SANTA MARIA PUBLIC AIRPORT DISTRICT
BOARD OF DIRECTORS

Thursday
November 12, 2026

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.

Any disclosable public records related to an open session item on this agenda and distributed by the District to all or a majority of the members of the Board of Directors less than 72 hours prior to the meeting are available for public inspection at the District administrative office, 3217 Terminal Drive, Santa Maria, CA 93455, during normal business hours, and on the District's website at SantaMariaAirport.com.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL: Brown, Guy, Clayton, Ramirez, Youngern

1. MINUTES OF THE REGULAR MEETING HELD OCTOBER 22, 2026

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. MANAGER OF FINANCE & ADMINISTRATION 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. **PRESENTATION BY MIKE FLORES, MANAGER OF FINANCE AND ADMINISTRATION, REGARDING AIRPORT LANDING ACTIVITY AND LANDING FEE REVENUE TRENDS.**

7. **PRESENTATION BY MIKE FLORES, MANAGER OF FINANCE AND ADMINISTRATION, REGARDING THE DISTRICT'S BUDGET AWARD.**

8. **RESOLUTION 980. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT ESTABLISHING A PAID INTERNSHIP PROGRAM, ADDING A TEMPORARY INTERN CLASSIFICATION AND PAY RATE, AND AMENDING THE PERSONNEL MANUAL.**

9. **CONSENT CALENDAR: The following items are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member or member of the public requests that an item be removed for separate consideration and action. All matters listed hereunder constitute a consent agenda and may be acted upon by a single roll call vote of the Board.**

    a) **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE THIRTY-FIRST AMENDMENT OF LEASE AGREEMENT BETWEEN THE DISTRICT AND CJJ FARMING, EXTENDING BOTH SECTION B PARCELS, LEAVING SECTION A'S EXISTING TERM UNCHANGED, AND PROVIDING A DISTRICT OPTION TO TERMINATE THE ENTIRE LEASE UPON SALE OF A LEASED PARCEL.**

10. **CLOSED SESSION: The Board will hold a Closed Session to discuss the following item:**

    a) **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2). One (1) potential case.**

11. **DIRECTORS' COMMENTS.**

12. **ADJOURNMENT.**

MINUTES OF THE REGULAR BOARD
MEETING OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT
DISTRICT HELD OCTOBER 22, 2026

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 Brown, Clayton, Guy, Ramirez and Youngern. General Manager, Pehl, Manager of Finance & Administration, Flores, and District Counsel Steele.

1. APPOINTMENT OF MEMBERS TO COMMITTEES AND ASSIGNMENT TO LIAISON POSITIONS. President Brown appointed Director Ramirez to the Administration & Financial Committee and stated that the remaining committee assignments would stay as they are for the two meetings left in the year, with new assignments to follow the election of officers at year end.

2. MINUTES OF THE REGULAR MEETING HELD SEPTEMBER 24, 2026. Director Guy made a Motion to approve the minutes of the regular meeting held September 24, 2026. Director Ramirez Seconded, and it was carried by a 5-0 vote.

3. 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 – The committee met once.

   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.

4. GENERAL MANAGER'S REPORT: Mr. Pehl reported that the Taxilane Pavement Rehabilitation project is underway. He reported that the contractor for the Rehabilitate Taxiways A, S, T, & U project asked to delay construction until spring, and staff agreed, because a wet winter is forecast and the specialized taxiway lighting and signage have a 12- to 16-week lead time; construction is expected to start in March or April. Staff reported that the contractor will order the equipment now and hold its bid items. At the Board's request, Mr. Pehl has agreed to submit the new taxiway schedule to the Board once it is available.

5. The Manager of Finance & Administration presented the Demand Register to the Board for review and approval.

   a) Demand Register. The Demand Register, covering warrants in the amount of $389,317.21 was recommended for approval as presented. Director Brown made a Motion to accept the Demand Register as presented. Director Clayton Seconded, and it was carried by a 5-0 vote.

   b) Financial Statements. Received and filed.

   c) Quarterly Investment Report. Received and filed.

6. PUBLIC SESSION: Statements from the floor will be heard during public session. Request to Speak forms are provided for those wishing to address the board. After completing the form, please give it to the Clerk. Requests requiring board action will be referred to staff and brought on the next appropriate agenda. Members of the public are cordially invited to speak on agenda items as they occur. Staff reports covering agenda items are available for review in the offices of the General Manager on the Tuesday prior to each meeting. The Board will establish a time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.

   There was one request to speak during public session.

   Teresa Arrendonda of Artcraft Paint addressed the Board. She noted that the Main Hangar roof has leaked every time it rains for the past several years and that the problem has not yet been resolved, and she invited the Board of Directors to visit Artcraft during the next rainstorm to see it for themselves.

7. First Quarter Fiscal Year 2026-2027 Budget Review and Long-Range Forecast, and approval of the Fiscal Year 2027-2028 Budget Calendar.

Director Guy made a Motion to receive and file the first quarter fiscal year 2026-2027 budget review and long-range forecast and to approve the fiscal year 2027-2028 budget calendar as presented. Director Clayton Seconded, and it was carried by a 5-0 vote.

8. CONSENT CALENDAR: The following items are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member or member of the public requests that an item be removed for separate consideration and action. All matters listed hereunder constitute a consent agenda and may be acted upon by a single roll call vote of the Board.

a) Authorization for the President and Secretary to execute an easement between the District and the City of Santa Maria for the 10-Foot-Wide Waterline and Well Site 6.

b) Authorization for the General Manager to execute escrow documents and all other documents necessary to close escrow on the sale of District property to G3, LLC under the Vacant Land Purchase Agreement and Joint Escrow Instructions, subject to review and approval by District Counsel.

c) Authorization for the President and Secretary to execute the Managed Infrastructure Services Agreement between the District and Peak Wifi, LLC for maintenance of the Airport's exterior network.

d) Authorization to award the contract for the Sump Pump Replacement and Installation Project to All American Drilling, INC. and for the President and Secretary to execute the public works agreement, subject to review and approval by District Counsel.

e) Authorization for the General Manager to remove former Directors Chuck Adams and Marvin Rodriguez as authorized signatures on the District's accounts at Columbia Bank and add Directors Jose Ramirez and Patrick Youngern as authorized agents.

f) Authorization for two staff members to attend the 2027 California Society of Municipal Finance Officers annual conference to be held February 1-4, 2027, in Sacramento, CA.

Director Clayton made a Motion to approve. Director Guy Seconded, and it was carried by a 5-0 vote.

9. Closed Session. At 6:25 p.m. the Board went into Closed Session to discuss the following item(s):

a) Conference with Real Property Negotiators: Property: 4000 South Blosser Road, Space 88 (A.P.N. 611-230-088). Agency negotiators: Martin Pehl, General Manager, and Craig Steele, District Counsel. Negotiating Parties: Jose Esparza. Under negotiation: Instruction to negotiator will concern price and terms of payment (Gov. Code Section 54956.8).

b) Conference with Real Property Negotiators: Property: A portion of A.P.N. 111-231-007. Agency negotiators: Martin Pehl, General Manager, and Craig Steele, District Counsel. Negotiating parties: Solstra Communities, LLC. Under negotiation: Instruction to negotiator will concern price and terms of payment (Gov. Code Section 54956.8).

At 7:06 p.m., the Board and staff reconvened to Open Public Session. There were no reportable actions.

