

# SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY

## REGULAR MEETING AGENDA

WEDNESDAY, SEPTEMBER 24, 2025

### Zoom Information:

<https://us02web.zoom.us/j/88524189145?pwd=QCePTkaJR3sGf2bq2aOsUtMXzk6P5N.1>

Meeting ID: 885 2418 9145 | Passcode: 732319

Dial by your location | +1 669 900 6833 US

**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

### **Penny Lilburn, President**

*Mayor, City of Highland*

### **Joe Baca, Jr., Vice President**

*Supervisor, County of San Bernardino*

### **Theodore Sanchez**

*Councilmember, City of San Bernardino*

### **COMMISSION MEMBERS:**

#### **Frank J. Navarro**

*Mayor, City of Colton*

#### **Rhodes Rigsby, Secretary**

*Councilmember, City of Loma Linda*

#### **Kim Knaus**

*Councilmember, City of San Bernardino*

### **ALTERNATE COMMISSION MEMBERS:**

#### **Dawn Rowe**

*Supervisor, County of San Bernardino*

#### **Phillip Dupper**

*Mayor, City of Loma Linda*

#### **John Echevarria**

*Councilmember, City of Colton*

#### **Larry McCallon**

*Mayor Pro Tem, City of Highland*

#### **Fred Shorett**

*Councilmember, City of San Bernardino*

- 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.

**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. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8  
Property: 105 North Leland Norton Way, San Bernardino CA 92408  
Negotiating Parties: Michael Burrows, SBIAA Chief Executive Officer and Betty Liu, Transportation Security Administration (TSA)
- b. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8  
Property: 275 N. Leland Norton Way, San Bernardino CA 92408  
Negotiating Parties: Michael Burrows, SBIAA Chief Executive Officer and Mike Allen, Executive Vice President, Bulk Fuel Sales, Titan Aviation Fuels

**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 SEPTEMBER 24, 2025  
[**PRESENTER:** Jillian Ubaldo, Assistant Secretary of the Commission **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. CHIEF EXECUTIVE OFFICER'S REPORT  
[**PRESENTER:** Michael Burrows, Chief Executive Officer **PAGE#: 014**]
- b. REPORT ON FAA GRANTS  
[**PRESENTER:** Mark Gibbs, Director of Aviation **PAGE#: 015**]
- c. REPORT ON SERVICE PIT PROJECT  
[**PRESENTER:** Jeff Barrow, Director of Development **PAGE#: 016**]
- d. REPORT ON TITAN FUELS AMENDMENT  
[**PRESENTER:** Mark Gibbs, Director of Aviation **PAGE#: 017**]

**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 AUGUST 2025  
[**PRESENTER:** Mark Cousineau, Director of Finance **PAGE#: 029**]

4. RECEIVE AND FILE TREASURER'S REPORT FOR JULY 31, 2025 FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA)  
[PRESENTER: Mark Cousineau, Director of Finance PAGE#: 038]
5. AUTHORIZE STAFF TO ISSUE A REQUEST FOR QUALIFICATIONS FOR DESIGN/BUILD FIRMS FOR THE CONSTRUCTION OF THE SBD ABOVE AND BEYOND PROJECT  
[PRESENTER: Jeff Barrow, Director of Development PAGE#: 041]
6. AUTHORIZE A CONTRACT WITH PAYCOM FOR IMPLEMENTATION OF A HUMAN CAPITAL MANAGEMENT SOLUTIONS SOFTWARE PLATFORM  
[PRESENTER: Catherine Pritchett, Director of Administration PAGE#: 044]
7. APPROVE MEETING MINUTES: AUGUST 27, 2025  
[PRESENTER: Jillian Ubaldo, Assistant Secretary of the Commission PAGE#: 052]

**I. COMMISSION ACTION ITEMS**

8. CONSIDER AND ADOPT PROPOSED BUDGET ADJUSTMENTS FOR FISCAL YEAR 2025-2026  
[PRESENTER: Mark Cousineau, Director of Finance PAGE#: 062]
9. APPROVE THE FORM OF A LEASE AGREEMENT WITH ALOFT AVIATION SERVICES, LLC (ALOFT) FOR HANGAR NO. 341  
[PRESENTER: Darrell Hale, Property Manager PAGE#: 065]
10. RATIFY THE PROCUREMENT OF A FIRE PUMP AND ENGINE IN AN AMOUNT NOT TO EXCEED \$393,724  
[PRESENTER: Catherine Pritchett, Director of Administration PAGE#: 130]
11. APPROVE AWARD OF A PROFESSIONAL SERVICES AGREEMENT WITH AECOM TECHNICAL SERVICES, INC. IN AN AMOUNT NOT TO EXCEED \$292,320 FOR DESIGN SERVICES FOR THE AIRPORT PAVEMENT MANAGEMENT PLAN UPDATE  
[PRESENTER: Mark Gibbs, Director of Aviation PAGE#: 135]
12. APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH JR MILLER AND ASSOCIATES, INC. FOR THE SBD ABOVE AND BEYOND PROJECT IN AN AMOUNT NOT TO EXCEED \$407,455  
[PRESENTER: Jeff Barrow, Director of Development PAGE#: 184]
13. CONSIDER AND DISCUSS A REPORT ON ANNUAL BUSINESS PLAN PROGRESS  
[PRESENTER: Jillian Ubaldo, Assistant Secretary of the Commission PAGE#: 210]
14. REVIEW STATUS OF THE ACTION PLAN FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) THROUGH DECEMBER 31, 2025  
[PRESENTER: Michael Burrows, Chief Executive Officer PAGE#: 211]

**J. 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, October 22, 2025.

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: September 24, 2025</b></p> <p><b>ITEM NO: 1</b></p> <p><b>PRESENTER: Jillian Ubaldo, Assistant Secretary of the Commission</b></p>
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**SUBJECT: POSSIBLE CONFLICT OF INTEREST ISSUES FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) COMMISSION MEETING OF SEPTEMBER 24, 2025**

### **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:	Yajaira Maldonado
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>
2.d.	<u>Titan Aviation Fuels, Inc.</u> Robert "Buddy" Stallings, Owner Robbie Stallings, President Mike Allen, Vice President Kyle Voorhees, Southwestern Sales Representative	None.
6.	<u>Paycom</u> Chad Richison, CEO/President	None.
9.	<u>Aloft Aviation Services, LLC.</u> John Kennedy John Cruce Zachary Schwendenman	None.

- |     |  |       |
|-----|--|-------|
| 10. | <u>API Group, Inc. DBA Western States Fire Protection</u><br>David Camacho, CEO/CFO/Secretary                      | None. |
| 11. | <u>AECOM Technical Services, Inc.</u><br>Karl E. Jensen, CEO<br>Allison Hall, CFO<br>Armond Tatevossian, Secretary | None. |
| 12. | <u>JR Miller and Associates, Inc.</u><br>Donald D. Bianco, CEO/CFO<br>Brett D. Wolfe, Secretary                    | None. |

**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: September 24, 2025</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: September 24, 2025</b></p> <p><b>ITEM NO: 2b</b></p> <p><b>PRESENTER: Mark Gibbs, Director of Aviation</b></p>
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**SUBJECT: INFORMATIONAL ITEMS – REPORT ON FAA GRANTS**

## **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: September 24, 2025</b></p> <p><b>ITEM NO: 2c</b></p> <p><b>PRESENTER: Jeff Barrow, Director of Development</b></p>
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**SUBJECT: INFORMATIONAL ITEMS – REPORT ON SERVICE PIT PROJECT**

## **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: September 24, 2025</b></p> <p><b>ITEM NO: 2d</b></p> <p><b>PRESENTER: Mark Gibbs, Director of Aviation</b></p>
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**SUBJECT: INFORMATIONAL ITEMS – REPORT ON TITAN FUELS AMENDMENT**

## **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. Amendment No. 1

**FIRST AMENDMENT  
TO  
SERVICES AGREEMENT FOR AVIATION FUEL SUPPLIER**

THIS FIRST AMENDMENT TO FUEL SUPPLY AGREEMENT (this "Amendment") is executed as of August 29, 2025 (the "Amendment Effective Date") by and between San Bernardino International Airport Authority ("SBIAA") and Eastern Aviation Fuels, Inc dba Titan Aviation Fuels ("Contractor"). Seller and Customer shall collectively be referred to herein as the "Parties" and the Parties hereby agree as follows:

WHEREAS, the Parties entered into that certain Services Agreement for Aviation Fuel Supplier, dated May 9, 2022 (the "Agreement"); and

WHEREAS, the Parties desire to amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, as well as, other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties agree as follows:

1. **Defined Terms.** Capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to such terms in the Agreement.

2. **Amendments.**

Modify Sections of the Services Agreement, inclusive of Exhibit A "RFP for Aviation Fuel Supplier, February 11, 2022" and "Exhibit B Titan Aviation Fuels Proposal to Provide Fuel Services at the San Bernardino International Airport Received by SBIAA: March 10, 2022" as follows:

- a. **Service Agreement, Section 4. Term.**

- i. The Parties acknowledge and agree that the term of the Agreement currently is in the first one (1) year renewal term provided for in Section 2 of the Agreement based on the mutual agreement of the Parties to extend the term of the Agreement for such renewal term.
- ii. The term of the Agreement hereby is amended to extend for a period of five (5)-years, commencing on the effective date and ending on September 1, 2030 ("New Initial Term"). Contractor shall have two (2)-additional, five (5)-year options to extend the term of the Services Agreement, set to expire September 1, 2040. Either party may terminate this Agreement upon a 60-day written notice upon a breach by the other party of any of such other party's material covenants or material obligations hereunder, except if the party receiving the notice shall cure its breach prior to the effective date of

termination specified in the notice, then the notice shall be of no effect, and this Agreement shall continue in full force and effect. In the event CONTRACTOR fails to cure a breach, SBIAA may terminate this Agreement and, CONTRACTOR shall cease all work immediately after receiving notice from SBIAA unless otherwise advised by SBIAA and shall notify SBIAA of all costs incurred up to such termination date. If at the end of the Option Terms, SBIAA has not purchased at least 375,000,000 gallons of combined bulk aviation fuel from Contractor during the time period beginning with the start of the New Initial Time through, and including, the end of the Option Terms (the "Minimum Gallons"), then this Agreement shall automatically renew for one or more subsequent one (1) year renewal terms until SBIAA has purchased at least the Minimum Gallons. For purposes of clarity, no gallons of bulk aviation fuel purchased by SBIAA from Contractor prior to the beginning of the New Initial Term shall be counted for purposes of determining whether SBIAA has purchased the Minimum Gallons.

- b. **New Section 20. Incentives/Business Development Funds.** The following is added as a new Section 20 of the Agreement.

**20. Incentives/Business Development Funds.** Contractor has agreed to provide to SBIAA up to Six Million and 00/100 Dollars (\$6,000,000.00) in incentives/business development funds to be used for the construction and upfitting of a new indoor/outdoor restaurant/lounge proximate to the International Terminal located at 275 N. Leland Norton Way at the San Bernardino International Airport (the "Premises") and any other purposes that are agreed to by Contractor in writing, *provided* that the amount of such incentives/business development funds shall not exceed SBIAA's actual hard and soft costs to construct and upfit such restaurant.

Notwithstanding any contrary term or provision of this Agreement, if (a) SBIAA ceases to be the sole commercial aviation fuel proprietor at the San Bernardino International Airport, or (b) this Agreement is terminated for any reason (each, a "Trigger Event"), then, unless Contractor waives the applicability of this paragraph in writing, SBIAA shall reimburse Contractor as follows:

1. **First Five-Year Term.** If the Trigger Event occurs during the initial five (5)-year term, SBIAA shall pay to Contractor an amount equal to:
  - (i) \$0.03095 multiplied by
  - (ii) the difference between (a) 375,000,000 gallons and (b) the

aggregate number of gallons of bulk aviation fuel actually purchased by SBIAA from Contractor after the commencement of the New Initial Term and prior to the Trigger Event.

2. **Second and Third Five-Year Option Terms.** If the Trigger Event occurs during either of the subsequent two (2) five-year option terms, SBIAA shall pay Contractor the amount determined in the same manner described above, except that the rate applied under clause (i) shall be \$0.0160 per gallon.

The Contractor shall provide SBIAA written notice of the amount due within thirty (30) days after gaining actual knowledge of the Trigger Event. SBIAA shall commence payment of such amount within fifteen (15) days after the date of Contractor's notice. In the event of early termination, SBIAA shall pay Contractor the then-unamortized value of the incentives/business development funds in equal annual installments over the remaining term of this Agreement, not to exceed fifteen (15) years.

In the event that SBIAA sells more than 500,000,000 gallons of bulk aviation fuels during the term of this Agreement, Contractor will provide SBIAA with one additional 10k Jet A refueler produced to SBIAA specifications. This refueler will be delivered to SBIAA within 120 days of volume achievement to help with back up for current trucks and with the exponential growth at SBIAA. This additional 10k refueler will be leased to SBIAA for one (1) dollar per year. Upon the expiration of this Agreement, Contractor shall transfer full title and ownership of said 10k refueler truck to SBIAA.

- c. **Exhibit B: Delete Existing Section 8.B, Provision 1. "Jet A Refueler" and substitute therefore, the following as a new Section 8.B, Provision 1. "Jet A Refueler"**

"In return for an exclusive supply agreement, TITAN will provide SBIAA with one new 10K Jet A refueler produced to SBIAA specifications. This refueler will help with back up for current trucks and with the exponential growth at SBIAA. This 10K refueler will be leased to Agency for one (1) dollar per year. Upon the effective date of this First Amendment, Contractor shall transfer full title and ownership of said 10K refueler truck to SBIAA."

- d. **Exhibit C: Additional Provisions.** The Agreement, as modified by this Amendment, is subject to the terms and provisions attached hereto as Exhibit C which are incorporated herein by reference.



3. **Remaining Terms.** Except as specifically modified in this Amendment, the Agreement shall remain unchanged and in full force and effect and is hereby in all respects ratified and confirmed.
4. **Conflicting Terms.** If any term contained in this Amendment conflicts with any term contained in the Agreement, the term contained in this Amendment shall prevail.
5. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.
6. **Entire Agreement.** The Parties acknowledge that they have read this Amendment and agree to be bound by its terms. The Parties further agree that the Agreement, together with each executed amendment, constitutes the entire agreement between the Parties with respect to the subject matter therein. The Parties also agree that they each have been represented by counsel, or had a reasonable opportunity to be represented by counsel, in the preparation of this Amendment.

*[The rest of this page intentionally is left blank. A signature page follows.]*

**SIGNATURE PAGE**

IN WITNESS WHEREOF, the Parties have executed this Amendment effective as of the Amendment Effective Date.

**SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**

By: 

Name: Michael Burrows

Title: CEO

**EASTERN AVIATION FUELS, INC D/B/A TITAN AVIATION FUELS**

By: 

Robert L. Stallings, IV, President

**EXHIBIT C**  
**ADDITIONAL PROVISION TO SERVICES AGREEMENT**  
**FOR AVIATION FUEL SUPPLIER.**

**I. SUBORDINATION TO AIRPORT BOND INDENTURE.**

A. SBIAA has issued Airport Revenue Refunding Bonds, Series 2021A (Federally Taxable) and Airport Revenue Bonds Series 2021B (Tax Exempt) under the Master Indenture of Trust, the First Supplemental Indenture of Trust, and the Second Supplemental Indenture of Trust by and between SBIAA and the U.S. Bank National Association, as Trustee (the "Bond Indentures"). The Services Agreement for Aviation Fuel Supplier dated May 9, 2022 as amended by the First Amendment (the "Agreement") is a "Subordinate Obligation" as defined in the Bond Indentures. Capitalized terms used in this Section and not defined herein shall have the meaning as given in the Bond Indentures.

B. The Agreement and SBIAA's obligations thereunder, are subordinate and junior in all respect to the Bond Indentures and (i) the payment of such Parity Obligations as may be Outstanding from time to time, including Parity Obligations issued after the issuance of such Subordinate Obligations; and (ii) the maintenance of the Debt Service Reserve Fund and each Series Debt Service Reserve Fund as provided herein and the maintenance of each debt service reserve for such Parity Obligations as may be Outstanding from time to time, including Parity Obligations issued after the issuance of such Subordinate Obligations.

**II. FAA CONTRACT PROVISIONS.**

For purposes of this Addendum, the following terms shall have the meanings set forth below:

"Permit" shall mean the Agreement as defined above.

"Permit Holder" shall mean Contractor or any successor to Contractor under the Permit.

**A. GENERAL CIVIL RIGHTS PROVISIONS**

In all its activities within the scope of its airport program, the Permit Holder agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

**B. Title VI List of Pertinent Nondiscrimination Acts and Authorities**

During the performance of this permit, the Permit Holder, for itself, its assignees, and successors in interest agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, *et seq.*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

### C. **Compliance with Nondiscrimination Requirements**

During the performance of this Permit, the Permit Holder agrees as follows:

1. **Compliance with Regulations:** The Permit Holder (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Permit.
2. **Nondiscrimination:** The Permit Holder, with regard to the activity or work performed by it during the Permit, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Permit Holder will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Permit Holder for work or activities to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Permit Holder of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Permit Holder will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Permit Holder will so certify to SBIAA or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a Permit Holder's noncompliance with the non-discrimination provisions of this Permit, SBIAA will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
  - a. Cancelling, terminating, or suspending the Permit and all activities or events thereunder in whole or in part.
6. **Incorporation of Provisions:** The Permit Holder will include the provisions of paragraphs one through six in every subcontract, including procurements of materials

and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Permit Holder will take action with respect to any subcontract or procurement as the SBIAA or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Permit Holder becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Permit Holder may request the SBIAA to enter into any litigation to protect the interests of the Airport. In addition, the Permit Holder may request the United States to enter into the litigation to protect the interests of the United States.

**D. CLAUSE FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM**

The Permit Holder for itself, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the ground of race, color, or national origin, will 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 furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Pertinent Nondiscrimination Acts and Authorities.

**E. CLAUSE FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE AIRPORT IMPROVEMENT PROGRAM**

The Permit Holder for itself, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that:

1. In the event facilities are constructed, maintained, or otherwise operated on the property described in Permit for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the Permit Holder will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

2. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Nondiscrimination covenants, SBIAA will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.

### III. STANDARD AIRPORT DEVELOPMENT PROVISIONS

1. SBIAA reserves the right to further develop or improve the landing area of the San Bernardino International Airport (the "Airport") as SBIAA sees fit, regardless of the desires or view of Permit Holder and without interference or hindrance.

2. SBIAA reserves the right, but shall not be obligated to Permit Holder 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 Permit Holder in this regard.

3. This Permit shall be subordinate to the provisions and requirements of any existing or future agreement between SBIAA and the United States, relative to the development, operation or maintenance of the Airport, including SBIAA's federal grant assurance obligations as promulgated by the FAA.

4. There is hereby reserved to SBIAA, 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.

5. Permit Holder 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.

6. Permit Holder by accepting the Permit expressly agrees for himself/herself/itself and all successors and assigns that Permit Holder will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the Premises which would exceed the height limits of Part 77 of the Federal Aviation Regulations, except as specifically shown on construction plans approved in writing by SBIAA following any applicable Federal Aviation Administration review. In the event the aforesaid covenants are breached, SBIAA 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 the Permit Holder.

7. Permit Holder by accepting the Permit expressly agrees for himself/herself/itself and all successors and assigns that Permit Holder 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, SBIAA reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of Permit Holder.

8. 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).

9. The Permit 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.





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

**DATE: September 24, 2025**

**ITEM NO: 3**

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

**SUBJECT: REGISTER OF DEMANDS FOR AUGUST 2025**

### **SUMMARY**

SBIAA's Register of Demands for August 2025.

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

Receive for information.

### **FISCAL IMPACT**

Various accounts as shown.

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**

The attached Register of Demands corresponds to checks issued in the month of August 2025. The total of the register is \$8,879,606.07.

**Fuel:** Titan Aviation Fuels was paid \$6,615,934.20 for aviation fuel to resell at Luxivair-SBD. and Merit Oil Co. was paid \$22,995.97 for fuel to operate SBIAA vehicles and for resale at Luxivair-SBD.

**Benefits:** Kaiser Foundation Health Plan, Inc., and LegalShield were paid a total of \$64,570.52.

**Utilities:** Burrtec Waste Industries Inc., City of San Bernardino Water Department, East Valley Water District, Frontier Communications Corporation, Granite Telecommunications Corporation, Southern California Edison, The Gas Company, Utility Telecom Group LLC, and Verizon Wireless were paid a total of \$178,649.95.

**Capital Projects:** CJMC Holdings LLC; Estate Design and Construction Inc., Kasch Graphic Designs, Leonida Builders Inc., and Telemetry and Process Controls Inc. were paid \$94,856.08.

**Professional Services:** Aecom Technical Services Inc.; Allawos & Company; Aviatrix Communications LLC; Boston Fox Tigue International LLC; Coffman Associates Inc.; Coffman Engineers Inc.; Cole Huber LLC; David Turch and Associates; Imagine Systems Inc.; Innovative Federal Strategies LLC; James W. Gourley III; Joseph E. Bonadiman & Associates Inc.; Mead & Hunt Inc.; Mirau, Edwards, Cannon, Lewin, & Tooke LLP; and Right Energy Group, LLC.; were paid a total of \$147,399.17.

### **Attachments:**

1. Register of Demands for the September 24, 2025 Commission Meeting
2. VISA breakdown - August 2025

**San Bernardino International Airport Authority**  
**Register of Demands for Commission Meeting**  
**9/24/2025**

Line	Company Name	Description	AP Register
1	A.O. Reed & Co. LLC	HVAC unplanned repairs and maintenance	24,324.22
2	AAAE Federal Affairs	Digicast software membership for 2025-2026	2,653.84
3	Adel Alsibai	Travel 09/2025 Alexandra VA-Per diem	375.00
4	Aecom Technical Services Inc.	Airfield engineering services	22,374.00
5	Allawos & Company	Consulting fees for Green Energy Services	4,500.00
6	Am-Tec Total Security Inc.	Unplanned alarm monitoring service /repairs-professional alarm monitoring	1,955.00
7	Amazon Capital Services Inc.	Purchases of supplies and goods	5,330.26
8	Amtech Elevator Services	Unplanned maintenance and repairs for elevators/escalators-Customs	4,500.00
9	Audacy Operations Inc.	KFROG radio and streaming advertising	6,342.57
10	Aviatrix Communications LLC	Professional services passenger service marketing-advertising and "Good Neighbor Program"	18,034.67
11	B&H Photo & Electronics Corp	IT supplies	1,600.08
12	BnC Group USA LLC	Crash phone system	29,520.00
13	Boston Fox Tigue International LLC	Marketing services	17,950.99
14	BrightView Landscape Services Inc.	Landscaping maintenance-FBO	1,460.01
15	Burrtec Waste Industries Inc.	Trash removal services	6,160.35
16	C & A Janitorial Services	Janitorial services	13,873.96
17	Carahsoft Technology Corporation	Security alert software camera system	2,095.00
18	CDW Government LLC	Replacement UPS for baggage handling system (BHS)	1,564.36
19	CED-Consolidated Electrical Distributors	Light bulbs & electrical supplies	12.06
20	Cintas Uniforms	Uniform and rug services	6,492.62
21	City of San Bernardino Water Department	Water and sewer services	21,152.88
22	CJMC Holdings LLC	Professional services - project management services	3,200.00
23	Climatec LLC	Specialized security access control system consultant	300.00
24	Coffman Associates Inc.	Perform environmental services for capital projects	4,346.00
25	Coffman Engineers Inc.	Engineering and technical support services for potential clean energy facilities	1,616.50
26	Cole Huber LLP	Professional Legal services	42,868.43
27	David Turch and Associates	Professional lobbying services	5,000.00
28	DBT Transportation Services LLC	ILS/AWOS tower equipment service	3,688.00
29	Dennis Hassett	Travel 08/2025 LA CA-Per diem	259.20
30	Eagle Graphics LLC	Eagle account credit, employee gift boxes and special event credit	641.39
31	East Valley Water District	Water services	136.40
32	Edwin Gutierrez	Annual boot reimbursement	152.24
33	Eide Bailly LLP	Audit services additional billing control testing	4,000.00
34	ESRI	Sales management system (SMS) and drone program	12,597.32
35	Estate Design and Construction Inc.	Luxivair kitchen and snack bar upgrades project	27,654.50

**San Bernardino International Airport Authority**  
**Register of Demands for Commission Meeting**  
**9/24/2025**

Line	Company Name	Description	AP Register
36	FedEx	Courier services	103.00
37	Frontier Communications Corporation	Telephone services	5,782.35
38	GMSTEK LLC	Parts and supplies for building repairs	2,005.02
39	Granite Telecommunications	Telephone services	7,723.66
40	HSG, Inc. DBA Control Concepts Inc.	Maintenance and repairs on baggage handling system	964.00
41	Imagine Systems Inc.	Professional information technology consulting services	2,881.06
42	Inland Action Inc.	Membership dues-M. Burrows	1,917.50
43	Inland Empire Broadcasting Corp DBA KOLA-FM Radio	General SBD marketing advertising	2,560.00
44	Inland Overhead Door	Unplanned maintenance GA hangar 190 door #9	3,400.00
45	Inland Valley Development Agency	Due to From April-May 2025	631,549.12
46	Innovative Federal Strategies LLC	Legislation services	4,000.00
47	James W. Gourley III	Professional agreement services-Base closure matters and issues	7,575.00
48	Jose Garcia	Annual boot reimbursement	176.07
49	Joseph E. Bonadiman & Associates Inc.	ON-call engineering services for airport projects	180.00
50	Kaiser Foundation Health Plan Inc.	Employee medical benefits	63,936.52
51	Kasch Graphic Designs	Bob Evans-fire station project	3,329.00
52	Kevin McKenzie	Annual boot reimbursement	128.00
53	LAD (Aviation) Inc. DBA Charles Taylor Environmental Technical Services	Asbestos-Line room mold remediation-2024	600.00
54	LegalShield	Employee legal group benefits	634.00
55	Leonida Builders Inc.	Badging office remodel flooring project	26,125.00
56	Mario Garcia	Annual boot reimbursement	200.00
57	Mark Dennis	Travel 08/2025 LA CA-Per diem	259.20
58	Mark Gibbs	Travel reimbursement 06/2025 SWAAAE conference	1,431.67
59	Matt Martin	Annual boot reimbursement	200.00
60	Mead & Hunt Inc.	Professional consulting services for air services and airport development	6,490.00
61	Merit Oil Company	Fuel inventory for fleet operations	22,995.97
62	Mirau Edwards Cannon Lewin & Tooke LLP	Professional legal services	3,082.52
63	Parts Authority Metro LLC	Vehicle parts and service supplies-equipment, parts, service and batteries	764.71
64	Pete's Road Service Inc.	Emergency repair FBO fuel truck-tires	6,242.72
65	Petty Cash - Reshma Rajan	Petty cash custodian reimbursement for miscellaneous supplies and employee reimbursements	741.98
66	Placer Labs Inc.	Placer AI Demographic Software	14,000.00
67	ProDIGIQ Inc.	Maintenance and service	10,990.00
68	Red Hawk Services	Blast Pad fence installation-U street	34,547.58
69	Red Star Fire Protection	Sprinkler service repair leak-Bldg. 56 Thunder X	705.68
70	Right Energy Group LLC	Professional services for Green Energy Programs	6,500.00
71	Robert Curtis	BSIS reimbursement	142.25
72	SBR Broadcasting Corp DBA KCAL-FM Radio	General SBD marketing advertising	1,040.00

**San Bernardino International Airport Authority**  
**Register of Demands for Commission Meeting**  
**9/24/2025**

<b>Line</b>	<b>Company Name</b>	<b>Description</b>	<b>AP Register</b>
73	Singlewire Software LLC	Emergency/Notification communication software (ENS)	4,959.00
74	SITA Information Networking Computing USA Inc.	Monthly maintenance and support	1,448.56
75	Skidata Inc.	Service and support	9,205.40
76	Southern California Edison	Electric power	127,768.96
77	Staples, Inc. DBA Staples Contract & Commercial LLC	Office supplies	248.60
78	Sunwest Printing Inc.	Custom printing to support the agency	163.13
79	Sysco Riverside Inc.	Hospitality bar supplies - Luxivair SBD	4,244.28
80	Tammie Headley	Professional services for Leland's Coffee	2,541.50
81	TELOS Identity Management Solutions LLC.	Monthly maintenance and fingerprint submission fee	1,603.50
82	The Gas Company	Natural gas service	774.20
83	Titan Aerospace Insurance, LLC	Property insurance premiums	793,568.53
84	Titan Aviation Fuels	Jet A and Avgas fuel inventory purchases	6,615,934.20
85	Trilogy Medwaste West LLC	Waste disposal service for international flights	3,665.81
86	US Bank	Bond Series 2021B admin fees	3,520.00
87	US Custom & Border Protection	Customs contract and inspection fees	55,884.35
88	US Calibrations Incorporated	Scale calibration	955.00
89	USDA	Wild Hazard Management services	3,466.38
90	Utility Telecom Group LLC	Data Ethernet & phone service-bandwidth & telephone services	4,454.09
91	Verizon Wireless	Wireless phone services	4,697.06
92	VISA	Office supplies, airport supplies and services, and Luxivair SBD supplies, services, and incidentals	60,429.71
93	VFS Fire & Security Services	Recurring / unplanned maintenance, repairs & inspections-pump house	4,500.00
94	Wendy McConaughey	Travel 08/2025 Reno NV-Per diem	375.00
95	Western Exterminator Company	Pest control services	563.38
	<b>Total</b>		<b>\$ 8,879,606.07</b>

**Visa Breakdown  
August 2025  
SBIAA**

Line	Description	Vendor	Dept.	Amount
1	NADEC conference-office supplies	Lowes	Admin.	106.95
2	Restock Oring	Grainger	Admin.	5.01
3	Restock Oring	Grainger	Fuel	5.96
4	Oring replacement	Grainger	Fuel	5.88
5	Ball valve replacement	Grainger	Fuel	70.32
6	Air compressor replacement	Lowes	Fuel	879.90
7	Steel buckets replacement	Grainger	Fuel	80.95
8	Hospitality for Executive meeting	Sam's Club	Fuel	22.63
9	Replenish stock-supplies	Sam's Club	Fuel	574.08
10	Replenish stock-supplies	Lowes	Fuel	258.38
11	Badge expiration tracker/reminder	SkyXoft Technologies Inc.	Maint.	864.00
12	AAAE Airport Operations & Technology Symposium - registration	American Association Airport Executives	Maint.	2,745.00
13	Number signage for new ARFF truck	Airel XL	Maint.	1,336.03
14	Payment for Madison Liquidators invoice no. 59271 office furniture	Madison Liquidators	Badging	11,141.22
15	Misc parts and supplies for landscaping	Dan's Lawnmower Center	Maint.	554.76
16	Personal membership accidentally bought on Cal Card	Sams Club	Maint.	119.63
17	Items needed to scare off birds from AOA	Bird Barrier America	OPS.	985.60
18	Hazardous waste disposal	MediWaste Disposal	OPS.	41.18
19	Import duty fee-cable tester	DHL	Terminal	173.22
20	Connecting link needed to repair baggage handling system	Grainger	Terminal	30.97
21	Refrigerator for Leland's Café	Lowes	Terminal	628.58
22	Deposit for food Employee Retirement	Rosa Maria's	Security	100.00
23	Food for Employee Retirement	Rosies-Yucaipa	Security	83.20
24	Food for Employee Retirement	Sam's Club	Security	40.98
25	Final Payment for food Employee Retirement	Rosa Maria's	Mktg.	481.85
26	Luxivair branded vinyl sticker in support of customer appreciation.	Sticker Genius	Mktg.	145.00
27	Individually wrapped mini chocolate chip cookies in support of the 3rd Breeze Anniversary	Cookie Corner	Mktg.	775.00
28	2025 Board Secretary / CSDA Clerk Conference - Yajaira Maldonado October 27-29, 2025 registration fees	California Special District Association	COB	760.00
29	Prize for Raffle Health Fair-Open Enroll	Amazon	HR	55.43
30	Prize for Raffle Health Fair-Open Enroll	Amazon	HR	76.11
31	Supplies-Health Fair Open Enrollment	Costco	HR	159.54
32	Employee Health Fair and Open Enrollment	Highland Stater Bros.	HR	46.66
33	Employee Health Fair and Open Enrollment	Starbucks	HR	66.00
34	Employee Health Fair and Open Enrollment	Miguel Jr's	HR	1,370.63
35	Employee Health Fair and Open Enrollment	Dessert Freeze	HR	400.00
36	Flowers congratulating employees new baby	1-800 Flowers	HR	81.54
37	Supplies employee Health Fair and Open Enrollment	Sam's Club	HR	193.50
38	Pellets for BBQ quarterly lunch	K&L Hardware	Maint.	21.50
39	Supplies for securing cabinets BLDG 730	K&L Hardware	Maint.	21.30
40	Sealing Roof at FBO	Lowes	Maint.	211.49
41	Copper pipe roof water leak FBO	K&L Hardware	Maint.	58.50
42	Fittings needed for water pipe repair FBO	K&L Hardware	Maint.	142.29
43	Wall jack for crash phone upgrade	Crown Ace Hardware	Maint.	19.12
44	Toilet seat for Customs restroom	The Home Depot	Maint.	121.67
45	Pallet of water for shop	The Home Depot	Maint.	557.13
46	Grounding strap for Fuel Farm	The Home Depot	Maint.	257.25
47	For securing stairs at drone site	K&L Hardware	Maint.	86.65
48	Nuts & Bolts for IT Solar Project - Refund	K&L Hardware	Maint.	(2.51)
49	Keys for Courtney @ Badging	Dibs Safe & Lock	Maint.	85.00
50	Keys for BLDG 58	Dibs Safe & Lock	Maint.	11.42
51	For wall repairs in Badging	Lowes	Maint.	34.46
52	For Badging Office painting	Sherwin -Williams	Maint.	348.49

**Visa Breakdown**  
**August 2025**  
**SBIAA**

53	For Badging Office painting	Sherwin -Williams	Maint.	288.32
54	Plumbing repairs for back-flow BLDG 58	VFS Fire Services	Maint.	960.00
55	Charter Bus for Executive Meeting	Carreras Tours	FBO	1,491.44
56	Car Wash for crew car FBO	Fast 5 Xpress	FBO	10.00
57	Car Wash for crew car FBO	Fast 5 Xpress	FBO	20.00
58	Car Wash for crew car FBO	Fast 5 Xpress	FBO	20.00
59	Fire Lunch	Dominos	FBO	225.01
60	Gas for crew cars FBO	Arco	FBO	90.33
61	Lunch for Interview Line Service panel	Door Dash	FBO	93.24
62	Tickets (accidental purchase)	Punch for Parkinsons	FBO	12.00
63	Tickets accidental purchase refunded	Punch for Parkinsons	FBO	(12.00)
64	Porta Potty cleaning	United Site Services	Maint.	104.01
65	Breeze Airfare Promotion	Breeze	Admin.	543.96
66	SWAAAE Membership renewal M. Gibbs	Southwest Chapter of the American Association of Airport Executives	Admin.	125.00
67	SWAAAE Conference registration M. Gibbs	Southwest Chapter of the American Association of Airport Executives	Admin.	800.00
68	Breeze Airfare Promotion	Breeze	Admin.	817.98
69	Badging office remodel	Graybar Electric	IT	519.23
70	Domain Name Renewals	Network Solutions	IT	254.85
71	Parts organization	ULINE Shipping Supplies	IT	209.58
72	Monthly subscription	Microsoft	IT	680.40
73	Processes parking lot transactions	Windcave	IT	305.00
74	CBP TV Content	Dish Network	IT	114.71
75	Agencies' website usage charges, split between servers for each	DigitalOcean	IT	101.95
76	Agencies' website usage charges, split between servers for each agency \$203.90 IVDA (57331 D54000 E110)	DigitalOcean	IT	101.95
77	DNS service for .gov domains	Amazon Web Services	IT	1.32
78	Website management software, split between servers for each agency. \$108.08 IVDA (57331 D54000 E110)	CPANEL	IT	54.04
79	Website management software, split between servers for each agency. \$108.08 IVDA (57331 D54000 E110)	CPANEL	IT	54.04
80	TV content for concourse	Sling	IT	66.79
81	Tower Line past due amount	Frontier	IT	412.00
82	Supporting new crash phones	Cable & Wireless	IT	30.13
83	Online storage	Apple.com	IT	0.99
84	Monthly subscription - Credit	Microsoft	IT	2.85
85	Monthly subscription	Microsoft	IT	81.90
86	Website monitoring service	OH DEAR LIER	IT	29.63
87	Hosted IT collaboration	Slack	IT	43.75
88	Terminal background music	Soundtrack Your Brand	IT	54.00
89	Supporting new crash phones	SlicShop LLC	IT	109.98
90	Monthly subscription	Microsoft	IT	2.68
91	FBO automatic door repair	DoorTech	FBO	686.30
92	Agriculture/Weights & Measures Permit Fee	San Bernardino County	FBO	1,001.59
93	Food Handler's Card for Megan	State Food Safety	FBO	22.00
94	Movie streaming for FBO theater	Netflix	FBO	24.99
95	Hospitality for Executive meeting on 6/27/25	Stater Bros.	FBO	34.08
96	Leland's coffee inventory	Sam's Club	FBO	85.40
97	Fuel for crew car FBO	Chevron	FBO	57.95
98	Hospitality bar restock	Sam's Club	FBO	388.81
99	Cable for FBO lobby	Dish Network	FBO	155.35
100	Hospitality for Executive meeting on 7/2/25	Panera	FBO	87.34
101	Leland's Coffee inventory	Sam's Club	FBO	72.60
102	Storage subscription for social media device	Apple	FBO	0.99
103	Bakery display case for hospitality bar	The Webstaurant Store	FBO	337.02
104	Ceiling tiles	The Home Depot	FBO	839.64
105	Hospitality bar restock	Sam's Club	FBO	403.62

**Visa Breakdown  
August 2025  
SBIAA**

106	Supplies for Leland's Coffee	Smart & Final	FBO	26.07
107	Leland's Coffee inventory	Smart & Final	FBO	126.90
108	Leland's coffee inventory	Costco	FBO	101.20
109	"Hot dog Day" Promo event	Sam's Club	FBO	87.03
110	Leland's coffee inventory	Sam's Club	FBO	33.28
111	Hospitality bar restock	Sysco	FBO	317.72
112	Food Handler's Card for Ava	State Food Safety	FBO	22.00
113	Dry Cleaning for N60GG	Family Dry Cleaners	FBO	75.25
114	"Hot dog Day" Promo event	Vons	FBO	18.07
115	Leland's Coffee inventory	Sam's Club	FBO	41.21
116	Car wash for crew car	Fast 5 Xpress	FBO	13.00
117	Hospitality for Executive meeting	Stater Bros.	FBO	54.92
118	Hospitality bar restock	Sam's Club	FBO	297.51
119	Fuel for crew car	Chevron	FBO	61.96
120	Fuel for crew car	Chevron	FBO	45.92
121	91 Express lane fees - Crew car	91 Express Lanes	FBO	68.00
122	Hospitality for Exec Meeting	Panera	FBO	92.75
123	Parts for refueler	Titan	FBO	488.49
124	Promo giveaway	Stater Bros.	FBO	25.00
125	Washer and dryer set replacement	Best Buy	FBO	2,267.47
126	Leland's Coffee inventory	Sam's Club	FBO	211.32
127	Stock imagery for advertising and marketing	Adobe	Mktg.	49.99
128	NBAA events participation business member dues assessment-FBO	National Business Aviation Association	Mktg.	1,350.00
129	For Bob Evan's retirement gift	JM Trophies	Mktg.	28.61
130	Fuel pump module/sensor truck #22	Hatfield Buick GMC	Fleet	271.88
131	FBO mini bus battery	Parts Authority	Fleet	262.93
132	Tire disposal	Pete's tire	Fleet	285.00
133	Fleet shop tools	The Home Depot	Fleet	542.66
134	Security 307 dealership work repairs	Ken Grody Ford	Fleet	271.98
135	FBO filters for GPU's	Parts Authority	Fleet	220.19
136	FBO filters for GPU Thor	Parts Authority	Fleet	230.15
137	Generator 811 battery	Parts Authority	Fleet	170.03
138	FBO filters for GPU's	Parts Authority	Fleet	633.99
139	Oil analysis for pump 3 @ 760	Blackstone Lab.	Fleet	40.00
140	FBO Coolant level sensor truck 4908	Colton Truck Terminal	Fleet	183.08
141	FBO GPU Thor battery	Parts Authority	Fleet	133.83
142	Fac. Truck #52 resistor	Parts Authority	Fleet	65.38
143	Brake cleaner bulk shop stock	Parts Authority	Fleet	119.41
144	Fac.Truck #52 HVAC connector	Parts Authority	Fleet	24.07
145	Filters for FBO GPU's	Parts Authority	Fleet	432.84
146	Heater hose shop stock	Parts Authority	Fleet	46.16
147	Security 303 windshield replacement	Soto's Auto Glass	Fleet	325.00
148	Irrigation truck #22 a/c service valve	Parts Authority	Fleet	2.15
149	Mark lift platform battery replacement	Parts Authority	Fleet	126.74
150	Batteries for FBO Lincoln key fobs	K&L Hardware	Fleet	28.40
151	Grounds #27 truck tires	Pete's tire	Fleet	477.65
152	Portable generator filters for services	Parts Authority	Fleet	47.88
153	Tires for grounds truck #28	Pete's tire	Fleet	246.44
154	FBO Lance truck O2 sensor	Parts Authority	Fleet	56.20
155	Batteries for white flat bed truck #20	Parts Authority	Fleet	555.34
156	FBO Lance truck spark plugs	Parts Authority	Fleet	58.38
157	ARFF truck R9 loner nozzle return shipping fees	The UPS store	Fleet	62.23
158	FBO blue tug radiator repair	Bob's Radiator	Fleet	85.00
159	Batteries for blue wrecker truck	Parts Authority	Fleet	303.72
160	Tpms sensor for grounds truck #28	Parts Authority	Fleet	73.69
161	Filters for portable generator	Parts Authority	Fleet	81.57
162	FBO VW cc tire pressure sensor	Parts Authority	Fleet	63.86



**Visa Breakdown**  
**August 2025**  
**SBIAA**

163	Filters for portable generator services	Parts Authority	Fleet	50.48
164	Annual emissions report for the airport	SC AQMD	OPS.	291.94
165	Annual emissions report for the airport	SC AQMD Service Fee	OPS.	6.48
166	Annual emissions report for the airport	SC AQMD	OPS.	216.61
167	Annual emissions report for the airport	SC AQMD Service Fee	OPS.	4.81
168	Pump for portable pesticide tank	Pro Spray	Maint.	294.52
169	Annual inspection	Basic Backflow	Maint.	45.00
170	Remote control for irrigation clocks	Ewing	Maint.	236.95
171	Restocking chem shed	Ewing	Maint.	404.14
172	Repainting handicap stalls	Viking Materials	Maint.	139.72
173	Replacing valve at FBO	Ewing	Maint.	127.69
174	Installing delineators on east ramp	Home Depot	Maint.	89.61
175	Baiting birds around airfield	All Pet Feed and Tack	Maint.	20.42
176	Repainting handicap stalls	Viking Materials	Maint.	139.72
177	Restocking chem shed	Nutrient AG Solutions	Maint.	784.05
178	Restocking chem shed	Ewing	Maint.	393.70
179	Replacement valves for the FBO	Ewing	Maint.	213.59
180	Replace ball valve at the FBO	Ewing	Maint.	91.50
181	Restocking landscaping tools /parts	Dan's Lawnmower Center	Maint.	481.91
182	Travel 08/2025 Reno NV. TailHook Conference M. Burrows-flight	United Airlines	Admin.	540.64
183	CREDIT for Airfare for Andres Zapata - AAAE Conference in Denver, CO - duplicate booking	Southwest Airlines	Admin.	(294.95)
184	CREDIT for Airfare for David Spargo - AAAE Conference in Denver, CO - duplicate booking	Southwest Airlines	Admin.	(294.95)
185	CREDIT for Airfare for Brandon Knight - AAAE Conference in Denver, CO - duplicate booking	Southwest Airlines	Admin.	(294.95)
186	Travel AAAE Conference in Denver, CO 07/2025 B. Knight-flight	Southwest Airlines	Admin.	316.96
187	Travel AAAE Conference in Denver, CO 07/2025 A. Zapata-flight	Southwest Airlines	Admin.	316.96
188	Travel AAAE Conference in Denver, CO 07/2025 D. Spargo-flight	Southwest Airlines	Admin.	316.96
189	Travel for Breeze Voucher winners 07/2025 - Christa Tuominen and Laren Carey-flight	Breeze Airways	Admin.	557.98
190	Travel Tailhook Convention in 08/2025 Reno NV. W. McConaughy-flight	Southwest Airlines	Admin.	297.36
191	Travel DEPOSIT - Lodging for Mark Dennis 08/2025 (2 nights plus tax rate) - Airport Cybersecurity Training at LAX	Sonesta Hotels	Admin.	280.84
192	Travel DEPOSIT - Lodging for Denny Hassett 08/2025 (2 nights plus tax rate) - Airport Cybersecurity Training at LAX	Sonesta Hotels	Admin.	280.84
193	Travel for Ty Sanders - NBAA in Las Vegas, NV 10/2025-flight	Southwest Airlines	Admin.	150.96
194	Travel for M. Martinez - NBAA in Las Vegas, NV 10/2025-flight	Southwest Airlines	Admin.	113.96
195	Travel for W. McConaughy - NBAA in Las Vegas, NV 10/2025-flight	Southwest Airlines	Admin.	113.96
196	Travel Airfare change in time for W. McConaughy (Hook Convention in Reno, NV)-flight	Southwest Airlines	Admin.	185.99
197	Travel to 2025 Board Secretary / CSDA Clerk Conference 10/2025 - J. Ubaldo-flight	Alaska Air	COB	366.60
198	Travel to 2025 Board Secretary / CSDA Clerk Conference 10/2025 - Y Maldonado-flight	Alaska Air	COB	366.60
199	Travel San Mateo-SHRM Conference - fuel	Shell	HR	75.24
200	Travel San Mateo-SHRM Conference - fuel	Chevron	HR	60.00
201	Travel SWAAAE conference 07/2025 Newport Beach Ca. M-Gibbs-transportation	Lyft	Admin.	16.72
202	Travel SWAAAE conference 07/2025 Newport Beach Ca. M-Gibbs-transportation	Lyft	Admin.	15.96
203	Travel SWAAAE conference 07/2025 Newport Beach Ca. M-Gibbs-transportation	Lyft	Admin.	17.50
				60,429.71
	VISA Statement Balance			
	Date Prepared: 09/03/2025			60,429.71



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

**DATE: September 24, 2025**

**ITEM NO: 4**

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

**SUBJECT: RECEIVE AND FILE TREASURER'S REPORT FOR JULY 31, 2025 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 July 31, 2025 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 July 31, 2025, for the San Bernardino International Airport Authority. The total book value of cash accounts is \$8,104,804.29 on July 31, 2025. Bank statements reflect \$8,320,641.34. The difference between the two numbers is related to the outstanding checks, the deposits in transit, and other items July 31, 2025.

