

# SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY

## REGULAR MEETING AGENDA

WEDNESDAY, MAY 22, 2024

5:00 PM

MAIN AUDITORIUM – Norton Regional Event Center, 1601 East Third Street, San Bernardino, CA



A regional joint powers authority dedicated to the reuse of Norton Air Force Base for the economic benefit of the East Valley

### **Frank J. Navarro, President**

*Mayor, City of Colton*

### **Rhodes Rigsby, Vice President**

*Councilmember, City of Loma Linda*

### **Penny Lilburn, Secretary**

*Mayor, City of Highland*

### **COMMISSION MEMBERS:**

#### **Dawn Rowe**

*Supervisor, County of San Bernardino*

#### **Helen Tran**

*Mayor, City of San Bernardino*

#### **Theodore Sanchez**

*Councilmember, City of San Bernardino*

### **ALTERNATE COMMISSION MEMBERS:**

#### **Phillip Dupper**

*Mayor, City of Loma Linda*

#### **Joe Baca, Jr.**

*Supervisor, County of San Bernardino*

#### **Larry McCallon**

*Mayor Pro Tem, City of Highland*

#### **Fred Shorett**

*Mayor Pro Tem, City of San Bernardino*

#### **John Echevarria**

*Councilmember, City of Colton*

- Full agenda packets are available at the SBIAA office, 1601 East Third Street, San Bernardino, California, will be provided at the meeting, and are posted in the Public Meetings/Agenda section of our website at [www.sbiaa.org](http://www.sbiaa.org). Office hours are 8:00 a.m. to 5:00 p.m., Monday-Friday.
- Recordings of the SBIAA Commission meetings are available in the Public Meetings/Agenda section of our website at [www.sbiaa.org](http://www.sbiaa.org).
- In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SBIAA office at (909) 382-4100. Notification 48 hours prior to the meeting will enable SBIAA staff to make reasonable arrangements to ensure accessibility to this meeting.
- Anyone who wishes to speak during public comment or on a particular item will be requested to fill out a speaker slip. Prior to speaking, speaker slips should be turned in to the Clerk of the Board.
- Public comments for agenda items that are not public hearings will be limited to three minutes.
- Public comments for items that are not on the agenda will be limited to three minutes.
- The three-minute limitation shall apply to each member of the public and cannot be shared.
- An additional three minutes will be allotted to those who require translation services.

**ORDER OF BUSINESS – CLOSED SESSION**

This meeting of the governing Commissions of the San Bernardino International Airport Authority will begin with Closed Session Public Comment and Closed Session, immediately followed by the Open Session portion of the meeting

- **CALL TO ORDER**
- **CLOSED SESSION PUBLIC COMMENT**
- **LEGAL COUNSEL RECITES CLOSED SESSION ITEMS**
- **RECESS TO CLOSED SESSION**

**A. CALL TO ORDER / ROLL CALL**

**B. CLOSED SESSION PUBLIC COMMENT**

The Closed Session Public Comment portion of the San Bernardino International Airport Authority Commission meeting is limited to a maximum of three minutes for each speaker and comments will be limited to matters appearing on the Closed Session portion of the agenda. Additional opportunities for further Public Comment will be given during and at the end of the meeting. An additional three minutes will be allotted to those who require translation services

**C. CLOSED SESSION**

An announcement is typically made prior to closed session discussions as to the potential for a reportable action at the conclusion of closed session

- a. Pending Litigation – Pursuant to Gov. Code 54956.9(a), the Commission will meet with the Chief Executive Officer and General Counsel related to pending litigation: Hinojosa v. San Bernardino International Airport, Inc., et al., San Bernardino County Superior Court, Case No. CIVSB2025068
- b. Pending Litigation – Pursuant to Gov. Code 54956.9(a), the Commission will meet with the Chief Executive Officer and General Counsel related to pending litigation: Franco v. San Bernardino International Airport Authority, et al., San Bernardino County Superior Court, Case No. CIVSB2322130

**D. REPORT ON CLOSED SESSION**

Public announcement(s) will be made following closed session if there are any reportable actions taken during closed session.

**ORDER OF BUSINESS - OPEN SESSION**

- **CALL TO ORDER OPEN SESSION**
- **PLEDGE OF ALLEGIANCE**

**E. ITEMS TO BE ADDED OR DELETED**

Pursuant to Government Code Section 54954.2, items may be added on which there is a need to take immediate action, and the need for action came to the attention of the San Bernardino International Airport Authority Commission subsequent to the posting of the agenda.

**F. CONFLICT OF INTEREST DISCLOSURE**

1. POSSIBLE CONFLICT OF INTEREST ISSUES FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) COMMISSION MEETING OF MAY 22, 2024  
[PRESENTER: Jillian Ubaldo, Deputy Clerk of the Board; **PAGE#: 006**]

**G. INFORMATIONAL ITEMS**

It is intended that the following subject matters and their attachments are submitted to the Board members for informational purposes only. No action is required with regard to these items in the form of a receive-and-file motion or otherwise. Members may inquire of staff as to any questions or seek clarifications, but no discussion may ensue other than to place an item on a subsequent agenda for further consideration. In such situations where permissible levels of discussion are conducted, members are reminded that staff has not presented the related contractor and interested parties conflicts of interest disclosures that are typically provided for agenda items for which action is intended to occur. Additionally, questions may arise as to negotiation strategies or other legal issues which are more appropriately addressed in a closed session discussion.

2. Informational Items

- a. INFORMATIONAL ITEMS – CHIEF EXECUTIVE OFFICER'S REPORT  
[PRESENTER: Michael Burrows, Chief Executive Officer **PAGE#: 014**]
- b. INFORMATIONAL ITEMS – REPORT ON INTERNATIONAL TRADE INITIATIVES  
[PRESENTER: Michael Burrows, Chief Executive Officer **PAGE#: 015**]
- c. INFORMATIONAL ITEMS – REPORT ON AIRPORT TECHNICAL ADVISORY COMMITTEE  
[PRESENTER: Michael Burrows, Chief Executive Officer **PAGE #: 016**]

**H. COMMISSION CONSENT ITEMS**

The following consent items are expected to be routine and non-controversial and will be acted upon by the Committee at one time unless the Board directs that an item be held for further discussion.

3. REGISTER OF DEMANDS FOR APRIL 2024  
[PRESENTER: Mark Cousineau, Director of Finance **PAGE#: 017**]

4. RECEIVE AND FILE TREASURER'S REPORT FOR MARCH 31, 2024 FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA)  
[PRESENTER: Mark Cousineau, Director of Finance PAGE#: 026]
5. APPROVE AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT WITH THREE-2-ONE, INC. DBA IMAGINE SYSTEMS, INC. IN AN AMOUNT NOT TO EXCEED \$9,500 FOR IT PREVENTATIVE MAINTENANCE SERVICES FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA)  
[PRESENTER: Mark Dennis, Information Technology Manager PAGE#: 029]
6. APPROVE THE FILING OF A NOTICE OF COMPLETION FOR THE CONSTRUCTION CONTRACT WITH LEONIDA BUILDERS, INC. FOR THE NORTH PARKING LOT KIOSK PROJECT AND AUTHORIZE THE RELEASE OF RETAINED FUNDS  
[PRESENTER: Jeff Barrow, Director of Development PAGE#: 033]
7. APPROVE MEETING MINUTES: APRIL 24, 2024  
[PRESENTER: Jillian Ubaldo, Deputy Clerk of the Board PAGE#: 036]

I. **COMMISSION ACTION ITEMS**

8. CONSIDER AND ADOPT PROPOSED BUDGET ADJUSTMENTS FOR FISCAL YEAR 2023-2024  
[PRESENTER: Mark Cousineau, Director of Finance PAGE#: 042]
9. CONSIDER AND DISCUSS A REPORT ON THE UAS CENTER AT SBD  
[PRESENTER: Kim Benson, UAS Center at SBD Administrator PAGE#: 045]
10. APPROVE PROCUREMENT OF AQMD COMPLIANT JST-30-E SERIES ELECTRIC CARGO AND BAGGAGE TRACTOR (TUG) THROUGH AERO SPECIALTIES IN AN AMOUNT NOT TO EXCEED \$90,873.72  
[PRESENTER: Wendy McConaughy, FBO Manager PAGE#: 047]
11. APPROVE AN AMENDED AND RESTATED LAND LEASE AGREEMENT WITH ASHLEY FURNITURE INDUSTRIES, INC. FOR APPROXIMATELY 11.98 ACRES OF PROPERTY  
[PRESENTER: Darrel Hale, Property Manager PAGE#: 061]
12. REVIEW STATUS OF THE ACTION PLAN FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) THROUGH JUNE 30, 2024  
[PRESENTER: Michael Burrows, Chief Executive Officer PAGE#: 087]

II. **ADDED AND DEFERRED ITEMS**

Deferred Items and Items which have been added pursuant to Government Code Section 54954.2 as noted above in Section E.



**K. OPEN SESSION PUBLIC COMMENT**


Anyone who wishes to speak during Open Session Public Comment will be requested to fill out a speaker slip. Prior to speaking, speaker slips should be given to the Clerk of the Board. Public comments for items that are not on the agenda will be limited to three minutes. The three-minute limitation shall apply to each member of the public and cannot be shared with other members of the public. An additional three minutes will be allotted to those who require translation services.

**L. COMMISSION MEMBER COMMENT**

Commission members may make announcements or give brief reports on activities or matters not appearing on the agenda, as well as provide direction to staff relating to matters which may be addressed at this time.

**M. ADJOURNMENT**

Unless otherwise noted, this meeting will be adjourned to the next regularly scheduled meeting of the San Bernardino International Airport Authority Commission, Wednesday, June 26, 2024.

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 22, 2024</b></p> <p><b>ITEM NO: 1</b></p> <p><b>PRESENTER: Jillian Ubaldo, Deputy Clerk of the Board</b></p>
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**SUBJECT: POSSIBLE CONFLICT OF INTEREST ISSUES FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) COMMISSION MEETING OF MAY 22, 2024**

### **SUMMARY**

This agenda contains recommendations for action relative to certain contractors/principals and their respective subcontractors. Care should be taken by each Commission member to review and consider the information provided herein to ensure they are in compliance with applicable conflict of interest laws.

### **RECOMMENDED ACTION(S)**

Receive for information and consideration in accordance with applicable conflict of interest laws.

### **FISCAL IMPACT**

None.

PREPARED BY:	Jillian Ubaldo
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

## **BACKGROUND INFORMATION**

The potential conflicts information provided in this report is intended to be used as a means for each voting member to verify campaign contributions from their individual campaign records. The following information is considered to be complete only to the best knowledge that has been disclosed to staff by the following listed contractors and in many instances may not be complete as of the date of publication of the agenda. Staff will endeavor to provide updates and supplements to the disclosure information to the extent additional contractor disclosure information becomes known to staff at or prior to each particular meeting time.

In addition to other provisions of law which prohibit San Bernardino International Airport Authority (SBIAA) Commission members from having financial interests in the contracts of public agencies, the provisions of California Government Code Section 84308 prohibit individual SBIAA Commission members from participating in any Commission proceeding involving a license, permit, or other entitlement for use pending before the Commission, if the individual member has received a contribution of more than two hundred fifty dollars (\$250.00) within the preceding twelve (12) months or for three (3) months following any such Commission proceeding, from any person, company or entity who is the subject of the proceeding, including parent-subsidary and certain otherwise related business entities as defined in the California Code of Regulations, Title 2, Division 6, Section 18438.5, or from any person who actively supports or opposes a particular decision in the proceeding and who has a financial interest in such decision, as defined in California Government Code Section 87103.

The restrictions of Government Code Section 84308 do not apply if the individual member returns the contribution within thirty (30) days from the time they know, or should have known, about the contribution and the proceeding.

This agenda contains recommendations for action relative to the following contractors/principals and their respective subcontractors (as informed to SBIAA staff by the Principals):

<b><u>Agenda Item No.</u></b>	<b><u>Contractors/Tenants</u></b>	<b><u>Subcontractors/Subtenants</u></b>
5.	<u>Three-2-One, Inc. DBA Imagine Systems, Inc.</u> John C. Easley, President John P. Wilson, Vice-President	None.
6.	<u>Leonida Builder, Inc.</u> Panagiotis Leonida, President/Secretary/Treasurer	None.
10.	<u>AERO Specialties, LLC</u> Erwan Jalil, Chairman of the Board Brad Streeter, President/CEO David Wells, Treasurer	None.

11. Ashley Furniture Industries, Inc. None.  
Todd R. Wanek, President/CEO  
Ronald G. Wanek  
Charles H.E. Vogel

**Attachments:**

1. California Government Code §§ 84308 and 87103
2. California Code of Regulations, Title 2, Division 6, §18438

CALIFORNIA CODES  
GOVERNMENT CODE  
SECTION 84308

**84308.** (a) The definitions set forth in this subdivision shall govern the interpretation of this section.

(1) "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.

(2) "Participant" means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as described in Article 1 (commencing with Section 87100) of Chapter 7. A person actively supports or opposes a particular decision in a proceeding if he or she lobbies in person the officers or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency.

(3) "Agency" means an agency as defined in Section 82003 except that it does not include the courts or any agency in the judicial branch of **government**, local governmental agencies whose members are directly elected by the voters, the Legislature, the Board of Equalization, or constitutional officers. However, this section applies to any person who is a member of an exempted agency but is acting as a voting member of another agency.

(4) "Officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency.

(5) "License, permit, or other entitlement for use" means all business, professional, trade and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor, or personal employment contracts), and all franchises.

(6) "Contribution" includes contributions to candidates and committees in federal, state, or local elections.

(b) No officer of an agency shall accept, solicit, or direct a contribution of more than two hundred fifty dollars (\$250) from any party, or his or her agent, or from any participant, or his or her agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for three months following the date a final decision is rendered in the proceeding if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Article 1 (commencing with Section 87100) of Chapter 7. This prohibition shall apply regardless of whether the officer accepts, solicits, or directs the contribution for himself or herself, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.

(c) Prior to rendering any decision in a proceeding involving a license, permit or other entitlement for use pending before an agency, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than two hundred fifty dollars (\$250) from a party or from any participant shall disclose that fact on the record of the proceeding. No officer of an agency shall make, participate in making, or in any way attempt to use his



or her official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use pending before the agency if the officer has willfully or knowingly received a contribution in an amount of more than two hundred fifty dollars (\$250) within the preceding 12 months from a party or his or her agent, or from any participant, or his or her agent if the officer knows or has reason to know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7.

If an officer receives a contribution which would otherwise require disqualification under this section, returns the contribution within 30 days from the time he or she knows, or should have known, about the contribution and the proceeding involving a license, permit, or other entitlement for use, he or she shall be permitted to participate in the proceeding.

(d) A party to a proceeding before an agency involving a license, permit, or other entitlement for use shall disclose on the record of the proceeding any contribution in an amount of more than two hundred fifty dollars (\$250) made within the preceding 12 months by the party, or his or her agent, to any officer of the agency. No party, or his or her agent, to a proceeding involving a license, permit, or other entitlement for use pending before any agency and no participant, or his or her agent, in the proceeding shall make a contribution of more than two hundred fifty dollars (\$250) to any officer of that agency during the proceeding and for three months following the date a final decision is rendered by the agency in the proceeding. When a closed corporation is a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use pending before an agency, the majority shareholder is subject to the disclosure and prohibition requirements specified in subdivisions (b), (c), and this subdivision.

(e) Nothing in this section shall be construed to imply that any contribution subject to being reported under this title shall not be so reported.

CALIFORNIA CODES  
GOVERNMENT CODE  
SECTION 87103

**87103.** A public official has a financial interest in a decision within the meaning of Section 87100 if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the official, a member of his or her immediate family, or on any of the following:

(a) Any business entity in which the public official has a direct or indirect investment worth two thousand dollars (\$2,000) or more.

(b) Any real property in which the public official has a direct or indirect interest worth two thousand dollars (\$2,000) or more.

(c) Any source of income, except gifts or loans by a commercial lending institution made in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided or promised to, received by, the public official within 12 months prior to the time when the decision is made.

(d) Any business entity in which the public official is a director, officer, partner, trustee, employee, or holds any position of management.

(e) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the public official within 12 months prior to the time when the decision is made. The amount of the value of gifts specified by this subdivision shall be adjusted biennially by the commission to equal the same amount determined by the commission pursuant to subdivision (f) of Section 89503.

For purposes of this section, indirect investment or interest means any investment or interest owned by the spouse or dependent child of a public official, by an agent on behalf of a public official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or greater.



(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

**§ 18438.5. Aggregated Contributions Under Section 84308.**

For purposes of Section 84308:

(a) Notwithstanding the provisions of Regulation 18215.1, to determine whether a contribution of more than \$250 has been made by any party to a proceeding, contributions made by a party's parent, subsidiary, or otherwise related business entity, (as those relationships are defined in subdivision (b) below), shall be aggregated and treated as if received from the party for purposes of the limitations and disclosure provisions of Section 84308.

(b) Parent, Subsidiary, Otherwise Related Business entity, defined.

(1) Parent-subsidiary. A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

(2) Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent-subsidiary relationship are otherwise related if any one of the following three tests is met:

(A) One business entity has a controlling ownership interest in the other business entity.

(B) There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:

(i) The same person or substantially the same person owns and manages the two entities;

(ii) There are common or commingled funds or assets;

(iii) The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;



1 (iv) There is otherwise a regular and close working relationship between the entities; or

2 (C) A controlling owner (50% or greater interest as a shareholder or as a general partner)

3 in one entity also is a controlling owner in the other entity.

4 Note: Authority cited: Section 83112, Government Code. Reference: Section 84308,

5 Government Code.

6 HISTORY

7 1. New section filed 5-26-2006; operative 6-25-2006. Submitted to OAL for filing pursuant to

8 *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924,

9 California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992

10 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements

11 and not subject to procedural or substantive review by OAL) (Register 2006, No. 21). For prior

12 history of section 18438.5, see Register 85, No. 8.

13 2. Amendment filed 8-12-2014; operative 9-11-2014 pursuant to title 2, section 18312(e)(1) of


14 the California Code of Regulations. Submitted to OAL for filing and printing pursuant to *Fair*

15 *Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California

16 Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC

17 regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not

18 subject to procedural or substantive review by OAL) (Register 2014, No. 33).

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 22, 2024</b></p> <p><b>ITEM NO: 2a</b></p> <p><b>PRESENTER: Michael Burrows, Chief Executive Officer</b></p>
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**SUBJECT: INFORMATIONAL ITEMS – CHIEF EXECUTIVE OFFICER'S REPORT**

## **SUMMARY**

An oral report will be provided at the time of the meeting.


PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

## **BACKGROUND INFORMATION**

None.

