

# MOJAVE AIR AND SPACE PORT

## REGULAR MEETING OF THE BOARD OF DIRECTORS

Date: April 20, 2021

Time: 2:00 p.m.

**Due to the COVID-19 state of emergency**, the Board of Directors will conduct this meeting via Zoom Video Conference. A physical location will not be available to the public. You may participate in the meeting by using the call in number specified in this Notice of Meeting or access the web page below. If you wish to speak to an item on the agenda, please inform the Board Chair when he asks for public comment. The Board's normal rules for public comment apply: speakers are limited to 3 minutes per item. You may also email comments to [Lynn@mojaveairport.com](mailto:Lynn@mojaveairport.com) prior to the start of the meeting, and your comment(s) will be distributed to the directors at the meeting.

If you need special assistance to participate in the meeting, please contact Lynn at [Lynn@mojaveairport.com](mailto:Lynn@mojaveairport.com), and the District will attempt to accommodate your need.

### Zoom Video Conference

<https://us02web.zoom.us/j/84017037589?pwd=czRleTV2ZWpudU5lZ1FtUjBiVXF3UT09>

Phone: 669-900-9128

Meeting ID: 840 1703 7589

Passcode: 608090

## AGENDA

### 1. Call to Order

- A. Pledge of Allegiance
- B. Roll Call
- C. Approval of Agenda

### 2. Community Announcements

Members of the audience may make announcements regarding community events.

### 3. Consent Agenda

All items on the consent agenda are considered routine and non-controversial and will be approved by one motion unless a member of the Board, staff, or public requests to move an item to Action Items.

- A. Minutes of the Regular Board Meeting April 6, 2021
- B. Check Register dated April 15, 2021, \$48,974.90.

### 4. Action Items

- A. Brown Armstrong, Accountancy Corp. Engagement Letter
- B. Hearing for and Consideration of Possible Adoption of A Resolution of Necessity to Acquire Certain Real Property or Interest in Real Property by Eminent Domain (Hangar 927)

**5. Reports**

- A. CEO/GM Reports
- B. Board Committees
- C. Board of Directors: This portion of the meeting is reserved for board members to comment on items not on the agenda.

**6. Public Comment on Items Not on the Agenda**

Members of the public may make comments to the Board on items not on the agenda.

**7. Closed Session**

- A. Potential Litigation (Govt Code 54956.0) MASP v. Scaled Composites

**8. Closed Session Report**

**Adjournment**

This Agenda was posted on April 17, 2021 by Jason Buck.

ADA Notice: Persons desiring disability-related accommodations should contact the District no later than forty-eight hours prior to the meeting. Persons needing an alternative format of the agenda because of a disability should notify the District no later than seventy-two hours prior to the meeting. All inquiries/requests can be made by phone at (661) 824-2433, in person at 1434 Flightline, Mojave, CA, or via email to [carrie@mojaveairport.com](mailto:carrie@mojaveairport.com).

Copy of Records: Copies of public records related to open session items are available at the administrative office of the District at 1434 Flightline, Mojave, CA.

Public Comments: Members of the public may comment on items on the agenda before the Board takes action on that item, or for closed session items, before the Board goes into closed session. Comments on items not on the agenda, and over which the Board has jurisdiction, may be made under “Public Comments on Items not on the Agenda,” but the Board may not take action on any issues raised during this time. All comments by members of the public are limited to three minutes.

**MISSION STATEMENT**

**FOSTER AND MAINTAIN OUR RECOGNIZED AEROSPACE PRESENCE WITH A PRINCIPLE FOCUS AS THE WORLD’S PREMIER CIVILIAN AEROSPACE TEST CENTER WHILE SEEKING COMPATIBLY DIVERSE BUSINESS AND INDUSTRY**

# **BOARD OF DIRECTORS**

## **MINUTES OF THE REGULAR MEETING ON APRIL 6, 2021**

(All votes at this meeting were taken by roll call since the meeting was conducted by teleconference)

### **1. CALL TO ORDER**

The meeting was called to order on Tuesday, April 6, 2021 at 2:00 p.m. by Director Balentine.

#### **A. Roll Call:**

Directors present via zoom: Balentine, Barney, Coleman, Deaver and Morgan

Directors absent: None

Others present: CEO Lindner, David Evans, DOO Himes, DOA Rawlings, DOP VanWey, DOF Smith, DOT Buck, and District Counsel Navé.

#### **B. Approval of Agenda**

Upon motion by Director Barney, seconded by Director Beaver, The Board unanimously approved the agenda.

### **2. Community Announcements**

David Evans introduced the new CEO, Todd Lindner, to the public. There were no other public comments.

### **3. Consent Agenda**

Upon motion by Director Coleman, seconded by Director Deaver, the Board unanimously approved the Consent Agenda.

A. Minutes of the regular Board Meeting March 2, 2021

B. Check Register dated March 16, 2021, \$12,523.95

#### **4. Action Item**

##### **A. Resolution Amending Board Policy 100 Regarding Ethics and Conflicts of Interest**

Counsel briefed the Board on the request to amend Policy 100. Upon motion by Director Barney, seconded by Director Deaver, the Board unanimously approved the Resolution to Amend Board Policy 100.

##### **B. Taxiway C Rehab Project Presentation**

Director Morgan briefed the Board on his findings pertaining to the scheduled hangar removal. After discussing the removal of hangars with the Board, Staff and Public, the Board gave direction to staff to speak with the FAA about revising the project to keep the hangars.

#### **5. Reports**

##### **A. Financial Report**

DOO Rawlings presented the financial reports ending February 28, 2021 and discussed the status of the fitness facility.

##### **B. CEO/GM Report**

Evans briefed the board on new leases and new employees.

##### **C. Board Committees**

There were no comments.

##### **D. Board of Directors**

There were no comments.

#### **6. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

There were no public comments.

#### **7. Closed Session**

- A. Potential Litigation (Govt Code 54956.9) MASP v. Scaled Composites
- B. Personnel Evaluation: CEO

#### **8. Closed Session Report**

In Closed session, the Board discussed the potential litigation involving Scaled Composites, and Evans presented his final evaluation. No other items were discussed, and no action was taken.

**ADJOURNMENT**

There being no further business to come before the Board, the chair adjourned the meeting at 3:14 pm.

\_\_\_\_\_  
Jimmy R. Balentine, President

ATTEST

\_\_\_\_\_  
Diane Barney, Secretary

Date: Thursday, April 15, 2021  
 Time: 01:45PM  
 User: CPANKO

**Mojave Air & Space Port**  
**Check Register - Standard**  
 Period: 10-21 As of: 4/15/2021

Page: 1 of 1  
 Report: 03630.rpt  
 Company: MASP

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
<b>Company: MASP</b>										
Acct / Sub:	101000		1200							
060863	CK	4/20/2021	1314 Mead & Hunt	10-21	048099	VO	314438/N PER RD	3/17/2021	0.00	4,106.78
060864	CK	4/20/2021	1314 Mead & Hunt	10-21	048100	VO	314452/RW 12-30	3/17/2021	0.00	44,868.12

Check Count: 2

**Acct Sub Total: 48,974.90**

Check Type	Count	Amount Paid
Regular	2	48,974.90
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
<b>Total:</b>	<b>2</b>	<b>48,974.90</b>

**Company Disc Total 0.00 Company Total 48,974.90**

**MOJAVE**  
**AIR AND SPACE PORT**  
**STAFF MEMORANDUM**

**TO:** Board of Directors

**FROM:** Carrie Rawlings

**SUBJECT:** **Audit Review**

**MEETING DATE:** April 20, 2021

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**Background:**

The District received engagement letters from Brown Armstrong to complete our 2020-2021 audit and our single audit for the grant. Brown Armstrong completed our audit for the last four years.

**Impacts:**

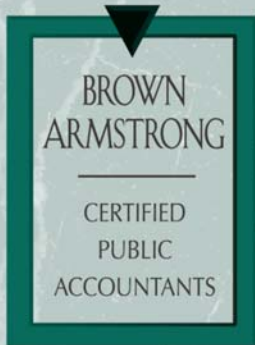
Fiscal: \$32,400 budgeted dollars

Environmental: None

Legal: None

**Recommended Action:**

Accept the proposal from Brown Armstrong to complete our 2020-2021 audits as presented in their engagement letters.



# BROWN ARMSTRONG

*Certified Public Accountants*

April 7, 2021

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
1434 Flight Line  
Mojave, California 93501

Dear Board of Directors and Mr. Lindner:

We are pleased to confirm our understanding of the services we are to provide Mojave Air and Space Port (the District) for the year ended June 30, 2021. We will audit the Statements of Net Position, Revenues and Expenses, Changes in Net Position, and Cash Flows, including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the year ended June 30, 2021. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by accounting principles generally accepted in the United States of America and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of the District's Proportionate Share of Net Pension Liability (CalPERS)
- 3) Schedule of Contributions (CalPERS)
- 4) Schedule of Changes in the Net OPEB Liability and Related Ratios

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United

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#### **FRESNO OFFICE**

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TEL 888.565.1040

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To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Two

States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the Board of Directors of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste and abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Three

errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by auditing standards generally accepted in the United States of America.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

#### **Management Responsibilities**

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Four

grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Five

us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the appropriate recipients; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Brown Armstrong Accountancy Corporation and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the federal agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Brown Armstrong Accountancy Corporation personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Six

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the regulators. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately August 1, 2021, and to issue our reports no later than October 31, 2021. Neeraj Datta is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$26,400. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

All disputes under this agreement shall be submitted to mediation. Each party shall designate an executive officer empowered to attempt to resolve the dispute. Should the designated representatives be unable to agree on a resolution, a competent and impartial third party acceptable to both parties shall be appointed to mediate. Each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. In the event that the dispute is required to be litigated, the court shall be authorized to assess litigation costs against any party found not to have participated in the mediation process in good faith.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comments, and subsequent peer review reports and letters commend received during the period of contract. Our peer review report dated June 27, 2019, accompanies this letter.