10. Directors' Comments. Director Youngern had no comment.

Director Ramirez reported that he attended the State of the City and he believes much of the District's work aligns with goals the City is pursuing. He stated that he was excited about the developments that have taken place during his short time on the Board, had enjoyed working with his fellow Directors, and looked forward to what the next 12 months would bring.

Director Guy expressed his appreciation for the diversity of the Board and for having all seats filled. Referring to the public speaker's comment, he stated that hers was not the only complaint about leaking roofs. He emphasized that the District needs to listen to tenants, understand their issues, and come back to them with action plans and solutions, particularly for problems caused by rain and weather.

Director Clayton stated that, from speaking with members of the community, the biggest concern he had heard was that the Board's meetings are not bilingual. He suggested that the District consider Spanish subtitles or a Spanish audio option on the video recordings, and bilingual meetings, so that everyone can take part. He stated that the airport was moving in the right direction and that it was good to see a full Board of five.

President Brown stated that work at the Airport was progressing, and that the elections are heating up.

Adjournment: President Brown asked for a Motion to adjourn to a Regular Meeting to be held on November 12, 2026, at the regular meeting place. Director Ramirez made that Motion, Director Guy 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 7:10 p.m. on October 22, 2026.

_____
Steve Brown, President

_____
Michael B. Clayton, Secretary

2026-2027

DEMAND REGISTER
SANTA MARIA PUBLIC AIRPORT DISTRICT

Full consideration has been received by the Santa Maria Public Airport District for each demand, BILL Checks and electronic payments on Columbia Bank and in the total amount of $240,917.48

_____ _____

MARTIN PEHL DATE
GENERAL MANAGER

The undersigned certifies that the attached register of audited demands of the Santa Maria Public Airport District for each demand, BILL Checks and electronic payments on Columbia Bank in the total amount of $240,917.48 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.

_____ _____

MIKE FLORES DATE
MANAGER OF FINANCE AND ADMINISTRATION

THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT APPROVED PAYMENT OF THE ATTACHED WARRANTS AT THE MEETING OF NOVEMBER 12, 2026.

_____

MICHAEL B. CLAYTON
SECRETARY

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
P26102201 - 4288551	10/26/2026	AT&T	$53.26	Telephone Service
P26102201 - 4288523	10/26/2026	AT&T	$53.26	Telephone Service
P26102201 - 4288590	10/26/2026	Bomar Security & Investigation	$6,432.00	Security Services
P26102201 - 4288643	10/26/2026	Calif. Special Districts Assoc	$9,861.00	Annual Membership Dues
P26102201 - 4288661	10/26/2026	Comcast	$1,458.72	Cable/Internet/Digital Voice
P26102201 - 4288397	10/26/2026	Grainger	$225.70	Hangar Maintenance
P26102201 - 4288677	10/26/2026	Gsolutionz, Inc.	$407.77	Cloud Voice Svcs - October 2026
P26102201 - 4288406	10/26/2026	J B Dewar, Inc	$1,752.33	Unleaded/Diesel Fuel
P26102201 - 4288413	10/26/2026	JD Humann Landscaping, Inc	$5,422.02	Landscaping Service/Irrigation Repairs
P26102201 - 4288725	10/26/2026	Pacific Telemanagement Services	$463.00	Pay Phone Service
P26102201 - 4288457	10/26/2026	Perez Handy Man	$1,750.00	MHP - Maintenance
P26102201 - 4288775	10/26/2026	ReNewell Fleet Service	$1,586.79	Vehicle Maintenance - ARFF
P26102201 - 4288797	10/26/2026	S Lombardi & Assoc., Inc.	$1,200.00	Airport Advertising
P26102201 - 4288821	10/26/2026	Santa Maria Breakfast Rotary	$5,000.00	Airport Advertising - Parade of Lights
			$35,665.85	
ACH	10/20/2026	FlexTG	$21.65	Equipment Lease - Usage Charge
ACH	10/22/2026	Paychex	$9,221.26	Payroll Taxes
ACH	10/22/2026	Paychex	$35,150.41	Payroll
ACH	10/22/2026	Empower	$5,680.14	Employee Paid Retirement
ACH	10/22/2026	Clark Pest Control	$2,965.75	Weed/Wildlife Abatement
ACH	10/22/2026	Primo Brands	$132.31	Water Delivery
ACH	10/23/2026	Paychex	$211.77	Paychex Invoice
ACH	10/23/2026	Clark Pest Control	$272.00	Terminal Maintenance
ACH	10/23/2026	Amazon Capital Services	$727.46	Office Supplies/Vehicle Maint. / Terminal Maintenance
ACH	10/23/2026	Home Depot	$983.82	Hangar Maintenance/Pavement Maintenance
ACH	10/26/2026	Avsurance Corporation	$24,979.00	Airport Liability Insurance- Annual
ACH	10/26/2026	C.J. Brown & Company, CPAs	$2,512.00	Audit - June 2026
ACH	10/26/2026	American Assn of Airport Exec	$325.00	Annual Membership - R. Tokoph
ACH	10/26/2026	HERC RENTALS	$5,163.27	Drainage Maintenance
ACH	10/26/2026	McMaster-Carr	$2,882.51	FBO/Hangar/Landing Area Maintenance
ACH	10/26/2026	Mission Linen Service	$432.95	Uniform Service
ACH	10/26/2026	O'Reilly Automotive, Inc.	$215.61	Vehicle Maintenance
ACH	10/26/2026	Paychex of New York LLC	$134.00	Time& Attendance Services
ACH	10/26/2026	Stone Dean	$1,004.44	Legal Counsel Services
ACH	10/26/2026	U.S. Dept. of Agriculture	$412.98	APHIS Program
ACH	10/26/2026	Quadient Finance	$200.00	Postage
ACH	10/26/2026	Aflac	$204.24	Employee Voluntary Insurance
ACH	10/26/2026	Columbia Bank	$9,518.91	Computer Software/Business Travel/Memberships
ACH	10/29/2026	Frontier	$443.88	Telephone Service
ACH	10/29/2026	CalPers	$8,534.32	Employee Retirement

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
ACH	10/29/2026	CalPers	$21,501.00	Unfunded Liability
ACH	10/30/2026	Primo Brands	$135.31	Water Delivery
ACH	11/2/2026	Principal	$2,901.34	Employee Life/Dental/Disability Insurance
ACH	11/5/2026	Paychex	$8,995.09	Payroll Taxes
ACH	11/5/2026	Paychex	$34,955.16	Payroll
ACH	11/6/2026	Paychex	$208.77	Paychex Invoice
ACH	11/9/2026	Empower	$5,016.73	Employee Paid Retirement
ACH	11/9/2026	CalPers	$19,208.55	Employee Health Insurance
		Subtotal	$205,251.63	
		Total	$240,917.48	

TO: President and
Members of the Board of Directors
Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, CA 93455

FROM: Mike Flores
Manager of Finance and Administration

MEETING: November 12, 2026

ITEM

Presentation by Mike Flores, Manager of Finance and Administration, Regarding Airport Landing Activity and Landing Fee Revenue Trends

BACKGROUND

The Santa Maria Public Airport District ("District") charges landing fees by aircraft weight. Under the adopted Fiscal Year 2026-27 Schedule of Rates and Charges, non-based aircraft of 8,000 pounds or more pay $2.50 per 1,000 pounds of maximum gross landing weight; lighter aircraft and aircraft based at the Airport pay no landing fee. Beginning with July 2026 flights, these fees are billed through the PlanePass system operated by Vector Airport Systems. This report compares the first quarter of Fiscal Year 2026-27 (July through September 2026) with the same quarter of prior years. It identifies where activity and revenue declined and the external economic factors behind the decline.

