



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

**Thursday
August 22, 2024**

**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, Baskett

- 1. MINUTES OF THE REGULAR MEETING HELD AUGUST 8, 2024**
- 2. REPORT OUT OF CLOSED SESSION**
- 3. 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**
- 4. GENERAL MANAGER'S REPORT**
- 5. MANAGER OF FINANCE & ADMINISTRATION REPORT**
 - a) Demand Register**
 - b) Budget to Actual**
 - c) Financial Statements**
 - d) Budget Deviation**
 - e) Delinquent Tenant Report**

6. **PUBLIC SESSION:** Statements from the floor will be heard during public session. Request to Speak forms are provided for those wishing to address the board. After completing the form, please give it to the Clerk. Requests requiring board action will be referred to staff and brought on the next appropriate agenda. Members of the public are cordially invited to speak on agenda items as they occur. Staff reports covering agenda items are available for review in the offices of the General Manager on the Tuesday prior to each meeting. The Board will establish a time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.
7. **PRESENTATION BY GREAT BUSINESS MARKETING REGARDING SOCIAL MEDIA MARKETING FOR THE SANTA MARIA PUBLIC AIRPORT DISTRICT.**
8. **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE FIFTH AMENDMENT OF LAND LEASE BETWEEN THE DISTRICT AND GRESSER INC.**
9. **AUTHORIZATION FOR THE GENERAL MANAGER TO ACCEPT THE QUOTE FROM THE JF WILL COMPANY, INC. FOR EMERGENCY REPAIR WORK ON TAXIWAY "C" AND FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE CONTRACT BETWEEN THE DISTRICT AND THE JF WILL COMPANY, INC. FOR THE REPAIRS.**
10. **CLOSED SESSION.** The Board will hold a Closed Session to discuss the following item(s):
 - a) **Conference with Legal Counsel-Existing Litigation (Paragraph (1) of Subdivision (d) of Section 54956.9): Santa Maria Public Airport District v. California State Water Resources Control Board et al. (San Luis Obispo Superior Court Case No. 24CV-0379)**
11. **DIRECTORS' COMMENTS.**
12. **ADJOURNMENT.**

MINUTES OF THE REGULAR BOARD
MEETING OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT
DISTRICT HELD AUGUST 8, 2024

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, Brown, Clayton, and Baskett. General Manager Pehl, Manager of Finance & Administration Reade, and District Counsel Cheung. Director Adams was absent.

1. MINUTES OF THE REGULAR MEETING HELD July 25, 2024. Director Baskett made a Motion to approve the minutes of the regular meeting held July 25, 2024. Director Clayton Seconded and it was carried by a 4-0 vote.
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 updated the Board on Operation Agile Flag.
4. The Manager of Finance & Administration presented the Demand Register to the Board for review and approval.
 - a) Demand Register. The Demand Register, covering warrants 072899 through 072936 in the amount of \$346,156.21, was recommended for approval as presented. Director Baskett made a Motion to accept the Demand Register as presented. Director Brown Seconded and it was carried by a 4-0 vote.
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 five-minute time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.

Cliff Soloman, a member of the public, spoke to the Board about Operation Agile Flag and the concerns he and his neighbors have towards the noise and increased operations. He does not want to see tenants actively soliciting military operations.

Brian Adams, a member of the public, spoke to the Board about Operation Agile Flag and the increased military operations at SMX. He would like to see this type of aircraft use Vandenberg Space Force Base. He is concerned about animal safety and the longevity of the runway.

6. Authorization for the President and Secretary to execute the First Amendment of Service Agreement between the District and RRM Design Group for the Airport Business Park Specific Plan. Director Baskett made a Motion to approve. Director Clayton Seconded and it was carried by a 4-0 vote.
7. Authorization for the President and Secretary to execute a land lease between the District and Gresser Inc. This item was tabled until the next meeting.
8. Closed Session. At 6:11 p.m. the Board went into Closed Session to discuss the following item(s):
 - a) Conference with Legal Counsel-Existing Litigation (Paragraph (1) of Subdivision (d) of Section 54956.9): Santa Maria Public Airport District v. California State Water Resources Control Board et al. (San Luis Obispo Superior Court Case No. 24CV-0379).
 - b) Conference with Legal Counsel-Anticipated Litigation (Paragraph (2) or (3) of Subdivision (d) of Gov. Code Section 54956.9) Significant exposure to litigation: (One case).

At 6:30 pm., the Board and staff reconvened to Open Public Session.

There were no reportable actions.

9. Directors' Comments. Director Brown asked to keep Director Adams in your prayers as he is absent due to a death in the family.

Director Clayton stated the Board is making critical decisions for the future of the airport.

Director Baskett asked for a crime report and asked the Board to rescind the hangar rate increase.

President Moreno stated that his thoughts are also with Director Adams.
10. Adjournment: President Moreno asked for a Motion to adjourn to a Regular Meeting to be held on August 22, 2024, at the regular meeting place. Director Brown made that Motion, Director Baskett Seconded and it was carried by a 4-0 vote.

ORDER OF ADJOURNMENT

This Regular Meeting of the Board of Directors of the Santa Maria Public Airport District is hereby adjourned at 6:32 p.m. on August 8, 2024.

Ignacio Moreno, President

Steven Brown, Secretary

**SETTLEMENT AGREEMENT BETWEEN
THE UNITED STATES FISH AND WILDLIFE SERVICE,
THE CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE, AND
THE SANTA MARIA PUBLIC AIRPORT DISTRICT**

WHEREAS, Santa Maria Public Airport District (“Airport” or “District”) was originally constructed by the United States Army Corps of Engineers in the 1940s during World War II. The District encompasses an area of 400 square miles extending from the Santa Maria/Cuyama River at the north to a point three miles south of the community of Los Alamos to the south. Since the official formation of the District in 1962, numerous projects have been accomplished which directly and indirectly benefit each person in the District. The Airport currently serves as a major employer in the region and is a vital part of the regional economic stability and growth.

WHEREAS, in 2019, the District Board of Directors adopted an Airport Master Plan, “to develop and maintain a financially feasible, long term development program, which will satisfy aviation demand of the region; be compatible with community development, other transportation modes, and the environment; and enhance employment and revenue for the local area,” and the District remains committed to developing and maintaining a program of development as described in the Airport Master Plan.

WHEREAS, the California tiger salamander, Santa Barbara County Distinct Population Segment (“CTS”), is a species of wildlife that is, and was at the time in question, listed in 50 C.F.R. §17.11 and designated as an endangered species, 65 Fed. Reg. 57241 (September 21, 2000) under the Endangered Species Act, 16 U.S.C. § 1531, et seq. (“FESA”). The FESA and its implementing regulations prohibit the take of any endangered species in the United States, as well as attempting to take, soliciting another to take or causing the take of an endangered species of wildlife. 16 U.S.C. §§ 1538(a)(1)(B), 1538(a)(1)(G), and 1538(g), and 50 C.F.R. § 17.21. “Take” is defined in the FESA as meaning to, “harass, harm, pursue, hunt, shoot, wound, kill, trap, capture or collect or to attempt to engage in any such conduct.” 16 U.S.C. § 1532(19). “Harm” in the definition of “take” in the Act means an act which actually kills or injures wildlife. Such act may include significant habitat modification or degradation where it actually kills or injures wildlife by significantly impairing essential behavioral patterns, including breeding, feeding or sheltering.” 50 C.F.R. § 17.3.

WHEREAS, CTS is a species of wildlife that is, and was at the time in question, designated as an endangered species pursuant to the California Endangered Species Act (“CESA”) and its implementing regulations. Cal. Fish and Game Code § 2050 et. seq, Cal. Code Regs. Tit. 14, § 670.5. CESA prohibits the take of any endangered species. Fish and Game Code § 2080. Pursuant to the Fish and Game Code, take means hunt, pursue, catch, capture, or kill, or attempt to hunt, pursue, catch, capture, or kill. Cal. Fish and Game Code § 86.

WHEREAS, the United States Fish and Wildlife Service of the Department of the Interior (“FWS”), the California Department of Fish and Wildlife (“CDFW”), and the Airport, (collectively, “Parties”) have a dispute over alleged take of California tiger salamander from ground disturbing activities that resulted in the conversion of approximately 417 acres of upland and breeding habitat known to be occupied by the Santa Barbara County Distinct Population Segment (“DPS”) of the California tiger salamander (“Subject Lands” as depicted in Exhibit A, attached) by the Airport, its employees, agents, or contractors in Santa Barbara County, California, to active agricultural fields in three phases of activity prior to February 2022.