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Seven

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



By: Neeraj Datta, CPA, CGMA

NDA:lpg:jav  
Enclosure  
E:\...54219\Audit 2021\Engagement Letter.docx

**RESPONSE:**

This letter correctly sets forth the understanding of the Mojave Air and Space Port.

Management signature: \_\_\_\_\_

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

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

Governance signature: \_\_\_\_\_

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

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

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## REPORT ON FIRM'S SYSTEM OF QUALITY CONTROL

June 27, 2019

To the Shareholders of  
Brown Armstrong Accountancy Corporation  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Brown Armstrong Accountancy Corporation (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended October 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

## **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

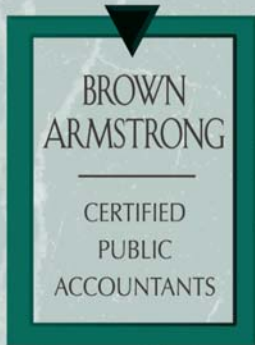
## **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Brown Armstrong Accountancy Corporation applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended October 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Brown Armstrong Accountancy Corporation has received a peer review rating of *pass*.

*Watson Coon Ryan, LLC*

Watson Coon Ryan, LLC





# BROWN ARMSTRONG

*Certified Public Accountants*

April 7, 2021

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
1434 Flight Line  
Mojave, California 93501

Dear Board of Directors and Mr. Lindner:

We are pleased to confirm our understanding of the additional services we are to provide the Mojave Air and Space Port (the District) to report on supplementary information other than required supplementary information (RSI) that accompanies the District's financial statements for the year ended June 30, 2021.

We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements or in a report combined with our auditor's report on the financial statements:

1) Schedule of Expenditures of Federal Awards

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether the District's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**BAKERSFIELD OFFICE  
(MAIN OFFICE)**

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To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Two

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Three

abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by auditing standards generally accepted in the United States of America.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under American Institute of Certified Public Accountants (AICPA) professional standards, *Government Auditing Standards*, and the Uniform Guidance.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Four

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. The purpose of these procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the District in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Management Responsibilities**

Management is responsible for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that District programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Five

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Six

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility of the District to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Seven

We will provide copies of our reports to the appropriate recipients; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Brown Armstrong Accountancy Corporation and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the federal agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Brown Armstrong Accountancy Corporation personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the regulators. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately August 1, 2021, and to issue our reports no later than October 31, 2021. Neeraj Datta is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$6,000 for the single audit. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

All disputes under this agreement shall be submitted to mediation. Each party shall designate an executive officer empowered to attempt to resolve the dispute. Should the designated representatives be unable to agree on a resolution, a competent and impartial third party acceptable to both parties shall be appointed to mediate. Each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. In the event that the dispute is required to be litigated, the court shall be authorized to assess litigation costs against any party found not to have participated in the mediation process in good faith.

To the Board of Directors and Todd Lindner, CEO  
Mojave Air and Space Port  
April 7, 2021  
Page Eight

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comments, and subsequent peer review reports and letters commend received during the period of contract. Our peer review report dated June 27, 2019, accompanies this letter.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



By: Neeraj Datta, CPA, CGMA

NDA:jav  
Enclosure

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**RESPONSE:**

This letter correctly sets forth the understanding of the Mojave Air and Space Port.

Management signature: \_\_\_\_\_

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

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

Governance signature: \_\_\_\_\_

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

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



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## REPORT ON FIRM'S SYSTEM OF QUALITY CONTROL

June 27, 2019

To the Shareholders of  
Brown Armstrong Accountancy Corporation  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Brown Armstrong Accountancy Corporation (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended October 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

## **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

## **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Brown Armstrong Accountancy Corporation applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended October 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Brown Armstrong Accountancy Corporation has received a peer review rating of *pass*.

*Watson Coon Ryan, LLC*

Watson Coon Ryan, LLC

**MOJAVE**  
**AIR AND SPACE PORT**  
**STAFF MEMORANDUM**

**TO:** Board of Directors

**FROM:** Floyd VanWey, Director of Planning

**SUBJECT:** Resolution of necessity to acquire certain real property or interest in real property by Eminent Domain

**MEETING DATE:** April 20, 2021

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**Background:**

The Mojave Air and Space Port is world renowned flight research center spanning approximately 3,000 acres, hosting the latest and most advanced aeronautical designs. In addition to traditional airport activities, the Mojave Air and Space Port is the home to approximately 40 companies ranging from light industrial businesses to highly-advanced aerospace design teams, flight test and research activities, and heavy rail industrial-based businesses. These businesses have approximately 1,300 employees. Mojave Air and Space Port was granted a Launch Site Operators License by the Federal Aviation Administration (FAA) in 2003 and thus subject to FAA items.

Over the past several years, MASP has upgraded the on-site infrastructure to accommodate significant flight line development and industrial manufacturing utilizing common industry components which complement each other. Airfield improvements have also occurred with the extension of Runway 12-30 from a 9,500 feet runway to a new length of 12,500 feet. Taxiway and taxilane improvements have also occurred throughout MASP, in addition to the renovation and upgrades to runway and taxiway lighting, compass rose relocation, construction of a new traffic control tower, and other such improvements.

The major facilities at MASP include the industrial area located in the southern portion of the airfield, hangars, offices, maintenance shop, and fuel service facilities. Rocket engine test stands are located in the northern portion of the property. The aircraft parking capacity includes 600 tie downs and 60 T-hangars. The current administrative building covers an area of approximately 6,000 square feet.

MASP consists of three runways with associated taxiways and other support facilities, Runway 12-30, Runway 8-26, and Runway 4-22. Runway 12-30 is a 9,502 feet long Class V runway and is the primary runway for large air carrier jet and high performance civilian and military jet aircraft. (Note: although depicted on the current ALP as 9,502 feet, this



runway has been expanded to 12,500 feet. Once updated, the new ALP will reflect the extended runway length). Runway 8–26 is a 7,050 feet long Class III runway and is primarily used by general aviation jet and propeller aircraft. Runway 8–26 also serves as a back–up or alternate runway for returning space vehicles. Runway 4–22 is a 3,943 feet long Class I runway and is used by smaller general aviation propeller aircraft and helicopters.

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Hangar 927 conflicts with FAA clearance standards which prohibit fixed objects within the Taxiway Object Free Area that is part of MASP’s public operations. California Code of Civil Procedure §1245.230 provides that the power of eminent domain may be exercised to acquire property for public use. The proposed public use is MASP’s Taxiway Rehabilitation project per FAA Guidance. The adopted resolution will authorize MASP to acquire the leasehold interest in the property Hangar 927—a property that MASP currently leases to a tenant, by eminent domain and allow completion of the Taxiway Rehabilitation project per FAA standards.

The completion of the Taxiway Rehabilitation Project by MASP will benefit the public interest and is necessary to address the project. In addition, the project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury. Finally, the property at issue is physically located within the conflict zone and thus is necessary for the public project.

**Impacts:**

Fiscal: Up to \$91,000.00 budget dollars

Environmental: CAT EX approved by the FAA

Legal: TBA

**Recommended Action:**

Adopt the resolution authorizing MASP to acquire the leasehold interest of Hangar 927 by eminent domain.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF MOJAVE AIR AND SPACE PORT DECLARING A NECESSITY TO CONDEMN REAL PROPERTY**

WHEREAS, Public Utility Code §§ 22553 and 22554 authorize acquisition of property rights or a leasehold interest in real property for public use purposes by eminent domain procedures; and

WHEREAS, the real property leasehold interest described more precisely in Exhibit A, attached hereto and incorporated herein by reference, is required for the improvement of the Mojave Air and Space Port's ("MASP") taxiway improvement project (the "Project"); and

WHEREAS, this Board of Directors of Mojave Air and Space Port finds and determines that notice of its intention to adopt this resolution of necessity, attached hereto as Exhibit B, was duly given as required by law, and on the date and at the time and place fixed for hearing, this Board did hear and consider all of the evidence presented;

NOW, THEREFORE, BE IT RESOLVED, by at least a two-thirds vote of this Board of Directors of Mojave Air and Space Port under Code of Civil Procedure §§ 1240.030 and 1245.230, that this Board of Directors of Mojave Air and Space Port finds and determines each of the following:

1. The public interest and necessity require the proposed project.
2. The proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property sought to be acquired is necessary for the project.
4. The offer required by Government Code § 7267.2 has been made to the property owner or owners of record of the leasehold interest.