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

**Attachments:**

1. Treasurer's Report for July 31, 2025

# SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY


## Treasurer Report

**July 31, 2025**

<u>Cash</u>	Balance 06/30/25	Activities	Balance 07/31/25
<i>Checking Account - Wells Fargo Bank</i>	\$ 7,665,694.59	\$ (2,720,988.17)	\$ 4,944,706.42
Deposits In Transit:			
Beginning	-	-	-
Ending	-	95,272.27	95,272.27
Outstanding Checks:			
Beginning	(2,555,187.08)	2,555,187.08	-
Ending		(311,109.32)	(311,109.32)
<i>Premium Money Market Account - Wells Fargo Bank</i>	2,250,492.62	1,300.09	2,251,792.71
Deposits In Transit:			
Beginning			
Ending			
<i>Payroll Account - Wells Fargo Bank</i>	4,009.13	(3,409.44)	599.69
Outstanding Checks:			
Beginning	-	-	-
Ending		-	-
Subtotal	7,365,009.26	(383,747.49)	6,981,261.77
<u>Investments</u>			
<i>Local Agency Investment Funds</i>	352,854.72	3,865.89	356,720.61
Deposits In Transit:			
Beginning			
Ending			
Subtotal	352,854.72	3,865.89	356,720.61
<u>Investments Held With Fiscal Agent</u>			
Debt Service Fund-US Bank-2021A series	139,320.36	545.67	139,866.03
Reserve Fund- US Bank 2021A series	531,111.17	1,706.32	532,817.49
Debt Service Fund-US Bank-2021B series	26,653.16	94.42	26,747.58
Reserve Fund -US Bank-2021B series	67,174.99	215.82	67,390.81
Subtotal	764,259.68	2,562.23	766,821.91
Total Cash and Investments	<u>\$ 8,482,123.66</u>	<u>(377,319.37)</u>	<u>\$ 8,104,804.29</u>

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 W. Cousineau*  
 Mark Cousineau, Treasurer

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: September 24, 2025</b></p> <p><b>ITEM NO: 5</b></p> <p><b>PRESENTER: Jeff Barrow, Director of Development</b></p>
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**SUBJECT: AUTHORIZE STAFF TO ISSUE A REQUEST FOR QUALIFICATIONS TO DESIGN/BUILD FIRMS FOR THE CONSTRUCTION OF THE SBD ABOVE AND BEYOND PROJECT**

### **SUMMARY**

Approval of this item will allow staff to issue a Request for Qualifications to Design/Build firms for the construction of the SBD Above and Beyond Project. The proposed scope of work for this project would involve the construction of a third story addition to the International Arrivals Facility through a qualified design/build team, creating core and shell facilities for future restaurant amenities for SBD customers and the travelling public. This project will be procured in accordance with the agency's policies and procedures.

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

Authorize staff to a Request for Qualifications for the construction of the SBD Above and Beyond Project in accordance with the agency's policies and procedures.

### **FISCAL IMPACT**

None. Funding for this project is included in the approved San Bernardino International Airport Authority (SBIAA) Fiscal Year 2025-2026 Budget, as adjusted, as a Capital Improvement Project (Account 63222), Project Number – 26s0072-1 – SBD Above and Beyond Project.

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

**BACKGROUND INFORMATION**

The SBD Above and Beyond Project presents a new opportunity to augment and enhance the restaurant, retail, and service amenities at SBD by completing a building addition to the International Arrivals Facility. In order to complete this work, Staff is proposing to issue a Request for Qualifications for design/build firms to work with the architect of record to construct the new core and shell building upgrades. Once the improvements progress toward a suitable phase of completion, a separate solicitation would be issued for qualified restaurant operators the results of which would be brought back to the Commission at a future date. As a regional joint powers authority and registered special district, the San Bernardino International Airport Authority (SBIAA) is able to avail itself of the design/build project delivery method.

Approval of the above recommended action will provide the necessary authorization to allow staff to issue the Request for Proposals for qualified design/build firms for the construction of this project. Upon receipt and careful review of the responses, Staff would bring a separate recommendation back to the Commission for further consideration.

SBIAA's standard form design/build RFQ document would be used for this project.

Staff recommends the Commission approve the above recommended action.

**Attachments:**

1. Site Map

# SITE MAP





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

**DATE: September 24, 2025**

**ITEM NO: 6**

**PRESENTER: Catherine Pritchett, Director of Administration**

**SUBJECT: AUTHORIZE A CONTRACT WITH PAYCOM FOR IMPLEMENTATION OF A HUMAN CAPITAL MANAGEMENT SOLUTIONS SOFTWARE PLATFORM**

### **SUMMARY**

Approval of this item would authorize staff to enter into a contract with Paycom for implementation of a Human Capital Management Solutions software platform.

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

Authorize a contract with Paycom for implementation and administration of a Human Capital Management Solutions software platform for the San Bernardino International Airport Authority and authorize the Chief Executive Officer to execute all necessary contracts.

### **FISCAL IMPACT**

\$13,000 increase in appropriations. In the event that the proposed budget adjustment is approved on today's agenda, funding for this contract will be included in the then adjusted San Bernardino International Airport Authority (SBIAA) Fiscal Year 2025-2026 Budget in Administration, Budget Class 57 – Other Expenses in the amount of \$6,832,110 of which \$6,396,745 is available to fund the estimated contract expenses of \$45,000 for FY 2025-2026.

PREPARED BY:	Catherine Pritchett
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 Authority (SBIAA) is responsible for providing an accessible, secure, modern and user-friendly Human Capital Management Solutions software system (HCMS) to its estimated 130 employees. An effective HCMS enables full employee life cycle functions, including recruitment, onboarding, payroll, benefit administration, timekeeping, performance management, training records and other processes to transpire electronically for better management, security and compliance.

The Agency's current HCMS provider cannot accurately support several key functions necessary for an effective operating system, such as time and attendance, retirement contributions and general payroll processes. Over the past year, the Agency has experienced regular service and programming interruptions that result in errors to employee payroll calculations. The ongoing system errors now require staff to manually input employee hours into what is supposed to be an integrated process. This duplication of tasks prevents staff from completing other necessary human resources functions, creating a backlog of work.

Agency staff began reviewing alternative HCMS systems in July of this year and completed comprehensive demonstrations of six platforms. Of those, Paycom demonstrated the highest level of programmatic options and the best capabilities for both administrative staff and employees. Paycom is a leading provider of HR and payroll solutions, known for its robust cloud-based software and commitment to excellent customer service. The company serves organizations across industries and has a proven track record of improving operational efficiency and employee satisfaction.

Paycom estimates an 8-to-12-week implementation period immediately following contract signing. A preliminary assessment of the Agency's current projects and available resources indicates that this timeline is achievable. Paycom, with headquarters in Pasadena, will have a dedicated transition team on site to assist with integration and training. Concurrently, the Agency will be partnering with Empower Retirement Solutions, a financial services company with expertise in Public Sector retirement plans to provide guidance, tools and fiduciary oversight of the SBIAA 401(a) and 457 retirement plans. Empower provides a 360 integration with Paycom and will be on-site during transition and implementation to assist Paycom and educate SBIAA staff. There is no additional cost to the Agency for these services.

The total cost for the SBIAA Paycom system is \$76,736.34 for twelve months and is detailed below.

In the event the contract is fully realized throughout the 36-month term, total compensation would be approximately \$210,000, which amounts would be allocated in subsequent budget requests presented to the Commission over future fiscal years.

SBIAA			
Payroll (base)	\$ 8.31		\$ 124.79
Payroll (transaction)	\$ 0.91	128	\$ 3,244.54
HCM (pepm)	\$ 37.20	128	\$ 57,139.20
401a/457 (per month)	\$ 271.80	12	\$ 3,261.60
<b>SUB TOTAL</b>			<b>\$ 63,770.13</b>
Implementation			\$ 7,864.60
Taxes 8%			\$ 5,101.61
<b>TOTAL</b>			<b>\$ 76,736.34</b>

Staff is requesting the Commission's approval of this item to execute the contract with Paycom with an effective transition date of January 1, 2026.

**Attachments:**

1. Paycom Investment Summary
2. Paycom Service Agreement

# Investment Summary



Created on

September 17, 2025 | Quote Valid for 30 Days  
Proposal ID | 784991.712711.1645224

Proposal Prepared for

SBD AIRPORT PROPOSAL 2  
1601 E 3RD ST #100  
SAN BERNARDINO, CA 92408

Proposal Prepared by

Paycom Payroll, LLC  
7501 W. Memorial Road  
Oklahoma City, Oklahoma 73142  
1-800-580-4505



Per Payroll Transaction  
**\$8.31 (Base) + \$0.91 (Per Check)**



Per Employee Per Month  
**\$37.20**



Total Initial Investment  
**\$3,399.03**

Comprehensive Service Breakdown: Refer to the Pages That Follow

CLIENT AUTHORIZATION

<div>Client Signature</div>	<div>Title</div>
<div>Printed Name</div>	<div>Date</div>

All Pricing is subject to change with written or electronic notice. Client acknowledges and agrees that delivery fees and check stuffing fees do not always involve delivery of a physical check, paystub, and/or report to Client. Additional processing fees may apply. All applicable taxes, including but not limited to sales or service taxes, are not included in the above proposal (unless specified otherwise). Client is responsible for applicable taxes in addition to the fees outlined in the proposal. Applicable taxes may vary by jurisdiction.

Paycom's Services, fees, and charges are subject to the Payroll and Human Capital Management Services Agreement, which is hereby incorporated by reference, and includes the current version of the General Terms and Conditions and applicable Schedules located at [paycom.com/agreements](https://paycom.com/agreements)

Initial Term End Date: 11/15/2028  
Renewal Term: 3 Years

# Investment Summary

Created on

September 17, 2025 | Quote Valid for 30 Days

Proposal ID | 784991.712711.1645224



PAYROLL PROCESSING COSTS	BASE	PER CHECK	PER USE
PAYROLL TRANSACTION	\$8.31	\$0.91	
DIRECT DEPOSIT (PER ADDITIONAL DISTRIBUTION)			\$0.30
GARNISHMENTS (PER ORDER)			\$10.00
DELIVERY (PER DELIVERY)			\$20.00

PAYROLL DETAILS	# OF PAYROLLS	# OF EMPLOYEES	PER PAYROLL
BI-WEEKLY	26	33	\$38.34

MONTHLY COSTS	QUANTITY	PER USE	PEPM	UNIQUE EMPLOYEES PAID	PER MONTH
HUMAN CAPITAL MANAGEMENT SOLUTIONS			\$37.20	33	\$1,227.60
MULTI-JURISDICTION (PER ADDITIONAL JURISDICTION)		\$6.00			
401(K) FILE	1				\$135.90
RETIREMENT DEFERRAL SYNC	1				\$135.90
TOTAL					\$1,499.40

SOLUTION DETAILS		
SINGLE APPLICATION HCM SYSTEM	DEDICATED PAYCOM SPECIALIST	POSITION SEAT MANAGEMENT
ORGANIZATIONAL CHART	MANAGER ON-THE-GO®	EMPLOYEE SELF-SERVICE®
ASKHERE	IWANT	APPLICANT TRACKING
SELF-ONBOARDING	NEW HIRE REPORTING	DOCUMENTS AND CHECKLISTS
SCHEDULING	TIME AND ATTENDANCE	TIME-OFF REQUESTS
TIME-OFF ACCRUAL TRACKING	GONE®	BENEFITS ADMINISTRATION
BENEFITS-TO-CARRIER	ENHANCED AFFORDABLE CARE ACT	COBRA
GOVERNMENT & COMPLIANCE	PERFORMANCE AND COMPENSATION	PERSONNEL ACTION FORMS
PERFORMANCE DISCUSSION FORMS	PAYCOM LEARNING	CERTIFICATION MANAGEMENT
VIDEO CONTENT CREATOR	PERFORMANCE EVIDENCE	PAYROLL PROCESSING
BETI®	APPROVE MY CHECK	PAYROLL AUTOMATION
PAYROLL DASHBOARD	PAYROLL GROSS TO NET	PAYCOM PAY®
CHECK STUFFING	DIRECT DEPOSITS	CHECK VOUCHERS
FEDERAL ELECTRONIC TAX DEPOSITING (941, 940)	DEPOSIT AND FILE STATE TAX DEPOSITS	DEPOSIT AND FILE SUTA (STATE UNEMPLOYMENT)
QUARTERLY FEDERAL/STATE DEPOSIT STATEMENTS	QUARTERLY 941S SIGNED AND FILED	TAX REGISTRATION SERVICE
VAULT	ADVANCED REPORT CENTER	GL CONCIERGE
WORKERS COMP TRACKING	401(K) STANDARD REPORT	DIRECT DATA EXCHANGE®
MY ANALYTICS/EXECUTIVE DASHBOARD	EMPLOYMENT PREDICTOR	HR COMPLIANCE

# Investment Summary



Created on  
September 17, 2025 | Quote Valid for 30 Days  
Proposal ID | 784991.712711.1645224

SOLUTION DETAILS		
MYCOM		
PER USE COSTS		
TAX CREDITS	CONTINGENCY FEE	20.00%
CARRIER FEEDS	PER PLAN TYPE TO BE BILLED ON COMPLETION	\$650.00
COBRA LETTER	PER LETTER	\$3.95
ANNUAL COSTS		
EMPLOYEE/EMPLOYER W-2S	PER FORM	\$6.95
W-3 TRANSMITTAL		\$75.00
ACA FORM 1094 (B OR C)		\$75.00
ACA FORM 1095 (B OR C)	PER FORM	\$6.95
ONE-TIME COSTS		
CLIENT CONVERSION		\$1,899.03
PAYCOM LEARNING	IMPLEMENTATION FEE	\$500.00
401(K) FILE		\$500.00
RETIREMENT DEFERRAL SYNC		\$500.00
TOTAL		\$3,399.03



## **Payroll and Human Capital Management Services Agreement**

This Payroll and Human Capital Management Services Agreement (“PHCMSA”), effective as of the date of Client’s signature below (“Effective Date”), is by and between Paycom Payroll, LLC, a Delaware limited liability company whose corporate headquarters is located at 7501 W. Memorial Road, Oklahoma City, OK 73142, United States of America, and its applicable affiliates (hereinafter “Paycom”) and the undersigned Client (hereinafter “Client”).

Paycom and Client agree that this PHCMSA, the General Terms and Conditions ([www.paycom.com/agreements](http://www.paycom.com/agreements)), as may be amended from time to time as provided for therein (the “GTC”), and all of the applicable service component Schedules ([www.paycom.com/agreements](http://www.paycom.com/agreements)) (“Schedules”) shall apply to all services provided by Paycom to Client except for certain standalone services governed by separate agreements. The GTC and the applicable Schedules are incorporated by reference herein as if fully set forth herein. All of Paycom’s services provided to Client, but excluding the background screening services, shall be and are collectively referred to as the “Services.” This PHCMSA, the GTC and the applicable service component Schedules shall be and are collectively referred to as the “Agreement.”

Subject to the terms and conditions of the Agreement, Paycom agrees to perform and Client hereby engages and hires Paycom to perform on Client’s behalf each of the Services indicated on proposal(s) acknowledged by Client and as more specifically described in this Agreement. The final version(s) of such proposal(s) acknowledged by Client are incorporated by reference herein as if fully set forth herein.

Subject to the terms and conditions of this Agreement, Paycom shall make available to Client each service component of the Services promptly after Client provides Paycom with the information and documents that Paycom requires to begin performing the subject Services.

Paycom’s Services are based upon information and instructions provided by Client. Client is solely responsible for the accuracy and completeness of all information and instructions provided to Paycom. Notwithstanding anything to the contrary in this Agreement, Paycom shall not be liable or responsible for errors or omissions arising from Paycom’s reliance upon Client’s instructions or incorrect or incomplete information, designations, elections, or instructions provided by Client.

Notwithstanding anything to the contrary in this Agreement, the Services provided by Paycom expressly do not include the rendering of legal, tax, accounting, or investment advice to Client or Client’s employees.

**LIMITATIONS OF LIABILITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, BUT EXCEPT AS TO THOSE MATTERS PROVIDED FOR IN SECTIONS 12 AND/OR 24 OF THE GENERAL TERMS AND CONDITIONS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES (INCLUDING BUT NOT LIMITED TO DAMAGES TO LOST ANTICIPATED SAVINGS), WHETHER FORESEEABLE OR NOT AND HOWEVER CAUSED, EVEN IF SUCH PARTY IS ADVISED OF THE POSSIBILITY THAT SUCH DAMAGES MIGHT ARISE. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, EXCEPT AS LIMITED FURTHER BY THE AGREEMENT AND EXCEPT FOR THE ITEMS DESCRIBED IN SECTIONS 24.1 THROUGH 24.8 OF THE GENERAL TERMS AND CONDITIONS, THE AGGREGATE LIABILITY OF EACH PARTY TO THE OTHER FOR ANY OR ALL LOSSES OR INJURIES FROM ANY ACTS OR OMISSIONS UNDER THIS AGREEMENT OR FROM ANY SERIES OF BREACHES ARISING OUT OF THE SAME OR SUBSTANTIALLY THE SAME ERROR(S), ACT(S), INCIDENT(S), OR OMISSION(S), REGARDLESS OF THE NATURE OF THE LEGAL OR EQUITABLE RIGHT CLAIMED TO HAVE BEEN VIOLATED, SHALL UNDER NO CIRCUMSTANCES EXCEED AND SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE FEES AND CHARGES PAID BY CLIENT TO PAYCOM UNDER THIS AGREEMENT DURING THE TWELVE MONTH PERIOD IMMEDIATELY PRECEDING THE FIRST OCCURRENCE OF THE ALLEGED BREACH, OR SERIES OF BREACHES ARISING OUT OF THE SAME ERROR, ACT, INCIDENT, OR OMISSION, FOR THE SERVICE COMPONENT(S) WHICH IS/ARE THE SUBJECT OF THE ALLEGED BREACH. CLIENT ACKNOWLEDGES THAT PAYCOM IS NOT AN INSURER OF CLIENT’S POTENTIAL LOSSES AND THAT THE FEES AND CHARGES PROVIDED FOR HEREIN ARE NOT SUFFICIENT TO RENDER PAYCOM AS CLIENT’S INSURER. THESE LIMITATION OF LIABILITY PROVISIONS, INCLUDING THE AGGREGATE CAP, ARE MATERIAL PROVISIONS OF THIS AGREEMENT THAT HAVE BEEN MATERIALLY AND SPECIFICALLY RELIED UPON BY PAYCOM WITH RESPECT TO DEFINING ITS SERVICES, ITS OBLIGATION AND ITS PRICING IN THIS AGREEMENT.**

The Agreement will begin on the Effective Date and continue through the Initial Term End Date listed on Client’s proposal signed in connection with this Agreement (“Initial Term”). After the Initial Term, any renewal period shall equal the length of the Renewal Term indicated on Client’s proposal signed in connection with this Agreement (a “Renewal Term”). After the Initial Term or after any Renewal Term, the Agreement shall automatically renew for a successive Renewal Term unless either Party notifies the other Party with a written or electronic notice of non-renewal of the party’s intent not to renew the Agreement at least ninety (90) days prior to expiration of the then-effective Initial Term or Renewal Term, with *time being of the essence*. The Initial Term and Renewal Term, if any, together shall be considered the term (“Term”).

In the event that: (i) Client terminates this Agreement prior to the expiration of the Term; (ii) during the Term, Client ceases to exclusively use Paycom’s Services; or (iii) Paycom terminates the Agreement pursuant to Section 8 of the GTC during the Term; then Client agrees that Client shall be liable to Paycom for an early termination fee, which is computed as follows:

The average monthly Paycom fee amount assessed against Client (by averaging all Paycom monthly fees and charges assessed against Client throughout the most recent prior six (6) full calendar months of Client’s use of Paycom’s Services as its exclusive provider); multiplied by the number of months remaining in the Term. In the event Client does not initially use Paycom’s Services for six full months, then the average monthly Paycom fee shall be computed based upon the estimated average monthly fee calculated on the proposal(s) signed by Client. In the event Client does not process a first payroll with Paycom, the termination fee will be equal to the average monthly fee calculated on the proposal(s) signed by Client multiplied by 36.

Paycom’s right to recover an early termination fee shall be in addition to any other rights Paycom may have against Client under any other applicable agreement (including Paycom’s right to recover any unpaid fees or charges for Services rendered). The Parties agree that Paycom’s pricing to Client

Business tax identification number (FEIN in USA): \_\_\_\_\_

was based upon a multi-month commitment and that the early termination fee constitutes' the Parties good faith liquidated estimate of Paycom's actual damages in the event of early termination and is not intended as any sort of penalty.

Notwithstanding the foregoing, Client shall not be liable to Paycom for an early termination fee, as described above, in the event Client ceases to use Paycom's services as a result of a material breach by Paycom of Paycom's obligations under this Agreement that remains uncured within a reasonable time after Client provides Paycom with written notice of material breach of Paycom's alleged breach and a reasonable opportunity to cure such breach.

All issues and questions concerning the construction, validity, enforcement, performance and interpretation of the Agreement, the parties' business dealings now or hereafter, and the parties' corresponding, contemporaneous and/or subsequent agreements shall be governed by, and construed in accordance with, the laws of the State of Oklahoma, United States of America. With respect to any claim arising out of the Agreement, the parties' business dealings and/or the parties' corresponding, contemporaneous and/or subsequent agreements, each party irrevocably submits to the exclusive jurisdiction and exclusive venue of the State or U.S. Federal courts located in Oklahoma County, Oklahoma, United States of America.

The PHCMSA, GTC and any applicable Schedule are intended to contain supplemental and complementary terms and conditions. In the event of a direct conflict between the terms of the PHCMSA, the GTC and any Schedule such conflict shall be resolved in the following order, from highest priority to lowest priority: (1) PHCMSA; (2) GTC; and (3) the applicable Schedule. Notwithstanding the foregoing sentence, any terms in such Schedule that are specific to the service provided in the Schedule, as distinguished from general contract terms, shall control over (1) and (2).

Client and the undersigned individual each represent that the signatory to this Agreement is authorized to enter into such agreement on behalf of Client. By signing below, Client agrees that it has (1) received the Agreement, (2) had an opportunity to read the Agreement and (3) agrees to be bound by the terms of the Agreement.

**IN WITNESS WHEREOF**, Paycom and Client have executed this Agreement as of the Effective Date.

**AGREED AND ACCEPTED BY CLIENT:**

**PAYCOM PAYROLL, LLC d/b/a PAYCOM, for itself  
and its applicable affiliates:**

COMPANY LEGAL NAME

AUTHORIZED SIGNATURE

TYPE OR PRINT NAME

---

TITLE

---

TYPE OR PRINT NAME

AUTHORIZED SIGNATURE

---


Date

Reporting Agent

---

TITLE

Business tax identification number (FEIN in USA):

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: September 24, 2025</b></p> <p><b>ITEM NO: 7</b></p> <p><b>PRESENTER: Jillian Ubaldo, Assistant Secretary of the Commission</b></p>
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**SUBJECT: APPROVE MEETING MINUTES: AUGUST 27, 2025**

**SUMMARY**

Submitted for consideration and approval by the San Bernardino International Airport Authority (SBIAA) Commission: Meeting minutes of the regular meeting held Wednesday, August 27, 2025.

**RECOMMENDED ACTION(S)**

Approve meeting minutes of the regular meeting held August 27, 2025.

**FISCAL IMPACT**

None.

PREPARED BY:	Yajaira Maldonado
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. August 27, 2025 meeting minutes



**SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**  
**REGULAR MEETING COMMISSION ACTIONS**  
**WEDNESDAY, AUGUST 27, 2025**  
**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 (Arrived at 5:05 PM, In Audience)

**City of Loma Linda**

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

**County of San Bernardino**

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

**City of San Bernardino**

Councilmember Kim Knaus	Present
Councilmember Theodore Sanchez	Present
Councilmember Fred Shorett (alt)	Present (In Audience)

**City of Highland**

Mayor Penny Lilburn, Vice President	Present
Mayor Pro Tem Larry McCallon (alt)	Present (In Audience)

**Staff Members and Others Present**

Michael Burrows, Chief Executive Officer (via Zoom)	Jonathan Galvan, Airport Manager
Mark Gibbs, Director of Aviation	Mark Dennis, IT Manager
Jeff Barrow, Director of Development	Mitch Dattillo, Airport Security Manager
Mark Cousineau, Director of Finance	Jillian Ubaldo, Assistant Secretary of the Commission
Catherine Pritchett, Director of Administration	Scott Huber, Legal Counsel, Cole Huber LLP
Wendy McConaughy, FBO Manager	Michael Lewin, Legal Counsel, Mirau, Edwards, Cannon, Lewin, & Tooke, LLP

The Regular Meeting of the San Bernardino International Airport Authority was called to order by President Frank J. Navarro at approximately 5:01 p.m. on Wednesday, August 27, 2025.

**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 were no closed session public comment.

**C. CLOSED SESSION**

President Frank J. Navarro recessed to closed session at 5:02 p.m. Mr. Scott Huber, Legal Counsel, Cole Huber, LLP, read the closed session items as posted on the Agenda.

- a. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8  
Property: 105 North Leland Norton Way, San Bernardino CA 92408  
Negotiating Parties: Michael Burrows, SBIAA Chief Executive Officer and Betty Liu, Transportation Security Administration (TSA)
- b. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8  
Property: 275 N. Leland Norton Way, San Bernardino CA 92408  
Negotiating Parties: Michael Burrows, SBIAA Chief Executive Officer and Mike Allen, Executive Vice President, Bulk Fuel Sales, Titan Aviation Fuels

**D. REPORT ON CLOSED SESSION**

President Frank J. Navarro reconvened the meeting at 5:37 p.m. President Frank J. Navarro asked Mr. Scott Huber, legal Counsel, Cole Huber, LLP, if there were any reportable items Mr. Huber 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 J. 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. San Bernardino International Airport Authority (SBIAA) Website Update
  - c. Update on FAA Grant Projects
- 2a. Mr. Michael Burrows, Chief Executive officer, announced that the next Cruising at Altitude Community Concert is scheduled for October 18, 2025. He expressed his appreciation to the staff for their hard work and dedication in making the event possible.

Mr. Mark Gibbs, Director of Aviation, noted that the airplane stage has been updated just in time for the concert. He also shared that the headlining act will be Fortunate Youth, with Safety Orange as the opening performance.
- 2b. Ms. Jillian Ubaldo, Clerk of the Board, provided a brief update on enhancements to the SBIAA website. She noted the addition of a new ADA compliant accessibility widget and a translation feature that supports up to 15 languages.
- 2c. Mr. Mark Gibbs, Director of Aviation, reported that the airport recently received its first grant from the FAA for the current fiscal year funding cycle, in the amount of \$277,000. He added that two additional grants are expected before the close of the fiscal year.

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 June 2025
4. Register of Demands for July 2025
5. Receive and file Treasurer's Report for May 31, 2025, for the San Bernardino International Airport Authority (SBIAA)
6. Receive and file Treasurer's Report for June 30, 2025, for the San Bernardino International Airport Authority (SBIAA)
7. Approve Change Order No. 1 with Leonida Builders, Inc. for \$4,108 for additional work related to the Badging Office Remodel Project; approve the filing of a Notice of Completion for this contract and authorize the release of retained funds
8. Authorize staff to advertise for the Building 759: Restrooms Improvements Project
9. Approve Meeting Minutes: June 25, 2025

August 27, 2025

**ACTION:** Approve Agenda Item Nos. 3–9

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

<b>I. <u>COMMISSION ACTION ITEMS</u></b>
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Let the record reflect that all votes were done by roll call with each Commissioners' name and vote stated by voice.

10. Conduct elections of President, Vice-President, and Secretary for the San Bernardino International Airport Authority (SBIAA) for the term commencing retroactively July 1, 2025, through June 30, 2026

Mayor Frank J. Navarro called for nominations for the office of President. Councilmember Theodore Sanchez nominated Mayor Penny Lilburn for the office of President. Councilmember Kimberly Knaus seconded the nomination.

There being no further nominations forthcoming, Mayor Frank J. Navarro called for a vote by Commission Members.

**ACTION:** Elect Mayor Penny Lilburn to the office of President for the term commencing retroactively July 1, 2025, through June 30, 2026.

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

Mayor Frank J. Navarro called for nominations for the office of Vice-President. Councilmember Theodore Sanchez nominated Supervisor Joe Baca Jr. for the office of Vice-President. Councilmember Kimberly Knaus seconded the nomination.

There being no further nominations forthcoming, Mayor Frank J. Navarro called for a vote by Commission Members.

**ACTION:** Elect Supervisor Joe Baca Jr. to the office of Vice-President for the term commencing retroactively July 1, 2025, through June 30, 2026.

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

Mayor Frank J. Navarro called for nominations for the office of Secretary. Mayor Penny Lilburn nominated Councilmember Theodore Sanchez for the office of Secretary. Councilmember Kimberly Knaus seconded the nomination.

There being no further nominations forthcoming, Mayor Frank J. Navarro called for a vote by Commission Members.

**ACTION:** Elect Councilmember Theodore Sanchez to the office of Secretary for the term commencing retroactively July 1, 2025, through June 30, 2026.

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

11. Approve an increase of \$200,500 for Nuckles Oil Company, Inc, dba Merit Oil Company purchase order for a total amount not to exceed \$250,000

Ms. Wendy McConaughey, FBO Manager, shared that Luxivair SBD purchases fuel for its ground service equipment and fuel trucks from Merit Oil Company, which currently offers the lowest cost.

**ACTION:** Approve an increase to Nuckles Oil Company, Inc, dba Merit Oil Company purchase order in an amount not to exceed \$250,000; and authorize the Chief Executive Officer to execute all related documents.

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

12. Approve Amendment No. 1 to the Services Agreement with Cintas Corporation in an amount not to exceed \$75,000, for a revised total contract amount not to exceed \$220,000 to include Luxivair SBD for a variety of uniform and linen services

Ms. Wendy McConaughey, FBO Manager, explained that the original proposal on November 8, 2023 with Cintas Corporation did not include Luxivair SBD, as a separate agreement was in place at the time. The proposed amendment would extend the same pricing benefits to Luxivair SBD.

**ACTION:** Approve Amendment No. 1 to the Services Agreement with Cintas Corporation to provide personnel uniform rentals, floor mat rentals and other related services, increasing the contract by \$75,000, for a revised total contract amount not to exceed \$220,000; and authorize the Chief Executive Officer to execute all related documents.

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

13. Approve Change Order No. 1 with Estate Design and Construction, Inc. for \$3,432.71 for additional work related to the Luxivair SBD Kitchen and Snack Bar Upgrade Project

Mr. Jeff Barrow, Director of Development, shared that the Change Order includes replacing locks that separate the common area from the back of house, as well as repairing a section of the hallway ceiling that was previously damaged by water.

**ACTION:** Approve Change Order No. 1 with Estate Design and Construction, Inc. for an amount not to exceed \$3,432.71 for additional work related to the SBD Luxivair Kitchen and Snack Bar Upgrade Project; and authorize the Chief Executive Officer to execute all related documents.

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

14. Award a construction contract to All American Building Services in an amount not to exceed \$144,050 for the Terminal Lactation and Pet Relief Area Project

Mr. Jeff Barrow, Director of Development, shared that a bid went out for the project via PlanetBids that worked out great and yielded 6 bids with the lowest bid belonging to All American Building Services. Funding for the project is included in the Capital Improvement Project budget for Fiscal Year 2025-2026.

President Penny Lilburn inquired whether the installation of lactation pods had been considered.

Mr. Barrow noted that, due to space limitations, lactation pods were not the most suitable solution, as they would reduce usable space. Instead, an inspection of the area identified two underutilized spaces, one that could serve as a private lactation room, tucked away from public view, and another that could be designated as an easily accessible pet relief area.

**ACTION:** Award a construction contract to All American Building Services in an amount not to exceed \$144,050 for the Terminal Lactation and Pet Relief Area Project; and authorize the Chief Executive Officer to execute all related documents.

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

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15. Award a construction contract to Matich Corporation in an amount not to exceed \$90,892 for the 5th Street Roadway Improvements Project

Mr. Jeff Barrow, Director of Development, noted that as part of the agreement with the City of San Bernardino and the provisions of the lease agreement with Ashley, the Airport is responsible for completing off-site improvements. These include full paving, sidewalks, gutters, curbs, and street lighting. Matich Corporation submitted the lowest bid for the project.

**ACTION:** Award a construction contract to Matich Corporation in an amount not to exceed \$90,892 for the 5<sup>th</sup> Street Roadway Improvements Project; and authorize the Chief Executive Officer to execute all related documents.

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

Secretary Theodore Sanchez and Councilmember Kimberly Knaus recused themselves and were not present during the discussion of Agenda Item No. 16.

16. Approve the form of an Amended Reimbursement Agreement with Yuhaaviatam of San Manuel Nation for traffic signal improvements at the intersection of Victoria Avenue and "W" Street

Mr. Jeff Barrow, Director of Development, noted that the agreement was originally presented on November 17, 2022. A portion of the agreement involves traffic signal improvements at Victoria Avenue and "W" Street, with the Airport sharing the associated costs with the Yuhaaviatam of San Manuel Nation.

**ACTION:** Approve the form of an Amended Reimbursement Agreement with Yuhaaviatam of San Manuel Nation for traffic signal improvements at Victoria Avenue and "W" Street; and authorize the Chief Executive Officer to execute all related documents, subject to technical and conforming changes as approved by legal counsel.

RESULT:	<b>ADOPTED [UNANIMOUSLY]</b>
MOTION/SECOND:	Baca / Navarro
AYES:	Lilburn, Baca, Navarro, Rigsby
NAYS:	None
RECUSED:	Sanchez, Knaus
ABSENT:	None

17. Approve the purchase and installation of a Planar fine pixel pitch LED Video Wall from Solutionz, Inc. in an amount not to exceed \$178,022

Mr. Mark Dennis, IT Manager, shared that, with growing advertising opportunities, utilizing a spare wall to install an LED video wall could create a strong revenue stream. The display would allow for multiple advertisements to run side by side, including both external promotions and Airport branded content.

**ACTION:** Authorize the purchase and installation of a Planar fine pixel pitch LED Video Wall measuring thirty (30)-feet x five and one-half (5.5)-feet from Solutionz, Inc. in an amount not to exceed

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\$178,022, inclusive of a 5% contingency in the amount \$8,477; and authorize the Chief Executive Officer to execute all related documents.

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

18. Approve the purchase of two (2) Ford Explorer Police Interceptors in an amount not to exceed \$106,588.16

Mr. Mitch Dattillo, Airport Security Manager, shared that the department began a vehicle replacement program approximately three years ago, focusing on more energy efficient vehicles as part of the Airport's green energy initiative. He noted that two vehicles are currently due for replacement.

**ACTION:** Approve the purchase contract with Fairview Ford for two (2) new Ford Explorer Hybrid Police Interceptor vehicles for \$106,588.16; and authorize the Chief Executive Officer to execute all related documents.

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

19. Approve Amendment No. 1 to the Service Agreement with San Bernardino Police Department for law enforcement services at San Bernardino International Airport

Mr. Mitch Dattillo, Airport Security Manager, shared that the agreement provides for professional law enforcement services by the San Bernardino Police Department, ensuring a presence in the terminal and concourse areas for commercial flights.

**ACTION:** Approve Amendment No. 1 to the Service Agreement with SBPD and authorize funding for law enforcement services during periods of scheduled commercial passenger service; and authorize the Chief Executive Officer to execute all related documents, subject to technical and conforming changes as approved by San Bernardino International Airport Authority (SBIAA) legal counsel.

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

20. Consider and discuss the SBD Good Neighbor Program Second Quarter 2025 Report

Ms. Rosemary Barnes, Aviatrix Communications, LLC, provided a presentation of the SBD Good Neighbor Program quarterly report (as contained on pages 193-218 of the agenda packet).



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

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

21. Review Status of the Action Plan for the San Bernardino International Airport Authority (SBIAA) through December 31, 2025

**ACTION** Review the Action Plan for the San Bernardino International Airport Authority through December 31, 2025.

Mr. Michael Burrows, Chief Executive Officer, referenced a PowerPoint presentation entitled “June 2025 – Airport Focal Areas” (as contained on pages 221-223 in the agenda packet). Mr. Burrows thanked Commission Members for their support and noted that more updates on Capital Improvement Projects and grants are expected in the coming month.

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

J. **ADDED AND DEFERRED ITEMS**

There were no items to be added or deferred.

K. **OPEN SESSION PUBLIC COMMENT**

There were no open session public comments.

L. **COMMISSION MEMBER COMMENT**

Secretary Theodore Sanchez expressed his gratitude to Mayor Frank J. Navarro for his leadership and dedication.

Mayor Frank J. Navarro thanked the Commission Members, staff, and legal counsel for their teamwork and expressed his sincere appreciation for their continued support.

Vice President Joe Baca Jr. thanked Mayor Frank J. Navarro for his outstanding leadership and emphasized the importance of each item presented in helping the airport continue its path of growth.

President Penny Lilburn thanked the Commission Members for their support and expressed her gratitude to Mayor Frank J. Navarro for his exemplary dedication to the Airport and the Commission.

M. **ADJOURNMENT**

There being no further business before the Commission, President Penny Lilburn declared the meeting adjourned at 6:18 p.m. in memory of Deborah Ikhata.

**Approved at a Regular Meeting of the San Bernardino International Airport Authority on Wednesday, September 24, 2025.**

---

Jillian Ubaldo  
Assistant Secretary of the Commission



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

**DATE: September 24, 2025**

**ITEM NO: 8**

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

**SUBJECT: CONSIDER AND ADOPT PROPOSED BUDGET ADJUSTMENTS FOR FISCAL YEAR 2025-2026**

### **SUMMARY**

The proposed adjustments modify the adopted San Bernardino International Airport Authority's (SBIAA) budget to reflect improved estimates and changes in conditions in the accounts reflected in the Proposed Budget Adjustments Table.

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

Consider and adopt budget adjustments reflected in the Proposed Budget Adjustments Table for Fiscal year 2025-2026.

### **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 2025-2026 Budget, if approved, would be a net increase in budgetary revenue of \$112,801.

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 25, 2025, the San Bernardino International Airport Authority (SBIAA) Commission adopted the SBIAA Budget for Fiscal Year 2025-2026. SBIAA staff determined the following adjustments are necessary based on changes since the budget was approved. Capital Project adjustments require Commission approval.

The net effect of the proposed budget adjustments is an increase in budgetary net income of \$112,801. Estimated revenues are increasing \$6,521,525 from an anticipated availability payment arrangement (APA) that provides up to \$6,000,000 in loan proceeds, \$4801,383 in realized and anticipated insurance proceeds, and \$41,142 in new lease revenue.

The increase in budgetary expenses of \$66,408,724 comprised the Above & Beyond construction project (\$6,000,000), Building 760 airfield hangars fire suppression system repairs (\$393,724), increased software implementation and operation costs (\$13,000), and self-insured loss payouts (\$2,000).

Staff identified the following budget classes that require modification. They are described in the table below:

**SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**  
**FY 2025-2026 Proposed Budget Adjustments**  
**September 2025**

**PROPOSED BUDGET ADJUSTMENTS TABLE**

<b>Proposed Adjustments</b>			<b>Budget Class</b>	<b>Approved Budget</b>	<b>Proposed Adjustments</b>	<b>Adjusted Budget</b>
<i>Expenditures &amp; Transfers Out</i>						
<b>A</b>	Capital Improvement	63	- Project - 26s072-1 - Above & Beyond	-	6,000,000	6,000,000
<b>B</b>	Risk Management	52	- Insurance Premiums and Deductibles	800,000	2,000	802,000
<b>C</b>	Airport Manager	55	- Repairs & Maintenance	1,542,600	393,724	1,936,324
<b>D</b>	Administration: HR	57	- Other Expenses	6,819,110	13,000	6,832,110
Increase (Decrease) in expenditures & transfers out					<u>6,408,724</u>	
<i>Revenues &amp; Transfers In</i>						
<b>A</b>	Capital Improvement	11	- Loan Proceeds (Cash)	-	6,000,000	6,000,000
<b>E</b>	Airport Manager	48	- Other Income	430,000	480,383	910,383
<b>F</b>	Property Management	44	- Land & Non-Terminal Facility Leases and Licenses	11,174,279	41,142	11,215,421
						-
Increase (Decrease) in revenues & transfers in					<u>6,521,525</u>	
Net Budget Adjustment, Revenues in Excess of Expenses					<u>\$ 112,801</u>	

- A** Zero-dollar net change. The capital outlays for the Above & Beyond project are offset by an equal amount of loan proceeds through an Availability Payment Arrangement (GASBS 94). This will result in an asset and loan upon completion of the project. The loan will be amortized based on per gallon sales of aviation fuel up to 375 million gallons over an anticipated 15-year term.
- B** \$2,000 increase for self-insured losses.
- C** \$393,724 increase for repair of the airfield hangar fire suppression system located at Building 760 which entails the installation of an engine and pump, millwright and fire system repair services, and related materials and supplies.
- D** \$13,000 increase to implement and operate human capital management software platform. This covers implementation costs and operating costs for fifteen pay periods in FY 2025-2026 that exceed the approved budget for the previous legacy human resource management information system.
- E** \$480,383 increase from insurance proceeds comprised of \$368,724 of anticipated insurance proceeds for the repair and restoration of the airfield hangar fire suppression system, Note C, after meeting SBIAA's policy deductible of \$25,000, and the realized insurance proceeds of \$111,659 received for the Glide Slope casualty loss repairs.
- F** \$41,142 increase in new lease revenue for FY 2025-26 for a five-year lease between SBIAA Aloft Aviation Services, LLC for Hangar 341 that commences January 1, 2026.

Staff recommend that the Commission approve the above recommended action.

**Attachments:**

1. None



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

**DATE: September 24, 2025**

**ITEM NO: 9**

**PRESENTER: Darrell Hale, Property Manager**

**SUBJECT: APPROVE THE FORM OF A LEASE AGREEMENT WITH ALOFT AVIATION SERVICES, LLC (ALOFT) FOR HANGAR NO. 341**

### **SUMMARY**

The proposed lease agreement with Aloft Aviation Services, LLC (Aloft) would include approximately 21,140 square feet of Hangar No. 341 located at 2895 East "U" Street, San Bernardino in the general aviation area on the northeast portion of the San Bernardino International Airport (SBD). Aloft is a FAA Part-135 commercial aircraft operator with bases at SBD and South Carolina. This agreement would facilitate Aloft's continued expansion and enhanced operations at SBD.