WHEREAS, the FWS alleges that certain actions by the Airport resulted in impacts on the Subject Lands to CTS upland and breeding habitat in the West Santa Maria metapopulation; that these impacts resulted in a loss of Searcy Model reproductive value (“RV”) for CTS that the FWS and CDFW have

calculated to be 118,725 RVs; that this RV should be offset at a 2:1 ratio for a total of 237,450 RVs; and, if possible, this offset should occur within the West Santa Maria CTS metapopulation area of the Santa Barbara County CTS DPS to move toward meeting recovery criteria for the species.

WHEREAS, as of the date of this Agreement, the Subject Lands have been converted from CTS upland and breeding habitat to cultivated land that currently does not function as CTS upland or breeding habitat, provides no reproductive value to the species, and is not occupied by CTS.

WHEREAS, since around April 2022, the Parties, through their authorized representatives, have engaged in extensive discussion and negotiation, and, without any admission of liability by the Airport, desire to enter into this Settlement Agreement (“Agreement”) as a complete and binding resolution of this matter in order to resolve this dispute without resort to further proceedings or litigation.

WHEREAS, the scope of this Agreement is intended to resolve the subject dispute to satisfy all alleged take of CTS under the FESA and CESA at Airport property before February 2022.

WHEREAS, the Parties mutually agree that full implementation of the activities, payments, and mechanisms in this Agreement would offset the impacts to CTS RV within the Subject Lands which occurred prior to February 2022 at a 2:1 ratio.

WHEREAS, the Parties understand that CTS conservation and management activities as described in this Agreement, while ultimately beneficial to the species, may result in impacts to listed species that would require the Airport to obtain regulatory approvals, as provided under the FESA and CESA.

WHEREAS, the effective date of this Agreement (“Effective Date”) shall be the date of the last signature to this Agreement.

IN CONSIDERATION OF THE ABOVE RECITALS, which are hereby incorporated by reference and made a part of this Agreement, and in consideration of the mutual promises, covenants, terms and conditions set forth hereafter below:

THEREFORE, IT IS HEREBY STIPULATED AND AGREED TO BY THE PARTIES AS FOLLOWS:

I. The Airport Agrees That:

The Airport shall provide a conservation benefit for CTS consistent with this Agreement and in accordance with the timeframes set forth below. The Parties mutually agree to offset the impacts to CTS RVs through the mechanisms described below:

A. The Airport shall provide for the conservation of CTS by contributing funds, in accordance with Sections 1.A.1.i through iv below, to the National Fish and Wildlife Foundation (“NFWF”) “California Tiger Salamander Mitigation and Conservation Account (“CTS Account”), as provided in the “Amended and Restated Mitigation Account Memorandum of Agreement between the California Department of Fish and Wildlife and the National Fish and Wildlife Foundation” (“CTS Account MOA”). The funds will be used to acquire credits or fund projects described in Sections I.A.2 through 5, below.

1. The Airport shall contribute a total of five million dollars (\$5,000,000) to the CTS Account in accordance with the following schedule:

- i. Within sixty (60) days of the Effective Date, the Airport shall provide NFWF with payment in the amount of two million dollars (\$2,000,000).
- ii. Within one year of the Effective Date, the Airport shall provide an additional payment of one million dollars (\$1,000,000).
- iii. Within two years of the Effective Date, the Airport shall provide an additional payment of one million dollars (\$1,000,000).
- iv. Within three years of the Effective Date, the Airport shall provide an additional payment of one million dollars (\$1,000,000).

2. The Parties acknowledge and agree that the purpose of the funds contributed under this Section I.A. is to offset 162,000 RV for CTS, which for purposes of the use of NFWF's CTS Account has been calculated as five million dollars (\$5,000,000). CDFW agrees pursuant to this Agreement to direct the use of funds in accordance with the CTS Account MOA as provided in Sections I.A.3 and I.A.4, below.

3. After conferring with FWS to obtain FWS recommendations concerning the activities or projects benefiting CTS, CDFW shall direct NFWF to enter into Recipient Agreements funded with monies in the CTS Account for the performance of activities or projects that have been approved by FWS and CDFW as benefiting CTS and meeting the RV described above. Preference shall be accorded to projects benefiting the West Santa Maria/Orcutt CTS metapopulation area and/or East Santa Maria CTS metapopulation area if possible.

4. Alternatively, CDFW, after conferring with FWS, shall direct NFWF to purchase credits, meeting the RV described above, from a Service-approved conservation bank in the West Santa Maria/Orcutt CTS metapopulation area and/or East Santa Maria CTS metapopulation area (preferably) or in the alternative, after conferring with FWS, CDFW may direct NFWF to purchase credits from a Service-approved conservation bank within the DPS to meet a portion of the RV described above.

5. If, after five years from the Effective Date, NFWF continues to hold funds on behalf of the Airport, CDFW will confer with FWS to determine the best opportunity for CTS offsets within the DPS and CDFW will cause those projects to be implemented by directing NFWF to apply funds to those projects or to acquisition of credits from a Service-approved conservation bank.

6. The Airport shall provide proof of payments under this Section I.A. to FWS and CDFW within thirty (30) days after each payment installment is paid to NFWF.

B. To offset the remaining reproductive value for CTS of 75,450, within one year of the Effective Date, the Airport shall:

1. Grant and convey a FWS and CDFW-approved perpetual conservation easement ("Conservation Easement") to approximately three hundred and sixty-five (365) acres of Airport property ("Easement Property") to a FWS and CDFW-approved, nonprofit third party ("Easement Grantee") that shall be responsible for the management of the Conservation Easement including oversight, reporting, and enforcement of the Conservation Easement in perpetuity as CTS habitat. A general description of the Easement Property to be covered by the Conservation Easement is attached hereto as "Exhibit B" and depicted on the map attached hereto as "Exhibit A," both of which are hereby incorporated by reference. The Conservation Easement shall designate FWS and

CDFW as third-party beneficiaries with right of access for Conservation Easement monitoring and enforcement. The Conservation Easement deed shall include provisions supportive of use of the Easement Property as an onsite CTS breeding and rearing facility, to perform other genetic augmentation activities throughout the California tiger salamander Santa Barbara Distinct Population Segment, access to the property for academic research and environmental education opportunities and shall be based on a conservation easement template approved and provided by the FWS and CDFW.

2. Identify the proposed Easement Grantee and provide drafts of the Conservation Easement deed to FWS and CDFW for approval within ninety (90) days of the Effective Date and shall address comments provided by FWS and CDFW so that an approved Conservation Easement deed may be recorded within the time limits set forth in this Agreement.

3. Provide a mechanism that provides the Easement Grantee with sufficient funding for perpetual management and stewardship of the Conservation Easement, including annual monitoring, compliance monitoring, and reporting costs. The amount shall be determined with the Easement Grantee and in consultation with CDFW, but in no case shall the amount be less than the amount specified in the Property Analysis Report (“PAR”), which is attached hereto as “Exhibit C” to this Agreement and hereby incorporated by reference.

4. Provide a copy of the recorded Conservation Easement and associated legal description of the Easement Property and all documents required under this Section I.B. to FWS and CDFW.

C. The Airport shall:

1. Within one year of the Effective Date develop, in coordination with FWS and CDFW, a Habitat Management and Restoration Plan (“HMRP”) for the Easement Property that is accepted by FWS and CDFW and based on baseline conditions to identify priorities for active CTS habitat enhancement and restoration planning, goals, success criteria, and adaptive management.

2. Within one year of FWS/CDFW acceptance of the HMRP, conduct those tasks as described in the PAR which do not require additional consultation or other regulatory determinations under FESA or CESA and which are not otherwise prohibited by local, state, or federal law. Airport shall seek any other regulatory approvals within six months of FWS/CDFW acceptance of the HMRP, and any remaining tasks as described in the PAR that require additional regulatory or legal approvals shall be conducted within six months of receiving the necessary permits and approvals for that task. The Parties intend that the tasks described in the PAR will provide for the conservation of CTS in the West Santa Maria CTS metapopulation by providing for the performance and completion of projects involving habitat restoration and enhancement; long-term protection of habitat, including establishment of conservation easements on habitat lands and/or long-term management and monitoring of habitat lands; and recovery activities.

3. Implement CTS habitat enhancement activities as prioritized by the FWS and CDFW up to the annual and total enhancement activity expenditures described in the PAR. This amount shall include, at a minimum, \$25,000 in adaptive management contingency funds (“Adaptive Management Funds”) which, if unused in any year, shall roll over into a dedicated reserve account maintained by the Airport (“Adaptive Management Account”) for the adaptive management activities described in the PAR as may be further detailed in the HRMP. The Airport shall deposit any Adaptive Management Funds that are unused at the end of the fiscal year into the Adaptive Management Account, up to the Adaptive Management Fund Cap. Any unused Adaptive Management Funds that exceed the Adaptive Management Account Cap shall be deposited into the

Airport's General Fund. As used in this section, the Adaptive Management Fund Cap shall be \$250,000 on the Effective Date and shall be increased at the beginning of each fiscal year by the Consumer Price Index for All Urban Consumers: Los Angeles-Long Beach-Anaheim ("CPI-U") for the previous calendar year.