AND BE IT FURTHER RESOLVED, that Doug Gosling, Esq. of BRAUN GOSLING, A Law Corporation is authorized and directed to commence and maintain a proceeding in the Superior Court of the County of Kern, California to acquire for the Mojave Air and Space Port the fee simple interest in that certain real property, more particularly designated and described as:

**SEE EXHIBIT A ATTACHED**

BE IT FURTHER RESOLVED, that Doug Gosling, Esq. of BRAUN GOSLING, A Law Corporation is hereby authorized and directed to make application to the Court for an Order for Possession Before Judgment in these proceedings; and

BE IT FURTHER RESOLVED, that the CEO of Mojave Air and Space Port is hereby authorized and directed to draw its warrant on the district's account in the amount of \$91,000, the warrant to be made payable to California State Treasurer, Condemnation Deposits Fund, and

delivered to Doug Gosling, Esq. of BRAUN GOSLING, A Law Corporation, to be deposited with the payee as security for the Order for Possession Before Judgment authorized; and

BE IT FURTHER RESOLVED, this Board of Directors believes that the California Environmental Quality Act (CEQA) is not applicable to this action and proceeding because, consistent with the Public Resources Code and the CEQA Guidelines, the proposed acquisition and transfer of ownership of the subject interest in the property is in connection with the airport's taxiway improvement project to satisfy Federal Aviation Administration items as part of the airport's ongoing operations of existing facilities per § 15301 of the State CEQA Guidelines. Out of an abundance of caution and to further review its activities per governing regulations, the Board of Directors has made a preliminary examination of the actions subject to this resolution and has concluded that the project falls within categorical exemptions. In addition, per § 15061(b)(3) of the State CEQA Guidelines, the activity is covered by the common sense exemption in that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA and upon review the transfer of ownership of the real property leasehold interest contemplated warrants the common sense exemption be applied here. Staff is directed to complete the necessary filings with the county and Office of Planning and Research. Any yet to be specified project would be subject to a prior separate review and approval under CEQA and other applicable laws at a future date.

THE FOREGOING was PASSED and ADOPTED by the vote of the Mojave Air and Space Port on April 20, 2021.

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Jimmy R. Balentine, President

ATTEST:

\_\_\_\_\_  
Diane Barney, Secretary  
(SEAL)

# Hangar Lease Agreement

THIS LEASE ("Lease") is entered into as of March 3, 2009 ("Effective Date") by East Kern Airport District, a California Airport District ("Landlord") and Scaled Composites LLC, a Delaware limited liability company ("Tenant").

## ARTICLE 1. BASIC LEASE PROVISIONS

1.1 **Landlord:** East Kern Airport District

1.2 **Tenant:** Scaled Composites LLC, a Delaware limited liability company

1.3 **Rental Commencement Date:** April 1, 2009

1.4 **Premises:** Land and any existing improvements (Hangers 927), as more specifically described on Exhibit A-1 and shown on Exhibit A-2 attached hereto.

1.5 **Rentable area:** Approximately 2,400 square feet of land.

1.6 **Lease term:**

Basic Term: twenty (20) years, computed from the first day of the first calendar month on or after the Rental Commencement Date.

Renewal Term(s): one (1) Renewal Term of five (5) years, exercisable pursuant to Section 22.18.

1.7 **Annual Rental:**

	Year(s)	Monthly Rental	Annual Rental
Basic and Renewal Terms:	20 + 5	\$120	\$1,440

1.8 **Use of Premises:** The Premises shall be occupied and used Tenant for the sole purpose of aircraft maintenance, storage, repair, manufacturing and related activities and for no other use or purpose.

1.9 **Security and Dumpster Fee:** Concurrently with the payment of each monthly rent payment described in Section 1.7, above, Tenant shall pay (a) a charge for flightline security in the amount of 5% of the amount of such monthly rent payment, and (b) a dumpster fee assessed based on the current rate charged to all hangars at the Mojave Airport (initially, the amount of the dumpster fee is a \$1.65 per hangar per month).

1.10 **Late charge:** If the Rent due on the 1<sup>st</sup> day of any month is not paid by the 20<sup>th</sup> day of such month, Landlord shall also be paid by Tenant interest at the rate of 1.5% per month on the unpaid balance of such Rent from the 21<sup>st</sup> day of such month until paid in full.

1.11 **Addresses for notices and rent payment:**

Landlord:  
East Kern Airport District  
Attn: Director of Business Development  
1434 Flightline  
Mojave, California 9350

Tenant:  
Scaled Composites LLC  
c/o Northrop Grumman Corporation  
1840 Century Park East  
Los Angeles, CA 90067  
Attn: Real Estate Dept. – Legal Notices

With a copy to:

Scaled Composites LLC  
1624 Flight Line  
Mojave, CA 93501

And a copy to:

Northrop Grumman Corporation  
Integrated Systems, Sector Real Estate  
One Hornet Way, M/S K02660/W8  
El Segundo, CA 90245-2804  
Attention: Ben Kirkup

**1.12 Exhibits:**

**Exhibit A-1 Legal Description of Premises**  
**Exhibit A-2 Map showing Premises**

This Article 1 ('Basic Lease Provision') is intended to supplement and/or summarize the provisions set forth in the balance of this Lease. If there is any conflict between any provisions contained in this Article 1 and the balance of this Lease, the balance of this Lease shall control.

**ARTICLE 2. ADDITIONAL DEFINITIONS**

**2.1 ADDITIONAL RENTAL.** The term 'Additional Rental' as used in this Lease shall mean each and every payment described in this Lease which is required to be paid by Tenant to Landlord other than the Annual Rental.

**2.2 ADJUSTMENT DATE.** The term 'Adjustment Date' as used in this Lease shall be used to mean each anniversary of the Rental Commencement Date during the Lease Term, including any Renewal Term(s).

**2.3 ALTERATIONS.** The term 'Alterations' as used in this Lease shall mean any addition, modification or other alteration of the Premises made after opening of the Premises for business.

**2.4 INDEX.** The term 'Index' as used in this Lease shall mean the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics, for Los Angeles / Riverside / Orange County Area. If at any time the Index should not exist in the format recited herein, Landlord shall substitute any official index published by the Bureau of Labor Statistics, or successor or similar governmental agency, as may then be in existence and shall, in Landlord's opinion, be most nearly equivalent thereto.

**2.5 LANDLORD'S WORK.** None.

**2.6 RENTAL.** The term 'Rental' or 'Rent' as used in this Lease shall mean the total of all payments described in this Lease which is required to be paid by Tenant to Landlord, including but not limited to the Annual Rental and all other items described as Additional Rental payments.

**2.7 TENANT'S WORK.** None.

**2.8 TERM OR LEASE TERM.** The term 'Term' or 'Lease Term' shall refer to the term of this Lease, as specified in the Basic Lease Provisions, together with any renewals or extensions thereof.

**ARTICLE 3. PREMISES**

**3.1 PREMISES.** Landlord leases to Tenant and Tenant leases from Landlord for the Term, at the Rental and upon the covenants and conditions set forth in this Lease, the Premises described in the Basic Lease Provisions. Tenant acknowledges that, prior to execution of this Lease, Tenant has had the opportunity to inspect the Premises and, by its execution of this Lease, Tenant hereby accepts the Premises in an 'as-is' condition. Tenant acknowledges that it shall have no right of control, regulation, approval or disapproval with respect to the use or development of any portion of Mojave Airport which is not included in the Premises. Tenant acknowledges that this Lease is subordinate and subject to all encumbrances, reservations, restrictions and other matters affecting the Premises or the use or occupancy thereof, in effect on the execution of this Lease or thereafter promulgated.



**3.2 RESERVATION.** Landlord reserves the right to use the plenum in, above and below the Premises for the installation, maintenance, use and replacement of pipes, conduits, wires, alarm lines, fire protection lines and systems, electric power, telephone and communication lines and systems, sanitary sewer lines and systems, gas lines and systems, water lines and systems, and structural elements serving the Mojave Airport and for such other purposes as Landlord deems necessary.

**3.3 CONDITIONS PRECEDENT TO EFFECTIVENESS OF LEASE.** This Lease and the obligations of Landlord and Tenant hereunder are conditioned upon Landlord's approved, in its sole and absolute discretion, of the financial statements of Tenant's parent that are filed with the Securities and Exchange Commission (Landlord's execution and delivery of this Lease shall constitute Landlord's approval of such financial statements).

#### **ARTICLE 4. RENTAL**

**4.1 ANNUAL RENTAL.** Tenant agrees to pay as rental for the use and occupancy of the Premises the Annual Rental specified in the Basic Lease Provisions, in the monthly installments so specified, in advance, on or before the first day of each month, without prior demand, offset or deduction. Should the Commencement Date be a day other than the first day of a calendar month, then the monthly installment of Annual Rental for the first fractional month shall be equal to one-thirtieth (1/30th) of the monthly installment of Annual Rental for each day from the Commencement Date to the end of the partial month. Such amount shall be payable on the Rental Commencement Date.

**4.2 ADJUSTMENT TO ANNUAL RENTAL.** The Annual Rental shall be adjusted annually (the "Adjustment Date"), commencing on Tenant's first Adjustment Date, May 1, 2010. Adjustments, if any, shall be based upon increases, if any, in the Consumer Price Index, All Urban Consumers, All Items, Not Seasonally Adjusted (1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics, for Los Angeles/Riverside/Orange County Area ("Index"). The Index in publication three (3) months immediately before the commencement of the term of this Lease shall be the "Base Index." The Index in publication three (3) months immediately before the then Adjustment Date shall be the "Comparison Index." As of each Adjustment Date, the Rent payable during the ensuing twelve-

month period shall be increased by a percentage equal to the percentage increase, if any, in the Comparison Index over the Base Index. If the Comparison Index for any Adjustment Date is equal to or less than the Comparison Index for the preceding Adjustment Date (or the Base Index, in the case of First Adjustment Date), the Rent for the ensuing twelve-month period shall remain unchanged. When the Rent payable as of each Adjustment Date is determined, Landlord shall promptly give Tenant written notice of such adjusted Rent and the manner in which it was computed. The adjusted Rent shall become the new "Rent."