DISCUSSION

The decline is concentrated in jet landings. Jets are among the heaviest aircraft using the Airport, so each jet landing pays far more than a lighter aircraft, and most light aircraft pay nothing. Key figures for July through September 2025 and 2026:

Jet landings: 721 in 2025; 385 in 2026 (down 46.6%)

Landing-fee revenue: $46,183.97 in 2025; $17,662.47 in 2026 (down $28,521.50, or 61.8%)

Tower operations (takeoffs and landings counted by the FAA tower): 8,049 in 2025; 5,784 in 2026 (down 28.1%), the lowest for that quarter in the six years from 2021 (9,106) through 2026

All recorded landings: 3,325 in 2025; 3,533 in 2026 (up 6.3%), still 7.6% below 2024 (3,825)

Landings by smaller aircraft rose from 2,604 to 3,148, which is why total recorded landings increased while jet landings fell. This includes training touch-and-go landings, which rose from 567 to 670. Aircraft under 8,000 pounds pay no landing fee, so the added small-aircraft traffic does not replace the revenue lost from jets.

EXTERNAL FACTORS

Staff believes the drop in jet activity reflects the sharply higher cost of flying. The national average price of full-service Jet A fuel reached $8.66 per gallon in October 2026, up 35.1% since February and the fourth consecutive monthly increase, according to iFlightPlanner's survey of 3,367 fixed base operators and fuel providers. Aviation gasoline (100LL) averaged $7.85 per gallon. Jets burn far more fuel per flight than light aircraft, so fuel prices weigh most heavily on the business and charter jet trips that pay the highest landing fees. The decline does not reflect a general recession: the U.S. Bureau of Economic Analysis reports that real gross domestic product grew at an annual rate of 3.4% in the third quarter of 2026, up from 2.2% in the second quarter.

FINANCIAL IMPACT

Receiving this report has no direct financial impact.

ANALYSIS

Airport use by smaller aircraft held up, and fuel flowage fees posted for the quarter were higher than a year earlier ($62,876.40 compared with $43,825.56). One quarter is not enough to set a new annual estimate, because flying is seasonal and fees are recorded in the month they are billed rather than the month of the flight. Staff will track jet activity and fuel prices monthly and will update landing-area revenue estimates in the mid-year budget review.

RECOMMENDATION

It is recommended that the Board of Directors receive and file this report.

ATTACHMENTS

None

SANTA MARIA AIRPORT
SMX

TO: President and
Members of the Board of Directors
Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, CA 93455

FROM: Mike Flores
Manager of Finance and Administration

MEETING: November 12, 2026

ITEM

Presentation by Mike Flores, Manager of Finance and Administration, Regarding the District's Budget Award

BACKGROUND

The Government Finance Officers Association ("GFOA") established the Distinguished Budget Presentation Awards Program in 1984. GFOA serves more than 25,000 government finance members. On November 5, 2026, GFOA notified the Santa Maria Public Airport District ("District") that its Fiscal Year 2026-27 budget received the Distinguished Budget Presentation Award. This is the first time the District has received the award. As a first-time recipient, the District will receive a plaque from GFOA.

DISCUSSION

What the award means. The award is independent confirmation that the District's budget meets nationally recognized guidelines for effective budget presentation. Each budget is examined by a panel of three independent reviewers, drawn from more than 400 public finance practitioners who volunteer for the program. To receive the award, a budget must be rated proficient as a policy document, a financial plan, an operations guide, and a communications device, including fourteen mandatory criteria within those categories. In the District's review, reviewers rated four items outstanding: the organization chart, the financial policies, the position summary, and the document's overall understandability.

How rarely it is given. About 1,900 governments receive the award each year. The U.S. Census Bureau counted 90,837 local governments in the United States in 2022, so roughly 2% of governments hold the award. It is rarer still among airports: GFOA's published list of award recipients for budgets beginning in 2026, current through July 14, 2026, names 403 governments. Only a handful are airport agencies, and none is a California airport.

The award was granted on a qualified basis. Reviewers found that the budget's performance measures did not yet meet the program's mandatory criterion, and GFOA asks the District to correct this by its next budget submission or within two budget cycles. Staff will strengthen the performance measures in the Fiscal Year 2027-28 budget.

FINANCIAL IMPACT

Receiving this report has no direct financial impact.

ANALYSIS

The award gives the Board, tenants, residents and other public agencies an outside, expert assessment that the District's budget is clear, complete and transparent. The award is valid for one year. To continue in the program, the District must submit each new budget to GFOA within 90 days of adoption.

RECOMMENDATION

It is recommended that the Board of Directors receive and file this report.

ATTACHMENTS

GFOA Distinguished Budget Presentation Award, Fiscal Year Beginning July 1, 2026

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Santa Maria Public Airport District
California

For the Fiscal Year Beginning

July 01, 2026

Christopher P. Morrill

Executive Director

SANTA MARIA AIRPORT
SMX

TO: President and
Members of the Board of Directors
Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, CA 93455

FROM: Mike Flores
Manager of Finance and Administration

MEETING: November 12, 2026

ITEM

Establishing a Paid Internship Program, Adding a Temporary Intern Classification and Pay Rate, and Amending the Personnel Manual

BACKGROUND

The proposed ongoing internship program would provide supervised, paid work experience in public airport administration and useful projects for the Santa Maria Public Airport District. The General Manager could recruit throughout the year and administer recurring or staggered appointments, with no more than two Temporary Interns employed at one time. The program would continue beyond FY 2026-27, subject to annual Board-approved funding. It does not authorize an unpaid internship or a third-party placement agreement.

Article X of the District's Official Administrative Code reserves approval of new job classifications and salary ranges to the Board. The Personnel Manual defines regular part-time employment as more than 20 hours and less than 40 hours per week after probation. The proposed program therefore establishes a separate Temporary Intern classification and specific compensation and benefit terms for the new intern appointments.

DISCUSSION

Each internship appointment would last up to 12 weeks, with no more than 20 hours worked per week and 240 hours worked during the appointment. The proposed rate is $20 per hour. The program would have no fixed expiration date. Recurring appointments within the adopted policy and available annual funding would not require a new program authorization for each cohort. Each appointment remains temporary and does not guarantee continued employment or conversion to a regular position.

The proposed assignments for interns are Finance and Administration, and Airport Planning and Business Administration. Work would begin with approved public records, sample financial data, document organization, and landside planning or customer-information projects. Each intern would have a designated supervisor and backup, written learning objectives, weekly meetings, and midpoint and final evaluations. Interns would not fill minimum operational staffing or exercise purchasing, payment, contracting, personnel, or regulatory authority.

Exhibit A adds a temporary-intern supplemental position to the Personnel Manual. It provides 40 hours of paid sick leave at appointment, available from the first day, and expressly defines the new classification's sick-leave payout treatment. Interns are not eligible for vacation or holiday pay. Retirement, insurance-plan, and statutory eligibility remain controlling. Existing employees are not affected by this proposal. District rest breaks and applicable overtime and call-back compensation remain in place.

Recruitment would use a public announcement, the District's application process, and documented, job-related selection criteria. The program is proposed for applicants age 18 or older, with no upper age limit and no requirement for prior paid work experience. School credit may be accommodated but would not replace wages.