## **Attachments:**

1. None

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 22, 2024</b></p> <p><b>ITEM NO: 2b</b></p> <p><b>PRESENTER: Michael Burrows, Chief Executive Officer</b></p>
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**SUBJECT: INFORMATIONAL ITEMS – REPORT ON INTERNATIONAL TRADE INITIATIVES**

## **SUMMARY**

An oral report will be provided at the time of the meeting.


PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

## **BACKGROUND INFORMATION**

None.

## **Attachments:**

1. None

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 22, 2024</b></p> <p><b>ITEM NO: 2c</b></p> <p><b>PRESENTER: Michael Burrows, Chief Executive Officer</b></p>
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**SUBJECT: INFORMATIONAL ITEMS – REPORT ON AIRPORT TECHNICAL ADVISORY COMMITTEE**

## **SUMMARY**

An oral report will be provided at the time of the meeting.

PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

## **BACKGROUND INFORMATION**

None.

## **Attachments:**

1. None



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 22, 2024**

**ITEM NO: 3**

**PRESENTER: Mark Cousineau, Director of Finance**

**SUBJECT: REGISTER OF DEMANDS FOR APRIL 2024**

### **SUMMARY**

SBIAA's Register of Demands for April 2024

### **RECOMMENDED ACTION(S)**

Receive for information.

### **FISCAL IMPACT**

Various accounts as shown.

PREPARED BY:	Mark Cousineau
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	N/A
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

The attached Register of Demands corresponds to checks issued in the month of April 2024. The total of the register is \$4,755,462.00.

**Fuel:** Titan Aviation Fuels was paid \$3,989,235.50 for aviation fuel to resell at the Luxivair-SBD. Merit Oil Co. was paid \$37,912.45 to operate SBIAA vehicles and for resale at Luxivair-SBD.

**Utilities:** Burrtec Waste Industries Inc., City of San Bernardino Water Department, East Valley Water District, Frontier Communications Corporation, Granite Telecommunications, Edison, Underground Service Alert of Southern Cal, Utility Telecom Group LLC, and Verizon were paid a total of \$103,341.41.

**Capital Projects Cost:** Aecom Technical Services Inc., JS Held, LLP., and Leonida Builders Inc. were paid a total of \$121,333.32.

**Professional Services:** Allawos & Company; Boston Fox Tigue International LLC; Cole Huber LLP; David Turch and Associates; Eide Bailly LLP; Hernandez, Kroone & Associates Inc.; Imagine Systems Inc.; Innovative Federal Strategies LLC; Leonida Builders Inc.; Ludwig Engineering Associates Inc.; Mirau, Edwards, Cannon, Lewin & Tooke LLP; Ninyo & Moore; and Right Energy Group were paid a total of \$155,911.09.

**Attachments:**

1. Register of Demands for the May 22, 2024 Commission Meeting
2. VISA breakdown -April 2024

**San Bernardino International Airport Authority**  
**Register of Demands for Commission Meeting**  
**5/22/2024**

Line	Company Name	Description	AP Register
1	A.O. Reed & Co., LLC	Unplanned HVAC repairs & preventative maintenance	2,010.94
2	Accurate First Aid Services LLC	First aid and supplies-cabinet refills	264.32
3	ADT LLC	Burglar and fire alarm monitoring	1,492.75
4	Aecom Technical Services Inc.	Airport engineering services on-call specialized services	1,354.66
5	Allawos & Company	Consulting fees for Solar Green Energy Services	3,881.25
6	Amazon Capital Services Inc.	Purchases of supplies and goods	4,321.24
7	American Rental Inc.	Rental equipment & tools	909.13
8	Aviatrix Communications LLC	Marketing services, advertising and Good Neighbor program	38,610.14
9	B&H Foto & Electronics Corp.	Samsung video wall commercial display	9,876.35
10	Babcock Laboratories Inc.	Storm water analysis testing	705.00
11	Belico Details LLC	Mobile car washes-security	2,330.00
12	Bernell Hydraulics Inc.	Hydraulic hose repairs & supplies	1,419.00
13	Board Members	Director fees	1,800.00
14	Boston Fox Tigie International LLC	Marketing services	35,445.05
15	BrightView Landscape Services, Inc.	Luxiviar landscaping project	1,350.00
16	Burrtec Waste Industries Inc.	Trash removal services	3,537.48
17	C & A Janitorial Services	Janitorial services	28,836.74
18	CDW Government LLC	Purchase IT equipment	1,927.63
19	CED-Consolidated Electrical Distributor	Light bulbs & electrical supplies	394.52
20	Cintas Uniforms	Uniform and rug services	9,004.98
21	City of San Bernardino Police Department	Law enforcement services	5,000.00
22	City of SB Water Department	Water and sewer services	11,645.27
23	Climatec LLC	Installation and configuration of security cameras and readers	20,718.29
24	Cole Huber LLP	Professional Legal services	13,392.05
25	Control Air Enterprises LLC	Boiler system troubleshooting-Bldg.673	200.00
26	David Turch and Associates	Professional services agreement - lobbying services	5,000.00
27	DBT Transportation Services LLC	ILS/AWOS tower equipment service	3,580.58
28	Dibs Safe & Lock Service	Key duplication & locksmith services	20.12
29	DoorTech	Door repair on-call services	343.66
30	Eagle Graphics LLC	Online logo branded merchandise, supplies & program fees	5,020.06
31	Eastman, Richard	Refund security deposit	430.72
32	East Valley Water District	Water services	102.40
33	ECT Inc.	Refund security deposit	416.50
34	Eduardo Estrada	Travel AAAE / ACI-NA airport noise conference 10/2023 Dallas TX. -E. Estrada Parking fees Ontario	72.00
35	Eide Bailly LLP	Professional services audit FY 2022-2023	110.00
36	Ernie's Auto Interior	Vehicle and equipment upholstery repairs	325.00
37	Event Design Lab	Live streaming services	2,400.00
38	Ewing Irrigation Products Inc.	Commercial irrigation supplies and repairs parts	845.03
39	FedEx	Courier services	113.66
40	Fleming Environmental Inc.	AQMD Rule 461 vapor recovering testing	1,594.10
41	Ford Credit Company	Monthly lease payments for Luxivair-SBD courtesy vehicles	1,645.45
42	Frontier Communications Corporation	Telephone services	4,597.61

**San Bernardino International Airport Authority**  
**Register of Demands for Commission Meeting**  
**5/22/2024**

43	GMSTEK LLC	Subscription fee for point of sale system	1,786.05
44	Grainger	Parts and supplies for building repairs	1,432.96
45	Granite Telecommunications	Telephone services	5,434.60
46	H.F. Holt Electrical & Automation	Preventative maintenance -baggage handling system	4,333.33
47	Guang Lin Café LLC	Refund security deposit	3,909.92
48	Hernandez, Kroone & Associates Inc.	Professional engineering - on call surveying services	22,020.35
49	HubSpot Inc.	Marketing automation renewal-FBO	13,200.00
50	Imagine Systems Inc.	Professional consulting services	300.00
51	Innovative Federal Strategies LLC	Professional service - federal legislative advocacy services	2,000.00
52	Jonathan Galvan	Travel 04/2024 AAAE Annual Conference Nashville TN-mileage	365.02
53	JS Held, LLC	Hydrogen grant application	18,678.66
54	Juventino Garcia	Boot Reimbursement	135.93
55	K&L Hardware and Plumbing Supply Inc.	Maintenance tools and supplies	858.76
56	K.E. Rodgers, Inc.	Fuel Farm emergency repair and replace underground sewer line	15,297.00
57	Ken Grody Ford Redlands LLC	Fleet vehicle parts and services	8,798.91
58	Leonida Builders Inc.	North parking lot project / Luxivair stairs project / 2nd floor concessions hand railing project and Fuel Farm concrete replacement project	160,770.00
59	Ludwig Engineering Associates Inc.	On-call professional engineering services agreement	337.50
60	Mackinac Software LLC	Monthly service fees for AWOS weather system	89.00
61	Marlin Martinez	Shoe reimbursement	89.96
62	MediWaste Disposal, LLC	Medical waste services for sharp containers and replacements	33.46
63	Merit Oil Company	Fuel inventory for fleet operations	37,912.45
64	Michael Burrows	Travel 03/2024 reimbursement-Columbia - meals	360.00
65	Michael J. VanGorder Photography	Photography events & promotions	200.00
66	Michael Roche	BSIS reimbursement	170.00
67	Mirau Edwards Cannon Lewin & Tooke LLP	Professional legal services agreement	2,004.89
68	National Equipment Leasing LLC	Monthly lease payment for 7k, 10k, and 15k refuelers	28,396.20
69	Ninyo & Moore	Business emergency plan and chemical disclosure update of hazardous materials	5,450.00
70	Nutrien AG Solutions Inc.	Herbicides, pesticides and insecticides-airfield maintenance	1,551.81
71	Parker Transport Inc.	Truck A Palooza move	1,650.00
72	Parts Authority Metro LLC	Vehicle parts and service supplies	4,621.23
73	Pete's Road Service Inc.	Vehicle repairs and parts	5,119.21
74	Petty Cash - Reshma Rajan	Petty cash custodian reimbursement for miscellaneous supplies and employee reimbursements	790.36
75	Pitney Bowes Global Financial Services	Leasing fees- postage machine	225.70
76	PlaneNoise Inc.	Noise complaint program	1,287.50
77	Plastic-View ATC Inc.	Primary window shades-Bldg.794	13,900.00
78	Presidio Networked Solutions Grp LLC	Ava Aware license for camera assess / management	179.00



**San Bernardino International Airport Authority**  
**Register of Demands for Commission Meeting**  
**5/22/2024**

79	Pristine Uniforms	Uniforms-Security	1,355.55
80	Pro Spray Equipment	Equipment & supplies for landscape	589.38
81	ProDIGIQ Inc.	Software for administrative services-Risk Management to manage and track claims	4,250.00
82	RDO Equipment Co	John Deere parts and services	81.14
83	Red Star Fire Protection	Fire alarm monitoring-Bldg.56	115.00
84	Right Energy Group LLC	Professional agreement for Green Energy Programs	6,500.00
85	Robert Evans	BSIS reimbursement	118.00
86	San Bernardino Paint	Paint supplies-airfield maintenance	261.92
87	SITA Information Networking Computing USA	Monthly maintenance & support services	13,429.79
88	Southern California Edison	Electric power	70,748.63
89	Sunwest Printing Inc.	Printing services	289.27
90	Sysco Riverside Inc.	Hospitality bar supplies - Luxivair SBD	2,356.05
91	The Pitney Bowes Reserve Account	Postage and related services	639.05
92	Titan Aviation Fuels	Jet A and Avgas fuel inventory purchases	3,989,235.50
93	Trilogy Medwaste West LLC	Waste disposal service for international flights	1,027.57
94	Uline Inc.	PPR & Safety supplies	350.85
95	Underground Service Alert Of Southern Cal	Notification system for underground utilities	38.00
96	US Calibrations Inc.	Calibrations for equipment control maintenance	1,067.50
97	US Custom & Border Protection	Customs contract and inspection fees	2,659.53
98	Utility Telecom Group LLC	Data Ethernet & phone service-bandwidth &	4,449.23
99	Verizon Wireless	Wireless phone services	2,788.19
100	VFS Fire & Security Services	Recurring / unplanned maintenance, repairs &	10,180.00
101	VISA	Office supplies, airport supplies and services,	38,873.78
102	Western Exterminator Company	Pest control services	461.93
103	Wintrust Specialty Finance	Monthly refueler lease payment	6,613.09
104	XGraphix LLC	Vehicle branding for Chevy Silverado	2,610.00
105	YoDeck	12-month Enterprise plan subscription-playbox player	3,639.61
	Total		\$ 4,755,462.00

**Visa Breakdown  
April 2024  
SBIAA**

Line	Description	Vendor	Dept.	Amount
1	Break room supplies for IVDA (Due to SBIAA)	Amazon	Admin.	\$ 48.88
2	Cable for FBO Theater	Dish Network	FBO	105.71
3	Drug screening for new hires	Exam Professionals	Admin.	100.00
4	Background screening for new hires	Checkr	Admin.	204.47
5	Online meeting software	Zoom	COB	172.29
6	Address numbers for UAS Center at SBD (Due to SBIAA)	Amazon	Develop.	95.64
7	Supplies for hospitality bar	Smart & Final	FBO	77.50
8	FBO theatre movies	Netflix	FBO	22.99
9	Cable for FBO theater	Dish Network	FBO	149.85
10	Supplies for ST Patrick's Day give away-FBO	Sam's	FBO	151.92
11	Hospitality dry cleaning Tail # N88LD	Family Dry Cleaners	FBO	133.25
12	Supplies-FBO	Sam's	FBO	125.26
13	Registration fees -FBO Crew cars	State of California DMV	FBO	883.00
14	Registration fees -FBO Crew cars processing fee	State of California DMV	FBO	17.22
15	Fuel FBO Crew car	Chevron	FBO	67.05
16	Embroidery for FBO uniforms	AACCE Embroidery	FBO	72.00
17	Give away for NBAA S&D	44 Steaks	FBO	300.00
18	Restock supplies	Lowes	Fuel Farm	117.51
19	Replacement parts-couplings	Grainger	Fuel Farm	64.87
20	Hospitality dry cleaning service-N450GB	Family Dry Cleaners	FBO	111.75
21	Promotional giveaway -Amazon gift cards	Stater Bros.	FBO	250.00
22	Supplies-FBO	Target	FBO	165.70
23	Hospitality lunch foreign trade meeting	Panera Bread	FBO	756.51
24	Fuel FBO Crew car	Chevron	FBO	62.34
25	Fuel FBO Crew car	Chevron	FBO	41.42
26	Travel NBAA Schedulers & Dispatchers Conference Fort Worth TX. M. McConaughy baggage fees	American Airlines	FBO	30.00
27	Replacement locks for FD entry-freight building gates-Knox box locks	Knox Company Inc.	IT	398.03
28	Subscription cancelled refund	Wired Magazine	IT	(24.99)
29	Microsoft 365 monthly subscription-basic	www.office.com	IT	220.00
30	Microsoft 365 monthly subscription-standard	www.office.com	IT	762.50
31	Microsoft 365 monthly subscription-premium	www.office.com	IT	602.32
32	Parking revenue transaction cc processing	Windcave	IT	302.50
33	Website management software license	CPanel	IT	42.99
34	Cloud server agency website usage charges	Digital Ocean	IT	64.30
35	Streaming service TV for concourse	Sling	IT	60.34
36	Domain name renewal	GoDaddy.com	IT	469.58
37	Environmental monitoring room alert	Avtech Software Inc.	IT	349.95
38	Replacement locks for FD entry Fuel Farm-Knox box locks	Knox Company Inc.	IT	210.98
39	Domain name renewal	GoDaddy.com	IT	268.98
40	Hosted IT collaboration communication software	Slack	IT	43.75
41	Music streaming service-terminal	Soundtrack Your Brand	IT	54.00
42	Conduit coupling-Fuel Farm relocation	Home Depot	Maint.	27.49
43	Electrical supplies-Farm Fuel relocation	Home Depot	Maint.	175.41
44	Electrical supplies-Farm Fuel relocation	Home Depot	Maint.	39.04
45	Shop and truck supplies-tools	Harbor Freight Tools	Maint.	128.25
46	Plumbing supplies-Pump house leak repair	Home Depot	Maint.	126.51
47	Shop supplies-tools	Home Depot	Maint.	43.46
48	Window tint-facilities truck # 32	Tint City Inc.	Maint.	257.38
49	GA hangar restroom soap dispenser replacement	Home Depot	Maint.	86.99
50	AED inspection tags	Grainger	Maint.	28.71
51	AOA replacement lamps	Lowes	Maint.	66.95
52	Eyewash inspection tags	Uline	Maint.	62.85
53	Hospitality maintenance team building	El Tepeyac Mexican Restaurant	Maint.	305.37
54	Hospitality maintenance team building	Stater Bros.	Maint.	59.85
55	AOA guidance sign replacement lamps	Light Bulb District Inc.	Maint.	113.91
56	Drinking fountain filter replacement-Bldg.673	Elkay Sales Inc.	Maint.	267.53

**Visa Breakdown  
April 2024  
SBIAA**

Line	Description	Vendor	Dept.	Amount
57	Blacktop patch repairs-Quikrete	Home Depot	Maint.	804.75
58	Window tint-asset # 24-03	Tint City Inc.	Maint.	308.85
59	K. Kelly membership renewal	Pesticide Applicators Pro	Maint.	50.00
60	Parking lot lamps-Bldg.610	Home Depot	Maint.	1,021.78
61	AOA replacement lamps	1000 Bulbs.com	Maint.	52.37
62	Supplies-rivets	Hanson Rivet & Supply Co.	Maint.	162.26
63	Parking lot lamps-Bldg.610-return	Home Depot	Maint.	(108.72)
64	Rebuild valves-asset # 05-77	Southwest Engines	Maint.	272.60
65	AOA replacement lamps	1000 Bulbs.com	Maint.	67.20
66	Replace broken glass window-Bldg. 610	The Glass Guru of Redlands	Maint.	810.00
67	Tools for shop-shovels, rakes, backpacks, etc.	Lowes	Maint.	601.96
68	Replacement heads for gas trimmer	Amazon	Maint.	206.07
69	Radio equipment	Palomar Engineers	Maint.	56.43
70	Dealer vehicle parts-truck # 06-81	Hatfield Buick GMC	Maint.	455.39
71	Aviation radio for truck # 24-02	MyPilotstore.com	Maint.	1,078.95
72	Dealer vehicle parts-truck # 06-81	Hatfield Buick GMC	Maint.	71.99
73	Pressure washer parts for grounds	Geyser Equipment	Maint.	491.46
74	Light bar truck # 24-02	LED Lighting	Maint.	426.94
75	Window tint- truck # 24-02	Tint City Inc.	Maint.	257.38
76	Window tint-truck # 35	Tint City Inc.	Maint.	257.38
77	Fleet shop tools-hose	Alternative Hose Inc.	Maint.	80.21
78	Drum brake resurface-FBO shaggy tug	Gary's Viking Ties & Auto	Maint.	40.00
79	Power strip taps for CBP global entry	Lowes	Maint.	121.59
80	Spray in bedliner-utility truck # 24-02	Wolf Bedliners Inc.	Maint.	941.64
81	Hornet spray-IAF jet bridge	Home Depot	Maint.	52.00
82	Subscription for Adobe Creative Cloud Teams	Adobe Inc.	Mktg.	1,977.33
83	Exhibitor registration NBAA Schedulers & Dispatchers M. Martins	NBAA-REGISTRATION	Mktg.	825.00
84	Exhibitor registration fees-NBAA Schedulers & Dispatchers lead retrieval	MCI LEAD RETRIEVAL	Mktg.	499.00
85	NBAA Schedulers & Dispatchers booth materials handling	Freeman	Mktg.	333.70
86	Stock image subscription service	Adobe Inc.	Mktg.	49.99
87	Event management registration service and fees for IEWTC	Eventbrite.com	Mktg.	758.00
88	NBAA Schedulers & Dispatchers booth materials shipping	Freeman	Mktg.	412.21
89	Signs "Danger Do Not Touch"	Xgraphix LLC	Maint.	51.10
90	Hospitality GA hangars tenant meeting	Stater Bros.	Maint.	54.92
91	Hospitality GA hangars tenant meeting	Costco	Maint.	150.58
92	Registration fees for AAAE annual Conference & Exposition	American Association Airport Executives	OPS	835.00
93	Food truck-full meal for Triennial Emergency Exercise	In-N-Out Burgers	OPS	3,154.11
94	Airport equipment troubleshooting	Airwave Communications	OPS	824.09
95	Badging software subscription	Squarespace	OPS	324.00
96	Towing services security unit back to fleet	Wilson Towing Inc.	Security	70.00
97	Hospitality mandatory department meeting	Albertos	Security	130.55
98	Travel Inland Action Legislative meetings Washington DC-M. Burrows transportation	Uber	Admin.	14.88
99	Travel Inland Action Legislative meetings Washington DC-M. Burrows transportation	Uber	Admin.	36.87
100	Travel Inland Action Legislative meetings Washington DC-M. Burrows transportation	Uber	Admin.	50.34
101	Travel Inland Action Legislative meetings Washington DC-M. Burrows lodging	Thompson	Admin.	369.88
102	Travel Inland Action Legislative meetings Washington DC-M. Burrows transportation	Uber	Admin.	15.49
103	Travel Inland Action Legislative meetings Washington DC-M. Burrows transportation	Uber	Admin.	41.34
104	Travel Inland Action Legislative meetings Washington DC-M. Burrows transportation	Uber	Admin.	8.26
105	Travel Routes Americas Ontario airport meetings M. Burrows parking	The Parking Spot	Admin.	125.77