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

Approve the form of a lease agreement with Aloft Aviation Services, LLC (Aloft) for Hangar 341 and authorize the Chief Executive Officer to execute all related documents, subject to technical and conforming changes as approved by legal counsel.

### **FISCAL IMPACT**

\$41,142 increase in estimated revenues. If the proposed budget adjustment is approved on today's agenda, estimated revenue for this lease will be included in the then adjusted San Bernardino International Airport (SBIAA) Fiscal Year 2025-26 Budget in the Property Management Department, Budget Class 44 – Land & Non-Terminal Facility Leases and Licenses in the amount of \$41,142. Approval of this lease would provide net monthly revenues of \$6,857.00 (\$82,284.00 annually) to the SBIAA.

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**

Aloft Aviation Services, LLC, a South Carolina limited liability company (Aloft), has been operating from Hangar No. 333 since 2024. The company now has additional interest in expanding its facilities further and is interested in leasing former Norton Air Force Base Hangar No. 341 located at 2895 East “U” Street, San Bernardino, CA 92408 on the northeast portion of the San Bernardino International Airport. Hangar No. 341 is proximate to Aloft’s current site at Hangar 333.

As an FAA Part-135 and Part-145 certificated company, Aloft specializes in aircraft charter operations and is seeking to occupy Hangar No. 341 to support its continued growth. Currently based in Spartanburg, South Carolina, the new lease would mark the company’s further expansion on the west coast.

Principal proposed lease terms and conditions by and between SBIAA and Aloft are as follows:

- Commencement Date: January 1, 2026
- Premises: approximately 21,140 square feet of hangar space
- Aircraft Ramp and Apron: approximately 27,750 square feet\*  
\*Ramp Area Monthly Lease Rate is \$1,943.00 (\$.07 per s.f.)
- Lease Term: Five (5)-years, with one (5) year option to extend
- Three percent (3%) annual rent escalations
- Security Deposit: One (1) month’s rent upon execution of Lease
- Monthly lease revenue of \$8,710.00 per month (\$104,520.00 annually); estimated net monthly net rent after improvement offset would be \$6,857.00 (\$82,284.00 annually).
- Aloft to maintain all portions of the premises and pay all applicable utility usage charges.
- Aloft will complete at its own cost and expense certain tenant and building improvements including: restroom upgrades, roof repairs, hangar floor repair and painting, hangar door repairs, LED lighting upgrades, exterior apron repairs and seal coating.
- Tenant Improvements to be amortized and offset over the initial term based on actual verified costs in an amount not to exceed \$227,750.00.
- Aloft will have early possession of Hangar 341 prior to lease commencement in order to complete the tenant improvements.
- Hangar 341 currently has two (2) month-to-month tenants who will be relocated to other airport hangars during Aloft’s construction and prior to its lease commencement.
- Aloft to pay all applicable possessory interest taxes and maintain commercial general liability and hangar keepers insurance coverage naming SBIAA as an additional insured.
- Aloft will maintain an active certificate during the term pursuant to Title 14 of the Code of Federal Regulations (14 CFR) Part-135 and Part-145.
- Aloft to comply with all applicable laws, Airport, FAA, and TSA rules and regulations.

Staff recommends the Commission approve the recommended action as set forth above.

**Attachments:**

1. Form of Lease

**AIRPORT LEASE NO. \_**

**SAN BERNARDINO INTERNATIONAL  
AIRPORT AUTHORITY**

**HANGAR 341  
LEASE AGREEMENT**

**Between**

**San Bernardino International Airport Authority**

**a California Joint Powers Authority,  
as Lessor**

**and**

**ALOFT AVIATION SERVICES, LLC as Lessee**



## LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is entered into as of September 9, 2025, by and between the San Bernardino International Airport Authority, a California joint powers authority existing and acting pursuant to Government Code Sections 6500, et seq. (the “Authority”), and the Lessee identified below.

Authority is the owner of that certain building and improvements identified as Hangar No. 341 and adjacent ramp area (the “Building”) located at the San Bernardino International Airport and identified on Exhibits “A-1, A-2 & A-3” attached hereto.

Authority hereby agrees to lease Hangar No. 341 and adjacent ramp area described below as the “Demised Premises” to Lessee and Lessee hereby agrees to leases the Premises from Authority on the terms and conditions contained in the Basic Provisions and the General Provisions set forth below.

### ***BASIC PROVISIONS***

1. **Lessee:** Aloft Aviation Services, LLC, a limited liability company
2. **Lessee’s Address:** 2895 “U” Street, San Bernardino, CA 92408
3. **Demised Premises:** Approximately 21,140 square feet of Hangar No. 341 located at 2895 East “U” Street, San Bernardino and adjacent ramp area consisting of approximately 27,750 square feet in the general aviation area on the northeast portion of the San Bernardino International Airport depicted on Exhibit “A-1, A-2 & A-3” attached hereto.



4. **Term:** The initial term of this Lease shall commence on the earlier date of Lessee's commencement of business operations of the Demised Premises or January 1, 2026, and expires on sixty (60) months thereafter ("Expiration Date").
5. **Extended Term:** Lessee shall have one (1), five (5) - year option to extend the Term of this Lease ("Extended Term") subject to the terms and conditions contained in **Section 3.02** of the General Provisions.
6. **Base Rent:** The total base monthly rent payable under this Lease shall be \$6,857.00 (\$4,914.00 per month for hangar space and \$1,943.00 per month for ramp area). The Base Rent for the first year of this Lease, payable in advance on the first day of each month The Base Rent payable hereunder shall be subject to adjustment as provided in Section 4.01 of the General Provisions. \* See Rent Schedule
7. **Additional Rent:** None
8. **Parking Spaces:** Lessee shall utilize the north portion of Lessee's leased ramp area for employee parking, see Exhibit "A-3". Invitees and customers of Lessee shall utilize the parking lot at Bldg. 339 located at 2885 "U" Street, San Bernardino, CA 92408 and the GA Parking Lot, See Exhibit "A-3".
9. **Triple Net Lease:** This is a triple net (NNN) lease, and all expenses related to possessory interest taxes, building insurance, and building maintenance are to be paid by Lessee, as outlined in this Agreement.
10. **Current Month to Month Tenants:** Authority and Lessee hereby acknowledge and agree that Hangar 341 and adjacent ramp areas are currently subject to certain prior agreements with the Authority as follows: 1) that certain lease agreement dated April 5, 2016 with World Wide Wings, LLC, as amended, affecting portions of Hangar No. 341; and 2) that certain license agreement dated October 1, 2024 with Air Transport, Inc. affecting certain portions of Hangar No. 341; and 3) that certain airport operating permit with 10-Tanker, LLC dated December 1, 2024 affecting certain portions of adjacent ramp areas. Authority and Lessee shall assist and cooperate to address retention and/or relocation of these uses on a case-by-case basis.
11. RESERVED
12. **Security Deposit:** Lessee deposited with Authority a security deposit in the amount of Six Thousand Eight Hundred and Fifty-seven Dollars and 00/100 Dollars (\$6,857.00), which shall be held by Authority in accordance with the terms of Section 10.01 of the General Provisions.
13. **Use of Demised Premises:** Lessee shall use and occupy the Demised Premises for the following purpose, and for no other purpose without the prior written consent of Authority: Aircraft Charter Station certified by the FAA under Title 14, Part 135 and/or Part 145 of the Code of Federal Regulations, aircraft storage, repair and uses incidental thereto.
14. **Lease Improvements** - Authority shall have no obligation to construct any improvements to the Premises. Lessee will complete at its own cost and expense certain tenant and building improvements including office demo and restoration, restroom upgrades, roof improvements and repairs, hangar floor repair and painting, hangar door repairs, LED lighting upgrades, exterior apron repairs and seal coating, see Exhibit "D" Lessee Improvements.

15. **Authority's Address:** 1601 East Third Street, Suite 100  
San Bernardino, CA 92048  
ATTN: Chief Executive Officer

## **GENERAL PROVISIONS**

### **ARTICLE I DEFINITIONS**

#### **1.01 [Reserved]**

**1.02 "Aircraft Operations"** shall mean all aircraft movements and operations at the Airport that are conducted by Lessee, its sublessees, licensees, invitees, and guests or are for the benefit of Lessee, its sublessees, licensees, invitees, and guests and other parties conducting business with Lessee, its sublessees, licensees, invitees, and guests.

**1.03 "Airfield Area"** shall mean: (i) existing runways, (ii) existing taxiways, (iii) existing ramp and apron areas, (iv) any additions or extensions to existing runways, taxiways, ramp and apron areas following the date of this Lease, and (v) any facilities provided by the Authority at the Airport for public and common use by aircraft operators, servicers and others in connection with the landing and taking off of aircraft or in connection with operations authorized by the Authority to be performed upon the runways, taxiways and ramp and apron areas; but, only as and to the extent that the areas described in (i) through (v) are from time to time provided by the Authority at the Airport for public and common use by aircraft operators, servicers and others, pursuant to the Airport Rules and Regulations. The existing Airfield Area is depicted on Exhibit "C" attached to this Lease.

**1.04 "Air Force"** means and refers to the United States Air Force. The Air Force is the grantor under the Quitclaim Deed and reserves certain interests in the Airport, including the Demised Premises, pursuant to the Federal Property and Administration Services Act of 1949, as amended, and CERCLA.

**1.05 "Airport"** means the San Bernardino International Airport including, without limitation, the Airfield Area, aircraft maintenance facilities, terminal, hangar and cargo buildings, parking areas, Airport Roadway Area, and other infrastructure and related improvements whether owned or operated by the Authority or other parties.

**1.06 "Airport Fee Schedule"** means the rates, fees, and charges for the use of the Airport or Airfield Area, which are from time to time adopted or amended by the Authority.

**1.07 "Airport Roadway Area"** means those certain areas and facilities within the Airport (excluding the Demised Premises and the Airfield Area) over and upon which Lessee shall have a non-exclusive right (together with the Authority, and all other persons authorized by the Authority) of pedestrian and motor vehicle ingress to and egress from the Demised Premises to the system of public streets adjacent to the Airport.

**1.08 “Airport Rules and Regulations”** means the rules and regulations adopted by the Authority, including the standards, applicable to the use and operation of the Airport as an FAA Part 139 compliant airport, as amended and in effect from time to time. A copy of the current Airport Rules and Regulations is attached to this Lease as Exhibit “F”. The Airport Rules and Regulations shall be applied equally to all occupants of the Airport and may be amended changed or modified, from time to time, in the sole discretion of the Authority, or if the Authority delegates the power to adopt or amend the Airport Rules and Regulations to a non-governmental entity in the reasonable discretion of any such entity.

**1.09 “Authority”** shall mean the San Bernardino International Airport Authority, a California joint powers authority existing and acting pursuant to Government Code Sections 6500, et seq., or any successor entity.

**1.10 “Authority Financing”** shall mean any loan, bond financing, sale and lease back or other arrangement whether in the form of traditional municipal financing or other conventional financing arrangement pursuant to which the Authority raises money accompanied by a grant of a lien or a transfer of interest, including title to the Airport or any portion thereof without regard to what use the Authority makes of the money raised.

**1.11 “Base Rent”** shall mean the rent, exclusive of other charges, as from time to time adjusted, as provided in Section 6 of the Basic Provisions.

**1.12 “CERCLA”** means and refers to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC Sections 9601, et seq).

**1.13 “Commencement Date”** shall be the date specified in Section 4 of the Basic Provisions.

**1.14 RESERVED. 1.15 “Demised Premises”** shall mean the premises generally described in Section 3 of the Basic Provisions.

**1.16 “Environmental Laws”** means and refers to all federal, state, local, or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or requirements of any governmental authority regulating, relating to, or imposing liability or standards of conduct concerning any hazardous substance (as later defined), or pertaining to occupational health or industrial hygiene (and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to hazardous substances on, under, or about the Demised Premises), occupational or environmental conditions on, under, or about the Demised Premises, as may be amended or modified, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”) [42 USC Section 9601 et seq.]; the Resource Conservation and Recovery Act of 1976 (“RCRA”) [42 USC Section 6901 et seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act (“FWPCA”) [33 USC Section 1251 et seq.]; the Toxic Substances Control Act (“TSCA”) [15 USC Section 2601 et seq.]; the Hazardous Materials Transportation Act (“HMTA”) [49 USC Section 1801 et seq.]; the Insecticide, Fungicide, Rodenticide Act [7 USC Section 6901 et seq.]; the Clean Air Act [42 USC Section 7401 et seq.]; the Safe Drinking Water Act [42 USC Section 300f et seq.]; the Solid Waste Disposal Act [42 USC Section 6901 et seq.]; the Surface Mining Control and Reclamation Act [30 USC Section 101 et seq.]; the Emergency Planning and Community Right to Know Act [42 USC Section 11001 et seq.]; the Occupational Safety and Health Act [29 USC Section 655 and 657]; the California Underground

Storage of Hazardous Substances Act [H&SC Section 25288 et seq.]; the California Hazardous Substances Account Act [H&SC Section 25300 et seq.]; the California Safe Drinking Water and Toxic Enforcement Act [H&SC Section 24249.5 et seq.]; the Porter Cologne Water Quality Act [Water Code Section 13000 et seq.] together with any amendments of or regulations promulgated under the statutes cited above and any other federal, state, or local law, statute, ordinance, or regulation now in effect or later enacted that pertains to the environment, occupational health or industrial hygiene, to the extent the environmental, occupational health or industrial hygiene laws, ordinances, or regulations relate to hazardous substances on, under, or about the Demised Premises, or the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.

**1.17 “Environmental Matters”** means and refers to any or all of the following: (1) Any presence of Hazardous Substances on the Demised Premises or on, in, under or affecting all or any portion of any property adjacent or proximate to the Demised Premises, if the presence of such Hazardous Substances results from the activities of Lessee; (2) Any storage, holding, handling, release, threatened release, discharge, generation, leak, abatement, removal or transportation of any Hazardous Substances on the Demised Premises by Lessee; (3) Any violation of law, rule, regulation, judgment, order, permit, license, agreement, covenant, restriction, requirement or the like by Lessee, relating to or governing in any way Hazardous Substances, occurring on the Demised Premises; (4) The failure of Lessee to properly complete, obtain, submit and/or file any and all notices, permits, licenses, authorizations, covenants and the like in connection with their activities on the Demised Premises; (5) The implementation and enforcement by Lessee of any monitoring, notification or other precautionary measures that may, at any time, become necessary to protect against the release, potential release or discharge by any Lessee Parties of Hazardous Substances on the Demised Premises or in the air, any body of water, any other public domain or any property adjacent or proximate to the Demised Premises; (6) Any failure of Lessee in compliance with all applicable Environmental Laws, to lawfully remove, contain, transport or dispose of any Hazardous Substances stored or generated on the Demised Premises by any Lessee Parties; and (7) Any investigation, inquiry, order, hearing, action or other proceeding by or before any governmental authority in connection with any Hazardous Substances or violation of any Environmental Law occurring or allegedly occurring as a result of the activities of Lessee.

**1.18 “Chief Executive Officer”** means the Chief Executive Officer of the Authority or any successor in function having jurisdiction over the management, operation and control of the Airport or any authorized representative of any of the foregoing.

**1.19 “FAA”** refers to the Federal Aviation Administration.

**1.20 “FAA Rules and Regulations”** refers to all statutes, codes, laws, rules, regulations, orders, acts and other regulatory actions of the United States, whether or not promulgated by the FAA, relating in any way to air transportation, airports, aircraft and businesses related thereto, that the FAA is authorized to enforce.

**1.21 “Building”** shall mean the building generally described as Building No. 341 with adjacent ramp area and described on Exhibits “A-1 & A-2”.

**1.22 “Hazardous Substance”** means the items described in Section 8.03 of this Lease.

**1.22 “Insurance”** shall mean all of the Insurance required by the provisions of Sections 10.05-10.09 of this Lease.

**1.23 “Parking Area”** shall mean the shared use area for parking of motor vehicles located on the east and north sides of the Demised Premises, which is to be used on a first come, first serve basis.

**1.25 “Quitclaim Deed”** shall mean the Quitclaim Deed from the United States Air Force to the Authority executed on February 12, 1999, and recorded December 17, 1999, as Document Number 19990517892 in the Official Records of the Recorder of the County of San Bernardino. A copy of the Quitclaim Deed has been provided to Lessee and copies are available at Authority’s office or upon request to Authority.

**1.26 “Ramp Services”** shall mean any work that can be performed on an aircraft, pursuant to FAA Rules and Regulations, outside of hangar facilities.

**1.27 “Rent”** shall refer to all monetary amounts payable by LESSEE to the Authority, of any kind or nature whatsoever, pursuant to this Lease.

**1.28 “SCAQMD”** shall mean the South Coast Air Quality Management District or successor entity having jurisdiction over air quality related to the Demised Premises.

**1.29 “Security Deposit”** shall be that certain sum of money deposited by LESSEE with Authority pursuant to Section 12 of the Basic Provisions.

**1.30 “Tenant Improvements”** shall mean as applicable (i) any modifications to the Demised Premises made by Authority as provided in Section 14 of the Basic Provisions, and (ii) any modification or alterations to the Demised Premises made by Lessee for the benefit or use of Lessee.

**1.31 “Term”** shall be the initial terms set forth in Section 4 of the Basic Provisions together with any extended term of this Lease as provided in Section 5 of the Basic Provisions.

**1.32 “TSA”** shall mean the federal agency known as the Transportation Security Administration which has jurisdiction over the Airport as to certain security procedures and arrangements as further set forth in this Lease.

## **ARTICLE II LEASE AND USE OF DEMISED PREMISES**

### **2.01 DEMISED PREMISES**

A. The Authority leases to Lessee and Lessee leases from the Authority the Demised Premises, subject to certain exceptions, reservations, terms, conditions, covenants and restrictions provided in this Lease.

B. Lessee shall enter the Airfield Area through the Airport Gate No. 10 for which Lessee shall have the non-exclusive use thereof, which gate shall at all times be maintained, secured and operated by the Authority.\*See Exhibit “A-1”

C. Lessee shall have the non-exclusive right to have reasonable access to and use of the parking areas. The Authority reserves the right to relocate all or any portion of the parking area, in the Authority's reasonable discretion, so long as the Authority provides Lessee alternative parking of reasonably adequate size and comparable distance from the Demised Premises or otherwise reasonably acceptable to Lessee for Lessee's personal vehicle parking.\* See Exhibit "A-1"

## **2.02 PERMITTED USES OF DEMISED PREMISES**

A. Lessee shall use the Demised Premises only for the purposes set forth in Section 13 of the Basic Provisions, and any other use of the Demised Premises shall be subject to the prior written consent of the Authority which consent may be conditioned or withheld in Authority's sole discretion. In addition, Lessee shall not engage in the business of fuel service for a fee, aircraft parking for a fee outside of Lessee's Demised Premises and nonexclusive parking area, provision of ground support equipment or services for a fee, the sale of aviation fuel products, or any other service provided by Luxivair SBD, or any other Fixed Base Operator.

B. Engines may be run at idle speeds while on the Demised Premises to facilitate their repair or maintenance. All areas on the Demised Premises are to be maintained in a clean and orderly fashion at all times and shall comply with all applicable workplace regulations including, without limitation, those regulations promulgated by the United States Department of Labor, Occupational Safety and Health Administration. Lessee shall not be permitted to conduct engine run-ups (i.e., running the engine at any speed above its reasonable and intended idle speed) on the Demised Premises. Engine run-ups must be conducted at the run-up area designated by the Chief Executive Officer from time to time in the Chief Executive Officer's sole discretion. Lessee shall not be permitted to conduct engine run-ups for maintenance or testing purposes anywhere on the Airfield Area or the Airport between 2300 and 0600 hours daily except in the case of an emergency. This restriction on maintenance activities shall not restrict Lessee's normal flight operations.

## **ARTICLE II TERM OF LEASE**

### **3.01 TERM OF LEASE**

The term of this Lease shall be for the period specified in Section 4 of the Basic Provisions.

### **3.02 OPTION TO EXTEND TERM**

Lessee shall have an option to extend the Term of this Lease for One (1), Five (5)-Year period. As a condition precedent to the exercise by Lessee of such option, Lessee shall give written notice to the Authority of its exercise of the option at least six (6) months prior to the time such extended term is to commence. Provided Lessee has continued to comply with the Performance Covenants set forth in Article 4 of the General Provisions during the Term and is not otherwise in default under the terms of this Lease.

**PART IV**  
**RENT AND PERFORMANCE COVENANTS**

**4.01 DETERMINATION OF BASE RENT AND ANNUAL BASE RENT**

A. Beginning on the Commencement Date and continuing throughout the Term, Base Rent shall be paid in advance on or before the first day of each month, without offset or deduction.

B. At the beginning of the second year of the Term and at the beginning of each anniversary thereof, the monthly base rent shall increase by three percent (3%)\*. Upon Lessee's exercise of any applicable extension, the monthly payments of Base Rent and other charges shall be adjusted by three percent (3%) annually\*. The Authority's failure or delay in timely calculating any Rent increase shall not be deemed a waiver of such Rent increase or any additional Rent payable by reason thereof. \* See Part XIII, **Rent Schedule**.

**4.02 TIME AND MANNER OF RENT PAYMENTS**

A. If any Rent payment is not received by the Authority within ten (10) calendar days after the date that Rent is due, Lessee shall pay to the Authority a late charge of five percent (5%) of the Rent past due, as liquidated damages, in lieu of actual damages (other than interest under Section 4.02C. and attorneys' fees and costs pursuant to the terms of this Lease). Lessee shall pay a late charge for each calendar month in which all or any part of any Rent payment remains delinquent for more than ten (10) calendar days after its due date. The parties agree that this late charge represents a reasonable estimate of the expenses that the Authority will incur because of any late payment of Rent (other than interest and attorneys' fees and costs). The Authority's acceptance of any liquidated damages shall not constitute a waiver of Lessee's default with respect to the overdue amount or prevent the Authority from exercising any of the rights or remedies available to the Authority regarding this Lease.

B. If any Rent payment is not received by the Authority within thirty (30) calendar days after that Rent payment is due, Lessee shall pay to the Authority interest on the past-due amount from the date due until paid, at the rate of ten percent (10%) per year.

C. The Authority may accept Rent payments without waiving any rights, including rights under a previously served notice of default. If the Authority accepts payments after serving a notice of default, the Authority may nevertheless commence and pursue an action to enforce its rights and remedies under the previously served notice of default.

D. In the event that two (2) times or more during any consecutive twelve (12) month period, any payment of Base Rent to the Authority is returned or deemed void due to Non-Sufficient Funds, the Authority, in exercise of its sole and absolute discretion, may require that all future payments from Lessee to the Authority be made via cashier's check or via electronic funds transfer.

**4.03 NET LEASE**

This Lease is a "Net Lease." Other than as expressly set forth in this Lease, the Lessee shall be obligated for any additional water, sewer, gas, electricity and lighting connections to the Demised



Premises that are in addition to the Tenant Improvements as initially constructed by the Authority, and the Lessee shall make any routine repairs and maintenance to the Demised Premises and the Tenant Improvements and to such other improvements to any part of the Demised Premises that are constructed by the Lessee. The Lessee shall be obligated to pay any applicable possessory interest and/or personal property taxes pursuant to the provisions of Article X of this Lease. In addition, the Lessee shall be responsible for compliance with the provisions of Sections 10.05 through 10.15 herein. All Rent payments to the Authority are absolute Rent payments and are not subject to any off-set or credit for any repair or maintenance work of the Lessee, other than as specifically set forth in this Lease, regardless of whether any such work is necessary or elective and regardless of whether any such work is expected or unexpected.

#### **4.04 RAMP MAINTENANCE EXPENSE.**

For purposes of this Paragraph the term “Ramp Maintenance Expense” shall mean all cost and expenses incurred by Authority to maintain and repair, as necessary, the ramp area as depicted on Exhibit “A-1.” Ramp Maintenance Expenses shall be included and apportioned as a component of the Net Operating Costs to be paid by Lessee.

#### **4.05 [RESERVED-NO TEXT]**

#### **4.06 [RESERVED –NO TEXT]**

### **PART V PROVISIONS RELATING TO DEMISED PREMISES**

#### **5.01 OPERATING COVENANTS**

A. As of the Commencement Date of the Lease, and for each consecutive anniversary date thereafter, Lessee hereby represents and warrants that it shall have in place, in service, and shall conduct continuous business operations itself as a Part 135 charter operation and/or Part 145 repair station during the term of this agreement.

B. If Lessee fails to maintain, these certifications, the Authority may give Lessee a notice of default and Lessee shall immediately cease all activities on the Demised Premises or the Airport for which Lessee is not properly certified and shall cure the default within ninety (90) calendar days after receipt of notice of default. If Lessee fails to cure the default within ninety (90) calendar days after receipt of notice of default, then the Authority shall have the right to terminate this Lease, upon notice delivered at any time after the end of the ninety (90) day cure period and the termination shall be deemed effective immediately upon delivery of such notice. Without limiting the foregoing, Authority may include an election in the ninety (90) day notice to terminate this Lease if the default is not cured and, in such event, no further notice shall be required to terminate this Lease upon the expiration of such ninety (90) day period if the default has not been cured.

## **5.02 CONDITION OF DEMISED PREMISES**

A. Lessee acknowledges, agrees and represents to the Authority that the Demised Premises and any portion thereof are leased in an “AS IS”, “WHERE IS” and “SUBJECT TO ALL FAULTS” condition, without any representation or warranty by the Authority concerning the condition of the Demised Premises, except as expressly set forth in this Lease, and without any obligation on the part of the Authority to make any alterations, repairs or additions to the Demised Premises, except as expressly set forth in this Lease. Lessee acknowledges that neither the Authority, nor anyone acting on behalf of the Authority, has made any representation or warranty concerning the condition or state of repair of the Demised Premises, nor any agreement or promise to alter, improve, adapt or repair the Demised Premises that is not fully set forth in this Lease.

B. The Authority remove excess dirt to render the grounds area primarily in northern vicinity of the exterior of the Demised Premises to grade level along with any trash and debris around the surrounding area of the Demised Premises.

## **5.03 MAINTENANCE OF DEMISED PREMISES**

A. During the Term, Lessee shall maintain, repair and replace all portions of the Demised Premises at its sole cost and expense, except as otherwise expressly provided in this Lease. Lessee shall provide, at its own expense, all equipment, trash, janitorial services, and fire extinguishers at the Demised Premises necessary for Lessee’s occupancy thereof. Without limiting the foregoing, at its sole cost and expense, Lessee shall maintain and repair interior doors, fans, windows, walls, lighting fixtures, electrical and plumbing (not to include the current fire suppression system), mechanical, etc. Authority acknowledges the condition of the aforementioned items are in need of considerable repair and upgrades to be provided by Lessee, at Lessee’s discretion.

B. The Authority shall maintain the ramp area servicing the Building and the Building Fire Suppression System.

## **5.04 ALTERATIONS TO DEMISED PREMISES**

A. Lessee shall not make or suffer to be made any material modifications or alterations to the Demised Premises without first obtaining Authority’s prior written consent to such modifications or alterations, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Authority may condition or withhold its consent in Authority’s sole discretion to any modifications to structural components of the Demised Premises or any penetrations or modifications to the roof. In requesting Authority’s consent, Lessee shall submit to Authority plans and specifications for the modifications or alterations to be made sufficient for Authority to determine the nature and scope of such modifications or improvements. If the Authority disapproves Lessee’s plans and specifications, Authority shall give the reasons for such disapproval and Lessee shall promptly revise the same to Authority’s reasonable satisfaction. Lessee shall provide Authority with at least ten (10) days’ notice prior to having any construction materials delivered to the Demised Premises or commencing construction of any improvements and shall reasonably cooperate with Authority in the posting of a notice of non-responsibility on the Demised Premises. Lessee covenants and agrees that all Tenant Improvements constructed on the Demised Premises or work performed or caused to be performed by Lessee shall be in full compliance with all laws, rules, orders,

ordinances, directions, codes, regulations and requirements of all governmental agencies, offices, departments, bureaus and boards having jurisdiction over the Demised Premises.

B. Title to any Tenant Improvements constructed on the Demised Premises by Lessee shall remain vested in Lessee during the Term of this Lease. Upon the expiration or termination of this Lease all such Tenant Improvements shall be surrendered to Authority with the Demised Premises in good condition and repair and shall become the property of Authority, except for Personalty belonging to Lessee as provided in 5.04.C. below. At the request of Authority, Lessee shall provide a bill of sale transferring the Tenant Improvements to Authority. Notwithstanding the forgoing, Authority may notify Lessee of the requirement for Lessee to remove all or any portion of the Tenant Improvements within thirty (30) days after the expiration or termination of this Lease and Lessee shall promptly remove that portion of the Tenant Improvement at Lessee's cost and expense.

C. Lessee may, without the prior written consent of the Authority, at Lessee's sole cost and expense, install at the Demised Premises any trade fixtures, furnishings and equipment, all of which shall be deemed to be personal property of Lessee (the "Personalty"). Lessee shall have the right at any time during the Term to remove any or all of the Personalty, subject to Lessee's obligation to repair damage, if any, resulting from such removal, at its sole cost and expense.

D. Any trade fixtures of Lessee not removed from the Demised Premises prior to the expiration or earlier termination of the Term of this Lease, regardless of cause, shall automatically become the property of the Authority, as owner of the Demised Premises to which such fixtures are attached.

## **5.05 RESERVED**

## **5.06 SUBLETTING AND ASSIGNMENT**

A. **Assignment.** Except as provided in subsection B below, Lessee shall not, either voluntarily or by operation of law, assign, sublet, sell, encumber, hypothecate, pledge, or otherwise transfer all or any part of Lessee's leasehold estate hereunder without the prior written consent of Lessor.

B. **Entity Transfer.** If Lessee is a corporation, limited liability company, partnership or other entity, the transfer of fifty percent (50%) or more of the ownership interests in such entity (whether in one transaction or cumulatively) shall constitute an assignment of this Lease. Notwithstanding the foregoing, Lessee may assign this Lease to a person or entity that acquires the business of Lessee as a going concern, whether or not such acquisition of the business is structured as an asset sale or as an acquisition of the stock or other ownership interest of Lessee.

### **C. Conditions for Assignment or Subletting.**

(1) The assignment of Lessee's interest in this Lease shall not discharge or release Lessee from any obligations hereunder. Any assignee of this Lease shall expressly assume all obligations hereunder as part of such assignment and execute an assumption of this Lease in a form reasonably acceptable to Lessor.

(2) Upon any subletting of the Demised Premises, Lessee shall remain directly responsible to Lessor for the performance of all obligations under this Lease. Without limiting the foregoing, Lessor may accept any rent payment directly from the subtenant. Any sublease shall provide that it is subordinate to this Lease and the rights of Lessor hereunder, and to any renewal, amendment or modification of this Lease. Lessor shall have no obligation to notify any sublessee or obtain any sublessee's consent to any renewal, amendment or modification of this Lease.

(3) Lessor's consent to any assignment of the Lease or subletting of the Demised Premises shall not be unreasonably withheld or delayed, provided, however, that in determining whether to consent to any such assignment or subletting, Lessor may consider any relevant factors or issues in connection therewith, including without limitation: (i) whether the proposed transferee has sufficient financial capability to perform all of Lessee's obligations under the Lease; (ii) whether the proposed transferee or the use or business to be carried on by the proposed transferee will be compatible with other operations of the Airport and adjacent property, provided, however that any change in the permitted use of the Demised Premises shall be subject to Lessor's approval, which approval Lessor may condition or withhold in Lessor's discretion; and (iv) whether the proposed transfer might expose Landlord to any material additional risk, liability or cost.

D. Consent by Lessor to any assignment or subletting of this Lease shall not operate to exhaust Lessor's rights under this Section.

#### **5.07 RIGHT TO ENTER AND MAKE REPAIRS**

A. The Authority and its authorized officers, employees, agents, contractors, subcontractors and other representatives shall have the right upon reasonable notice, except in cases of emergency or inability to provide notice, at such times as may be reasonable under the circumstances, with as little interruption to Lessee's operations as is reasonably practicable, without abatement of Rent, to enter upon the Demised Premises for the following purposes:

(1) To inspect the Demised Premises at reasonable intervals during regular business hours (or at any time in case of emergency) to determine whether Lessee is in compliance with the terms and conditions of this Lease with respect to the Demised Premises.

(2) To perform maintenance and make repairs and replacements to the Demised Premises in any case where Lessee is given a written notice identifying the requirement and fails to undertake reasonable steps to initiate the performance of such maintenance or the making of such repairs within fifteen (15) calendar days.

(3) To perform maintenance and make repairs and replacements in any case where the Authority is obligated to do so.

B. The Authority's entry onto the Demised Premises pursuant to this Section 5.07 shall not constitute a termination of this Lease, or the occupancy of Lessee on the Demised Premises, or disruption of Lessee's quiet use and enjoyment of the Demised Premises and the Authority shall not be liable to Lessee as a result of such entry.

#### **5.08 DAMAGE OR DESTRUCTION OF DEMISED PREMISES**

A. If, at any time prior to the expiration or termination of this Lease, the Demised Premises are wholly or partially damaged or destroyed by a casualty, the loss to the Authority from such casualty is fully covered (except for the normal deductible) by insurance maintained by the Authority or for the Authority's benefit, and such casualty renders the Demised Premises totally or partially inaccessible or unusable by Lessee in the ordinary conduct of Lessee's business, then:

(1) Repairs Which Can Be Completed Within One (1) Year. Within forty-five (45) calendar days after notice by Lessee to the Authority of such damage or destruction, the Authority shall provide Lessee with notice of its reasonable determination of whether the damage or destruction can be repaired within one (1) year of such damage or destruction without the payment of overtime or other premium. If all repairs to the Demised Premises can, in the Authority's reasonable judgment, be completed within one (1) year following the date of notice to the Authority of such damage or destruction without the payment of overtime or other premium, the Authority shall, at the Authority's expense, repair the same and this Lease shall remain in full force and effect.

(2) Repairs Which Cannot Be Completed Within One (1) Year. If all repairs to the Demised Premises cannot, in the Authority's reasonable judgment, be completed within one (1) year following the date after notice by Lessee to the Authority of such damage or destruction without the payment of overtime or other premiums, the Authority shall notify Lessee of such determination and the Authority or Lessee may, at their respective sole and absolute option, upon written notice to the other given within sixty (60) calendar days after notice to the Authority of the occurrence of such damage or destruction, elect to either repair such damage or destruction at the electing party's sole expense (and in such event, this Lease shall continue in full force and effect), or elect to terminate this Lease as of the date of the occurrence of such damage or destruction.

B. If, at any time prior to the expiration or termination of this Lease, the Demised Premises are totally or partially damaged or destroyed from a casualty, and the cost of repair is in excess of \$100,000, and the loss (except for the deductible) to the Authority from such casualty is not fully covered by insurance maintained by the Authority or for the Authority's benefit (except for the first \$100,000 of cost to repair such damage or destruction which shall be the responsibility of the Authority), and such casualty damage renders the Demised Premises inaccessible or unusable to Lessee in the ordinary course of its business, the Authority may, at its option, upon written notice to Lessee, within sixty (60) calendar days after notice to the Authority of the occurrence of such damage or destruction, elect to either repair or restore such damage or destruction, in which case this Lease shall continue in full force and effect, or terminate this Lease. If the Authority does not expressly elect by written notice to LESSEE to repair such damage, or if the damage cannot, in the Authority's judgment, be completed within one (1) year following the date of notice to the Authority of such damage or destruction, without payment of overtime or any premium, this Lease shall terminate.

C. Notwithstanding anything to the contrary contained in the foregoing, if the Demised Premises are wholly or partially damaged or destroyed within the final twelve (12) months prior to the expiration date of the Term, and if as a result of such damage or destruction Lessee is denied access or use of the Demised Premises for the conduct of its business operations for a period of thirty (30) consecutive days, the Authority or Lessee may, at the option of either such party, by giving the other written notice within sixty (60) calendar days after receipt of notice of the occurrence of such damage or destruction, terminate this Lease.

D. In the event of any damage to or destruction of the Demised Premises, under no circumstances shall the Authority be required to repair any injury, or damage to, or make any repairs to or replacements of, Lessee's Personalty, Tenant Improvements or any personal property of Lessee's employees, invitees, guests or agents, or other persons whose property is located at the Demised Premises at the instance of Lessee, it being solely the obligation of Lessee to insure against any such loss. The Authority shall have no responsibility for any contents placed or kept in or on the Demised Premises by or at the instance of Lessee.

E. This Section shall be Lessee's sole and exclusive remedy in the event of damage or destruction to the Demised Premises, and Lessee, as a material inducement to the Authority to enter into this Lease, irrevocably waives and releases Lessee's rights under California Civil Code Sections 1932(2) and 1933(4) and successor sections. No damages, compensation or claim shall be payable by the Authority for any inconvenience, any interruption or cessation of Lessee's business, or any annoyance, arising from any damage to or destruction of all or any portion of the Demised Premises.

## **5.09 UTILITY SERVICE**

A. Lessee shall be responsible for obtaining and paying for, at Lessee sole cost and expense, water, electric and gas utility services, telephone, data, cable television and any other service to the Demised Premises. The parties hereto acknowledge and agree that the Authority does not own or control any of the utility systems servicing the Airport and the Buildings, and Authority shall not be responsible or liable for any interruption in the utility service to the Demised Premises, and no interruption to such utility service shall constitute a default by the Authority hereunder or entitle Lessee to any abatement of Rent or claims damages or losses against the Authority.

## **PART VI NON-EXCLUSIVE USE OF PORTIONS OF THE AIRFIELD AREA**

### **6.01 LESSEE USE OF AIRPORT AND AIRFIELD AREA**

A. Lessee, shall have the non-exclusive right to use the Airport, the Airfield Area, and the Airport Roadway Area in accordance with the provisions contained on Exhibit "C" attached hereto.

B. Lessee shall, by the tenth (10th) calendar day of each calendar month, provide the Executive Director with a complete listing of all aircraft landing operations conducted by Lessee during the previous calendar month. Such list shall include the date, time, type of aircraft, and aircraft registration number (i.e., tail number) for each aircraft. The phrase "aircraft landing operations conducted by Lessee" shall include aircraft landing operations conducted by Lessee, its employees, customers, guests, invitees, agents or otherwise on behalf of Lessee or in furtherance of Lessee's business operations.

## **PART VII GENERAL PROVISIONS**

### **7.01 AGREEMENTS WITH THE UNITED STATES**

Lessee's use and occupancy of the Demised Premises is subject to the disclosures, restrictions, covenants and conditions contained in the Quitclaim Deed and the provision attached hereto as Exhibit "H" attached hereto (collectively referred to as the "Deed Requirements"). Lessee covenants and agrees to comply with all of the Deed Requirements as they relate to Lessee's use and occupancy of the Demised Premises. Lessee further agrees to indemnify, hold harmless and defend the Authority and its elected officials, officers, directors, employees, attorneys and agents from any and all defaults or failures by Lessee, its sublessees, guests, invitees or agents to comply with the Deed Requirements affecting the Demised Premises.

## **7.02 LAWS, REGULATIONS AND AGREEMENTS TO BE OBSERVED**

A. Lessee shall not use, or permit the use by parties authorized by Lessee, of the Demised Premises, or any portion thereof, or any part of the Airport to which it is granted a right of use or occupancy by this Lease, for any purpose or use other than those expressly and specifically authorized by this Lease, or hereafter authorized in writing by the Chief Executive Officer.

B. Lessee shall comply with and shall cause its officers, employees, contractors, sub-contractors, sublessees and licensees to comply with the Airport Rules and Regulations. Lessee shall use reasonable efforts to cause its guests, invitees and any other persons to enter the Airport or the Demised Premises for Lessee's business purposes, to comply with the Airport Rules and Regulations.

C. Any disputes regarding the Airport Rules and Regulations shall first be presented at an administrative hearing before the Chief Executive Officer following administrative hearing procedures as may be adopted by the Authority. No legal action shall be brought by Lessee against the Authority while contesting any such Airport Rules and Regulations until Lessee has fully complied with the Authority's administrative hearing procedures, if any. Nothing in this Section shall be construed to prevent Lessee from contesting in good faith any of the Airport Rules and Regulations without being considered in breach of this Section, during such time as is required to exhaust the administrative hearing procedure and so long as such contest is diligently commenced and prosecuted in good faith by Lessee.

D. Lessee acknowledges that the Demised Premises must, at all times, be in compliance with all applicable governmental laws, regulations and building codes governing nondiscrimination in public accommodations and commercial facilities, and that in the event Lessee makes alterations to the Demised Premises, the Demised Premises shall be and shall remain in compliance with such laws, regulations and building codes throughout the Term of this Lease in accordance with Exhibit B.

E. Lessee will at all times during the Term of this Lease promptly observe and comply, at its sole cost and expense, with the provisions of all applicable federal, state and local laws, regulations and standards, and Environmental Laws in connection with its operation and activities at the Airport and on the Demised Premises.

## **PART VIII ENVIRONMENTAL DISCLOSURES AND COVENANTS**

### **8.01 HAZARDOUS SUBSTANCES**

“Hazardous Substances” means and includes without limitation those substances included within the definitions of “hazardous substance,” “hazardous waste,” “hazardous material,” “toxic substance,” “solid waste,” or “pollutant or contaminate” in CERCLA, RCRA, TSCA, HIMTA, or under any other environmental law and those substances listed in the United States Department of Transportation (DOT) Table [49 CFR 172.101], or by the EPA, or any successor agency, as hazardous substances [40 CFR Part 302]; other substances, materials, and wastes that are or become regulated or classified as hazardous or toxic under federal, state, or local laws or regulations; and any material, waste, or substance that is:

- (1) A petroleum or refined petroleum product;
- (2) Asbestos;
- (3) Polychlorinated biphenyl;
- (4) Designated as a hazardous substance pursuant to 33 USC Section 1321 or listed pursuant to 33 USC Section 1317;
- (5) A flammable explosive; or
- (6) A radioactive material.

## **8.02 COMPLIANCE WITH THE ENVIRONMENTAL CONDITIONS COVENANTS OF THE QUITCLAIM DEED**

A. Any use, occupancy or activity of Lessee on the Demised Premises resulting in the receipt by the Authority of a notice of default from the Air Force under the Quitclaim Deed relating to the environmental condition of the Demised 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 Authority, following receipt by the Authority 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 Authority for the resolution of an alleged default, breach or other dispute among the Air Force, the Authority, the EPA or the State Department of Toxic Substance Control arising under (or in any way related to) the Quitclaim Deed.

## **8.03 LESSEE COMPLIANCE WITH ENVIRONMENTAL LAWS; LESSEE COVENANT REGARDING HAZARDOUS SUBSTANCES**

A. 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 Demised Premises, or transported to or from the Demised Premises, by Lessee, its agents, employees, contractors, invitees, guests or vendors in violation of any Environmental Laws.

B. Without limiting the foregoing, if the activities of Lessee, its officers, agents, employees, contractors, guests, vendors or invitees on the Demised Premises, the Common Areas,



the Airfield Area or the Airport Roadway Area 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.

C. Lessee shall immediately notify the Authority of the occurrence of any of the following events and provide the Authority 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 Demised Premises, the Airfield Area or the Airport Roadway Area 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 Demised Premises or the investigation or enforcement of any such Environmental Laws in connection with the occupancy or use of the Demised 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 Demised Premises, Common Areas, the Airfield Area or the Airport Roadway Area occurring at any time during the Term of this Lease.

D. 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 Authority's contracts for wastewater treatment, Lessee shall pretreat such wastes as required.

E. The Authority and Lessee specifically acknowledge and agree that the system utilized by the Air Force for the discharge and removal of petroleum products and other contaminants from the storm drain system existing within the Demised Premises is unsuitable for the continued operations of Lessee within the Demised Premises. No discharges of Hazardous Substances will be permitted to be made by Lessee from the Demised Premises upon the former Golf Course property located south of the runways, which former Golf Course property is not owned or controlled by the Authority and for which neither the Authority nor Lessee have any right to allow storm water or drain flows to occur within the former Golf Course property for the purpose of containment and elimination of Hazardous Substances that may be discharged from the Demised Premises. A discharge resulting from the activation of the foam deluge system on the Demised Premises shall not be deemed to violate the provisions of this Section. 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 County of San Bernardino or the State of California and all agencies thereof. Lessee shall provide copies of all such permits to the Authority together with all renewals or extensions thereof. Lessee shall immediately notify the Authority 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 Authority with copies of all requested documents related thereto.

F. Notwithstanding the foregoing or any other provisions in this Lease to the contrary, Lessee and any other occupants or users of the Demised Premises authorized by Lessee, shall be entitled to store on the Demised Premises, and use in connection with operations at the Demised

Premises, such hazardous materials as may reasonably be required in connection with their permitted operations thereon as approved by the Fire Department and subject to SBIAA's prior written approval, including, without limitation, petroleum products (such as fuel, kerosene and oil), solvents used for cleaning of aircraft and vehicles and other chemicals normally located in air passenger and cargo facilities and other industrial or commercial places of business; provided, however, that in all cases such hazardous materials must be stored in the Hazardous Materials Storage Area - Cage 3 as depicted in Exhibit "I", and used in compliance with applicable Environmental Laws.