Before an offer, Finance and Administration would document payroll and benefit eligibility, lawful funding, and the actual projected employer cost. Airport Operations, the safety administrator, and information technology staff would approve the work assignment and access. The program permits supervised landside work only; any future restricted-area duties or third-party arrangement would require a separate review and authorization.

FINANCIAL IMPACT

The proposed aggregate expenditure limit remains $15,000 for FY 2026-27 across all appointments, not $15,000 for each cohort. The existing planning estimate below illustrates two full 12-week appointments at 20 hours per week and $20 per hour. It is not an estimate for two interns employed continuously throughout the year. Additional appointments are permitted only to the extent the aggregate limit and available appropriation support them. Funding for later fiscal years would be established through the Board-adopted budget or a separate Board action.

Maximum straight-time wages: $9,600

Paid sick-leave allowance: $1,600

Employer taxes, retirement, insurance, and related cost allowance: $2,800

Training, screening, supplies, and other incremental expenses: $1,000

Total proposed limit: $15,000

ANALYSIS

The recommendation makes hiring conditional on written certification of an existing lawful and available operating appropriation. It does not approve a budget transfer or establish that funds are available. If a budget amendment is needed, staff must obtain Board approval before making an offer or incurring costs. No grant, passenger facility charge, restricted capital, or third-party subsidy funding is assumed.

The General Manager must confirm supervisor capacity before recruitment. Incremental supervision expense is included in the expenditure limit; regular staff time also represents an operating resource commitment. If verified costs would exceed the limit, staff must reduce prospective scope or return to the Board for additional resources. All earned wages, required benefits, and other legal obligations remain payable regardless of the planning limit.

An ongoing program would allow recruitment and supervised learning projects throughout the year, with periodic review of results and staff workload. Program continuation does not authorize spending without an available appropriation. A change to the classification, pay, benefits, appointment limits or operational duties would return for the approval required by the District's governing rules.

RECOMMENDATION

It is recommended that the Board of Directors adopt Resolution No. 980 to (1) approve the Paid Internship Policy as a supplement to the Personnel Manual including, without limitation, the Temporary Intern classification and $20 hourly pay rate; and (2) authorize the General Manager to administer an ongoing, year-round program with recurring or staggered appointments and no more than two Temporary Interns employed at one time, subject to the policy's appointment limits and funding, payroll, benefit, safety, security and supervision conditions. Total incremental expenditure in FY 2026-27 would not exceed $15,000; subsequent fiscal-year funding and any necessary budget amendment require Board approval before the affected expenditure or hiring commitment.

ATTACHMENTS

Resolution No. 980

Exhibit A - Paid Internship Policy

RESOLUTION NO. 980

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT ESTABLISHING A PAID INTERNSHIP PROGRAM, ADDING A TEMPORARY INTERN CLASSIFICATION AND PAY RATE, AND AMENDING THE PERSONNEL MANUAL

WHEREAS, the Board desires to provide supervised, paid learning opportunities in public airport administration through an ongoing, year-round internship program; and

WHEREAS, Article X of the District's Official Administrative Code provides for Board approval of job classifications and salary ranges; and

WHEREAS, the Board desires to establish specific employment and benefit terms for new Temporary Intern appointments while preserving applicable law, plan requirements, and existing employee rights.

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

1. The Paid Internship Policy including, without limitation, the Temporary Intern Job Specification and Pay Schedule, attached as Exhibit "A" is approved and incorporated by this reference as new Section 3.3 of the Personnel Manual. Its specific terms apply only to new appointments in the Temporary Intern classification. All other provisions of the Personnel Manual remain in effect for the Temporary Intern position, except to the limited extent expressly changed or limited in Exhibit "A".

2. An ongoing, year-round Paid Internship Program is authorized, with recurring or staggered appointments and no more than two Temporary Interns employed at one time. Each appointment is limited to 12 weeks, 20 hours worked per week, and 240 hours worked in total. The program has no fixed expiration date. Additional appointments complying with this Resolution and Exhibit A may be administered without separate Board approval of each cohort, subject to available Board-approved annual funding. Employment remains subject to the Personnel Manual's at-will provisions and applicable law; no appointment guarantees continued employment or conversion to a regular position.

3. The aggregate incremental expenditure limit for FY 2026-27 is $15,000 across all appointments, including wages, paid leave, employer costs, screening, training, supplies and incremental supervision expense. The limit does not restart for each cohort or appointment. In subsequent fiscal years, program expenditures are limited to the amount specifically approved for the program in the Board-adopted annual budget or another Board action. Before recruitment-related expenditure and before an offer, the Manager of Finance and Administration shall certify the lawful and available appropriation, candidate-specific employer costs as applicable, and a forecast including all program commitments within the authorized fiscal-year

limit. This Resolution does not approve a budget transfer or amendment. Any necessary budget amendment shall be presented to the Board before hiring or incurring the affected expenditure.

4. The General Manager may administer recruitment and make appointments subject to documented completion of applicable labor-relations requirements and the funding, retirement, payroll, insurance, safety, security, information-access, and supervision conditions in Exhibit A. No legal or plan eligibility requirement may be waived to meet the expenditure limit. Any material revision to the adopted program, classification, pay, benefits, or spending authority requires further Board approval before implementation.

5. The General Manager shall report annually to the Board on program costs, completed projects, learning results, supervisor workload and administrative or safety exceptions. Recurring appointments within the adopted limits and available annual funding do not require a new program approval. An expansion beyond the authorized appointment limits, change in classification or pay rate, or third-party worksite agreement requires the approval otherwise required by the District's governing instruments. No grant reimbursement, subsidy or school agreement is authorized by this Resolution.

6. This Resolution takes effect upon adoption. Recruitment, appointments, and expenditures remain subject to the conditions above. If any required clearance or available appropriation is absent, implementation shall remain on hold. All compensation and benefits lawfully earned or required remain payable.

PASSED AND ADOPTED at the regular meeting of the Board of Directors of the Santa Maria Public Airport District held November 12, 2026, on motion of Director _____, seconded by Director _____, and carried by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Steve Brown, President

ATTEST:

_____
Michael B. Clayton, Secretary

PAID INTERNSHIP POLICY

Exhibit A to proposed Resolution No. 980

Purpose and application

This policy establishes an ongoing, year-round paid internship program for the Santa Maria Public Airport District, with recurring or staggered appointments and no more than two (2) Temporary Interns employed at one time. It is incorporated as Personnel Manual Section 3.3. The program continues beyond FY 2026-27, subject to Board-approved annual funding. It creates temporary learning opportunities and defined projects in airport administration; it does not replace regular employees or minimum operational staffing.

1 Temporary intern status and limits

The Temporary Intern classification is hereby created. The General Manager may recruit throughout the year and make recurring or staggered appointments, with no more than two Temporary Interns employed at one time. Each appointment is limited to 12 weeks, no more than 20 hours worked in any designated workweek and no more than 240 total hours worked. Paid orientation, required training, meetings, travel time approved in advance by the General Manager and all other compensable work for the District count toward these limits. The program has no fixed expiration date. Each appointment requires a defined learning plan, available supervision and funding for the full commitment. Protected leave is administered separately pursuant to this Manual and is not treated as hours worked for applicable weekly overtime calculations.