**Visa Breakdown  
April 2024  
SBIAA**

Line	Description	Vendor	Dept.	Amount
106	Travel Routes Americas Colombia meetings M. Burrows lodging	Marriott	Admin.	803.74
107	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	0.78
108	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	3.31
109	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	0.78
110	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	4.30
111	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	0.78
112	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	0.78
113	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	5.92
114	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	0.78
115	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	4.81
116	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	11.62
117	Travel Routes Americas Ontario airport meetings M. Burrows transportation	Uber	Admin.	0.78
118	Travel Mead & Hunt Conference Phoenix AZ. M. Gibbs transportation	Taxi-Phoenix	Admin.	36.51
119	Travel Mead & Hunt Conference Phoenix AZ. M. Gibbs transportation	Taxi-Phoenix	Admin.	35.64
120	Travel Mead & Hunt Conference Phoenix AZ. transportation	Lyft	Admin.	16.82
121	Travel Mead & Hunt Conference Phoenix AZ. transportation	Lyft	Admin.	39.71
122	Travel Mead & Hunt Conference Phoenix AZ. parking fees	Ontario Airport Parking Lot 4	Admin.	72.00
123	Travel Mead & Hunt Conference Phoenix AZ. transportation	Lyft	Admin.	52.79
124	Travel Mead & Hunt Conference Phoenix AZ. meals	LGO Marketplace	Admin.	24.63
125	Travel AA AE Conference Nashville TN.-J. Galvan flight	Southwest Airlines	Admin.	553.97
126	Travel unknown J. Farris on leave receipts missing transportation	Uber	COB	58.34
127	Travel NBAA S&D Fort Worth TX. M. Mendoza baggage fees	American Airlines	FBO	30.00
128	Travel NBAA S&D Fort Worth TX. M. Martinez baggage fees	American Airlines	FBO	30.00
129	Travel NBAA S&D Fort Worth TX. M. Mendoza baggage fees	American Airlines	FBO	30.00
130	Travel NBAA S&D Fort Worth TX. M. Mendoza lodging	Sheraton	FBO	1,168.83
131	Travel NBAA S&D Fort Worth TX. M. Mendoza lodging room charge	Sheraton	FBO	5.14
132	Travel NBAA S&D Fort Worth TX. M. Mendoza transportation cancellation fee	Uber	FBO	5.06
133	Travel NBAA S&D Fort Worth TX. M. Mendoza transportation	Uber	FBO	41.95
134	Travel NBAA Schedulers & Dispatchers Conference Fort Worth TX. M. McConaughy transportation	Uber	FBO	77.13
135	Travel NBAA Schedulers & Dispatchers Conference Fort Worth TX. transportation	Uber	FBO	17.09
136	Travel NBAA Schedulers & Dispatchers Conference Fort Worth TX. transportation	Uber	FBO	18.65
137	Travel NBAA Schedulers & Dispatchers Conference Fort Worth TX. transportation	Uber	FBO	11.41
138	Single point devices for software shipping fees	FedEx	FBO	28.01
139	Travel NBAA Schedulers & Dispatchers Conference Fort Worth TX. transportation	Uber	FBO	16.17
140	Travel NBAA Schedulers & Dispatchers Conference Fort Worth TX. transportation	Uber	FBO	42.96
141	Travel Las Vegas NV M. Dattilo ISC West Conference -lodging	Mirage	Admin.	870.88
142	Travel Las Vegas NV M. Dennis ISC West Conference -lodging	Mirage	Admin.	870.88
143	Travel Las Vegas NV T. Bowie ISC West Conference -lodging	Mirage	Admin.	870.88
144	Registration fees for M. Dattilo ISC West Conference	ISC West Conference	Admin.	1,125.00

Visa Breakdown  
 April 2024  
 SBIAA

Line	Description	Vendor	Dept.	Amount
145	Registration fees for M. Dennis ISC West Conference	ISC West Conference	Admin.	1,125.00
146	Registration fees for T. Bowie ISC West Conference	ISC West Conference	Admin.	1,125.00
				\$ 38,873.78
	VISA Statement Balance			\$ 38,873.78
	Date Prepared:05/13/2024			



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 22, 2024**

**ITEM NO: 4**

**PRESENTER: Mark Cousineau, Director of Finance**

**SUBJECT: RECEIVE AND FILE TREASURER'S REPORT FOR MARCH 31, 2024 FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA)**

**SUMMARY**

SBIAA's monthly Treasurer's Report that reconciles cash.

**RECOMMENDED ACTION(S)**

Receive and file Treasurer's Report for March 31, 2024 for the San Bernardino International Airport Authority (SBIAA).

**FISCAL IMPACT**

None.

PREPARED BY:	Mark Cousineau
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	N/A
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

Attached is the Treasurer's Report for March 31, 2024, for the San Bernardino International Airport Authority. The total book value of cash accounts is \$9,692,195.03 on March 31, 2024. Bank statements reflect \$9,843,863.45. The difference between the two numbers is related to the outstanding checks, the deposits in transit, and other items March 31, 2024.

If you have any questions about this report, please contact me at (909) 382-4100 x141.

**Attachments:**

1. Treasurer's Report for March 31, 2024

**SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**

**Treasurer Report**

**March 31, 2024**

<u>Cash</u>	Balance 02/29/24	Activities	Balance 03/31/24
<i>Checking Account - Wells Fargo Bank</i>	\$ 4,316,502.48	\$ (825,695.16)	\$ 3,490,807.32
Deposits In Transit:			
Beginning	118,533.14	(118,533.14)	-
Ending		80,593.19	80,593.19
Outstanding Checks:			
Beginning	(450,201.92)	450,201.92	-
Ending		(232,261.61)	(232,261.61)
<i>Premium Money Market Account - Wells Fargo Bank</i>	3,611,369.97	3,304.98	3,614,674.95
Deposits In Transit:			
Beginning			
Ending			
<i>Payroll Account - Wells Fargo Bank</i>	4,927.38	-	4,927.38
Deposits In Transit:			
Beginning	-	-	-
Ending	-	-	-
Outstanding Checks:			
Beginning	-	-	-
Ending	-	-	-
Subtotal	7,601,131.05	(642,389.82)	6,958,741.23
<u>Investments</u>			
<i>Local Agency Investment Funds</i>	333,584.63	-	333,584.63
Deposits In Transit:			
Beginning			
Ending			
Subtotal	333,584.63	-	333,584.63
<u>Investments Held With Fiscal Agent</u>			
Debt Service Fund-US Bank-2021A series	1,540,858.77	6,020.18	1,546,878.95
Reserve Fund- US Bank 2021A series	525,370.14	2,052.64	527,422.78
Debt Service Fund-US Bank-2021B series	257,851.55	1,007.43	258,858.98
Reserve Fund -US Bank-2021B series	66,448.84	259.62	66,708.46
Subtotal	2,390,529.30	9,339.87	2,399,869.17
Total Cash and Investments	\$ 10,325,244.98	(633,049.95)	\$ 9,692,195.03

I certify that this report accurately reflects all cash and investments for the above period and all the investment is in compliance with San Bernardino International Airport Authority's Investment policy. San Bernardino International Airport Authority shall be able to meet it's expenditure requirement for next six month, anticipating operational fund receipts from IVDA.

  
Mark Cousineau, Treasurer





**TO: San Bernardino International Airport Authority Commission**

**DATE: May 22, 2024**

**ITEM NO: 5**

**PRESENTER: Mark Dennis, Information Technology Manager**

**SUBJECT: APPROVE AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT WITH THREE-2-ONE, INC. DBA IMAGINE SYSTEMS, INC. IN AN AMOUNT NOT TO EXCEED \$9,500 FOR IT PREVENTATIVE MAINTENANCE SERVICES FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA)**

### **SUMMARY**

On July 1, 2023, the San Bernardino International Airport Authority (SBIAA) entered into an agreement with Three-2-One, Inc. DBA Imagine Systems, Inc. for \$32,500 for IT Preventative Maintenance Services for all SBIAA IT assets including laptops, computers, and servers. Amendment No. 1 in the amount of \$17,400 was approved in February. Amendment No. 2 in the amount of \$9,500 is needed to continue these services throughout the remainder of the fiscal year. The total contract amount, if adjusted, would be for a total not to exceed the amount of \$59,400 for the balance of the fiscal year.

### **RECOMMENDED ACTION(S)**

Approve Amendment No. 2 to the Professional Services Agreement with Three-2-One, Inc. DBA Imagine Systems, Inc. to provide IT Preventative Maintenance Services for an additional amount not to exceed \$9,500; and authorize the Chief Executive Officer to execute all related documents.

### **FISCAL IMPACT**

None. In the event the proposed budget adjustment is approved on today's agenda, funding for these professional services will be included in the then adjusted San Bernardino International Airport Authority Fiscal Year 2023-2024 Budget in the General Fund, Account 50590 - Professional Services - IT for \$75,000 of which \$59,400 is allocated to this amended agreement.

PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

On July 1, 2023, the San Bernardino International Airport Authority (SBIAA) entered into an agreement with Three-2-One, Inc. DBA Imagine Systems, Inc. for \$32,500 for IT Preventative Maintenance Services for all SBIAA IT assets including laptops, computers, and servers. Amendment No. 1 in the amount of \$17,400 was approved in February due to the professional services board item being inadvertently understated. Amendment No. 2 in the amount of \$9,500 is needed to continue these services throughout the remainder of the fiscal year due to the increase in staff at the airport. The total contract amount, if adjusted, would be for a total not to exceed the amount of \$59,400 for the balance of the fiscal year.

**Attachments:**

1. Form of Amendment No. 2

**SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**

**AMENDMENT NO. 2 TO  
AGREEMENT FOR PROFESSIONAL SERVICES  
[Three-2-One, Inc. DBA Imagine Systems, Inc.]**

This Amendment No. 2 to the Agreement for Professional Services is entered into and shall be effective as of the 22nd day of May 2024, by and between the San Bernardino International Airport Authority, a joint powers authority created pursuant to Government Code Sections 6500, et seq. ("SBIAA"), and Three-2-One, Inc. DBA Imagine Systems, Inc. (the "Consultant").

**I. RECITALS**

A. The SBIAA and Consultant entered into that certain Agreement for Professional Services dated July 1, 2023, to provide preventative maintenance services for IT and AV systems for SBIAA for fiscal year 2023-2024 ("Agreement");

B. The SBIAA and Consultant desire to amend the terms of the Agreement as described herein and considered as Amendment No. 2 effective May 22, 2024.

**II. AGREEMENTS**

NOW, THEREFORE, in consideration of the mutual covenants, premises, and agreements and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the SBIAA and Consultant agree as follows:

1. Increase the total payment amount of the contract for Consultant by \$9,500; for a total revised contract amount as provided in Section 4A of \$59,400 for Fiscal Year 2023-24;

**III. MISCELLANEOUS PROVISIONS**

1. Unless otherwise provided herein, all capitalized and/or defined terms herein shall have the same meaning given to such capitalized and/or defined terms in the Agreement.

2. Except as amended hereby, all of the terms and provisions of the Agreement are hereby reaffirmed and remain in full force and effect. In the event there is a conflict between the terms and provisions of the Agreement the terms and provisions of this Amendment No. 2, the terms and provisions of this Amendment No. 2 shall control.

///

**[SIGNATURES ON FOLLOWING PAGE]**

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be executed by the authorized signatures of the officers of each of them as of the date first referenced above.

**SBIAA**

San Bernardino International Airport Authority,  
a joint powers authority

By: \_\_\_\_\_  
Michael Burrows, Executive Director

ATTEST:

\_\_\_\_\_  
Jillian Ubaldo, Deputy Clerk of the Board

**CONSULTANT**

Three-2-One, Inc. DBA Imagine Systems, Inc.

By: \_\_\_\_\_  
John Wilson



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 22, 2024**

**ITEM NO: 6**

**PRESENTER: Jeff Barrow, Director of Development**

**SUBJECT: APPROVE THE FILING OF A NOTICE OF COMPLETION FOR THE CONSTRUCTION CONTRACT WITH LEONIDA BUILDERS, INC. FOR THE NORTH PARKING LOT KIOSK PROJECT AND AUTHORIZE THE RELEASE OF RETAINED FUNDS.**

### **SUMMARY**

Construction of the North Parking Lot Kiosk Project is considered a high priority project for the airport's benefit. Leonida Builders has completed the work in accordance with the plans and specifications. Therefore, this project should be accepted as complete by the San Bernardino International Airport Authority (SBIAA) Commission, and the release of the remaining retention should be issued.

### **RECOMMENDED ACTION(S)**

Approve the filing of a Notice of Completion with Leonida Builders Inc. for the North Parking Lot Kiosk construction contract, the release of retained funds; and authorize the Chief Executive Officer to execute all related documents.

### **FISCAL IMPACT**

None.

PREPARED BY:	Issa Massou
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

On January 24, 2024, the San Bernardino International Airport Authority (SBIAA) Commission approved a construction contract with Leonida Builders Inc. for the North Parking Lot Kiosk Project. This project entailed reconstruction and installation of the underground electrical systems, as well as new concrete foundations to support the SKIDATA parking kiosk systems in the North Parking Lot. The addition of barrier gate arms and SKIDATA parking kiosk systems at SBIAA were necessary to accommodate the growing number of tenants and traffic flow in the North Parking Lot. The primary objective of the project was to upgrade the parking infrastructure, enhance visitor experience, and optimize revenue control. The implementation of these systems has greatly enhanced parking operations at SBIAA, ensuring smooth vehicle flow, heightened security, and simplified parking procedures for all airport users. Moving forward, it is essential to regularly maintain and update these systems to ensure their continued effectiveness.


Staff recommends the Commission approve the above recommended actions.

**Attachments:**

1. Photos





	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 22, 2024</b></p> <p><b>ITEM NO: 7</b></p> <p><b>PRESENTER: Jillian Ubaldo, Deputy Clerk of the Board</b></p>
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**SUBJECT: APPROVE MEETING MINUTES: APRIL 24, 2024**

**SUMMARY**

Submitted for consideration and approval by the San Bernardino International Airport Authority (SBIAA) Commission: Meeting minutes of the regular meeting held Wednesday, April 24, 2024.

**RECOMMENDED ACTION(S)**

Approve meeting minutes of the regular meeting held April 24, 2024.

**FISCAL IMPACT**

None.

PREPARED BY:	Jillian Ubaldo
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

None.

**Attachments:**

1. April 24, 2024 meeting minutes.



**SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**  
**REGULAR MEETING COMMISSION ACTIONS**  
**WEDNESDAY, APRIL 24, 2024**  
**5:00 P.M.**

MAIN AUDITORIUM – Norton Regional Event Center 1601 East Third Street, San Bernardino, CA



A regional joint powers authority dedicated to the reuse of Norton Air Force Base  
for the economic benefit of the East Valley

**Commission Members**

**City of Colton**

Mayor Frank J. Navarro, President	Present
Councilmember John Echevarria (alt)	Present (in audience)

**City of Loma Linda**

Councilmember Rhodes Rigsby, Vice President	Present
Mayor Phillip Dupper (alt)	Absent

**County of San Bernardino**

Supervisor Dawn Rowe	Present
Supervisor Joe Baca, Jr. (alt)	Absent

**City of San Bernardino**

Mayor Helen Tran	Present
Councilmember Theodore Sanchez	Present
Mayor Pro Tem Fred Shorett (alt)	Present (in audience)

**City of Highland**

Mayor Penny Lilburn, Secretary	Present
Mayor Pro Tem Larry McCallon (alt)	Absent

**Staff Members and Others Present**

Michael Burrows, Chief Executive Officer	Scott Huber, Legal Counsel, Cole Huber LLP (via Zoom)
Mark Gibbs, Director of Aviation	Michael Lewin, Legal Counsel, Mirau, Edwards, Cannon, Lewin, & Tooke, LLP
Catherine Pritchett, Director of Administration	Jonathan Galvan, Airport Manager
Mark Cousineau, Director of Finance	Jillian Ubaldo, Deputy Clerk of the Board
Jeff Barrow, Director of Development	

The Regular Meeting of the San Bernardino International Airport Authority was called to order by President Frank Navarro at approximately 5:03 p.m. on Wednesday, April 24, 2024.

A. **CALL TO ORDER / ROLL CALL**

Roll call was duly noted and recorded by voice.

Members of the Commission and staff joined Councilmember Theodore Sanchez in the Pledge of Allegiance.

B. **CLOSED SESSION PUBLIC COMMENT**

There was no closed session public comment.

C. **CLOSED SESSION**

President Frank Navarro recessed to closed session at 5:05 p.m. Mr. Michael Lewin, Legal Counsel, Mirau, Edwards, Cannon, Lewin, & Tooke, LLP, read the closed session items as posted on the Agenda.

- a. Pending Litigation – Pursuant to Gov. Code 54956.9(a), the Commission will meet with the Chief Executive Officer and General Counsel related to pending litigation: Hinojosa v. San Bernardino International Airport, Inc., et al., San Bernardino County Superior Court, Case No. CIVSB2025068
- b. Pending Litigation – Pursuant to Gov. Code 54956.9(a), the Commission will meet with the Chief Executive Officer and General Counsel related to pending litigation: Franco v. San Bernardino International Airport Authority, et al., San Bernardino County Superior Court, Case No. CIVSB2322130

D. **REPORT ON CLOSED SESSION**

President Frank Navarro reconvened the meeting at 5:23 p.m. President Navarro asked Mr. Michael Lewin, Legal Counsel, Cole Huber LLP if there were any reportable items. Mr. Lewin reported that there were none.