**4.3 PLACE OF PAYMENT.** Tenant shall pay Annual Rental and Additional Rental to Landlord at the address specified in the Basic Lease Provisions or to such other address and/or person as Landlord may from time to time designate in writing to Tenant.

**4.4 LATE PAYMENTS.** Tenant acknowledges that the late payment of any installment of Annual Rental will cause Landlord to incur certain costs and expenses not contemplated under this Lease, the exact amount of which are extremely difficult or impractical to fix. These costs and expenses will include, without limitation, administrative and collection costs and processing and accounting expenses. Therefore, as provided in Section 1.10 of the Basic Lease Provisions above, if any monthly installment of Annual Rent or Additional Rent is not paid by the 20<sup>th</sup> day of the month it is due, then Tenant shall pay to Landlord interest at the rate of 1.5% per month on such delinquent installment from the 21<sup>st</sup> day of such month through the date of its payment. Landlord and Tenant agree that such interest represents a reasonable estimate of the costs and expenses and is fair compensation to Landlord for its loss suffered by the nonpayment by Tenant. Unless otherwise provided herein, payments of Additional Rental, if any, shall be due at the same time as the next installment of Annual Rent.

#### **ARTICLE 5. SECURITY DEPOSIT**

The Tenant shall not be obligated to pay any security deposit or provide any other security under this Lease.

#### **ARTICLE 6. COMMON AREA**

**6.1 USE OF COMMON AREA.** The use and occupancy by Tenant of the Premises shall include

the non-exclusive use of the Common Area (except areas used in the maintenance or operation of the Mojave Airport) in common with Landlord and other tenants of Mojave Airport and their invitees. Any such use shall be subject to the Rules and Regulations of Mojave Airport concerning the use of the Common Area, established by Landlord from time to time.

**6.2 CONTROL OF AND CHANGES TO COMMON AREA.** Landlord shall have the sole and exclusive control of the Common Area, as well as the right to make changes to the Common Area. Landlord's rights shall include, but not be limited to, the right to (a) restrain the use of the Common Area by unauthorized persons; (b) temporarily close any portion of the Common Area for repairs, improvements or alterations or for any other reason deemed sufficient in Landlord's judgment; and (c) change the shape and size of the Common Area, add, eliminate or change the location of improvements to the Common Area, including, without limitation, buildings, parking areas, roadways and curb cuts, and construct buildings on the Common Area. Landlord may determine the nature, size and extent of the Common Area and whether portions of the same shall be surface, underground or multiple-deck, as well as make changes to the Common Area from time to time which in its opinion are deemed desirable for the Mojave Airport.

**6.3 EMPLOYEE PARKING.** Landlord may designate what portions of the Common Area, if any, shall be used for automobile or other parking by Tenants and their employees, subtenants and licensees. Tenant shall require its employees, subtenants and licensees to park in such designated areas.

#### ARTICLE 7. TAXES

**7.1 TAXES.** Revenue and Taxation Code section 107, *et seq.*, impose a tax on possessory interests created in tax-exempt property. Tenant shall pay a possessory interest tax if the tax is assessed. Tenant shall also pay assessments levied by any public taxing jurisdiction arising out of the construction, reconstruction, maintenance or improvement of public improvements benefiting the premises.

#### ARTICLE 8. UTILITIES

**8.1 UTILITY SERVICES AND CHARGES.** Tenant agrees to make all arrangements for and to

pay directly to the appropriate utility company all charges for utility services, including, without limitation, all utility hook-up connection charges, fees and taxes, supplied to Tenant for Tenant's use in or about the Premises including, but not limited to, gas, electricity, water, telephone and trash collection.

**8.2 WAIVER OF LIABILITY.** The failure or interruption of any utility or service shall neither render Landlord liable in damages nor otherwise entitle Tenant to terminate this Lease or discontinue making payments of Annual Rental or Additional Rental.

**8.3 TENANT'S NONPAYMENT.** If Tenant fails to pay any charges referred to in this Article when due, Landlord may pay the charge, and Tenant agrees to reimburse Landlord for any amount paid by Landlord plus interest thereon at the rate which is the lesser of 1.5% per month or the maximum rate allowed by law.

#### ARTICLE 9. INSURANCE

**9.1 TENANT'S INSURANCE.** As of the Rental Commencement Date and continuing during the Term, Tenant shall, at its sole cost and expense, procure, pay for and keep in full force and effect the following types of insurance, in at least the amounts and in the form specified below:

9.1.1 General Liability Insurance. Tenant shall procure and maintain during the term of this Lease and any extensions, Commercial General Liability Insurance to protect against Bodily Injury and Property Damage, Products / Completed Operations, Personal & Advertising Injury, and Fire Legal Liability, for damages and accidents arising out of Tenant's business operations in, out of, and around the Leased Premises, for a minimum amount of \$1,000,000.00 combined single limit for Bodily Injury and Property Damage each occurrence and \$2,000,000.00 in the aggregate.

9.1.2 Tenant's Improvements. Tenant shall procure and maintain insurance covering all of the improvements located on the Premises and owned by Tenant, Alterations permitted by this Lease, trade fixtures, merchandise and personal property from time to time in, on or about the Premises, in an amount not less than their full replacement value, providing protection against any peril included within the classification Fire and Extended Coverage, sprinkler damage, vandalism, malicious mischief, and such other additional perils as may be covered in an

"all risk" standard insurance policy. Any policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions on destruction contained within this Lease. In addition, comprehensive boiler and machinery coverage shall be obtained on all heating, air conditioning and ventilation equipment, electrical, mechanical and other such systems serving the Premises in an amount not less than the full replacement value of such equipment, systems and improvements.]

9.1.3 Special Form Property Insurance. Any insurance policies deemed necessary by Landlord with regard to Tenant's or Tenants' contractors' construction of Alterations allowed by this Lease, including, but not limited to, contingent liability and "all risk" builders risk insurance, in amounts acceptable to Landlord.

9.1.4 Pollution Legal Liability. Tenant shall procure and maintain during the term of this Lease and any extensions, Pollution Legal Liability / Environmental Liability Insurance to protect against third party property damage / bodily injury and clean up of contaminants, for a minimum limit of \$1,000,000.

**9.2 POLICY FORM.** All policies of insurance provided for herein shall be issued by insurance companies with a financial rating acceptable to Landlord. All such liability policies shall name Landlord, its directors, officers and employees as an additional named insured and shall be for the mutual and joint benefit and protection of Landlord and Tenant. Certificates thereof shall be delivered to Landlord prior to Tenant, its agents or employees, entering the Premises for any purpose. Thereafter, executed copies of renewal certificates shall be delivered to Landlord within ten (10) days prior to the expiration of the term of each policy. All public liability, property damage and other casualty policies shall be written as primary policies and any insurance carried by Landlord shall not be contributing with such policies.

**9.3 INCREASED PREMIUMS DUE TO USE OF PREMISES.** Tenant shall not do any act in or about the Premises which will tend to increase the insurance rates upon the building of which the Premises are a part. Tenant agrees to pay to Landlord upon demand the amount of any increase in premiums for insurance resulting from Tenant's use of the Premises, whether or not Landlord shall have consented to the act on the part of Tenant.

**9.4 INDEMNIFICATION.** To the fullest extent permitted by law, Tenant covenants with Landlord that Landlord shall not be liable for any damage or liability of any kind or for any injury to or death of persons, or damage to property of Tenant or any other person occurring from and after the Effective Date of this Lease (or such earlier date if Tenant is given earlier access to the Premises), from any cause whatsoever related to the use, occupancy or employment of the Premises by Tenant or any person thereon or holding under Tenant or to any default by Tenant under this Lease, and Tenant shall indemnify, protect, defend and save Landlord harmless from all liability whatsoever on account of any real or alleged damage or injury and from liens, claims, damages, costs, expenses and demands related to the use of the Premises and its facilities, or any repairs, alterations or improvements which Tenant may make or cause to be made upon the Premises or arising from any default by Tenant under this Lease, but Tenant shall not be liable for damage or injury ultimately determined to be caused by the gross negligence or willful misconduct of Landlord or its designated agents, servants or employees. This obligation to indemnify shall include reasonable attorneys' fees and investigation costs and all other reasonable costs, expenses and liabilities incurred by Landlord or its counsel from the first notice that any claim or demand is to be made or may be made.

**9.5 FAILURE BY TENANT TO MAINTAIN INSURANCE.** If Tenant refuses or neglects to satisfy its obligation to maintain insurance policies complying with the provisions of this Article, Landlord may, but shall not be obligated to, secure such insurance policies and Tenant shall pay upon demand the cost of same to Landlord, plus interest at the rate at which is the lesser of 1.5% per month or the maximum rate allowed by law, as Additional Rental. Notwithstanding anything to the contrary, Tenant may satisfy its obligation under this Lease to maintain any insurance policy or insurance policies with a blanket policy or blanket policies maintained by Tenant or any of its parents or affiliates or with self insurance by Tenant or any of its parents or affiliates.