Temporary Intern is a separate hourly, temporary, nonexempt classification, working a schedule of 20 hours per week or less. This classification does not have regular full-time or regular part-time status under Section 3.1 and employment is at-will. Completion of the assignment does not create any type of ongoing status under Section 3.2. The Personnel Manual's at-will and non-contract provisions and all applicable employment protections continue to apply. The anticipated end date is a program limit, not a guarantee of employment for a fixed term.

2 Authorized work and supervision

The General Manager may approve a Finance and Administration assignment and an Airport Planning and Business Administration assignment. Each intern must have a named primary supervisor and backup available during working hours, a written learning plan, and defined projects. Work begins with approved public records, sample or de-identified information, and supervised landside activities. The supervisor reviews work before it becomes an official record, public communication, or basis for a decision.

Interns may not approve invoices or payments; handle cash, banking, payroll, nonpublic personnel or human-resources records, or employee medical information; execute contracts; negotiate commitments or contracts; make regulatory determinations; perform security, aircraft rescue and

firefighting, airfield inspection, maintenance, or other minimum staffing duties; operate vehicles or powered equipment for work; or receive unescorted restricted-area access. They may not receive privileged legal material or security-sensitive information. No employee credentials may be shared. Production-system access is limited to individually approved, minimum-necessary permissions; financial, payroll, banking, and administrative privileges are excluded.

The program is performed on site in approved landside locations at the Airport. No remote work, overnight work, standby duty, holiday work, or overtime is permitted. An unusual assignment requires prior review under existing authority; this policy does not permit expansion into restricted or safety-sensitive duties. Unauthorized work on behalf of the District, if performed, must still be recorded and paid.

3 Recruitment and fair selection

The program is open to persons age 18 or older by the start date, with no upper age limit. Applicants may be students, persons in workforce training, or other adults pursuing a documented learning objective in airport or public administration. College enrollment, academic credit, citizenship, prior paid experience, or an unpaid trial are not conditions of selection. Employment authorization of an intern will be verified through the lawful onboarding process prior to the start of work. At the discretion of the General Manager, intern candidates may be required to undergo a background check.

The announcement for the positions must state the title, fixed hourly rate, anticipated schedule and duration, essential duties, minimum qualifications, application method, accommodation contact, and application closing date. Candidates must use the application form approved by the General Manager. Announcements will be posted at Santa Maria Public Airport District facilities as required by the Personnel Manual and through the normal public recruitment channel. Allow at least 10 business days for applications as the program’s recruitment standard. Outreach to education and workforce organizations supplements open recruitment; it does not promise a placement or preference.

The same job-related questions and scoring rubric will be used for all candidates. A two-person panel will interview candidates, with conflicts disclosed and managed. Evaluate basic task skills, learning objectives, communication, reliability, and judgment through accessible assessments. Do not request salary history or seek protected personal information. Background screening, when required for the actual assignment, follows the applicable conditional-offer process, individualized assessment, notices, and response opportunity. Safety or airport exceptions must be confirmed rather than assumed. If any candidate requests accommodation, the District will use the normal reasonable accommodation process for essential functions.

4 Pay and time records

The approved program hourly rate is $20 per hour. Finance must verify that the rate satisfies the applicable wage floor on every work date, including a calendar-year change. If a higher lawful rate or a change to the published pay schedule is required, hiring pauses until lawful pay authority is in place. School credit, a stipend, reimbursement, or training do not replace hourly wages.

An intern records the actual start and end of work, unpaid meal periods, leave, and required training each day in the District’s timekeeping system. The supervisor shall review the interns’ time record weekly and before payroll cutoff. No work may occur off the clock, including messages or work completed away from the worksite. Interns will be paid for every compensable minute, and

time shall not be rounded in a manner that underpays actual time. Payroll follows the established Santa Maria Public Airport District cycle and applicable payment requirements.

The default schedule is five four-hour days per week, adjusted to accommodate educational and supervision needs. An approved different schedule may not exceed eight work hours in a day or 20 in a week. Interns shall observe the Personnel Manual's 15-minute morning and afternoon rest breaks when those work periods are scheduled. As an additional program standard, an uninterrupted 30-minute unpaid meal break is permitted before completing five hours of work if a longer workday is approved. An interrupted meal is paid. Accommodations, lactation needs, and more protective requirements in the Personnel Manual or applicable law control.

5 Specific benefit terms for new appointments

Paid sick leave. Each newly appointed Temporary Intern shall be entitled to use up to 40 hours of paid sick leave upon appointment, usable from the first day of employment for every purpose and person covered by applicable California law, including later-effective requirements. The benefit is not limited to five four-hour days; 40 hours may cover ten four-hour workdays. Maintain the balance on the required wage statement or separate notice, sick leave use shall be protected without retaliation, and an intern is not required to find a replacement. Lawful notice and documentation of illness shall be required.

For this new classification only, this frontloaded benefit replaces the monthly accrual method and elective separation payout described in Personnel Manual Section 4.12.3. Newly provided program sick leave shall not be accrued and shall not be paid out on separation.

Vacation and holidays. New Temporary Intern appointments do not accrue vacation under Section 4.11 and do not receive paid holiday or floating-holiday benefits under Section 4.15. This paragraph expressly supplements those sections for the new classification only. Schedule no program work on Santa Maria Public Airport District holidays. If work nonetheless occurs with the prior approval of the supervisor, applicable holiday and other premiums shall remain payable. Statutory protected leave and pre-existing rights are not waived. Sick leave shall not be charged for a holiday or other day on which the intern was not scheduled to work.

Retirement and insurance. Before an offer, Finance must make a written, applicant-specific determination of CalPERS membership, if any. Social Security and Medicare applicability will be determined independently of CalPERS membership. No retired-annuitant appointment is authorized by this program.

Workers' compensation coverage and the proper work classification must be confirmed before the first workday. Employer cost is paid by the employer and may not be shifted unlawfully to the intern.

6 Funding and administration

The aggregate program expenditure limit for FY 2026-27 is $15,000 across all appointments, not a separate limit for each cohort. This includes wages, paid leave, employer taxes and retirement costs, insurance, screening, training, supplies and incremental supervisory expense. For subsequent fiscal years, the Board must establish program funding in its adopted annual budget or another Board action. No expenditure or appointment is authorized beyond the applicable approved amount and available appropriation. Existing staff time requires an approved capacity

allocation. No grant, passenger facility charge, restricted capital or outside subsidy funding is assumed or authorized by this policy.

Before making a recruitment-related expenditure, the Manager of Finance and Administration must certify the lawful appropriation, available balance after existing commitments, correct funding source, and a program forecast within the limit. Before an offer, update that certification with candidate-specific employer costs and a forecast of all program commitments. A needed budget amendment requires Board approval prior to making an offer. Review costs and commitments each payroll cycle. Reduce future scope or return to the Board before exceeding authority; never withhold already earned pay or mandatory benefits.

7 Conditions before recruitment and appointment

Before recruitment, document Board adoption of the policy, classification and pay schedule; completion of required legal and labor review; a confirmed funding path; an approved assignment; and available supervisors.

8 Safety reporting and access

Apply the adopted Injury and Illness Prevention Program, Workplace Violence Prevention Plan, anti-harassment and retaliation policies, and the approved emergency procedures. Provide paid orientation and job-specific safety training before assigning tasks, including evacuation, emergency contacts, ergonomic risks, hazards, injury reporting, and how to report concerns outside the supervisory chain. Each intern shall complete required harassment-prevention training during the first work week under this program, and retain the training record.