E. **ITEMS TO BE ADDED OR DELETED**

There were no items to be added or deleted.

F. **CONFLICT OF INTEREST DISCLOSURE**

1. President Frank Navarro stated Commission members should note the item(s) listed which might require member abstentions.

There were no conflicts noted.

G. **INFORMATIONAL ITEMS**

Mr. Michael Burrows, Chief Executive Officer, presented the following informational items:

2. Informational Items
  - a. Chief Executive Officer's Report
  - b. Report on Grant Initiatives
- 2a. Mr. Mark Gibbs, Director of Aviation, gave a brief report on the Global Entry Interview Pop-Up event hosted by the U.S. Customs and Border Protection, and spoke on hosting events on a regular basis.
- 2b. Mr. Mark Gibbs, Director of Aviation, provided an update on Grant Initiatives for the AOA Access Road.

H. **COMMISSION CONSENT ITEMS**

Let the record reflect that all votes were done by roll call with each Commissioners' name and vote stated by voice.

3. Register of Demands for March 2024
4. Receive and file Treasurer's Report for February 29, 2024, for the San Bernardino International Airport Authority (SBIAA)
5. Authorize staff to advertise a Request for Proposals for Preventative Maintenance Services of Terminal Passenger Boarding Bridges
6. Consider and adopt Resolution No. 2024-02 of the San Bernardino International Airport Authority (SBIAA) amending its Records Retention Schedule and Authorizing destruction of certain authority records

**ACTION:** Approve Agenda Item Nos. 3–6

RESULT:	<b>ADOPTED [UNANIMOUSLY]</b>
MOTION/SECOND:	Tran/Lilburn
AYES:	Lilburn, Navarro, Rigsby, Rowe, Sanchez, Tran
NAYS:	None
ABSTENTIONS:	None
ABSENT:	None

7. Approve Meeting Minutes: March 27, 2024

**ACTION:** Approve Agenda Item No. 7

RESULT:	<b>ADOPTED</b>
MOTION/SECOND:	Tran/Lilburn

AYES: Lilburn, Navarro, Rigsby, Rowe, Tran  
NAYS: None  
ABSTENTIONS: Sanchez  
ABSENT: None

I. **COMMISSION ACTION ITEMS**

Let the record reflect that all votes were done by roll call with each Commissioners' name and vote stated by voice.

8. Consider and Adopt proposed budget adjustmetns for Fiscal Year 2023-2024

Mr. Mark Cousineau, Director of Finance, provided a brief report of the proposed budget adjustments.

**ACTION:** Consider and approve budget adjustments reflected in the attached "Proposed Budget Adjustments Table" for Fiscal Year 2023-2024

RESULT: **ADOPTED [UNANIMOUSLY]**  
MOTION/SECOND: Tran/Sanchez  
AYES: Lilburn, Navarro, Rigsby, Rowe, Sanchez, Tran  
NAYS: None  
ABSTENTIONS: None  
ABSENT: None

9. Consider and discuss the SBD Good Neighbor Program First Quarter 2024 Report

Mr. Mark Gibbs, Director of Aviation, introduced Ms. Rosemary Barnes, Aviatrix Communications. Ms. Barnes referenced a PowerPoint presentation entitled "San Bernardino International Airport, Quarterly Report: April 2024" (as contained on pages 046-071 in the Agenda Packet) and provided a brief report on Agenda Item No. 9.

This item was for discussion purposes only; no formal action was taken.

**ACTION:** Consider and discuss the SBD Good Neighbor Program quarterly report.

10. Review status of the Action Plan for the San Bernardino International Airport Authority (SBIAA) through June 30, 2024

Mr. Michael Burrows, Chief Executive Officer, referenced a PowerPoint presentation entitled "June 30, 2023 – Airport Focal Areas" (as contained on pages 074-076 in the Agenda Packet) and provided a brief report on Agenda Item No. 10.

This item was for discussion purposes only; no formal action was taken.

**ACTION:** Review the Action Plan for the San Bernardino International Airport Authority through June 30, 2024.

J. **ADDED AND DEFERRED ITEMS**

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There were no items to be added or deferred.

K. **OPEN SESSION PUBLIC COMMENT**

David Gandolfi, City of Highland resident, expressed his concerns to the Commission regarding noise from airplanes and helicopters, and recommended updates to the SBIAA website and live stream video feed.

L. **COMMISSION MEMBER COMMENT**

Councilmember Sanchez suggested that staff consider presenting a long-term Action Plan at future meetings.


M. **ADJOURNMENT**

There being no further business before the Commission, President Frank Navarro declared the meeting adjourned at 5:48 p.m.

**Approved at a Regular Meeting of the San Bernardino International Airport Authority on Wednesday, May 22, 2024.**

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Jillian Ubaldo  
Assistant Secretary of the Commission

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 22, 2024</b></p> <p><b>ITEM NO: 8</b></p> <p><b>PRESENTER: Mark Cousineau, Director of Finance</b></p>
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**SUBJECT: CONSIDER AND ADOPT PROPOSED BUDGET ADJUSTMENTS FOR FISCAL YEAR 2023-2024**

### **SUMMARY**

The proposed adjustments to the Fiscal Year 2023-2024 San Bernardino International Airport Authority's (SBIAA) budget fund various increased expenses related to improvements, repairs and replacement work needed to support passenger and cargo air service and airport operations. Commission approval is required for changes to the Capital Projects Fund. This proposed adjustment for Fiscal Year 2023-2024 is detailed in the "Proposed Budget Adjustments Table".

### **RECOMMENDED ACTION(S)**

Consider and adopt budget adjustment reflected in the "Proposed Budget Adjustments Table" for Fiscal Year 2023-2024.

### **FISCAL IMPACT**

The composition for the requested adjustments is detailed in the attached "Proposed Budget Adjustment Table". The combined net effect on the San Bernardino International Airport Authority's Fiscal Year 2023-2024 Budget, if approved, would be an increase in budgetary net income of \$286,700.

PREPARED BY:	Mark Cousineau
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

On June 28, 2023, the San Bernardino International Airport Authority (SBIAA) Commission adopted the SBIAA Budget for Fiscal Year 2023-2024. SBIAA staff determined the following adjustments are necessary based on changes since the budget was approved. Capital Projects Fund adjustments require Commission approval.

The net effect of the proposed budget adjustments is an increase in budgetary net income of \$286,700. Estimated revenues are increasing \$307,800 due to increased facility utilization for month-to-month parking via facility use and license agreements. Proposed expenses are increasing \$21,100 to provide funding for preventative information technology services (\$9,500) and the increased costs of telephone services (\$11,600).

Staff recommends the Commission approve the proposed budget adjustments.

**Attachments:**

1. SBIAA FY 2023-24 May 22, 2024 Budget Adjustments Table

**SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**  
**FY 2023-2024 Proposed Budget Adjustments**  
**May 2024**

**PROPOSED BUDGET ADJUSTMENTS TABLE**

Proposed Adjustments			Approved Budget	Proposed Adjustments	Adjusted Budget
<i>Expenditures &amp; Transfers Out</i>					
<b>A</b>	General Fund	50590 - Professional Services - IT	\$ 65,500	\$ 9,500	\$ 75,000
<b>B</b>	Property Management	50412 - Telephone	110,000	11,600	121,600
			-	-	-
			-	-	-
			-	-	-
		Increase (Decrease) in expenditures & transfers out		<u>21,100</u>	
<i>Revenues &amp; Transfers In</i>					
<b>C</b>				<u>307,800</u>	
		Increase (Decrease) in revenues & transfers in		<u>307,800</u>	
		Net Budget Adjustment, Revenues in Excess of Expenses		<u>\$ 286,700</u>	

**Notes**

- A** \$9,500 increase to meet increased use and cost of professional services for information technology preventative maintenance driven primarily by the SBD International Airport's increased staffing.
- B** \$11,600 to fund increased per telephone line monthly charges.
- C** \$307,800 prorated increase in estimated parking revenues from facility and use license agreements for almost 11 acres of parking at Buildings 56 and 58, and 11 acres of airfield parking.





**TO: San Bernardino International Airport Authority Commission**

**DATE: May 22, 2024**

**ITEM NO: 9**

**PRESENTER: Kim Benson, UAS Center at SBD Administrator**

**SUBJECT: CONSIDER AND DISCUSS A REPORT ON THE UAS CENTER AT SBD**

**SUMMARY**

An oral report will be provided at the time of the meeting.

**RECOMMENDED ACTION(S)**

Consider and discuss a report on the UAS Center at SBD.

**FISCAL IMPACT**

None.


PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

An oral report and presentation will be provided at the time of the meeting.

**Attachments:**

1. None.

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 22, 2024</b></p> <p><b>ITEM NO: 10</b></p> <p><b>PRESENTER: Wendy McConaughey, FBO Manager</b></p>
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**SUBJECT: APPROVE PROCUREMENT OF AQMD COMPLIANT JST-30-E SERIES ELECTRIC CARGO AND BAGGAGE TRACTOR (TUG) THROUGH AERO SPECIALTIES IN AN AMOUNT NOT TO EXCEED \$90,873.72**

## **SUMMARY**

Approval of this item would authorize staff to procure of a TLD manufactured JST-30-E series electric Tug from Aero Specialties. The equipment meets AQMD's California emission standards as well as the Airport's Green Energy Element.

## **RECOMMENDED ACTION(S)**

Authorize staff to procure a TLD manufactured Electric Airport Cargo & Baggage Tractor (Tug) through Aero Specialties in an amount not to exceed \$90,873.72, consistent with the San Bernardino International Airport Authority (SBIAA) purchasing policies and procedures; and authorize the Chief Executive Officer to execute all related documents.

## **FISCAL IMPACT**

None. Funding for this procurement is included in the adjusted San Bernardino International Airport Authority Fiscal Year 2023-2024 Budget in the Luxivair-SBD (FBO) Fund, Account 50284 – Equipment Purchases in the amount of \$128,000 of which \$90,873.72 is allocated to this purchase.

PREPARED BY:	Susie Garcia
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

The San Bernardino International Airport's (SBD) existing electric-powered fleet consists of one (1) TLD ABS-580-E stair truck and one (1) TLD LSP-900-V-E lavatory vehicle. Procurement of this new JST-30-E Tug would increase the electric-powered fleet owned by the Airport, while remaining consistent with the Airports Green Energy Element and AQMDs California emission standards. This equipment is necessary to keep up with the demand for services at the San Bernardino International Airport.

Staff solicited three (3) competitive proposals, of which Aero Specialties provided the most competitive proposal. Staff requests authorization from the San Bernardino International Airport Authority (SBIAA) Commission to procure the requested equipment.

Staff recommends the Commission approve the above recommended action.

**Attachments:**

1. Quote Summary Sheet
2. Aero Specialties Quote
3. Textron GSE Quote
4. Aviation Group Equipment Quote Request
5. JST-30-E Specifications sheet

## QUOTE SUMMARY SHEET

Agency: SBIAA Requester Name: Susie Garcia Date: Requesting Division: FBO Attachments (List): Aero Specialties, Textron GSE, Aviation Ground Equipment Description of project/reason for PR: AQMD Compliant GSE

				Aero Specialties				Textron Ground Support Equipment Inc.				Aviation Ground Equipment			
DESCRIPTION	BRAND/ITEM SPECS OR EQUIVALENT	QTY	UOM	PRICE	SUB-TOTAL	SALES TAX	S&H	PRICE	SUB-TOTAL	SALES TAX	S&H	PRICE	SUB-TOTAL	SALES TAX	S&H
Ground Support Equipment	T250R Tug	1	ea	\$72,726.00		\$6,770.40	\$2,400.00	\$103,450.00		N/A	N/A	Vendor did not respond to quote request			
	Tractor Charger	1	ea	\$4,650.00											
GRAND TOTALS:						\$86,546.40				\$103,450.00				N/A	

SELECTED VENDOR: VENDOR 1

JUSTIFICATION FOR SELECTED VENDOR:	VENDOR INFORMATION:	
<input checked="" type="checkbox"/> Lowest overall price	Vendor 1 Company Name:	Aero Specialties
<input type="checkbox"/> Only vendor that can meet deadline	Address:	11175 W. Emerald St, Boise, ID 83713
<input type="checkbox"/> Only responsive vendor	Contact information:	<a href="mailto:tonyc@aerospecialties.com">tonyc@aerospecialties.com</a>
<input type="checkbox"/> Only vendor that carries item(s) needed or equivalent of	Vendor 2 Company Name:	Textron Ground Support Equipment Inc.
Form of communication used to obtain quotes/pricing: email	Address:	41 Busch Dr NE, Cartersville, GA 30121
	Contact information:	<a href="mailto:rgieser@textron.com">rgieser@textron.com</a>
	Vendor 3 Company Name:	Aviation Ground Equipment
	Address:	324 South Service Rd, Suite 104, Melville, NY 11747
	Contact information:	<a href="mailto:anthony@aviationgroundequip.com">anthony@aviationgroundequip.com</a>



11175 W. Emerald Street  
Boise, ID 83713  
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+1 208-378-9888  
+1 208 378-9889  
sales@aerospecialties.com  
[www.aerospecialties.com](http://www.aerospecialties.com)



Quote Number: AS1Q24360

Date of Quote: 05-06-2024

Quote Valid Through: Jul 13, 2024

Sold To:	Ship To:	Your Sales Rep:
<b>Luxivair SBD</b> Wendy McConaughy 295 North Leland Norton Way San Bernardino, CA 92408 USA	<b>Luxivair SBD</b> Wendy McConaughy 295 North Leland Norton Way San Bernardino, CA 92408 USA	<b>Tony Cale</b> GSE Sales Manager Phone: +1 208-378-9888 Email: <a href="mailto:tonyc@aerospecialties.com">tonyc@aerospecialties.com</a>

Ship Via	Incoterms	Payment Terms	Reference
T10	DAP	Prepay	

Thank you for your interest in AERO Specialties. Attached is the quote along with additional information requested. We appreciate the opportunity to earn your business. If you have any questions please let me know.

Part #	Description	Lead Time	Qty	List Price	Discount	Unit Price	Ext. Price
JST-30-E Lithium	The JST30-E Series, 6295 DBP capacity. Thanks to the application of AC brushless motor and controller, the JST-E is good at long range towing and continuous acceleration.	<b>(2) in Stock</b>	1	\$78,200.00	7%	\$72,726.00	<b>\$72,726.00</b>
<b>Standard Spec:</b> <b>WUX 001-01)Maintenance display to check iBS status (tool)</b> <b>WUX 78) 3-Level Front Hitch</b> <b>WUX 63) 3-Level Rear Hitch</b> <b>WUX 30)Keyless ignition switch</b> <b>WUX 002)TLD iBS, 1 pack version with cable and PDU2, LFP, 80V, 277Ah</b> <b>WUX 28)Inching with PB</b> <b>WUX 21)Marine coating for overseas shipment</b>							
POSICAR GE PC	ProCore EDGE9.6kW 3B 5910385A		1	\$5,000.00	7%	\$4,650.00	<b>\$4,650.00</b>
	Procore 10kW (US), 1 Bay Cab, 1 Mod, 480VAC, 48-80VDC, 200A, 13' Cable						

Part #	Description	Lead Time	Qty	List Price	Discount	Unit Price	Ext. Price
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## Totals

### FOR UNITED STATES CUSTOMERS ONLY:

Due to laws concerning sales tax collection in the USA's various states, AERO Specialties will now collect sales tax from all customers that are not tax-exempt. The state/county's sales tax will be charged at the time of invoicing. Please provide your exemption documentation or relevant information during order placement if you are a reseller or a tax-exempt customer.

<b>Subtotal</b>	\$77,376.00
<b>Total Discount</b>	\$5,824.00
<b>Estimated Tax</b>	\$6,770.40
<b>Shipping</b>	\$2,400.00
<b>Grand Total</b>	<b>\$86,546.40</b>

Lead times are quoted in business days and subject to change.

<b>Deposit Required</b>	<b>\$0.00</b>
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### BEWARE OF CYBER FRAUD!

*Before wiring any funds, call the AERO Specialties representative at a number you know is valid to confirm the instructions and be wary of any request to change wire instructions you have already received.*

## Quotation Notes and Acceptance

**To accept and purchase the equipment on this quotation, sign below and return:**

Acceptance Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

## About AERO

AERO Specialties provides complete aircraft and airport ground support equipment (GSE) solutions to corporate, FBO, MRO, military, airline, and general aviation customers worldwide. AERO manufactures and distributes industrial-grade, high-quality new, used, and refurbished aircraft GSE.

AERO OEM aircraft Towbars & Heads, Oxygen & Nitrogen Service Systems, Lavatory & Potable Water Service Carts, Maintenance Stands, Hydraulic Power Units and JetGo Ground Power Units utilize technologically advanced parts, and materials designed to protect aircraft and customers' equipment investments. As an authorized distributor for TLD, and many others, AERO can meet most equipment requirements.

With over 30 years of experience and over 21,000 active customers, we are one of the premier suppliers of aircraft GSE to aviation markets across the globe. The diversity of our catalog and our expertise makes us the preferred GSE supplier to many organizations such as Signature Flight Support, ASIG, Jet Aviation, ExecuJet, Atlantic Aviation, Landmark Aviation, Air Canada, JetBlue, Southwest Airlines, Delta Airlines, Alaska/Horizon Airlines, Embraer, Bombardier, Gulfstream, Lockheed Martin Co, Raytheon, Leonardo, General Atomics, Boeing and Airbus Military, USAF, and the US NAVY (to name only a few).

AERO's dedication to customer service and industry experience is unmatched. AERO Specialties sales and support staff understand aircraft handling and maintenance and are ready to assist and advise on the proper equipment needed for your specific application. Combine this with our team of professionally certified mechanics and engineers, revered customer service, and an online parts store, and you have the best aircraft GSE supplier in the business. Regardless of your type of operation or global location, AERO Specialties will provide the perfect solution to your ground support equipment and aircraft servicing needs.



## STANDARD TERMS AND CONDITIONS OF SALE

### of AERO Specialties, Inc.

**ARTICLE 1 - SALES CONTRACTS-** AERO Specialties, Inc. (herein called the "Seller") sells all products and services only upon these standard terms and conditions, which, unless otherwise agreed by the Seller in writing, shall be a part of the contract therefore and shall supersede any inconsistent terms on customers purchase order, notwithstanding any contrary terms that may appear therein. An order placed with the Seller must be in the form of a written purchase order. The issuance of a purchase order, confirmation or acknowledgment by customer shall be deemed to evidence and authenticate the customer's acceptance of these standard terms and conditions.