4. Provide a copy of the final HRMP and all documents required under this Section 1.C to FWS and CDFW.

D. To waive the right to a hearing so long as this Agreement remains in effect, and to waive any potential counterclaims against the FWS or CDFW, their law enforcement agents, biologists, attorneys, or other staff.

II. FWS and CDFW Agree That:

A. Within two weeks of the Effective Date, FWS shall notify the United States Federal Aviation Administration and the City of Santa Maria in writing of the execution of this Agreement.

B. Airport fulfillment of this Settlement Agreement offsets the loss of 118,725 RVs for CTS habitat in the Subject Lands at a 2:1 ratio.

C. FWS agrees to consult if requested by an action agency under FESA Section 7 to analyze the effects of activities described in both the HMRP and 2019 Santa Maria Airport Master Plan, as the same may have been amended, in order to replace the now-revoked 2007 Biological Opinion and Incidental Take Statement for the Santa Maria Public Airport District Research Park and Golf Course Project, within the City of Santa Maria, Santa Barbara County, California.

D. CDFW agrees to process any notice and request for a consistency determination for activities described in Section II.C. of this Agreement pursuant to the statutory procedure outlined in Fish and Game Code section 2080.1. Additionally, CDFW agrees to process any permit application for incidental take for activities described in Section II.C. of this Agreement pursuant to the statutory procedure outlined in Fish and Game Code section 2081(b).

E. In consideration of the Airport's satisfactory fulfillment of the terms outlined above, the FWS agrees that it will not refer to any enforcement agency, impose a civil penalty, or seek to impose any criminal fine or penalty by reference to the United States Department of Justice against the Airport, its officers, employees, agents or contractors, or seek further action against or by the Airport with respect to the alleged take of CTS under the FESA at Airport property before February 2022.

F. In consideration of the Airport's satisfactory fulfillment of the terms outlined above, CDFW agrees that it will not refer to any enforcement agency, impose a civil penalty, or seek to impose any criminal fine or penalty by reference to the State of California Department of Justice against the Airport, its officers, employees, agents or contractors, or seek further action against or by the Airport with respect to the alleged take of CTS at Airport property before February 2022.

III. Cooperation of Parties

If there is any issue regarding compliance with any of the terms of this Agreement, the Parties agree to provide written notice of such non-compliance and an opportunity to timely resolve any such issue prior to seeking enforcement or other action. Such notice may be provided by mail or electronic mail to the addresses listed in the Agreement and shall provide sufficient information so that the Recipient Party has an adequate understanding of the issue of concern. The Parties agree to cooperate to reasonably and timely resolve any such issue.

IV. General Provisions

A. Subject to Section III of this Agreement, if the Airport fails to perform any of the obligations of this Agreement, the FWS may seek enforcement of the terms of this Agreement or may terminate the Agreement and seek to assess a civil penalty against the Airport for the violations of the FESA as alleged herein and CDFW may seek enforcement of the terms of this Agreement or may terminate the Agreement and seek to assess a civil penalty against the Airport for the violations of CESA as alleged herein. This Agreement shall toll any statute of limitations for such civil penalty proceedings from the Effective Date until the date of any breach of this Agreement, as determined by the date of issuance of a Notice of Violation. In the event the FWS or CDFW institute any proceeding by reason of breach of this Agreement, the Airport shall be entitled to all required notices and opportunities for hearing. Should the Service seek to enforce the violations of the FESA referenced herein or should CDFW seek to enforce the violations of CESA, this Agreement shall not be used as evidence to support or refute such allegations, although it may be used to document the tolling of the statute of limitations and to enforce compliance with its terms.

B. The provisions of this Agreement shall apply to and be binding upon the Parties hereto and their respective successors and assigns. The undersigned representatives represent that they are fully authorized to enter into this Agreement and to bind their respective Parties thereto.

C. No provision of this Agreement shall be interpreted as or constitute a commitment or requirement that the FWS or CDFW take action in contravention of the FESA, CESA, the federal or state Administrative Procedure Act, or any other law or regulation, either substantive or procedural. Nothing in this Agreement shall be construed to limit or modify the discretion accorded to the FWS or CDFW by the FESA, CESA, the federal or state Administrative Procedure Act, or general principles of administrative law with respect to the procedures to be followed in conducting the activities described above, or as to the substance of any such determinations. No provision of this Agreement shall be interpreted as or constitute authorization for take of listed species on Airport property and any take that is not authorized under the FESA or CESA may be subject to future enforcement. This Agreement does not prohibit or otherwise restrict the Airport from seeking exemption or permitting under the FESA or CESA for future activities that may affect or result in take of listed species incidental to otherwise lawful activities.

D. Each Party shall bear its own costs, including but not limited to those incurred in the negotiations and execution of this Agreement, and attorneys' fees.

E. This Agreement (and the documents incorporated by reference herein) constitutes the final and sole agreement between the Parties. Any modifications of this Agreement shall be in writing and duly executed by the Parties. The time frames in this Agreement may be altered by written agreement of the Parties.

F. If any provision of this Agreement is held for any reason to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision herein.

G. This Agreement shall be deemed to have been drafted equally by the Parties and shall not be

interpreted for or against any Party on the ground that any such Party drafted it.

H. Each Party to this Agreement acknowledges that it has had the opportunity to be represented by legal counsel and that each Party has reviewed all of the terms and conditions of this Agreement. All Parties acknowledge that they will have the opportunity to review, and have legal counsel review, this Agreement and waive any complaints about the drafting once those documents are signed.

I. Each Party to this Agreement represents and warrants that the person who has signed this Agreement on its behalf is duly authorized to enter into this Agreement, and to bind that Party to the terms and conditions of this Agreement.

J. Any notice or documents to one or more Parties under this Agreement shall be sent to the address listed on the signature page.

K. The parties may execute this Agreement in counterparts, each of which shall constitute an original. The parties may execute this Agreement, and any executed copy deemed enforceable as to such signature, when executed by electronic signature and delivered by any means and verifiable digital/electronic signature that complies with the Electronic Signatures in Global and National Commerce Act (E-SIGN), and Uniform Electronic Transactions Act (UETA), unless a handwritten signature is required by law. “Electronic signature” for the purposes of this paragraph has the meaning as stated in California Civil Code section 1633.2(h), as it may be amended from time to time.

IT IS SO STIPULATED AND AGREED.

[Signature Pages Follow]

**FOR THE UNITED STATES FISH AND WILDLIFE SERVICE
OF THE DEPARTMENT OF THE INTERIOR (“FWS”)**

Stephen Henry 08/15/24
Stephen Henry (Aug 15, 2024 12:01 PDT)
Signature _____ Date _____

Name: Stephen Henry
Title: Field Supervisor, Ventura Fish and Wildlife Office
Address: 2493 Portola Road, Suite B, Ventura, CA 93003

**FOR THE CALIFORNIA DEPARTMENT
OF FISH AND WILDLIFE (“CDFW”)**

Erinn Wilson-Olgin 08/15/24
Erinn Wilson-Olgin (Aug 15, 2024 12:03 PDT)
Signature _____ Date _____

Name: Erinn Wilson-Olgin
Title: Regional Manager, South Coast Region
Address: 3030 Old Country Parkway, Suite 400, Seal Beach, CA 90740

**FOR THE SANTA MARIA PUBLIC AIRPORT DISTRICT
 (“AIRPORT” OR “DISTRICT”)**

Ignacio Moreno 08/15/24
Ignacio Moreno (Aug 15, 2024 08:51 PDT)
Signature _____ Date _____

Name: Ignacio Moreno
Title: President, Board of Directors
Address: 3217 Terminal Drive, Santa Maria, CA 93455

Steven Brown 08/15/24
Steven Brown (Aug 15, 2024 09:01 PDT)
Signature _____ Date _____

