execution of a retainer agreement consistent with the submitted proposal with one modification. There would not be a charge for travel time. That will be reviewed and approved by District Counsel and authorized the President and Secretary to execute that agreement.

11. Directors' Comments. Director Brown stated that the decision to select legal counsel was not easy, and ultimately the determining factor was proximity.

Director Clayton expressed his appreciation to the two firms for attending the interviews. He stated that the District is moving in the right direction and thanked all those involved in the process.

Director Adams stated that it was not an easy decision choosing between the two firms for District Counsel, but he expressed his appreciation to both firms for attending the meetings.

Director Guy stated that he enjoyed getting to know both firms and thanked them for taking the time to attend the meetings in person. He also noted that it was a difficult decision.

President Moreno thanked the firms for attending the meeting and reiterated that it was a difficult decision.

12. Adjournment: President Moreno asked for a Motion to adjourn to a Regular Meeting to be held on October 9, 2025, at the regular meeting place. Director Clayton made that Motion, Director Brown 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 7:25 p.m. on September 25, 2025.

Ignacio Moreno, President

Steven Brown, Secretary

2025-2026

**DEMAND REGISTER
SANTA MARIA PUBLIC AIRPORT DISTRICT**

Full consideration has been received by the Santa Maria Public Airport District for each demand, numbers 074056 to 074133 and electronic payments on Pacific Premier Bank and in the total amount of \$254,518.51.

MARTIN PEHL
GENERAL MANAGER

DATE

The undersigned certifies that the attached register of audited demands of the Santa Maria Public Airport District for each demand, numbers 074056 to 074133 and electronic payments on Pacific Premier Bank in the total amount of \$254,518.51 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.

KATYA HAUSSLER
ACCOUNTING CLERK

DATE

THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT APPROVED PAYMENT OF THE ATTACHED WARRANTS AT THE MEETING OF OCTOBER 9, 2025.

STEVE BROWN
SECRETARY

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
* 74056	9/24/2025	Armstrong's Lock and Key	\$1,837.88	Hangar/Terminal Maintenance
* 74057	9/24/2025	AT&T	\$50.20	Telephone Service
* 74058	9/24/2025	Bedford Enterprises, Inc.	\$230.73	Terminal Maintenance
* 74059	9/24/2025	Blueglobes, LLC	\$377.09	Lighting Maint. - Landing Area
* 74060	9/24/2025	Bomar Security & Investigation	\$5,536.00	Security Service
* 74061	9/24/2025	Boyer's Diesel	\$1,125.42	Vehicle Maintenance
* 74062	9/24/2025	City of Santa Maria	\$532.00	Construction Meter Fees
* 74063	9/24/2025	City of Santa Maria	\$13,523.11	Utilities - Water
* 74064	9/24/2025	City of Santa Maria	\$72.00	Fire Protection Meters - Annual
* 74065	9/24/2025	Consolidated Electrical Distributors, Inc.	\$235.03	Terminal Maintenance
* 74066	9/24/2025	Grainger	\$147.56	Shop Supplies
* 74067	9/24/2025	Gsolutionz, Inc.	\$406.83	Voice Svcs - September 2025
* 74068	9/24/2025	Hayward Lumber Company	\$431.06	Hangar/FBO Maintenance
* 74069	9/24/2025	HERC RENTALS	\$106.92	FBO Maintenance
* 74070	9/24/2025	Home Depot	\$1,819.34	Terminal Maint. / Shop Supplies
* 74071	9/24/2025	J B Dewar, Inc	\$1,163.72	Unleaded/Diesel Fuel
* 74072	9/24/2025	J C Beasley Enterprises	\$343.75	Terminal Maintenance
* 74073	9/24/2025	Jack's All American Plumbing	\$11,355.05	Hangar Sewer Line Repair
* 74074	9/24/2025	JD Humann Landscaping, Inc	\$591.77	Irrigation Repairs - Sprinklers
* 74075	9/24/2025	Letters, Inc.	\$352.32	Car Wash
* 74076	9/24/2025	Local Copies, Etc.	\$101.92	Business Cards - Rollo Luck
* 74077	9/24/2025	LSC Communications	\$42.59	FAA Publications
* 74078	9/24/2025	McMaster-Carr	\$330.00	Shop Supplies
* 74079	9/24/2025	Mission Linen Service	\$315.86	Uniform Service
* 74080	9/24/2025	Napa Auto Parts	\$54.31	Vehicle Maintenance
* 74081	9/24/2025	Pacific Telemanagement Services	\$463.00	Pay Phone Svc - Terminal
* 74082	9/24/2025	Quinn Company	\$24.79	Vehicle Maintenance
* 74083	9/24/2025	ReNewell Fleet Service	\$434.34	Vehicle Maintenance
* 74084	9/24/2025	Sherwin-Williams	\$105.43	Terminal Maintenance
* 74085	9/24/2025	Smith's Alarms & Electronics Inc.	\$190.24	Fire Alarm Maintenance
* 74086	9/24/2025	Tower Patrol	\$3,257.06	D3 Security Trailer
* 74087	9/24/2025	West Coast Industrial Supply	\$22.25	Vehicle Maintenance
74088	10/7/2025	Adams, Chuck	\$100.00	Director's Fees
74089	10/7/2025	Adamski Moroski	\$4,748.69	Legal Counsel Services
74090	10/7/2025	ADB SAFEGATE Americas LLC	\$203.79	Lighting Maintenance - Landing Area
74091	10/7/2025	Advantage Answering Plus	\$410.56	Answering Service
74092	10/7/2025	American Industrial Supply	\$175.16	Hangar Maintenance
74093	10/7/2025	American Patrols, Inc.	\$496.00	Tenant Refund
74094	10/7/2025	AT&T	\$225.57	Telephone Service
74095	10/7/2025	Aviation Management Consulting Group	\$13,160.00	SMX Airport Rent&Fee Study
74096	10/7/2025	Avsurance Corporation	\$17,763.00	Airport Liability Insurance
74097	10/7/2025	Bartlett, Pringle & Wolf	\$175.00	Software Support Svcs - Acumatica

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
74098	10/7/2025	Brown, Steve	\$200.00	Director's Fees
74099	10/7/2025	Capital Industrial Medical Supply Company	\$184.33	First Aid
74100	10/7/2025	City of Santa Maria	\$325.00	Annual Fire Safety Inspection
74101	10/7/2025	Coast Networx	\$210.00	Network Support Services
74102	10/7/2025	Coastal Ag	\$765.47	Vehicle Maintenance - ARFF
74103	10/7/2025	Comcast Business	\$438.86	Internet Service - Customs
74104	10/7/2025	Consolidated Electrical Distributors, Inc.	\$182.70	Terminal Maintenance
74105	10/7/2025	Fenton, Kerry	\$4,404.95	Travel Reimbursement
74106	10/7/2025	Grainger	\$563.00	Two-Way Radios
74107	10/7/2025	Gsolutionz, Inc.	\$91.70	GPS Cloud Services
74108	10/7/2025	Guy, Anthony Ted	\$300.00	Director's Fees
74109	10/7/2025	Haute Social by Hayley	\$1,075.00	Airport Advertising
74110	10/7/2025	Hayward Lumber Company	\$71.25	Terminal Maint./Shop Supplies
74111	10/7/2025	Heath, Ray	\$3,575.20	Consulting Services - Contingencies
74112	10/7/2025	HR Your Way, Inc.	\$1,559.83	Recruitment Svcs
74113	10/7/2025	J B Dewar, Inc	\$784.67	Unleaded/Diesel Fuel
74114	10/7/2025	Keylock Security Specialists	\$280.00	Fencing and Gates Maintenance
74115	10/7/2025	MarTeeney Designs	\$550.00	Website Maintenance
74116	10/7/2025	Mead & Hunt, Inc.	\$16,000.00	Airport Consulting Service
74117	10/7/2025	Mission Linen Service	\$346.36	Uniform Service
74118	10/7/2025	Moreno, Ignacio	\$500.00	Director's Fees
74119	10/7/2025	Mr. Backflow	\$650.00	Annual Testing of Backflow Devices
74120	10/7/2025	Napa Auto Parts	\$68.45	Vehicle Maintenance
74121	10/7/2025	Oberon3, Inc	\$50.00	Terminal Maintenance
74122	10/7/2025	Pacific Telemanagement Services	\$463.00	Pay Phone Svcs - Terminal
74123	10/7/2025	Playnetwork, Inc.	\$95.85	Audio/Video Media Services
74124	10/7/2025	RB Clean & Sweep	\$950.00	Street Sweeping/Concrete Cleaning
74125	10/7/2025	RRM Design Group	\$11,450.00	SMX Business Park Spec Plan Amendment
74126	10/7/2025	Saylor, Max	\$345.00	Tenant Refund
74127	10/7/2025	Smith's Alarms & Electronics Inc.	\$90.00	Monitoring Electronic Security System
74128	10/7/2025	Sterling Communications	\$118.19	Vehicle Maintenance
74129	10/7/2025	Testa, Martin	\$35.50	Tenant Refund
74130	10/7/2025	Tri-Counties Plant Service	\$275.00	Interior Plant Service - Terminal
74131	10/7/2025	U.S. Bank Equipment Finance	\$573.14	RICOH Printer Lease
74132	10/7/2025	Verizon Wireless	\$1,002.87	Mobile Devices
74133	10/7/2025	West Coast Industrial Supply	\$166.43	Vehicle Maintenance/ARFF
Subtotal			<hr/> \$131,779.09 <hr/>	
ACH	9/25/2025	Paychex	\$27,237.52	Payroll
ACH	9/25/2025	Paychex	\$7,412.94	Payroll Taxes