All proposals, quotations, bids or other similar communications from the Seller will be considered invitations to customer to submit an offer to contract in the form of a written purchase order. A binding sales contract will result when the Seller accepts the customer's order by mailing a letter of acceptance, or an acknowledgment copy of an entered order, to the customer. All such sales contracts shall be governed by the laws of the State of Idaho, U.S.A., but not its conflicts of laws provisions. Upon receipt of customer's order, the Seller, at its sole discretion shall evaluate customer's then current performance of payment to the Seller, other suppliers and creditors, the Seller's acceptance of customer's order is subject to the Seller's satisfaction with such payment performance.

#### **ARTICLE 2- TERMS OF PAYMENT-**

Terms are net 30 days (upon written credit approval authorization by Seller) from EXW date unless otherwise provided in the Seller's proposal or invoice. When an account becomes past due according to its terms, interest will be charged at a rate of 1 1/4% per month on all balances until paid in full. If an account is turned over for collection, the customer will be responsible for Seller's costs and expenses of collection, including reasonable attorneys' fees.

If delivery in installments is quoted by the Seller or required by customer's order, failure of customer to make any payment when due as provided for in the sales contract shall give the Seller the right to suspend work or delivery until such payment is made. In the event that any such default by customer continues for more than 15 days after the date due, the Seller may at any time thereafter cancel the sales contract by written notice faxed, mailed or telegraphed to customer and thereupon be entitled to recover the cancellation charges set forth in Article 8. In addition, the Seller shall have the right to repossess without process any previously delivered equipment, parts or products which have not been paid for in full. In the event the Seller suspends work on customer's order due to customer's failure to make payment at the time provided for in the sales contract, any claim by customer against the Seller for delay in completion of the work shall be waived and barred.

**Security Interest.** You grant to Seller and Seller will retain a purchase money security interest under the Uniform Commercial Code in all goods purchased from Seller until the goods are paid in full. If you fail to pay for the goods as agreed, Seller may repossess any goods in which it retains a security interest and Seller shall have all the rights and remedies of a secured creditor under the Uniform Commercial Code. You authorize Seller to file financing statements covering the goods.

**ARTICLE 3- PRICES-** Unless otherwise specifically and conspicuously stated in a written quotation, order acknowledgement, or other document signed by the Seller, the price of any equipment, parts or products shall be the price for such equipment, parts or product in effect at the time of shipment.

#### **ARTICLE 4- SHIPPING; DELIVERY-**

Shipping dates are subject to review at the time customer's order is accepted and will be determined at that time on the basis of the Seller's then current shipping commitments. Shipping dates are quoted in good faith, the Seller, however, will not be liable for loss or damage due to delay or failure to make delivery when such delay or failure is caused by fire, strike, civil or military authority, war, hostilities, governmental action, failure of suppliers to make delivery as scheduled, or any other cause beyond the Seller's reasonable control, including delay or interruption in manufacture, shipment or installation caused by customer.

Unless otherwise stated, all sales are EXW (Ex Works) (Incoterms 2010). Risk of loss or damage to products shall remain with Seller until delivery of the goods in accordance with the applicable Incoterm.

Any unit not shipped after 90 days from EXW (Ex Works- factory location) (Incoterms 2010) (Green Tag) date will generate a cost of 0.5% of the Selling price of the Unit that will be invoiced by the Seller to the customer

**ARTICLE 5 - WARRANTY-** Unless otherwise provided, the only warranty, which the Seller makes in connection with its equipment, parts and products, is the published AERO SPECIALTIES general warranty conditions. Receipt of information from the customer and delivery by the Seller of equipment, parts or products specified in customer's order does not imply a warranty by the Seller that the equipment, parts or products so delivered will be suitable for the purposes disclosed. IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED.

**ARTICLE 6 - LIMITATION OF LIABILITY-** IN NO EVENT SHALL THE SELLER BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, including loss of profits, in connection with its acceptance of customer's order or in connection with the manufacture, delivery or installation of the equipment, parts or products so ordered, whether customer's claim for such damages be based upon failure or delay of delivery, breach of guaranty or warranty or otherwise.

**ARTICLE 7 - RETURNS-** Any equipment, part or product, which is returned under warranty, may be so returned only with the prior written approval of the Seller's home office, which approval will not be unreasonably withheld. Equipment, parts or products for which return is authorized must be shipped prepaid to the Seller's warehouse or a AERO SPECIALTIES Factory as advised in the written approval. A re-stock fee of up to 15% may be applied to the return depending upon condition of product and circumstance of return.

**ARTICLE 8 - CANCELLATION CHARGES-**

In case of any contract cancellation by the customer:

A 20% penalty of the total contract amount will be levied if cancellation occurs during the 60 days prior to the original expected date of shipment.

A 50% penalty of the total contract amount will be levied if cancellation occurs after the original expected date of shipment

In the event customer causes delays, or otherwise materially hampers or interrupts the Seller's manufacture, shipment or installation or equipment, parts or products, the Seller may terminate the sales contract and customer shall pay the Seller the applicable cancellation charges set forth above.

**ARTICLE 9 - DESIGN PROTECTION-** No rights in designs, trade names, trademarks, and copyrights of merchandise delivered hereunder shall pass to customer and customer agrees not to reproduce or simulate or cause or knowingly allow to be used, reproduced or simulated, either directly or indirectly, such designs, trade names, trademarks and copyrights.

**ARTICLE 10 - SERVICES-** The provisions of these Standard Terms and Conditions relating to sales contracts, terms of payment price, and limitation of liability are applicable to any services sold by the Seller whether separately or in conjunction with an equipment order.



Textron Ground Support Equipment Inc.  
41 Busch Dr NE  
Cartersville GA 30121  
USA

Page 1 of 2

## Quotation

**Sold-To-Party**

80000005  
GSE Customer  
41 BUSCH DR. NE  
CARTERSVILLE GA 30121  
USA

**Ship-To-Party**

GSE Customer  
41 BUSCH DR. NE  
CARTERSVILLE GA 30121  
USA

**Information**

**Quotation No.** 20014311  
**Document Date** 04/10/2024  
**Currency** USD  
**Purchase Order No.:** Luxivair SBD Endurance Quote  
**Req. Delivery Date:** 09/15/2024  
**Valid to :** 05/10/2024  
**Terms of payment:** Net 30 Days  
**Incoterms:** FCA GA  
**Created by :** JBRENNAN2  
**Time Stamp :** 09:34:10

Item	Material / Description	Quantity		Unit Price	Amount
10	729748 / ENDURANCE, TRACTOR, CAB AFT	1.000	EA	103,450.00	103,450.00
	LHD FIXED STEERING	1.000	EA		
	TFM FLEET MANAGEMENT	1.000	EA		
	NO REARVIEW MIRROR	1.000	EA		
	BUCKET PASSENGER SEAT	1.000	EA		
	NO INCHING CONTROLS	1.000	EA		
	LOW CAPACITY BATTERY EV POWERTRAIN	1.000	EA		
	AMBER BEACON	1.000	EA		
	PAINT BRAKE PEDAL BLACK W/RED	1.000	EA		
	LEFTHAND DRIVE - ENDURANCE	1.000	EA		
	LEFTHAND ELECTRICAL - ENDURANCE	1.000	EA		
	ENDURANCE BASE	1.000	EA		
	OPEN CAB	1.000	EA		
	STANDARD CONVEYOR DATA PLATE	1.000	EA		
	6000 LBS DRAWBAR PULL	1.000	EA		
	DRIVER SEAT, BUCKET	1.000	EA		
	DASH PANEL, LHD W/SCREEN, STANDARD IGN	1.000	EA		
	FRONT HITCH - PINTLE W/ LATCH BOLT ON	1.000	EA		
	E-HITCH W/O EXTENSION	1.000	EA		
	CCS1 REMOTE CHARGE PORT	1.000	EA		
	BLACK RETRACTABLE SEAT BELTS	1.000	EA		
	SHIFTER OPPOSITE DIR OF TRAVEL	1.000	EA		
	FRONT TIRES - 165-13 RIBBED	1.000	EA		
	8.75 X 16.5 RIBBED, REAR TIRE	1.000	EA		
<b>Final amount:</b>					103,450.00



Textron Ground Support Equipment Inc.  
41 Busch Dr NE  
Cartersville GA 30121  
USA

Page 1 of 2

## Quotation

**Sold-To-Party**

80000005  
GSE Customer  
41 BUSCH DR. NE  
CARTERSVILLE GA 30121  
USA

**Ship-To-Party**

GSE Customer  
41 BUSCH DR. NE  
CARTERSVILLE GA 30121  
USA

**Information**

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<b>Final amount:</b>					103,450.00



Textron Ground Support Equipment Inc.  
41 Busch Dr NE  
Cartersville GA 30121  
USA

Page 2 of 2

## Quotation

Sales Order No. (Date) : 20014311 (04/10/2024)

*Does not  
Include charger, Tax or freight.*

Signature \_\_\_\_\_ Date \_\_\_\_\_

This order is subject to Textron GSE's Terms and Conditions which are available at <https://textrongse.txtsv.com/terms-and-conditions>

057

## Wendy McConaughey

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**From:** Wendy McConaughey  
**Sent:** Wednesday, April 10, 2024 4:21 PM  
**To:** anthony@aviationgroundequip.com  
**Subject:** FW: Quote for T250R

Hello Anthony

I called and left you a message regarding a quote for the T250R tractor. Can you please get back to me as soon as possible?

## Wendy McConaughey

FBO Manager | Luxivair SBD

---

295 N. Leland Norton Way, San Bernardino, CA 92408

OFFICE (909) 382-6068

MOBILE (909) 382-7940

UNICOM 122.975

[wmcconaughey@luxivairsbd.com](mailto:wmcconaughey@luxivairsbd.com)

[LuxivairSBD.com](http://LuxivairSBD.com)

**From:** Wendy McConaughey  
**Sent:** Monday, April 1, 2024 1:38 PM  
**To:** anthony@aviationgroundequip.com  
**Subject:** FW: Quote for T250R

## Wendy McConaughey

FBO Manager | Luxivair SBD

---

295 N. Leland Norton Way, San Bernardino, CA 92408

OFFICE (909) 382-6068

MOBILE (909) 382-7940

UNICOM 122.975

[wmcconaughey@luxivairsbd.com](mailto:wmcconaughey@luxivairsbd.com)

[LuxivairSBD.com](http://LuxivairSBD.com)

**From:** Wendy McConaughey  
**Sent:** Thursday, March 28, 2024 3:44 PM  
**To:** [anthony@aviationgroundequip.com](mailto:anthony@aviationgroundequip.com)  
**Subject:** Quote for T250R

Hello Anthony

I stopped by your booth at S&D and needed to get a quote for an electric baggage tug. I was hoping for one on the T250R. Please feel free to call me with any questions.

**JST-E**

# **ELECTRICAL AIRPORT CARGO & BAGGAGE TRACTOR**



## DESCRIPTION

The JST-E Series towing tractors, available with a maximum draw bar pull ranging from 2,400 daN (5,395 lbf) up to 2,800 daN (6,295 lbf), are designed to tow baggage carts, towable GSE and cargo trailers. Thanks to the application of AC brushless motor and controller, the JST-E is good at long range towing and continuous acceleration. This equipment is ergonomically designed to provide maximum driving comfort and excellent all-round visibility. The JST-E provides a best solution to reduce the Total Cost of Ownership (TCO)

## PERFORMANCES

(\*) Version without cab – could slightly change depending on the battery capacity and configuration

	JST-E-25	JST-E-30
<b>Drawbar pull, daN [lbf]</b>	<b>2,400daN (5,395lbf)</b>	<b>2,800daN (6,295lbf)</b>
<b>Gross weight, kg [lb] *</b>	<b>3,650kg (8,047lb)</b>	<b>3,900 kg (8,598lb)</b>

### Driving speed:

25km/h without load  
>=10km/h with 18T load

### Endurance capability:

>160km solo driving (battery is fully charged)

## STANDARD FEATURES

### Power Train

3-phase AC brushless motor, rated output 23 kW

### Control system

80V DC/AC converter, provide smooth and precise speed control

### Suspension system

Front and rear axles mounting on leaf springs

### Brake system

Service brake: Dual circuit hydraulic assisted with dry discs on both front and rear wheel.

Parking brake: Drum brake on driving shaft at rear axle input

### Steering

Power steering (dual acting cylinder)

### Tires

Front: 185R14LT tubeless

Rear: 28x9-15NHS tube type

### Driving Station

- Luxury suspension driver seat
- Speedometer, Odometer, battery capacity info are integrated in a smart display
- Deadman pedal to prevent unexpected movement of the tractor
- Ignition key switch

### Hitches

Universal E-type hitch

### Painting

White RAL 9016 color

Specifications may be altered as a constant effort to improve performance.  
Tolerance of data +/- 5 %. Some views may show optional equipment.



**JST** SERIES**AIRPORT CARGO&BAGGAGE  
TRACTOR****DIMENSIONS**

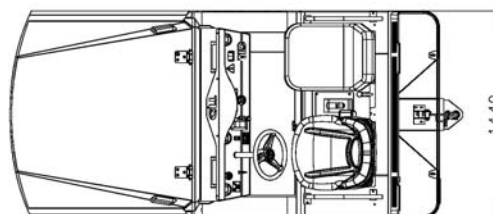
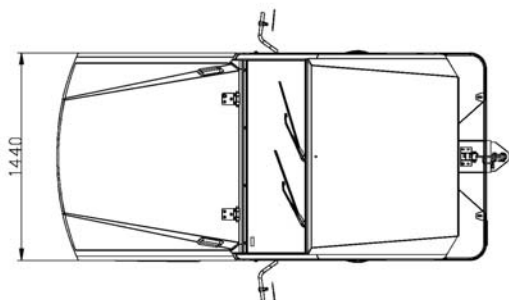
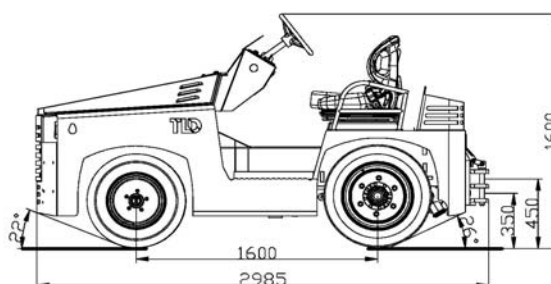
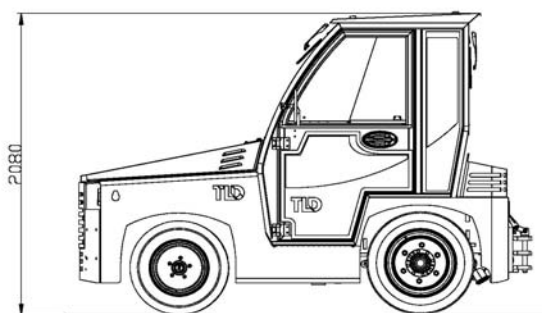
- Front track: 1120 mm (44")
- Rear track: 1140 mm (45")
- Turning radius wall to wall : 3400 mm (134")
- Ground clearance : 130 mm (5")

**ELECTRICAL EQUIPMENT**

- TLD iBS, 2 packs version with cable and PDU, LFP, 80V, 554 Ah
- GB Standard 9-pin charging plug 12V 80Ah battery
- 24 VDC dashboard and cab power
- All lighting system are LED type
- Flashing beacon
- Rear work light

**OPTIONS AVAILABLE**

- Cab kit (fully closed or open)
- Cold kit for battery system
- Electric air conditioner
- Front hitch
- Seat sensor interlock system in lieu of deadman pedal
- Solid tires
- Customized color than White RAL9016
- Customized charging plug
- Other options available

**LOCAL SUPPORT, TOTAL COMMITMENT**


Revised on Aug, 2019, by SL

**TLD Sales and Service regional headquarters**

- |  |   |
|--|---|
| • <b>TLD ASIA</b><br>Hong Kong                               | <b>South East Asia &amp; South Korea</b><br>Tel : + 852 2692 2181           |
| • <b>TLD CHINA</b><br>Shanghai, PRC                          | <b>China</b><br>Tel : + 86 21 5815 3322                                     |
| • <b>TLD EUROPE</b><br>Africa<br>Montlouis-sur-Loire, France | <b>Europe, Russia, Central Asia, &amp; West</b><br>Tel : + 33 2 47 45 77 77 |
| • <b>TLD MEAI</b><br>Dubai, UAE                              | <b>Middle East, East Africa &amp; India</b><br>Tel : + 971 (0)4703 0409     |
| • <b>TLD LAJJ</b><br>Miami, FL, USA                          | <b>Latin America, Oceania &amp; Japan</b><br>Tel : + 1 305 716 1130         |
| • <b>TLD AMERICA</b><br>Windsor, CT, USA                     | <b>USA &amp; Canada</b><br>Tel : + 1 860 602 3400                           |

Specifications may be altered as a constant effort to improve performance.  
Tolerance of data +/- 5 %. Some views may show optional equipment.



	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 22, 2024</b></p> <p><b>ITEM NO: 11</b></p> <p><b>PRESENTER: Darrell Hale, Property Manager</b></p>
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**SUBJECT: APPROVE AN AMENDED AND RESTATED LAND LEASE AGREEMENT WITH ASHLEY FURNITURE INDUSTRIES, INC. FOR APPROXIMATELY 11.98 ACRES OF PROPERTY**

## **SUMMARY**

On November 24, 2020, the San Bernardino International Airport Authority (SBIAA) and Ashley Furniture Industries, Inc. entered into a long-term land lease agreement for approximately 14 acres of land north of the San Bernardino International Airport, for development of an off-site parking facility. All design, engineering, and entitlement work has been completed; however, due to significant construction cost escalations, certain updates are needed to make the business terms workable for both parties.

## **RECOMMENDED ACTION(S)**

Approve an Amended and Restated Land Lease Agreement with Ashley Furniture Industries, Inc. for approximately eleven point nine eight (11.98) acres of property; and authorize the Chief Executive Officer to execute all related documents, subject to technical and conforming changes as approved by counsel.

## **FISCAL IMPACT**

None for Fiscal Year 2023-24. A \$202,248 increase, over twelve months, in estimated revenues for the proposed San Bernardino International Airport Authority Fiscal Year 2024-25 Budget in the Property Management Fund, Account 41700 – Lease Revenue.

PREPARED BY:	Darrell Hale
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

## **BACKGROUND INFORMATION**

On November 24, 2020, the San Bernardino International Airport Authority (SBIAA) and Ashley Furniture Industries, Inc. (Ashley) entered into a long-term land lease agreement for approximately 14 acres of land north of the San Bernardino International Airport for development of an off-site parking facility. All design, engineering, and entitlement work has been completed; however, due to significant construction cost escalations in recent years, certain updates are needed to make the business terms workable for both parties.