Name: Steven Brown
Title: Secretary, Board of Directors

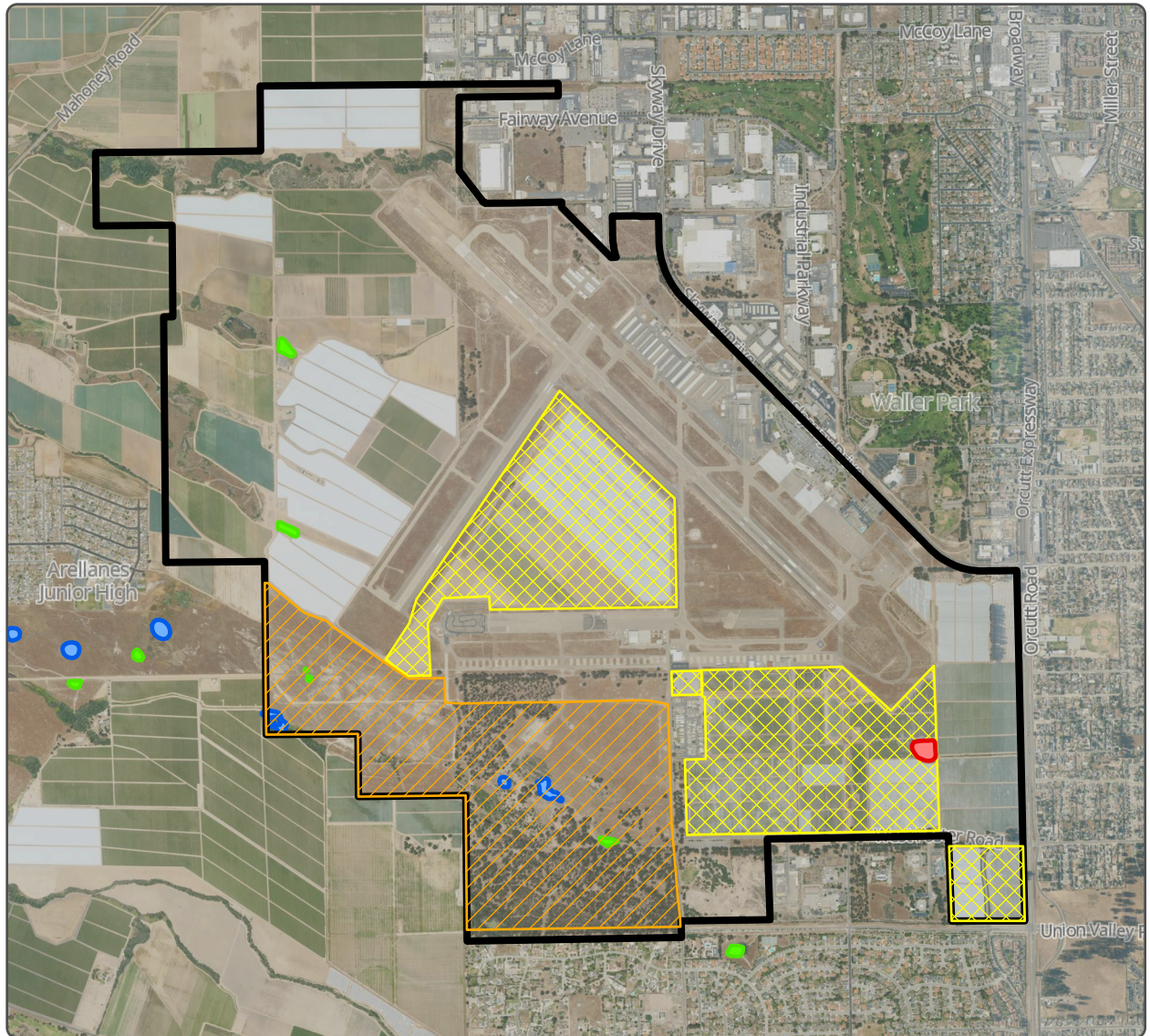
Exhibits







- Exhibit A – Map of Subject Lands and Easement Property
- Exhibit B – Description of Easement Property
- Exhibit C – Property Analysis Report

Exhibit A – Map of Subject Lands and Easement Property

(Attached)

Exhibit A - Map of Subject Lands and Easement Property



 Subject Lands (approx. 417 Acres)	 Subject Breeding Pond
 Easement Property (approx. 365 Acres)	 Potential CTS Breeding Ponds
 Santa Maria Airport Boundary	 Known CTS Breeding Ponds

Ventura Fish and Wildlife Office
2493 Portola Road, Suite B
Ventura, California
805.644.1766

The USFWS makes no warranty for use of this map and cannot be held liable for actions or decisions based on map content.

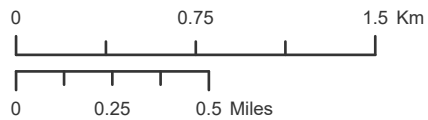


Exhibit B – Description of Easement Property

The Santa Maria Public Airport District (Airport) Easement Property as depicted on Exhibit A encompasses 365 acres on Airport lands in the southwest corner of the Airport west of Blosser Road as follows. All distances are approximate pending legal description to convey a conservation easement.

- The southern boundary of the Easement Property runs from the intersection of Union Valley Parkway and Blosser Road east along a line approximately 200-feet north of the Airport Property line to accommodate right-of-way for a potential future extension of Union Valley Parkway. Then runs along the southern Airport Boundary to the furthest southwest corner of Airport land.
- The western boundary of the Easement Property runs from the above furthest southwest corner 2,260 feet north to the northwest corner of the Easement Property to a point where natural ground ends at agricultural fields.
- The northern boundary of the Easement Property runs from the above northwest corner on a southeast diagonal for 2,500 feet, west 560 feet, south 411 feet, and west 3,355 feet to the northeast corner of the Easement Property at Blosser Road.
- The western boundary of the Easement Property runs from the above northeast corner south 3,330 feet along Blosser Road to a point approximately 200 feet north of the southern Airport property line.

Exhibit C – Property Analysis Report

(Attached)

EXHIBIT C - Property Analysis Report ("PAR")

I. Initial Tasks								
TASK	DESCRIPTION	UNITS	QUANTITY	COST/UNIT	COST PER FISCAL YEAR	FREQUENCY OF ACTION	TOTAL COST	NOTES
Conservation Area Baseline Conditions Report	Establish Year 1 baseline habitat conditions (no minimum mapping units) described by the Manual of California Vegetation classification alliances. Vegetation mapping should include invasive plant species to the extent they occur, and areas of small mammal occupation with estimated densities. The purpose of the baseline conditions is to inform upland habitat management and enhancement activities.	n/a	1	\$15,000	n/a	once	\$15,000	To include map, habitat descriptions, and inform recommended habitat enhancement and restoration activities.
Monarch Overwintering Surveys	Conduct autumnal and winter monarch butterfly roost surveys to inform the eucalyptus removal/treatment. Surveys to include all conservation areas eucalyptus groves.	n/a	1	\$7,500	n/a	once	\$7,500	To inform Eucalyptus removal
Habitat Management & Restoration Plan (HRMP)	Develop "living" HMRP informed from baseline conditions report to identify priorities for active CTS habitat enhancement and restoration planning, goals, success criteria, and adaptive management. To include an invasive plant species evaluation and eradication plan if needed. To include grazing lease and practices review and update.	n/a	1	\$10,000	n/a	once	\$10,000	To be completed within 1 year of effective date. Requires CDFW and USFWS review and approval. HRMP will further describe and detail the implementation of capital, perpetual, and adaptive management tasks outlined in this PAR.
Initial Tasks - Cost Total							\$32,500	

II. Capital Tasks								
TASK	DESCRIPTION	UNITS	QUANTITY	COST/UNIT	COST PER FISCAL YEAR	FREQUENCY OF ACTION	TOTAL COST	NOTES
Eucalyptus Removal	Removal of not to exceed 20 acres eucalyptus grove between SAMA-6/7 and lands to the west.	n/a	20	\$11,000	n/a	once	\$220,000	Presence of monarch butterflies may limit when work will occur and may mean avoiding some areas but should not prohibit work completely.
Eucalyptus Thinning	Thinning of eucalyptus trees and clean up of eucalyptus debris within 300 meters of SAMA-8 (~3 acres per year not to exceed 40 acres). Success criteria will include small mammal recolonization and presence of burrows.	n/a	40	\$5,500	\$16,500	based on annual evaluation of CTS benefit	\$220,000	Presence of monarch butterflies may limit when work will occur and may mean avoiding some areas but should not prohibit work completely.
Fence Remnant Historic Military Structure	Install CTS exclusion fencing around structure. Soil testing necessity TBD.	foot	600	\$35	n/a	once	\$21,000	Based on HRMP priorities for annual expenditures.
Stockpile removal and grassland restoration.	Existing dirt stockpiles removed and grassland seeding.	n/a	TBD	TBD	TBD	once	TBD	Stockpile removal will be implemented and funded by future County landfill cap or other SMX approved onsite/offsite project needing fill.
County Landfill Management	Gather and assess County landfill status and monitoring data. County to implement appropriate actions based on landfill management requirements.	n/a	n/a	n/a	n/a	once	TBD	SMX to coordinate with County to determine any necessary actions. SMX operation staff time budget for evaluation of data and coordination with County.
Trash and Debris Removal (not eucalyptus)	Annual cleanup of windblown trash and debris (not from onsite plant material)	n/a	n/a	n/a	n/a	yearly	ongoing	SMX operation staff time budget for regular maintenance activities on Airport lands.