#### **8.04 EMERGENCY RESPONSE**

In conformity with the Quitclaim Deed and all applicable regulations, Lessee shall have a complete "Hazardous Materials and Spilled Fuel Containment Plan" subject to approval by the Authority and all applicable government agencies prior to commencement of operations on the Demised 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 Authority 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 Authority for its actual costs of such response.

#### **8.05 [RESERVED - NO TEXT]**

#### **8.06 INSPECTION OF BOOKS AND PROPERTY**

A. Lessee agrees to keep complete, accurate and up to date records of all business conducted by Lessee under this agreement. The Authority shall have the right to audit Lessee's books and accounts relevant to this agreement only. If the Authority elects to make such an audit, Lessee shall make all appropriate books, records and accounts available within 30 days of the Authority's written request. Lessee shall maintain and preserve all appropriate books, records and accounts generated during the term of this agreement for a period of four years from the date a specific entry is made. Lessee specifically requests that all records provided pursuant to this paragraph be held in confidence by the Authority, to the extent permitted by law. In addition, Lessee shall provide to the Authority any annual financial documents, such as profit and loss statements, tax returns, or audited/unaudited financial statements within 30 days of preparation of the same for Lessee's financial reporting purposes.

B. The Authority's rights under this Lease specifically include the right for the Authority and federal officials, pursuant to the Quitclaim Deed, or any other provision of law, to inspect the Demised Premises for compliance with Environmental Laws, occupational health and safety laws and regulations, whether or not the Authority 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 Authority shall conduct such inspections so as to reasonably minimize disruption to Lessee operations on the Demised Premises.

B. The Authority 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 Demised Premises to conduct and perform such remedial activity on the Demised Premises as may be required under any applicable Environmental Law. Except when necessary for the immediate preservation of health, safety and welfare, such performance will occur during normal business hours, and the Authority shall conduct such remediation so as to reasonably minimize disruption to Lessee operations on the Demised Premises.

C. Lessee shall, within twenty (20) calendar days after written request from the Authority, execute, acknowledge and deliver to the Authority a statement in writing in a form similar to the then most current "Standard Estoppel Certificate - By Lessee" form published by the American Industrial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Authority including without limitation a certification by Lessee that this Lease is unmodified and in full force and effect, and/or a certification by Lessee that to the best of its knowledge, its business operations at the Demised Premises are in compliance with the environmental conditions set forth in this Lease and all Environmental Laws and that no reportable release of a Hazardous Substance or hazardous waste has occurred on, in, under or around the Demised Premises at any time from and after the Commencement Date or, if applicable, since the date of any prior tenancy of Lessee or any predecessor entity related thereto whether through ownership, management or control, or if any release has occurred, the circumstances relating thereto.

## **PART IX ACTS OF DEFAULT; TERMINATION OF LEASE**

### **9.01 DEFAULT BY LESSEE**

A. The occurrence of any one or more of the following events shall constitute a default hereunder by Lessee:

(1) Abandonment of the Demised Premises by Lessee. Abandonment is herein defined to include, but is not limited to, any absence by Lessee from the Demised Premises for ten (10) days or longer while in material default of any provision of this Lease.

(2) The failure by Lessee to make any payment of rent or additional rent or any other payment required to be made by Lessee hereunder within five (5) days of the date the same shall be due.

(3) (i) The making by Lessee of any general assignment for the benefit of creditors; (ii) the filing by or against Lessee of a petition to have Lessee adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Lessee, the same is dismissed within thirty (30) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Demised Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Demised Premises or of Lessee's interest in this Lease where such seizure is not discharged within thirty (30) days.

(4) The failure of Lessee to comply with all of the operating covenants contained in Section 5.01 and/or to cure any default in connection therewith within the time periods provided in such Section.

(5) The failure by Lessee to observe or perform any of the express or implied covenants or provisions of this Lease to be observed or performed by Lessee, other than as specified in subsections A.(1),(2), (3) or (4) above, where such failure shall continue for a period of fifteen (15) days after written notice thereof from Authority to Lessee; provided, however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161; provided, further, that if the nature of Lessee's default is such that more than fifteen (15) days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee shall commence such cure within such fifteen-day period and thereafter diligently prosecute such cure to completion.

## **9.02 REMEDIES FOR DEFAULTS BY LESSEE**

A. In the event of any default hereunder by Lessee, in addition to any other remedies available to Authority at law or in equity, Authority shall have the immediate option to terminate this Lease and all rights of Lessee hereunder. In the event that the Authority shall elect to so terminate this Lease then Authority may recover from Lessee:

(1) the worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus

(2) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Lessee proves could have been reasonably avoided; plus

(3) the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Lessee proves could be reasonably avoided; plus

(4) any other amount necessary to compensate Authority for all the detriment proximately caused by Lessee's failure to perform Lessee's obligations under this Lease or which in the ordinary course of things would be likely to result therefrom; plus

(5) in no event shall Lessee receive any payment, credit, recovery or offset related to the payment for the construction of the capital improvements listed in Exhibit I.

B. As used in Section A. (1) and (2) above, the "worth at the time of award" is computed by allowing interest at the rate of ten percent (10%) per annum. As used in Section A(3) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

C. In the event of a default hereunder by Lessee, Authority has the remedy described in California Civil Code Section 1951.4 (Authority may continue this Lease in effect after Lessee's default and abandonment and recover rent as it becomes due, if Lessee has the right to sublet or

assign, subject only to reasonable limitations). Lessee hereby agrees that the restrictions provided in Section 15.06 above on assignment and subletting of this Lease are reasonable.

D. All rights, options and remedies of the Authority contained in this Lease shall be construed and held to be cumulative, and no one of them shall be exclusive of the other, and Authority shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease. No waiver of any default of Lessee hereunder shall be implied from any acceptance by the Authority of any rent or other payments due hereunder or any omission by Authority to take any such action on account of such default if such default persists or is repeated, and no express waiver shall affect defaults other than as specified in such waiver. The consent or approval of the Authority to or of any act by Lessee requiring the Authority's consent or approval shall not be deemed to waive or render unnecessary the Authority's consent or approval to or of any subsequent similar acts by Lessee.

### **9.03 TERMINATION BY LESSEE**

A. Lessee, at its option, may, terminate this Lease, upon the occurrence of any one or more of the following events:

(1) If the Authority's operation of the Airport is substantially restricted by action of any governmental entity or agency having jurisdiction over the Airport, or the occurrence of any fire or other casualty that substantially and adversely affects, for a period of at least sixty (60) calendar days, Lessee's use of the Airport in the conduct of its business on the Demised Premises; provided, however, that such governmental restriction, fire or other casualty is not due primarily to any act or omission of any Lessee Party; or

(2) If any act or failure to act on the part of the Authority or any other governmental or quasi-governmental entity shall substantially prevent or restrict the use by Lessee of the Demised Premises or the Airport for, sixty (60) or more calendar days; or

(3) If any civil commotion, acts of the military power or other similar events or circumstances shall operate to prevent or substantially restrain use of the Airport or the Demised Premises by Lessee for a period of at least sixty (60) calendar days; or

(4) If the Authority's Commission is disbanded and the Authority ceases to exist, resulting in the Airport being permanently closed; or

(5) If the Authority shall be in breach of any of its material obligations under this Lease which materially interferes with Lessee's use of the Demised Premises, and such breach continues for thirty (30) days or more after written notice from Lessee to Authority; provided, if the nature of the breach is such that more than thirty (30) days are reasonably required for its cure, then Authority shall not be deemed to be in breach and this termination right will not apply if Authority commences such cure within such thirty day period and thereafter diligently prosecute such cure to completion; or

(6) If Lessee is not able, after making all commercially reasonable efforts, to obtain the consents, approvals and permits required by Lessee to operate its business operations on the Demised Premises, including if Lessee is not granted by the FAA certification for a Flight School

approved by the FAA under Title 14 of the Code of Federal Regulations (14 CFR) Part 141 within six (6) months of the Commencement Date, by giving the Authority thirty (30) calendar days prior written notice; or

(7) If the presence of any Hazardous Substances or other environmental conditions for which an Lessee Party is not responsible, prevents Lessee from using the Airport for airport purposes in its entirety, or the use of any part of the Airport that is reasonably required for fifty percent (50%) or more of Lessee's business operations (determined by historical net revenues), and if such condition cannot be remedied within ninety (90) calendar days of notice of such condition to the Authority from Lessee;

B. If Lessee terminates this Lease pursuant to any provision of this Section 9.03, payment shall be made by Lessee to the Authority for any Rent due from the date of Commencement Date of this Lease through the effective date of any termination of this Lease and for any fees or other charges incurred by Lessee in connection with this Lease prior to such effective date of termination.

C. If the Authority materially breaches its obligation under this Lease, or upon the happening of any event specified in Section 9.03.A, Lessee's sole remedy shall be the termination of this Lease and Lessee shall not be entitled to receive any compensation from the Authority. Lessee waives any claim for consequential or punitive damages as a result of any act of the Authority, the Chief Executive Officer or their officers, employees, attorneys or agents.

#### **9.04 SURRENDER AND HOLDING OVER**

A. Lessee covenants that at the expiration of the Term, as applicable, or at the earlier termination of this Lease, Lessee will quit and surrender the Demised Premises to the Authority in as good a condition as when Lessee first entered into possession of the Demised Premises, subject to reasonable wear and tear, casualty (except to the extent required by this Lease to be insured against and repaired by Lessee), unless the damage is caused by the active negligence or willful misconduct of the Authority, condemnation and except as otherwise provided in this Lease.

B. Should Lessee hold over in use or occupancy of any portion of the "Demised Premises" after the expiration or termination of this Lease, with the consent of the Authority, such holding over shall be deemed a tenancy from month to month. Rent, fees and charges for each month of such hold over tenancy shall be paid at the rate of one hundred twenty five percent (125%) of the Base Rent for the last month of the Term, as applicable, immediately prior to the holdover period, regardless of whether Lessee is holding over on all or only a portion of the Demised Premises.

### **PART X**

#### **SECURITY DEPOSIT, EXCULPATION, INDEMNIFICATION, INSURANCE, AND TAXES**

##### **10.01 SECURITY DEPOSIT**

A. Amount of Security Deposit; Application. The Authority shall hold the Security Deposit identified in Section 11 of the Basic Provisions as security for the performance of Lessee's obligations under this Lease without interest and the Authority shall not be required to segregate or hold the security deposit in a separate account. If Lessee defaults on any provision of this Lease, the Authority may, without prejudice to any other remedy it has, apply all or part of the Security Deposit to:

- (1) Any Rent or other sum in default;
- (2) Any amount that the Authority may spend or become obligated to spend in exercising the Authority's rights under this Lease; or
- (3) Any expense, loss, or damage that the Authority may suffer because of Lessee's default.

B. The Authority's Transfer of Security Deposit on Transfer of Demised Premises. If the Authority disposes of its interest in the Demised Premises, the Authority may deliver or credit the Security Deposit to the Authority's successor in interest in the Demised Premises and thereupon be relieved of further responsibility with respect to the Security Deposit.

C. Assignment or Encumbrance of Security Deposit. Lessee may not assign or encumber the Security Deposit without the prior written consent of the Authority. Any attempt by Lessee to assign or encumber the Security Deposit without the prior written consent of the Authority shall be void and shall not be binding on the Authority.

D. Restoration of Security Deposit. If the Authority applies any portion of the Security Deposit, Lessee shall, within ten (10) calendar days after written demand by the Authority, deposit with the Authority an amount sufficient to restore the Security Deposit to its original amount.

E. Return of Security Deposit. If Lessee performs every provision of this Lease to be performed by Lessee, the unused portion of the Security Deposit shall be returned to Lessee or the last assignee of Lessee's interest under this Lease within forty-five (45) calendar days following the expiration or termination of this Lease.

## **10.02 [RESERVED - NO TEXT]**

## **10.03 EXCULPATION**

A. Definition of "Lessee Parties" and "Authority Parties". For purposes of this Section 10.03, the term "Lessee Parties" refers singularly and collectively to Lessee and Lessee's officers, members, partners, agents, employees, invitees, guests and independent contractors, as well as to all persons and entities claiming through any of these persons or entities. The term "Authority Parties" refers singularly and collectively to the Authority and its elected officials, officers, agents, attorneys, consultants and, employees and each of them.

B. Exculpation.

(1) Exculpation. To the fullest extent permitted by law, Lessee, on its behalf and on behalf of all Lessee Parties, waives all claims (at law, in equity, or otherwise) against any

Authority Parties arising out of, knowingly and voluntarily assumes the risk of, and agrees that the Authority Parties shall not be liable to the Lessee Parties for any of the following:

(a) Injury to or death of any person; or

(b) Loss of, injury or damage to, or destruction of any tangible or intangible property, including the resulting loss of use, economic losses, and consequential or resulting damage of any kind from any cause, in each case, except to the extent due to the active negligence or willful misconduct of any Authority Parties.

C. Survival of Exculpation. The clauses of this Section 10.03 shall survive the expiration or earlier termination of this Lease, until all claims within the scope of this Section 10.03 are fully, finally, and absolutely barred by the applicable statutes of limitations.

D. Lessee's Acknowledgment of Fairness. Lessee acknowledges that this Section 10.03 was negotiated with the Authority, that the consideration for it is fair and adequate, and that Lessee had a fair opportunity to negotiate, accept, reject, modify, or alter it.

E. No Exculpation for Non-delegable Duties. This exculpation clause may not be interpreted or construed as an attempt by the Authority to be relieved of liability arising out of a non-delegable duty on the part of the Authority.

#### **10.04 INDEMNIFICATION**

A. Lessee's Indemnification of the Authority Parties. To the fullest extent permitted by law, Lessee shall, at Lessee's sole expense and with counsel reasonably acceptable to the Authority, indemnify, defend, and hold harmless the Authority Parties from and against all Claims, as defined in Section 10.04B, to the extent arising out of or relating (directly or indirectly), to Lessee's use or occupancy of the Demised Premises or Lessee's activities on the Airport, including without limitation:

(1) The use or occupancy, or manner of use or occupancy, of the Airport or the Demised Premises by Lessee Parties;

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

(3) Lessee Parties conducting of their business;

(4) Any Tenant Improvements, activities, work, or things done, omitted, permitted, allowed, or suffered by Lessee Parties in, at, or about the Demised 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 10.04 shall survive the expiration or earlier termination of this Lease until all claims against the Authority Parties involving any of the indemnified matters are fully, finally, and absolutely barred by the applicable statutes of limitations.

G. Duty to Defend. Lessee's duty to defend the Authority Parties is separate and independent of Lessee's duty to indemnify the Authority Parties.

## **10.05 COMPLIANCE WITH INSURER REQUIREMENTS**

Lessee shall, at Lessee's sole expense, comply with all requirements, guidelines, rules, orders, and similar mandates and directives pertaining to Lessee's operations in the Demised Premises and at the Airport, whether imposed by Lessee's insurers, the Authority's insurers, or both. Lessee shall, at Lessee's sole expense, comply with all rules, orders, regulations, or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and of any similar body applicable to Lessee's operations in the Demised Premises and at the Airport.

## **10.06 LESSEE'S LIABILITY COVERAGE**

Lessee shall, at Lessee's sole expense, maintain the liability insurance coverage set forth in this Section 10.06.

A. Commercial General Liability Insurance. Lessee shall obtain commercial aviation liability insurance written on an "occurrence" policy form, covering bodily injury, property damage, personal injury, and advertising injury arising out of or relating (directly or indirectly) to Lessee's business operations, conduct, assumed liabilities, or use or occupancy of the Demised Premises or the Airport, providing single limit coverage of, at least, Two Million Dollars (\$2,000,000.00) per occurrence with an "Additional Insured-Managers or Lessor's Premises Endorsement" and contain the "Amendment of the Pollution Exclusion Endorsement" for damage caused by heat, smoke or

fumes from a hostile fire. The commercial aviation liability insurance policy shall not contain any intra-insured exclusions as between insured persons or organizations but shall include coverage for liability assumed under this Lease as an 'insured contract' for the performance of Lessee's indemnity obligations under this Lease.

B. Broad Form Coverage. Lessee's commercial aviation liability coverage shall include all the coverage typically provided by the Broad Form Comprehensive General Liability Endorsement, including broad form property damage coverage. At such time as Lessee's operations require it, Lessee shall provide to the Authority evidence of such coverage for broad form property damage coverage, including coverage for products liability and completed operations. Such evidence shall be provided to the Authority prior to commencement of such operations. Lessee's commercial aviation liability coverage shall further include premises-operations coverage, contemplated operations coverage, owners and contractors' protective coverage (when reasonably required by the Authority), and the broadest available form of contractual liability coverage. It is the intent of the parties to this Lease that Lessee's contractual liability coverage provides coverage to the maximum extent possible of Lessee's indemnification obligations under this Lease.

C. Hangar Keepers Insurance. Prior to storing any aircraft on or in the Demised Premises, Lessee shall obtain "Hangar Keepers and Operators" insurance in the amount of Two Million Dollars (\$2,000,000.00) combined single limit.

D. Cross-Liability; Severability of Interests. Lessee's commercial aviation liability policies shall be endorsed as needed to provide cross-liability coverage for Lessee and the Authority and to provide severability of interests.

E. Primary Insurance Endorsements for Additional Insureds. Lessee's commercial aviation liability policies shall be endorsed as needed to provide that the insurance afforded by those policies to the additional insureds is primary and that all insurance carried by the Authority Parties is strictly excess and secondary and shall not contribute with Lessee's commercial aviation liability insurance.

F. Delivery of Certificate, Policy, and Endorsements. Before the Commencement Date, Lessee shall deliver to the Authority a certified copy of Lessee's liability policy or policies and an original certificate of insurance, executed by an authorized agent of the insurer or insurers, evidencing compliance with the liability insurance requirements of this Lease. The certificate shall provide for no less than ten (10) calendar days' advance written notice to the Authority from the insurer or insurers of any cancellation due to non-payment of premium and no less than thirty (30) calendar days' advance written notice to the Authority from the insurer or insurers of any non-renewal or change in coverage or available limits of liability and shall confirm compliance with the liability insurance requirements in this Lease.

G. Concurrency of Primary, Excess, and Umbrella Policies. Lessee's liability insurance coverage may be provided by a combination of primary, excess, and umbrella policies, but those policies must be absolutely concurrent in all respects regarding the coverage afforded by the policies. The coverage of any excess or umbrella policy must be at least as broad as the coverage of the primary policy.

H. Survival of Insurance Requirements. Lessee shall, at Lessee's sole expense maintain in full force and effect the liability insurance coverage required under this Lease and shall maintain the Authority Parties as additional insureds for a period of no less than one (1) year after expiration or earlier termination of this Lease.

I. Lessee's Workers' Compensation and Employer Liability Coverage. At such time as Lessee hires an employee(s), Lessee shall procure and maintain workers' compensation insurance as required by law and employer's liability insurance with limits of no less than One Million Dollars (\$1,000,000.00).

#### **10.07 LESSEE'S FIRST PARTY INSURANCE**

Lessee shall, at Lessee's sole expense, procure and maintain the first party insurance coverage described in this Section 10.07.

A. Lessee's Property Insurance. Lessee shall procure and maintain property insurance coverage for:

(1) All office furniture, trade fixtures, office equipment, merchandise, and all other items of Lessee's property in, on, at, or about the Demised Premises and the Airport, including property installed by, for, or at the expense of Lessee.

(2) "Tenant Improvements," as defined in this Lease, if any; and

(3) All other improvements, betterments, alterations, and additions to the Demised Premises made by Lessee.

B. Lessee's property insurance must fulfill the following requirements:

(1) It must be written on the broadest available "all-risk" (special-causes-of-loss) policy form or an equivalent form acceptable to the Authority:

(2) It must include an agreed-amount endorsement for no less than one hundred percent (100%) of the full replacement cost (new without deduction for depreciation) of the covered items and property, with a deductible not to exceed Five Thousand Dollars (\$5,000.00) per occurrence. The proceeds from any such property insurance shall be used by Lessee for the replacement of personal property, trade fixtures or Tenant Improvements.

C. Lessee shall maintain or cause the aircraft owner to maintain hull coverage on each aircraft to be operated or ground coverage on each aircraft stored at the Airport, including the Demised Premises, in the stated amount of the value of each individual aircraft, as certified by the owner of each individual aircraft to the insurance carrier for such insurance coverage, which shall be the value of the individual aircraft for all purposes, as between Lessee, the owner of the aircraft and the Authority.

#### **10.08 [RESERVED – NO TEXT]**

#### **10.09 FORM OF POLICIES AND ADDITIONAL REQUIREMENTS**

A. Insurance Independent of Exculpation and Indemnification. The insurance requirements set forth in Sections 10.04 through and including 10.07, inclusive, are independent of Lessee's exculpation, indemnification, and other obligations under this Lease and shall not be construed or interpreted in any way to restrict, limit, or modify Lessee's exculpation, indemnification, or other obligations or to limit Lessee's liability under this Lease.

B. Form of Policies. In addition to the requirements set forth in Sections 10.05 through 10.07, inclusive, the insurance required of Lessee under this Lease must:

(1) Name the Authority and any other party the Authority specifies, by endorsement, as an additional insured;

(2) Be issued by an insurance company with a rating of no less than A-VIII in the current Best's Insurance Guide, or that is otherwise acceptable to the Authority, and admitted to engage in the business of insurance in the State of California;

(3) Be primary for all claims under it and provide that any insurance carried by the Authority Parties is strictly excess, secondary, and noncontributing with any insurance carried by Lessee; and

(4) Provide that the insurance may not be canceled, none renewed, or the subject of material change in coverage or available limits of coverage, except on at least thirty (30) days' prior written notice to the Authority.

C. Lessee's Delivery of Policy, Endorsements, and Certificates. Lessee shall deliver the policy or policies, along with any endorsements to them and certificates required by this Lease, to the Authority:

(1) On or before the Commencement Date; and

(2) At least thirty (30) calendar days before the expiration date of any policy; and

(3) On renewal of any policy

D. Deductibles and Self-Insured Retentions. All deductibles and self-insured retentions under Lessee's policies are subject to the Authority's prior written approval. Such approval shall be at the reasonable discretion of the Authority.

E. The Chief Executive Officer may increase the limits of any insurance required under this Lease when the amount stated in this Lease is less than the level of liability insurance customarily required at a other similar airports in the United States of America for operators of facilities like the Demised Premises; provided that the Chief Executive Officer provides Lessee with at least ninety (90) calendar days' prior written notice of the change in insurance requirements, accompanied by a recent survey of insurance requirements for a majority of other similar airports in the United States of America.

F. If Lessee fails to procure and maintain the insurance required of it under this Lease and does not cure such failure within thirty (30) calendar days of the date of notice of such failure to

Lessee from the Authority, the Authority may, but shall not be required to, procure and maintain such insurance and be reimbursed for the cost of such insurance by Lessee or, alternatively, the Authority may terminate this Lease upon written notice to Lessee, without any cure period.

G. The Authority makes no representation that the limits or forms of coverage of insurance specified in this Lease are adequate to cover Lessee's property, business operations or obligations under this Lease.

#### **10.10 WAIVER OF SUBROGATION**

The Authority and Lessee agree to cause the insurance companies issuing their respective property (first party) insurance to waive any subrogation rights that those companies may have against Lessee or the Authority, respectively, as long as the insurance is not invalidated by the waiver. If the waivers of subrogation are contained in their respective insurance policies, the Authority and Lessee waive any right that either may have against the other on account of any loss or damage to their respective property to the extent that the loss or damage is insured under their respective insurance policies.

#### **10.11 THE AUTHORITY'S PROPERTY DAMAGE INSURANCE COVERAGE**

A. The Authority shall carry first party property damage insurance on the structure of the Buildings in the form of Property All-Risk Special Form, Excluding Quake and Flood, in the total insurable value of the Buildings and all associated or related improvements. The Authority shall have no obligation to insure any of Lessee's personal property or improvements located on the Demised Premises.

B. The Authority shall maintain comprehensive general liability insurance written on an "occurrence" policy form, covering bodily injury, property damage, personal injury, and advertising injury arising out of or relating (directly or indirectly) to providing single limit coverage with limits of at least, Two Million Dollars (\$2,000,000.00) per occurrence or such other amount as the Authority shall determine in its discretion.

C. During the Term, such coverage may be in such amounts, from such companies and on such other terms and conditions as the Authority may from time to time reasonably determine. The cost of the Authority's insurance under this Section 10.11 shall be a common area expense. On reasonable inquiry by Lessee from time to time, the Authority shall inform Lessee of all such insurance carried by the Authority applicable to the Demised Premises.

#### **10.12 TAXES AND LIENS**

A. In connection with the Demised Premises and Lessee's personal property and operations thereon, Lessee covenants and agrees:

(1) To pay, prior to delinquency, all applicable general and special real property taxes, personal property taxes, assessments, taxes on any of Lessee's personal property or Tenant Improvements, possessory interest taxes upon the leasehold interests under this Lease for the Demised Premises, business license taxes, utility taxes and any other taxes applicable to its use, occupancy or business operations at the Demised Premises.

(2) If Lessee in good faith proceeds to contest any such tax, assessment or other public charge, or the validity thereof, by proper legal proceedings which operate to prevent the collection thereof or to prevent the appointment of a receiver because of nonpayment of any such tax, assessment or other public charge, Lessee shall not be required to pay, discharge or remove any such tax, assessment or other public charge, so long as such proceeding is pending and undisposed of; provided, however, that Lessee, not less than five (5) calendar days before any such tax, assessment or charge shall become delinquent, shall give notice to the Authority of Lessee's intention to contest its validity. If such notice is so given by Lessee to the Authority and such contest is conducted in good faith by Lessee, the Authority shall not, pending the termination of such legal proceedings, pay, remove or discharge such tax, assessment or other charge.

B. If the possessory interest of Lessee in the Demised Premises, or the personal property, trade fixtures, appliances and equipment of Lessee on the Demised Premises or the real property taxes and assessments on the Demised Premises are not separately assessed under one or more county tax assessor tax parcel designations for any period of time during the Term of this Lease (e.g., a "joint assessment") and the tax liability of Lessee for any amounts due under this Section 10.12 are included in a joint assessment, there shall be an equitable allocation of the total tax liability assessed against the Demised Premises under such a joint assessment. The allocation of the tax liability of Lessee under a joint assessment shall be determined by the Authority based upon its review of the tax valuations assigned to the Demised Premises in the work sheets and assessment records of the San Bernardino County Assessor relating to any property tax assessment (or supplemental assessment) during the Term of this Lease. The Authority's reasonable good faith determination of the amount of tax liability allocated to Lessee from any such joint assessment shall be conclusive and Lessee shall pay such amount to the Authority within thirty (30) calendar days of receipt of the Authority's determination. The Authority shall promptly remit such amount upon its receipt from Lessee to the San Bernardino County Tax Collector for the account of Lessee. In no event shall the Authority be responsible for any property taxes or assessments relating to the Demised Premises during the Term of this Lease.

C. Upon the request of the Authority, Lessee shall execute an appropriate form of a notice of responsibility of Lessee for the payment of the taxes due under this Section 10.14 for filing by the Authority with the Office of the San Bernardino County Assessor and the San Bernardino County Tax Collector.

### **10.13 COVENANT AGAINST LIENS; PAYMENT BOND REQUIREMENT; NOTICE OF NO LIEN RIGHTS**

A. Lessee shall not be the cause or object of any liens or allow such liens to exist, attach to, be placed on, or encumber the Authority's or Lessee's interest in the Demised Premises or any, associated real property by operation of law or otherwise. Lessee shall not suffer or permit any lien of mechanics, material, suppliers, or others to be placed against the Demised Premises or any associated real property with respect to work or services performed or claimed to have been performed for Lessee or materials furnished or claimed to have been furnished to Lessee or the Demised Premises on behalf of Lessee. The Authority has the right at all times to post and keep posted on the Demised Premises any notice that it considers necessary for protection from such liens. At least seven (7) calendar days before beginning any form of construction at the Demised Premises, Lessee shall give the Authority written notice of the expected commencement date of that construction to permit the Authority to post and record a notice of non-responsibility.

B. If any such lien attaches or Lessee receives notice of any such lien, Lessee shall cause the lien to be immediately released and removed of record. Despite any other provision of this Lease, if the lien is not released, and removed within twenty (20) calendar days after the Authority delivers notice of the lien to Lessee, the Authority may immediately take all action necessary to release and remove the lien, without any duty to investigate the validity of it. All expenses (including reasonable attorneys' fees) incurred by the Authority in connection with the lien shall be considered Rent under this Lease and be immediately due and payable by Lessee.

C. Lessee shall, prior to allowing any labor to be performed on or materials supplied to the Demised Premises in connection with the construction of any improvements or alterations with a cost in excess of five thousand dollars (\$5,000), secure with a responsible corporate surety or sureties admitted to do business in the State of California by the Department of Insurance, a payment bond in an amount of not less than the sum of the total dollar amounts of each contract with providers of labor, materials and services on or to the Demised Premises, conditioned upon payment in full of the claims of all persons performing labor upon or furnishing materials to be used in or furnishing appliances or power contributing to any work to be performed at the Premises. All such payment bonds are subject to the approval of the Authority. Notwithstanding the foregoing, if Lessee demonstrates that it has the available funds necessary for payment of such labor and materials, or if any such work will mutually benefit both Lessee and the Authority, no payment bond shall be required.

D. Lessee acknowledges and agrees that the Demised Premises are owned by the Authority, which is a public entity, that the Demised Premises were transferred to the Authority by the United States of America with specific use restrictions and that the Demised Premises are not subject to the imposition of mechanic's liens in favor of providers of labor, material or services. Lessee further agrees to inform each of the providers of labor, material or services on or to the Demised Premises of such fact and that the Authority is not responsible for payment of any claims by any such providers of labor, material or services.

## **PART XI QUIET ENJOYMENT**

### **11.01 COVENANT OF QUIET ENJOYMENT**

Provided that Lessee is not in default under this Lease, Lessee shall peacefully have and enjoy the Demised Premises, appurtenances, facilities, licenses and privileges granted in this Lease; provided, however, that certain temporary inconveniences may occur during construction of common use areas and facilities incidental to the improvement of the Airport.

### **11.02 INCONVENIENCES DURING CONSTRUCTION**

Lessee recognizes that from time to time during the Term of this Lease it will be necessary for the Authority to initiate and pursue extensive programs of construction, reconstruction, expansion, relocation, maintenance and repair at the Airport that will require accommodation, and that such construction, reconstruction, expansion, relocation, maintenance and repair may inconvenience Lessee in its operations at the Airport. Lessee agrees that no liability shall attach to

the Authority, its elected officials, officers, agents, employees, attorneys, contractors, subcontractors and representatives by reason of minor inconvenience or minor discomfort as a result of such activity and, for and in further consideration of this Lease of the Demised Premises, Lessee waives any right to claim damages or other consideration for such minor inconvenience or minor discomfort; provided, however, that the Authority agrees that it shall schedule and undertake such activities in such a manner as shall reasonably minimize the disruption of the operations of Lessee on the Demised Premises and before undertaking any such action, the Authority shall, except in case of emergency, provide reasonable advance notice to Lessee of such activity.

## **PART XII MISCELLANEOUS PROVISIONS**

### **12.01 [RESERVED – NO TEXT]**

### **12.02 APPLICABLE LAW**

This Lease, shall be interpreted and enforced in accordance with the laws of the State of California.

### **12.03 JURISDICTION AND VENUE**

Any court action filed to enforce legal rights or remedies or to seek equitable relief regarding this Lease shall be filed in the Superior Court of the State of California in the County of San Bernardino, or in the United States District Court, Central District of California. The parties agree that no legal actions filed by the parties shall be removed or transferred to any other court except as provided herein without the express written consent of the other party.

### **12.04 ATTORNEYS' FEES AND COURT COSTS**

In any action filed by either party to this Lease to enforce any right under this Lease or injunctive or equitable relief regarding this Lease, the prevailing party shall, in addition to any monetary awards or other relief granted by the court, recover all reasonable costs, expenses and fees of attorneys, accountants and other expert witnesses from the non-prevailing party.

### **12.05 LEASE BINDING**

This Lease shall be binding on and inure to the benefit of Lessee and the Authority and their successors and assigns.

### **12.06 PARAGRAPH HEADINGS AND INDEX**

Any paragraph or Section headings and index or table of contents contained in this Lease are for convenience of reference only and are not intended to define, expand or limit the scope of any provision of this Lease.

### **12.07 SIGNS**



Lessee agrees that no signs identifying any Lessee Parties or advertising displays shall be painted on or erected in any manner upon the Demised Premises, without the prior written approval of the Chief Executive Officer, which shall not be unreasonably withheld, conditioned or delayed, and all necessary approvals, are obtained from the City of San Bernardino and other governmental entities, in accordance with all applicable federal, state and local laws, ordinances, rules and regulations, and that signs identifying Lessee will conform to reasonable standards established by the Executive Director, with respect to type, size, design and location.

#### **12.08 [RESERVED – NO TEXT]**

#### **12.09 [RESERVED – NO TEXT]**

#### **12.10 NOTICES**

A. All notices required to be given to the 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 Authority or Lessee at the addresses provided in the Basic Provisions.

B. Either party may designate in writing, delivered pursuant to Section 12.10A., 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 Chief Executive Officer, 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.

#### **12.11 WAIVER OF RELOCATION BENEFITS BY LESSEE**

As a material part of the consideration for the Authority entering into this Lease Lessee hereby waives any rights that it might have to relocation assistance due to expiration of this Lease or termination of this Lease by the Authority, under California Government Code Sections 7260, et seq., or the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §§4601, et seq.) or any similar Federal or State statute, regulation, circular or order.

#### **12.12 SEVERABILITY**

If any covenant, condition or provision of this Lease is held by any court of competent jurisdiction to be invalid, the invalidity of any such covenant, condition or provision shall in no way affect any other covenant, condition or provision herein contained, if the invalidity of any such covenant, condition or provision does not materially prejudice either party to this Lease in its respective rights and obligations contained in the valid covenants, conditions or provisions in this Lease.

#### **12.13 SECURITY**

A. Lessee shall be solely responsible for taking all necessary measures to carry out security requirements imposed by the FAA or TSA on the Authority as operator of the Airport pursuant to access control system requirements or otherwise including controlling access to any restricted or controlled areas on the Airport. Lessee shall be fully liable to the Authority for any and all fines or penalties of any nature whatsoever which may be imposed upon the Authority by the United States Government as a result of any unauthorized entry by Lessee, Lessee's employees, agents, representatives, servants, guests, invitees, contractors, sub-contractors or any vehicle operated by any of them, into any area of the Airport to which access by persons or vehicles is restricted or controlled pursuant to FAA, TSA or Airport security rules, regulations or plans, and Lessee shall be similarly liable to Authority where any such fines or penalties are the result of any violations by any person or entity when such person or entity may reasonably be deemed to have gained access to any such area on the Airport as a result of a failure on Lessee's part to control access to such areas.

B. At any time during the Term of this Lease, when requested in writing by the Chief Executive Officer, Lessee shall submit to the Chief Executive Officer the security plans that are to be used or are being used by Lessee regarding the Demised Premises.

#### **12.14 FORCE MAJEURE**

Neither the Authority nor Lessee shall be deemed to be in breach of this Lease by reason of failure to perform any obligations under this Lease, if and to the extent that such failure is due to embargoes, shortages of materials, acts of God, acts of the public enemy, acts of superior governmental authority, sabotage, strikes, boycotts, labor disputes, weather conditions, riots, rebellion and any circumstances for which the nonperforming party is not responsible and which is not within such party's reasonable control. This provision shall not apply to (i) failures by Lessee to pay Rent, fees or other charges, or to make any other monetary payment, whatsoever, required by this Lease, except in those cases where provision is made in this Lease for the abatement of such Rent, fees, charges or payments under such circumstances; or (ii) the ability of Lessee to declare the Authority in default under this Lease. As a condition precedent to the non-performing party having the benefits of this Section 12.14 apply to any non-performance of an obligation under this Lease, the party claiming that a force majeure event has occurred shall give written notice to the other party within thirty (30) calendar days after the force majeure event has occurred setting forth the date and other specifics of the force majeure event and the effects to the non-performing party making such claim to the extent that such effects are known to the non-performing party at that time.

#### **12.15 NO IMPLIED WAIVERS**

A. No waiver of any provision of this Lease shall be implied by any failure of the Authority or Lessee, to enforce any remedy for the violation of that provision, even if that violation continues or is repeated. Any waiver by the Authority or Lessee of any provision of this Lease must be in writing. Such written waiver shall affect only the provision specified and only for the time and in the manner stated in the writing.

B. No receipt by the Authority of a lesser payment than the Rent required under this Lease shall be considered to be other than on account of the earliest amount due, and no endorsement or statement on any check or letter accompanying a payment or check shall be considered an accord and satisfaction. The Authority may accept checks or payments without prejudice to the Authority's right to recover all amounts due and pursue all other remedies provided for in this Lease.

C. The Authority's receipt of monies from Lessee after giving notice to Lessee terminating this Lease shall in no way reinstate, continue, or extend the Term or affect the termination notice given by the Authority before the receipt of those monies. After serving notice terminating this Lease, filing an action, or obtaining final judgment for possession of the Demised Premises, the Authority may receive and collect any Rent due, and the payment of that Rent shall not waive or affect such prior notice, action, or judgment.

## **12.16 USE, POSSESSION OR SALE OF ALCOHOL OR DRUGS**

Lessee, its officers, agents and employees, shall cooperate and comply with the provisions of any reasonable resolution or order of the Authority concerning the use, possession or sale of alcohol or drugs at the Airport. Lessee shall maintain a drug-free workplace in conformity with all federal rules and regulations.

## **12.17 THIRD PARTIES**

This Lease does not, and shall not be deemed or construed to confer upon or grant to any third party or parties (excepting parties to whom Lessee may assign this Lease in accordance with the terms hereof) any right to claim damages or to bring any suit, action or other proceeding against either the Authority or Lessee because of any breach hereof or to enforce any of the terms, covenants, agreements or conditions in this Lease.

## **12.18 CONFORMANCE WITH LAW**

A. Lessee shall abide by the Airport Rules and Regulations and all applicable laws, rules and regulations of the City of San Bernardino, County of San Bernardino, State of California, and any other duly constituted public authority having jurisdiction over the Airport. Lessee shall deliver a copy of any notice of violation by any Lessee Parties or investigation of potential violation by any Lessee Parties of laws, rules, regulations, orders, opinion, guidance letters or other regulatory acts of the United States, the State of California, or any other duly constituted public authority having jurisdiction over the Airport or Lessee, within five (5) calendar days of Lessee's receipt of any such notice. Lessee agrees and understands that the commission of any illegal or unlawful act by Lessee on the Airport that is not cured within ten (10) calendar days following written notice from the Authority shall constitute a material default by Lessee under this Lease, without further right to cure, and shall be cause for the Authority to terminate this Lease upon ten (10) calendar days' written notice to Lessee.

B. Lessee covenants and agrees that in order to confirm the assurance required by the Authority by Title VI of the Civil Rights Act of 1964 and by 49 CFR Part 21 of the regulations governing the U.S. Department of Transportation, as amended, it will not, in its occupancy, operation or use of the Demised Premises or the Airport, discriminate nor permit discrimination against any person or group of persons on the grounds of race, color or national origin, in any manner prohibited by 49 CFR Part 21 in accordance with the required provisions included in Exhibit B herein. Noncompliance with this clause will constitute a material breach of this Lease; therefore, in the event of such noncompliance, Lessee hereby authorizes the Authority to take such action as the federal government may direct to enforce this covenant, and Lessee also authorizes the federal government to take appropriate action to enforce compliance with this covenant, including the right to seek judicial enforcement. Lessee will reasonably cooperate with the Authority in satisfying any reporting

requirements imposed on the Authority under such programs or regulations or similar programs or regulations.

C. Lessee covenants and agrees that it will undertake an affirmative action program, if required by applicable state or federal laws. Lessee will reasonably cooperate with the Authority in satisfying any reporting requirements imposed on the Authority under such programs or regulations or similar programs or regulations.

D. Nothing in this Lease shall be construed as granting or authorizing the granting of an exclusive right to perform any services at the Airport within the meaning of Section 308 of the Federal Aviation Act or any other statute, ordinance, regulation or policy of any governmental agency having jurisdiction over the Airport and/or the activities that take place at the Airport.

E. This Lease shall be subordinate to the provisions of any existing or future agreements between the Authority and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required by the provisions of the Federal Aviation Act of 1958, as amended, or any future act affecting the operation or maintenance of the Airport.

F. If the FAA requires, as a condition precedent to the granting of funds for the improvement of the Airport, modifications, revisions, supplements or deletions of any of the terms, conditions or requirements of this Lease, Lessee shall have ten (10) calendar days following its receipt of written notice from the Authority of any requested Lease modification from the FAA to either deliver its written consent to the requested Lease modification to the Authority, which consent shall not be unreasonably withheld, conditioned or delayed, or to deliver written notice to the Authority of its refusal to consent to the requested Lease modification. Any failure by Lessee to timely deliver written notice of its consent or refusal to consent to any Lease modification requested by the FAA, in accordance with this Section, shall be deemed Lessee's consent to the requested Lease modification. If Lessee refuses to consent to any Lease modification requested by the FAA, as a condition precedent to the granting of funds for the improvement of the Airport, the Authority shall have the right to terminate this Lease, in accordance with the FAA requirements but not to exceed twelve (12) months' written notice to Lessee.

G. Lessee shall obtain all necessary approvals and furnish, at its own expense, all licenses, permits and authorizations necessary for any permitted improvements and the undertaking of all activities authorized under this Lease.

## **12.19 ENTIRE AGREEMENT**

The parties acknowledge and agree that this Lease and the attached exhibits constitute the entire agreement and understanding of the parties with respect to the subject matter of this Lease, and that all representations made by any official, officer, agent, attorney, or employee of the respective parties, unless expressly set forth in this Lease, are null and void and of no effect. This Lease supersedes all prior and contemporaneous written or oral agreements and understandings between the Authority and Lessee and all prior arrangements for all or any portions of the Demised Premises hereunder. This Lease cannot be changed, amended or terminated orally. No alterations, amendments, changes or modifications shall be valid unless made by an instrument in writing executed by both of the parties to this Lease.

## **12.20 CONDITION; FINAL APPROVAL**

This Lease is expressly conditioned upon and subject to the approval of the Commission of the Authority and shall not be or become effective or binding on the Authority or Lessee until formally approved by the Commission of the Authority and fully executed by the Chief Executive Officer of the Authority, as provided for in the execution block for the Authority below and the authorized representatives of Lessee.

## **12.21 WAIVER OF RIGHTS OF REDEMPTION AND TO SEEK RELIEF FROM FORFEITURE**

Lessee, as a part of the consideration given to the Authority for this Lease expressly waives any and all rights of redemption, right to seek relief from forfeiture, or similar right granted by or under any present or future laws including, but not limited to, California Civil Code Section 3275 and California Code of Civil Procedure Section 1179 and successor or replacement sections, if Lessee is evicted from or dispossessed of the Demised Premised for any cause not the fault of the Authority, or if the Authority obtains a judgment of possession of the Demised Premises by reason of the violation by Lessee of any of the terms, covenants, and conditions of this Lease or otherwise.

## **12.22 NO PRESUMPTIONS**

The Authority and Lessee agree that no presumption, construction or implication favoring the position of either the Authority or Lessee shall be used or applied in the interpretation of this Lease and that the provisions of California Civil Code Section 1654 shall not apply to the interpretation of this Lease. The parties agree that any deletion of language from this Lease prior to its execution by the Authority and Lessee shall not be construed to have any particular meaning or to raise any presumption, construction, or implication, including, without limitation, any implication that the parties intended thereby to state the opposite of the deleted language.

## **12.23 BROKER RELATIONSHIPS**

The Authority and Lessee each represent and warrant to the other that neither has had any dealings with any person, firm, broker or finder in connection with this Lease, and that no one is entitled to any commission or finder's fee in connection with this Lease. The Authority and Lessee agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges that may be claimed by any broker, finder or other similar party by reason of any dealings or actions of the indemnifying party, including any costs, expenses, and/or attorney's fees incurred with respect thereto.

## **12.24 ATTORNMEN**

Lessee shall attorn to the purchaser or other transferee of the Demised Premises and recognize such purchaser or other transferee as the Authority under this Lease, provided such purchaser or other transferee expressly assumes all of the Authority's obligations under this Lease in writing. The Authority may transfer the Authority's interest in the Demised Premises without the consent of Lessee and such transfer or subsequent transfer shall not be deemed a violation on the Authority's part of any of the terms and conditions of this Lease.