Principal lease terms and conditions of the proposed amended and restated lease by and between SBIAA and Ashley are as follows:

- Premises: approximately 11.98 acres of land (521,784 square feet)
- Lease Term: Twelve (12)-years
- 3% annual CPI adjustments
- Security Deposit: Two (2) month's rent upon execution of Lease
- Monthly lease revenue of \$16,854 per month (\$202,248 annually)
- Ashley to construct an off-site parking facility at its sole cost and expense pursuant to City of San Bernardino development code requirements
- Upon completion of the improvements, SBIAA to provide a rent credit based on the actual verified construction costs in an amount not to exceed \$6,800,000, amortized over the initial lease term
- Effective in year 10 of the lease, SBIAA shall retain a limited right to recapture use of the premises for airport purposes, subject to remittance to Ashley of the then unamortized value of the cost of the improvements
- Ashley to maintain all portions of the premises and pay all applicable utility charges; electric, water, and sewer
- Ashley to pay all applicable possessory interest taxes and maintain commercial general liability and fire insurance coverage naming SBIAA as an additional insured
- Ashley to comply with all applicable laws, Airport, FAA, and local rules and regulations
- Upon termination of the lease, all improvements shall revert to SBIAA ownership

Ashley has obtained all required development permits from the City of San Bernardino and is prepared to commence construction upon execution of the amended and restated lease.

As the proposed amended and restated lease would generate over \$4.6 Million in revenue over the term, Staff recommends the Commission approve the above recommended action.

### **Attachments:**

1. Site Map
2. Form of Amended and Restated Lease



# SBIAA South Lot

521,784.36 SF

5th St

E 5th St

E 5th St

Shirley Ave

Sterling Ave

3rd St

Perimeter Rd

4th St

E 3rd St

Perimeter Rd

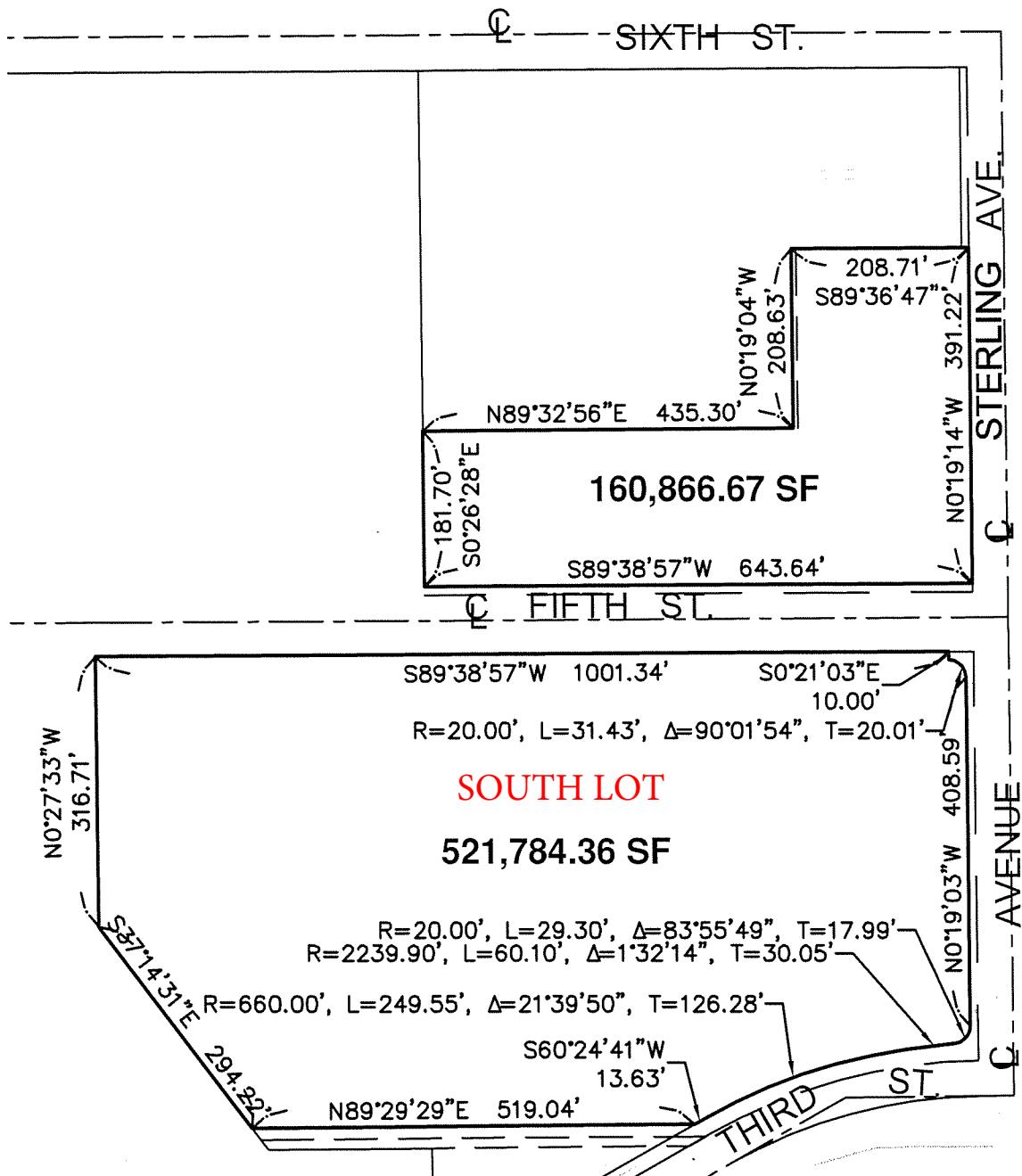
Google Earth

700 ft



063





SCALE: 1"=200'



**W.J. McKEEVER, INC.**

**CIVIL ENGINEERING**

900 E. WASHINGTON STREET, SUITE 208  
 COLTON, CALIFORNIA 92324  
 PH: (909) 825-8048  
 FAX: (909) 825-8639

## AMENDED AND RESTATED LAND LEASE AGREEMENT

**1.0 Preamble.** This Amended and Restated Land Lease Agreement ("Lease") is made effective June 1, 2024 by and between the San Bernardino International Airport Authority, a California Joint Powers Authority ("LESSOR") and Ashley Furniture Industries, Inc. a Wisconsin corporation ("LESSEE") with reference to the following facts and objectives:

### **2.0 Recitals.**

**2.1** LESSOR is the owner of certain real property located north of 3<sup>rd</sup> Street and west of Sterling comprised of approximately 14.20 acres of land (approximately 647,804 square feet), all of which is depicted in Exhibit A attached hereto.

**2.2.** LESSOR and LESSEE previously entered into a land lease agreement on November 24, 2020 for use of the property. Thereafter, LESSEE faithfully pursued permit applications and review with the City of San Bernardino for improvements to the property which permits have now been issued.

**2.3** LESSOR and LESSEE now desire to enter into an amended and restated lease to enable occupancy by LESSEE of approximately 11.98 acres of land (approximately 521,784 square feet) referred to as the South Lot, hereinafter (the "Premises).

**2.4** The Effective Date of this Lease shall be the date first written above in Section 1.0.

**NOW THEREFORE** the parties agree as follows:

**3.0 Lease.** LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR the Premises subject to each and all of the terms, covenants and conditions set forth in this Lease.

### **4.0 Construction.**

**4.1** At LESSEE's sole cost and expense, agreed upon improvements shall be made to the Premises prior to LESSEE's occupancy thereof and in no event later than twenty-four (24) months after the Effective Date. Improvements shall be determined by City requirements and agreements by LESSOR and LESSEE, but are expected to include: Grade, compact and install approximately 11.98 acres of asphalt pavement, initially comprised of sub-base material to meet the loading requirements of semi-trucks, and loaded semi-trailers; install underground utilities such as storm drain, sewer, telephone, electricity; install chain-link fencing around the entire Premises, with a drive way at the public access; privacy mesh material on the win-ward side of chain-link fence fabric; at least one (1)-each rolling gate to secure an approximately sixteen (16)-foot wide gate opening at the side of the Premises at the agreed entrance location. In no event shall LESSEE's improvement obligations include any off-Premises work, even if required by the City, such as improvements to streets, sidewalks, curb & gutter or public utilities, and all such off-Premises required improvements shall be completed by LESSOR with no reimbursement obligation to LESSEE. LESSEE shall submit engineer approved drawings and bid specifications to LESSOR for LESSOR approval prior to making any improvements to the Premises. LESSOR may approve/disapprove plans and bid specifications for the Premises improvements at its sole and absolute discretion. Project entitlements including environmental clearance and permitting requirements through local jurisdictions and/or affected regulatory agencies, are prerequisites for construction improvements on the Premises. LESSEE shall reimburse LESSOR for LESSOR contracted environmental services required for Project entitlement. In an effort to expedite

improvements to the Premises, LESSOR will endeavor to assist LESSEE with local permitting requirements by facilitating conversations with local utilities and regulatory agencies. Local permitting fees and regulatory agency fees shall be the responsibility of the LESSEE. All improvements to the Premises must be constructed in a quality and workmanship that meets LESSOR's standards and approval in LESSOR's sole and absolute discretion. The improvements described in this Section 4.1 shall be hereinafter referred to as the "Premises Improvements." If any Premises Improvements as finally determined by LESSOR or any local permitting requirements are unacceptable to LESSEE, in its sole discretion, LESSEE may terminate this Lease by written notice delivered to LESSOR at any time prior to commencement by LESSEE of Premises Improvements, and this Lease shall thereupon become void and shall thereafter have no force or effect whatsoever except that all LESSEE reimbursement obligations in this Section 4.1 shall survive and remain in full force and effect.

**5.0 Use.** The authorized uses of the Premises are those set forth below:

**5.1** Parking for semi-trucks and trailers. Major mechanical repairs and fueling shall NOT take place at any other site on the Premises or on any other portion of the San Bernardino International Airport ("Airport").

**5.2** Other uses are subject to consent in writing by LESSOR, which consent shall not be unreasonably withheld.

**6.0 Term.** The initial term of this Lease shall commence on the date LESSOR has and LESSEE have both approved, in writing, completion of the construction and installation of the Premises Improvements as set forth in Paragraph 4.1 and shall terminate on the date which is twelve (12) years thereafter. Upon request, LESSOR and LESSEE will sign a commencement document confirming the commencement and end dates of the initial term.

**6.1 Lessor Right to Recapture.** LESSOR retains the limited right to recapture the Premises for airport purposes at any time after the tenth (10th) anniversary of the Effective Date. LESSOR may exercise such right by delivering written notice thereof to LESSEE at least six (6) months prior to the tenth (10th) anniversary of the Effective Date or prior to the expiration of then current Term of this Lease. In the event that LESSOR exercises its right to recapture the Premises, LESSOR shall be required to remit to LESSEE the then unamortized cost of LESSEE's Premises Improvements. Such payment shall be made by LESSOR to LESSEE within sixty (60) calendar days after notice.

**7.0 [INTENTIONALLY OMITTED]**

**8.0 Rent and Charges.**

**8.1 Base Rent.** LESSEE shall pay LESSOR without reduction, abatement (except Section 8.1.1), deduction, offset or any prior demand therefor in advance of the first day of each calendar month of the term hereof, monthly rent (collectively, "Rent") in the amount of Sixteen Cents (\$0.16) per square foot per month.\* See Lease Revenue & License Abatement Spreadsheet attached hereto as Exhibit "C."

**8.1.1 Rent Abatement.** LESSOR hereby acknowledges that the timely and workmanlike completion of the Premises Improvements by LESSEE, as more specifically described in Section 4.1, above, is an inducement to entering into this Lease. Provided that LESSEE has completed the Premises Improvements and submitted suitably detailed documentation of payments for actual costs for design, entitlement, and construction work for said improvements to LESSOR on or

before the eighteenth (18<sup>th</sup>) month after the Effective Date in an amount not to exceed Six Million Eight Hundred-Twenty-eight Thousand Three Hundred Sixty-Eight Dollars (\$6,828,388), and thereafter, LESSOR's written acceptance of LESSEE's Premises Improvements shall invoke a per square foot, per month Rent credit during the Initial Term of this Lease. Such amount not to exceed threshold shall be subject to an additional ten percent (10%) contingency to be mutually agreed upon by the parties upon reconciliation of actual costs incurred. Excluding unforeseen governmental delays, in the event that construction of the Premises Improvements is completed prior to the eighteenth (18<sup>th</sup>) month after the Effective Date, such rent credit will be applied upon LESSOR's written acceptance of the Premises Improvements. In no event shall such rent credits extend to any Lease extensions or optional terms. Rent credits shall be initially based upon the final accepted bids for the Premises Improvements and shall be amortized and applied over the twelve year initial term at a repayment interest rate of six percent (6%) simple. Rent credits will be recalculated when the actual costs of the Premises Improvements are known, to equal the actual cost of the Premises Improvements amortized at six percent (6%) simple over the remaining months of the Lease initial term. Actual costs shall be reconciled within thirty (30) calendar days of completion of the work.

**8.2 Rent Adjustment.** On the first day of the second year of the Lease term, and on the first day of each subsequent year of the term, the monthly Rent shall be increased by an amount equal to the monthly Rent paid for the first full month of the term, multiplied times three (3%) percent.

**8.3 Utilities.** LESSEE shall pay all charges for all electricity, gas, water, sewer, trash disposal and other utility services which may be used or consumed on or for the Premises. LESSEE shall have the right at its sole cost and expense to provide additional utility service to the Premises or upgrade existing utilities as may reasonably be required by LESSEE subject to LESSOR's prior written approval of plans and specifications therefor, which approval shall not unreasonably be withheld.

**8.4 Late Payments and Charges.**

**8.4.1 Interest.** If LESSEE shall fail to pay, when the same is due and payable, any rent, amounts or charges payable hereunder, such unpaid amount shall bear interest from the due date to the date of payment at the rate of one percent (1%) per month up to the maximum rate allowed by applicable usury law. Notwithstanding the foregoing, interest will not be charged on payments of such rent, amounts or charges received by LESSOR prior to 5:00 p.m. on the 10th day of the month when due.

**8.4.2 Late Charge.** LESSEE acknowledges that late payment by LESSEE to LESSOR of rent or other charges payable hereunder will cause LESSOR to incur costs not contemplated by this Lease, the exact amount of which are extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges, late charges which may be imposed on LESSOR and additional property management expenses. Therefore, if any installment of rent or other charges payable hereunder due from LESSEE is not received by LESSOR prior to 5:00 p.m. on the 10th day of the month when due, LESSEE shall pay to LESSOR as a late charge an additional sum of five percent (5%) of the amount of rent which is due but unpaid. The parties agree that this late charge represents a fair and reasonable estimate of the costs that LESSOR will incur by reason of late payment by LESSEE. Acceptance of any late charge shall not constitute a waiver of LESSEE's default with respect to the overdue amount or prevent LESSOR from exercising any of the other rights and remedies available to LESSOR.

**8.5 Security Deposit.** LESSOR acknowledges the prior receipt of a Security Deposit from LESSEE in the amount of \$33,708.32, which shall be the Security Deposit for this Lease. If LESSEE is in default, LESSOR may use the security deposit provided or any portion of it, to cure

the default or to compensate LESSOR for any damages or loss sustained by LESSOR resulting from LESSEE's default. LESSEE shall immediately on demand pay to LESSOR a sum equal to the portion of the security deposit expended or applied by LESSOR as provided in this paragraph so as to maintain the security deposit in the amount required by this section. Upon final accounting by LESSOR, any balance shall be refunded to LESSEE without interest.

## **9.0 Use Conditions and Reservations.**

**9.1. Compliance with Rules, Regulations, Ordinance, Codes and Laws.** LESSEE shall at LESSEE's sole cost and expense at all times during the term of this Lease or any renewal or extension thereof comply with and observe all rules, regulations, ordinances, codes and laws which have been or may be promulgated by LESSOR or by other jurisdictions that relate to the Premises and including all fire regulations, safety regulations, and local noise control regulations. In the event of a conflict between any LESSOR created rules and provisions of this Lease, this Lease shall control. LESSEE shall at all times obey the statutes, codes, ordinances, laws and regulations of the United States of America, the State of California, the County of San Bernardino, the City of San Bernardino, and any other governmental entity having jurisdiction as the same may from time to time be amended during the term of this Lease.

**9.1.1 Airport Appropriated by Federal Government.** If the Airport or any part thereof is appropriated by the Federal Government in a national emergency and, as a result thereof, LESSEE is prohibited by Federal law, rule or regulation from using or occupying the Premises, and LESSEE for such reason does not use or occupy the Premises and is not otherwise compensated for loss of use caused thereby, then, during the period in which all these conditions exist, LESSEE shall not be entitled to recover from LESSOR. Each and every provision, term and condition of this Lease shall remain in force and effect, unless by reason of the Federal Government's having appropriated the Airport or any part thereof, LESSEE shall be physically or legally prevented from carrying out such provisions, terms and conditions; LESSEE's obligation in this regard shall be suspended only during the period of time LESSEE is prevented from carrying out such obligations by reason of such appropriation by the Federal Government. The term of this Lease shall not be extended because of the occurrence of the above conditions. LESSEE's obligation to pay rent and any other monetary payments to LESSOR shall also be suspended during the period of time LESSEE is prevented from occupying the Premises by reason of such appropriation. In the event LESSEE is prevented from occupying the Premises as a result of such appropriation for a period of more than sixty (60) days, LESSEE shall have the right to terminate this Lease.

**9.1.2 Non-discrimination.** The LESSEE, in the operation and use of the lands and buildings at the Airport will not on the grounds of race, age, religion, color, sex, handicap, marital status or national origin discriminate or commence discrimination against any person, or group of persons, in any manner prohibited by Part 15 of the Federal Aviation Regulations. Non-compliance with the above assurances shall constitute a material breach and, in the event of such non-compliance, LESSOR may take appropriate action to enforce compliance, may terminate the Lease agreement to which this covenant relates, or seek judicial enforcement.

**9.1.3 Agreement with the United States.** This Lease shall be subordinate to the provisions of any existing or future agreement between LESSOR and the United States of America relative to the use, operation or maintenance of the Airport, the execution of which agreement had been or may now or hereafter be required as a condition precedent to the expenditure of Federal Funds for the development of the Airport; provided, that if, in the consequence of the subordination of this Lease to such agreement, LESSEE is required to give up any part or all of these leased premises or to alter, remove and/or relocate any part or all of its improvements, adjustment of rent shall be made by mutual agreement between LESSOR and LESSEE.



**9.1.4 Rights to Amend.** In the event the Federal Aviation Agency requires modifications or changes in this Lease as a condition precedent to the granting of funds for the improvement of the air terminal or lands and improvement covered by its laws, rules or regulations, LESSEE agrees to consent to such amendments, modifications or requirements of this Lease as may be reasonably required to obtain such funds; provided, however, that in no event will LESSEE be required, pursuant to this paragraph, to agree to an increase in the rent provided for hereunder or to a change in the use (provided it is an authorized use hereunder) to which LESSEE has put the Premises.