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
ACH	9/25/2025	CalPers	\$350.00	Unfunded Liability - GASB Report
ACH	9/26/2025	Paychex	\$192.61	Paychex Invoice
ACH	9/26/2025	Umpqua Bank	\$7,456.44	Advertising, Office Equipment, Computer Software
ACH	9/29/2025	Empower Retirement	\$4,847.26	Employee Paid Retirement
ACH	9/29/2025	Tri-County Office Furniture	\$6,284.65	Office Furniture -Customs
ACH	9/30/2025	Ultrex	\$17.25	Equipment Lease - Usage Charge
ACH	10/1/2025	Aflac	\$204.24	Employee Voluntary Insurance
ACH	10/1/2025	Principal	\$2,652.62	Employee Dental/Life/Disability Insurance
ACH	10/1/2025	CalPers	\$19,239.83	Unfunded Liability
ACH	10/1/2025	Amazon Capital Services	\$4,196.09	Vehicle Maint./Office Equip./Shop Supplies
ACH	10/2/2025	CA Dept of Tax and Fees	\$51.00	Sales and Use Tax (7/1/25-9/30/25)
ACH	10/3/2025	Ready Refresh	\$127.31	Water Delivery
ACH	10/3/2025	Frontier	\$341.15	Telephone Service
ACH	10/3/2025	De Lage Landen	\$28.86	Copier - Property Taxes
ACH	10/6/2025	PG&E	\$31,240.71	Terminal/Admin/Hangar Electricity
ACH	10/6/2025	Clark Pest Control	\$3,240.75	Weed/Wildlife Abatement
ACH	10/6/2025	Frontier	\$878.09	Telephone Service
ACH	10/7/2025	CalPers	\$6,740.10	Employee Retirement
		Subtotal	<u>\$122,739.42</u>	
		Total	<u><u>\$254,518.51</u></u>	



October 9, 2025

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

Subject

Authorization for one staff member to attend the 2026 Allegiant Airports Conference to be held March 31 – April 2, 2026, in Las Vegas, NV.

Summary

This conference allows staff to meet with Allegiant Air to discuss the District's progress with air service provided by Allegiant.

Budget

		Attendees	Days	Rate	Total
Fees:	Registration	1		\$285.00	\$285.00
	Air Transportation	1		\$430.00	\$430.00
	Ground Transportation	1		\$50.00	\$50.00
	Lodging	1	3	\$214.00	\$642.00
	Meals	1	4	\$100.00	\$400.00
	Total:				\$1,807.00

Overall Impact:

2025-2026 Budget for Business Travel	\$30,000.00
Previously Approved Business Travel	\$15,635.60
Current Balance for Business Travel	\$14,364.40
Amount of this Request	\$1,807.00
Balance Remaining if Approved	\$12,557.40

Recommendation

Staff recommends the Board approve this conference.

Legal Services Agreement

This Agreement for Legal Services ("Agreement") is between the Santa Maria Public Airport District ("Agency") and Richards, Watson & Gershon ("Attorney") to perform the legal services described below, effective November 1, 2025 ("Effective Date"). The Agency and Attorney are hereinafter referred to as the "Parties." To the extent that California Business & Professions Code section 6148 applies to this engagement, this Agreement is intended to fulfill the requirements of that section.

1. RECITALS.

1.1. The Agency desires to retain the Attorney to discharge the duties of Agency Legal Counsel. The scope of the requested representation by the Attorney is to advise and represent the Agency in connection with any legal matters that the Agency may refer to the Attorney from time to time ("Matter(s)"), including acting as Agency General Legal Counsel, representing the Agency in litigation or conflicts as assigned by the Agency and any matters related thereto, supervising outside counsel, and any other matters of Agency business which may be referred to the Attorney from time to time.

1.2. The scope of the representation may be expanded from the work described above only if agreed upon in writing by both the Agency and the Attorney. The Attorney cannot guarantee a particular result or outcome in the Matter for which the Attorney has been retained. The Attorney's responsibility in representing the Agency is to provide effective legal services consistent with our ethical and professional responsibilities and based upon all available information.

1.3. This Agreement is effective as of the Effective Date, regardless of when the Agreement is signed by the Parties.

2. TERM OF AGREEMENT

The term of this Agreement shall be for a period of three (3) years beginning on the Effective Date. The term of this Agreement may be extended by mutual written agreement of the parties.

3. ATTORNEYS' FEES

3.1. The Agency agrees to pay Attorneys' fees on the following basis. It is understood that no specific fee is set by law, and that this fee has been specifically agreed to between the Parties. It is understood and agreed that the Attorney will submit its monthly invoices for fees and costs advanced to the Agency, to the attention of the General Manager. It is expressly understood and agreed that the Agency is responsible for and will pay the attorneys' fees and cost obligations incurred by the Attorney in representing the interests of the Agency.

3.2. Billing statements will be prepared and emailed by the Attorney to the Agency on a monthly basis. The Attorney's billing cycle is the calendar month. Payment of the billing statement is due upon receipt by the Agency, and a billed amount will be deemed past due if not paid within thirty (30) days of the date of the billing statement on which it first appears. Upon completion of this representation, the Attorney will send the Agency a final statement for all remaining fees and costs, if any.

3.3. The attorneys' fees component of the Attorney's billing statements will be billed in 1/10 hour increments, and time entries will provide a general level of detail regarding tasks

performed. While the work performed by Attorney attorneys on any given day will be stated in some detail, the time spent in performing those tasks may be aggregated and appear as a single time entry.

3.4. The legal services to be rendered by the Attorney on behalf of the Agency will be charged at an hourly rate. The Attorney cannot predict in advance what the total amount of fees will be for this engagement or for any individual task. The rates for the Attorney's services will be billed and paid in accordance with the fee schedule attached and incorporated herein as Exhibit 1.

3.5. Except to the extent specified in Exhibit 1, Attorney's billing rates may be changed only by a written agreement signed by the parties before the updated rate goes into effect.

3.6. If a billing statement is not paid when due as described in paragraph 3.2 above, from the date when such statement is 30 days past due, interest will be charged on the unpaid principal balance (fees, costs, and disbursements) shown on the statement. Interest will be calculated by multiplying the unpaid balance by the periodic rate of 0.833 percent per month (ten percent [10%] annual percentage rate). The unpaid balance will bear interest until paid.