## **12.25 SUBORDINATION**

The rights of Lessee under this Lease are and shall be subject and subordinate at all times to the lien or other transfer of interest by the Authority of any interest in the Airport or the Demised Premises, now or in the future, to secure Authority Financing and to all advances made or hereafter to be made upon the security thereof. Within fifteen (15) calendar days after receipt of request therefore by the Authority, Lessee shall deliver to the Authority a subordination agreement in a form acceptable to the Authority as may be required as part of any Authority Financing to evidence such subordination. Notwithstanding the foregoing, the Authority shall provide Lessee with a non-disturbance and attornment agreement from the holder of any existing or future Authority Financing in a commercially reasonable form agreed to by the Authority and the holder of such Authority Financing. Lessee agrees to make any reasonable modifications to this Lease that may be required by any potential holder of Authority Financing in the future, provided such modification does not materially and adversely affect Lessee's rights or increase Lessee's obligations under this Lease.

## **12.26 THE AUTHORITY'S RIGHT TO PERFORM LESSEE'S OBLIGATIONS**

Except as otherwise expressly provided in this Lease, all obligations to be performed by Lessee under this Lease shall be performed by Lessee at Lessee's expense and without any reduction of Rent. If Lessee's failure to perform an obligation continues for thirty (30) calendar days after notice to Lessee, the Authority may perform the obligation on Lessee's behalf, without waiving the Authority's rights for Lessee's failure to perform any obligations under this Lease and without releasing Lessee from such obligations. Within fifteen (15) calendar days after receiving a statement from the Authority, Lessee shall pay to the Authority the amount of expense reasonably incurred by the Authority, under this Section.

## **12.27 INCORPORATION**

All of the Exhibits, Riders, Attachments and Schedules referred to in this Lease and attached to this Lease are incorporated by this reference as though fully set forth herein.

## **12.28 CONSENTS AND APPROVALS**

In all instances in this Lease where the consent or approval of either party is required or requested, such consent shall not be unreasonably withheld, delayed, or conditioned, unless otherwise expressly set forth in this Lease.

## **12.29 JOINT AND SEVERAL OBLIGATIONS OF LESSEE**

If more than one individual or entity comprises Lessee, the obligations imposed on each individual or entity that comprises Lessee under this Lease shall be joint and several.

## **12.30 SUBMISSION OF LEASE**

Submission of this document for examination or signature by the parties does not constitute an option or offer to lease the Demised Premises on the terms in this document or a reservation of the Demised Premises in favor of Lessee. This document is not effective as a lease or otherwise until approved by the Commission of the Authority and executed and delivered by both the Authority and Lessee.

### **12.31 LESSEE AUTHORITY**

Lessee and each individual executing this Lease on behalf of an entity represents and warrants that:

A. The individual(s) executing this Lease on behalf of Lessee has/have full power and authority under Lessee's governing documents to execute and deliver this Lease in the name of an on behalf of Lessee and to cause Lessee to perform its obligations under this Lease;

B. Lessee is authorized to transact business in the State of California and has the power and authority under applicable law and its governing documents to execute and deliver this Lease and to perform its obligations under this Lease.

### **12.32 U.S. DEPARTMENT OF COMMERCE PROVISIONS**

Lessee acknowledges that the Authority is and has been the recipient of certain U.S. Department of Commerce, Economic Development Administration (EDA) grant funding which has been expended for improvements to the Demised Premises and that it must comply with (EDA) policies. Lessee acknowledges that its use of the Demised Premises relating to EDA is subject to review by the EDA.

Lessee agrees to comply with the Authority's responsibilities pursuant to compliance with the provisions of Section 112 of Public Law 92-65 (42 U.S.C. 3123) and 42 U.S.C. 6709, and the U.S. Department of Commerce's implementing regulations found at 15 C.F.R. §§ 8.7-8.15, and any amendments thereto.

Lessee agrees to comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and the U.S. Department of Commerce's implementing regulations found at 15 C.F.R. part 8b; Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.); the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) and the U.S. Department of Commerce's implementing regulations found at 15 C.F.R. part 20, and the nondiscrimination on the basis of age regulations found at 45 C.F.R. part 90.

Such requirements hold that no person in the United States shall on the ground of race, color, national origin, sex, handicap, or age be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under any program or activity for which federal financial assistance has been extended.

In accordance with these assurances and without limiting the above, Lessee agrees that these assurances shall be binding upon it and any grantees, assignees, transferees, lessees, and successors in interest. These assurances shall also be binding through any modification or amendment to the

financial assistance award or to the project. The Authority agrees to provide advance written notice to Lessee of any such modifications or amendments.

Lessee acknowledges that it is aware that if there appears to be a failure or threatened failure to comply with these assurances and the noncompliance or threatened noncompliance cannot be corrected by informal means, compliance may be affected by the suspension or termination of, or refusal to grant or to continue, federal financial assistance or by any other means authorized by law.

### **PART XIII RENT SCHEDULE**

#### **13.01 The following rent schedule shall apply (rounded to the nearest dollar):**

- Rent Schedule:

Year 1-----	= \$6,857.00	per month
“ 2-----	= \$7,063.00	“
“ 3-----	= \$7,275.00	“
“ 4-----	= \$7,493.00	“
“ 5-----	= \$7,718.00	“
- Option Term:

Year 6-----	= \$11,746.00	per month
Year 7-----	= \$12,098.00	“
Year 8-----	= \$12,461.00	
Year 9-----	= \$12,835.00	
Year 10-----	= \$13,220.00	

{SIGNATURE PAGE TO FOLLOW}



IN WITNESS WHEREOF, the parties hereto have executed this Lease be effective as of the day and year first set forth above.

**AUTHORITY:**

**San Bernardino International Airport Authority, a  
California Joint Powers Authority**

By: \_\_\_\_\_

Michael Burrows

Title: Chief Executive Officer

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

**LESSEE:**

**Aloft Aviation Services, LLC, a South Carolina limited  
liability company**

By: \_\_\_\_\_

Title: \_\_\_\_\_

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

By: \_\_\_\_\_

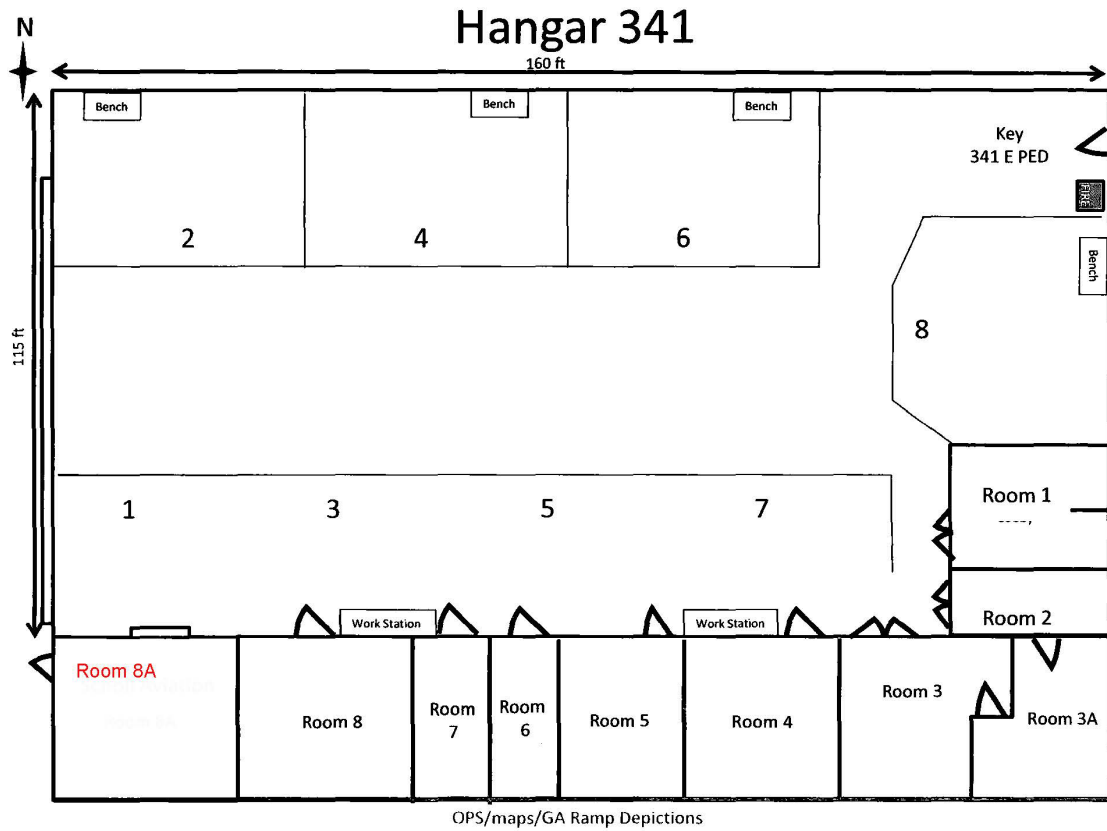
Title: \_\_\_\_\_

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

Exhibit "A-1"  
Building and Ramp



Exhibit "A-2"  
Demised Premises



## An aerial view of an airport terminal and tarmac. The terminal building is a long, white structure with a blue roof. Several aircraft are parked at gates along the terminal. Ground service equipment, including buses and trucks, are visible on the tarmac. The image is labeled with 'Gate 9', 'Gate 10', 'Aloft Ramp 27,750 SF', and 'H341'. A scale bar indicates 400 ft. The Google Earth logo is in the bottom left corner.

## Exhibit “B”

### FAA Contract Provisions for Leases, License Agreements and Permits

#### 1. GENERAL CIVIL RIGHTS PROVISIONS

- A. In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.
- B. If the Contractor transfers its obligation to another, the transferee is obligated in the same manner as the Contractor.
- C. The above provision obligates the Contractor for the period during which the property is owned, used or possessed by the Contractor and the airport remains obligated to the Federal Aviation Administration.

#### 2. COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”), agrees as follows:

- 1. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- 2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
- 3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
- 4. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any



information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
  - a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
  - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

### 3. **CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE AIRPORT IMPROVEMENT PROGRAM**

- A. The (grantee, lessee, LESSEE, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that:
  1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (license, lease, permit, etc.) for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, LESSEE, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
- B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Nondiscrimination covenants, the SBIAA will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.

#### **4. CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM**

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by the SBIAA pursuant to the provisions of the Airport Improvement Program grant assurances.

- A. The (grantee, licensee, LESSEE, etc., as appropriate) for himself/herself, his/her 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 (1) no person on the ground of race, color, or national origin, will 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 furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, LESSEE, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Pertinent Nondiscrimination Acts and Authorities.
- B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above Non-discrimination covenants, the SBIAA will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.

#### **5. TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES**

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following non- discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage

and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “program or activities” to include all of the programs or activities of the Federal-aid recipients, sub- recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 168, et seq).



Exhibit "C"

Airfield Area

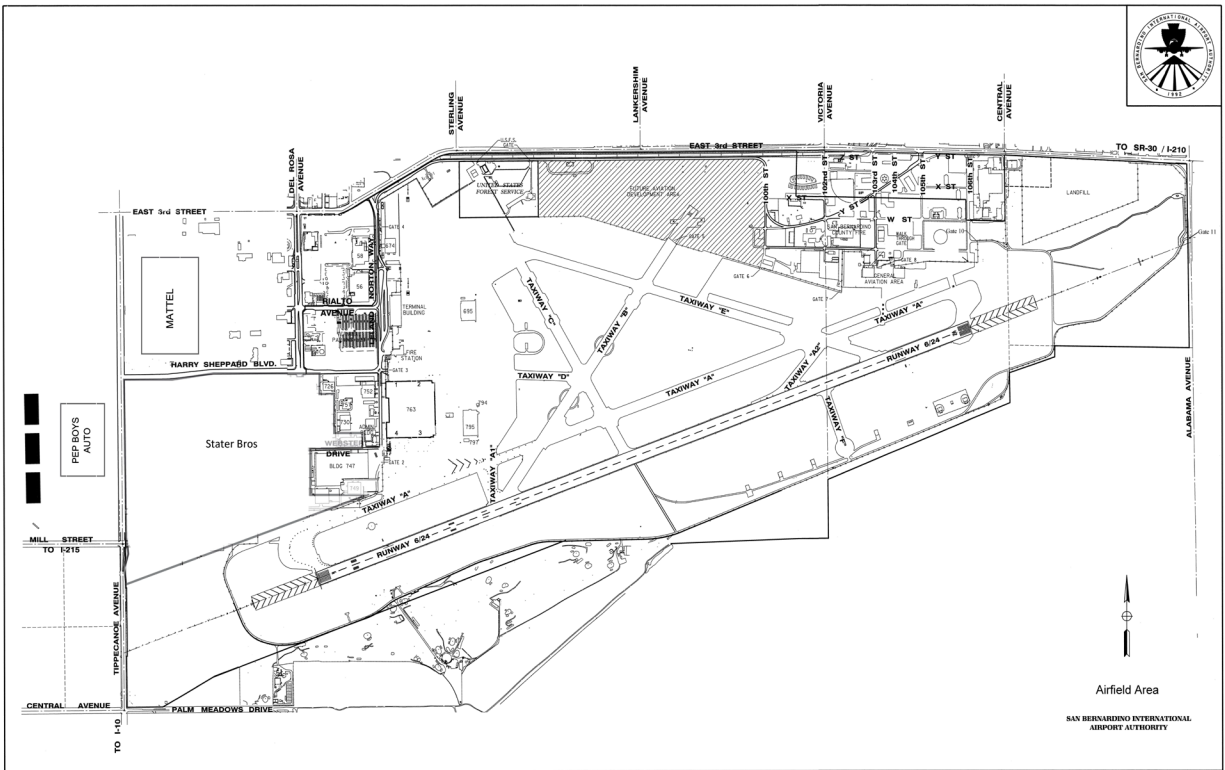


Exhibit "D"  
Lessee Improvements

**Bolt Construction**

1753 S. Lang Ave  
West Covina, CA 91790  
LIC# 481375  
TEL# 626-945-7563



**ESTIMATE**

**Bill To**

**Aloft Aviation Services**

2885 U Street, Hangar 341  
San Bernardino, CA 92408  
909-907-3870

Estimate #	0007724
Estimate Date	08-15-2025
Due Date	09-01-2025

QTY	Description	Unit Price	Amount
1.00	Demolish existing service offices	19,750.00	\$19,750.00
1.00	Service and repair Roof Vent system	12,500.00	\$12,500.00
1.00	Renovate O-Club for Upholstery/Avionics shop	50,000.00	\$50,000.00
1.00	Replace existing lights with LED Hi-Bays	27,750.00	\$27,750.00
1.00	Clean and Service Hangar doors, tracks, rollers	2,750.00	\$2,750.00
1.00	Resurface hangar floor	115,000.00	\$115,000.00
Total (USD)			\$227,750.00

**Terms and Conditions**

Notes: Hangar not available for detailed inspection. This is a preliminary quote for costing purposes only and will be subject to revision once access to hangar has been granted.

# Exhibit "E"

## Airport Roadway Area

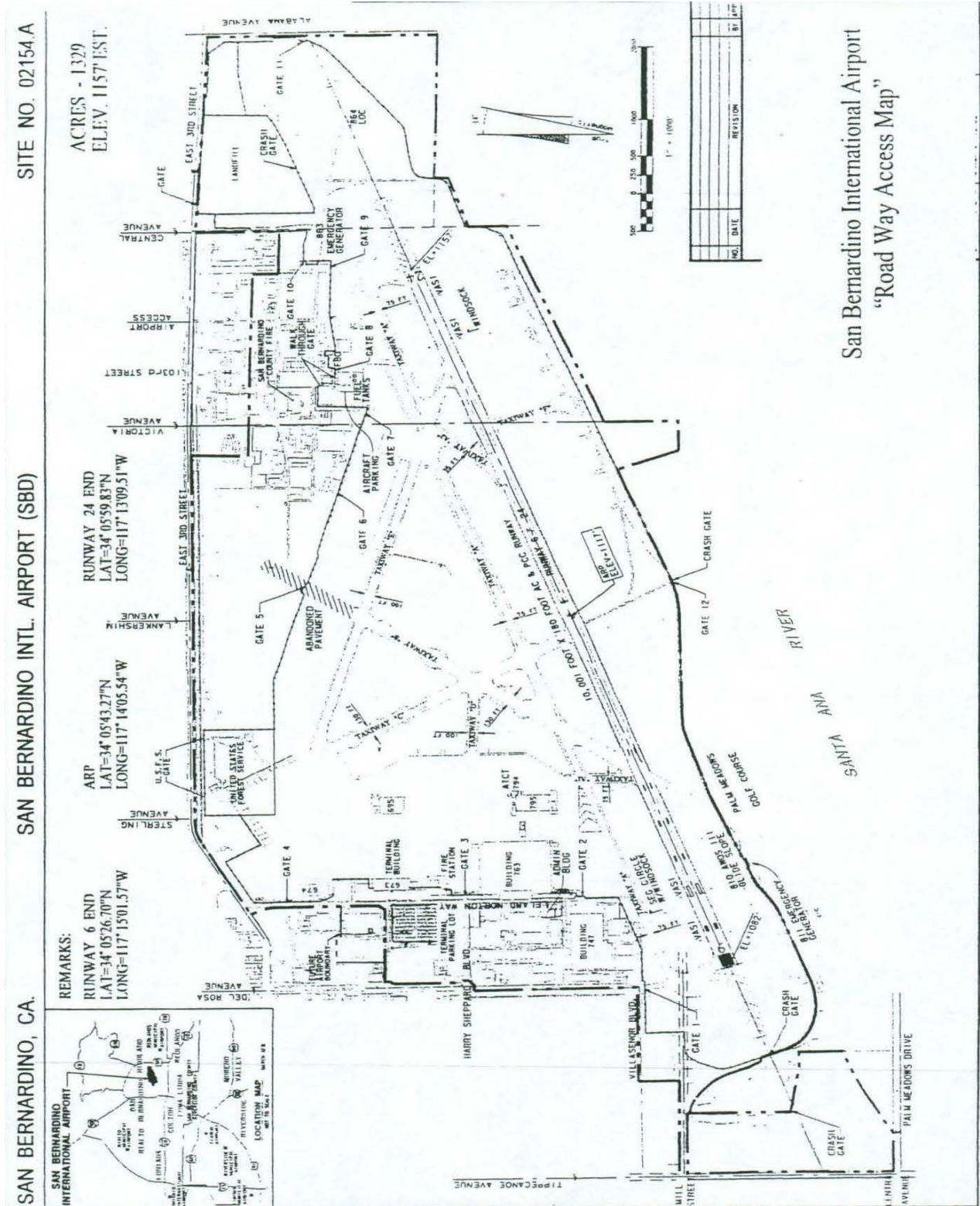


Exhibit “F”

Airport Rules and Regulations

## Exhibit "G"

### Airport Related Provisions

#### **1. AUTHORITY OPERATION OF AIRPORT AND AIRFIELD AREA**

In accordance with FAA Rules and Regulations, the Authority agrees to provide, operate and maintain the Airport and to make the Airfield Area, on a non-exclusive basis, available for use by LESSEE, its invitees, guests and licensees. LESSEE's use of the Airfield Area is subject to compliance with FAA Rules and Regulations, the Airport Rules and Regulations, the Airport Fee Schedule and the Authority's right to change or modify the Airfield Area or take portions of the Airfield Area and lease the same to third parties. LESSEE, its invitees, guests and licensees, shall, at all times during the Term of this Lease, have non-exclusive use of the Airport Roadway Area for ingress to and egress from the Demised Premises. The Authority may designate the portions of the Airport Roadway Area that LESSEE shall be allowed to use and may change such designation from time to time, as long as LESSEE has reasonable access, consistent with the use of the Demised Premises by LESSEE for the purposes authorized by this Lease.

#### **2. NON-EXCLUSIVE USE OF AIRFIELD AREA AND OTHER COMMON USE FACILITIES AT THE AIRPORT**

A. LESSEE shall have access to and the non-exclusive use of the Airfield Area and other common use facilities and services at the Airport, as follows:

- (1) Runways for the purposes of landing and take off of aircraft;
- (2) Taxiways for the purpose of the ground movement of aircraft;
- (3) Run-up ramps, as defined in Exhibit "C" to this Lease for the purposes of engine run-ups and engine tests;
- (4) Any other use normally incident to the foregoing, with the prior written consent of the Authority.

B. LESSEE's use of the Airfield Area and any designated portions of the Airport Roadway Area shall be nonexclusive and in common with others authorized by the Authority to use the Airfield Area or the Airport Roadway Area and is conditioned upon LESSEE's compliance with FAA Rules and Regulations, Airport Rules and Regulations the Airport Fee Schedule, and Airport Minimum Standards.

C. Positions on any public air passenger or cargo ramp that are for the purpose of loading and unloading aircraft and not located on the Demised Premises, shall be at all times under the control of the Executive Director. Ramp services or other aircraft maintenance activities on, over or outside of the Demised Premises must be provided in accordance with the Airport Rules and Regulations.

D. Authority shall have the right, without resulting in an actual or constructive eviction of LESSEE or otherwise disturbing the right of LESSEE to quietly use or enjoy the Demised Premises, and without abatement of Rent under this Lease, to do, cause or authorize any of the following:

(1) Temporarily close any part of the Airfield Area, to repair, maintain or improve the Airfield Area, or for any other reasonable purpose;

(2) Change the nature of the Airfield Area, including without limitation, change the location, size, shape and number of runways and taxiways, entry points, or the location, size or shape of any other part of the Airfield Area;

(3) Adopt and enforce storm water and surface water discharge standards for discharges from the Demised Premises to the Airfield Area or any other areas, as may be necessary or appropriate to comply with all applicable laws and permits issued to the Authority;

(4) Perform any other acts and make all necessary changes and alterations in the Airfield Area that the Authority may deem necessary or appropriate, including, from time to time, shutting down all or a portion of the Airfield Area for repair, maintenance or safety reasons.

E. Except in case of emergency, the Authority shall provide reasonable advance notice to LESSEE of any action by the Authority that may interfere with LESSEE's operations at the Airport and shall reasonably coordinate with LESSEE the timing and manner of such action, so as to minimize the interference with LESSEE's business operations at the Airport so far as reasonably possible.

### **3. RATES, FEES AND CHARGES FOR THE USE OF THE AIRPORT; LANDING FEES**

A. The Airport Fee Schedule is established from time to time by the Authority, in accordance with published nondiscriminatory accounting and rate-making procedures established and adopted by the Authority and includes the right to impose charges previously or currently imposed. LESSEE shall be required to pay all rates, fees and charges for use of the Airport by itself, its invitees, guests or licensees, within thirty (30) calendar days of the date of the first statement for such charges from the Authority, excluding aircraft storage on the Demised Premises.

B. The Authority reserves the right during the Term to add to or modify the Airport Fee Schedule, or other rates, fees or charges for use of the Airport, including the right to impose charges not previously or currently imposed. Specifically, the Airport Fee Schedule pertains to landing fees, fuel flow fees (based on cost of cents per gallon on all types of fuels), tie-down, storage or parking fees, Airport business permits, and other fees related to use of services, goods or Airport facilities.

C. During the Term, LESSEE shall pay fuel flow fees consistent with the Airport Fee Schedule. If LESSEE utilizes the services of an approved party as then permitted by the Authority to provide fueling services on the Airport, fuel flowage fees will be collected by the approved party and remitted to the Authority.

#### **4. AIRPORT ROADWAY AREA**

A. The Authority exclusively controls the Airport Roadway Area. LESSEE and LESSEE's employees, agents, suppliers, shippers, customers, invitees and guests shall have a nonexclusive right to use the Airport Roadway Area at all times during the Term of the Lease, for pedestrian and motor vehicle ingress to and egress from the Demised Premises, subject to the rights reserved by the Authority under the Lease, FAA Rules and Regulations and the Airport Rules and Regulations governing use of the Airport Roadway Area.

B. The Authority may do, cause or authorize any of the following activities, which shall not be an actual or constructive eviction of LESSEE, disturbance of the quiet use or enjoyment of the Demised Premises by LESSEE, terminate this Lease or justify any abatement of Rent under this Lease, as long as LESSEE has reasonable access to the Demised Premises at all times during the Term of this Lease:

(1) Temporarily close any part of the Airport Roadway Area to repair, maintain or improve the Airport Roadway Area or for any other reasonable purpose;

(2) Change the nature of the Airport Roadway Area, including, without limitation, changing the location, size, or shape, changing the number of driveways or entry points to the Airport Roadway Area, or the location, size, or shape of any parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas or walkways situated within the Airport Roadway Area;

(3) Exclude from or add land and/or improvements to the Airport that enjoy a non-exclusive right of use of the Airport Roadway Area;

(4) Remove unidentified or unauthorized persons, vehicles, personal property or improvements from the Airport Roadway Area;

(5) Cause the street address of the Demised Premises to be changed for all purposes;

(6) Use or allow the use of the Airport Roadway Area by third persons for pedestrian and motor vehicle ingress and egress to any part of the Airport or for the provision of underground or overhead utility services to any part of the Airport or other property or while engaged in maintenance, repairs, construction or other alteration to any part of the Airport or other property;

(7) Offer the Airport Roadway Area, or any portion thereof, or any utility service facility located therein, for dedication to the City of San Bernardino, pursuant to Government Code Section 7050 or other applicable law or to authorize enforcement by the City of San Bernardino of the Vehicle Code of the State of California for all or any portion of the Airport Roadway Area;

(8) Adopt and enforce storm water and surface water discharge standards for discharges from the Demised Premises to the Airport Roadway Area, as may be necessary or appropriate to comply with all applicable laws and permits issued to the Authority; and

(9) Perform any other acts and make other changes or alterations in the Airport Roadway Area and the Airport, as the Authority may deem necessary or appropriate.

C. Except in case of emergency, the Authority shall provide reasonable advance notice to LESSEE of activities to be conducted by or on behalf of the Authority affecting the Airport Roadway Area that could reasonably be anticipated to impact LESSEE and shall reasonably coordinate with LESSEE the timing and manner of such activities so as to minimize disruption of LESSEE's operations at the Airport.

D. LESSEE shall comply with all Airport Rules and Regulations relating to the use of the Airport Roadway Area and the application of the State of California Vehicle Code to the Airport Roadway Area. LESSEE shall not conduct business in the Airport Roadway Area, store any personal property in the Airport Roadway Area or otherwise place any obstacle or obstruction in the Airport Roadway Area. LESSEE shall comply with all vehicle traffic regulations and vehicle parking regulations imposed by the Authority, any municipal jurisdiction or the State of California on the Airport Roadway Area, including the provisions to be enforced by the City of San Bernardino pursuant to the State of California Vehicle Code. LESSEE shall not cause or authorize the construction or encroachment of any utility installation for the benefit of the Demised Premises on, in or under the Airport Roadway Area, except upon the prior written approval of the Authority which may be withheld or conditioned at Authority's sole discretion.

## **5. AIRCRAFT OPERATIONS**

A. The Authority agrees to operate the Airport in accordance with its FAA-approved Airport Certification Manual, as may be amended from time to time, as required by FAA Federal Aviation Regulation Part 139. LESSEE shall ensure that all of its Aircraft Operations are conducted in a manner consistent with the requirements described for the Airport in the FAA Airport/Facility Directory, as amended from time to time.

B. In the event that the Authority should, during the Term of this Lease, incur any costs or expenses providing ARFF services to LESSEE, or receive a bill from any local fire department, police, rescue or ambulance service for services provided by such entities to LESSEE, LESSEE shall remit to the Authority payment in full for such sums, upon demand.

## **6. OPERATION OF THE CONTROL TOWER**

The Authority is not obligated to furnish or provide any staffing for or equipment or facilities in connection with control tower operations at the Airport for the benefit of LESSEE, pursuant to this Lease or otherwise. The Authority may provide some general level of control tower services at the Airport, as may be deemed necessary or desirable by the Authority, in its sole discretion. To the extent that any such Authority provided levels of control tower services are insufficient to meet the business needs of LESSEE, the Authority and LESSEE may make a separate agreement for the Authority to provide such additional operations as may be required to obtain the level of control tower services desired by LESSEE, with LESSEE paying the costs for such additional services. It is expressly understood by LESSEE that the Authority may decrease the services offered by the control tower and the Airport, including its Instrument Landing System



("ILS") and Automated Weather Observation System ("AWOS") capabilities, at any time and without any default under this Lease. The Authority's only obligation is to provide the minimum level of ILS and/or AWOS capabilities required by the FAA pursuant to Federal Aviation Regulations Part 171, if any.

## Exhibit "H"

### Deed Requirements

The following disclosures, notices and provisions are made by Authority to LESSEE and are hereby incorporated into the Lease with the same effect as if fully stated therein:

#### **1. NOTICE OF HAZARDOUS SUBSTANCES GIVEN UNDER CERCLA SECTION 120 (h)(3)**

Pursuant to CERCLA Section 120 (h)(3), the applicable provisions of the Quitclaim Deed and all of the various studies and reports prepared by the Air Force, as referenced therein, the Air Force has given notice informing all interested persons of certain information relating to the presence of certain hazardous substances or toxic or contaminating materials that may affect or concern the Airport and the Demised Premises. The CERCLA notice of the Air Force, as set forth in the Quitclaim Deed, also includes a description of remedial action taken by the Air Force that affects or concerns the Airport and the Demised Premises prior to the date of this Lease, and the existence and effect of the remedial environmental action covenant of the Air Force concerning the Airport and the Demised Premises.

#### **2. NOTICE OF LEAD-BASED PAINT (LBP) AND ASBESTOS-CONTAINING MATERIAL (ACM) IN THE DEMISED PREMISES AND DISCLAIMER**

A. The Demised Premises includes improvements constructed before 1978 that are presumed to contain LBP and ACM. LESSEE acknowledges that it received information from the Authority regarding the potential of LBP and/or LBP hazards and ACM hazards on the Demised Premises prior to entering into this Lease.

B. No warranties, either express or implied, are given by the Authority regarding the condition of the Demised Premises, including, without limitation, whether the Demised Premises does or does not contain LBP and/or ACM. The information provided to LESSEE, including its predecessor in interest pursuant to the Original Lease, by the Authority relating to LBP and ACM was obtained by the Authority from the Air Force and is believed to be correct, but an error or omission, including, but not limited to, the omission of any information available to the Authority or the Air Force, shall not constitute grounds for any claim by LESSEE against the Authority with respect to the presence of LBP and/or ACM on the Demised Premises. The failure of LESSEE to inspect the Demised Premises for LBP and/or ACM, or to be fully informed as to the condition of all or any portion of the Demised Premises, will not constitute grounds for any claim or demand by LESSEE against the Authority or the Air Force with respect to LBP and/or ACM.

C. LESSEE covenants and agrees that in its use and occupancy of the Demised Premises, it will comply with all applicable Environmental Laws relating to LBP and ACM. The Authority assumes no liability for damages for personal injury, illness, disability, or death to LESSEE, or to LESSEE's employees, agents, invitees, guests, vendors or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind

whatsoever with LBP and/or ACM on the Demised Premises, whether LESSEE properly warned, or failed to properly warn, the persons injured. Notwithstanding anything to the contrary in this Lease, neither the Authority nor LESSEE shall have any obligation to remove or remediate any LBP or ACM on the Demised Premises; provided, however, that LESSEE shall be obligated to remediate any LBP or ACM condition resulting from any disturbance, release or discharge of any LBP or ACM existing on the Demised Premises caused by any LESSEE Parties. Further, LESSEE shall have no liability of any kind for the existence of hazardous substances, including any LBP or ACM located in, on or about the Airport and Demised Premises that existed or originated prior to the Term of this Lease and which were not disturbed, released or discharged by LESSEE.

### **3. RELEASE OF THE AUTHORITY BY LESSEE RELATING TO LBP, ACM AND ALL OTHER HAZARDOUS SUBSTANCES**

A. Without limiting the above, LESSEE on behalf of itself and its successors and assigns, waives and releases the Authority its elected officials, officers, employees, attorneys, consultants and agents and their successors and assigns, from any and all demands, claims, legal or administrative proceedings, losses, liability, damages, penalties, fines, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, arising from or relating to the presence, alleged presence or remediation of LBP, ACM and all other harmful or Hazardous Substances in, under, or about the Demised Premises including, without limitation, any claims under or on account of any Environmental Laws.

B. LESSEE expressly waives any rights or benefits available to it with respect to the release set forth in the preceding Section under any provision of applicable law that generally provides that the general release does not extend to claims that the creditor does not know or suspect to exist in his or her favor at the time the release is agreed to, which, if known to such creditor, would materially affect a settlement. By execution of this Lease, LESSEE acknowledges that it fully understands the foregoing and with this understanding, nonetheless elects to and does assume all risk for claims known or unknown, described in Section 3.A above and without limiting the generality of the foregoing:

The undersigned acknowledges that it has been advised by legal counsel of its own choosing of the substance of the foregoing and the following and is familiar with the provisions of California Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM, MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.”

The undersigned, being aware of this California Civil Code Section 1542, hereby expressly waives any rights it may have thereunder, as well as under any other statutes or common law principles of similar effect.

Initials of the authorized and/or managing member of LESSEE: \_\_\_\_\_

The provisions of Sections 3.A. and 3.B. shall survive any expiration or termination of this Lease.

#### **4. AIR FORCE INDEMNITY – INSPECTION RIGHTS**

A. The Air Force may be obligated, pursuant to Section 330 of the National Defense Authorization Act of 1993, as amended, to indemnify the Authority, or LESSEE from and against certain suits, claims, demands or actions, liability, judgment, cost or fees arising out of any claim for personal injury or property damage resulting from the unauthorized release or threatened release of any Hazardous Substance, pollutant or contaminant, or petroleum or petroleum derivative on, in, under or around the Demised Premises. In addition, except to the extent set forth in the Quitclaim Deed with respect to LBP and ACM, the Air Force may be liable pursuant to Section 120(h) of CERCLA, for certain remedial actions found to be necessary on the Demised Premises on or after the Commencement Date.

B. In the event that any governmental agency having jurisdiction over the Demised Premises requires LESSEE, as a successor in possessory interest of the Air Force or the Authority in the Demised Premises, to take any removal or remedial action with regard to any Hazardous Substance, pollutant or contaminant, or petroleum or petroleum derivative on, in, under or around the Demised Premises for which the Air Force may be responsible under Section 120 (h) of CERCLA, or in the event of any dispute over the nature or scope of the obligations of the Air Force to indemnify LESSEE under Section 330 of the National Defense Authorization Act, or to remediate any Hazardous Substance, pollutant or contaminant, or petroleum or petroleum derivative under Section 120(h) of CERCLA, the Authority agrees to cooperate fully with LESSEE in tendering such a claim of indemnity to the Air Force. The Authority shall do so without assuming any liability, or obligation for such action, and shall sign any documents reasonably requested by any governmental agency or by LESSEE, provide any information or reasonable access to information in its possession or control and reasonably required in connection with such action. Notwithstanding anything in this Section 4.B. to the contrary, no provision of this Section 4.B. shall relieve LESSEE from its responsibility to comply with all Environmental Laws applicable to the activities of LESSEE on the Demised Premises, nor excuse any performance otherwise required of LESSEE under this Lease, nor result in any abatement of Rent, during any period that the Demised Premises are rendered unusable.

C. The Authority and the Air Force and/or their consultants, contractors and subcontractors shall have the right to enter upon the Demised Premises and conduct investigations and surveys, to include drillings, compiling, etc., as required under the Lessee Air Force Base Installation Restoration Program, the FFA (as defined in Section 8.11A) or the Quitclaim Deed. These inspections or surveys will be coordinated with a representative designated by LESSEE and will occur on reasonable prior notice. Inspections will be conducted with a representative of LESSEE, and in such manner so as to reasonably minimize any disruption to the operations of LESSEE on the Demised Premises.


## **5. DEMISED PREMISES, A NATIONAL PRIORITY LIST SITE**

LESSEE acknowledges that the Airport is identified as a National Priority List (NPL) Site under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) of 1980, as amended. LESSEE acknowledges that the Authority provided it with access to the Lessee Air Force Base Federal Facility Agreement Under CERCLA Section 120 (the “FFA”) entered into by EPA Region 9, the State of California, and the United States Air Force on June 29, 1989, and agrees that should any conflict arise between the terms of the FFA and the provisions of this Lease, the terms of the FFA will prevail. LESSEE further agrees that the Authority assumes no liability to LESSEE should implementation of either the FFA or any provisions of the Quitclaim Deed interfere with LESSEE’s use of the Demised Premises. LESSEE shall not have any claim on account of any such interference against the Authority or any elected official, officer, agent, employee, attorney, consultant or contractor of the Authority. However, if the business operations of LESSEE on the Demised Premises are substantially disrupted for a period of thirty (30) calendar days or more by activities in implementation of the provisions of the FFA or the Quitclaim Deed, then LESSEE may terminate this Lease, upon thirty (30) calendar days prior written notice to the Authority.

## **6. HAZARDOUS WASTE LINE**

LESSEE acknowledges that it is aware of the Hazardous Waste Line that is located and extends under or near the Demised Premises. LESSEE and the Authority further acknowledge and agree that the Hazardous Waste Line is the sole responsibility of the Air Force and that neither the Authority nor LESSEE shall be responsible for remediation thereof, nor for any damages of any kind whatsoever suffered by LESSEE or the Authority as a result of any leakage or contamination of the Demised Premises from the Hazardous Waste Line, including, but not limited to, personal injuries, contractual damages, or loss of business or business goodwill. In the event of any significant leakage or contamination of the Demised Premises from the Hazardous Waste Line, LESSEE shall have the option, upon thirty (30) calendar days’ prior written notice to the Authority, to terminate this Lease.

C. The Authority and LESSEE further acknowledge that the United States government may be obligated, pursuant to Section 330 of the National Defense Authorization Act of 1993 (as amended), to indemnify the Authority and LESSEE from and against any suits, claims, demands or actions, liabilities, judgments, costs or other fees arising out of any claim for personal injury or property damage resulting from the release or threatened release of any hazardous substance, pollutant or contaminant, or petroleum or petroleum derivative affecting the Demised Premises. In addition, the Authority and LESSEE acknowledge that the United States government may be liable, pursuant to Section 120(h) of CERCLA, for any remedial action found to be necessary on the Demised Premises associated with any release or threatened release of hazardous substances affecting the Demised Premises that may have occurred prior to the date of the Quitclaim Deed.

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: September 24, 2025</b></p> <p><b>ITEM NO: 10</b></p> <p><b>PRESENTER: Catherine Pritchett, Director of Administration</b></p>
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**SUBJECT: RATIFY THE PROCUREMENT OF A FIRE PUMP AND ENGINE IN AN AMOUNT NOT TO EXCEED \$393,724**

### **SUMMARY**

Approval of this item would ratify a contract with Western States Fire Protection company in an amount not to exceed \$393,724 to secure and expedite needed equipment, trade fixtures, and technicians to begin essential repairs to the main pump house (Bldg. 760) supporting fire suppression systems for Hangar 673 (AeroPro), Hangar 695 (UPS), and Hangar 795 (FedEx).

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

Ratify the contract with Western States Fire Protection company in an amount not to exceed \$393,724 for repairs to the main pump house (Bldg. 760).

### **FISCAL IMPACT**

\$393,724 increase in appropriations. In the event that the proposed budget adjustment is approved on today's agenda, funding for this contract will be included in the then adjusted San Bernardino International Airport Authority (SBIAA) Fiscal Year 2025-2026 Budget in the Airfield Manager, Budget Class 55 – Repairs & Maintenance in the amount of \$1,936,324 of which \$1,839,455 is available to fund this contract.

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

**BACKGROUND INFORMATION**

In late April 2025 the main pump house fire suppression system for the SBD Airport supporting H. 763 Hangar Complex, 695 and 795 experienced a significant failure. This system provides pumps the water from two (2) 500,000-gallon water tanks to the sprinkler system(s) triggered in the event of a fire. The pump house was restored to a level that will allow for continued protection but requires significant essential repairs.

The loss was immediately reported to our airport liability insurance carrier, and an adjuster was assigned. In addition, the issue was reported to the President of the Commission and the SBIAA Finance and Budget Committee. Due to the complexity of the system, which includes 5 engines and 5 pumps, experts were assigned by the carrier to inspect the now 30-year-old equipment apparatus and to identify the cause of the failure and ensure proper repairs are made. After detailed inspection, a coordinated recommendation was made to replace 2 major system components that include 1 engine and 1 pump. The claim was presented to the carrier for approval in July and accepted on September 2, 2025. A contract for repairs was executed and processed by the SBIAA that day to expedite the procurement of equipment.

Staff is requesting ratification of a contract with Western States Fire Protection Company in an amount not to exceed \$393,724, in compliance with insurance carrier approvals and SBIAA Emergency Expenditure Policies and Procedures. Repair outlays will be recorded in accounting information system using Event and Location IDs and will be closely tracked to ensure all equipment, trade fixtures, and repairs are accurately reconciled for cost reimbursement in-full after a net deductible payable by SBIAA to the carrier of \$25,000.

**Attachments:**

1. Contract with Western States Fire Protection Company



7/25/2025

**SBD International Airport**

Attention: Kevin McKenzie  
(909)382-7583  
kmckenzie@sbdairport.com

Reference: **SBD International Airport**  
**825 E. 3<sup>rd</sup> St.**  
**San Bernadino, CA 92415**

**Cost:**

- **Three-Hundred Ninety-Three Thousand Seven-Hundred Twenty-Four and 00/100 Dollars** **\$393,724.00**
- **Breakout: Labor \$69,704.00, Material \$300,560.00, Tools/Equipment \$23,460.00**

**Scope of Work:**

Replace (1) fire pump engine, wet end fire pump and diesel fire pump controller.  
Replacing damaged wet end fire pump with existing wet end fire pump.  
Replace non-functioning solenoid operated CLA-VAL for automatic tank fill.

**Including:**

- A-C ITT, 14x10x20F-S, A-C Pump Series 9100, Fire Pump, UL Listed, FM Approved, Horizontal Splitcase fire pump, with suction and discharge gauges, air valve.
- Clarke, C18HO-UFAD58, Fire Pump Engine, UL Listed, FM Approved, Heat exchanger only,. Engine comes with coupling, muffler, flex controller, batteries, rack and cables.
- Tornatech, GPD-24-120, Diesel Fire Pump Controller, 24vdc engine with 120vac power supply.
- LTL, Ground, Delivery – Standard (Shipment is 12-16 weeks after release of order to production, not including holidays).
- Startup trip, acceptance test, per NFPA 20 ch. 14 with test report.

**Excluding:**

- Work on existing fire sprinkler system, other than quoted above.
- Installation, rerouting or upsizing of existing fire sprinkler piping.
- Painting of any nature.
- Patching or fireproofing of new or existing walls/penetrations.
- Floor sinks and drains, including relocation of existing drain.
- Fire watch or costs associated with fire watch.
- Installation or relocation of an isolation valve(s) or control valve(s).
- Any work outside of regular working hours.
- Haul off of demoed materials of any kind.
- Handling of fuel of any kind.
- Warranty on existing wet end pump, fire pump engine or fire pump controller.

Best Regards,

**Western States Fire Protection**

*Dustin Mc Cormick*

Albuquerque, NM  
Austin, TX  
Casper, WY  
Colorado Springs, CO  
Dallas, TX  
Decatur, IL  
Denver, CO  
El Paso, TX  
Ft. Collins, CO  
Glenwood Springs, CO  
Houston, TX  
Jefferson City, MO  
Kansas City, KS  
Lakewood, CA  
Las Vegas, NV  
Los Angeles, CA  
Missoula, MT  
Phoenix, AZ  
Portland, OR  
Rapid City, SD  
Sacramento, CA  
San Antonio, TX  
Seattle, WA  
Spokane, WA  
St. Louis, MO  
Tucson, AZ  
Waco, TX



## TERMS AND CONDITIONS

The Work Authorization, together with these Terms and Conditions, constituted the entire agreement ("Agreement") of the parties.

1. REVIEW OF AGREEMENT: The Client specifically acknowledges that it has read and reviewed these Terms and Conditions in its entirety, understood it and agreed to its contents before signing it. Further, the person executing these Terms and Conditions represents that they have the full authority of the Client to bind the Client to these Terms and Conditions.

2. This Agreement is for work performed on this Work Authorization only. If Customer wants WESTERN STATES FIRE PROTECTION or any of its Divisions (MAINLINE FIRE PROTECTION, NATIONAL FIRE SUPPRESSION, STATEWIDE FIRE PROTECTION, API SYSTEM INTEGRATORS, OMLID & SWINNEY FIRE PROTECTION & SECURITY, SIGNAL ONE FIRE AND COMMUNICATION, BRANSON SECURITY & FIRE, HARMONY FIRE PROTECTION, ARMOR FIRE PROTECTION) hereafter "Company", to make any additional repairs, alterations or replacements as a result of the work performed, the Company will do so for additional compensation to be agreed upon in writing by the parties. The company is responsible for the new work only. Testing required of the old or existing fire protection system will be done as an additional charge unless otherwise specified.