II. Capital Tasks (continued)

TASK	DESCRIPTION	UNITS	QUANTITY	COST/UNIT	COST PER FISCAL YEAR	FREQUENCY OF ACTION	TOTAL COST	NOTES
Grazing Management Plan	SMX to review, evaluate, and amend grazing leases for compatibility with CTS. Determine BMPs for acres per head. Identify areas for supplemental feeding restricted to hay. No import of agricultural wastes or anything besides hay for supplemental feeding. Fence all CTS ponds (see pond management below).	n/a	n/a	n/a	n/a	annually	n/a	SMX operation staff time budget for grazing lease review, amendments, etc.
Invasive Plant Control	Control for IPC identified invasive plant species determined as part of baseline conditions report above.	labor hrs	80	\$90	n/a	once	\$7,200	Invasive plant species (not including eucalyptus) do not represent a significant concern at this point.
Pond Construction	Construction of 3 new CTS breeding ponds based on 2009 SMX CTS pond creation feasibility study. Construct one pond at a time to ensure functionality and needed hydroperiod based on onsite ponds as reference for sufficient rainfall.	pond	3	\$30,000	n/a	3 times	\$90,000	Larva translocation to be a part of CTS population management activities conducted by others. SMX success responsibility is ensuring sufficient hydroperiod based on construction design and annual rainfall patterns.
Pond Hydroperiod Management Feasibility Study	SMX to evaluate availability, feasibility, and needed infrastructure to use recycled water from Laguna Sanitation District (pending quality testing), or other sources, for hydroperiod enhancements of existing and created ponds. SMX to coordinate with FWS and CDFW to determine necessity.	n/a	n/a	n/a	n/a	once	TBD	Will inform Adaptive Management Tasks for hydroperiod management action triggers. Adaptive Management Funds will be used for this item.
CTS Control Fencing	Animex Wildlife Fencing. Average midrange permanent fencing installed estimated at \$50/linear foot. The value of this infrastructure for CTS needs to be further evaluated. East border Blosser Road from UVP to Airport 4,000 linear feet	foot	4,000	\$50	n/a	once	\$200,000	Cost range is \$8, \$35, to \$50 per foot for just Animex materials. Using mid level 15-year fence installed estimate of \$50/foot assumption. Effectiveness, need, long term replacement against costs needs to be evaluated.
Grazing Fencing/Cattle Exclusion Around Ponds	Install/modify/maintain fencing required for grazing purposes and to protect sensitive resource areas. Cattle exclusion fencing around all known/potential CTS ponds.	foot	5,000	\$5	n/a	once	\$25,000	\$5/linear foot installed cost estimate assumption.
Security Fencing	Install fencing and signage that prevents trespass by OHV users. 19,000 per CTS fence total.	foot	19,000	\$5	n/a	once	\$95,000	\$5/linear foot installed cost estimate assumption.
Road & Security Maintenance	Maintain fences, gates, and existing roads for access on conservation lands.	n/a	n/a	n/a	n/a	n/a	n/a	SMX ongoing maintenance budget line item.
CTS Population Management: Controlled Propagation	UCLA or SMX/Agency approved researcher controlled propagation breeding CTS study to bolster the insitu CTS population. To include SMX and Agency approved 1) CTS larvae release into constructed ponds; 2) baseline water quality assessment of existing and constructed pools compared to reference ponds (onsite/offsite as arranged by researcher); 3) genetic testing and cross breeding studies with other SB County DPS metapopulations.	fee	5	\$50,000	\$50,000	Up to 5 times in years when breeding occurs	\$250,000	Activity to be undertaken by Recovery Permit holder. See Specified Adaptive Management Tasks, below, for when additional CTS Controlled Propagation would be triggered.
Capital Tasks - Cost Total							\$1,128,200	

III. Perpetual Tasks

TASK	DESCRIPTION	UNITS	QUANTITY	COST/UNIT	COST PER FISCAL YEAR	FREQUENCY OF ACTION	NOTES
Constructed ponds maintenance, hydroperiod monitoring, and adaptive management.	Created pond hydroperiod monitoring, success criteria, and functionality to be assessed on an annual basis.	n/a	n/a	\$10,000	\$10,000	annually	Constructed pond hydroperiod success is anticipated with only minor "construction" repairs expected.
Annual Biological Monitoring	Visual Inspections/data collection/input into database/drive time by Service approved biologist.	labor hrs	40	\$125	\$5,000	annually	
Annual Biological Monitoring Report	Report preparation/review/final	labor hrs	24	\$125	\$3,000	annually	
Adaptive Management Analysis	Includes the analysis and review of monitoring data every three years in order to inform adaptive management decisions. The monitoring data is collected, entered into a database and summarized in annual reports as part of the biological site inspections and surveys category below. This work should be performed by a qualified biologist familiar with the ecology of the site and data being analyzed.	labor hrs	42	\$125	\$1,750	Every 3 years	Analysis to occur once every 3 years. Approx. 42 hours is needed to analyze the data for trends, develop management recommendations, and meet to discuss results and any changes to be made to the management and/or monitoring of the resources on the Easement Property.
Adaptive Management Contingency Funds	Based on the limited range of activities to be changed or modified within the SMX upland and pond management responsibilities, there is a maximum annual expenditure of adaptive management contingency funds. The adaptive management activities will include, but are not limited to, items in Section IV.	n/a	n/a	n/a	\$25,000	Deposited annually and used as specified in HMRP and as needed	Each year, unused funds will roll over into a dedicated reserve account maintained by the Airport ("Adaptive Management Account"), in accordance with section I.C.3. of Settlement Agreement, for adaptive management tasks. Tasks funded under this item include items described below in Section IV, Adaptive Management Tasks.
Environmental Education	Easement will provide access opportunities for local schools	n/a	n/a	n/a	n/a	n/a	Activities to be approved by SMX, FWS, and CDFW. SMX operation staff time budget for coordination.
Research	Easement will provide access opportunities for academic/conservation research	n/a	n/a	n/a	n/a	n/a	Activities to be approved by SMX, FWS, and CDFW. SMX operation staff time budget for coordination.
Easement Grantee: Annual Site Inspections	Site visits to be conducted by the third party easement holder.	labor hrs	40	\$125	\$5,000	annually	
Easement Grantee: Annual Easement Monitoring Report	Data gathering, evaluation, and report preparation by third party easement holder.	labor hrs	40	\$125	\$5,000	annually	
Easement Grantee: Easement Administration	Estimated annual administrative costs for third party easement holder.	labor hrs	40	\$125	\$5,000	annually	
CTS Genetic Monitoring	CTS population genetic monitoring	n/a	1	\$25,000	\$5,000	Every 5 years	Will inform the CTS Population Management adaptive management task. Monitoring to occur once every 5 years.
Perpetual Tasks - Ongoing Annual Cost Total					\$64,750		

IV. Specified Adaptive Management Tasks

TASK	DESCRIPTION	UNITS	QUANTITY	COST/UNIT	FREQUENCY OF ACTION	EST. TOTAL COST	NOTES
CTS management	Use of captive propagation to maintain CTS populations	n/a	1	\$130,000	Estimated to occur once every 10 years	\$130,000	Specific triggers will outlined in the HMRP and based on CTS
Hydroperiod Management	In ponds, where the larvae of listed species are observed, the hydroperiod will be maintained for a minimum of 12 weeks to allow for metamorphosis	gallons	TBD	\$.60 per 100 gallons	Estimated to occur once every 5 years	\$75,000	Estimate is based off use of 125,00 gallons at current nonresidential rates from Golden State Water. Specific triggers will outlined in the HMRP and based on CTS
Invasive Species Control	Upon detection of any aquatic invasive species that would directly impact listed species within the easement area action will be taken to eradicate these species, if possible, to prevent invasive species population from being established.	labor hrs	100	\$100	Estimated to occur once every 10 years	\$10,000	Specific triggers will outlined in the HMRP and based on CTS

2024-2025

**DEMAND REGISTER
SANTA MARIA PUBLIC AIRPORT DISTRICT**

Full consideration has been received by the Santa Maria Public Airport District for each demand, numbers 072937 to 073005 and electronic payments on Pacific Premier Bank and in the total amount of \$625,363.12.