#### **ARTICLE 10. TENANT'S CONDUCT OF BUSINESS**

##### **10.1 USE AND PROHIBITIONS ON USE.**

10.1.1 Compliance With Laws, Rules and Regulations. Tenant shall comply with the all rules,

regulations and laws concerning the Premises or Tenant's use of the Premises, including, without limitation, the obligation at Tenant's cost to alter, maintain or restore the Premises in compliance and conformity with all laws, rules and regulations relating to the condition, use, or occupancy of the Premises during the term.

10.1.2 No Nuisance. Tenant shall not use the Premises in any manner that will constitute waste, nuisance, or unreasonable annoyance.

10.1.3 No Auctions. No auction or distress, liquidation, going out of business, fire or bankruptcy sale may be conducted on the Premises without Landlord's prior written consent.

10.1.4 Hazardous Materials. Tenant shall not engage in any activity on or about the Premises that violates any Environmental Law (as defined below), and shall promptly at Tenant's sole cost and expense, take all investigatory and/or remedial action reasonably ordered or required by any government agency or landlord for clean-up and removal required by Environmental Laws applicable to commercial and industrial properties, of any contamination involving any Hazardous Materials (as defined below) created, caused directly or materially contributed to by Tenant. The term "Environmental Law" shall mean any federal, state or local law, statute, ordinance or regulation pertaining to health, industrial hygiene or the environmental conditions on, under or about the Premises, including without limitation, the following:

(a) Federal. Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA" or "Superfund"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), 42 U.S.C. § 9601 et seq.; Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. § 6901 et seq.; Clean Water Act ("CWA"), 33 U.S.C. § 1251 et seq.; Clean Air Act ("CAA"), 42 U.S.C. § 78401 et seq.; Toxic Substances Control Act ("TSCA"), 15 U.S.C. § 2601 et seq.; The Refuse Act of 1899, 33 U.S.C. § 407; Occupational Safety and Health Act ("OSHA"), 29 U.S.C. § 651 et seq.; Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) and the Environmental Protection Agency Table (40 CFR Part 302 and amendments thereto);

(b) California. Carpenter-Presley-Tanner Hazardous Substance Account Act ("California Superfund"), Cal. Health & Safety Code § 25300 et seq.; California Hazardous Waste Control Act, Cal. Health & Safety Code Sections 25100 et seq.; Porter-Cologne Water Quality Control Act ("Porter-Cologne Act"), Cal. Water Code § 13000 et seq.; Hazardous Waste Disposal Land Use Law, Cal. Health & Safety Code § 25220 et seq.; Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), Cal. Health & Safety Code § 25249.5 et seq.; Hazardous Substances Underground Storage Tank Law, Cal. Health & Safety Code § 25280 et seq.; California Hazardous Substance Act, Cal. Health & Safety Code § 28740 et seq.; Air Resources Law, Cal. Health & Safety Code § 39000 et seq.; Hazardous Materials Release Response Plans and Inventory, Cal. Health & Safety Code § § 25500-25541; Toxic Pits Cleanup Act of 1984 ("TPCA"), Cal. Health & Safety Code § § 25208-25208.17;

(c) Other Laws and Regulations. All other regulations promulgated pursuant to said foregoing laws or any amendments or replacement thereof, provided such amendments or replacements shall in no way limit the original scope and/or definition of Hazardous Materials defined herein as of the Effective Date of this Lease.

The term "Hazardous Materials" includes, without limitation, any material or substance which is (a) defined or listed as a "hazardous waste", "extremely hazardous waste", "restrictive hazardous waste" or "hazardous substance" or considered a waste, condition of pollution or nuisance under the Environmental Laws; (b) petroleum or a petroleum product or fraction thereof; (c) asbestos; (d) polychlorinated biphenyl; (e) flammable explosives; (f) urea formaldehyde; and/or (g) substances known by the State of California to cause cancer and/or reproductive toxicity. It is the intent of the parties hereto to construe the terms "Hazardous Materials" and "Environmental Laws" in their broadest sense. Tenant shall provide prompt written notice to Landlord of the existence of Hazardous Materials on the Premises and all notices of violation of the Environmental Laws received by Tenant. Tenant shall not bring onto, create or dispose of, in or about the Premises, including but not limited to its sewage or storm drain systems, any Hazardous Materials,

except those Hazardous Materials reasonably necessary for the conduct of its business.

10.1.5 Disclosure and Warning Obligations. Tenant shall also comply with all laws, ordinances and regulations regarding the disclosure of the presence or danger of Hazardous Materials, including without limitation Kern County's Hazardous Materials Disclosure Program. In the event Kern County discontinues, repeals or modifies this Program, Landlord reserves the right to implement and require its own hazardous materials disclosure program for all tenants at Mojave Airport, as applicable.

10.1.6 Indemnification. Tenant shall indemnify, protect, defend (with counsel reasonably acceptable to Landlord) and hold Landlord and each of Landlord's officers, directors, partners, employees, agents, attorneys, successors and assigns (collectively, the "Indemnitees") free and harmless from and against any and all claims, liabilities, damages, costs, penalties, forfeitures, losses or expenses (including attorneys' fees and costs) for death or injury to any person or damage to any property whatsoever (including water tables and atmosphere) ("Claims") arising or resulting in whole or in part, directly or indirectly, from the presence or discharge of Hazardous Materials, in, on, under, upon or from the Premises or the improvements located thereon or from the transportation or disposal of Hazardous Materials to or from the Premises to the extent caused by Tenant. This section is in addition to the provisions of Section 9.4

10.1.7 Assignment and Subletting. If (i) any anticipated use of the Premises by any proposed assignee or subtenant involves the generation, storage, use, treatment or disposal of Hazardous Materials, or (ii) the proposed assignee or sublessee has been required by any prior landlord, lender or governmental authority to take remedial action in connection with Hazardous Materials contaminating a property and the contamination resulted from such party's action or use of the property in question, it shall not be unreasonable for Landlord to withhold its consent to an assignment or subletting to such proposed assignee or sublessee. Landlord may require that the proposed assignee or sublessee provide information and/or a certification executed by an authorized corporate officer with respect to the foregoing matters.

**10.2 COVENANTS REGARDING OPERATION.** Tenant shall; (a) comply with the Rules and Regulations of Landlord, available at

Mojave Airport's administrative office, as such may be amended from time to time; (b) secure and maintain a business license and all other applicable governmental approvals; (c) keep the Premises and interior and exterior portions of windows, doors and all other glass fixtures in a neat, clean, sanitary and safe conditions; and (d) keep the area adjacent to the Premises clean from visible trash, papers, oil, gum and other debris.

**10.3 ADVERTISING MEDIA.** Tenant shall not affix upon the Premises any sign, advertising placard, name, insignia, trademark, descriptive material or other like item unless approved in writing by Landlord in advance. All of Tenant's signage shall comply with Mojave Airport's applicable rules and regulations. Tenant shall maintain its signage in good condition and repair during the Lease Term.

## **ARTICLE 11. MAINTENANCE, REPAIRS AND ALTERATIONS**

**11.1 LANDLORD'S MAINTENANCE OBLIGATIONS.** None.

**11.2 LANDLORD'S RIGHT OF ENTRY.** Subject to the rules and regulations of the United States Government and its departments and agencies, Landlord, its agents, contractors, servants and employees, may enter the Premises at all reasonable times to: (a) examine the Premises; (b) perform any obligation to, or exercise any right or remedy of, Landlord under this Lease; (c) make repairs, alterations, improvements or additions to the Premises or to other portions of the Mojave Airport as Landlord deems necessary or desirable; (d) perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter; (e) serve, post or keep posted any notices required or allowed under the provisions of this Lease, including, but not limited to, notices of non-responsibility for Alterations, and (f) perform work that Landlord deems necessary to prevent waste or deterioration in connection with the Premises. Tenant shall not be entitled to an abatement or reduction of Annual Rental or Additional Rental if Landlord exercises any rights reserved in this Section. Landlord shall conduct its activities on the Premises hereunder in a manner that will minimize any inconvenience, annoyance or disturbance to Tenant and that complies with the rule and regulations of the United States Government and its departments and agencies. Landlord shall not be liable in any manner for any inconvenience, disturbance, loss of business,

nuisance, or other damage arising out of Landlord's entry on the Premises as provided in this Section, except damages resulting from the grossly negligent, reckless or willful acts or omissions of Landlord, or its authored representatives.

**11.3 TENANT'S MAINTENANCE OBLIGATIONS.** Tenant, at its sole expense, throughout the Lease Term, shall keep the Premises and every part thereof (except only that portion of the Premises expressly described as to be maintained by Landlord hereunder) including, without limitation, all utility pipes and conduits, fixtures, heating, ventilating and air conditioning equipment exclusively serving the Premises (including, without limitation, the HVAC system), all signs, locks, doors, door frames, door checks, windows, window frames, skylights and other openings in the roof or exterior walls and floor coverings in a first class order, condition and repair and shall make replacements necessary to keep the Premises in this condition. All replacements shall be of quality equal to or exceeding that of the original. Should Tenant fail to make, or commence making, these repairs and replacements or otherwise maintain the Premises within ten (10) days after written demand by Landlord, or should Tenant commence but fail to complete any repairs or replacements within a reasonable time after written demand by Landlord, Landlord may make the repairs or replacements, and Tenant shall pay the cost of such repairs and replacement, together with interest at the rate which is the lesser of 1.5% per month or the maximum rate allowed by law from the date of commencement of the work, as Additional Rental upon receipt of a bill from Landlord. Tenant shall repair promptly at its expense any damage to the Mojave Airport caused by Tenant or its agents or employees or caused by the installation or removal of Tenant's personal property.