3. The Company does not know and does not represent that the current fire protection system on the property of Customer ("Property") was originally designed and installed in such a way that the system will perform as originally intended or is suitable and sufficient for its intended purpose given the way in which the Property has been or will be used. In other words, the Property may have been or may be used in ways such that the configuration of partition walls, the location of and types of materials (including the presence of hazardous materials) and other conditions of the Property's use such that the fire protection system is adequate, insufficient or unsuitable for the Property. Customer assumes full responsibility for the condition of existing equipment and for water and other damage resulting directly or indirectly from such condition or application of test or flushing pressures.

**The Company is NOT responsible for any damages due to: (1) incompatibility of materials within or external to CPVC piping system placed by others, or, (2) corrosion or deterioration of piping due to Customer's water supply, atmospheric conditions, soil quality, or any other condition at Customer's facility that adversely affects the integrity of the fire protection system.**

THIS AGREEMENT IS NOT A GUARANTEE OR WARRANTY THAT THE SYSTEM WILL IN ALL CASES (A) PROVIDE THE LEVEL OF PROTECTION FOR WHICH IT WAS ORIGINALLY INTENDED, (B) IS FREE OF ALL DEFECTS AND DEFICIENCIES, (C) AND IS IN COMPLIANCE WITH ALL APPLICABLE CODES. The customer agrees that it has not retained the Company to make these assessments unless otherwise specifically indicated.

4. The Company will be permitted, at all reasonable times, to enter the Property to conduct the work as outlined in this Agreement. The company warrants all material furnished hereunder to be free from defects in workmanship and materials provided Customer notifies Company in writing of such defect within Ninety (90) days from acceptance of the work. The company's sole obligation on any warranty claim is limited to replacement or repair of the defective part or material. No other express warranty is given and no affirmation of "Western States Fire Protection Company" by words or actions shall constitute a warranty. THIS LIMITED WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

5. TO THE FULLEST EXTENT PERMITTED BY LAW, CUSTOMER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS COMPANY AND ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, PARENT COMPANY, SUBSIDIARIES AND AFFILIATES, (HEREINUNDER REFERRED TO AS "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LOSSES, EXPENSES OR LIABILITIES OF ANY KIND, INCLUDING ATTORNEY'S FEES, (HEREINUNDER REFERRED TO AS "DAMAGES") ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OR FAULT OF CUSTOMER.

6. IT IS UNDERSTOOD AND AGREED BY CUSTOMER THAT COMPANY IS NOT AN INSURER, THAT CUSTOMER SHALL OBTAIN THE TYPE AND AMOUNT OF INSURANCE COVERAGE WHICH IT DETERMINES NECESSARY, AND THAT THE AMOUNTS PAYABLE TO THE COMPANY HEREUNDER ARE BASED UPON THE VALUE OF SERVICES RENDERED AND ARE UNRELATED TO THE VALUE OF CUSTOMER'S PROPERTY, THE PROPERTY OF OTHERS LOCATED ON CUSTOMER'S PREMISES, OR ANY POTENTIAL LIABILITY OR DAMAGE TO CUSTOMER ARISING OUT OF THE WORK PERFORMED BY COMPANY. CUSTOMER ACCORDINGLY AGREES THAT THE SOLE AND EXCLUSIVE LIABILITY OF COMPANY, ITS OFFICERS, DIRECTORS, EMPLOYEES, PARENT COMPANIES, SUBSIDIARIES, AFFILIATES AND AGENTS ARISING OUT OF OR IN ANY WAY RELATING TO OR CONNECTED WITH THE WORK PERFORMED BY THE COMPANY SHALL BE LIMITED TO THE LESSER OF \$10,000 OR THE PRICE OF THE WORK PERFORMED BY THE COMPANY. THIS LIMITATION OF LIABILITY SHALL APPLY TO ALL CLAIMS, DEMANDS, LOSSES, EXPENSES OR LIABILITIES OF ANY KIND, INCLUDING ATTORNEY'S FEES, (HEREINUNDER REFERRED TO AS "DAMAGES"), SUSTAINED BY CUSTOMER OR ANY OTHER PARTY CLAIMING BY OR THROUGH CUSTOMER, AND SHALL APPLY REGARDLESS OF WHETHER SUCH "DAMAGES" ARE ACTUALLY OR ALLEGEDLY CAUSED BY NEGLIGENCE, PRODUCT LIABILITY, BREACH OF CONTRACT, BREACH OF WARRANTY, BREACH OF VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION STANDARD OR RULE OR OTHER FAULT OF COMPANY, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, PARENT COMPANIES, SUBSIDIARIES AND AFFILIATES.

7. CUSTOMER AGREES TO REQUIRE ITS INSURANCE POLICIES TO BE ENDORSED SO AS TO WAIVE ALL RIGHTS OF SUBROGATION AGAINST COMPANY.
8. While the Company will make every reasonable effort to prevent the discharge of water into or onto areas of landscaping, decorative pavement, etc., it is the Customer's responsibility to provide sufficient and readily accessible means to accept the flow of water that may be required by tests as determined by the type of inspection. The customer is to provide any interim or temporary fire protection required during shutdown of existing fire protection system.
9. This Agreement may not be assigned by Customer without the written consent of the Company.
10. Neither party shall be liable to the other for indirect, incidental, consequential or punitive damages arising out of the work.
11. If payment for work provided in this Agreement is not received by the Company within 30 days from the Customer's receipt of an invoice for the work, Customer shall pay an interest at the rate of 1-1/2% per month on all past due sums, together with all costs of collection, including attorney's fees.
12. The Company is not a Disadvantaged Business Enterprise. Furthermore, no DBE, MWBE or other minority program participation goals or requirements are included or inferred. Should this project involve DBE, MWBE or other minority program participation goals or requirements please advise in writing regarding the specific nature of those goals or requirements and specifically how they impact the Company.
13. If any provision hereof shall be invalid, the remaining provisions shall survive and be enforceable against the parties. The law of the state where the work is performed will govern. This Agreement supersedes all prior agreements. This Agreement may be modified only by a written instrument signed by both parties.
14. COVID-19: Due to the existing pandemic involving COVID-19 and the constantly evolving situation, which includes shut downs of definite and indefinite durations by the federal, state, and local governments, quarantines, business shut downs, transportation interruptions, disruptions in the supply chain of certain materials, supplies, or equipment, disruptions to public services, temporary suspensions of work on site, or the unavailability or reduced availability of manpower, the parties agree that if Subcontractor (WSFP) is hindered, prevented or delayed at any time in the commencement or progress of the work for a cause arising from or related to COVID-19, including but not limited to any of the examples above, Subcontractor shall be entitled to an extension of the Contract time. Furthermore, Subcontractor shall be entitled to additional compensation for increased costs associated with the high demand for specified materials, for increased costs associated with any proposed substitute approved by Contractor or Owner, or any other similar cost increase outside the control of Subcontractor.
15. Please note the recent 2025 tariffs on foreign steel and aluminum imports have created a tumultuous market affecting the ability to accurately predict short- and long-term pricing.
- WSFP prioritizes our customers and their need to accurately predict budget and final pricing and remain competitive for construction projects. The major impact for the Fire Protection Industry focuses on the cost of steel (pipe). The impact on all commodities is present through reactionary/precautionary responses. The reactions from the fire sprinkler industry vendors, if precedent reigns, will be swift and impactful.
- As a result of this commerce environment, WSFP will be able to hold this pricing for 30 days. This alone is a significant risk which our business partners have agreed to share. If we need to include additional contingency monies to protect you from exposure, we should do this by joint resolution. This proposal also does not account for inflation of other material costs.
- WSFP reserves the right to purchase materials up front and invoice for stored materials. We prefer to store these materials at our fabrication and vendors sites so valuable project site space is not encumbered. If we are storing materials on site, we will coordinate with the owner or general contractor.

Authorized Signature:



Date:


September 2, 2025

Print Name:

MARK GIBBS

PO#:

\_\_\_\_\_

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: September 24, 2025</b></p> <p><b>ITEM NO: 11</b></p> <p><b>PRESENTER: Mark Gibbs, Director of Aviation</b></p>
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**SUBJECT: APPROVE AWARD OF A PROFESSIONAL SERVICES AGREEMENT WITH AECOM TECHNICAL SERVICES, INC. IN AN AMOUNT NOT TO EXCEED \$292,320 FOR DESIGN SERVICES FOR THE AIRPORT PAVEMENT MANAGEMENT PLAN UPDATE**

### **SUMMARY**

The proposed agreement with AECOM Technical Services, Inc. (AECOM) would provide specialized design services necessary for the Pavement Management Plan Update through the Federal Aviation Administration (FAA) Airport Improvement Program (AIP). AECOM would provide: project management and coordination, field investigation and data collection, pavement management system, data analysis, and a pavement management report in accordance with FAA requirements.

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

Approve the award of a Professional Services Agreement with AECOM Technical Services, Inc. for design services for the Pavement Management Plan Update in an amount not to exceed \$292,320; and authorize the Chief Executive Officer to execute all related documents subject to technical and conforming changes as approved by legal counsel.

### **FISCAL IMPACT**

None. Funding for this professional services agreement is included in the approved San Bernardino International Airport Authority (SBIAA) Fiscal Year 2025-26 Budget as a Capital Improvement Project, Project Number 26s072-1 – Pavement Management Plan for \$292,320 of which \$292,320 is allocated to this professional services agreement.

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

## **BACKGROUND INFORMATION**

An Airfield Pavement Management System (PMS) is a mandatory requirement of the FAA for airport projects funded with federal grant monies through AIP. In accordance with FAA requirements, a PMS is a set of defined procedures for collecting, analyzing, maintaining, and reporting pavement data, and PMS assists airports in optimizing strategies for maintaining pavements in a safe and serviceable condition over a given period for the least cost. The FAA requires that an airport pavement condition index (PCI) be collected every three years.

On February 28, 2024, the SBIAA Commission authorized Staff to solicit statements of qualifications (SOQs) from qualified firms to provide professional services for AIP development projects over a five-year period. The bid notice for this solicitation was advertised in newspapers of general circulation that included: San Bernardino County Sun, Riverside Press Enterprise, the El Chicano, and the Black Voice on multiple dates for each newspaper. The bid notice was posted to the agency website and sent to six (6) specialized airport engineering design firms specializing in airport projects funded through AIP, and known to provide the requested services. On July 18, 2024, two (2) proposals were received by the Assistant Secretary of the Commission from this solicitation. In accordance with FAA procurement requirements for AIP funded professional services agreements, SOQ's were competitively rated, and AECOM was determined to be the highest rated firm.

As required by the FAA for professional services procurements, an Independent Fee Estimate (IFE) was performed by a separate third-party neutral firm familiar with this type of work to analyze the project scope and fee amount. The resulting IFE was used to negotiate AECOM's fee for services and resulted in an amount consistent with the IFE's determination of an appropriate fee and scope of services to complete this project. Up to ninety-five percent (95%) of this professional services agreement cost is reimbursable by the FAA through the AIP, the remaining five percent (5%) would be funded by SBIAA.

Future airport development projects that were included in the RFQ solicitation will each undergo the IFE process to ensure fair and reasonable project scopes and fee for services. SBIAA's standard form professional services agreement will be used for this project.

Staff recommends the Commission approve the above actions.

### **Attachments:**

1. Form of Professional Services Agreement

## **SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**

### **AGREEMENT FOR PROFESSIONAL SERVICES**

#### **Airport Pavement Management Plan Update**

This AGREEMENT FOR PROFESSIONAL SERVICES (the “Agreement” or “Contract”) is made and entered into as of \_\_\_\_\_, **2025** by and between the **SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY** (“SBIAA”), a joint powers authority created pursuant to Government Code Sections 6500, et seq., and **AECOM Technical Services, Inc.** (the “Consultant”). SBIAA and the Consultant are jointly the “Parties,” and each entity is separately a “Party,” to this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and for other good and valuable consideration, the receipt of which is acknowledged, the parties agree, as follows:

1. **SUPERVISION OF CONSULTANT.** The SBIAA staff personnel identified in Exhibit “B,” shall be responsible for the supervision of any work to be performed by the Consultant or by any other consultants, subcontractors, or sub consultants retained by the Consultant to perform work for the SBIAA under this Agreement. The work to be performed by the Consultant is set forth in the Scope of Services attached to this Agreement as Exhibit “A” and incorporated herein by this reference. SBIAA reserves the right to approve or disapprove the Consultant’s selection of any or all: employees; agents; contractors, subcontractors; and sub consultants to be used by the Consultant in the fulfillment of Scope of Services, during the term of this Agreement. The Consultant shall not undertake any work under the terms of this Agreement, unless authorized to do so by one of the SBIAA staff personnel identified in Exhibit “B.” SBIAA staff personnel that are not identified in Exhibit “B” are not authorized to request services from the Consultant.

2. **TERM OF AGREEMENT.** The term of this Agreement shall commence on the date first appearing in this Agreement and will terminate on **August 31, 2026** or upon the completion of the work described in the Scope of Services, whichever occurs first, unless earlier terminated, as provided in this Agreement.

3. **SCOPE OF CONSULTANT SERVICES.** The SBIAA retains the Consultant to provide the professional services, or work, set forth in the Scope of Services. The Consultant agrees to perform the work set forth in the Scope of Services attached to this agreement as Exhibit “A” and incorporated into this Agreement by this reference. Consultant also agrees to adhere to the schedule depicted in Exhibit “A” and incorporated into this Agreement by reference. Additionally, the Consultant shall ensure that its primary contact person, or designee for its performance of such work, shall be available to the SBIAA staff via electronic communication



(such as email, pager, cell phone, or telephone) on a 24-hour per day basis during the Term of this Agreement.

4. PAYMENT BY SBIAA FOR WORK PERFORMED BY CONSULTANT.

A. The SBIAA shall compensate the Consultant for the performance of the work as described in the "Scope of Services and Fees", Exhibit "A", in an amount not-to-exceed **\$292,320** as detailed in Exhibit A.

B. The compensation designated in Section 4.A shall be the "Total Fee" for the performance of the work and the delivery of the final work product materials, as set forth in the "Scope of Services". The Total Fee shall include, but not be limited to, the salaries of all subcontractors retained by the Consultant to perform work pursuant to this Agreement and shall be inclusive of all costs and expenses incurred for mileage, travel, graphics, telephone, printing, fax transmission, postage, copies and such other expenses related to completion of these tasks as set forth in the "Scope of Services".

C. The Consultant shall invoice the SBIAA for work performed by the Consultant, as set forth in the "Scope of Services", Exhibit "A", each calendar month on a percentage completed basis during the term of the project. SBIAA shall pay all undisputed portions of Consultant's invoices within thirty (30) days of receipt.

D. Each invoice of the Consultant shall clearly set forth the names of the individual personnel of the Consultant and any individual subconsultants or subcontractors utilized by the Consultant, during the time period covered by the invoice, a detailed description of the professional services rendered by each named individual during such time period, the respective hourly rates of each named individual and the actual time expended by each named individual. Each invoice of the Consultant shall be accompanied by copies of all third-party invoices for other direct costs incurred by the Consultant during such time period and payment releases from subcontractors retained by Consultant for all such work performed by subcontractors thirty (30) days preceding the date of the invoice.

E. Other services which the SBIAA may in its discretion request the Consultant to perform in writing which are not covered within the Scope of Services shall be paid for by the SBIAA at the applicable hourly rate schedule and cost and expense schedules for such work as set forth in Exhibit "A".

F. The Consultant shall submit invoices for processing and payment by the SBIAA under this Agreement to:

San Bernardino International Airport Authority  
Attention: Director of Development  
1601 East Third Street, Suite 100  
San Bernardino, California 92408

5. NOTICE TO PROCEED. Upon execution of this Agreement, at the sole discretion of the SBIAA, the SBIAA will issue a written Notice to Proceed to the Consultant as a formal means to engage the Consultant to perform the specific work required accomplish the "Scope of Services" described in Section 3. Consultant shall not commence the performance of any work described above until provided a written Notice to Proceed from the SBIAA authorizing said work.

6. RECORDS RETENTION. All records, maps, photographs, field notes, data, information, specifications, computations, certified payroll records, correspondence or other documents generated by or on behalf of the Consultant for performance of the work set forth in the "Scope of Services", supporting documents, and all other records pertaining to the use of funds paid to the Consultant under this Agreement shall be retained by the Consultant at the San Bernardino International Airport during the performance of the "Scope of Services". Upon the completion of the "Scope of Services", the Consultant shall surrender all said documents to the SBIAA.

7. INDEMNIFICATION AND DEFENSE.

A. Consultant shall defend, indemnify and hold harmless the SBIAA, its members, officers, employees, representatives, attorneys and agents from and against any and all actions, suits, appeals, proceedings, claims, demands, losses, costs, and expenses, including legal costs and attorney fees, to the extent arising from the willful or negligent acts or omissions of the Consultant, its officers, employees, subcontractors, subconsultants and agents, in the performance of work under the Scope of Services. This indemnification obligation of Consultant shall not apply to the extent that any such action, suit, proceeding, claim, demand, loss, cost, or expense is determined by a court of competent jurisdiction to be caused by the willful conduct or negligence of the SBIAA, its officers or employees.

B. Consultant shall also defend the SBIAA, its members, officers, employees, representatives, attorneys, and agents from and against any and all actions, suits, appeals, proceedings, claims, demands, losses, costs, and expenses, including legal costs and attorney fees, arising from the performance of the Consultant under this Agreement, including but not limited to acts or omissions normally covered by comprehensive, general or automobile liability insurance.

C. The indemnification provided by the Consultant may not be construed or interpreted as in any way restricting, limiting, or modifying Consultant's insurance obligations or

other obligations under this Agreement and is independent of the such insurance obligations and other obligations. Compliance by the Consultant with the insurance requirements and other obligations under this Agreement shall not in any way restrict, limit, or modify its indemnification obligations under this Agreement.

D. SBIAA shall be entitled to recover its reasonable attorney fees and court costs incurred in enforcing these indemnification clauses.

E. These indemnification clauses shall survive the expiration or earlier termination of this Agreement until all claims against SBIAA involving any of the indemnified matters are fully, finally, and absolutely barred by applicable statutes of limitations.

F. The insurance required or carried by Consultant under the provisions of Section 8 of this Agreement shall not be deemed to limit the Consultant's duty of indemnity and defense which arises under this Section 7.

8. INSURANCE. The Consultant shall maintain insurance coverage as set forth in this Section 8 throughout the term of this Agreement. The Consultant shall maintain insurance policies issued by an insurance company or companies authorized or approved to do business in the State of California and that maintain during the term of the policy a "General Policyholder's Rating" of at least A(v), as set forth in the then most current edition of "Best's Insurance Guide," as follows:

A. The Consultant, and each of its subcontractors, shall maintain comprehensive automobile liability insurance of not less than \$5,000,000 combined single limit per occurrence for each vehicle leased or owned by the Consultant or its subcontractors and used in performing work under this Agreement.

B. The Consultant, and each of its subcontractors, shall maintain Workers' Compensation insurance or a state-approved Self-Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$1,000,000 limits, covering all persons providing services and all risks to such persons under this Contract.

C. The Consultant shall maintain an insurance policy covering liability for errors and omissions of the Consultant in performing the Scope of Services in an amount of not less than \$5,000,000 per claim and in the aggregate.

D. Consultant shall maintain liability insurance written on an "occurrence" policy form, covering personal and bodily injury, death, and property damage, arising out of or relating to services provided by Consultant under this Agreement, with single limit coverage of



at least \$5,000,000 per occurrence with an aggregate limit of at least \$5,000,000. Such policy of liability insurance shall name the SBIAA its officers, officials, employees, and agents as additional insureds and such liability insurance policy shall not contain any intra-insured exclusions as between insured persons or organizations. The liability coverage shall include all coverage typically provided by a Broad Form Comprehensive General Liability Endorsement and shall further include contractual liability coverage.

E. Concurrent with the execution of this Agreement and prior to the commencement of any work by the Consultant, the Consultant shall deliver to the SBIAA certificates evidencing the existence of the insurance coverage required by this Agreement, which coverage shall remain in full force and effect continuously throughout the term of this Agreement. Each policy of insurance, except workers compensation insurance and errors and omissions insurance, that Consultant purchases in satisfaction of the insurance requirements of this Agreement, shall name the SBIAA as an additional insured. Additionally, each policy of insurance that Consultant purchases in satisfaction of the insurance requirements of this Agreement shall provide that the policy may not be cancelled, terminated, or modified in scope of coverage as it applies to the services to be provided by Consultant under this Agreement, except upon thirty (30) days prior written notice to the SBIAA.

F. Consultant shall be the first or primary named insured under each insurance policy.

G. Consultant's liability insurance policy (ies) shall be endorsed as needed to provide cross-liability coverage for Consultant and SBIAA and to provide severability of interests.

H. Consultant's liability policy(ies) shall be endorsed as needed to provide that the insurance afforded by those policies to the additional insured is primary and that all insurance carried by SBIAA is strictly excess and secondary and shall not contribute with Consultant's liability insurance.

I. The coverage afforded to SBIAA as an additional insured under Consultant's liability insurance policy(ies) must be at least as broad as that afforded to the Consultant and may not contain any terms, conditions, exclusions, or limitations applicable to SBIAA that do not apply to the Consultant.

J. Consultant's liability insurance coverage may be provided by a combination of primary, excess, and umbrella policies, but those policies must be absolutely concurrent in all respects regarding the coverage afforded by the policies. The coverage of any excess or umbrella policy must be at least as broad as the coverage of the primary policy.

K. The insurance requirements set forth above are independent of Consultant's exculpation, indemnification, and other obligations under this Agreement and shall not be construed or interpreted in any way to restrict, limit, or modify those exculpation, indemnification, or other obligations or to limit the Consultant's liability under this Agreement.

L. Except for Professional Liability Insurance for Errors and Omissions Coverage, the consultant agrees to cause the insurance companies issuing their respective insurance to waive any subrogation rights that those companies may have against SBIAA (their additional insured). If the waivers of subrogation are not contained in the insurance policies, Consultant waives any right it may have against SBIAA on account of any loss or damage to the extent that the loss or damage is insured under their respective insurance policies.

9. OWNERSHIP AND REUSE OF DOCUMENTS AND OTHER MATERIALS AND INFORMATION. All maps, photographs, data, information, reports, drawings, specifications, computations, notes, renderings, correspondence or other documents generated by or on behalf of the Consultant for performance of the work set forth in the Scope of Services shall not be subject to copyright in the United States or any other country, and will be available for examination by the public, and shall be the property of SBIAA, as of the time of their preparation and upon payment by the SBIAA, and shall be delivered to SBIAA upon written request to the Consultant.

10. PRESS RELEASES. Press or news releases, including photographs or public announcements, or confirmation of the same related to the work to be performed by the Consultant under this Agreement shall only be made by the Consultant with the prior written consent of the SBIAA.

11. CONFIDENTIALITY OF MATERIALS AND INFORMATION. The Consultant shall keep confidential all reports, notes, observations, information, and data acquired or generated in performance of the work set forth in the Scope of Services, all of which SBIAA deems to be confidential. None of such confidential materials or information may be made available to any person or entity, public or private, without prior written consent of SBIAA.

12. DEFAULT AND REMEDIES.

A. Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

B. The terminating party must provide the breaching party seven (7) days advance written notice of its intent to terminate the Agreement. The notice must specify the

nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this Agreement.

C. The SBIAA may terminate this Agreement in whole or in part, for the failure of the Consultant to:

1. Perform the services within the time specified in this contract or by SBIAA approved extension;
2. Make adequate progress so as to endanger satisfactory performance of the Project; or
3. Fulfill the obligations of the Agreement that are essential to the completion of the Project.

D. Upon receipt of the notice of termination, the Consultant must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, the Consultant must deliver to SBIAA all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by or for Consultant under this Agreement, whether complete or partially complete.

E. SBIAA agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

F. SBIAA further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

G. If, after finalization of the termination action, SBIAA determines the Consultant was not in default of the Agreement, the rights and obligations of the parties shall be the same as if the SBIAA issued the termination for the convenience of SBIAA.

- H. The Consultant may terminate this Agreement in whole or in part, if SBIAA:
1. Defaults on its obligations under this Agreement;
  2. Fails to make payment to the Consultant in accordance with the terms of this Agreement;
  3. Suspends the Project for more than 180 days due to reasons beyond the control of the Consultant.

I. Upon receipt of a notice of termination from the Consultant, SBIAA agrees to cooperate with Consultant for the purpose of terminating this Agreement or portion thereof, by mutual consent. If SBIAA and Consultant cannot reach mutual agreement on the termination settlement, the Consultant may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the SBIAA's breach of the contract.

J. In the event of termination due to SBIAA's breach, the Consultant is entitled to invoice SBIAA and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by the Consultant through the effective date of termination action. SBIAA agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

K. In no event shall either Party be liable to the other for any indirect, special, or consequential damage regardless of whether such claim of liability arises in contract or in tort.

### 13. TERMINATION OF AGREEMENT FOR CONVENIENCE.

A. SBIAA may, by written notice to the Consultant, terminate this Agreement for its convenience and without cause or default on the part of Consultant. Upon receipt of the notice of termination, except as explicitly directed by the SBIAA, the Consultant must immediately discontinue all services affected.

B. Upon termination of the Agreement the Consultant must deliver to SBIAA all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by or for Consultant under this contract, whether complete or partially complete.

C. SBIAA agrees to make just and equitable compensation to the Consultant for satisfactory work completed up through the date the Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

D. SBIAA further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

14. NOTICES. All notices shall be in writing. Notices shall be presented in person or by certified or registered United States Mail, return receipt requested, postage prepaid or by overnight delivery by a nationally recognized delivery service to the addresses set forth below. Notice presented by mail shall be deemed effective on the third business day following the

deposit of the notice with the United States Postal Service. This Section 14 shall not prevent the Parties from giving notice by personal service or telephonically verified fax transmission, which shall be deemed effective upon actual receipt of such personal service or telephonic verification. Either Party may change its address for receipt of written notice by notifying the other Party in writing of a new address for delivering notice to such Party.

CONSULTANT: AECOM Technical Services, Inc.  
Attn: Matt Ulukaya  
999 W Town and Country Road  
Orange, CA 92868

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

15. COMPLIANCE WITH THE LAW. Notwithstanding any contrary provision in any exhibit to this Agreement, Consultant shall comply with all local, state, and federal laws, including, but not limited to, environmental acts, rules and regulations applicable to the work to be performed by the Consultant under this Agreement. Consultant shall maintain all necessary licenses and registrations for the lawful performance of the work required of the Consultant under this Agreement.

16. CONSULTANTS AND EACH SUBCONTRACTOR ARE INDEPENDENT CONTRACTORS. The Consultant shall at all times during the performance of any work described in the Scope of Services, or when providing other services to SBIAA, be deemed to be an independent contractor. Neither the Consultant nor any of its subcontractors shall at any time or in any manner represent that it or any of its employees are employees of the SBIAA or any member agency of the SBIAA. The SBIAA shall not be requested or ordered to assume any liability or expense for the direct payment of any salary, wage or benefit to any person employed by Consultant or its subcontractors to perform any item of work or services.

17. SEVERABILITY. Each section of this Agreement shall be construed as a separate and independent covenant and agreement. If any term or provision of this Agreement or its application to certain circumstances shall be declared invalid or unenforceable, the remainder of

this Agreement, or the application of such term or provision to circumstances other than those to which it is declared invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

18. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties. This Agreement supersedes all prior negotiation, discussions and agreements between the Parties concerning the subject matters covered in it. The Parties intend this Agreement to be the final expression of their agreement with respect to the subjects covered in it, and that it is a complete and exclusive statement of such terms.

19. AMENDMENT OR MODIFICATION. This Agreement may only be modified or amended by a document that is duly approved and executed by each of the Parties. Any such modification or amendment shall be valid, binding and legally enforceable only if in written form and executed by both Parties, following all necessary approvals and authorizations for such execution.

20. GOVERNING LAW AND CHOICE OF VENUE. This Agreement shall be governed by the laws of California. Any legal action arising from or related to this Agreement shall be brought in the Superior Court of California in and for the County of San Bernardino or in the United States District Court, Central District of California.

21. NON-WAIVER. Failure of either Party to enforce any provision of this Agreement shall not constitute a waiver of the right to compel enforcement of the same provision or any remaining provisions of this Agreement.

22. ASSIGNMENT. This Agreement may not be assigned by the Consultant without the prior written consent of the SBIAA.

23. REPRESENTATIONS OF PERSONS EXECUTING AGREEMENT. The persons executing this Agreement warrants that they are duly authorized to execute this Agreement on behalf of and bind the Party each purport to represent.

24. EXECUTION IN COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which will constitute a duplicate original.

25. EFFECTIVENESS OF AGREEMENT AS TO THE SBIAA. This Agreement shall not be binding on the SBIAA, until approved by the governing board of the SBIAA and signed by an authorized representative of the Consultant, approved as to form by SBIAA counsel, and executed by the authorized representatives of SBIAA.

26. CONFLICTS OF INTEREST.

A. Consultant represents that it has no interests adverse to the SBIAA or its individual member entities, at the time of execution of this Agreement. Consultant agrees that, during the term of this Agreement, the Consultant shall not enter into any agreement or acquire any interests detrimental or adverse to the SBIAA or its individual member entities.

B. Additionally, Consultant represents and warrants to SBIAA that Consultant and any partnerships, individual persons or any other party or parties comprising Consultant, together with each subcontractor that may be retained to perform services pursuant to this Agreement, do not have and, during the term of this Agreement, shall not acquire any property ownership interest, business interests, professional employment relationships, contractual relationships of any nature or any other financial arrangements relating to the SBIAA, property over which the SBIAA has jurisdiction or any members or staff of the SBIAA that have not been previously disclosed in writing to SBIAA, and that any such property ownership interests, business interests, professional employment relationships, contractual relationships or any nature or any other financial arrangements will not adversely affect the ability of the Consultant to perform the services to SBIAA as set forth in this Agreement.

27. NON-EXCLUSIVITY. This Agreement shall not create an exclusive relationship between the SBIAA and the Consultant for the services set forth in Exhibit "A" or any similar or related services. The SBIAA may, during the term of this Agreement, contract with other consultants for the performance of the same, similar, or related services as those that may be performed by the Consultant under this Agreement. This Agreement only sets forth the terms upon which any such services will be provided to the SBIAA by the Consultant, as set forth in this Agreement.

28. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS. The Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

(a) This provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

29. ACCESS TO RECORDS AND REPORTS. The Consultant must maintain an acceptable cost accounting system. The Consultant agrees to provide the SBIAA, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers, and records of the Consultant which

are directly pertinent to the specific Contract for the purpose of making audit, examination, excerpts and transcriptions. The Consultant agrees to maintain all books, records and reports required under this Contract for a period of not less than three years after final payment is made and all pending matters are closed.

30. COPELAND "ANTI-KICKBACK" ACT. Consultant must comply with the requirements of the Copeland "Anti-Kickback" Act (18 USC 874 and 40 USC 3145), as supplemented by Department of Labor regulation 29 CFR part 3. Consultant and subcontractors are prohibited from inducing, by any means, any person employed on the project to give up any part of the compensation to which the employee is entitled. The Consultant and each subcontractor must submit to the SBIAA, a weekly statement on the wages paid to each employee performing on covered work during the prior week. SBIAA must report any violations of the Act to the Federal Aviation Administration.

31. CERTIFICATION OF OFFEROR/BIDDER REGARDING TAX DELINQUENCY AND FELONY CONVICTIONS. The applicant must complete the following two certification statements. The applicant must indicate its current status as it relates to tax delinquency and felony conviction by inserting a checkmark (✓) in the space following the applicable response. The applicant agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification in all lower tier subcontracts.

(a) The applicant represents that it is ( ) is not ( ) a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

(b) The applicant represents that is ( ) is not ( ) a corporation that was convicted of a criminal violation under any Federal law within the preceding 24 months.

(c) If Consultant responds in the affirmative to either of the above representations, the applicant is ineligible to receive an award unless the SBIAA has received notification from the agency suspension and debarment official (SDO) that the SDO has considered suspension or debarment and determined that further action is not required to protect the Government's interests. The Consultant therefore must provide information about its tax liability or conviction to the SBIAA, who will then notify the FAA Airports District Office, which will then notify the agency's SDO to facilitate completion of the required considerations before award decisions are made.



## Term Definitions:

**Felony conviction:** Felony conviction means a conviction within the preceding twenty-four (24) months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the U.S. Code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 USC § 3559.

**Tax Delinquency:** A tax delinquency is any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

32. ENERGY CONSERVATION REQUIREMENTS. The Consultant and all subcontractors agree to comply with mandatory standards and policies relating to energy efficiency that are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 USC 6201*et seq*).

33. FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE). All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, *et seq*, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part-time workers.

(a) The Consultant has full responsibility to monitor compliance to the referenced statute or regulation. The Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

34. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970. All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. The employer must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The employer retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR Part 1910). The employer must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

35. TEXTING WHEN DRIVING. In accordance with Executive Order 13513, “Federal Leadership on Reducing Text Messaging While Driving” (10/1/2009) and DOT Order 3902.10 “Text Messaging While Driving” (12/30/2009), the FAA encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or sub-grant.

(a) In support of this initiative, SBIAA encourages the Consultant to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Consultant must include the substance of this clause in all sub-tier contracts exceeding \$10,000 that involve driving a motor vehicle in performance of work activities associated with the project.

36. FAA CONTRACT PROVISIONS AND GRANT ASSURANCES.

(a) Additional provisions required by the FAA for professional services agreements are attached hereto as Exhibit “C” and incorporated herein by reference. Such provisions include Equal Employment Opportunity requirements, Civil Rights Act of 1964, Title VI and Compliance with Nondiscrimination Requirements, together with additional FAA provisions. Consultant is advised to review the attached FAA contract provisions to determine application of such provisions to the services provided by Consultant hereunder.

(b) The FAA grant assurance covenants as are hereby made applicable to the Consultant for all work and services performed by the Consultant as set forth in the “Scope of Services”.

37. CONFLICT OF INTEREST – SBIAA REPRESENTATIVES. Consultant acknowledges that the SBIAA uses ethical business practices in the selection of its Consultants and in its other contracting practices. Consultant certifies that neither it nor its employees or agents have, with an intent to establish or maintain a business relationship with the SBIAA or any department thereof, provided any gift or sponsorship having a value of more than a fifty and 00/100 dollar (\$50.00) value, in total or aggregated total, to: (i) any person working on behalf of the SBIAA involved in the negotiation of this Agreement; (ii) any member of any department of the SBIAA procuring items or services from the Consultant under this Agreement; and/or (iii) any person with authority to negotiate this or any other contract on behalf of the SBIAA. Further, Consultant certifies that neither it nor its employees or agents shall at any time in the future, with an intent to establish or maintain a business relationship with the SBIAA or any department thereof, provide any gift or sponsorship having more than a fifty and 00/100 dollar (\$50.00) value, in total or aggregated total, to: (i) any person working on behalf of the SBIAA involved in the negotiation



The Consultant acknowledges the obligations as set forth in this Section 44 by the initials of the agent signing on behalf of the Consultant appearing below:

\_\_\_\_\_  
(initial here)

39. FAIR POLITICAL PRACTICES COMMISSION FORMS AND FILINGS. The provisions of this Section 45 shall apply to the Consultant, its employees and/or agents providing or supervising the services to the SBIAA as set forth in this Agreement. The Consultant acknowledges and represents and warrants that the Consultant is aware of the requirements of the Fair Political Practices Commission ("FPPC") of the State of California, including the statutory requirements and the rules and regulations promulgated pursuant thereto, and the obligations and duties of third-party contractors such as the Consultant to complete and timely submit the required FPPC reporting forms.

1. By the execution and acceptance of this Agreement with the SBIAA, the Consultant hereby agrees that no later than the first day of April (April 1) of each calendar year, or any other date as designated by SBIAA legal counsel or the Clerk of the Board, the Consultant shall submit, and/or cause its employees and/or agents providing or supervising the services to the SBIAA as set forth in this Agreement to submit, to the Clerk of the Board any reporting form or filing published and/or required by the FPPC which SBIAA legal counsel or the Clerk of the Board should deem appropriate and so request of the Consultant, properly and fully completed in accordance with the instructions of the FPPC, which instructions shall be provided to Consultant by the Clerk of the Board, identifying the appropriate and necessary economic disclosures of the Consultant, its employees and/or agents who perform services by, through or on behalf of the Consultant to the SBIAA pursuant to this Agreement.

2. Further, the Consultant recognizes that it is neither the duty nor the responsibility of the SBIAA, its staff and/or legal counsel to review or seek additional information from the Consultant as to any information submitted to the SBIAA in the required FPPC reporting forms. The Consultant further understands that the Consultant, its principals, shareholders, and certain employees and/or agents could be subjected to fines and civil penalties imposed by the FPPC in the event any documentation submitted by the Consultant is deemed to be inadequate either by the FPPC or any other State or local prosecutorial office. Under some circumstances, such inadequacies for failure to comply with the FPPC requirements may also involve criminal sanctions.

3. The Consultant shall further defend, indemnify and hold harmless the SBIAA, its officers, employees, representatives, and agents, for any and all violations by the Consultant regarding FPPC reporting compliance requirements that result in any liability or

financial loss to the SBIAA, its officers, employees, representatives, and agents, by reason of the failure of the Consultant to comply with the provisions of this Section 45, including staff costs, attorney fees and any and all other costs as may be incurred by the SBIAA, its officers, employees, representatives, and agents due to any alleged violations of the FPPC reporting requirements by the Consultant.

The Consultant acknowledges the obligations as set forth in this Section 45 by the initials of the agent signing on behalf of the Consultant appearing below:

                      
**(initial here)**

40. CLEAN AIR AND WATER POLLUTION CONTROL. Consultant agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 USC §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 USC §§ 1251-1387). The Consultant agrees to report any violation to SBIAA immediately upon discovery. SBIAA assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

A. Consultant must include this requirement in all subcontracts that exceeds \$150,000.

41. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. Consultant and Subcontractor agree to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)].

**[SPACE INTENTIONALLY LEFT BLANK]**

SAN BERNARDINO INTERNATIONAL AIRPORT  
AUTHORITY,  
a joint powers authority

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

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

ATTEST:

By: \_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to form and legal content:

Mirau, Edwards, Cannon, Lewin & Tooke, LLP  
A Limited Liability Partnership

By: \_\_\_\_\_  
Michael Lewin

AECOM Technical Services, Inc.

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

By: \_\_\_\_\_  
Name:

**EXHIBIT A**

**Scope of Services**  
**Design Services for FY25**  
**Airport Pavement Management Plan Update**  
**March 10, 2025**  
*(Insert here)*



**Exhibit “A” - Scope of Services  
Design Services for FY25  
Airport Pavement Management Plan Update  
March 10, 2025**

**BACKGROUND**

San Bernardino International Airport Authority (SBIAA) has requested AECOM Technical Services, Inc. (AECOM) to update the existing Airfield Pavement Management System to assist the Airport Staff in assessing, prioritizing, and justifying pavement maintenance and repair (M&R) needs.

An Airfield Pavement Management System (PMS) is a mandatory requirement of the Federal Aviation Administration (FAA) for airport projects funded with federal grant monies through the Airport Improvement Program (AIP) and/or with revenue from the Passenger Facility Charges (PFC) Program. As noted within the Federal Aviation Administration (FAA) Advisory Circular 150/5380-7B, a PMS is a set of defined procedures for collecting, analyzing, maintaining, and reporting pavement data. A PMS assists airports in finding optimum strategies for maintaining pavements in a safe and serviceable condition over a given period for the least cost. As noted within the Advisory Circular, the FAA requires that an airport's pavement condition index (PCI) be collected every three years.

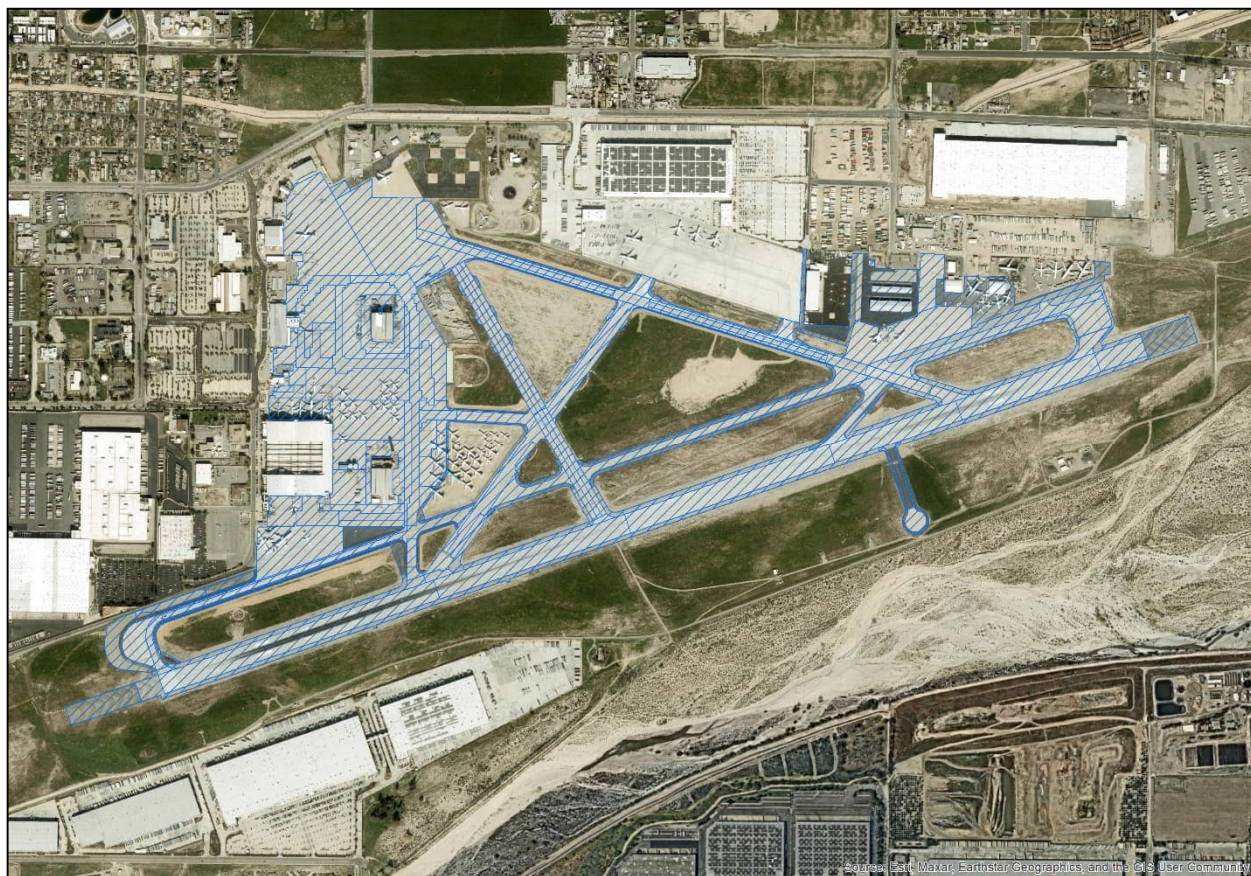
This scope includes development of PAVERTM Pavement Management database (PAVER), construction history record review, pavement inspections per ASTM D5340-12, for airside pavement network (shown in Figure 1 with blue hatch); calculation of pavement condition index (PCI); and development of a 10-year Capital Improvement Plan (CIP) that includes short-term and long-term rehabilitation and maintenance recommendations for airside pavements. It will consist of airport owned and maintained airfield pavements. The project will be completed in accordance with the following Tasks.

This project is eligible for reimbursement from the Airport Improvement Program (AIP), and will comply to the requirements of that program.





*Figure 1 SBD APMS Airfield Scope Layout*



## WORK BREAKDOWN STRUCTURE

The project update will be implemented using the following work breakdown structure:

### **TASK 1 – PROJECT MANAGEMENT**

**Task 1.1 Project Administration and Coordination.** This task involves the overall management of the project to ensure compliance with the scope of services, schedule, budget, quality, and coordination of the project with the Authority. It involves coordination by the Project Manager in establishing schedule and budgets, monitoring adherence to schedule and project performance, and intra-team project management.

**Task 1.2 Kick-off and Coordination Meetings.** This task will include a project on-line virtual kick-off meeting to discuss project details, scope, and work schedule with Airport staff; and to review the pavement inventory, historical information, and records of the airside network. This task will help our team to gather a more comprehensive understanding of the information available and specific project goals. This task also includes teleconferencing and other meetings as needed to coordinate with Authority. Assume



total of five (5) virtual on-line meetings.

At the kick-off meeting the following items will be discussed:

- Overview of project activities and schedule
- Points of contact for questions (GIS, pavement history, inspection schedule, etc.)
- Review available information and the format (electronic or hardcopy)
  - GIS files
  - Last Construction Info
  - Local M&R/maintenance cost information
- Discuss parameters for use in Pavement Management System
- Confirm limits of Pavement Condition Index Survey and areas of access (escorts)
- Delivery formats for reports, etc.
- Progress updates (frequency, format, etc.)