3.7. Attorney shall not charge time expended for travel to and from Attorney's office to Agency's office for attendance at regular meetings of Agency's Board.

4. COSTS AND EXPENSES.

4.1. The Agency shall be responsible for all costs and expenses incurred while working on a Matter for the Agency, pursuant to the provisions of Exhibit 1. These costs may include, without limitation, filing and other court-imposed fees, photocopying charges, telephone charges, on-line research or technology charges, deposition costs, and travel expenses, including lodging, food and the like. With advance authorization from the Agency Board of Directors ("Board"), the Attorney may employ outside legal counsel, investigators and other experts or consultants, whose fees and expenses shall be charged to the Agency as costs.

4.2. The Attorney may, in its discretion, advance some costs and expenses, with reimbursements to be made by the Agency upon periodic billing, upon termination of the Matter, or upon our discharge or withdrawal as attorneys, whichever occurs first. The reimbursement of any costs advanced is in addition to any billed attorneys' fees.

4.3. The Attorney will require the deposit of the Attorney's reasonably estimated costs and fees in any mediation, arbitration or trial ten (10) days prior to any such proceeding.

5. RETAINER DEPOSIT.

The Attorney will not require an advance retainer prior to the commencement of work in this Matter.

6. REPRESENTATIONS.

It is acknowledged that the Attorney has made no representation whatsoever regarding the successful resolution of any legal Matter.

7. COOPERATION AND RESOLUTION.

The Agency agrees to cooperate fully with Attorney in all aspects of the Matter. Examples of the assistance that the Agency is required to provide may include: providing information and access to records, being available for consultation and deposition sessions upon reasonable notice, actively participating in the decision-making process with regard to potential resolutions or strategy, and paying the Attorney's invoices as they come due. While the Attorney reports directly to the Agency's Board, the Attorney will take day-to-day direction and assignments from the General Manager.

8. DISCHARGE, WITHDRAWAL OR COMPLETION OF REPRESENTATION.

8.1. The legal representation described in this Agreement may be terminated as follows:

8.1.1. The Agency may discharge the Attorney at any time with written notice to the Attorney.

8.1.2. The Firm may withdraw for good cause. Among facts constituting good cause is the breach of this Agreement by the Agency are: failure to cooperate with us or to follow our advice on a material matter, failure to pay this Firm's invoices when due, or any fact or circumstance that would permit us to withdraw under California attorney ethics rules.

8.2. Unless specifically agreed by all parties, the Attorney will provide no further services and advance no further costs after receipt of notice that the Agency has discharged the Attorney.

8.3. Should the Attorney withdraw or be discharged, it shall be paid for all costs advanced and any outstanding balance of attorneys' fees. The Agency will remain responsible for any costs incurred on the Agency's behalf and remaining unpaid at the time of our discharge or withdrawal.

8.4. The Agency and the Attorney each agree to sign any documents reasonably necessary to complete the Attorney's discharge or withdrawal as the Agency's attorneys.

8.5. Upon completion of the legal tasks and representation covered by this engagement letter, the Attorney will provide no further services unless agreed to in writing by both parties. The Attorney shall notify the Agency in writing of the availability of any files or other records relating to the representation then in the Attorney's possession, and shall provide the Agency not less than ninety (90) calendar days to designate and obtain any or all of such files or other records. The Attorney may retain a copy of any of the Agency's files at the Attorney's discretion. At the end of such period, the Attorney may dispose of its files and/or records at the Attorney's discretion, without further notice.

9. ARBITRATION.

9.1. Any dispute between the Agency and the Attorney concerning attorneys' fees or other costs for professional services rendered by the Attorney pursuant to this Agreement will be, at the Agency's election, submitted to arbitration. If the Agency elects to arbitrate such dispute, the arbitration shall be conducted pursuant to California Business & Professions Code sections 6200 et seq.

9.2. In the event of any arbitration, action, or proceeding arising out of this Agreement, the prevailing party shall be entitled to recover all costs and other expenses, including reasonable attorneys' fees, incurred by it in connection with or in preparation for such arbitration, action or proceeding.

10. OTHER PROVISIONS.

10.1. Waiver. Waiver by either Party of any term or condition in this Agreement or any breach shall not constitute a waiver of any other term or condition or breach of this Agreement.

10.2. Right to Seek Independent Legal Advice. Before entering into this Agreement, the Attorney has advised the Agency of the Agency's right to seek the advice of an independent attorney concerning the terms and conditions of this Agreement. The Agency may seek such independent advice as it desires concerning any questions on this Matter.

10.3. Insurance Coverage. The Attorney maintains errors and omissions insurance applicable to the legal services to be provided.

10.4. Notices. Any notice or communication permitted or required by this Agreement shall be in writing and may be made by personal delivery and email to the Attorney or to the Board Chair; or, if delivered by mail, shall become effective two (2) days after mailing by certified mail, return receipt requested, postage prepaid addressed as follows:

10.4.1. If to the Agency, to Agency's Chair, with a copy to the General Manager, at the then-current business address for the Agency.

10.4.2. If to the Attorney, at the address listed on the last billing statement received by the Agency from the Attorney.

10.5. Entire Agreement. This Agreement contains all of the terms agreed upon by all Parties with respect to the subject matter of this Agreement and supersedes all prior agreements, arrangements, and communications between the parties concerning such subject matter, whether oral or written. This Agreement may only be amended by a written instrument signed and dated by all Parties and approved by resolution of the Board.

10.6. Drafting. This Agreement shall be interpreted as if it had been drafted by both parties concurrently and equally and shall not be interpreted against either Party by virtue of that Party having primarily drafted the Agreement.

**RICHARDS, WATSON, & GERSHON,
A PROFESSIONAL CORPORATION
("ATTORNEY")**

**SANTA MARIA PUBLIC AIRPORT DISTRICT
("AGENCY")**

By: Craig A. Steele, President

By: _____
Board Chair

Date: _____

Date: _____

EXHIBIT 1

FEE SCHEDULE

1) General Services

All legal services the Attorney provides to the Agency, other than litigation services (if any) as defined below, will be “General Services” and billed at a composite hourly rate for all attorneys of \$290 per hour, and at a composite rate for all paralegals of \$180 per hour, all billed in 1/10 hour increments. “General Services” includes, without limitation:

1. Attendance at regular Board of Commissioners meetings, and special meetings at the request of the General Manager or Board Chair.
2. Legal research and legal advice to Agency Board members and staff.
3. Preparation and review of contracts, resolutions, ordinances, agreements, and other legal documents.
4. Public agency law advisory services.
5. Labor and Employment law services.
6. Public Records Requests, Conflicts of Interest, and Brown Act matters.
7. Real Estate law, Environmental, and Land Use matters.
8. Oversight of legal matters handled by outside legal counsel.

2) Litigation Services

Litigation Services is defined as the Attorney’s representation of the Agency in all aspects of the initiation, advancement, or defense of claims in any litigation, arbitration, mediation, or administrative proceedings before other public agencies. Litigation Services shall be billed at a 10% discount from the Attorney’s then-current standard hourly rate for each attorney or other professional working on the matter, not to exceed \$450.

3) Reimbursable and/or Other Costs

All out of pocket costs associated with the Attorney’s provision of legal services, such as electronic legal research services, copying, or messenger or delivery services, will be charged at the Attorney’s actual out-of-pocket expenses when itemized. The Attorney may charge a proportional legal services technology fee for its use of advanced technology for litigation, research, or major document review for the provision of services to the Agency. The Attorney shall not charge for word processing and similar clerical tasks. Mileage and travel costs for any work to or from a location outside San Luis Obispo County will be billed at IRS-approved rates and actual cost with no markup.

4) Rate Adjustments

The Attorney’s hourly rates will not be increased until January 1, 2027. As of that date, and not more often than annually thereafter, the rates specified in this Exhibit 1 shall be increased automatically consistent with the increase (if any) in the Consumer Price Index for All Urban Consumers (“CPI-U”), West Region, comparing October over the previous October, not to exceed 5%, and rounded to the nearest \$5 increment.