**9.1.5 Compliance with Federal Regulation.** LESSEE, for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that in the event facilities are constructed, maintained or otherwise operated on said property described in this Lease for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, LESSEE shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964.

**9.1.6 Compliance with Department of Transportation Regulations.** LESSEE, for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land, that: (1) no person on the grounds of race, age, religion, color, sex, handicap, marital status or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that, in the construction of any improvements on, over, or under such land and the furnishings of services thereon, no person on the grounds of race, age, religion, color, sex, handicap, marital status or national origin shall be excluded from participation in, denied benefits of, or otherwise be subject to discrimination, (3) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

**9.1.7 Breach of Non-discrimination Covenants.** In the event of breach of any of the above nondiscrimination covenants, LESSOR shall have the right to terminate the Lease and to render and repossess said land and the facilities thereon, and hold the same as if the Lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR are followed and completed including expiration of appeal rights.

**9.1.8 Non-Discriminatory Prices.** LESSEE shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof, and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, that LESSEE may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

**9.8 Other Use Restrictions.** LESSEE shall not commit or suffer to be committed any waste upon the Premises or any public or private nuisance or any other act or thing which may disturb the quiet enjoyment of any other person or organization at the Airport. LESSEE's method of lighting the Premises and its installation of all exterior light fixtures shall be subject to LESSOR's prior approval, which shall not unreasonably be withheld. LESSEE shall maintain access control to the Premises in conformance with LESSOR's Airport Security requirements, and other federal and LESSOR directives and regulations that may currently be in place or initiated during the initial term or extension of the Lease. All motor vehicles parked or operated upon the

Premises by LESSEE, its officers, employees, passengers, guests, patrons and invitees shall be parked or operated in accordance with LESSOR's traffic and parking regulations, ordinances and other directives. LESSEE must obtain written approval from the LESSOR prior to erecting any crane, lift, or appurtenance within the Premises greater than 25 feet in height. LESSEE shall ensure that all trash, debris, parts, hardware, , and support equipment are contained within the Premises at all times; only vehicles and equipment equipped with rubberized tracks or rubberized tires shall be permitted for use by LESSEE, its officers, employees, subcontractors, or parties on the Premises; in LESSOR's sole and absolute discretion of identification of such items located outside of the Premises, LESSEE shall immediately remove such items from outside of the Premises to the satisfaction of the LESSOR.

### **9.3 Reservations.**

**9.3.1** LESSOR reserves the right to install, lay, construct, maintain, repair, and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, and connections; water, oil and gas pipelines; telephone, telegraph and electric power lines; and the appliances and appurtenances necessary or convenient in connection therewith, in, over, upon, through, across and along any and all portions of the leased premises. No right reserved by LESSOR in this clause shall be so exercised as to interfere unreasonably with LESSEE's operations hereunder or to impair the security of any secured creditor of LESSEE authorized by this Agreement. LESSOR agrees that rights granted to third parties by reason of this clause shall contain provisions that the surface of the Premises shall be restored as nearly as practicable to its original condition upon the completion of any construction.

**9.3.3** This Lease is subordinate to the provisions and requirements of any existing or future Agreement between the LESSOR and the United States, including but not limited to agreements with the Federal Aviation Administration, relative to the development, operation or maintenance of the Airport. LESSEE agrees to conform its use with all applicable Federal Aviation Regulations and further agrees that nothing in this Lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308A of the Federal Aviation Act of 1958, as amended, (49 U.S.C. 1349a). LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent LESSEE from erecting, or permitting to erect, any building or other structures on the Airport which, in the opinion of LESSOR, would limit the usefulness of the Airport or constitute a hazard to aircraft.

### **10.0 Maintenance of Premises.**

**10.1 As Is.** LESSEE agrees to accept the Premises in an "as is" condition. LESSEE acknowledges that it has inspected the Premises as thoroughly as LESSEE desires. LESSEE agrees that LESSOR has made no warranties or representations of any kind respecting the conditions of the Premises or the condition of any improvements or utilities located thereon.

**10.2 Maintenance Costs.** LESSEE at its sole cost and expense shall at all times maintain the Premises, including grounds, buildings, structures and improvements in a good state of repair and in a safe, clean, neat and sanitary condition. LESSEE hereby waives the provisions of sections 1941 and 1942 of the Civil Code of the State of California and any statutes, laws or ordinances now or hereafter enacted permitting LESSEE to make repairs at the expense of the LESSOR or to terminate the Lease by reason of the condition of the Premises. In the event LESSEE fails to make any repairs required to be made by LESSEE in accordance with the terms of this section, after providing ten (10) days' written notice (unless for emergency) LESSOR shall have the option but not the obligation to make such repairs at the expense of LESSEE. LESSEE shall pay as additional rent due hereunder upon demand all costs of LESSOR for making such repairs. LESSOR shall have no liability to LESSEE for any damage, inconvenience or interference with

the use of the Premises by LESSEE as a result of the making of any repairs made by LESSOR under this section and the rent shall not be abated by reason thereof.

## **11.0 Alterations and Improvements.**

**11.1 Alterations and Improvements in General.** LESSEE shall not install, make, or suffer to be made, any alterations or improvements to the Premises or any part thereof without the prior written consent of LESSOR which shall not unreasonably be withheld. All work performed by LESSEE shall be performed in accordance with good construction practices, applicable governmental requirements, the requirements of any insurance policy providing coverage to the Premises and the general and special conditions, plans and specifications approved by LESSOR. All alterations or improvements performed by LESSEE shall be carried out by licensed contractors reasonably approved by LESSOR and shall be carried out in accordance with all applicable laws and regulations. LESSEE shall at LESSEE's sole cost and expense obtain all necessary permits, licenses and authorizations in connection with the construction. LESSEE's work shall be subject to the general inspection of LESSOR. LESSEE shall provide proof satisfactory to LESSOR that LESSEE's contractor will (a) provide warranties for not less than one year against defects in workmanship, materials, and equipment; (b) carry or cause to be carried worker's compensation insurance covering all of the contractor's and its subcontractor's employees; and (c) carry public liability and property damage insurance which names LESSOR as an insured and requires thirty (30) days prior written notice to LESSOR before any change in or cancellation of coverage becomes effective. The policy or policies shall contain liability limits of not less than Five Million Dollars (\$5,000,000) single limit coverage. LESSOR shall have the right to post a notice of non-responsibility for liens arising out of any work performed, materials furnished, and obligations incurred by LESSEE. LESSEE agrees to advise LESSOR in writing at least ten (10) business days in advance of the date upon which alterations will be commenced in order to permit LESSOR to post such a notice. LESSEE shall keep the Premises free from any and all liens arising out of any work performed, materials furnished, or obligations incurred by LESSEE. LESSEE shall indemnify, defend and hold LESSOR harmless against any claim, demand, liability or expense on account of claims for work done or materials supplied for LESSEE or person claiming under it.

**12.0 Surrender of Premises.** Upon the expiration or earlier termination of this Lease, LESSEE shall vacate and surrender the Premises and all improvements and alterations made thereto in good condition, reasonable use and wear excepted. If required by LESSOR, LESSEE shall remove prior to the date of termination at LESSEE's expense, any or all of its trade fixtures, equipment, machinery, materials or other personal property which are not an integral part of the Premises and shall repair any damage to the Premises caused by such removal. This covenant shall survive the expiration or sooner termination of the term of this Lease. LESSEE shall have the option to remove its movable furniture and trade fixtures prior to the expiration or sooner termination of the term of this Lease, provided that any damage to the Premises caused by such removal is repaired by LESSEE. All improvements, additions to or alterations of the Premises with respect to which LESSEE does not exercise its option to remove or LESSOR does not require removal (each pursuant to this section) shall at the termination of the Lease remain attached to and become part of the Premises. LESSEE shall have no obligation to remove any of the Premises Improvements.

## **13.0 Damage, Destruction or Condemnation.**

**13.1 Damage or Destruction.** If the Premises are damaged or destroyed during the term hereof, LESSOR agrees to consult with LESSEE on the advisability of repairing or rebuilding the Premises. In the event there is destruction or damage to the Premises, LESSEE may either elect to repair or rebuild the Premises or may elect to terminate this Lease by giving notice of such election in writing to LESSOR within sixty (60) days after the occurrence of the event causing the damage. If LESSEE elects to terminate, all insurance proceeds received by either party as a result of the

cost of repairing damage to the Premises shall belong to LESSOR. If LESSEE does not elect to terminate, this Lease shall continue, and LESSEE shall diligently complete the repair or rebuilding of the Premises. If LESSEE elects to repair or rebuild, the damage shall be promptly repaired by LESSEE at LESSEE's expense, provided that LESSEE shall apply any insurance proceeds received as a result of such damage to the repair or replacement of the Premises. If damage to the Premises or repair or rebuilding of the Premises after such damage renders the Premises untenantable in whole or in part and the damage is not due to the default or neglect of LESSEE and LESSEE elects to repair such damage pursuant to the provisions of this section, then a proportionate abatement of the rent shall be allowed from the ninetieth (90th) day following the date on which such damage occurs until the date LESSEE completes repairs, but in no event for longer than an aggregate of one hundred eighty (180) days. LESSEE hereby waives any rights it may have under the provisions of California Civil Code section 1932(2) and section 1933(4) or any successor statute thereto regarding repair and termination after destruction of part or all of the Premises.

**13.2 Total Taking.** If all the Premises are taken or condemned for a public or quasi-public use, this Lease shall terminate as of the date of condemnation and LESSEE shall thereupon be released from any liability thereafter occurring hereunder.

**13.3 Partial Taking.** If any part of the Premises are taken or condemned for a public or quasi-public use and there is such a major change in the character of the property as to prevent LESSEE from using the Premises in substantially the same manner as theretofore used then in such event LESSEE may terminate this Lease as of the date of condemnation by giving written notice to LESSOR within fifteen (15) days after the date of condemnation. If any part of the Premises are taken or condemned for a public or quasi-public use and LESSEE does not have the power to terminate this Lease as hereinabove set forth, then this Lease shall continue in full force and effect except that as to the part so taken this Lease shall terminate as of the date of condemnation and the monthly rent payable hereunder shall be adjusted so that LESSEE shall be required to pay for the remainder of the term only such portion of such rent as the value of the remaining part after condemnation bears to the value of the Premises at the date of condemnation. Each party hereby waives the provisions of California Code of Civil Procedure section 1265.130 or any similar statute allowing either party to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

#### **14.0 Default.**

**14.1 Event of Default.** Each of the following events shall be an event of default hereunder by LESSEE and a breach of this Lease:

**14.1.1** The failure by LESSEE to pay LESSOR any rent or other charges due under this Lease as and when the same become due and payable if such nonpayment continues for a period of three (3) days after written notice thereof by LESSOR to LESSEE;

**14.1.2** The failure by LESSEE to perform or observe any other agreements, terms, covenants or conditions hereof if such nonperformance or nonobservance continues for a period of ten (10) days after written notice thereof by LESSOR to LESSEE or such performance or observance cannot be had within such 10-day period then if LESSEE has not in good faith commenced such performance within such 10-day period and does not diligently proceed therewith to completion;

**14.1.3** The filing by or against LESSEE in any court pursuant to any statute of the United States or of any state of a petition in bankruptcy or insolvency or for reorganization or arrangement or for the appointment of a receiver or trustee of all or any portion of LESSEE's property if within thirty (30) days after the commencement of any such proceedings against LESSEE or after such

assignment for the benefit of creditors such petition shall not have been dismissed or such assignment shall not have been revoked;

**14.1.4** The transfer of LESSEE's interest in this Lease to any person, firm or corporation whether voluntarily or by operation of law except in the manner expressly permitted in this Lease.

**14.2 LESSOR's Remedies.** LESSOR shall have the following remedies in the event of default. The remedies are not exclusive-they are cumulative and in addition to any remedies now or later allowed by law. LESSOR can continue this Lease in full force and effect. The Lease will continue in effect as long as LESSOR does not terminate LESSEE's right to possession and LESSOR shall have the right to collect rent when due during the period LESSEE is in default. LESSOR can enter the Premises and relet them or any part of them to third parties for LESSEE's account. No act by LESSOR in reletting the Premises allowed by this section shall terminate this Lease unless LESSOR notifies LESSEE that LESSOR elects to terminate this Lease. LESSOR can terminate LESSEE's right to possession of the Premises at any time upon giving notice to LESSEE. No act by LESSOR other than giving notice to LESSEE shall terminate this Lease. In the event of LESSEE's default and LESSOR's re-entering of the Premises, LESSEE agrees to pay LESSOR as an additional item of damages the cost of repairs, alterations, redecorating, lease commissions and LESSOR's other expenses incurred in reletting the Premises to a new tenant.

**14.3 Attorneys' Fees.** In the event of any action at law or in equity (or in the event of any arbitration required by the terms of this Lease) between LESSOR and LESSEE arising out of or concerning this Lease or any right or obligation derived therefrom, then in addition to all other relief at law or in equity, the prevailing party shall be entitled to recover from the unsuccessful party all attorneys' fees and costs incurred therein by the prevailing party.

## **15.0 Indemnity and Insurance.**

**15.1 Waiver.** This Lease is made upon the express condition that LESSEE hereby waives all claims against LESSOR for damages to property or for injuries or death to any person or persons from any cause except to the extent of the negligence of LESSOR or any of its agents, employees or servants arising at any time.

A. LESSEE's Indemnification of the LESSOR. To the fullest extent permitted by law, LESSEE shall, at LESSEE's sole expense and with counsel reasonably acceptable to the LESSOR, indemnify, defend, and hold harmless the LESSOR from and against all claims, as defined in Section 15.1B, to the extent arising out of or relating (directly or indirectly), to LESSEE's use or occupancy of the Premises, including without limitation:

(1) The use or occupancy, or manner of use or occupancy, of the Premises by LESSEE;

(2) Any act, error, omission, or negligence of LESSEE or of any invitee, guest, or licensee of LESSEE in, on, or about the Premises;

(3) LESSEE conducting of its business;

(4) Any improvement, activities, work, or things done, omitted, permitted, allowed, or suffered by LESSEE in, at, or about the Premises or the Airport, including the violation of or failure to comply with any applicable laws, statutes, ordinances, standards, rules, regulations, order, decrees, or judgments in existence on the Commencement Date or enacted, promulgated, or

issued after the Commencement Date; and

(5) Any breach or default in performance of any obligation on LESSEE's part to be performed under this Lease, including obligations that survive expiration or earlier termination of this Lease under the terms of this Lease.

B. Definition of Claims. For purposes of this Lease, "Claims" means any and all claims, losses, costs, damage, expenses, liabilities, liens, actions, causes of action (whether in tort or contract, at law or in equity, or otherwise), charges, assessments, fines, and penalties of any kind and Environmental Matters, as defined in this Lease (including consultant and expert expenses, court costs, and attorneys' fees actually incurred).

C. Type of Injury or Loss. This indemnification extends to and includes Claims for:

- (1) Injury to any persons (including death at any time resulting from that injury); and
- (2) Loss of, injury or damage to, or destruction of property (including all loss of use resulting from that loss, injury, damage, or destruction), and all economic losses and consequential or resulting damage of any kind.

D. Survival of Indemnification. The indemnification clauses of this Section 15.1 shall survive the expiration or earlier termination of this Lease until all claims against the LESSOR involving any of the indemnified matters are fully, finally, and absolutely barred by the applicable statutes of limitations.

**15.2 Insurance Coverage.** During the term of this Lease including any extension or renewal thereof, LESSEE at its cost shall at all times maintain in full force and effect comprehensive public liability insurance and property damage insurance (each more particularly described below) upon the Premises.

**15.2.1 General Liability.** Comprehensive general liability insurance with a minimum of not less than Five Million Dollars (\$5,000,000) combined single limit annual aggregate for bodily injury and property damage in connection with the use by LESSEE, sublessees, invitees, agents, suppliers and employees on the Premises.

**15.2.2 Fire Insurance.** LESSEE shall maintain fire insurance covering the Premises and all improvements, including protection against perils included within the classification standard fire and extended coverage together with insurance against vandalism and malicious mischief; in an amount sufficient to fully cover the replacement cost of all improvements.

**15.3 Other Insurance Requirements.** All policies shall name LESSOR as an additional insured. Insurance shall be with a company or companies reasonably satisfactory to LESSOR in the amounts of not less than that specified herein or in minimum amounts as may be subsequently adjusted by LESSOR in the exercise of its reasonable business judgment and consistent with airport industry practice for similar kinds of activities. LESSEE shall at all times during the term of this Lease, including any extension or renewal hereof, provide LESSOR with a certificate from the insurance carrier or carriers insuring LESSOR and LESSEE as set forth herein. Insurance policies shall not be subject to cancellation except after notice to LESSOR by registered mail at least thirty (30) days prior to such cancellation. Where policies have normal expirations during the

term of this Lease or any extension thereof written evidence of renewal shall be furnished to LESSOR thirty (30) days prior to such expiration.

**15.4 Waiver of Subrogation.** The parties release each other and their respective authorized representatives from any claims for damage to any person or to the Premises and to the fixtures, personal property, LESSEE improvements and alterations by LESSOR or LESSEE in or on the Premises that are caused by or result from risks insured against under any insurance policy carried by either party and in force at the time of any such damage to the extent of the insurance proceeds received from such policy. Each party shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. If the insurance cannot be obtained or the party in whose favor a waiver of subrogation is desired refuses to pay the additional premium charged the other party is relieved of the obligation to obtain a waiver of subrogation right with respect to the particular insurance involved.

**16.0 Hazardous Substances.** The provisions of this section 16, which govern LESSEE's obligations with regard to hazardous substances, as defined below, shall survive termination of this Lease.

**16.1 Responsibility for and Definition of Hazardous Substances.** LESSEE agrees to indemnify, defend, protect and hold LESSOR free and harmless from and against any and all claims, liability, loss, damage, actions or causes of action, costs and expenses (including attorney's fees) arising from or in connection with the presence of any Hazardous Substances in, on or under the Premises except to the extent that LESSEE can demonstrate that such Hazardous Substances were present in, on or under the Premises prior to the commencement date or migrated onto or under the Premises from other land after such date. Furthermore, LESSEE shall, at LESSEE's sole cost and expense, be responsible for the receiving, use, storage, handling, transportation, generation, spillage, migration, discharge, release, and disposition of all Hazardous Substances to the extent any such are used, stored, brought onto, located on or shipped from or within, the Premises in connection with LESSEE's occupancy and use thereof, in accordance with all applicable rules, regulations, orders, ordinances, statutes, codes and laws. For purposes of this Lease, "Hazardous Substances" shall include but not be limited to flammable, combustible, explosive, corrosive, caustic, carcinogenic or radioactive matter, petroleum or petroleum related materials and/or substances defined as "hazardous substances", "hazardous materials", "hazardous waste" or "toxic substances" in any federal, state or local laws or regulations adopted or publications promulgated pursuant to said laws (hereinafter collectively referred to as the "Laws"). LESSEE shall, at LESSEE's sole cost and expense, comply fully with all requirements of the Laws applicable to LESSEE's use of the Premises and obligations contained herein.