Deliverables:

- Notes and action items from meetings

## **TASK 2 – FIELD INVESTIGATION AND DATA COLLECTION**

**Task 2.1 Network Definition and PAVER Database Update.** AECOM will define the networks in GIS/CAD and perform pavement segmentation according to ASTM's pavement management system requirements. The GIS will serve as a basis to create the PAVER pavement management system database as well as for the pavement inspection purposes.

Deliverables:

- Airside GIS database
- Airside PAVER pavement management database

**Task 2.2 Records Review and Construction History Update.** In this task, AECOM will request any previous, on-going, and proposed pavement rehabilitation records. Available pavement construction, rehabilitation, and maintenance history information will be itemized and reviewed to determine their impact on the base map, and to add the work history required in PAVER.

Deliverable:

- PAVER pavement management database populated with work history records

**Task 2.3 Pavement Condition Inspections.** AECOM will collect pavement distress data for airside and landside pavements in order to calculate the Pavement Condition Index (PCI) using the PAVER software in accordance with ASTM D5340-12 "Standard Test Method for Airport Pavement Condition Index Surveys."

In conducting the PCI surveys, a 2-person survey team will be used. The team will consist of an experienced inspector, and a layout / data entry person. AECOM's Pavement Group have developed our own pavement management and data collection software programs and utilize tables that allow for real-time data capturing and processing in the field. Network level inspection sampling rates will be adopted based on the section



size as shown in Table A below.

Table A Inspection Sample Rates

<b>Total Sample Units</b>	<b>Sample units to Survey</b>
1-3	<b>All</b>
4	<b>3</b>
5-7	<b>4</b>
8-10	<b>6</b>
11-16	<b>8</b>
17-28	<b>10</b>
29-64	<b>13</b>
65-90	<b>14</b>
>90	<b>15% but &lt; 32</b>

A field schedule will be developed and provided for SBIAA's review and approval prior to initiating any inspections. Expected time to survey for each feature will be provided prior to the survey. AECOM crew can move around the airfield to take advantage of lower volume periods at specific locations on the airfield.

On the day of the survey, the survey team will notify the contact person at the airport for the pavement inspections planned for the day. The inspection team will work from airport network definition maps developed in earlier tasks. These maps will show representative dimensions of sample units and the specific sample units to be inspected.

Quality control will be established throughout the inspections. The inspection team will measure reference lines with a calibrated measuring wheel and use GPS data to correctly identify sample units for inspection.

Field inspections are expected to occur during daylight hours. The inspection schedule will be prioritized to ensure maximum efficiency and to minimize disruption to normal traffic operations. Throughout the inspections, inspectors will wear high visibility safety vests and carry cellular phones in case of emergency.

**Deliverable:**

- PCI distress data will be uploaded into the PAVER database.

**Assumptions:**

1. AECOM will perform the pavement inspections within the Non-movement areas on pull-back operations and provide security escorts.
2. SBIAA will facilitate and implement runway and taxiway closures for pavement inspections within the Movement Areas.
3. SBIAA will provide security escorts for pavement inspections within Movement Areas.





**Task 2.4 Non-Destructive Pavement Testing.** Applied Research Associates (ARA), as a subconsultant to AECOM, will provide services consisting of the following:

Non-destructive testing will be completed using their Heavy Weight Deflectometer (HWD) in accordance with FAA AC 150/5370-11B and Ground Penetrating Radar (GPR). HWD and GPR testing will be conducted as outlined in Table 1 and in Figure 1. The estimated number of HWD test points and GPR testing length is provided below.

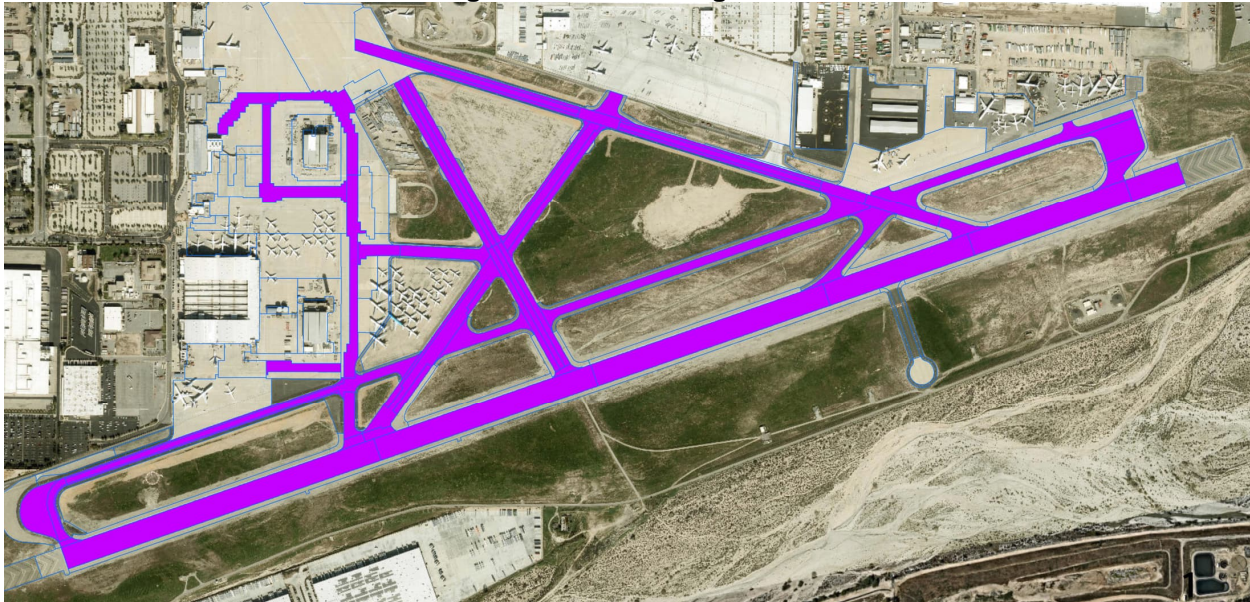
**Table 1. Estimated Number of HWD Test Locations and GPR Length**

Feature <sup>1)</sup>	Pavement Type	Unit	Length (ft)	Number of Test Lines	HWD Testing Interval	# of Tests Center	# of Tests Trans Joints <sup>2)</sup>	Estimated No of HWD Test Points	GPR (miles)
Runway									
Runway 6-24	PCC	Length	10,500	2	100	210	105	315	4
			10,500	2	200	105	53	158	4
			10,500	2	400	53	27	80	4
Taxiways									
Taxiway A	PCC	Length	10,900	2	400	55	28	83	4.2
Taxiway A1	PCC	Length	570	2	100	12	6	18	0.3
Taxiway A2	PCC	Length	860	2	100	18	9	27	0.4
Taxiway B	PCC	Length	3,800	2	400	19	10	29	1.5
Taxiway C	PCC	Length	3,000	2	400	15	8	23	1.2
Taxiway D	PCC	Length	1,160	2	100	24	12	36	0.5
Taxiway E	PCC	Length	5,760	2	400	29	15	44	2.2
Taxilanes on Aprons									
Taxilane 1	PCC	Length	690	2	100	14	7	21	0.3
Taxilane 2	PCC	Length	3,900	2	400	20	10	30	1.5
Taxilane 3	PCC	Length	1,600	2	200	16	8	24	0.7
Total						590	298	888	25

- 1) Only taxilanes within the Aprons will be tested.
- 2) No longitudinal joints or slab corners will be tested.



**Figure 1: HWD Testing Limits**



HWD testing will be completed in approximately 5 days (assuming 8 hour working window per day). GPR testing can be conducted simultaneously with the HWD testing. At each test location, the HWD will apply three load drops, with load levels determined based on a review of the design aircraft mix, gear configuration, and loads. In addition to load-deflection data, the HWD will record surface temperature, station, and GPS coordinates. The HWD testing locations will be staggered across test lines to maximize coverage.

Data analysis will include back calculation of impulse stiffness modulus, determination of remaining structural life, and Pavement Classification Rating (PCR). Data analysis will rely on material thickness data that will be determined in Task 2.5 – Geotechnical Investigation. AECOM will review the results provided by ARA to recommend PCR values and aircraft load limits on each of the airfield feature tested.

**Assumptions:**

1. SBIAA will facilitate and implement runway, taxiway, and ramp closures to perform the NDT testing within the Movement and Non-movement Areas.
2. SBIAA will provide security escorts for locations within Movement Area.
3. AECOM will provide security escorts for locations within the Non-movement Area.

**Task 2.5 Geotechnical Investigation.** Diaz-Yourman & Associates, (DYA), as a subconsultant to AECOM, will provide geotechnical services consisting of the following:

Six (6) pavement cores will be completed with the location to be determined upon completion of HWD testing. A coring plan will be developed and sent for review to get the locations cleared and allow SBIAA to submit timely NOTAMS before advancing with any coring operations. The geotechnical operations will be performed after HWD testing to get a better understanding of the location of the cores.



Pavement cores will be 4 or 6 inches in diameter. Core data will provide pavement layer thickness. A hand auger will be used to sample underlying pavement materials to determine the type, and layer depths for purposes of classification and evaluation of engineering properties for input into PCR calculation.

Pavement cores will be backfilled with rapid-set concrete. Aircraft traffic can traverse the repaired areas after 1 to 2 hours of curing.

Deliverable:

- Geotechnical Report summarizing findings

Assumptions:

1. Marking cores and geophysical utility clearance will be performed during one (1) daytime work shift under the escort of SBIAA.
2. Pavement cores will be performed over three (3) work shifts at night between 2300 to 0600. Drill rig will be 14' tall or less.
3. FAA 7460, if required, will be prepared and submitted by SBIAA.
4. SBIAA will facilitate and implement runway, taxiway, and ramp closures to perform the pavement cores within the Movement and Non-movement Areas.
5. SBIAA will provide security escorts for locations within Movement Area.
6. AECOM will provide security escorts for locations within the Non-movement Area.

**Task 2.6 Obtain Airport Security Badges.** AECOM staff will apply for a security badge and attend the mandatory courses to obtain escort and driving privileges on the non-movement areas. Escort vehicles will have the required ID tags.

Assume two (2) local AECOM staff will obtain and maintain airport security badges.

**Task 2.7 Airport Escorts.** As needed, AECOM will serve as airfield escorts for the following site investigations:

- ARA for NDT pavement testing - 2 days within the Non-movement Area ramps
- DYA for Geotechnical Investigation - 3 days within the Non-movement Area ramps
- AECOM for Pavement Condition Inspections – 5 days within the Non-movement Area ramps

Assumptions:

1. SBIAA will provide security escorts within the Movement Areas.

### **TASK 3 – PAVEMENT MANAGEMENT SYSTEM**

**Task 3.1 Aircraft Classifications Rating-Pavement Classification Rating (ACR-PCR).** Using Air Traffic data provided by SBIAA, the Pavement Classification Ratings (PCR) values will be determined, and Structural Index (SI) value will be calculated for the runway and taxiways.

Deliverables:



- Structural testing findings
- Air Traffic data summary
- ACR/PCR Values
- Structural Index Values (SI)
- Structural Testing Report summarizing findings

Assume: SBIAA will provide the type of aircraft, weight of aircraft, and annual departure volumes at SBD and approximate usage of each taxiway.

**Task 3.2 PAVER Customization and Data Analysis.** Using features available in the PAVER pavement management database, data analysis will be performed that encompasses pavement deterioration models; analysis of maintenance and repair (M&R) needs based on network-level data; M&R unit costs and policies; project prioritization; and multi-year budget analysis.

AECOM will develop pavement deterioration models for the flexible and rigid pavements using prediction model tools in PAVER. M&R unit costs and policies will be developed based on local practices. A prioritization scheme will be incorporated to assist in ranking pavement projects in consultation with the SBIAA staff. Budget analysis consisting of various funding scenarios for a 10-year period will be performed and consequently a 10-year capital improvement plan (CIP) will be developed. Separate analysis will be conducted on airside and landside networks.

Deliverable:

- A long term (10-year) CIP that includes major M&R work.
- A near term (1-2 year) localized M&R work.
- PAVER database populated with updated prediction models, and M&R policies and costs.

**Task 3.3 Pavement Management Report.** A report will be prepared that summarizes the study process and results. As part of the report, a pavement management decision inputs will be presented that reflects local rehabilitation costs, policies, funding priorities, and feasible major rehabilitation strategies for each pavement segment of the network. In addition, the recommended 10-year CIP will be included in the report with a preliminary cost estimate for each year. Finally, a color-coded CIP map will be prepared to reflect the 10-year plan. One draft report will be submitted to SBIAA for review. The airside report will include findings of the structural analysis. Review comments from SBIAA will be incorporated into the final report.

Deliverables:

- One electronic copy of draft and final report.

**Task 3.4 Review Meetings.** Within two (2) weeks of each formal submittal, AECOM will conduct an on-line virtual review meeting. AECOM will answer questions about the draft and final pavement management reports, and document and address SBIAA review comments. Assume two (2) review meetings.

## **SCHEDULE**

AECOM can begin Tasks 1 to 3 within two (2) weeks of Notice to Proceed (NTP). A field inspection schedule will be determined with SBIAA and the remainder of the schedule will be subject to the timing of the field





schedule. The final condition report is expected to be delivered no later than May 15, 2025.

### **ASSUMPTIONS / EXCLUSIONS**

1. Project level design and analysis is excluded.
2. SBIAA will provide aircraft traffic volumes for ACR-PCR calculations.
3. Scope of work area is in accordance with the extents shown in Figure 1. No additional areas are assumed.
4. No other services are assumed beyond what is defined in this Scope of Work.
5. Consultant shall have no responsibility for (i) construction means, methods, techniques, sequences or procedures; (ii) for the direction of Contractors' personnel; (iii) selection of construction equipment; (iv) coordination of Contractors' work; (v) for placing into operation any plant or equipment; or (vi) for Contractors' failure to perform the work in accordance with any applicable construction contract.
6. Consultant shall not be responsible for Owner's pre-existing site conditions or the aggravation of those preexisting site conditions to the extent not caused by the negligence or willful misconduct of Consultant. Consultant shall not be responsible for inspecting, observing, reporting or correcting health or safety conditions or deficiencies of Owner, Contractors or others at the project site ("Project Site") other than Consultant's employees, subconsultants and vendors. So as not to discourage Consultant from voluntarily addressing health or safety issues while at the Project Site, in the event Consultant does identify such issues by making observations, reports, suggestions or otherwise, Consultant shall have no authority to direct the actions of others not under Consultant's responsibility and control and shall have no liability, responsibility, or affirmative duty arising on account of Consultant's actions or forbearance.
7. Notwithstanding anything contained in this Agreement, Consultant shall have no responsibility for the discovery, presence, handling, removal, transportation, storage or disposal of, or exposure of persons to hazardous materials in any form related to the Project.
8. Consultant shall perform the Scope of Services in accordance with the degree of professional skill, quality and care ordinarily exercised by members of the same profession currently practicing in the same locality under comparable circumstances and as expeditiously as is consistent with professional skill and the orderly progress of the Project.
9. Consultant is entitled and will rely upon the accuracy, completeness, currency and non-infringement of information and data provided by SBIAA, or obtained from generally accepted sources within the industry, except to the extent such verification by Consultant may be expressly required as a defined part of the Scope of Services.



San Bernardino International Airport (SBD)  
Design Services for FY2025, Pavement Management Plan Update  
Estimate and Hour Summary, March 10, 2025

EXHIBIT "B"

No.	Task Description	AECOM												Subconsultant		Total Amount
		Total Hours	Technical Leader	PM	Pavement Engineer V	Pavement Engineer IV	Pavement Engineer III	Pavement Engineer II (Field Rate)	Inspection Engineer I (Field Rate)	GIS Analyst	Project Controls	Admin	Labor Subtotal	ODC's	Subs (Includes 5% Mark-up)	
			\$300.00	\$283.00	\$240.00	\$200.00	\$150.00	\$185.00	\$ 160.00	\$138.00	\$144.00	\$118.00				
<b>1.0</b>	<b>PROJECT MANAGEMENT</b>															
1.1	Project Administration and Internal Coordination	76	8	20	4	2	2				24	16	\$ 15,064.00	\$ -	\$ -	\$ 15,064.00
1.2	Kick-off and Coordination Meetings (Assume 5 mtgs)	24		12	12								\$ 6,276.00	\$ -	\$ -	\$ 6,276.00
	<b>Subtotal Hours Task 1 -</b>	<b>100</b>	<b>8</b>	<b>32</b>	<b>16</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>16</b>	<b>\$ 21,340.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,340.00</b>
<b>2.0</b>	<b>FIELD INVESTIGATION AND DATA COLLECTION</b>															
2.1	Network Definition and PAVER Database Update	58	4	2	4		8			40			\$ 9,446.00	\$ -	\$ -	\$ 9,446.00
2.2	Records Review and Construction History Update	44	4		8		16			16			\$ 7,728.00	\$ -	\$ -	\$ 7,728.00
2.3	Pavement Condition Inspections	248	8	4	32			108	96				\$ 46,552.00	\$ 4,000.00	\$ -	\$ 50,552.00
2.4	Non-Destructive Pavement Testing	28		4					24				\$ 4,972.00	\$ -	\$ 61,845.00	\$ 66,817.00
2.5	Geotechnical Investigation	36		4					32				\$ 6,252.00	\$ -	\$ 59,787.00	\$ 66,039.00
2.6	Obtain Airport Security Badges	14		2					12				\$ 2,486.00	\$ 50.00	\$ -	\$ 2,536.00
2.7	Airport Escorts	52		2					50				\$ 8,566.00	\$ -	\$ -	\$ 8,566.00
	<b>Subtotal Hours Task 2 -</b>	<b>480</b>	<b>16</b>	<b>18</b>	<b>44</b>	<b>-</b>	<b>24</b>	<b>108</b>	<b>214</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>\$ 86,002.00</b>	<b>\$ 4,050.00</b>	<b>\$ 121,632.00</b>	<b>\$ 211,684.00</b>
<b>3.0</b>	<b>PAVEMENT MANAGEMENT SYSTEM</b>															
3.1	Aircraft Classifications Rating-Pavement Classification Rating (ACR-PCR)	40	4	4	8	16				8			\$ 8,556.00	\$ -	\$ -	\$ 8,556.00
3.2	PAVER Customization and Data Analysis	136	4	4	16	16	80			16			\$ 23,580.00	\$ -	\$ -	\$ 23,580.00
3.3	Pavement Management Report (DRAFT and FINAL)	148	8	4	16	8	80			16		16	\$ 25,068.00	\$ -	\$ -	\$ 25,068.00
3.4	Review Meetings (Assume 2 mtgs)	8		4	4								\$ 2,092.00	\$ -	\$ -	\$ 2,092.00
	<b>Subtotal Hours Task 3 -</b>	<b>332</b>	<b>16</b>	<b>16</b>	<b>44</b>	<b>40</b>	<b>160</b>	<b>-</b>	<b>-</b>	<b>40</b>	<b>-</b>	<b>16</b>	<b>\$ 59,296.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 59,296.00</b>
	<b>Total Hours</b>	<b>912</b>	<b>40</b>	<b>66</b>	<b>104</b>	<b>42</b>	<b>186</b>	<b>108</b>	<b>214</b>	<b>96</b>	<b>24</b>	<b>32</b>	<b>\$ 166,638.00</b>	<b>\$ 4,050.00</b>	<b>\$ 121,632.00</b>	<b>\$ 292,320.00</b>
			4.4%	7.2%	11.4%	4.6%	20.4%	11.8%	23.5%	10.5%	2.6%	3.5%				

Total \$ 292,320.00

Notes:

1. Field Rates include costs for hotel, meals, and rental car. Excludes flights.

AECOM Design Services \$ 170,688.00

Subconsultants \$ 121,632.00

## **EXHIBIT B**

### **SUPERVISORY STAFF PERSONNEL**

SBIAA Staff:

Chief Executive Officer  
Director of Aviation  
Director of Development  
Airport Manager

## EXHIBIT C

### FAA CONTRACT PROVISIONS

#### I. EQUAL OPPORTUNITY CLAUSE.

A. During the performance of this contract, the Consultant agrees as follows:

1. The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identify, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff, or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

2. The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

3. The Consultant will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

4. The Consultant will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representatives of the Consultant's commitments under this section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. The Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

6. The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

7. In the event of the Consultant's noncompliance with the nondiscrimination clauses of this contract or with any such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

8. The Consultant will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: *Provided*, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

B. Standard Federal Equal Employment Opportunity Construction Contract Specifications:

1. As used in these specifications:
  - a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;
  - b. "Director" means Director, Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, or any person to whom the Director delegates authority;
  - c. "Employer identification number" means the Federal social security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941;
  - d. "Minority" includes:
    - (1) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
    - (2) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race);
    - (3) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
    - (4) American Indian or Alaskan native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
2. Whether the Consultant, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.
3. If the Consultant is participating (pursuant to 41 CFR part 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that

Plan for those trades which have unions participating in the Plan. Consultants must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Consultant or subcontractor participating in an approved plan is individually required to comply with its obligations under the EEO clause and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered Consultant's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Consultant shall implement the specific affirmative action standards provided in paragraphs 7a through 7p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Consultant should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing construction work in a geographical area where they do not have a Federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Consultant is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Consultant has a collective bargaining agreement, to refer either minorities or women shall excuse the Consultant's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Consultant during the training period, and the Consultant must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The Consultant shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Consultant's compliance with these specifications shall be based upon its effort to achieve maximum results from its

actions. The Consultant shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Consultant's employees are assigned to work. The Consultant, where possible, will assign two or more women to each construction project. The Consultant shall specifically ensure that all foremen, superintendents, and other onsite supervisory personnel are aware of and carry out the Consultant's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Consultant or its unions have employment opportunities available, and maintain a record of the organizations' responses.

c. Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Consultant by the union or, if referred, not employed by the Consultant, this shall be documented in the file with the reason therefor, along with whatever additional actions the Consultant may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the Consultant has a collective bargaining agreement has not referred to the Consultant a minority person or woman sent by the Consultant, or when the Consultant has other information that the union referral process has impeded the Consultant's efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Consultant's employment needs, especially those programs funded or approved by the Department of Labor. The Consultant shall provide notice of these programs to the sources compiled under 7b above.

f. Disseminate the Consultant's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in

assisting the Consultant in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with onsite supervisory personnel such as superintendents, general foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the Consultant's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Consultant's EEO policy with other contractors and subcontractors with whom the Consultant does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Consultant's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Consultant shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a Consultant's work force.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel, for promotional opportunities and encourage



these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Consultant's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilets and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisor's adherence to and performance under the Consultant's EEO policies and affirmative action obligations.

8. Consultants are encouraged to participate in voluntary associations, which assist in fulfilling one or more of their affirmative action obligations (7a through 7p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the Consultant is a member and participant may be asserted as fulfilling any one or more of its obligations under 7a through 7p of these specifications provided that the Consultant actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Consultant's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Consultant. The obligation to comply, however, is the Consultant's and failure of such a group to fulfill an obligation shall not be a defense for the Consultant's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The Consultant, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Consultant may be in violation of the Executive Order if a particular group is employed

in a substantially disparate manner (for example, even though the Consultant has achieved its goals for women generally, the Consultant may be in violation of the Executive Order if a specific minority group of women is underutilized).

10. The Consultant shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, sexual orientation, gender identity, or national origin.

11. The Consultant shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The Consultant shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Consultant who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The Consultant, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Consultant fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR part 60-4.8.

14. The Consultant shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government, and to keep records. Records shall at least include for each employee, the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon

the application of requirements for the hiring of local or other area residents (e.g. those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

**II. CIVIL RIGHTS ACT OF 1964, TITLE VI – CONTRACTOR CONTRACTUAL REQUIREMENTS.** During the performance of this Agreement, the Consultant, for itself, its assignees and successors in interest agrees as follows:

A. General Civil Rights Provision. In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

B. Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);

- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

C. Compliance with Nondiscrimination Requirements. During the performance of this contract, the Consultant, for itself, its assignees, and successors in interest (hereinafter referred to as the “Consultant”), agrees as follows:

1. Compliance with Regulations. The Consultant will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination. The Consultant, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of

subcontractors, including procurements of materials and leases of equipment. The Consultant will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations, either by competitive bidding or negotiation made by the Consultant for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier shall be notified by the Consultant of the contractor's obligations under this Agreement and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

4. Information and Reports. The Consultant shall provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the SBIAA or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a Consultant is in the exclusive possession of another who fails or refuses to furnish this information, the Consultant shall so certify to the SBIAA or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance. In the event of the Consultant's noncompliance with the non-discrimination provisions of this Contract, the SBIAA shall impose such Contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

a. Withholding of payments to the Consultant under the Contract until the Consultant complies, and/or

b. Cancellation, termination, or suspension of the Contract, in whole or in part.

6. Incorporation of Provisions. The Consultant shall include the provisions of paragraphs A through E in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Consultant shall take such action with respect to any subcontract or procurement as the SBIAA or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a Consultant becomes involved in, or is threatened with, litigation with a subcontractor or supplier because of such direction, the Consultant may request the SBIAA to enter into such litigation to protect the interests of the SBIAA and, in addition, the Consultant may

request the United States to enter into such litigation to protect the interests of the United States.

### III. DISADVANTAGED BUSINESS ENTERPRISES.

A. The Consultant, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. The Consultant shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the Consultant to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy, as the recipient deems appropriate, which may include, but is not limited to:

1. Withholding monthly progress payments;
2. Assessing sanctions;
3. Liquidated damages; and/or
4. Disqualifying the Contractor from future bidding as non-responsible.

B. The prime Consultant agrees to pay each subcontractor under this prime Contract for satisfactory performance of its Contract no later than 30 days from the receipt of each payment the prime Consultant receives from the SBIAA. The prime Consultant agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the SBIAA. This clause applies to both DBE and non-DBE subcontractors.

C. Termination of DBE Subcontracts (49 CFR § 26.53(f)) - The prime Consultant must not terminate a DBE subcontractor listed in response **to [include Solicitation paragraph number where paragraph 12.3.1, Solicitation Language appears]** (or an approved substitute DBE firm) without prior written consent of SBIAA. This includes, but is not limited to, instances in which the prime Consultant seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

D. The prime Consultant shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the Consultant obtains written consent of SBIAA. Unless SBIAA consent is provided, the prime Consultant

shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

E. SBIAA may provide such written consent only if SBIAA agrees, for reasons stated in the concurrence document, that the prime Consultant has good cause to terminate the DBE firm. For purposes of this paragraph, good cause includes the circumstances listed in 49 CFR §26.53.

F. Before transmitting to SBIAA its request to terminate and/or substitute a DBE subcontractor, the prime Consultant must give notice in writing to the DBE subcontractor, with a copy to SBIAA of its intent to request to terminate and/or substitute, and the reason for the request.

G. The prime Consultant must give the DBE five days to respond to the prime Consultant's notice and advise SBIAA and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why SBIAA should not approve the prime Consultant's action. If required in a particular case as a matter of public necessity (e.g., safety), SBIAA may provide a response period shorter than five days.

H. In addition to post-award terminations, the provisions of this section apply to pre-award deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

**IV. CERTIFICATION REGARDING LOBBYING.** Consultant/Offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Consultant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

C. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

D. This certification is a material representation of the fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**V. TRADE RESTRICTION CERTIFICATION.** By submission of an offer, the Offeror/Consultant certifies that with respect to this solicitation and any resultant contract, the Offeror:

A. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (USTR);

B. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the USTR; and

C. has not entered into any subcontract for any product to be used on the Federal project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR.

D. This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18 USC Section 1001.

E. The Offeror/Consultant must provide immediate written notice to SBIAA if the Offeror/Consultant learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Consultant must require subcontractors provide immediate written notice to the Consultant if at any time it learns that its certification was erroneous by reason of changed circumstances.

F. Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR § 30.17, no contract shall be awarded to an Offeror/ Consultant or subcontractor:



1. who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR; or
2. whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such USTR list; or
3. who incorporates in the public works project any product of a foreign country on such USTR list.
4. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
5. The Offeror/ Consultant agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in all lower tier subcontracts. The Consultant may rely on the certification of a prospective subcontractor that it is not a firm from a foreign country included on the list of countries that discriminate against U.S. firms as published by USTR, unless the Offeror/ Consultant has knowledge that the certification is erroneous.
6. This certification is a material representation of the fact upon which reliance was placed when making an award. If it is later determined that the Consultant or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration (FAA) may direct through the SBIAA cancellation of the contract or subcontract for default at no cost to the SBIAA or the FAA.

**VI. CERTIFICATION REGARDING DEBARMENT AND SUSPENSION.**

A. Certification of Offeror/ Bidder Regarding Debarment. By submitting a bid/proposal under this solicitation, the bidder or offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

B. Certification Lower Tier Contracts Regarding Debarment. The successful bidder, by administering each lower tier subcontract that exceeds \$25,000 as a “covered transaction”, must verify each lower tier participant of a “covered transaction” under the project is not presently debarred or otherwise disqualified from participation in this federally assisted project. The successful bidder will accomplish this by:

1. Checking the System for Award Management at website:  
<http://www.sam.gov>;
2. Collecting a certification statement similar to the Certification of Offeror/Bidder Regarding Debarment, above;
3. Inserting a clause or condition in the covered transaction with the lower tier contract.
4. If the FAA later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the FAA may pursue any available remedy, including suspension and debarment of the non-compliant participant.

**VII. CERTIFICATION REGARDING DOMESTIC PREFERENCES FOR PROCUREMENTS.** The Consultant certifies by signing and submitting this bid or proposal that, to the greatest extent practicable, the Consultant has provided a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products) in compliance with 2 CFR § 200.322.

**VIII. PROCUREMENT OF RECOVERED MATERIALS.** The following provision apply if this Agreement includes procurement of product that exceeds \$10,000.

A. Consultant and subcontractor agree to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, and the regulatory provisions of 40 CFR Part 247. In the performance of this contract and to the extent practicable, the Consultant and subcontractors are to use products containing the highest percentage of recovered materials for items designated by the Environmental Protection Agency (EPA) under 40 CFR Part 247 whenever:

1. The agreement requires procurement of \$10,000 or more of a designated item during the fiscal year; or
2. The consultant has procured \$10,000 or more of a designated item using Federal funding during the previous fiscal year.


B. The list of EPA-designated items is available at [www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products](http://www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products).

C. Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the contractor can demonstrate the item is:

1. Not reasonably available within a timeframe providing for compliance with the contract performance schedule;
2. Fails to meet reasonable contract performance requirements; or
3. Is only available at an unreasonable price.

**IX. SEISMIC SAFETY.** The following provision only applies if the contract work involves construction of new buildings or addition to existing buildings.

A. In the performance of design services, the Consultant agrees to furnish a building design and associated construction specification that conform to a building code standard that provides a level of seismic safety substantially equivalent to standards as established by the National Earthquake Hazards Reduction Program (NEHRP). Local building codes that model their building code after the current version of the International Building Code (IBC) meet the NEHRP equivalency level for seismic safety. At the conclusion of the design services, the Consultant agrees to furnish the Owner a “certification of compliance” that attests conformance of the building design and the construction specifications with the seismic standards of NEHRP or an equivalent building code.

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: September 24, 2025</b></p> <p><b>ITEM NO: 12</b></p> <p><b>PRESENTER: Jeff Barrow, Director of Development</b></p>
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**APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH JR MILLER AND ASSOCIATES, INC. FOR THE SBD ABOVE AND BEYOND PROJECT IN AN AMOUNT NOT TO EXCEED \$407,455**

### **SUMMARY**

The approval of this professional services agreement would retain JR Miller and Associates, Inc. as the architect of record for completion of design services for the SBD Above and Beyond Project.

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

Approve a professional services agreement with JR Miller and Associates for the SBD Above and Beyond Project in an amount not to exceed \$407,455 for the SBD Above and Beyond Project; and authorize the Chief Executive Officer to execute all related documents.

### **FISCAL IMPACT**

None. Funding for these professional services is included in the approved San Bernardino International Airport Authority (SBIAA) Fiscal Year 2025-2026 Budget, as adjusted, as a Capital Improvement Project (Account 63222), Project Number – 26s072-1 – SBD Above and Beyond in the amount of \$6,000,000 of which \$407,455 is allocated to this professional services agreement.

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

**BACKGROUND INFORMATION**

JR Miller and Associates, Inc. is a Southern California architectural firm that served as the original architect of record for the development of Luxivair SBD, the corporate hangars, and the International Arrivals Facility. The SBD Above and Beyond Project presents a new opportunity to augment and enhance the restaurant, retail, and service amenities at SBD by completing a building addition to the International Arrivals Facility. In order to complete this work, Staff is proposing to retain JR Miller and Associates, Inc. as the architect of record, to ensure all design standards, finishes, and aesthetics are maintained across the complex.

Staff solicited a proposal from JR Miller and Associates to prepare and complete the building's additional design work and provide contract support services for the project. Staff reviewed the proposal and completed an independent fee analysis to ensure that all rates and charges met industry standards. The full design cost for this next phase of work is an amount not to exceed \$407,455. All services rendered under this contract would be rendered on a time and materials, per request basis.

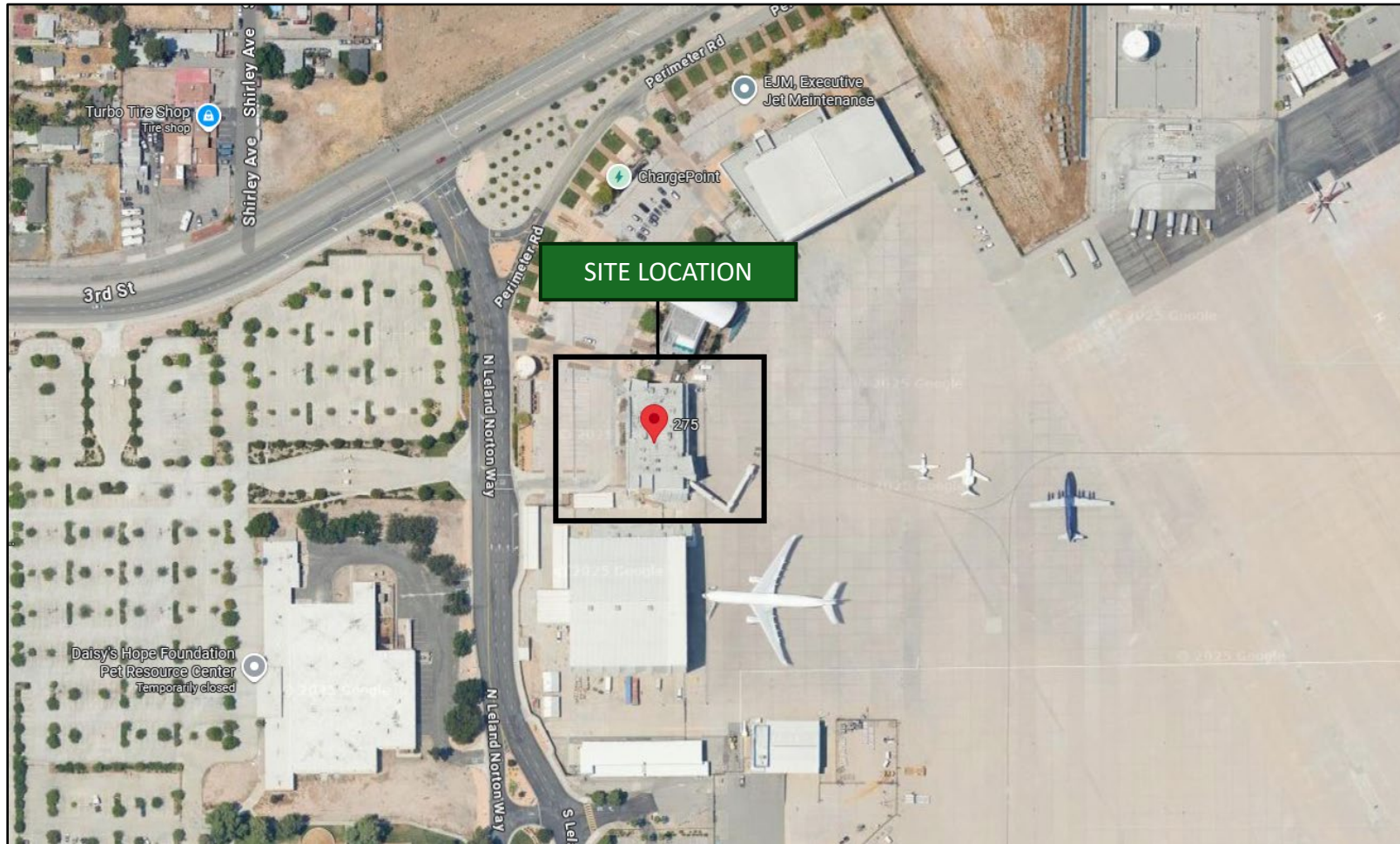
SBIAA's standard form professional services agreement will be used for this project.

Staff recommends that the Commission approve the above recommended action.

**Attachments:**

1. Site Map
2. Architect's Proposal

# SITE MAP





## DESIGN SERVICES AGREEMENT

11 Sept 2025

### **San Bernardino International Airport Authority (SBIAA)**

1601 East 3<sup>rd</sup> Street  
San Bernardino, CA 92408

Attn:  
Michael Burrows

Re:  
**Above & Beyond Phase I**  
San Bernardino International Airport  
275 N. Leland Norton Way  
San Bernardino, CA 92408

JRMA Job Number 6194-A

Mike:

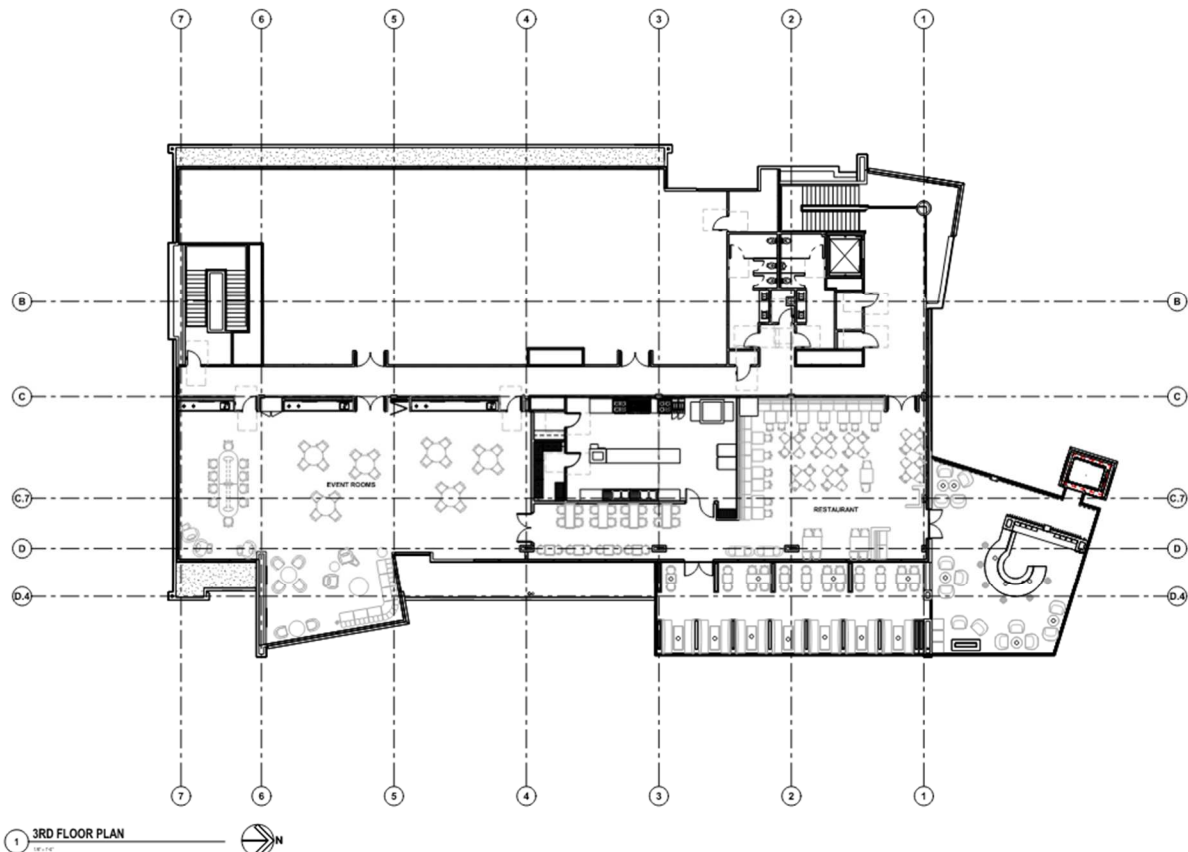
This Agreement is for Design Services to be performed on the above-referenced project.

### **Project Description**

SBIAA is proposing renovations to the third floor of the CBP Building at SBD to accommodate a new restaurant and rooftop bar. The proposed design services will be based on the conceptual plans and renderings prepared by JRMA, dated May 21, 2021. The scope of work includes the full design of the restaurant and rooftop bar, while the kitchen area will be constructed as a core and shell with rough-ins to support a future tenant improvement by the selected restaurateur. The project will include the following:

- **Restaurant Dining Area (1,900 SF):** Includes new perimeter walls, modifications to the exterior window system for access to the Terrace, and upgrades to the electrical panel.
- **Restaurant Kitchen Shell (990 SF):** Includes new perimeter walls and a designated stub-up location for future utility connections.
- **Terrace (2,341 SF):** A steel-framed exterior terrace on the third floor with a concrete-filled metal deck, steel railings, a connecting bridge to the elevator tower, and an exterior bar area. Improvements also include a steel-framed trellis.
- **Elevator Tower (85 SF):** A multi-story steel-framed tower with exterior glazing, providing access to the third-floor terrace. The tower will include an elevator room and associated utilities.
- **Restroom Upgrade (500 SF):** Add new restrooms south of the Kitchen between the Restaurant and Event Rooms or expand the existing Restrooms to meet occupancy requirements.
- **Event Rooms (2,500 SF):** Located south of the kitchen, designed with two sets of pocket doors to allow flexibility for dividing the space into up to three private rooms.
- **Minor site improvements:** Landscaping, seating benches, and other enhancements at the restaurant elevator entrance to improve aesthetics and functionality.

## Conceptual Floor Plan



## Sustainable Design

This project will integrate sustainable design features. LEED Certification is not a requirement of the project and the project will adhere to the California Green Building Code (CALGreen) Tier 1. JRMA will provide the lead for management of this process as well input to the design team participants to achieve this goal.

## Owner's Representative and General Contractor

An Owner's representative will be provided by THE CLIENT for the duration of the project to facilitate the design, approval and construction process. In addition, THE OWNER will secure pre-construction services from a general contractor prior to project design commencement.

## Project Phasing Summary





The proposed Project will be designed, permitted and constructed as a single phase for the improvements noted within this Agreement. The restaurant kitchen improvement will be a future scope of work.

### **Schedule**

The following schedule is proposed for this Project based on receipt of project information and project decisions from the Owner in a timely manner. This schedule includes an assumed agency processing and review time schedule and assumes durations for contractor bidding and construction. Timelines shown are sequential except as noted. A complete design schedule for the project will be developed during the Conceptual Design and Schematic Design Phase.

- Schematic Design: 5 weeks
- Design Development: 5 weeks
- Construction Documents / Submittal Set: 5 weeks
- Agency Processing for Permit: 12 weeks (estimated)

### **Project Team**

#### Owner-retained Consultants

- Environmental
- Geotechnical
- Fire Suppression System (by GC)
- Fire Alarm System (by GC)
- Security System (by GC)

#### JRMA-provided In-House Design Services

- Architecture
- Interior Design
- Structural Engineering

#### JRMA Project Design Consultants

- Civil Engineering: Not Required
- MEP Engineering: Design West Engineering
- Landscape Architecture: Architerra Design Group

### **Design Phases**

Under this Proposal, JRMA will provide the following services:

#### Lump Sum Services

- Part I: Schematic Design
- Part II: Design Development
- Part III: Construction Documents

#### Time and Expense (T&E) Services

- ~~Part IV: Bidding Assistance~~ (Phase II)
- Part V: Agency Processing



- ~~Part VI: Construction Administration (Phase II)~~
- Part VII: Design Meetings (CA Meetings – Phase II)

### **Assumptions**

- The Project will be based upon Conceptual Design Documents as prepared by JRMA and will include building and site improvements as noted in the Project Description above.

### **Entitlements**

- The Project will conform to the current EIR for the Project and SBD will provide coordination with their Environmental Consultant for CEQA compliance. It is assumed that the project will be a Categorical Exemption.
- The Airport will process any approvals required for NEPA. It is assumed the Project will be a CATEx approval.
- JRMA will submit the project to the FAA for 7460 approval. Since the new project is lower in elevation than the existing, no Part 77 issues are anticipated.
- The Project will be submitted to San Bernardino Planning Department for review and approval concurrent with the Building Department approval process.
- The project will adhere to the Airport Design Guidelines.
- The project design will be in accordance with Airport Guidelines and FAA Circular AC-150 as applicable.