**11.4 ALTERATIONS, ADDITIONS AND IMPROVEMENTS.** Tenant shall not make any Alterations, additions or improvements, to the Premises without in each case first obtaining Landlord's prior written consent. All Alterations, additions and improvements made shall remain on and be surrendered with the Premises on expiration or termination of the Term except that Landlord may elect within thirty (30) days after expiration of the Term to require Tenant to remove any Alterations, additions and improvements that Tenant has made to the Premises except those that are structural. If Landlord so elects, Tenant shall remove those Alterations, additions and

improvements so designated by Landlord and Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of such Alterations, additions and improvements.

**11.5 MECHANIC'S LIENS.** Tenant shall pay all costs for work performed by or on account of it and keep the Premises and the Mojave Airport free and clear of mechanics' liens or other liens. Tenant shall give Landlord immediate notice of any lien filed against the Premises or against the Mojave Airport if related to work performed by it or for it. Upon Landlord's request, Tenant shall immediately remove of record any lien by payment or by recording an appropriate bond. If a final judgment is entered establishing the validity of any lien which has not been removed of record, Tenant shall immediately pay the judgment. If Tenant fails to pay the judgment within thirty (30) days of its entry, Landlord may pay the judgment on Tenant's account. If Tenant fails to remove of record any lien by recording any appropriate bond, Landlord, at its option and without waiving any of its other legal remedies at law or in equity, may pay the lien. In either event, the amount so paid by Landlord, together with costs and reasonable attorneys' fees, shall be immediately due and owing from Tenant to Landlord.

## **ARTICLE 12. ASSIGNMENT AND SUBLETTING**

**12.1 NO ASSIGNMENT.** Tenant shall not, without the prior written consent of Landlord, assign, mortgage, pledge or in any matter transfer this Lease or any interest herein, or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than Tenant. If Tenant is a partnership, any change in the makeup of the partnership, whether voluntary or involuntary, which results in an ownership interest in the partnership of more than fifty (50%) percent being held by parties who were not partners as of the commencement of this Lease, or the dissolution of the partnership, shall be deemed an assignment. If Tenant is a corporation, any dissolution, merger, consolidation, or other reorganization of Tenant, or any sale or transfer of stock in the corporation which results in more than fifty (50%) percent of the total combined voting power of all classes of stock being held by persons or entities who were not shareholders as of the commencement date of this Lease, shall be deemed an assignment. Any of the foregoing acts without Landlord's consent shall be void and shall, at the option of Landlord, terminate this Lease. This Lease shall not, nor shall any

interest of Tenant herein, be assignable by operation of law without the prior written consent of Landlord.

**12.2 PERMISSIBLE TRANSFERS.** Notwithstanding the provisions of Section 12.1, above, Tenant may assign this Lease or sublet the Premises or any portion thereof, without Landlord's consent and without extending any recapture or termination option to Landlord, to any corporation or other entity which controls, is controlled by or is under common control with Tenant ("Affiliate of Tenant"), or to any corporation or other entity in connection with a merger, consolidation or reorganization involving Tenant or any Affiliate of Tenant, or to any person or entity which acquires substantially all the assets of Tenant or any Affiliate of Tenant, provided that (a) any assignee assumes, in full, the obligations of Tenant under this Lease pursuant to an assignment agreement in a form acceptable to Landlord, (b) Tenant remains fully liable under this Lease, (c) any guarantor of this Lease continues to guaranty the obligations under this Lease, and (d) the use of the Premises set forth in the Basic Lease Provisions remains unchanged. Notwithstanding anything to the contrary, this Lease shall not prohibit any issuance, transfer, redemption or similar transaction related to any ownership interest in any Affiliate of Tenant whose ownership interests are publicly traded.

**12.3 NO RELEASE.** No subletting or assignment shall release Tenant from Tenant's obligation under this Lease or alter the primary liability of Tenant to pay the Annual Rent and Additional Rental and to perform all other obligations to be performed by Tenant hereunder. The acceptance of any monetary sums by Landlord from any other person shall not be deemed to be waiver by Landlord of any provision hereof. Consent to one assignment or subletting is not consent to subsequent assignments or subsequent subleases. In the event of a default in the performance of any of the terms hereof, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against such assignee, sublessee or successor. Landlord may consent to subsequent assignments of the Lease or subletting or amendments or modifications to the Lease with assignees of Tenant, without notifying Tenant, or any successor of Tenant, and without obtaining its or their consent thereto and any such actions shall not relieve Tenant of liability under this Lease.

**12.4 LEASEHOLD IMPROVEMENTS.** In the event Tenant decides to sell, transfer or assign

the leasehold improvements to a third party (including any assignee or subtenant), Landlord shall have the right of first refusal to acquire those leasehold improvements for an amount no greater than proposed price with the third party. Tenant shall give Landlord notice of the proposed sale, transfer of assignment, and Landlord shall give to Tenant notice of its exercise or election not to exercise its right to purchase such improvements within 15 business days of receipt of Tenant's notice. If Landlord does not give such notice to Tenant on or before the date 15 business days of receipt of Tenant's notice, then Landlord shall be deemed to have elected not to exercise its right to purchase such improvements. If Landlord exercises such right to purchase the leasehold improvements, then Landlord shall purchase the leasehold improvements from Tenant AS IS, WHERE IS on the date designated by Tenant and this Lease shall terminate concurrently with the purchase of such improvements. If Landlord elects (or is deemed to have elected) not to exercise such right to purchase the leasehold improvements, then Tenant may sell the leasehold improvements and assign this Lease to a third party only for aircraft maintenance, storage, repairs, manufacturing and related activities.

### ARTICLE 13. DAMAGE

**13.1 CASUALTY.** If the Premises or hangar are damaged by fire or other perils, then the Tenant may continue the Lease or terminate the Lease by written notice to Landlord.

**13.2 DISTRIBUTION OF PROCEEDS.** In the event of the termination of this Lease pursuant to this Article, all proceeds from Tenant's Fire and Extended Coverage insurance under Article 9 and covering Tenant's leasehold improvements, but excluding proceeds for trade fixtures, merchandise, signs and other personal property, shall belong to and shall be disbursed and paid directly to Tenant. Upon Tenant's receipt of such insurance proceeds, Tenant shall pay to Landlord a pro rata share of such insurance proceeds (excluding proceeds for trade fixtures, merchandise, signs and other personal property) in an amount equal to the amount of such insurance proceeds (excluding proceeds for trade fixtures, merchandise, signs and other personal property) multiplied by a fraction, the numerator of which is the number of months then remaining under the then current Basic Term or Renewal Term of the Lease and the denominator of which is the total number of months of the then current Basic Term or Renewal Term of the Lease.

**13.3 WAIVER OF TERMINATION.** Tenant reserves any statutory rights of termination which may arise by reason of any partial or total destruction of the Premises.

#### **ARTICLE 14. EMINENT DOMAIN**

**14.1 TAKING.** The term "Taking" as used in this Article shall mean an appropriation or taking under the power of eminent domain by any public or quasi-public authority or a voluntary sale or conveyance in lieu of condemnation but under threat of condemnation.

**14.2 TOTAL TAKING.** In the event of a Taking of the entire Premises, this Lease shall terminate and expire as of the date possession is delivered to the condemning authority, and Landlord and Tenant shall each be released from any liability accruing pursuant to this Lease after the date of termination.

**14.3 PARTIAL TAKING.** If there is a Taking of more than twenty-five (25%) of the Rentable Area of the Premises or, regardless of the amount taken, the remainder of the Premises is not one undivided parcel of property, either Landlord or Tenant may terminate this Lease as of the date Tenant is required to vacate a portion of the Premises upon giving notice in writing of such election within thirty (30) days after receipt by Tenant from Landlord of written notice that a portion of the Premises have been so appropriated or taken.

**14.4 MOJAVE AIRPORT TAKING.** In the event of a Taking of more than 30% of the Mojave Airport other than the Premises, Landlord may terminate this Lease upon thirty (30) days advance written notice to Tenant.

**14.5 TERMINATION OF LEASE.** If this Lease is terminated as provided above, Landlord shall be entitled to the entire award or compensation in such condemnation proceedings, or settlement in lieu thereof, but the Annual Rental and Additional Rental for the last month of Tenant's occupancy shall be prorated and Landlord shall refund to Tenant any unearned portion of Annual Rental and Additional Rental paid in advance.

**14.6 CONTINUATION OF LEASE.** In the event neither Landlord nor Tenant elects to terminate this Lease as provided above, or in the event less than twenty-five percent (25%) of the Rentable Area of the Premises was subject to the

Taking and the remainder thereof is an undivided parcel of property, then in either such event the Tenant shall continue to occupy the portion of the Premises which was not the subject of the Taking and the following provisions shall apply: (a) to the extent reasonably possible, Landlord will restore the Premises on the land remaining to a complete unit of like quality and character as existed prior to such appropriation or Taking provided, however, that Landlord shall have no obligation to expend funds for such purpose beyond the amount awarded to Landlord by reason of the Taking; (b) the Annual Rental shall be reduced in proportion to the percentage decrease, if any, in the Rentable Area of the Premises by reason of the Taking; and (c) Landlord shall be entitled to receive the entire award for compensation in such proceedings. Tenant hereby waives any statutory rights of termination that may arise by reason of any partial Taking of the Premises under the power of eminent domain.