**16.1.1** On and after the Commencement Date, LESSEE shall not cause or permit any Hazardous Substance to be used, generated, manufactured, produced, stored, brought upon, or released on, in, under or about the Premises, or transported to or from the Premises, by LESSEE, its agents, employees, contractors, invitees, guests or vendors in violation of any Environmental Laws.

**16.1.2** Without limiting the foregoing, if the activities of LESSEE, its officers, agents, employees, contractors, guests, vendors or invitees on the Premises result in an unauthorized release of any Hazardous Substance, LESSEE shall at its sole cost and expense promptly take all actions necessary to fully remediate and remedy the condition caused by such release of a Hazardous Substance in compliance with all Environmental Laws.

**16.1.3** LESSEE shall immediately notify the LESSOR of the occurrence of any of the following events and provide the LESSOR with a copy of all relevant documents in the custody or control of LESSEE: (i) receipt by LESSEE of any correspondence from any governmental entity regarding compliance by LESSEE with any matter set forth in this Lease; (ii) discovery or actual knowledge of LESSEE of any matter or condition of the Premises that may give rise to a claim or accrual of action against the Air Force under Section 330(d) of the National Defense Authorization Act of 1993, as amended; (iii) receipt by LESSEE of any correspondence or communication from any governmental entity regarding the application of Environmental Laws from and after the Commencement Date to the Premises or the investigation or enforcement of any such Environmental Laws in connection with the occupancy or use of the Premises by LESSEE; and (iv) discovery or actual knowledge of LESSEE of any unauthorized release of any Hazardous Substance on, in, under or around the Premises occurring at any time during the Term of this Lease.

**16.1.4** If pretreatment is required for any industrial wastes placed by LESSEE in the City of San Bernardino sewage treatment system under any applicable National Pollutant Discharge Elimination System ("NPDES") permits, Environmental Protection Agency ("EPA") regulations, or the LESSOR's contracts for waste water treatment, LESSEE shall pre-treat such wastes as required.

**16.1.5** LESSEE shall be solely responsible for obtaining and maintaining, at its sole cost and expense, any environmental permits required for its operations under this Lease, independent of any existing Airport permits, including any permits required by the SCAQMD to comply with NPDES, or required by the EPA, the City of San Bernardino or Tenant or the State of California and all agencies thereof. LESSEE shall provide copies of all such permits to the LESSOR together with all renewals or extensions thereof. LESSEE shall immediately notify the LESSOR of any notice of violation, potential violation, modification, revocation, threatened revocation, suspension, threatened suspension, or other adverse action with respect to any of its permits and provide the LESSOR with copies of all requested documents related thereto.

**16.1.6** LESSOR and its agents and representatives shall have the right at any reasonable time to enter and visit the Premises for the purposes of observing the Premises, taking and removing soil or groundwater samples, and conducting tests on any part of the Premises. LESSOR is under no duty, however, to visit or observe the Premises or to conduct tests. No site visit, observation or testing by LESSOR shall result in a waiver of any default of LESSEE or impose any liability on LESSOR. In no event shall any site visit, observation or testing by LESSOR be a representation that Hazardous Substances are or are not present in, on or under the Premises, or that there has been compliance with any law, regulation or ordinance pertaining to Hazardous Substances or any other applicable governmental law. Neither LESSEE nor any other party is entitled to rely on any site visit, observation or testing by LESSOR. LESSOR shall be obligated to disclose to LESSEE or any other party any report or finding made as a result of, or in connection with, any site visit, observation or testing by LESSOR. In each instance, LESSOR shall give LESSEE reasonable notice before entering the Premises or any other place LESSOR is permitted to enter under this section. LESSOR shall make reasonable efforts to avoid interfering with LESSEE's use of the Premises or any other property in exercising any right provided in this section.

**16.1.7** LESSEE shall maintain compliance with the LESSOR's Storm Water Pollution Prevention Plan (SWPPP), as may be amended from time to time, at the sole discretion of the



LESSOR. LESSEE shall disallow its officers, employees, contractors, and sub-contractors to cause substances other than those approved by the LESSOR's SWPPP from entering into the Airport storm drain system. LESSEE's trucks shall be washed in designated areas only – unless LESSEE obtains prior written approval from the LESSOR for alternative methods of containing and eliminating potential storm water contaminants. A Water Quality Management Plan must be prepared by LESSEE and approved by LESSOR prior to commencement of any of the Premises Improvements.

**16.1.8** Notwithstanding the foregoing or any other provisions in this Lease to the contrary, LESSEE and any other occupants or users of the Premises shall be entitled to store on the Premises, and use in connection with operations at the Premises, such hazardous materials as may reasonably be required in connection with their permitted operations thereon, including, without limitation, petroleum products (such as fuel, kerosene and oil), solvents used for cleaning of vehicles and other chemicals normally located on commercial places of business; provided, however, that in all cases such hazardous materials must be stored and used in compliance with applicable Environmental Laws.

**16.2 Compliance with the Environmental Conditions Covenants of the Quitclaim Deed.** Any use, occupancy or activity of LESSEE on the Premises resulting in the receipt by the LESSOR of a notice of default from the Air Force under the Quitclaim Deed relating to the environmental condition of the Premises shall be deemed to be a material default of LESSEE under this Lease, subject to any applicable notice and cure period provided in this Lease. The response of the LESSOR, following receipt by the LESSOR of any such notice of default or breach from the Air Force, shall not waive, stay or otherwise mitigate or remedy the material default of LESSEE under this Lease. LESSEE shall have no right under this Lease to participate in any proceeding between the Air Force and the LESSOR for the resolution of an alleged default, breach or other dispute among the Air Force, the LESSOR, the EPA or the State Department of Toxic Substance Control arising under (or in any way related to) the Quitclaim Deed. LESSOR warrants and represents that the permitted use of the Premises as a parking lot is permitted under the Quitclaim Deed.

**16.3 Emergency Response.** In conformity with the Quitclaim Deed and all applicable regulations, and if required by another public agency, LESSEE shall have a complete "Hazardous Materials and Spilled Fuel Containment Plan", commonly referred to as a Spill Prevention, Control, and Countermeasure plan (SPCC) subject to approval by the LESSOR and all applicable government agencies prior to commencement of operations on the Premises. Such plan shall be independent of the Airport and, except for initial fire response and/or spill containment, shall not rely on the use of Airport personnel or equipment. Should the LESSOR provide any personnel or equipment at the request of LESSEE, or in the event of an emergency threatening the safety of individuals, whether for initial fire response and/or spill containment, LESSEE agrees to reimburse the LESSOR for its actual costs of such response.

**16.4 Inspection.** The LESSOR's rights under this Lease specifically include the right for the LESSOR and federal officials, pursuant to the Quitclaim Deed, or any other provision of law, to inspect the Premises for compliance with Environmental Laws, occupational health and safety laws and regulations, whether or not the LESSOR is responsible for enforcing them. Such inspections are without prejudice to the right of duly constituted enforcement officials to, make

such inspections and are in addition to those authorized by any other provision of this Lease. Except when necessary for the immediate preservation of health, safety and welfare, or as otherwise provided in this Lease, such inspections will occur during normal business hours upon reasonable prior written notice to LESSEE, and the LESSOR shall conduct such inspections so as to reasonably minimize disruption to LESSEE operations on the Premises.

**16.4.1** The LESSOR and its agents shall have the right (but not the obligation) upon thirty (30) calendar days' prior notice to LESSEE and without waiver of any right to seek contribution or exercise any other right or remedy against LESSEE under this Lease, to enter the Premises to conduct and perform such remedial activity on the Premises as may be required under any applicable Environmental Law.

**16.5 Business Response Plan.** If required by another public agency, LESSEE must prepare and maintain to the satisfaction of LESSOR and the San Bernardino County Fire Marshall a Business Disaster Plan and a Business Continuity Plan in accordance with Section 25500 et seq. of the Health and Safety Code. Said plan must be kept current and on file in the Airport, and San Bernardino County Fire Marshall's office.

**17.0 Assignment and Subletting.**

**17.1 Sublease.** LESSEE shall not, either voluntarily or by operation of law, assign, sublet, sell, encumber, hypothecate, pledge, or otherwise transfer all or any part of this Lease or LESSEE's leasehold estate hereunder, except with the written consent of LESSOR.

**18.0 Miscellaneous.**

**18.1 A.** All notices required to be given to either party under this Lease shall be in writing and shall be personally delivered, sent by nationally recognized overnight carrier (for next day or next business day delivery) or sent by United States Postal Service certified mail, return receipt requested, addressed to the LESSOR or LESSEE at the addresses provided below:

**Addresses:**

LESSOR: San Bernardino International Airport Authority  
1601 East Third Street, Suite 100  
San Bernardino, CA 92408  
Attention: Chief Executive Officer

LESSEE: Ashley Furniture Industries, Inc.  
ATTN: President & CEO  
One Ashley Way  
Arcadia, WI 54612

With a copy to:

Ashley Furniture Industries, Inc.  
Attn: General Counsel  
One Ashley Way  
Arcadia, WI 54612

And with a copy to:

Ashley Furniture Industries, Inc. c/o ESRP  
One Cowboys Way  
Suite 350  
Frisco, TX 75034

B. Either party may designate in writing, delivered pursuant to Section 18.1., a different address or persons for delivery of notices under this Lease. The effective date of service of any notice shall be the date such notice is mailed to LESSEE or the Executive Director, if by certified mail or overnight courier, or the date received if by personal delivery.

C. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be considered to be effective as of the first date that the notice was refused, unclaimed, or considered undeliverable by the postal authorities, messenger, or overnight delivery service.

**18.2 Possessory Interest Tax.** In the event a possessory interest tax is levied by the appropriate taxing authority of the County of San Bernardino or the State of California, it is understood that LESSEE shall be solely responsible for the payment of such tax. LESSEE shall also pay all taxes, assessments, fees, and charges on all merchandise, fixtures, and equipment owned or used thereon.

**18.3 Non-Discrimination.** The Standard Nondiscrimination and Airport Development Provisions For Leases attached hereto as Exhibit "B" are incorporated herein by this reference. LESSEE's failure to abide by the requirements set forth therein shall constitute a breach of the terms of this Lease in like manner as if the same were contained herein as covenants and conditions.

**18.4 Time.** Time is of the essence of this Lease and of each and every one of the provisions herein contained.

**18.5 Entire Agreement.** This Lease sets forth all the covenants, agreements and conditions between LESSOR and LESSEE concerning the Premises and there are no other covenants, promises, agreements, conditions or understandings either oral or written between them. No subsequent alteration, amendment, change or addition to the Lease shall be binding upon LESSOR or LESSEE unless reduced to writing and signed by each of them.

**18.6 Captions.** The headings and titles to the paragraphs of this Lease are not part of this Lease and shall have no effect on the construction or interpretation of any part of this Lease.

**18.7 Applicable Law and Venue.** The laws of the State of California shall govern the validity, performance and enforcement of this Lease. Venue for any action brought relating to this

Agreement shall be held exclusively in San Bernardino County Superior Court or the United States District Court, Central District of California.

**18.8 Partial Invalidity.** If any term, covenant or condition of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease shall not be affected thereby and each term, covenant and condition shall be valid and enforced to the fullest extent permitted by law.

**18.9 Tense, Number and Gender.** Each number, tense and gender used in this Lease shall include any other tense, number or gender where the context and the parties hereto or the context and references therein shall require.

**18.10 Negotiated Agreement.** It is acknowledged, agreed and understood by the parties that this Lease and its wording have been arrived at through a process of negotiation between the parties in which each party participated to the fullest extent desired by that party and that neither party is to be deemed the party who prepared this Lease or the party who caused any uncertainty to exist within the meaning of California Civil Code Section 1654.

**18.11 Electronic Signatures.** This Lease may be executed in counterparts by the parties to expedite their execution, each of which shall be deemed an original but all of which together shall constitute one and the same Lease. Delivery of the executed counterpart of this Lease via facsimile or electronic mail in portable document file format (.pdf) shall be as effective as delivery of an originally-signed executed counterpart of this Lease. WITNESS WHEREOF, the parties hereto have executed this Lease on the dates below indicated.

{Signature Page to Follow}

**LESSOR:**

San Bernardino International Airport Authority

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Michael Burrows, Chief Executive Officer

ATTEST:

\_\_\_\_\_  
Jillian Ubaldo  
Assistant Secretary of the Commission

Approved as to form and legal content:

\_\_\_\_\_  
Legal Counsel

**LESSEE:**

Ashley Furniture Industries, Inc.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Todd R. Wanek  
President & CEO

**EXHIBIT "A"**  
**DESCRIPTION OF PREMISES**

The Premises consists of the two parcels depicted on the two-page ASHLEY PARKING LOT – NORTH and ASHLEY PARKING LOT – SOUTH site maps attached hereto.

DRAFT

## **EXHIBIT "B"**

### **STANDARD NONDISCRIMINATION AND AIRPORT DEVELOPMENT PROVISIONS FOR LEASES**

1. LESSEE for himself/herself/itself and all heirs, personal representatives, successors in interest, and assigns, as a part of the consideration for the Lease to which these Standard Nondiscrimination And Airport Development Provisions For Leases are attached or made a part (hereinafter, the "Lease"), does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in the Lease (the "Premises") for a purpose for which a United States Department of Transportation ("DOT") program or activity is extended or for another purpose involving the provision of similar services or benefits, LESSEE shall maintain and operate such facilities and services in compliance with all requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
2. LESSEE for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Lease, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under the Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, and (3) that LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
3. LESSEE for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Lease, does hereby covenant and agree as a covenant running with the land that in the event of breach of any of the above nondiscrimination covenants, LESSOR shall have the right to terminate the Lease and to reenter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.
4. LESSEE shall furnish all accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable and

not unjustly discriminatory prices for each unit or service; provided, that LESSEE may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

5. Non-compliance with Provision 4 above shall constitute a material breach of the Lease and in the event of such noncompliance LESSOR shall have the right to terminate the Lease and the estate thereby created without liability therefore or at the election of LESSOR or the United States either or both said governments shall have the right to judicially enforce these provisions.
6. LESSEE assures that LESSEE will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. LESSEE assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. LESSEE assures that LESSEE will require that LESSEE's covered suborganizations provide assurances to LESSEE that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effect.
7. LESSOR reserves the right to further develop or improve the landing area of the San Bernardino International Airport (the "Airport") as LESSOR sees fit, regardless of the desires or view of LESSEE and without interference or hindrance.
8. LESSOR reserves the right, but shall not be obligated to LESSEE, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of LESSEE in this regard.
9. The Lease shall be subordinate to the provisions and requirements of any existing or future agreement between LESSOR and the United States, relative to the development, operation or maintenance of the Airport.
10. There is hereby reserved to LESSOR, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation of the Airport.
11. LESSEE agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.
12. LESSEE by accepting the Lease expressly agrees for himself/herself/itself and all successors and assigns that LESSEE will not erect nor permit the erection of any structure or object, nor permit the growth of any tree exceeding 25 feet above Premises ground level without prior written approval of the LESSOR. In the event the aforesaid covenants are breached, LESSOR reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of LESSEE.
13. LESSEE by accepting the Lease expressly agrees for himself/herself/itself and all successors and assigns that LESSEE will not make use of the Premises in any manner



which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, LESSOR reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of LESSEE.

14. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a).
15. The Lease and all the provisions thereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

**EXHIBIT "C"**  
**RENT SCHEDULE**

**(Estimated pending Reconciliation of Tenant Improvements)**

DRAFT



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 22, 2024**

**ITEM NO: 12**

**PRESENTER: Michael Burrows, Chief Executive Officer**

**SUBJECT: REVIEW STATUS OF THE ACTION PLAN FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) THROUGH JUNE 30, 2024**

### **SUMMARY**

On December, 16, 2015, the SBIAA Commission adopted a Strategic Plan and in January 2020 updated its Business Plan and near term outlook. These helped identify key dates and deliverables in an effort to focus San Bernardino International Airport Authority (SBIAA) Staff and Resources to increase organizational, operational efficiencies and results.

### **RECOMMENDED ACTION(S)**

Review the Action Plan for the San Bernardino International Airport Authority through June 30, 2024.

### **FISCAL IMPACT**

None. The proposed plan identifies staff resources for which funding is included in the General Fund of the adopted San Bernardino International Airport Authority (SBIAA) Budget for Fiscal Year 2023/24.

PREPARED BY:	Michael Burrows
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	SBIAA Commission

**BACKGROUND INFORMATION**

The Action Plan identifies key dates and deliverables in an effort to focus San Bernardino International Airport Authority (SBIAA) Staff and Resources to increase organizational and operational efficiencies.

This status is offered for consideration and review. Updates and adjustments should be made, as appropriate, at each monthly interval.

For review and discussion.

**Attachments:**

1. SBIAA Action Plan

# June 30, 2024 – Airport Focal Areas



Ensure Operational & Financial Stability

Stabilize Revenue Streams & Sources

Good Neighbor Program

Airport Outreach:

Business Retention & Expansion

Solar Project

AOA Access Road Project

Grant Programs & Initiatives

International Trade

San Manuel Development



San Bernardino International Airport Authority

Action Plan for SBIAA (6/30/24)

Month	Key Initiative	Key Resources	Completion Date
January, 2024	Airport Operations Update; FAA Reporting; Good Neighbor Report	SBIAA Commission, CEO, Director of Aviation, Airport Manager, Director of Finance	January, 2024
February , 2024	Mid-Year Budget Adjustments; Emergency Exercise	Director of Aviation, Airport Manager, Director of Finance, Director of Administration	February, 2024
March, 2024	Legislative Updates; Phoenix service, Operational Updates	CEO, Director of Administration, Director of Aviation, Director of Finance	March, 2024
April, 2024	Grant Program & Initiatives	Director of Finance, Director of Aviation, Project Manager	April, 2024
May, 2024	International Trade Initiatives; Draft Annual Budget Preparation and Review	SBIAA Commission & Committee, CEO, Director of Finance, Exec Staff	May, 2024
June, 2024	Adopt Annual Budget	SBIAA Commission & Committee, CEO., Aviation Director, Director of Finance, Exec Staff	June, 2024

- Critical Path for Commission Buy-In & Implementation; Aggressive Timeline May Impact Capital Plan

# SBIAA Near-Term Action Plan – Implementation



May, 2024

Sub-Initiative Status:



Incomplete      In Process      Completed

Stabilize Tenants & Infrastructure



Review Operational Plans



AOA Access Road Project



Implement New Accounting Software



Complete 2023/24 Airport Marketing Efforts & Initiatives



Air Passenger Service (PHX)



International Trade  
Legislative Program