### **Site**

- Site improvements will be limited to minor hardscape and landscape modifications at the Elevator Tower.

### **Structure and Envelope**

- The Elevator Tower will be steel framed with exterior glazing.
- The Terrace will be steel framed with a concrete-filled metal deck. The Terrace will be supported by the existing building, the Elevator Tower, and multiple columns. Terrace will also include a steel framed trellis and three steel framed canopies supported from the existing building.

### **Tenant Improvement**

- Tenant Improvement will be limited to the restaurant, rooftop bar, and terrace. The kitchen will be delivered as Core and Shell, including utility stub-ups for future build-out.

### **Electrical**

- Electrical will be limited to a new panel for the TI, power for the Elevator Tower and permanent lighting at the Restaurant and Terrace.

### **Mechanical and Plumbing**

- Mechanical improvements will be provided for the restaurant, including HVAC units sized to accommodate the future kitchen tenant improvement.
- Plumbing improvements will include new Employee Restrooms, Terrace Bar, and utility stub-ups for the Kitchen.

### **Project Delivery**

- Project delivery method is assumed to be a traditional Design-Bid-Build type except with a Public Bid Process coordinated by JRMA.

### **BIM**

- BIM (Building Information Modeling) – The preliminary conceptual, and design development documents will be prepared utilizing Revit software technology for interdisciplinary design and review coordination only and may not be used as construction documents. The 'model' that is created using



this software, however this Proposal is based on delivering this model at Level of Detail (LOD) that does not provide a General Contractor with material and quantity estimating purposes. Development of the model excludes site, civil and landscape disciplines.

**Owner Provided Items**

- Building Program input
- Security/AV/IT Design
- CEQA Processing and Approval (if required)
- NEPA and CATEX Processing and Approval (if required)
- Geotechnical Engineering and required Reports
- Interior and Exterior Signage Design aside from code-required signage

**Contractor Provided Items**

- Elevator Design (design-build through the submittal process)
- Fire Suppression System design modifications (as Deferred Approval)
- Fire Suppression and Alarm System Design (as Deferred Approval)
- Construction Cost Estimating and Project Construction Scheduling
- Complete engineering, design and processing of all deferred approval items.

**Part I Schematic Design**

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During this phase the Conceptual Design documents will be further developed to define the scope of the project and primary systems. Schematic Design represents an approximate 30% completion level of the construction documents. These documents may also be used by the selected General Contractor for preliminary pricing and value engineering.

**Architectural Design Scope of Work**

1. Generate REVIT BIM model of the project for distribution to project design consultants for preliminary design use only.
2. Provide schematic design Architectural drawings as necessary to define the scope of project:
  - Project Information Sheet
  - Site Plan
  - Floor Plans
  - Enlarged Floor Plans at Terrace, Kitchen/Restrooms and Elevator Tower
  - Roof Plans
  - Exterior Elevations
  - Building and Wall Sections
3. Provide Coordination with Project Team.
4. Conduct design review meetings with Project Team. Provide minor clarifications or changes to drawings as may be requested during those meetings or subsequent review. (Refer to Meetings Part VII).

**Structural Engineering Design Scope of Work**

1. Prepare schematic design and provide input for integration of structural design.
2. Coordinate building design requirements with Owner's selected geotechnical engineer.



### **Mechanical and Electrical Engineering Scope of Work**

1. Provide preliminary engineering to establish engineering design concepts and generate a 30% Progress Set. Refer to Part III "Construction Documents" for complete scope of work.
2. Prepare schematic design and provide input for integration of mechanical and electrical design including the following:
  - HVAC Systems
  - Plumbing Systems
  - Electrical & Lighting Systems
3. Attend design review meetings with Project Team. Provide minor clarifications or changes to drawings as may be requested during those meetings or subsequent review. (Refer to Meetings Part VII).

### **Landscape Architecture Scope of Work**

1. Develop a Schematic Design Landscape Plan. The plan will designate all areas and indicate their general landscape treatment and plant size, incorporating and possible desired entry accent planting.
2. Provide updated general listing of proposed planting materials.
3. Coordination or correspondence with government agencies to resolve any technical matters that may influence the design concepts.
4. Attend design review meetings with Project Team. Provide minor clarifications or changes to drawings as may be requested during those meetings or subsequent review. (Refer to Meetings Part VII).

## **Part II Design Development**

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Design Development represents an approximate 50% completion level of the construction documents and will include integration of all primary decisions by the project stakeholders. Significant project changes beyond Design Development may result in project design schedule and/or fee impacts.

### **Architectural Scope of Work**

1. Research Code requirements and restrictions to incorporate into design.
2. Obtain Owner input to finalize project program and concept design.
3. Provide design development Architectural drawings as necessary to define the following:
  - To finalize the size and shape of each space or area within the building, and any modifications to the exterior.
  - To confirm compliance with applicable codes and regulations.
  - To identify the type and quality of finishes.
  - To finalize the scope of structural design
  - These drawings will represent a 50% Construction Document Set.
    - Project Information Sheet
    - Overall Site Plan
    - Enlarged Site Plans
    - Overall Floor Plans
    - Enlarged Floor Plans
    - Ceiling Plans
    - Roof Plan



- Exterior Elevations
  - Building and Wall Sections
  - Architectural Details
4. Update REVIT BIM model and distribute to project design consultants for preliminary design use only.
  5. Provide Coordination with Project Team.
  6. Provide specification outline identifying construction divisions to be produced for the project.
  7. Conduct design review meetings with Project Team. Provide minor clarifications or changes to drawings as may be requested during those meetings or subsequent review (Refer to Meetings Part VII).

### **Structural Engineering Scope of Work**

1. General
  - Research code requirements and input into design.
  - Review existing building drawings and original design.
2. Completion of 50% Progress Set including the following. Also refer to Construction Documents for complete Scope of Work.
  - Terrace Framing and Column layout.
  - Elevator Tower Framing and Column layout.
  - Trellis and Canopies Framing.
3. Provide specification outline identifying construction divisions to be produced for the project.
4. Attend design review meetings with Project Team. Provide minor clarifications or changes to drawings as may be requested during those meetings or subsequent review. (Refer to Meetings Part VII).

### **Mechanical and Electrical Engineering Scope of Work**

1. Provide preliminary engineering to establish engineering design concepts and generate a 50% Progress Set. Refer to Construction Documents for complete scope of work.
2. Coordinate design requirements with Owner's low voltage trades.
3. Provide specification outline identifying construction divisions to be produced for the project.
4. Attend design review meetings with Project Team. Provide minor clarifications or changes to drawings as may be requested during those meetings or subsequent review (Refer to Meetings Part VII).

### **Landscape Architecture Scope of Work**

1. Review site circulation, site planning and final hardscape and landscape concepts with architect and Owner. This will be done prior to starting working drawings. This work will include refinement drawings and sketches.
2. Areas included in the scope of design development work are as follows:
  - a. Site Pedestrian Paving
  - b. Irrigation Concepts
  - c. Planting Selections
  - d. Site Details including Pedestrian Fencing and Gates
  - e. Material selection
3. Design Development Planting Plan.
4. Review site circulation, site planting and final hardscape and landscape material selections with Client and Owner.
5. Provide 50% Construction Documents.



6. Provide Design Development estimate of probable construction costs.
7. Provide outline specifications. (book form)
8. Project Administration (Bi-Weekly Status Report and Project Scheduling).
9. Attend design review meetings with Project Team. Provide minor clarifications or changes to drawings as may be requested during those meetings or subsequent review. (Refer to Meetings Part VII).

### **Part III Construction Documents**

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Construction Documents represent an approximate 100% completion level of the construction documents and will be used for agency approval and bid.

#### **Architectural Scope of Work**

1. Provide final Architectural drawings as necessary to define the scope of construction and obtain a building permit including:
  - Project Information and Code Analysis Plan
  - Overall Site Plan
  - Enlarged Site Plan
  - Site Plan Details
  - Overall Floor Plan
  - Enlarged Floor Plans
  - Enlarged Restroom Plans
  - Ceiling Plans and Details
  - Exterior Elevations
  - Interior Elevations at Restrooms
  - Building and Wall Sections
  - Architectural Details
  - Window, Door and Finish Schedules
  - Wall Type Schedule and Details
  - Accessibility standards
2. Provide design services as required by CALGreen Tier 1.
3. Update REVIT BIM model and distribute to project design consultants for internal use only.
4. Provide Project Management services related to this scope that maintains communication, schedule and budget criteria informing the Owner of status and progress.
5. Provide Coordination with Project Team.
6. Project Specifications in CSI Format.
7. Provide 75%, 90% and 100% Review Documents.
8. Conduct design review meetings with Project Team. Provide minor clarifications or changes to drawings as may be requested during those meetings or subsequent review. (Refer to Meetings Part VII).
9. Provide responses to Agency comments. (Refer to Agency Coordination and Processing Allowance Part V)

#### **Structural Engineering Scope of Work**

1. General
  - Provide coordination with Project Design Team.



- Attend design review meetings with Project Team. Provide minor clarifications of changes to drawings as may be requested during those meetings or subsequent review (refer to Part VII).
  - Provide Specification in CSI Format.
2. Elevator Tower
    - Steel framing design for conventionally framed building system to support exterior glazing.
    - Prepare framing plans with required details.
    - Prepare braced & moment frame elevations with required details.
    - Design and detail foundation system including grade beams.
    - Prepare foundation plan with required details.
  3. Terrace
    - Steel framing design for conventionally framed building system utilizing concrete filled metal deck, floor framing, and steel framed trellis and canopies.
    - Prepare floor, trellis and canopies framing plans with required details and strengthening upgrades to a portion of the existing floor framing and columns.
    - Prepare building moment frame elevations with required details.
    - Design and detail foundation system including grade beams and strengthening upgrades to a portion of the existing foundation system.
    - Prepare foundation plan with required details.
  4. Provide flagpole foundation design
  5. Provide 75%, 90% and 100% Review Documents.
  6. Project Specifications in CSI Format
  7. Provide responses to Building Department corrections. (Refer to Agency Coordination and Processing Allowance Part V)

### **Mechanical and Electrical Engineering Scope of Work**

1. Engineering calculations as required to generate and substantiate HVAC and plumbing design
2. Energy Calculations and mechanical calculations (includes submittals and revisions).
3. Mechanical plan(s) including the following:
  - Schedule of mechanical equipment
  - Location of new split system a/c units as required
  - Locations of exhaust fans required to meet fresh air requirements
  - Duct layout and air distribution for all equipment listed above (for improved areas).
  - Thermostat locations
4. Plumbing plan(s) including the following:
  - Schedule of plumbing fixtures
  - Complete plumbing system layout and sizing as required including domestic waste and vent, domestic water (hot and cold), roof drainage condensate and gas piping
  - Schematic design for proposed plumbing systems
5. Electrical site plan including the following:
  - Coordination of power service serving utility.
  - Coordination for infrastructure of telephone and CATV services with serving utility
  - Locations of serving utilities points of connection and underground conduit layout and requirements.
  - Site lighting layout, circuiting, and control wiring diagram for general lighting purposes.



- Point by Point of site lighting foot candle levels as necessary to comply with plan check requirements.
- 6. Lighting plan(s) including the following:
  - Schedule of lighting fixtures
  - Lighting layout and circuiting
  - Energy compliance forms
  - Lighting control wiring diagrams necessary for special control requirements
  - Egress lighting layout and circuiting per NEC and local jurisdictions
  - Landscape lighting.
- 7. Electrical power plan(s) including the following:
  - Distribution and branch panel locations
  - Single line diagram
  - Load schedules
  - Convenience receptacle layout and circuiting
  - Electrical connections to low voltage devices as specified by other system design.
  - HVAC and plumbing equipment power connections as specified by Mechanical Engineer
- 8. Signal plan(s) to include the following:
  - Conduit/Pathway only system for telephone, data, CATV, fire alarm and security
- 9. Dry utility coordination.
  - Coordination with all dry utility companies (power, telephone, cable, if necessary, and gas) including documentation of known existing and proposed underground utilities.
  - Coordination/completion of all paperwork, and plan submittals with involved utility companies.
  - Site meeting with each involved utility company to review existing and proposed conditions.
- 10. Provide responses to Building Department corrections.
- 11. Project Specifications in CSI Format.
- 12. Provide fire suppression system performance requirements.
- 13. Provide 75%, 90% and 100% Review Documents.
- 14. Attend meetings with Project Team. Provide minor clarifications of changes to drawings as may be requested during those meetings or subsequent review (refer to Part VII Meetings).
- 15. Provide design services as required by CALGreen Tier 1.

### **Landscape Architecture Scope of Work**

1. Construction Plan preparation for layout and detailing of hardscape and site furnishings at 10-scale.
2. Prepare construction details for site paving and greenscreens
3. Irrigation Plan Preparation at 10-scale.
4. Irrigation Detail Preparation.
5. Prepare Water Efficiency Landscape Worksheet.
6. Prepare 2 Irrigation Controller Charts.
7. Planting Plan Preparation at 10-scale.
8. Planting Detail Preparation.
9. Prepare Planting/Irrigation Hydro-zone Plan.
10. Construction, Irrigation & Planting Specifications (Book Format)
11. Provide Soils Test and Soils Management Report.
12. Prepare Annual Irrigation and Planting Maintenance Schedule.
13. Project Administration (Preparation of Bi-Weekly Status Report and Project Scheduling). Provide review documents at 50% and 100% completion.





14. Utility Research (Irrigation Point of Connection, Pressure).
15. Attend meetings with Project Team. Provide minor clarifications of changes to drawings as may be requested during those meetings or subsequent review (refer to Part VII Meetings).

#### **Part IV — Bid Coordination Allowance (Phase II)**

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~~All Project Consultants will provide the following services during this phase.~~

~~All Consultants:~~

- ~~1. Respond to contractor RFI's and requested for clarifications.~~
- ~~2. Attend a Pre-Bid Conference~~

~~In addition, JRMA will provide the following services:~~

- ~~○ Organization of a Pre-Bid Meeting~~
- ~~○ Distribution of Bid Documents~~
- ~~○ Issuance of required Addenda~~
- ~~○ Assistance in review of Bids~~
- ~~○ Participation in Bid Meetings~~

#### **Part V — Agency Coordination and Processing Allowance**

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The intent of this Scope is to provide submittals, coordination and design revisions required to obtain City of San Bernardino permit approvals for the related scope of construction defined above. This estimate provides for plan check reviews to review comments and provide clarifications and does not include excessive re-submittal due to agency negligence. This also excludes processing time for other project consultants or subcontractors.

The following will be provided as part of this allowance.

1. Research of specific Agency approval requirements.
2. Assembly and preparation of Agency Submittal packages.
3. Submittal and monitoring of Agency Submittal packages.
4. Pick-up of Agency Review Comments (2 cycles).
5. Design revisions and resubmittal of Agency Review Comments (2 cycles).
6. Meeting with Agency Plan Check Engineers (refer to Meetings Part VII).
7. Final Agency coordination for "permit-ready" documents.

Due to the varied Agency review requirements, responses, and code interpretations the above scope of work is an allowance based upon JRMA's experience with projects of this scope.

#### **Part VI — Construction Administration Allowance (Phase II)**

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~~This scope will provide basic support services during the construction of the proposed project. Allowance is based upon a 7-month construction timeline. Specifically, JRMA will provide these services for this project as described herein:~~

- ~~1. Review architectural shop drawings and submittals for conformity to construction documents.~~
- ~~2. Provide structural review of shop drawings and concrete mix design.~~



- ~~3. Attend selected job site meetings during construction and provide documentation of the meetings and field observations (refer to Meetings Part VII). Structural Observation Visits will be provided (refer to Meetings Part VII)~~
- ~~4. JRMA and its consultants will provide responses to contractors' requests for information (RFI) and provide clarification of construction documents regarding drawing interpretation. This coordination will be limited to communication through the Owner's selected representative. Assistance with alternates, substitutions, agency inspections, etc., is not included in this task and will be billed at Time and Expense.~~

## **Part VII Project Meeting Allowance**

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Design Review Meetings for the Project are based upon those typically required for a Project of this size, scope and complexity. These meetings are also based upon the current level of Design and Owner Approval of the Design. The intent of the Design Review Meetings is to review the general status of the construction and to provide the required coordination for completion. Owner input will also be evaluated, and any revisions will be assessed by the Project Team prior to modification of the Design.

The Project Team will attend Construction Meetings and the selected contractor will provide a concise Agenda for each meeting.

### Part I – Schematic Design (Meetings at SBIAA)

- Architect: 1 Meeting (Site) + 1 Virtual Meetings
- Structural Engineer: 1 Meeting (Site)

### Part II – Design Development (Virtual Meetings)

- Architect: 1 Meeting
- Structural Engineer: 1 Meeting
- MEP Engineer: 1 Meeting
- Landscape Architect: 1 Meeting

### Part III – Construction Documents (Virtual Meetings)

- Architect: 1 Meeting
- Structural Engineer: 1 Meeting
- MEP Engineer: 1 Meeting
- Landscape Architect: 1 Meeting

### Part V – Agency Processing (Meeting at City)

- Architect: 2 Meetings

### Part VI – Construction Administration (Phase II)

- ~~▪ Architect: 7 Site + 24 Virtual Meetings~~
- ~~▪ Structural Engineer: 3 Structural Observation Site + 1 General Site + 1 Virtual Meetings~~
- ~~▪ MEP Engineer: 1 Site + 1 Virtual Meetings~~
- ~~▪ Landscape Architect: 1 Site + 1 Virtual Meetings~~



## **Exclusions**

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### General

1. Agency fees (plan check, permits, etc.).
2. The cost of reproductions, plotting, travel, electronic file transfer prep, and related reimbursables (see above under Terms and Conditions).
3. Construction Cost Estimates.
4. Conditional Use Permit coordination/approvals, variance processing, Environmental Impact Report, agency fees (permits, plan check, etc.).
5. Construction-related tests, inspections and lab work.
6. Record drawings and final BIM model.
7. Distribution of CADD Files other than to Project Team participants.
8. Owner / Contractor requested design changes following authorization to proceed to subsequent phase of work.
9. Contractor's means & methods including, but not limited to; temporary structures, temporary utilities, temporary bracing, shoring, formwork, construction power, etc.
10. Sub-contracts with any other consultants other than listed (contractor and/or sub-contractors).
11. Envision project registration and/or commissioning services.
12. Commercial kitchen design.
13. Signage design and permit submittals.
14. Bidder selection and bid evaluation.

### Studies and Reports

1. Phase I Environmental Studies or Environmental Impact Reports.
2. Project reports i.e. Basis of Design, Program Statement, etc.
3. Traffic Engineering Analysis or Studies.

### Civil Engineering

1. Geotechnical investigations and analysis.
2. Construction Staking and/or recording any survey monuments.
3. Design of off-site improvements except as noted within this proposal. Exclusions extend to street improvements including design of "off-site" utility main extensions for gas, electric, telephone, sewer, water, storm drain etc. It is assumed all utilities are available on site and have sufficient capacity for the project. Relocations of existing utilities are also specifically excluded.
4. Testing required for fire hydrant fire flows to be used in fire suppression calculations.
5. Boundary, ALTA, and planimetric surveys.
6. Detailed field measurements/surveys of existing conditions, other than specified in above scope of work. Field verification shall be non-invasive and only those items readily discernable from floor level and from non-tool investigation shall be included.
7. Consolidation/subdivision plats, rezoning applications, street vacate/dedication, deeds of transfer, lot line adjustment or easement preparation. (by Survey Consultant)
8. Street improvement drawings and permitting.

### Mechanical/Electrical/Plumbing Engineering

1. Fire suppression and alarm systems.
2. Off-site underground electrical (by design-build contractor)



3. Utility Pump Stations design. Assume gravity flow for wastewater systems.
4. Renewable energy systems and related installation requirements e.g. photovoltaic, wind turbine technology, etc.
5. Low voltage systems design and equipment specifications including the following systems:
  - Voice/Data, Network and Intercom systems
  - CCTV and Cable television systems
  - Building and site Fire alarm system
  - Security and Access Control systems

#### Structural Engineering

1. Special foundations including piles, caissons (except as specifically noted in this proposal), etc.
2. Equipment platforms and structural supports
3. Engineering related to vendor-provided component systems, e.g. curtain wall, modular structures, unitized cladding and canopy components, etc.

#### LEED

1. LEED Audit involvement.

#### **Additional Services**

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If authorized in writing by Owner, JRMA shall furnish or obtain from others Additional Services of the following types, which are not considered normal or customary basic Services:

- ◆ Design revisions after architectural or engineering construction documents preparation commence.
- ◆ Additional Services resulting from significant changes in the general scope of this Part of the Project or its design including, but not limited to, changes in size, complexity, Owner's schedule or character of construction; and revising previously accepted studies, reports, design documents, or Contract Documents, when such revisions are due to causes beyond JRMA's control.
- ◆ Services about change orders to reflect changes initiated by the Owner if the resulting change for Basic Services is not commensurate with the services rendered, or additional services resulting from significant delays, changes or price increases occurring as a direct or indirect result of material, equipment or energy shortages.
- ◆ Field Revisions, regardless of reason.
- ◆ Review of Alternate Designs submitted via shop drawings or in similar fashion.
- ◆ Prepare Record Drawings for related work performed above based on information supplied by the contractor.



## Design Fee

JRMA proposes to provide design services for this project per the fees noted below.

Phase I	Contract Type	Architecture Design & PM	Structural Engineering	Interior Design	Mechanical Electrical Plumbing	Landscape Architect	TOTAL
		JRMA	JRMA	JRMA	DWE	ADG	
Schematic Design	LS	\$ 23,000	\$ 16,960	\$ 10,000	\$ 5,148	\$ 4,703	\$ 59,811
Design Development	LS	\$ 46,000	\$ 16,960	\$ 15,000	\$ 5,148	\$ 4,208	\$ 87,316
Construction Documents	LS	\$ 53,500	\$ 50,880	\$ 15,000	\$ 12,012	\$ 6,298	\$ 137,690
Lump Sum Fee Subtotal		\$ 122,500	\$ 84,800	\$ 40,000	\$ 22,308	\$ 15,209	\$ 284,817
Agency Processing	T&E	\$ 33,400	\$ 10,000	Included	\$ 3,432	Included	\$ 46,832
Design Meetings	T&E	\$ 3,600	\$ 1,650	\$ 600	\$ 3,053	\$ -	\$ 8,903
T&E Fee Subtotal		\$ 37,000	\$ 11,650	\$ 600	\$ 6,485	\$ -	\$ 55,735
Totals		\$ 159,500	\$ 96,450	\$ 40,600	\$ 28,793	\$ 15,209	\$ 340,552

## ABOVE & BEYOND FEE SUMMARY

Total Lump Sum Fee	\$ 284,817
Total T&E Fee	\$ 55,735
Total Fee	\$ 340,552

Phase I (Add Alternate)	Architecture		Interior	MEP		
Event Rooms LS	\$ 36,750	\$ -	\$ 20,000	\$ 10,153	\$ -	\$ 66,903

## EVENT ROOM FEE SUMMARY

Total Fee	\$ 66,903
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Lump Sum Services will be invoiced monthly based on percentage of completion and of the Contractual agreement plus reimbursables at the time of billing and payable as provided in Exhibit "A"

Allowance Fees will be billed monthly on a time and expense basis for costs incurred to-date and payable as provided in Exhibit "A". The invoice will provide the Owner with a total amount billed to date



throughout the project. In addition, the Owner will be notified if the budget is reached before proceeding with additional work. If this task deviates from the scope defined above, and the scope is required to be altered or amended prior to completion of the project, JRMA reserves the right to request additional fees based on a revised scope of work per the attached Rate Schedule as directed by the Owner.

#### **AUTHORIZATION AND ACCEPTANCE**

Signing this Proposal acknowledges acceptance of the Scope and Terms described above and as attached in Exhibits A, B, C and hereby recognizing this document as a formal contractual agreement. This Agreement is to be Governed by the law of the principal place of business of JR Miller and Associates, Inc.

Please note that the fees presented in this agreement if not executed, are valid for 30 days from the date noted on cover page.

I trust this agreement meets your approval and look forward to servicing you on this project.

J.R. MILLER & ASSOCIATES, INC.  
*Architects and Engineers*

SUBMITTED BY:

ACCEPTED BY:

A handwritten signature in blue ink, appearing to read "Howard Hong".

Howard Hong, AIA  
Associate | Architect  
CA License Number 32793

\_\_\_\_\_  
Client

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



## **EXHIBIT A: Terms and Conditions**

### **BILLING AND CONTRACT CONDITIONS**

#### **Reimbursable Expenses**

Reimbursable expenses are in addition to the compensation for basic fee and additional services per attached Rate Schedule, Exhibit "B". Charges for document reproductions can be put on Owner's account or billed direct depending on reproduction type, upon request of the Owner.

#### **Non-Payment**

Failure of the Owner to make payments to JRMA in accordance with this Agreement may be considered substantial nonperformance and cause for termination. If Owner fails to make payment when due to JRMA for services and expenses, JRMA may, upon seven days' written notice to the Owner, suspend performance of services under this Agreement. Unless payment in full is received by JRMA within seven days of the date of the notice, the suspension shall take in effect without further notice. In the event of a suspension of services, JRMA shall have no liability to the Owner for delay or damage caused the Owner because of suspension of services and/or withholding of Drawings, Specifications or other documents.

**Invoices; Payments.** JRMA will provide Client (Owner) with monthly invoices accurately reflecting current expenditures of professional time and/or the progress of the services as appropriate and reimbursable expenses. Each invoice will be due and payable upon receipt, and delinquent 30 days after its date. In the event of delinquency, interest shall accrue from the invoice date at 1.5% per month, compounded monthly, or at the highest rate permitted by California law, whichever is lower, with payments applied first to accrued interest. No deductions shall be made from JRMA's compensation on account of problems or losses for which JRMA has not been held legally liable. JRMA's fee will be equitably adjusted in the event of significant changes to the Project's program or scheduling.

**Additional Services.** JRMA will provide at its then current standard hourly fee rates, or as may otherwise be agreed, the following additional services as circumstances may require or Client(Owner) may direct: (i) revisions to instruments of service previously prepared by JRMA where such revisions are inconsistent with prior Client (Owner) or governmental approval or due to substantial changes in Client's (Owner's) instructions or necessitated by amendments to or changes in the interpretation of the laws and regulations applicable to the Project, the result of conditions of which JRMA had not been timely informed, or other matters beyond JRMA's reasonable control; (ii) evaluating and responding to contractor proposals, substitution submittals, change order requests or the like; (iii) services necessitated by inadequate or improper co-consultant or contractor performance, unreasonable contractor requests and claims and/or construction accidents or losses; and (iv) such other services as the parties may mutually agree, such as value engineering or special studies.

### **TERMINATION OF AGREEMENT**

In the event this agreement is terminated at any time during the progress of the project, the final billing will be for costs incurred up to the date of termination.

### **GENERAL CONDITIONS**

#### **Indemnification**

The indemnification which JRMA will provide will hold harmless Client (Owner) and Client's (Owner's) lender(s) and their respective principals and employees, from and against any and all claims and/or liability arising out of negligence or intentional wrongdoing in the performance of the services called for by this Agreement to the full extent of JRMA's fault; provided however, that in no event shall JRMA's contractual and common law indemnification obligations exceed its applicable and collectable liability insurance coverage(s) at the time of claim resolution.



## **DISPUTE RESOLUTION**

### **Mediation**

To resolve any conflicts that arise during the design or construction of the project or following the completion of the project, the Owner and the Design Professional agree that all disputes between them arising out of or relating to this Agreement shall be submitted to non-binding mediation unless the parties mutually agree otherwise and shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association currently in effect.

### **Litigation**

Claims disputes and other matters in question between the parties that are not resolved by mediation may be decided by litigation in a court of competent jurisdiction.

## **DELIVERABLES**

Client (Owner) shall acquire ownership of JRMA's deliverables and a transferable, nonexclusive license to use these instruments of service and the designs embodied therein for all Project purposes upon payment for the related services.

## **PROFESSIONAL STANDARDS**

JRMA's services will be performed in accordance with generally and currently accepted design professional principles and practices as embodied in the standard procedures and protocol of JRMA and its subconsultants, and without warranties, either expressed or implied. In particular, and without limitation, JRMA will use its best professional judgment in interpreting and applying the requirements of all laws applicable to the Project such as building codes, functionality standards and accessibility and sustainability requirements; but compliance with these laws as they may be eventually interpreted by others cannot be guaranteed. In no event, will JRMA guarantee cost estimates, schedule projections or the like, or prognostications as to future events including without limitation the conduct of contractors or the discretionary decisions of governmental officials. Further, when used in conjunction with the providing of services pursuant to this Agreement, such terms as "certify," "warrant," "confirm," "verify," "make sure," "insure," "Ensure," "assure," or the like do not constitute a guarantee, but rather a representation based on professional opinion or judgment.

## **CLIENT (OWNER) OBLIGATIONS**

Towards the mutual goal of a successful project, Client (Owner) shall make reasonable efforts to cooperate with JRMA including without limitation: (i) designating a single representative with appropriate authority with whom JRMA can deal, and directing all communications to JRMA's project manager; (ii) providing timely information regarding Project requirements and conditions, and taking full responsibility for directing JRMA to proceed on any unverified assumptions; (iii) responding to JRMA's questions and requests for information and approval within a reasonable time; (iv) promptly evaluating JRMA's invoices and providing fair notice of any questions or dissatisfaction, and waiving the right to challenge the accuracy and appropriateness of any invoice for which no such notice has been provided within 30 days of receipt of the notice; (v) refraining from requesting certifications which would misrepresent the nature or extent of JRMA's information or services; (vi) having the JRMA designated as an additional indemnitee concerning whatever indemnification obligations Client (Owner) obtains from any Project contractor; and (vii) providing appropriate arrangements for coordination of the Project's various design consultants, for construction quality control and for Project risk management.

## **AFFILIATED INDIVIDUALS**

Owner acknowledges that JRMA is a business entity, and that JRMA's Project involvement should not subject its affiliated individuals to personal exposure for the risks attendant to that involvement; and therefore, provided only that JRMA maintains the insurance required by the Agreement, any claim which Owner has or might have concerning the Project and/or this Agreement shall be asserted only against JRMA, and to the fullest extent allowed by the law Owner waives any and all claims for damages or indemnifications concerning the Project and/or this Agreement against





JRMA's affiliated individuals. Further, Owner agrees not to directly or indirectly solicit or hire JRMA's employees with whom they have dealings concerning the Project during the Project and for two years after the Project's completion.

### **CONSTRUCTION DOCUMENTS**

The Construction Documents prepared by and on behalf of JRMA will be in JRMA's standard format and level of quality and detail, and sufficient to enable knowledgeable contractors familiar with established industry practices and applicable code, accessibility and sustainability requirements and with statutory functionality standards, and experienced with projects similar to the Project, to bid and to complete construction with only routine inquiries, clarifications and corrections. Where appropriate, the Construction Documents may consist of performance specifications sufficient to enable the affected subcontractors to design and construct portions of the Project. Client (Owner) shall require the design/build contractor or supplier to be responsible for : (i) preparing all the engineering and other drawings and specifications for the components of its design/build undertaking; (ii) complying with the Project's requirements and space limitations; (iii) coordinating and interfacing with other trades and consultants; (iv) obtaining any required or appropriate approvals from authorities having jurisdiction of other Project; and (v) serving as the professional of Record for its portion of work, responsible directly to Owner. Design/build system designs shall be reviewed by JRMA only for conformance with the aesthetic aspects and major space limitations of the Project, and JRMA will have no other responsibility concerning such systems.

### **BIM/REVIT MODEL**

JRMA will provide a BIM/REVIT model (if required per scope of work), which may only be used for general internal coordination and may not be used as a substitute for construction documents. Because the parties intent that the use BIM (Revit) technology should not subject JRMA to risks beyond its reasonable control, in performing the services called for by this Agreement JRMA and its subconsultants (i) shall .have the right to rely on the data, designs and other input provided by others and shall have no obligation to vet or verify that information and no legal liability for errors, omissions or deficiencies in that information; and (ii) shall have the right to assume that the BIM (Revit) model hardware and software used in conjunction with those services is performing as intended unless and until actually informed otherwise.

### **RISK ALLOCATION- PROJECT**

In light of the limited ability of JRMA to affect the risks inherent in the Project, and of the disparity between JRMA's fees and potential liability for problems or alleged problems with the Project, Client (Owner) shall to the fullest extent allowed by law release and indemnify JRMA and JRMA's subconsultants, if any, and their respective affiliated entities and individuals, concerning any and all claims, liability, expenses and/or losses related to the Project (including attorneys and expert fees incurred and the value of professional time expended to address claims or problems) provided, however, that this indemnification shall not apply to any indemnitee to the extent of that indemnitee's active negligence or willful misconduct. Further and in any event, Client(Owner) agrees to limit the total aggregate liability concerning or related to the Project of JRMA and JRMA's subconsultants, if any, and their respective affiliated entities and individuals, on any and all legal and equitable theories and concerning all kinds and causes of loss to the fullest extent allowed by law as to Client (Owner) and its affiliated entities and individuals, contractors and successors and assigns and any third parties to the sum of the applicable insurance per attached Exhibit C, and waives any right to impose any legal liability concerning the Project and/or this Agreement against JRMA or its subconsultants' affiliated individuals.

### **FRUSTRATION OF PERFORMANCE**

To control the risks inherent in JRMA's professional undertaking pursuant to this Agreement, JRMA's services are intended to be performed fully and solely by or through JRMA. Unless this Agreement is terminated for JRMA's material breach, if Client prevents or frustrates JRMA's full performance of the services or without JRMA's express consent causes or allows modifications to or deviations from the requirements or recommendations of JRMA's instruments of service or the use of unfinalized instruments of service for pricing or otherwise, then Client shall release and indemnify JRMA and its affiliated entities and individuals to the fullest extent allowed by law from and concerning any and all



claims, costs, losses and/or liability concerning or related to the uncompleted services or the use of modified, deviated from or unfinalized instruments of service.

### **PROFESSIONAL LIMITATIONS**

JRMA will be legally liable for only the design professional services provided pursuant to this Agreement, and only pursuant to the terms and conditions of this Agreement. JRMA will not be legally liable for the providing or failing to provide legal, accounting, financial analysis services or the like, or unassumed specialty design or engineering services including without limitation soils, geotechnical, environmental, hazardous waste or toxic substance engineering services. Further, and without limitation, JRMA shall not be responsible for delays or other matters beyond its reasonable control, for inaccurate or incomplete information provided by Client or other reasonably reliable sources or for unverified assumptions expressly directed by Client (Owner); for services or instruments of service provided by others even if incorporated into JRMA's instruments of service for ease of reference or otherwise, for site or Project conditions of which it was not actually and timely informed, for hazardous materials or toxic substances at the Project site, for reasonable interpretations of the Project's legal requirements and limitations, for the recommendation or specification of products or equipment for purposes consistent with the manufacturer's published literature or containing toxic substances not disclosed in that literature, for implementing Client (Owner)'s properly advised decisions and directions, or for the actions or inactions of others including other consultants, contractors, utility companies and governmental or quasi-governmental agencies.

### **PROVIDED MATERIALS**

Regarding Instruments of service prepared by others and which are provided to JRMA to be used on this Project (the "Provided Materials"), Owner represents and warrants to JRMA that it either owns or has a license to use the Provided Materials for all Project-related purposes and that JRMA may rely on this representation and warranty; and in this regard Owner, to the extent permitted by law, agrees to release, indemnify and hold harmless JRMA and its affiliated entities and individuals for all costs and expenses, including the cost of defense, related to or arising out of intellectual property or related claims and causes of action arising out of JRMA's use of Provided Materials.

### **BETTERMENT**

In paying any costs due to JRMA's errors or omissions, JRMA shall not be responsible for any cost or expense that provides betterment, upgrade or enhancement of the Project beyond that necessary to comply with such codes, standards, rules and regulations.

### **TERMINATION**

JRMA and Client shall strive to maintain a good working relationship throughout the duration of the Project; and because of the importance of a good working relationship, either party may terminate this Agreement by giving written notice to the other, provided only that such notice is given in the good faith belief that the working relationship is less than satisfactory. Further, JRMA may suspend its performance under this Agreement, withhold or withdraw any instruments of service and related licenses with no liability for so doing at any time if Client allows an JRMA invoice to become delinquent.

### **GENERAL PROVISIONS**

This Agreement supersedes all negotiations and prior agreements concerning the Project and is intended as a complete and exclusive statement of the entire agreement between Client (Owner) and JRMA concerning the Project. This Agreement may be modified only by a subsequent written agreement; except that items of JRMA's Basic Services may be deleted by oral agreement, and offered Additional Services may be requested verbally and merely confirmed in writing. This Agreement is being entered into and will be performed in Orange County, California; and it shall be interpreted and enforced under and pursuant to the laws of the State of California, with any unarbitrated disputes being resolved in the California judicial system or in a federal court sitting in California as may be appropriate. No party may assign this Agreement or any related rights or claims without the express written consent of the other. No failure to exercise or delay in exercising any right under this Agreement shall be construed as a waiver, and no waiver of a breach of any term of this Agreement shall be construed as a waiver of a subsequent breach of the same or other terms. In the event of any claims or disputes concerning this Agreement and/or the Project, each party shall bear its own



attorney's fees. Each party waives any right to recover consequential damages from the other or its affiliated entities and individuals concerning this Agreement or its termination. In the event that this Agreement is for any reason terminated, then its risk allocation and indemnity provisions shall remain in full force and effect. In the event that any provision of this Agreement shall be prohibited by law, then the subject provisions shall not be void, but rather shall be interpreted as operating only to the fullest extent allowed by law; and in the event that any provision of this Agreement shall be partially or totally invalid or unenforceable, then the remaining provision shall remain valid and binding. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their affiliated entities, successors and assigns; but otherwise is not intended to bestow any rights on any third parties.



## EXHIBIT B – SCHEDULE OF FEES

10/01/2024

The hourly billing rates for the services not provided in a lump sum of J.R. Miller & Associates are set forth below. The rates shall be adjusted in accordance with the Architect's normal annual review practices and as noted in the Design Fee Table:

Associate/Architect	230-240.00	per hour*
Associate/Engineer	225-245.00	per hour*
Associate/Project Manager	235.00	per hour
Senior Project Architect	210-235.00	per hour*
Project Architect	175-205.00	per hour*
Senior Engineer	236-257.00	per hour*
Senior Project Manager	215-235.00	per hour*
Project Engineer	180-205.00	per hour*
Project Manager	170-200.00	per hour*
Structural Production Manager	200.00	per hour
Designer	140-180.00	per hour*
Technical Leader	145-175.00	per hour*
Engineering CADD BIM Specialist	165.00	per hour*
Engineering CADD BIM Manager	175.00	per hour
Senior Graphic Modeler	150.00	per hour
Graphic Modeler	100-120.00	per hour*
Lead Interior Design Manager	195.00	per hour
Interior Designer	155-165.00	per hour*
Sustainable Design Coordinator	145.00	per hour
Managing Principal	315.00	per hour
Director of Design	295.00	per hour
Principal Architect	260-290.00	per hour*
Principal Engineer	275-330.00	per hour*
Principal/PM	285.00	per hour
Managing Senior Engineer	280.00	per hour
Senior Advisor	350.00	per hour
Senior Facility Advisor	290.00	per hour
Strategic Advisor	350.00	per hour
Marketing Coordinator	130.00	per hour
Technical Assistant	85.00	per hour
Director of Operations	290.00	per hour
Director of Finance	230.00	per hour
Project Administrator	115.00	per hour
Project Engineering Assistant	105.00	per hour
Admin Assistant	90.00	per hour

\*Actual rates may vary depending on individual experience level.

These hourly rates are for work performed during normal office hours. Work specifically requested during overtime hours will be charged at 1.5 times the above rates.

### Reimbursable Expenses:

Outside services performed by others (subconsultants) incurred on the Client's behalf are charged at cost plus 10%.

Direct expenses incurred on the Client's behalf are charged at cost plus 10%. Such items include, but are not limited to testing laboratories, subsistence, transportation and air travel charges, delivery charges and express mail, inspection, and any City agency fees. Auto mileage will be charged at the published IRS rate plus 10%. Plots generated in-house will be invoiced at \$0.55 per square foot for bond plots and \$1.50 per square foot for color plots. All reimbursable expenses are in addition to the stated fee.



## Exhibit C – Certificate of Insurance



JRMILLE-02

YCORATHERS

### CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
10/14/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Acrisure Southwest Partners Insurance Services, LLC 4000 Westery Place Suite 110 Newport Beach, CA 92660	<b>CONTACT NAME:</b> June Samarin	
	<b>PHONE (A/C, No, Ext):</b>	<b>FAX (A/C, No):</b>
<b>INSURED</b>  J.R. Miller & Associates, Inc. 2700 Saturn Street Brea, CA 92821	<b>E-MAIL ADDRESS:</b> JSamarin@acrisure.com	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A:</b> Travelers Property Casualty Company of America	<b>NAIC #</b>
	<b>INSURER B:</b> Hartford Casualty Insurance Company	<b>29424</b>
	<b>INSURER C:</b> Lloyd's Syndicate 2623 (Beazley Furlonge Limited)	
	<b>INSURER D:</b>	
<b>INSURER E:</b>		
<b>INSURER F:</b>		


**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:			680-7H32016A	10/1/2024	10/1/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			BA2S518440	10/1/2024	10/1/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			CUP-7325Y172	10/1/2024	10/1/2025	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	72WECAZ7YX7	9/1/2024	9/1/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Professional Liab.			SRPL20085800/B139BWIF2301	10/11/2024	10/11/2025	Each Claim \$ 5,000,000
C	Professional Liab.			SRPL20085800/B139BWIF2301	10/11/2024	10/11/2025	Aggregate \$ 5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
The Professional Liability policy includes coverage for Contractors Pollution Liability.

**CERTIFICATE HOLDER****CANCELLATION**

<b>PROOF OF COVERAGE ONLY</b>	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

ACORD 25 (2016/03)

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

**DATE: September 24, 2025**

**ITEM NO: 13**

**PRESENTER: Jillian Ubaldo, Clerk of the Board**

**SUBJECT: CONSIDER AND DISCUSS A REPORT ON ANNUAL BUSINESS PLAN PROGRESS**

### **SUMMARY**

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

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

Consider and discuss a Report on Annual Business Plan progress.

### **FISCAL IMPACT**

None. For consideration and discussion.

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

### **BACKGROUND INFORMATION**

An oral report on the San Bernardino International Airport Authority (SBIAA) Story Map will be provided at the time of the meeting.

### **Attachments:**

1. None.



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

**DATE: September 24, 2025**

**ITEM NO: 14**

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

**SUBJECT: REVIEW STATUS OF THE ACTION PLAN FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) THROUGH DECEMBER 31, 2025**

### **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 December 31, 2025.

### **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 2024-25.

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



# December, 2025 – Airport Focal Areas



Ensure Operational &  
Financial Stability

Stabilize Revenue Streams &  
Sources

Good Neighbor Program

Airport Outreach:  
Business Retention & Expansion

Green Energy Element

FAA Projects

Airport Terminal Updates

Grant Programs &  
Initiatives

International Trade

U.S. Customs



San Bernardino International Airport Authority

Draft Action Plan for SBIAA (12/31/24)

Month	Key Initiative	Key Resources	Completion Date
July, 2025	Airport Terminal Enhancements; SBD Good Neighbor Program	SBIAA Commission, CEO., General Counsel, Director of Aviation, Director of Finance	July 30, 2025
August, 2025	FBO Upgrades; FAA Taxiway & Slurry Seal Projects; Airport Terminal Enhancements	SBIAA Commission, CEO., General Counsel, Director of Aviation, Director of Finance	August 31, 2025
September, 2025	AOA Access Road Project; Airfield Canopies/Service Pit	SBIAA Commission & Committee, CEO, Director of Aviation, Director of Finance	September 30, 2025
October, 2025	International Trade Initiatives; Quarterly Financials	SBIAA Commission & Committee, Director of Finance, Director of Aviation, Asst. Secretary of Commission	October 31, 2025
November, 2025	Legislative Initiatives; Quarterly Budget Adjustments	SBIAA Commission & Committee, CEO., Director of Finance, Exec Staff	November 30, 2025
December, 2025	Business Plan Update; Finalize Annual Audit	SBIAA Commission & Committee, CEO, Director of Aviation, Director of Finance, Exec Staff	December 31, 2025

# SBIAA Near-Term Action Plan – Implementation



September, 2025

Sub-Initiative Status:



Incomplete      In Process      Completed

Stabilize Tenants & Infrastructure



Update Capital Plans



Airport Improvements



Implement Operational Software



AOA Access Road Project



SBIAA Infrastructure & Equipment  
Assessments



International Trade

U.S. Customs