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (hereinafter referred to as the “Agreement”) is entered into, by, between, and among respective petitioners and/or real parties in interest, the County of Santa Barbara (“COUNTY”), the Santa Maria Public Airport District (“AIRPORT DISTRICT”), and the City of Santa Maria (“CITY”) (collectively, “LOCAL AGENCIES”) and respondent the California Regional Water Quality Control Board, Central Coast Region (“WATER BOARD”). The LOCAL AGENCIES and WATER BOARD are collectively referred to herein together as “PARTIES” and each singularly as “PARTY” based on the respective provisions herein.

RECITALS

A. WHEREAS the 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. The COUNTY and CITY jointly owned the Site from 1949-1964, during which time the Site was leased to SEMCO. The AIRPORT owned the Site from 1964-1968, during which time the Site was leased to SEMCO.

C. WHEREAS the CAO states that investigations have indicated that the Site is impacted with VOCs, petroleum hydrocarbons, and 1,4-dioxane in soil, soil gas, and groundwater.

D. WHEREAS the CAO identifies the LOCAL AGENCIES as dischargers responsible for the cleanup of the impacted soil, soil gas, and groundwater.

E. WHEREAS the PARTIES disagree on whether the LOCAL AGENCIES were properly named as dischargers in the CAO.

F. WHEREAS, on October 25, 2023, the AIRPORT DISTRICT filed a petition with the State Water Resources Control Board (“STATE WATER BOARD”) for review of the CAO. After the STATE WATER BOARD dismissed the petition by operation of law, on February 22, 2024, the AIRPORT DISTRICT filed a petition for writ of mandate and complaint for injunctive relief 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”).

G. WHEREAS, on October 26, 2023, the COUNTY filed a petition with the STATE WATER BOARD for review of the CAO. After the STATE WATER BOARD dismissed the petition by operation of law, on February 22, 2024, COUNTY filed a petition for writ of mandate 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”).

H. WHEREAS, on October 24, 2023, the CITY filed a petition with the STATE WATER BOARD for review of the CAO. After the STATE WATER BOARD dismissed the petition by operation of law, on December 19, 2024, CITY filed a petition for writ of mandate 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”).

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

J. WHEREAS the WATER BOARD intends to oppose the PETITIONS.

K. WHEREAS the CAO requires those named therein, including the LOCAL AGENCIES, to meet certain investigatory and cleanup deadlines for the Site, which is enforceable by the WATER BOARD under the Water Code and other statutes.

L. WHEREAS there is a stay of enforcement of the CAO as to the COUNTY and AIRPORT DISTRICT at least through October 13, 2025.

M. WHEREAS the PARTIES desire to avoid litigation and to resolve the differences between the PARTIES.

NOW, THEREFORE, solely for the purpose of settling the claims covered by this Agreement, and to avoid further judicial proceedings and the adjudication of certain issues of law and/or fact, and for no other purpose, 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 as follows.

TERMS

1. **EFFECTIVE DATE.** This Agreement shall become effective as of the date the last signature set forth at the end of this Agreement.

2. **PARTIES AND BINDING EFFECT.**

2.1. This Agreement applies only between the PARTIES, and this Agreement and each provision herein shall be binding upon and inure to the benefit of each (WATER BOARD, COUNTY, CITY, and AIRPORT DISTRICT) and all of these PARTIES and, without limitation, their respective board/council members, officials, directors, officers, principals, staff, agents, representatives, attorneys, employees, departments, divisions, successors, successors-in-interest, assigns, and all persons acting by, at the direction of or in concert with them.

- 2.2. This Agreement covers and otherwise resolves the “Covered Matters,” which means the CAO, and any and all orders, directives, requirements, civil or administrative actions, and obligations of any kind, relating to any existing or future liability or to compel the LOCAL AGENCIES to perform environmental investigation and response actions to address the Existing Contamination, releases, or threatened releases of a hazardous substance at or originating from the Site, whether that action is onsite or offsite. The “Existing Contamination” means any hazardous substances, pollutants, or contaminants that, as of the Effective Date of this Agreement, have been released, discharged, disposed of, or otherwise placed at the Site that are present or existing on or under the Site, that originate from the Site, or that have migrated or threaten to migrate from the Site, as described in the CAO. The “Covered Matters” also includes any and all costs incurred or to be incurred by the WATER BOARD relating to the Site or this Agreement.
- 2.3. Nothing in this Agreement shall bind, obligate, or otherwise create any rights or duties applicable to or enforceable by, or impose any limitations or conditions upon, any discharger, person or entity that has not signed the Agreement, nor shall the Agreement be construed to make such person or entity a third-party beneficiary of the Agreement.
- 2.4. The PARTIES shall have the express authority to enforce all provisions of this Agreement, individually or collectively.

3. **COMMITMENTS OF THE PARTIES.**

- 3.1. **Settlement Work.** In consideration of and in exchange for the stay of enforcement of the CAO while the following work is performed and upon completion, the full and forever release and covenant not to sue in Section 4, the LOCAL AGENCIES agree to perform the following limited scope of work as described herein (“Settlement Work”), through the LOCAL AGENCIES’ joint consultant. The time schedule to implement the following Settlement Work (“Time Schedule”) is set forth in Exhibit “A” and appended to this Agreement.
- 3.1.1. **SOIL VAPOR EXTRACTION (SVE).** The scope of work is fully described in Exhibit “B” and appended to this Agreement. The SVE shall address the shallow zone (to the low permeability layer at the bottom of the perched zone at approximately 50-foot below ground surface depth).
- A. **Remediation Goals.** The LOCAL AGENCIES shall operate the SVE System until one of the following remediation goals is reached. The “SVE System” is described in a workplan attached hereto as Exhibit “B”.
- i. 1×10^{-5} risk in soil gas concentrations using 0.01 attenuation factor (cleanup to a stable concentration of 3,000 $\mu\text{g}/\text{m}^3$ TCE); or

- ii. If after two (2) years 1×10^{-5} risk ($3,000 \mu\text{g}/\text{m}^3$ TCE) in soil gas is not achieved, SVE operations may be discontinued once 1×10^{-4} soil gas risk ($30,000 \mu\text{g}/\text{m}^3$ TCE) is achieved, provided that vapor intrusion mitigation is installed and operational if greater than 1×10^{-5} vapor intrusion risk remains (e.g., sub-slab depressurization or equivalent is implemented). After the remediation goals identified herein are obtained and the scope of work in Exhibit B is completed, the SVE System shall be owned and the responsibility of the current owner(s) of the property on which the system is located at the Site, including any operation, maintenance, repairs, or otherwise, and the WATER BOARD shall not require the LOCAL AGENCIES to take any further actions regarding the SVE System.

B. **Remediation Goal Measurement.** The following measurements shall be used in progress reports and to determine the achievement of one of the above remediation goals.

- i. Any and all measurements of soil gas concentrations will be made using the 95 percent upper confidence level of the mean concentration as reported for vapor wells, using existing vapor probes SV8, SV11, SV12, SV15, SV16, and SV17 and five (5) SVE wells that will be installed for SVE remediation, identified in the workplan attached hereto as Exhibit B.
- ii. Any and all measurements of soil gas concentrations will be made after SVE system shutdown and a suitable “rebound” period, as defined in the workplan in Exhibit “B,” to allow for equilibration and measurement of representative and stable soil gas concentrations.

C. **Startup and Reporting.** The LOCAL AGENCIES shall install and startup the SVE System as soon as possible, but within the time set in the Time Schedule set forth in Exhibit A, which is intended to allow for design, permitting, and public participation. Following installation and start-up of the SVE System, and for as long as the system is operating, the LOCAL AGENCIES shall submit semi-annual progress reports, which shall include, at least (a) summary of SVE System operations and maintenance, and (b) general evaluation of the SVE System’s performance with respect to the remedial goals identified herein. The progress reports shall be submitted to the WATER BOARD and uploaded to GeoTracker (in accordance with California Code of Regulations, Title 23, Division 3, Chapter 30 and Title 27, Division 3, Subdivision 1, and Title 27, Division 3, Subdivision 2). The WATER BOARD may provide comments or recommendations but shall not

require any further action or make further directives to the LOCAL AGENCIES.