#### **ARTICLE 15. DEFAULTS**

**15.1 EVENTS OF DEFAULT.** The occurrence of one or more of the following events shall constitute a default by Tenant under this Lease.

15.1.1 Failing or refusing to pay any amount of Annual Rental, Additional Rental, or any other monetary obligation owing by Tenant to Landlord hereunder, as and when due, where such failure shall continue for a period of ten (10) days after written notice thereof from Landlord to Tenant. Any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161;

15.1.2 The failure by Tenant to observe or perform any other express or implied covenants, obligations or conditions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of thirty (30) days after written notice thereof from Landlord to Tenant. Any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161. If the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant shall commence such cure within said thirty (30) day period and thereafter diligently prosecute such cure to completion, which completion shall not occur later than ninety (90) days from the date of such notice from Landlord;



15.1.3 The vacation or abandonment of the Premises by Tenant. Abandonment is herein defined to include, but is not limited to, any absence by Tenant from the Premises for five (5) business days or longer while Tenant is in default under any other provision of this Lease; and/or

15.1.4 The making by Tenant of any general assignment for the benefit of creditors; or should there be filed by or against Tenant a petition to have Tenant adjudged a bankrupt or petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed, or Tenant has commenced efforts to have the same dismissed, within thirty (30) days); or should an appointed trustee or receiver take possession of substantially all of Tenant's assets located at the Premises, or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or should substantially all of Tenant's assets located at the Premises or Tenant's interest in this Lease have been attached or judicially seized, where the seizure is not discharged within thirty (30) days.

**15.2 REMEDIES UPON DEFAULT.** Upon the occurrence of one or more of the foregoing events of default, and in addition to any other rights or remedies of Landlord provided by law or otherwise, without further notice or demand of any kind to Tenant or any other person, Landlord may: (a) without declaring this Lease terminated, re-enter the Premises and occupy the whole or any part thereof for and on account of Tenant; collect any unpaid rentals and other charges which have become payable, or which may thereafter become payable, and remove all persons and property from the Premises, and any such property so removed may be stored in a public warehouse or elsewhere at the cost of and for the account of Tenant; or (b) re-enter the Premises and elect to terminate this Lease and all of the rights of Tenant in or to the Premises. Landlord shall not be deemed to have terminated this Lease, or the liability of Tenant to pay any Annual Rental, Additional Rental, or other charges later accruing, by any re-entry of the Premises, or by any action in unlawful detainer or otherwise to obtain possession of the Premises, unless Landlord shall have notified Tenant in writing that it has so elected to terminate this Lease. Landlord has the remedy described in California Civil Code Section 1951.4 (Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations).

**15.3 ADDITIONAL REMEDIES UPON DEFAULT.** In addition to any rights or remedies hereinbefore or hereinafter conferred upon Landlord under the terms of this Lease, the following remedies and provisions shall specifically apply in the event Tenant engages in any one or more of the acts contemplated by the provisions of Section 15.1.4 of this Lease.

15.3.1 In all events, any receiver or trustee in bankruptcy shall either expressly assume or reject this Lease within sixty (60) days following the entry of an "Order for Relief" or within such earlier time as may be provided by applicable law;

15.3.2 In the event of an assumption of this Lease by a debtor or by a trustee, such debtor or trustee shall within fifteen (15) days after such assumption (i) cure any default or provide adequate assurance that defaults will be promptly cured; (ii) compensate Landlord for actual pecuniary loss or provide adequate assurance that compensation will be made for actual pecuniary loss, including, but not limited to, all attorneys' fees and costs incurred by Landlord resulting from any such proceedings; and (iii) provide adequate assurance of future performance;

15.3.3 Where a default exists under this Lease, the trustee or debtor assuming this Lease may not require Landlord to provide services or supplies incidental to this Lease before its assumption by such trustee or debtor, unless Landlord is compensated under the terms of this Lease for such services and supplies provided before the assumption of such Lease;

15.3.4 The debtor or trustee may only assign this Lease if (i) it is assumed, (ii) adequate assurance of future performance by the assignee is provided, whether or not there has been a default under this Lease, and (iii) the debtor or trustee has received Landlord's prior written consent pursuant to the provisions of Section 11.1 of this Lease. Any consideration paid by any assignee in excess of the rental reserved in this Lease shall be the sole property of, and paid to, Landlord;

15.3.5 Landlord shall be entitled to the fair market value for the Premises and the services provided by Landlord (but in no event less than the rental reserved in this Lease) subsequent to the commencement of a bankruptcy event;

15.3.6 Any security deposit given by Tenant to Landlord to secure the future performance

by Tenant of all or any of the terms and conditions of this Lease shall be automatically transferred to Landlord upon the entry of an "Order of Relief"; and

15.3.7 The parties agree that Landlord is entitled to adequate assurance of future performance of the terms and provisions of this Lease in the event of an assignment under the provisions of the Bankruptcy Code. For purposes of any such assumption or assignment of this Lease, the parties agree that the term "adequate assurance" shall include, without limitations, at least the following:

(A) Any proposed assignee must have, as demonstrated to Landlord's satisfaction, a net worth (as defined in accordance with generally accepted accounting principle consistently applied) in an amount sufficient to assure that the proposed assignee will have the resources to meet the financial responsibilities under this Lease, including the payment of all rent. The financial condition and resources of Tenant are material inducements to Landlord entering into this Lease.

(B) Any proposed assignee must have engaged in the permitted use described in Article 5 hereof for at least five (5) years prior to any such proposed assignment.

(C) In entering into this Lease, Landlord considered extensively Tenant's permitted use and determined that such permitted business would add substantially to the Tenant balance in the Mojave Airport, and were it not for Tenant's agreement to operate only Tenant's permitted business on the Premises, Landlord would not have entered into this Lease. Landlord's operation of the Mojave Airport will be materially impaired if a trustee in bankruptcy or any assignee of this Lease operates any business other than Tenant's permitted business.

(D) Any assumption of this Lease by a proposed assignee shall not adversely affect Landlord's relationship with any of the remaining tenants in the Mojave Airport taking into consideration any and all other "use" clauses and/or "exclusively" clauses which may then exist under their leases with Landlord.

(E) Any proposed assignee must not be engaged in any business or activity which it will conduct on the Premises and which will subject the Premises to contamination by any Hazardous Materials.

**15.4 TERMINATION OF LEASE.** Should Landlord elect to terminate this Lease pursuant to the provisions above, Landlord may recover from Tenant, as damages, the following: (a) the worth at the time of award of any unpaid rental which had been earned at the time of the termination; plus rental which had been earned at the time of the termination; plus (b) the worth at the time of award of the amount by which the unpaid rental which would have been earned after termination until the time of award exceeds the amount of rental loss Tenant proves could have been reasonably avoided; plus (c) the worth at the time of award of the amount by which the unpaid rental for the balance of the Term after the time of award exceeds the amount of rental loss that Tenant proves could be reasonably avoided; plus (d) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligation under this Lease or which ordinary course of things would be likely to result therefrom, including, but not limited to, any costs or expenses incurred by Landlord in (i) retaking possession of the Premises, including reasonable attorneys' fees therefor, (ii) maintaining or preserving the Premises after any default, (iii) preparing the Premises for reletting to a new tenant, including repairs or alterations to the Premises, (iv) any leasing commission, or (v) any other costs necessary or appropriate to relet the Premises; plus (e) at Landlord's election, any other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of California. As used in Subsection (a) and (b) above, the "worth at the time of award" is computed by allowing interest at the maximum lawful rate. As used in Subsections (c) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank situated nearest to the location of the Mojave Airport at the time of award plus one percent (1%).

**15.5 DEFINITION OF RENTAL.** For purposes of this Article only, the term "rental" shall be deemed to be the Annual Rental, Additional Rental and all other sums required to be paid by Tenant pursuant to the terms of this Lease.

**15.6 WAIVER.** No delay or omission in the exercise of any right or remedy of Landlord on any default by Tenant shall impair such a right or remedy or be construed as a waiver. The receipt and acceptance by Landlord of delinquent rent shall not constitute a waiver of any default. No act or conduct of Landlord, including, without limitation, the acceptance of the keys to the Premises, shall

constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the term. Only a notice from Landlord to Tenant shall constitute acceptance of the surrender of the Premises and accomplish a termination of the Lease. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to, or approval of, any subsequent act by Tenant. Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of the Lease.

**15.7 DEFAULT BY LANDLORD.** Landlord shall in no event be charged with default in any of its obligations hereunder unless and until Landlord shall have failed to perform such obligations within thirty (30) days (or such additional time as is reasonably required to correct any such default) after written notice to Landlord by Tenant specifically describing such failure.