Airport Operations shall determine the appropriate work location, badge or escort conditions, and permitted activities under the current Airport programs. An internship creates no badge exemption or operating authority. Information technology staff must approve a unique account and limited access under District standards. Interns shall use only approved devices and repositories. Personnel, payroll, medical, financial-security, and airport-security records shall not be included in any learning projects or public presentations.

9 Learning plan and evaluation

Within the first week, the intern and supervisor shall document at least three measurable learning objectives and one deliverable. Interns and supervisors must meet weekly, review progress at week six or the midpoint of a shorter appointment, and complete a final evaluation. All required preparation and presentations are paid work. The intern shall receive periodic feedback from the supervisor, and may provide a confidential program evaluation to Finance and Administration.

10 Completion and records

At completion, the supervisor will confirm deliverables and all worked hours. Finance will determine final pay, payable benefits, tax reporting, required notices, and any rehire leave balance. The intern will return equipment and badges, and staff will remove access promptly, and retain records under the applicable retention schedule and legal holds. The program’s confidentiality instructions do not restrict protected reporting, wage discussions, or other legal rights.

The General Manager will report annually to the Board on actual incremental cost, supervisor time, completed projects, learning results, safety and administrative exceptions, and any proposed material changes. Recurring or staggered appointments within this policy and available Board-approved annual funding do not require a new program approval for each cohort. Extension of an individual appointment beyond the approved limits or another material change requires the appropriate further approval. No automatic permanent appointment will be offered; interns remain eligible for future employment under normal recruitment procedures.

11 Third-party placements and continuing authority

A school, workforce-provider, or subsidized placement is outside this authorization unless separately approved under the governing rules. This policy neither approves nor cancels a pre-existing third-party arrangement.

TO: President and
Members of the Board of Directors
Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, CA 93455

FROM: Mike Flores
Manager of Finance and Administration

MEETING: November 12, 2026

ITEM

Authorization for the President and Secretary to Execute the Thirty-First Amendment of Lease Agreement Between the District and CJJ Farming, Extending Both Section B Parcels, Leaving Section A's Existing Term Unchanged, and Providing a District Option to Terminate the Entire Lease upon Sale of a Leased Parcel

BACKGROUND

The Santa Maria Public Airport District (District) leases agricultural land to C.J.J. Farming, Inc., under a lease dated April 13, 2000, as amended. Section A comprises approximately 311.06 acres and expires December 31, 2029 under the Twenty Eighth Amendment. Section B comprises approximately 26.50 acres, including the east and west parcels, and expires December 31, 2026 under the Thirtieth Amendment.

The proposed Thirty-First Amendment would extend both portions of Section B through December 31, 2027, leave Section A's December 31, 2029 expiration unchanged, and provide a District option to terminate the entire Lease in connection with sale of a parcel within the leased premises.

DISCUSSION

The one-year extension would apply to both the approximately 12.98-acre east parcel and the 13.52-acre west parcel of Section B. Section A would retain its existing term through December 31, 2029. Rent and water provisions of the Thirtieth Amendment would remain unchanged.

Upon a sale of any parcel included in the leased premises, District could elect by written notice to terminate the entire Lease immediately before the close of escrow. Sale alone would not automatically terminate the Lease. The proposed sale-related option would operate notwithstanding the existing twelve-month without-cause notice provision.

The signed purchase agreement requires farming possessory interests to end on or before close of escrow. The optional termination provision would not change that obligation or any closing date. District would need to exercise the option or otherwise satisfy the sale requirements before closing. The amendment takes effect only when signed by the tenant and the District.

FINANCIAL IMPACT

The amendment would retain the existing annual rate of $2,535.75 per acre. The Thirtieth Amendment states monthly rent of $65,730.87 for Section A and $5,599.78 for Section B, totaling $71,330.65. Extending Section B through December 31, 2027 would provide up to $67,197.36 in additional rent (12 months at $5,599.78), unless the Lease is terminated sooner. Actual receipts would depend on the term and any exercise of the termination option. No water is included in rent.

ANALYSIS

Extending both Section B parcels would retain their existing farming use for another year, without extending or shortening Section A's term. District's sale-related termination option would apply across the entire leasehold. Written exercise of that option and coordination with sale requirements would be necessary; the provision would not create automatic termination.

RECOMMENDATION

It is recommended that the Board of Directors authorize the President and Secretary to execute the Thirty-First Amendment extending both Section B parcels through December 31, 2027, leaving Section A's December 31, 2029 expiration unchanged, and providing a District option to terminate the entire Lease by written notice in connection with sale of a leased parcel. Execution is conditioned on tenant agreement, approval as to form, and General Manager confirmation of the leased premises and consistency with sale obligations.

ATTACHMENTS

Proposed Thirty-First Amendment, revised November 9, 2026
Executed Twenty Eighth and Thirtieth Amendments with existing exhibits

THIRTY-FIRST AMENDMENT OF LEASE

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

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

1. Extension of Term. The term for both portions of Section B shown in Exhibit B, including the approximately 12.98-acre east parcel and 13.52-acre west parcel, is extended from December 31, 2026 through December 31, 2027. The existing December 31, 2029 expiration for Section A shown in Exhibit A is unchanged. The nonextension statement in the Thirtieth Amendment is superseded only to permit this Section B extension. The entire leasehold remains subject to the District option in Section 3 below and other termination rights under the Lease as amended.

2. Rent. Rent and water provisions remain as stated in Section 2 of the Thirtieth Amendment. This amendment does not change the existing rent rate or monthly rent amounts.

3. District Option upon Sale. If District sells any parcel included in the leased premises, District may elect by written notice to Tenant to terminate the Lease for the entire leasehold effective immediately before the close of escrow for that sale. This option may be exercised notwithstanding the twelve (12) months' notice provision in Section 3 of the Twenty Eighth Amendment. Tenant shall surrender possession by the effective termination time stated in District's notice. A sale does not automatically terminate the Lease; District must exercise this option. This amendment does not modify any obligation of District under a purchase agreement or escrow instructions.

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

Dated: November 12, 2026

Approved as to content for District:

_____
General Manager

Approved as to form for District:

_____
District Counsel

SANTA MARIA PUBLIC AIRPORT DISTRICT ("DISTRICT")

_____
Steve Brown, President

_____
Michael B. Clayton, Secretary

C.J.J. FARMING, INC., a California Corporation ("TENANT")

_____
Juan Cisneros, General Manager

TWENTY EIGHTH AMENDMENT OF LEASE

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

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

1. Leased Premises. Section 1 of the Lease is hereby repealed and replaced with the following:

> District hereby leases to Tenant, and Tenant hires from District, for the term and rents, upon the terms, conditions and covenants, subject to the reserved rights and easements hereinafter set forth, the real property at the Santa Maria Public Airport (the "Airport") in Santa Maria, California, consisting of (a) approximately 311.06 acres, as depicted in the plot plan dated October 11, 2024, and attached hereto as Exhibit "A" (hereafter "Section A") and (b) approximately 26.50 acres, as depicted in the plot plan dated April 13, 2024, and attached hereto as Exhibit "B" (hereafter "Section B"), together with those appurtenances specifically granted in this lease (hereinafter referred to as the "premises" or "leased premises").
>
> Neither District nor Tenant shall have any obligation to construct a new fence to mark the boundaries of the Premises, but either party may do so; provided Tenant shall comply with the provisions of Paragraph 14, Alterations.