D. **Cooperation and Changes in Conditions**. The PARTIES have negotiated the scope of work to be a complete expression of the LOCAL AGENCIES' obligations but acknowledge that there may be site conditions that could affect the ability of the LOCAL AGENCIES to perform the work. Accordingly, the PARTIES also agree:

- i. **Public Participation**. The PARTIES shall coordinate a public notice and public comment period of the interim remedial action consistent with the requirements of Health & Safety Code section 78930, to be published by the WATER BOARD.
- ii. **Groundwater Recharge**. Should groundwater recharge make SVE infeasible in the perched zone at approximately 50-foot below ground surface depth, the LOCAL AGENCIES shall implement dual phase extraction to enable SVE to continue.
- iii. **SVE System Interruptions**. Should operation of the SVE System be interrupted for more than 30 consecutive days or for more than 60 days in any 12-month period, not including the time that the SVE System is shut down for the suitable "rebound" period, then the two (2)-year operating period shall be extended by the same number of days of the interruption within that 12-month period.

3.1.2. **DEEP GROUNDWATER ZONE ASSESSMENT AND MONITORING**. The scope of work is fully described in Exhibit "C" and appended to this Agreement.

A. **Vertical Profiling of City Supply Well 2AS**. The LOCAL AGENCIES shall conduct a vertical profiling of Well 2AS to identify TCE, 1,4-Dioxane, and TPHg/TPHd across the well's screen interval.

B. **Deep Groundwater Monitoring Well Installation**. The LOCAL AGENCIES shall install two (2) deep groundwater monitoring wells near the Site to investigate the offsite impacts, if any, for migration of contaminants that originated from the Site.

- i. **Ownership**. The CITY shall own and maintain these two deep groundwater monitoring wells until completion of the Settlement Work described in this section (3.1.2.) is completed.

- ii. Location of Wells. The PARTIES acknowledge that the two off-site deep groundwater monitoring wells will be placed on public property. The location or ownership of the wells is not intended to be an admission or construe separate liability of the LOCAL AGENCIES relating to ownership or operations of the real property upon which the wells are located for contamination originating from the Site.
- iii. Status of Wells after Completion of Work. Once the Settlement Work described in this section (3.1.2.) 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 other parties named in the CAO (other than the LOCAL AGENCIES), who shall own and be responsible for properly maintaining the wells. The COUNTY shall approve the form of any quitclaim or other ownership transfer conveyance for any well located on COUNTY property.

The CITY shall make a good faith attempt to transfer ownership of the wells to each of the parties named in the CAO. Should the transfer of ownership of the wells be accepted or rejected by one or more parties named in the CAO, the CITY and/or COUNTY shall notify the WATER BOARD.

If after the COUNTY and/or CITY provide notice to the WATER BOARD, and transfer of the wells have not been accepted by any other party named in the CAO (other than the LOCAL AGENCIES) within 365 days after the notice to the WATER BOARD, then the CITY may freely abandon, transfer, cap or otherwise cease utilization of each well in any manner in which it sees fit. This period shall be tolled during any period in which the WATER BOARD has an administrative or judicial enforcement action pending to enforce the terms of the CAO or other orders concerning the contamination related to the Site issued by the WATER BOARD against parties other than the LOCAL AGENCIES.

C. Groundwater Monitoring.

- i. Semi-Annual Deep Groundwater Well Sampling Events. The LOCAL AGENCIES shall conduct eight (8) groundwater monitoring events over a four (4)-year period, on a semi-annual basis, to sample and gauge the depths to water each of the following wells: the two (2) groundwater monitoring wells that are to be

installed by the LOCAL AGENCIES and groundwater monitoring well DW-1 located at the Mafi Trench facility (collectively, “Sampling Wells”).

- ii. CITY Well 2AS Sampling Events. The LOCAL AGENCIES shall conduct two (2) groundwater monitoring events over four (4)-years (once every other year during the semi-annual sampling events) of CITY Well 2AS.
- iii. Shallow Well Sampling Event. The LOCAL AGENCIES shall conduct one (1) groundwater monitoring event of all available onsite shallow perched groundwater monitoring wells prior to the SVE System startup.
- iv. Sampling Methods. Sampling analytes shall include USEPA Method 8260B/C for VOCs and TPHg/TPHd by USEPA Method 8015M. In two (2) of the groundwater monitoring events, the timing of which is set forth in Exhibit A, a general minerals sampling analysis shall also be performed.
- v. Reporting. The LOCAL AGENCIES shall submit semi-annual groundwater monitoring reports to the WATER BOARD within thirty (30) days following each of the monitoring events and shall upload the groundwater data and reports to GeoTracker. The WATER BOARD may provide comments or recommendations but shall not require any further action or make further directives to the LOCAL AGENCIES.

3.1.3. **TECHNICAL EVALUATIONS.** The LOCAL AGENCIES shall submit to the WATER BOARD, and shall upload a copy to GeoTracker, the following technical evaluations by the deadlines set forth in the Time Schedule in Exhibit A. The LOCAL AGENCIES shall not be required to implement any work, repairs, or take any other action with respect to the groundwater treatment system or in response to the evaluation.

A. **Existing Groundwater Treatment System Evaluation.** A technical evaluation of the existing groundwater treatment system at the Site shall include at least details on what parts would need to be installed and other repairs that would need to be completed to make the system operable for groundwater pump and treatment of contaminated groundwater in the future.

B. **Future Hydraulic Containment Evaluation.** If after the second sampling event of the CITY Well 2AS, the detections are above 12 micrograms per liter, a technical evaluation of the use of Well 2AS for future hydraulic containment, including at least details on what work would need to be completed to have the well serve as a hydraulic containment well to prevent migration of contaminated groundwater beyond the Site boundaries in the future.

- 3.2. **CEQA.** Settlement Work being conducted pursuant to this Agreement shall be deemed as exempt from CEQA as it is being conducted in lieu of the Order, which and, as such, is exempt from the provisions of the Public Resource Code section 21000, et seq. in accordance with California Code of Regulations, title 14, section 15307 and 15308. The WATER BOARD, as the lead agency within the meaning of CEQA, shall submit a Notice of Exemption to the State Clearinghouse and to the Clerk of the County of Santa Barbara within five business days after this Agreement is fully executed, and to take all other steps necessary to comply with the requirements for exemption from CEQA.
- 3.3. **Due Care.** The LOCAL AGENCIES, and their contractors, shall exercise due care at the Site with respect to the Existing Contamination, and shall comply with all applicable local, State, and federal laws and regulations.
- 3.4. **Modification of Time Schedule.** The deadlines set forth in the Time Schedule herein may be extended by modification of Exhibit A by the WATER BOARD and LOCAL AGENCIES, and any of them. In accordance with section 10 of this Agreement, the LOCAL AGENCIES must submit written notification to the WATER BOARD of any and all requests to extend a deadline in Exhibit A at least 60 days prior to the applicable deadline or shall state why 60 days-notice is not feasible, state the need for additional time, and propose modification(s) to Exhibit A. The WATER BOARD shall not unreasonably withhold consent to a modification of the deadline(s) in Exhibit A.
- 3.5. **Cooperation.** Should there be any changes in conditions not otherwise contemplated herein that affect the ability of the LOCAL AGENCIES' performance of the Settlement Work, the Parties shall meet and confer subject to the dispute resolution procedures in this Agreement to address issues should they arise.
- 3.6. **Stay of CAO Enforcement.** Upon this Agreement taking effect and so long as the LOCAL AGENCIES are in compliance with this Agreement, the WATER BOARD will stay enforcement of the CAO against the LOCAL AGENCIES, only, and shall not impose fines, penalties, require, direct, or order the LOCAL AGENCIES to take any other actions with respect to the Covered Matters while the Settlement Work and conditions of this Agreement are completed.