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 072937 to 073005 and electronic payments on Pacific Premier Bank in the total amount of \$625,363.12 has been approved as being in conformity with the budget approved by the Santa Maria Public Airport District and funds are available for their payment.

VERONEKA READE
MANAGER OF FINANCE AND ADMINISTRATION

DATE

THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT APPROVED PAYMENT OF THE ATTACHED WARRANTS AT THE MEETING OF AUGUST 22, 2024.

STEVE BROWN
SECRETARY

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
* 72937	8/8/2024	Advantage Answering Plus	413.21	Answering Service
* 72938	8/8/2024	AT&T	318.59	Telephone Service
* 72939	8/8/2024	Bedford Enterprises, Inc.	\$1,769.71	Hangar Maintenance
* 72940	8/8/2024	Bomar Security & Investigation	\$4,716.75	Security Service
* 72941	8/8/2024	Boyd, Dave	\$301.00	Tenant Refund
* 72942	8/8/2024	CNH Industrial Accounts	\$3,147.21	Vehicle Maintenance
* 72943	8/8/2024	Coast Networx	\$210.00	Computer Support Services
* 72944	8/8/2024	Consolidated Electrical Distributors, Inc.	\$276.95	Hangar Maintenance - Lighting
* 72945	8/8/2024	Digital West	\$950.65	Network Services - Terminal
* 72946	8/8/2024	Fence Factory	\$143.32	Fencing & Gates
* 72947	8/8/2024	Ferguson Enterprises, Inc.	\$20.50	Administrative Building Maintenance
* 72948	8/8/2024	Grainger	\$94.32	Shop Supplies
* 72949	8/8/2024	Gsolutionz, Inc.	\$80.08	GPS Svcs - Phones - Sept. 2024
* 72950	8/8/2024	Heath, Ray	\$3,575.20	Consulting Services - Contingencies
* 72951	8/8/2024	Industrial Medical Group	\$165.00	Pre-Employment Physical Exam
* 72952	8/8/2024	Interstate Batteries	\$145.67	Vehicle Maintenance
* 72953	8/8/2024	J B Dewar, Inc	\$986.65	Unleaded/Diesel Fuel
* 72954	8/8/2024	MarTeeny Designs	\$275.00	Website Maintenance
* 72955	8/8/2024	McMaster-Carr	\$823.19	Signs - Landing Area
* 72956	8/8/2024	Minjares, Rene'	\$386.00	Tenant Refund
* 72957	8/8/2024	Mission Linen Service	\$278.64	Uniform Service
* 72958	8/8/2024	Napa Auto Parts	\$395.20	Vehicle Maintenance
* 72959	8/8/2024	Oberon3, Inc	\$50.00	Terminal Maintenance
* 72960	8/8/2024	Outdoor Supply Hardware	\$547.79	Shop Supplies/Pavement Maintenance
* 72961	8/8/2024	Pehl, Martin	\$146.47	Travel Reimbursement
* 72962	8/8/2024	Ravatt Albrecht & Associates	\$569.36	SMX Customs Building Remodel
* 72963	8/8/2024	Roux Associates, Inc.	\$1,171.30	Consulting Services
* 72964	8/8/2024	Safety-Kleen	\$279.69	Hangar Maintenance
* 72965	8/8/2024	Santa Barbara Cnty Special District Assoc.	\$40.00	Special District Dinner Meeting
* 72966	8/8/2024	Santa Barbara LAFCO	\$4,787.00	LAFCO Dues
* 72967	8/8/2024	Tri-Counties Plant Service	\$275.00	Interior Plant Service - Terminal
* 72968	8/8/2024	U.S. Bank Equipment Finance	\$558.39	RICOH Printer Lease
* 72969	8/8/2024	Verizon Wireless	\$1,063.77	Mobile Devices
* 72970	8/15/2024	Adams, Chuck	\$400.00	Director's Fees
* 72971	8/15/2024	Airflow Filter Service, Inc.	\$336.17	Vehicle Maintenance
* 72972	8/15/2024	Armstrong's Lock and Key	\$1,158.10	Hangar Maintenance
* 72973	8/15/2024	Baskett, David	\$200.00	Director's Fees
* 72974	8/15/2024	Blueglobes, LLC	\$537.95	Lighting - Landing Area
* 72975	8/15/2024	Boyer's Diesel	\$937.50	Vehicle Maintenance - ARFF
* 72976	8/15/2024	Brown, Steve	\$100.00	Director's Fees

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
* 72977	8/15/2024	C.J. Brown & Company, CPAs	\$3,913.00	Annual Audit
* 72978	8/15/2024	City of Guadalupe	\$27,530.07	Security Service/LEO
* 72979	8/15/2024	City of Santa Maria	\$3,240.00	Temporary Refuse Service Request
* 72980	8/15/2024	Civil Air Patrol Magazine	\$505.00	Airport Advertising
* 72981	8/15/2024	Comcast	\$1,306.70	Cable/Internet/Digital Voice
* 72982	8/15/2024	Comcast Business	\$2,205.77	Internet Service
* 72983	8/15/2024	Consolidated Electrical Distributors, Inc.	\$1,107.08	Lighting Maintenance - Hangars
* 72984	8/15/2024	David K. Wolff Environmental, LLC	\$3,313.80	Environmental Consulting
* 72985	8/15/2024	Electronic Parts Store	\$122.57	Shop Supplies
* 72986	8/15/2024	Ferguson Enterprises, Inc.	\$10.29	Admin Maintenance
* 72987	8/15/2024	Granite Construction	\$389,140.04	Taxiway Rehabilitation - Retention
* 72988	8/15/2024	Groveman Hiete LLP	\$22,340.74	Legal Counsel Services
* 72989	8/15/2024	J.D. Humann Landscape Contr.	\$4,955.00	Landscaping - Terminal
* 72990	8/15/2024	Lowe's	\$231.32	Pavement Maintenance
* 72991	8/15/2024	McMaster-Carr	\$560.71	Shop Supplies
* 72992	8/15/2024	Midi, Inc. DBA Valley Glass & Mirror Co.	\$1,835.00	Main Hangar Maintenance
* 72993	8/15/2024	Mission Linen Service	\$139.32	Uniform Service
* 72994	8/15/2024	Moreno, Ignacio	\$500.00	Director's Fees
* 72995	8/15/2024	Napa Auto Parts	\$61.17	Vehicle Maintenance
* 72996	8/15/2024	Pacific Telemanagement Services	\$343.00	Pay Phone Svcs - Terminal
* 72997	8/15/2024	ROKLIN Systems Incorporated	\$2,153.25	Pavement Maintenance
* 72998	8/15/2024	Roux Associates, Inc.	\$151.58	Consulting Services
* 72999	8/15/2024	RRM Design Group	\$4,366.78	Plan Amendment/Parcel Rezone
* 73000	8/15/2024	S Lombardi & Assoc., Inc.	\$700.00	Airport Advertising
* 73001	8/15/2024	Service Star	\$12,259.62	Janitorial Service
* 73002	8/15/2024	Smith's Alarms & Electronics Inc.	\$630.00	Fire Alarm Service
* 73003	8/15/2024	Tartaglia Engineering	\$7,611.00	Taxiway Rehabilitation
* 73004	8/15/2024	VTC Enterprises	\$84.00	Trash - Paper Recycling
* 73005	8/15/2024	Waldrop, Matthew	\$497.00	Tenant Refund
		Subtotal	<u>\$524,445.14</u>	
ACH	8/7/2024	PG&E	\$24,313.89	Terminal/Admin/Hangar Electricity
ACH	8/9/2024	Ready Refresh	\$52.25	Water Delivery
ACH	8/9/2024	De Lage Landen	\$83.74	Copier
ACH	8/9/2024	Clark Pest Control	\$5,040.75	Weed/Wildlife Maint./Termite Svc.
ACH	8/12/2024	CalPers	\$15,685.16	Employee Health Insurance
ACH	8/12/2024	Quadient	\$200.00	Postage
ACH	8/12/2024	Frontier	\$1,780.59	Telephone Service

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
ACH	8/13/2024	PG&E	\$1,721.59	Terminal/Admin/Hangar Electricity
ACH	8/13/2024	The Gas Company	\$151.61	Utilities - Gas
ACH	8/13/2024	CalPers	\$7,296.37	Employee Retirement
ACH	8/15/2024	Paychex	\$30,292.89	Payroll
ACH	8/15/2024	Paychex	\$8,203.58	Payroll Taxes
ACH	8/15/2024	Empower Retirement	\$5,763.68	Employee Paid Retirement
ACH	8/16/2024	Paychex	\$331.88	Paychex Invoice
		Subtotal	<u>\$100,917.98</u>	
		Total	<u><u>\$625,363.12</u></u>	