2. Extension of Term. District grants Tenant a five (5) year extension of the Lease, commencing January 1, 2025, and expiring on December 31, 2029, for Section A, unless sooner terminated. Any options to extend the lease term which may previously have been granted are hereby extinguished, and any additional extensions under the Lease shall be by mutual written agreement of the parties only. District further grants a six-month extension of the Lease commencing January 1, 2025, and expiring June 30, 2025, for Section B, unless sooner terminated. Tenant acknowledges that District does not intend to extend the Lease for Section B upon after June 30, 2025.

3. District's Right to Terminate. The District may, in its sole and absolute discretion, terminate this Lease without cause upon twelve (12) months' written notice to Tenant. Thereupon the term of this Lease shall expire and come to an end on such date, as fully and completely as if that date were the day definitely fixed for expiration of the term. This right of termination shall be in addition to any other right of termination under the Lease. The parties acknowledge and agree that in the event District exercises its right to terminate this Agreement under this or any other provision of this Agreement, District shall not be liable to Tenant for any damages incurred by Tenant as a result of the early termination.

4. Rent. Effective January 1, 2025, rent under this Lease is increased to a rate of $2,450.00 per acre, per year. No water is included in the rent, and District shall have no obligation to provide water to the Premises. For Section A, rent shall be $63,508.08 per month, based upon approximately 311.06 acres of land. For Section B, rent shall be $5,410.42 per month, based on approximately 26.50 acres of land.

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

Dated: November 14, 2024

Approved as to content for District:

Martin Pehl
Martin Pehl (Nov 23, 2024 01:03 PST)

General Manager

Approved as to form for District:

District Counsel

SANTA MARIA PUBLIC AIRPORT DISTRICT ("DISTRICT")

Ignacio Moreno
Ignacio Moreno (Nov 20, 2024 16:08 PST)

Ignacio Moreno, President

Steven Brown
Steven Brown (Nov 20, 2024 19:46 PST)

Steve Brown, Secretary

C.J.J. FARMING, INC., a California Corporation ("TENANT")

juan cisneros
juan cisneros (Nov 27, 2024 14:03 PST)

Juan Cisneros, General Manager

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T/W H
T/W H2
T/W H1
T/W B7
T/W A8
T/W A21
SOIL CEMENT GUTTER
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MOBILE HOME PARK
CITY SEWER
CITY WATER
PG&E CATV& COMM.
AIRPORT SEWER
SURFACE DRAINAGE
LAGUNA RECYCLED WATER
LAGUNA 2021-0003142 RECYCLED WATER
91.27 Acres
PN 111-231-10
MITCHELL RD (AIRPORT ROAD)
NEW S. C. GAS LINE
S. C. GAS TO BE ABANDON
OIL LINES
CITY WATER 12" W
OIL CO. WATER
PN 111-231-11
107 Acres
FUTURE BUILDING C 24,000 SF
POF LEASE LINE
2.45 Acres
BASIN "D"
.50 Acres
AIRPORT AGRICULTURE WELL
OPEN DRAINAGE
109.84 Acres
PN 111-231-11
BIKEPATH
24" DRAINAGE FROM ORCUTT AREA
311.06 TOTAL ACRES
FOSTER RD.
Pioneer Park of Santa Maria Valley
10/19/2024 11:29:43 AM
SCALE IN FEET

SANTA MARIA PUBLIC AIRPORT DIST.
3217 TERMINAL DR. SANTA MARIA, CA. 93454
(805) 922-1726

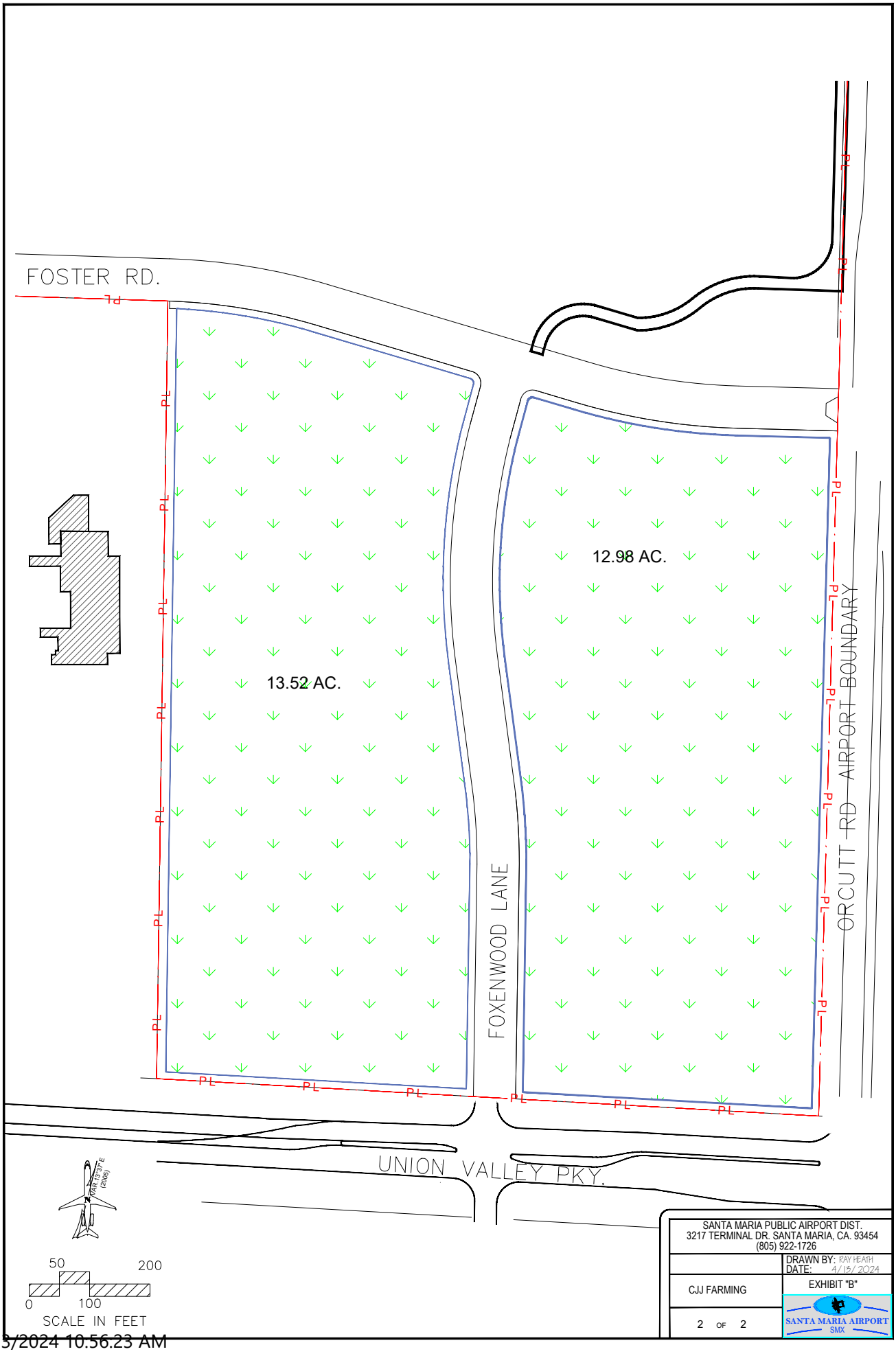
DRAWN BY: RAY HEATH
DATE: 10/11/2024

CJJ FARMING

EXHIBIT "A"

1 OF 1

SANTA MARIA AIRPORT SMX



SANTA MARIA PUBLIC AIRPORT DIST.
3217 TERMINAL DR. SANTA MARIA, CA. 93454
(805) 922-1726

DRAWN BY: RAY HEATH
DATE: 4/13/2024

CJJ FARMING

EXHIBIT "B"

2 OF 2

SANTA MARIA AIRPORT SMX

4/13/2024 10:56:23 AM

THIRTIETH AMENDMENT OF LEASE

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

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

1. Extension of Term. District grants a one (1) year extension of the Lease commencing January 1, 2026, and expiring December 31, 2026, for Exhibit B, unless sooner terminated. Tenant acknowledges that District does not intend to extend the Lease for Exhibit B upon after December 31, 2026.