3.7. Dismissal of Petition and Tolling.

- 3.7.1. Good Faith Settlement Determination. Within thirty (30) days of this Agreement taking effect, the LOCAL AGENCIES may file a motion for good faith settlement determination in their respective Petitions. A copy of any and all orders from the court making a good faith settlement determination shall be provided to the WATER BOARD to be placed in the WATER BOARD's public files, including on GeoTracker for the Site.
- 3.7.2. Dismissal without prejudice. Within ten (10) court days of a decision by the Court on the motion for good faith settlement, or if no motion is filed then within forty-five (45) days following the effective date of this Agreement, the LOCAL AGENCIES, respectively, shall file a request for dismissal without prejudice of the PETITIONS and with the court retaining jurisdiction. As stated elsewhere in this Agreement, the Court shall retain jurisdiction to enforce the settlement pursuant to California Code of Civil Procedure section 664.6.
- 3.7.3. Tolling of PETITION Claims. The PARTIES agree that the running of any and all applicable statutes of limitations, and any other statute, law, rule or principle of equity of similar effect, and any other time-related defenses or limitations on actions, including, but not limited to, the time limitations for filing any and all pleadings, petitions, commencing litigation, bringing suit, or instituting proceedings (collectively, "Time Defenses"), with respect to any and all rights, claims, and causes of action that have accrued or may accrue that could or might be asserted by any PARTY that are based on, arise out of, or in any way relate to the facts and circumstances associated with the PETITIONS, including mandamus relief, shall be tolled and suspended during the Tolling Period.
 - 3.7.3.1. The "Tolling Period" shall be in place until there is a "No Further Action" letter and notice of completion of the Settlement Work. The Tolling Period may be extended by mutual written agreement of the PARTIES. The PARTIES shall not withhold consent to an extension of the Tolling Period so long as the LOCAL AGENCIES are performing the Settlement Work.
 - 3.7.3.2. The PARTIES agree that the time included in the Tolling Period shall be excluded from computing, and determining the applicability or validity of, any Time Defenses for any and all Claims.
 - 3.7.3.3. The PARTIES agree that no litigation or other legal proceedings will be instituted between them with regard to the matters in the PETITIONS until expiration of the Tolling Period. This provision does not apply to, nor do the PARTIES intend to toll any claims for

breach of this Settlement Agreement, which may be brought at any time consistent with the Dispute provisions herein.

- 3.7.3.4. The PARTIES may terminate this provision only upon the filing of a breach of the Settlement Agreement claim, and thereupon, the Tolling Period shall terminate ninety (90) days following receipt of the notice of the filing of the breach of contract claim, at which time all claims must be preserved through the initiation of litigation. LOCAL AGENCIES may initiate litigation, suit or proceeding at any time during the ninety-day period.
- 3.7.3.5. The PARTIES agree that each shall not plead, assert, or otherwise raise any Time Defenses, to the extent such is tolled by this Agreement, as a bar to other limitations on any Claims and provided as long as such Time Defenses were not already barred as of the Effective Date of this Tolling Agreement.
- 3.7.3.6. This provision constitutes a valid and effective written agreement to toll pursuant to California Code of Civil Procedure section 360.5.
- 3.7.3.7. This “Tolling of PETITION Claims” section of the Agreement may be used by any Party in a court of law as an absolute bar to the assertion of any position contrary to the terms of this provision.
- 3.7.3.8. Upon issuance of a notice of completion of the Settlement Work and No Further Action Letter, the PETITION Claims shall be extinguished as a matter of law on the date of the No Further Action Letter.

- 3.8. **Notice of Progress and Completion of Settlement Work.** The LOCAL AGENCIES shall provide notices of progress and completion of the respective scopes of the Settlement Work, which may be in the form of the reports as required above. Within thirty (30) days of a notice of completion of any portion of the Settlement Work as well as a notice of final completion, the WATER BOARD shall provide a notice of determination of completion, confirming that the Settlement Work has been fully performed. Upon the LOCAL AGENCIES’ notice of final completion of all scopes of the Settlement Work, the WATER BOARD shall provide concurrence on the completion and a “No Further Action” determination. If the WATER BOARD determines that any such Settlement Work has not been completed in accordance with this Agreement, the WATER BOARD shall notify the LOCAL AGENCIES in writing and provide a detailed list of the deficiencies. The LOCAL AGENCIES may either correct the stated deficiencies, or if disputed, the PARTIES shall follow the dispute procedure set forth in this Agreement.

4. **WATER BOARD'S RELEASE AND COVENANTS NOT TO SUE.**

4.1. In consideration for the LOCAL AGENCIES' promise and performance described herein, and effective upon complete performance of the Settlement Work described in Section 3 of this Agreement, the WATER BOARD does hereby:

4.1.1. Remove the LOCAL AGENCIES, and each of them, from the CAO for the Site, and upon removal, promises not to take any further or future action or enforcement as to the LOCAL AGENCIES *only*, relating to the Covered Matters, whether such actions are onsite or offsite.

4.1.2. Release and forever discharge the LOCAL AGENCIES, together and separately, and each of them, from all known and unknown civil and administrative actions, orders, directives, complaints, claims, charges, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties, fines, oversight costs, fees, and expenses (including attorneys' fees and costs actually incurred), of any nature whatsoever, whether at law or in equity, or known or unknown, which the WATER BOARD has, or may have had, against the LOCAL AGENCIES, whether or not apparent or yet to be discovered, or which may hereafter develop, for any acts or omissions related to or arising from the Covered Matters. This release expressly covers, but is not limited to, any and all direct or indirect claims and administrative and regulatory authority that could be exercised pursuant to the California Water Code (including but not limited to sections 13000, *et seq*), California Health & Safety Code (including but not limited to Division 45, Part 2, sections 78000, *et seq*), Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. § 9601, *et seq*, and Resource Conservation and Recovery Act (RCRA), 40 CFR § 239, *et seq*. This Agreement resolves any and all claims for relief relating to or arising from the Covered Matters that has or could have been alleged by the WATER BOARD against the LOCAL AGENCIES, and each of them, no matter how characterized, including, without limitation, compensatory damages, damages for breach of contract, penalties, bad faith damages, reliance damages, liquidated damages, damages for humiliation and embarrassment, punitive damages, costs, and attorneys' fees.

4.2. The covenants and promises made herein shall not be contingent on the outcome, data, results, and/or detections of any contaminant or constituent. This means that even if there are actionable detections of contamination, including but not limited to any immediate, imminent and/or substantial impact or endangerment, that this Agreement shall remain operative and enforceable. As stated elsewhere in this Agreement, this Agreement does not inure to third parties and thus, the WATER BOARD shall retain all powers to enforce the CAO and any other obligations as to any other named "discharger" except the LOCAL AGENCIES.

5. **CITY'S RESPONSIBILITY FOR ITS WATER SUPPLY WELLS.** If hazardous substances originating from the Site impact any of the CITY's drinking water supply wells, then the CITY shall be responsible for addressing and treating any hazardous substance pollution within its drinking water supply wells (e.g., through wellhead treatment, or otherwise, at the discretion of the CITY). The CITY shall not request assistance from the WATER BOARD for replacement water pursuant to Water Code section 13304 for impacts related to this Site. Nothing in this provision is intended to be an admission or construe separate liability of the CITY relating to ownership or operations of its drinking water supply wells for contamination originating from the Site.
6. **JUSTIFIABLE RELIANCE.** The PARTIES acknowledge and agree that the PARTIES, and each of them, are justifiably and reasonably relying upon the terms and conditions set forth in this Agreement, and that this Agreement is enforceable in accordance with its terms.
7. **COOPERATION.**
 - 7.1. The LOCAL AGENCIES have executed a separate, related agreement for the cooperation, coordination, and assistance of each other in implementing the terms of this Agreement, including, but not limited to, providing technical, monetary, and/or administrative support to implement the terms of this Agreement (the "Common Interest Agreement"). As memorialized in the Common Interest Agreement and any amendment thereto, the COUNTY and CITY shall be responsible for ensuring and facilitating the LOCAL AGENCIES' obligations relating to the Settlement Work set forth in this Agreement, including but not limited to communications, coordination, and cooperation with the WATER BOARD. The AIRPORT DISTRICT shall not be responsible for, nor actively participate, in facilitating the performance and completion of the Settlement Work.
 - 7.2. The LOCAL AGENCIES may implement their obligations under the terms of this Agreement in conjunction with, or through, an agent(s) or independent contractor(s) selected by the LOCAL AGENCIES. The LOCAL AGENCIES shall retain sole discretion to hire and fire any such agent or independent contractor.
 - 7.3. The WATER BOARD shall cooperate and assist the LOCAL AGENCIES with sufficient access to the Site and Mafi Trench site. Should it be necessary, the WATER BOARD agrees that it will use all authority provided to it by law (including but not necessarily limited to, Water Code § 13304) to obtain sufficient access to the Site for the LOCAL AGENCIES to perform their obligations under this Agreement. The PARTIES acknowledge and agree that the LOCAL AGENCIES, or any of them, shall not be deemed to be in breach of this Agreement if the Settlement Work cannot be completed due to an inability of the PARTIES to access the Site.