Santa Maria Public Airport District
Budget vs. Actual - YTD
As of June 30, 2024

	<u>YTD</u>	<u>YTD BUD</u>	<u>VARIANC</u>	<u>%</u>
61000-Landing fees	25,851	90,000	(64,149)	-71%
61100-Tiedowns	27,024	28,772	(1,748)	-6%
61200-Fuel Flowage Fees	89,278	113,406	(24,128)	-21%
62000-T-Hangar	458,392	439,895	18,497	4%
62100-Corporate Hangar	313,371	298,743	14,628	5%
62200-Owner Build Hangar	21,180	19,788	1,392	7%
63000-T-Hangar Storage	33,840	35,640	(1,800)	-5%
64100-Main Hangar	135,600	133,698	1,902	1%
64200-Commercial Aviation	442,258	420,241	22,017	5%
64300-Land Lease - Commercial Aviation	98,532	138,532	(40,000)	-29%
65000-Car Rental	193,176	190,483	2,693	1%
65100-Terminal Space Lease	167,056	173,033	(5,977)	-3%
66100-Agricultural Lease	1,139,488	1,137,803	1,685	0%
66200-Non Aviation Land Leases	431,817	416,943	14,874	4%
66300-Cell Tower Lease	60,600	60,600	0	0%
66400-Mobile Home Parks	534,663	537,052	(2,389)	0%
67000-Administrative Income	52,389	20,000	32,389	162%
67210-Leo Reimbursement	5,202	12,900	(7,698)	-60%
69100-Interest and Investment Earnings	442,201	120,000	322,201	269%
69110-AIP Reimbursement	5,213,495	7,014,600	(1,801,105)	-26%
69120-PFC Revenue	63,252	65,000	(1,748)	-3%
69200-Tax Revenues	2,278,417	2,050,125	228,292	11%
Total Income	12,227,082	13,517,254	(1,290,172)	-10%
80000-G&A	13,260	16,165	(2,905)	-18%
80001-MHP - Maintenance	28,384	30,715	(2,331)	-8%
80002-MHP - MHP Liability Insurance	14,150	14,939	(789)	-5%
80003-MHP - Property Management	28,200	28,200	0	0%
80004-MHP - Salaries/ Employee Related Expenses	121,739	124,694	(2,955)	-2%
80005-MHP - Utilities	202,728	222,765	(20,037)	-9%
80100-Salaries- Administration	488,230	511,582	(23,352)	-5%
80101-Salaries - Maintenance & Operations	480,759	509,806	(29,047)	-6%
80102-Employee Benefits - Other	59,418	57,208	2,210	4%
80104-Employee Benefits - Medical	250,551	265,166	(14,615)	-6%
80105-Medicare Tax	15,651	14,810	841	6%
80106-PERS Retirement	310,679	321,005	(10,326)	-3%
81000-ARFF Services	901,683	900,000	1,683	0%
81100-Electricity	245,397	238,640	6,757	3%
81200-Natural Gas	8,625	16,373	(7,748)	-47%
81300-Water	105,993	97,477	8,516	9%
81600-Communications	19,166	18,624	542	3%
81601-Communications - Alarm	14,793	13,863	930	7%
81602-Communications - Wireless	17,730	17,624	106	1%
81603-Communications - Access Control	1,229	3,632	(2,403)	-66%
82400-Supplies Office	28,196	78,600	(50,404)	-64%
82410-Supplies Shop	55,513	52,000	3,513	7%
82500-Fuel Expense	38,396	46,946	(8,550)	-18%
83000-Maintenance - Misc	24,057	25,882	(1,825)	-7%

Santa Maria Public Airport District
Budget vs. Actual - YTD
As of June 30, 2024

	<u>YTD</u>	<u>YTD BUD</u>	<u>VARIANC</u>	<u>%</u>
83001-Maintenance - Lighting	22,045	22,657	(612)	-3%
83002-Maintenance - Generator	8,478	9,110	(632)	-7%
83003-Maintenance - Pavement	13,579	32,002	(18,423)	-58%
83004-Maintenance - Weed/Wildlife	72,459	66,200	6,259	9%
83005-Maintenance - Fencing & Gates	15,294	13,000	2,294	18%
83006-Maintenance - Building	66,277	65,727	550	1%
83007-Maintenance - Fire Alarm	5,403	6,412	(1,009)	-16%
83008-Maintenance - Drainage	15,083	15,803	(720)	-5%
83100-Signs	12,522	7,000	5,522	79%
84000-Equipment Lease	9,367	7,389	1,978	27%
84500-Janitorial	138,546	152,402	(13,856)	-9%
84700-Landscaping	64,750	73,858	(9,108)	-12%
85000-Vehicle Maintenance	74,719	77,000	(2,281)	-3%
85400-Dues and Membership	79,420	77,000	2,420	3%
86000-Advertising	112,134	120,000	(7,866)	-7%
86001-Consulting - Admin	561,373	568,000	(6,627)	-1%
86002-Consulting Professional	450,657	452,211	(1,554)	0%
86003-Consulting - Legal	298,446	272,440	26,006	10%
86004-Consulting - Security	433,062	452,000	(18,938)	-4%
86005-Bank Fees	3,476	3,600	(124)	-3%
86006-Computer Software	622	0	622	0%
86015-Depreciation - Hangar Area	20,128	87,336	(67,208)	-77%
86020-Depreciation - Owner Build	2,603	0	2,603	0%
86025-Depreciation - Landing Area	1,108,192	1,436,868	(328,676)	-23%
86035-Depreciation - FBO	18,474	33,602	(15,128)	-45%
86045-Depreciation - Revenue Gen Land	180,485	377,558	(197,073)	-52%
86055- Depreciation - Terminal Area	296,382	342,384	(46,002)	-13%
86100-Depreciation - Administration	(50,032)	207,240	(257,272)	-124%
86200-Insurance	472,976	438,409	34,567	8%
86500-Permits	11,776	11,300	476	4%
86600-Education and Recognition	23,542	23,272	270	1%
86700-Business Travel	86,831	85,000	1,831	2%
86800-Fire Fighting Training	30,075	27,000	3,075	11%
87000-Bad Debt Expense	19,882	19,682	200	1%
87025-Rent Credit	25,986	0	25,986	0%
88001-Airfest Expense - Sponsorship	75,000	75,000	0	0%
88009-Airfest Expenses- Miscellaneous	1,281	15,000	(13,719)	-91%
Total Expenses	8,255,820	9,300,178	(1,044,358)	-11%
Net Income	3,971,262	4,217,076	(245,814)	2%

Santa Maria Public Airport District
Profit & Loss
As of June 30, 2024

	YTD	PTD	PTD AVG	% AVG/PTD
Revenues from Operations				
Landing Area				
Landing fees and tiedowns	52,875	4,319	4,406	102.0 %
Fuel flowage fees	89,278	14,883	7,440	50.0 %
Subtotal	142,153	19,201	11,846	61.7 %
Hangar area				
T-Hangar	458,392	37,853	38,199	100.9 %
Corporate T-Hangars	313,371	24,881	26,114	105.0 %
T-Hangar Storage Units	33,840	2,820	2,820	100.0 %
Owner Build Hangars	21,180	1,997	1,765	88.4 %
Subtotal	826,783	67,551	68,899	102.0 %
FBO Area				
Main Hangar	135,600	11,300	11,300	100.0 %
Commercial Hangars	442,258	44,680	36,855	82.5 %
Land Leases	98,532	8,211	8,211	100.0 %
Subtotal	676,390	64,191	56,366	87.8 %
Terminal Area				
Car Rental	193,176	14,723	16,098	109.3 %
Terminal Space Lease	167,056	14,190	13,921	98.1 %
TSA LEO Reimbursement	5,202	0	434	
Subtotal	365,434	28,913	30,453	105.3 %
Revenue generating land				
Non Aviation Land Leases	431,817	37,264	35,985	96.6 %
Agricultural Leases	1,139,488	96,008	94,957	98.9 %
Cell Towers	60,600	5,050	5,050	100.0 %
Airport Mobile Home Park	534,663	47,040	44,555	94.7 %
Subtotal	2,166,568	185,363	180,547	97.4 %
Administrative				
Badging Income			0	
Miscellaneous Income	52,389	3,029	4,366	144.1 %
Plans and Specs	0	0	0	
Cares Grant Revenue	0	0	0	
Subtotal	52,389	3,029	4,366	144.1 %
Total Revenue from operations	4,229,717	368,249	352,476	95.7 %