2. Rent. Effective January 1, 2026, rent under this Lease is increased to a rate of $2,535.75 per acre, per year. No water is included in the rent, and District shall have no obligation to provide water to the Premises. For Exhibit A, rent shall be $65,730.87 per month, based upon approximately 311.06 acres of land. For Exhibit B, rent shall be $5,599.78 per month, based on approximately 26.50 acres of land. The total monthly rent will be $71,330.65.

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

Dated: December 11, 2025

Approved as to content for District:

Martin Pehl
Martin Pehl (Dec 15, 2025 13:43:22 PST)
General Manager

Approved as to form for District:

Craig Steele (Dec 12, 2025 13:23:41 PST)
District Counsel

SANTA MARIA PUBLIC AIRPORT DISTRICT ("DISTRICT")

Ignacio Moreno
Ignacio Moreno (Dec 12, 2025 12:56:05 PST)
Ignacio Moreno, President

Steve Brown
Steve Brown (Dec 12, 2025 10:27:56 PST)
Steve Brown, Secretary

C.J.J. FARMING, INC., a California Corporation ("TENANT")

Juan Cisneros (Dec 29, 2025 16:21:52 PST)
Juan Cisneros, General Manager

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T/W H
T/W H2
T/W H1
T/W B7
T/W A8
T/W A21
SOIL CEMENT GUTTER
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MOBILE HOME PARK
CITY SEWER
CITY WATER
PG&E CATV& COMM.
AIRPORT SEWER
SURFACE DRAINAGE
LAGUNA RECYCLED WATER
LAGUNA 2021-0003142 RECYCLED WATER
91.27 Acres
PN 111-231-10
MITCHELL RD (AIRPORT ROAD)
NEW S. C. GAS LINE
S. C. GAS TO BE ABANDON
OIL LINES
CITY WATER 12" W
OIL CO. WATER
PN 111-231-11
107 Acres
FUTURE BUILDING C 24,000 SF
POF LEASE LINE
2.45 Acres
BASIN "D"
.50 Acres
AIRPORT AGRICULTURE WELL
OPEN DRAINAGE
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SANTA MARIA PUBLIC AIRPORT DIST.
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(805) 922-1726

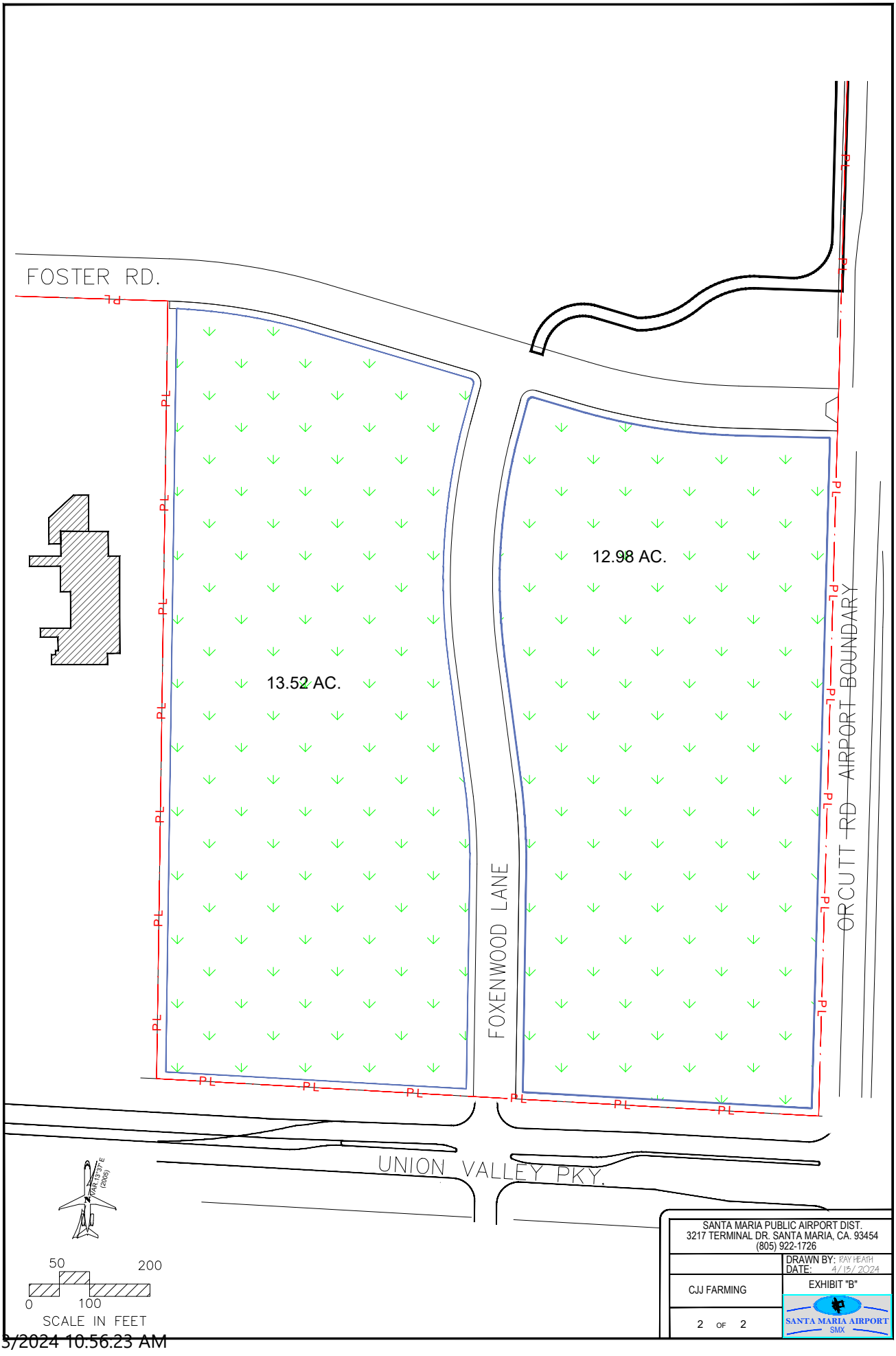
DRAWN BY: RAY HEATH
DATE: 10/11/2024

CJJ FARMING

EXHIBIT "A"

1 OF 1

SANTA MARIA AIRPORT SMX



SANTA MARIA PUBLIC AIRPORT DIST.
3217 TERMINAL DR. SANTA MARIA, CA. 93454
(805) 922-1726

DRAWN BY: RAY HEATH
DATE: 4/13/2024

CJJ FARMING

EXHIBIT "B"

2 OF 2

SANTA MARIA AIRPORT SMX

4/13/2024 10:56:23 AM