- 7.4. At least five (5) days prior to commencement of any portion of the physical Settlement Work that will take place on the Site, the LOCAL AGENCIES, which may be done through their consultant, shall give notice to the WATER BOARD. Upon reasonable notice thereafter, the WATER BOARD shall be authorized to access any portion of the Site that may be subject to the Settlement Work and over which the LOCAL AGENCIES, or any of them, have the authority to grant such access. The WATER BOARD shall have the right to photograph, sample, and monitor the Site for the purposes of ensuring compliance with this Agreement. The LOCAL AGENCIES shall have the right to obtain copies of all photographs, sampling data reports/analyses, and notes taken by the WATER BOARD during such Site inspection.

8. **CONTRIBUTION PROTECTION.**

- 8.1. With regard to claims for contribution against the LOCAL AGENCIES, the PARTIES agree that this Agreement is an administrative settlement for purposes of Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2) and the Hazardous Substance Account Act (HSAA), California Health and Safety Code § 79920(b), and that the LOCAL AGENCIES are entitled to protection from contribution actions or claims under CERCLA, HSAA, or as may be otherwise provided by law, for the Covered Matters in this Agreement to the fullest extent permitted by law.
- 8.2. The LOCAL AGENCIES may file a motion for good faith settlement determination of their respective PETITIONS. The WATER BOARD shall not oppose the motion. The PARTIES acknowledge and agree that this motion is made as an additional protection of the LOCAL AGENCIES against third party claims. However, this Agreement is not contingent on the Court's determination of a good faith settlement and shall still be effective without such finding.
- 8.3. Nothing in this Agreement, precludes or limits any of the PARTIES from seeking cost recovery or other claims brought against third parties (i.e., parties other than the PARTIES covered in this Agreement), including but not limited to, cost recovery or contribution under 42 U.S.C. §§ 9607, 9613.

9. **NO ADMISSION OF LIABILITY.**

- 9.1. Nothing in this Agreement is intended, shall constitute, or be construed as an admission or concession of guilt, fault, or liability on the part of any of the PARTIES, nor shall it be construed as an admission of the existence or non-existence of any fact. Neither this Agreement, nor any part of the negotiations had in connection herewith shall constitute evidence, a waiver of any right or defense, an estoppel, or an admission of any matter of law or fact either as among the PARTIES or with respect to any person or entity not a party to this Agreement.

- 9.2. This Agreement will not be admissible for any purpose other than (1) to support the LOCAL AGENCIES' motion for good faith settlement determination; (2) pursuant to California Evidence Code section 1123, and without objection, for the sole purpose of interpreting and enforcing the Agreement, if needed; (3) to rebut a defense or to defend against any claim, action, or other proceeding that may be brought, instituted or taken by one of the PARTIES against the other in breach of this Agreement; and (4) to establish, rebut, defend any third party claim for contribution and/or to invoke the contribution protections contained in this Agreement.
- 9.3. The PARTIES acknowledge and agree that the fact that the LOCAL AGENCIES are agreeing to perform this scope of work, and any evidence of the work (including but not limited to work plans, data, reports, records, lab reports, field notes, logs, figures, maps, analysis, conclusions or any other indicia or record) do not constitute an admission or waiver by the LOCAL AGENCIES of any rights or legal theories that could have been raised in the PETITIONS. The PARTIES understand and expressly acknowledge that this shall not be used to argue that the LOCAL AGENCIES were, at any time, properly named in the CAO.
10. **NOTICES**. Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be deemed given or made only if in writing by mail and email addressed as follows, or to such other address as may, from time to time, be designated by written notice to the other PARTIES, as follows. Any PARTY may designate, but notice to all of the other PARTIES, substitute addresses or addressees for notices, which shall not be subject to the modification provision of this Agreement, and thereafter, notices are to be directed to those substitute addresses or addressees. At the time of this Agreement, notice are as follows:

WATER BOARD:

Attn: Ryan Lodge, Executive Officer
895 Aerovista Place, Suite 101
San Luis Obispo, CA 93401
Email: Ryan.Lodge@waterboards.ca.gov

Sophie N. Froelich
Office of Chief Counsel, State Water Resources Control Board
1001 I Street, 22nd Floor
Sacramento, CA 95814
Email: Sophie.Froelich@waterboards.ca.gov

Dylan C. Redor
Office of the Attorney General of California
300 S. Spring St.
Los Angeles, CA 90013
Email: Dylan.redor@doj.ca.gov

COUNTY:

Ted Teyber
County of Santa Barbara – General Services
Santa Barbara, CA 93101
Email: tedteyber@countyofsb.org

Christine M. Monroe
County Counsel's Office, County of Santa Barbara
105 E. Anapamu Street, Suite 201
Santa Barbara, CA 93101
Email: cmonroe@countyofsb.org

CITY:

City of Santa Maria
Attention: City Manager
110 E. Cook Street
Santa Maria, California 93454

Office of City Attorney
Attention: Thomas Watson
204 E. Cook Street
Santa Maria, California 93454
Email: twatson@cityofsantamaria.org

AIRPORT DISTRICT:

Martin Pehl, General Manager
3217 Terminal Drive
Santa Maria, CA 93455
Email: mpehl@santamariaairport.com

Josh George
Adamski Moroski Madden Cumberland & Green LLP
P.O. Box 3835
San Luis Obispo, CA 93403-3835
Email: george@ammcglaw.com

11. **AUTHORITY AND VOLUNTARY EXECUTION.** Each of the individuals signing this Agreement represents and warrants their full power and authority to bind the party on whose behalf they sign, and that this Agreement as so executed will be binding upon each of the PARTIES. The PARTIES represent that they have carefully read this Agreement, know its contents, and freely and voluntarily signed it.

12. **JOINT PREPARATION**. Each of the PARTIES hereto has cooperated in the drafting and preparation of this Agreement through their respective counsel, and said counsel has carefully reviewed and examined this Agreement for execution by said PARTIES, or any of them. Therefore, the Agreement shall be construed as if all the PARTIES jointly prepared it, and any uncertainty or ambiguity in the Agreement shall not be interpreted against any one Party.
13. **ENTIRE FINAL AGREEMENT**. The PARTIES acknowledge that this Agreement and its reduction to final form is the result of extensive good faith negotiations between the PARTIES through their respective counsel. This Agreement contains all of the terms and conditions agreed upon by the PARTIES relating to the Covered Matters by this Agreement, and supersedes any and all prior and contemporaneous agreements, negotiations, correspondence, understandings, and communications of the PARTIES, whether oral or written, respecting the Covered Matters by this Agreement.
14. **COUNTERPARTS AND SIGNATURES**. This Agreement may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute one and the same instrument. The PARTIES agree that facsimile and electronic signatures will be treated in all respects as having the same effect as an original signature. The PARTIES agree that this Agreement will be considered signed when the signature of a Party is delivered by hand, by mail, by facsimile, or by e-mail transmission.
15. **SURVIVAL**. That the representations set forth in this Agreement shall endure forever and shall survive the execution of this Agreement and the settlement and dismissals of the PETITIONS.
16. **SEVERABILITY**. If any provision of this Agreement is determined to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the Parties. In any event, the remaining provisions shall be deemed valid and enforceable to the maximum extent possible.
17. **GOVERNING LAW**. This Agreement shall be interpreted, construed, governed and enforced under and pursuant to the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of San Luis Obispo.
18. **MODIFICATIONS**. This Agreement may not be amended or modified, except by a written instrument signed by all of the PARTIES.
19. **DISPUTES, ENFORCEMENT, AND REMEDIES**. If any dispute arises between or among the PARTIES regarding this Agreement or any of the obligations herein, the PARTIES shall resolve any such dispute using the following dispute resolution procedures:

- 19.1. The PARTIES shall attempt to resolve any disagreements concerning this Agreement expeditiously and informally. To ensure that the meet and confer process is as productive as possible, the aggrieved PARTY shall first notify the other PARTIES in writing, setting forth the basis for its position and to set a meeting. The other PARTIES shall provide a written response, if any, within ten (10) days. Thereafter, the PARTIES shall meet and confer in person or via videoconference to attempt to resolve the matter without, and prior to seeking judicial intervention.
- 19.2. Any agreement reached by the PARTIES pursuant to this Section shall be in writing and shall, upon signature by each of the PARTIES, be incorporated into and become an enforceable part of this Agreement.
- 19.3. If after sixty (60) days of initiating the meet and confer process the PARTIES are unable to resolve their dispute, any PARTY may seek judicial intervention and determination by a court of competent jurisdiction. Nothing in this provision requires that any PARTY seek judicial intervention within a certain time period, and the PARTIES may continue to attempt to resolve the matter without judicial intervention.
- 19.4. Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction over the PARTIES to interpret and enforce the settlement and/or this AGREEMENT.
20. **NO ATTORNEY 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 enforcement of this Agreement.
21. **EXHIBITS.**
- A. Settlement Work Time Schedule
 - B. Workplan for Onsite Soil Vapor Extraction
 - C. Offsite and Onsite Groundwater Characterization Work Plan

IN WITNESS WHEREOF, the PARTIES have entered into this Agreement as of the Effective Date set forth above.

**CALIFORNIA REGIONAL WATER QUALITY
CONTROL BOARD, CENTRAL COAST REGION**

By: _____

Title: _____

Date: _____

CITY OF SANTA MARIA

By: _____

Title: _____

Date: _____

SANTA MARIA PUBLIC AIRPORT DISTRICT

By: _____

Title: _____

Date: _____

COUNTY OF SANTA BARBARA

By: _____

Title: _____

Date: _____

EXHIBIT A
SETTLEMENT WORK TIME SCHEDULE

Soil Vapor Extraction

Scope of Settlement Work	Deadline
Start-up <ul style="list-style-type: none">- Design- Public Participation- Permitting- Completion Reports	Within 400 days of the effective date of the Agreement, subject to extension if air permit not issued within 180 days of application submittal.
Semi-Annual Progress Reports	Due semi-annually, for as long as the system is in operation, on or by: <ul style="list-style-type: none">• April 30 – first semi-annual report for October to March;• October 31 – second semi-annual report for April to September.

Groundwater Monitoring

Scope of Settlement Work	Deadline
Well Installation <ul style="list-style-type: none">- Design- Permitting- Completion Reports	Within 150 days of the effective date of the Agreement, subject to extension if off-site permitting requires more than 60 days.
Semi Annual Sampling of two new wells and Mafi Trench well (8 events total)	Semiannually, for approximately four years until 8 events: <ul style="list-style-type: none">• First Quarter (October to March)• Third Quarter (April to September)
Semi-Annual Reports (8 reports total)	Semiannually, for approximately four years until 8 reports are submitted, on or by: <ul style="list-style-type: none">• April 30• October 31

Sampling of available shallow onsite wells (1 event total)	Within 150 days of the effective date of the Agreement and shall be included in the first groundwater monitoring report.
Vertical Profiling of City Well 2AS (1 event total)	Within 150 days of the effective date of the Agreement and shall be included in the first groundwater monitoring report.
Sampling of City Well 2AS (2 events total)	<p>Event 1: Within 150 days of the effective date of the Agreement and included in the first groundwater monitoring report; and</p> <p>Event 2: Shall be sampled during 6th semi-annual groundwater monitoring event and included in the 6th semi-annual groundwater monitoring report.</p>
Mineral Sampling of two new wells and Mafi Trench well (2 events total)	<p>Event 1: Within 150 days of the effective date of the Agreement and included in the first groundwater monitoring report; and</p> <p>Event 2: Shall be sampled during 4th semi-annual groundwater monitoring event and included in the 4th semi-annual groundwater monitoring report.</p>

Technical Evaluations

Scope of Settlement Work	Deadline
Existing Groundwater Treatment System Evaluation	Within 270 days of the effective date of the Agreement.
Future Hydraulic Containment Evaluation	If necessary, within 120 days following the 6 th semi-annual groundwater monitoring report, in which the sampling results of City Well 2AS are included.

RESOLUTION NO. 952
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC
AIRPORT DISTRICT EXPRESSING APPRECIATION TO ADAMSKI, MOROSKI, MADDEN,
CUMBERLAND & GREEN, LLP FOR SIXTEEN YEARS OF DISTINGUISHED SERVICE AS
DISTRICT COUNSEL

WHEREAS, Adamski, Moroski, Madden, Cumberland & Green, LLP (AMMCG) has served as District Counsel for the Santa Maria Public Airport District from October 15, 2009, through October 31, 2025, providing sixteen years of dedicated legal service; and

WHEREAS, during this period, the District benefited from the expertise and leadership of two Chief Legal District Counsel, Raymond A. Biering and Joshua George, along with the valuable contributions of Assistant District Counsel Natalie Frye Laacke and Daniel Cheung; and

WHEREAS, AMMCG has provided timely and thorough legal review of countless leases, contracts, board items, and policies, including but not limited to internal financial controls, record retention, the Injury & Illness Prevention Plan, personnel manuals, conflict of interest codes, election documents, and numerous air service contracts with Allegiant Air, United Airlines, SkyWest Airlines, and Mokulele Airlines; and

WHEREAS, AMMCG guided the District through significant governance transitions, including the change from at-large to district-based elections, and successfully navigated two subsequent redistricting efforts; and

WHEREAS, AMMCG was instrumental in assisting the District in resolving key legal actions, including those involving the Department of Fish and Wildlife and SEMCO, as well as in declaring surplus land, obtaining FAA release approvals, and facilitating the sale of various parcels; and

WHEREAS, AMMCG successfully defended the District against internal legal challenges, achieving dismissals of multiple lawsuits while continuing to provide steady and effective legal counsel; and

WHEREAS, AMMCG played a vital role in preparing, negotiating, and managing contracts on behalf of the District for fifteen Airport Improvement Program (AIP) projects totaling more than \$35 million, resulting in the successful completion of numerous critical infrastructure improvements, including the runway extension; acquisition of the Aircraft Rescue and Firefighting (ARFF) vehicle and associated access improvements for the Fire Station; taxiway and taxilane rehabilitations; the Airport Master Plan; obstruction removal projects; terminal apron construction; relocation of the Runway 20 threshold; rehabilitation of Runway 12-30; and multiple hangar rehabilitation projects; and

WHEREAS, through their commitment and professionalism, AMMCG contributed to significant District accomplishments, including the establishment of the U.S. Forest Service Air Tanker Base, the return of U.S. Customs service and the relocation of the Planes of Fame Air Museum to Santa Maria;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Santa Maria Public Airport District hereby expresses its sincere appreciation and gratitude to Adamski, Moroski, Madden, Cumberland & Green, LLP for sixteen years of exemplary legal service, professionalism, and dedication to the advancement and success of the District.

PASSED AND ADOPTED at the regular meeting of the Board of Directors of the Santa Maria Public Airport District held on October 9, 2025, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Ignacio Moreno, President

Steven Brown, Secretary