Santa Maria Public Airport District
Profit & Loss
As of June 30, 2024

	YTD	PTD	PTD AVG	% AVG/PTD
Operating Expenses:				
Landing Area	131,694	6,174	10,974	177.8 %
Hangar Area	101,256	10,605	8,438	79.6 %
FBO Area	96,244	10,067	8,020	79.7 %
Terminal Area	434,554	17,818	36,213	203.2 %
Revenue generating land	468,452	31,396	39,038	124.3 %
Salaries and Benefits	1,605,288	179,269	133,774	74.6 %
Utilities	118,114	13,491	9,843	73.0 %
Supplies	117,331	6,960	9,778	140.5 %
Maintenance and Repairs	110,212	5,239	9,184	175.3 %
Contractual Services	1,222,796	96,888	101,900	105.2 %
Real Estate Commission	0	0	0	
ARFF Services	901,683	225,433	75,140	33.3 %
Security Services	433,062	37,855	36,089	95.3 %
Dues and Subscriptions	79,420	275	6,618	2406.7 %
Advertising	112,134	4,286	9,345	218.0 %
Depreciation	1,576,232	0	131,353	
Insurance	472,976	115,971	39,415	34.0 %
Business Travel	86,831	4,701	7,236	153.9 %
Fire Fighting Training	30,075	30,075	2,506	8.3 %
Rent Credit	25,986	0	2,166	
Air Show Expense	76,281	0	6,357	
Other Miscellaneous Expense	55,200	21,388	4,600	21.5 %
Total Expenses	8,255,820	817,891	687,985	84.1 %
Operating income (loss)	-4,026,103	-449,642	-335,509	74.6 %
Non-Operating Revenues (Expenses):				
PFC Revenue	63,252	5,713	5,271	92.3 %
Interest Income	442,201	135,427	36,850	27.2 %
Tax Revenues	2,278,417	138,842	189,868	136.8 %
AIP Reimbursement	5,213,495	359,694	434,458	120.8 %
Gain on Land Sale	0	0	0	
Total non-operating rev (exp)	7,997,365	639,677	666,447	104.2 %
Net Income	3,971,262	190,035	330,939	174.1 %

Santa Maria Public Airport District
Balance Sheet
As of June 30, 2024

Current Assets:

Cash and cash equivalents	7,820,154
Restricted - cash and cash equivalents	444,860
Certificate-of-deposit	8,000
Accounts receivable - customers and tenants, net	529,501
Prepaid expenses and deposits	10,972,699
	<hr/>
Total current assets	19,775,214

Non-current assets:

Note receivable	0
Interest Receivable	18,571
Capital assets, not being depreciated	17,369,629
Depreciable capital assets	18,874,675
Deferred other post-employment benefits outflows	9,000
Deferred pension outflows	966,715
	<hr/>
Total non-current assets	37,238,590

Total assets	57,013,803
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Current Liabilities:

Accounts payable and accrued expenses	1,013,530
Accrued wages and related payables	42,552
Unearned Revenue (customer prepaid)	0
Hangar and other deposits	113,180
Long-term liabilities - due in one year:	
Compensated absences	36,873
Land improvements payable	12,348
	<hr/>
Total current liabilities	1,218,483

Long-term liabilities - due in more than one year

Compensated absences	110,620
Land improvements payable	69,972
Total other post-employment benefits liability	337,720
Net pension liability	2,410,249
Deferred pension inflows	151,904
	<hr/>
Total long term liabilities	3,080,465

Total Liabilities	4,298,948
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Net position:

Retained Earnings	48,743,593
Change in Net Position	3,971,262
	<hr/>
Total net position	52,714,856

Total liabilities and net position	57,013,803
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MEMORANDUM

DATE: August 22, 2024
 TO: Board of Directors
 FROM: Veroneka Reade, Manager of Finance and Administration
 SUBJECT: Budget Deviation #4 for 2023-2024 Budget

It is recommended that the 2023-2024 Budget be amended to include the following changes:

Expenses	Proposed Budget Amount	Current Budget Amount	Increase/ (Decrease)
1.) 81100-500 Electricity Terminal	\$85,967.00	83,000.00	\$2,967.00
2.) 81300-700 Water Administration	\$64,070.00	58,110.00	\$5,960.00
3.) 83004-100 Weed and Wildlife Maintenance	\$72,460.00	66,200.00	\$6,260.00
4.) 83100-100 Signs AOA	\$11,034.00	5,000.00	\$6,034.00
5.) 86003-700 Consulting Legal	\$307,803.00	272,440.00	\$35,363.00
6.) 86200-700 Insurance	\$472,976.29	\$438,409.00	\$34,567.29
7.) 86800-700 Fire Fighting Training	\$30,075.00	\$27,000.00	\$3,075.00
8.) 80005-620 MHP Utilities	\$202,727.60	\$222,765.00	(\$20,037.40)
9.) 80101-700 Salaries Maintenance and Operations	\$480,758.74	\$509,806.00	(\$29,047.26)
10.) 82400-500 Office Supplies Terminal	\$1,000.00	\$37,600.00	(\$36,600.00)
	<u>\$1,728,871.63</u>	<u>\$1,720,330.00</u>	<u>\$8,541.63</u>

- 1.) Prior budget deviation used average yearly numbers for usage. June's electrical costs deviated from average.
- 2.) District was notified of water increase prior to last years budget and applied the increase, but increased usage for landscaping caused an overage in the budgeted amount.
- 3.) Heavy rains caused additional vegetation requiring additional herbicide. The cost of herbicide increased. Additional spraying required for the runway painting and crack sealing projects.
- 4.) Replaced taxiway sign panels per FAA requirements.
- 5.) Increased legal fees due to lawsuits filed. Additional legal consulting required for research.
- 6.) The District did not have the actual invoice for insurance at the time of budget. SDRMA provided an estimate and the estimate was lower than the invoice.
- 7.) Fire Department charged for prop fuel, portable restrooms, and overtime in addition to training.
- 8.) Mobile Home Park Manager's supply budget estimates and the actual amount was under their estimate.
- 9.) The Operations Supervisor Position was vacant for a portion of the year.
- 10.) District budgeted to reupholster chairs in the terminal and it was not necessary

 Veroneka Reade, Manager of Finance and Administration

Recommended: _____
 Martin Pehl, General Manager

Approved Board Meeting
 of August 22, 2024

 Steve Brown, Secretary

FIFTH AMENDMENT OF LEASE

RE: Land Lease (Farming) dated September 1, 2010, as previously amended from time to time, between SANTA MARIA PUBLIC AIRPORT DISTRICT and GRESSER, INC., a California corporation, covering land at the Santa Maria Public Airport (the "Lease").

In consideration of the mutual promises and covenants set forth herein, and for other good and value consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the undersigned SANTA MARIA PUBLIC AIRPORT DISTRICT ("District") and GRESSER, INC., a California corporation ("Tenant"), collectively the "Parties," do hereby mutually agree to amend the Lease as follows:

1. Rent. Beginning September 1, 2024, Tenant shall pay to District as annual rent for the Premises, the sum of Two Thousand and Two Hundred Dollars (\$2,200) per acre per year. This amount shall be adjusted annually in accordance with Section 3, subsection c, of the Lease.

2. Term. The term of this Lease is hereby extended for an additional period commencing September 1, 2024, and expiring on August 31, 2030, unless sooner terminated pursuant to the terms of this Lease; provided, District reserves the right to terminate this Lease on one (1) year's written notice in accordance with the provisions of Section 25, District's Right to Early Termination.

3. Assignment, Subletting and Encumbering. Effective September 1, 2024, Section 28 of the Lease is hereby deleted in its entirety and replaced with the following:

"28. Assignment, Subletting and Encumbering. Tenant shall not assign, mortgage, encumber or grant control of this Lease or any interest, right or privilege herein or license or grant concessions for use of the leased Premises or any part thereof. Any such assignment, mortgage, encumbrance, transfer, permit or concession shall be void and, at the option of District, shall terminate this Lease. Tenant may sublet portions of the Premises without prior written consent of the District if: (a) the sublease agreement is specifically subject to the terms of this Lease and is made in writing, and (b) Tenant provides District with a copy of the sublease agreement within 15 calendar days after the sublease agreement is executed. The subletting of any portion of the Premises in accordance with this Section 28 shall in no way release or discharge Tenant from its obligations under the Lease for the performance of all obligations of Tenant under the Lease."

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

[Signature pages follow]

Dated: August ____, 2024

Approved as to content for District:

General Manager

Approved as to form for District:

District Counsel

“DISTRICT”

Santa Maria Public Airport District

Ignacio Moreno, President

Steven Brown, Secretary

“TENANT”

Gresser, Inc., A California Corporation

By: Bryan Gresser, President

DRAFT