**15.8 LANDLORD'S RIGHT TO PERFORM.**

If Tenant shall, after notice from Landlord, fail, within the time periods specified above, to make any payment required to be made by it under this Lease or shall default in the performance of any of Tenant's other obligations hereunder, Landlord, without being under any obligation to do so and without thereby waiving such default, may make such payment and/or remedy such other default and may charge Tenant for the reasonable cost thereof; provided, however, that, in the event that Tenant's failure to make such payment and/or remedy such default creates a condition which threatens imminent loss or damage to persons or property, notwithstanding the notice requirements of this Section, Landlord may make such payment and/or remedy such default to the extent necessary to avoid such emergency situation immediately and without notice to Tenant, but in such case Landlord shall, after its entry, give Tenant notice as soon thereafter as practicable, of the existence of such situation or condition and Landlord's intention or actions to remedy the same. Bills for any reasonable expense incurred by Landlord in connection therewith and for the payment of which Tenant is liable under this Section, including, without limitation, attorneys' fees and expenses (together with interest thereon at the rate which is the lesser of 1.5% per month or the maximum rate allowed by law from and including the respective dates of Landlord's making of each such payment or incurring each such expense), may be sent by Landlord to Tenant monthly, or immediately, at Landlord's option, and shall be due

and payable in accordance with the terms of said bills, and if not paid when due the amount thereof shall immediately become due and payable as Additional Rent under this Lease.

**ARTICLE 16. EXCULPATION OF LANDLORD**

All property kept, stored or maintained on Tenant's Premises shall be so kept, stored or maintained at the sole risk of Tenant. Landlord shall not be liable and Tenant waives all claims against Landlord for damages to person or property sustained by Tenant or by any other person or firm resulting from the building in which the Premises are located or by reason of Tenant's Premises or any equipment located thereon becoming out of repair, or through the acts or omissions of any persons present in the Mojave Airport or renting or occupying any part of the Mojave Airport or for loss or damage resulting to Tenant or its property from burst, stopped or leaking sewers, pipes, conduits or plumbing fixtures, or for interruption of any utility services, or from any failure of or defect in any electric line, circuit or facility or any other type of improvement or service on or furnished to Tenant's Premises or resulting from any accident in, on or about Tenant's Premises or the building in which the Premises are located.

**ARTICLE 17. NOTICES**

Except as otherwise required by law, any notice, information, request or reply ("Notice") required or permitted to be given under the provisions of this Lease shall be in writing and shall be given or served either personally or by mail. If given or served by mail, such Notice shall be deemed sufficiently given if (a) deposited in the United States mail, certified mail, postage prepaid, or (b) sent by express mail, or other similar overnight service, provided proof of service is available, addressed to the addresses of the parties specified in the Basic Lease Provisions. Any Notice given or served by certified or overnight mail shall be deemed given or served as of the date of deposit. Either party may, by written notice to the other in the manner specified herein, specify an address within the United States for Notices in lieu of the address specified in the Basic Lease Provisions.

**ARTICLE 18. MOJAVE AIRPORT EXPANSION**

At any time during the Lease Term, and from time to time, Landlord may expand, in any manner, the existing Mojave Airport, which expansion may include the addition of new buildings to the Mojave Airport. If Landlord deems it necessary for

construction personnel to enter the Premises in order to construct such improvements, Landlord shall give Tenant no less than fifteen (15) days prior notice, and Tenant shall allow such entry. Landlord shall use reasonable efforts to complete the work affecting the Premises in an efficient manner so as not to interfere unreasonably with Tenants' business. Tenant shall not be entitled to any damages or to reduction in Annual Rental or Additional Rental for any interference or interruption of Tenant's business upon the Premises or for any inconvenience caused by such construction work. Landlord shall have the right to use a portion of the Premises to accommodate any structures required for the expansion. If, as a result of Landlord utilizing a portion of Premises for such purpose, there is a permanent increase or decrease in the Rentable Area of the Premises of one percent (1%) or more, there shall be a proportionate adjustment of Annual Rental and all other charges based on Rentable Area. During the course of construction, Tenant shall continue to pay Annual Rental and Additional Rental.

#### **ARTICLE 19. END OF TERM**

**19.1 SURRENDER OF PREMISES.** Upon the expiration of the Lease Term, or upon earlier termination thereof through the exercise of any option to terminate the Lease Term hereof granted to Landlord, or upon the re-entry of Landlord upon the Premises as herein provided for in this Lease (collectively, the "Surrender Date"), Tenant shall peaceably and quietly leave and yield up unto Landlord the entire Premises in good order, condition and repair, excepting therefrom normal wear and tear. Notwithstanding the exercise by either party of any option contained herein to terminate this Lease, any unsatisfied obligations of either party accruing on or prior to the Surrender Date shall survive the Surrender Date, unless excused as of the Surrender Date by the provisions elsewhere contained in this Lease.

**19.2 HOLDING OVER.** This Lease shall terminate without further notice upon the expiration of the Lease Term, and should Tenant hold over in the Premises beyond this date, the holding over shall not constitute a renewal or an extension of this Lease or give Tenant any rights under this Lease. In such event, Landlord may, in its sole discretion, treat Tenant as a tenant at will, subject to all of the terms and conditions in this Lease, except that the Annual Rental shall be an amount equal to one and one-half (1-1/2) times the sum of the Annual Rental and Additional Rental which was payable for the twelve (12) month period immediately preceding the expiration of the Lease. In the event Tenant fails to

surrender the Premises upon the expiration of this Lease, Tenant shall indemnify, protect, defend (with legal counsel reasonably acceptable to Landlord) and hold Landlord harmless from all loss and liability which may accrue therefrom, including, without limitation, any claims made by any succeeding tenant. Acceptance by Landlord of any Annual Rental or Additional Rental after the expiration or earlier termination of this Lease shall not constitute a consent to a hold over hereunder, constitute acceptance of Tenant as a tenant at will or result in a renewal of this Lease.

**19.3 REMOVAL OF PROPERTY.** Upon the Surrender Date, all alterations, additions and improvements to the Premises shall become the exclusive property of Landlord, unless the Landlord requests Tenant to remove the Alterations, additions and improvements placed thereon by Tenant. Tenant shall repair any damage to the Premises caused by such removal, and any and all such property not so removed shall, at Landlord's option, become the exclusive property of Landlord or be disposed of by Landlord, at Tenant's cost and expense, without further notice to or demand upon Tenant. All property of Tenant not removed within thirty (30) days after the last day of the Lease Term shall be deemed abandoned. Tenant hereby appoints Landlord as its agent to remove, at Tenant's cost, all property of Tenant from the Premises upon termination of this Lease and to cause its transportation and storage for Tenant's benefit, all at the sole cost and risk of Tenant and Landlord shall not be liable for any damage, theft, misappropriation or loss thereof or in any manner in respect thereto. Notwithstanding anything to the contrary, Landlord and Tenant acknowledge and agree that (a) Tenant purchased from a prior tenant the hangar located on the Premises on the Effective Date, (b) Tenant shall not remove the hangar from the Premises on the Surrender Date, and (c) Tenant's right, title and interest in the hangar shall automatically revert to, and become the property of, Landlord on the Surrender Date.

**19.4 SURVIVAL.** The provisions of this Article shall survive the Surrender Date.

#### **ARTICLE 20. AERONAUTICAL RESTRICTIONS**

**20.1** Landlord reserves a right of flight for the passage of aircraft in the air space above the surface of the Premises for the use and benefit of the public. This public right of flight shall include the right to cause noise inherent in the lawful operation of

aircraft used for navigation or flight the air space or landing at, taking off from or operation on the Mojave Airport.

**20.2** Tenant shall not erect or permit the erection of structures, buildings or objects of natural growth or other obstructions on the Premises above the height of 2,816 feet mean sea level elevation. If this covenant is breached, Landlord may enter on the Premises and remove the structure or growth, at the expense of Tenant.

**20.3** Tenant shall not make use of the Premises in a manner that interferes with lawful air navigation and communication, the landing or taking off of aircraft from Mojave Airport, or otherwise constitute an airport hazard. If this covenant is breached, Landlord may re-enter the Premises and cause the abatement of such interference at the expense of Tenant.

**20.4** Landlord may further develop or improve the landing area at Mojave Airport regardless of the desires or views of Tenant.

**20.5** Landlord may, but shall not be obligated to, maintain and keep in repair, the landing area of the Mojave Airport and publicly owned facilities of the Airport, together with the right to direct and control activities of the Tenant in this regard. If the taxiways or runways at the Mojave Airport are wholly or partially rendered unfit for aeronautical use, or the Mojave Airport ceases to be operated as an airport, this Lease may be terminated by Tenant, by giving at least thirty (30) days written notice.

**20.6** Nothing herein contained in this lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

**20.7** This Lease and all of the provisions hereof shall be subject to the rights reserved by the United States of America in and to the facilities of Mojave Airport. This Lease shall be subordinated to the provisions and requirements of any existing or future agreement between Landlord and the United States, relative to the use, development and operation or maintenance of Mojave Airport. This Lease is subject to the Quitclaim Deed between Landlord and the United States of America, dated November 6, 1972, and if the deed between Landlord and the United States of America shall terminate by action of the United States, or for other cause, this lease shall also terminate as of that date

and Tenant shall have no other rights under the Lease.

**20.8** Tenant shall comply with lawful ordinances of Kern County Land Use Planning Commission relating to height limits in the vicinity of Mojave Airport and to comply with the notification, review and other requirements of 49 C. F. R. Federal Air Regulations or other heights limits established by an entity having jurisdiction to established such limitations.

**20.9** Tenant shall comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations if a future structure or building is planned by the Tenant for the Premises.

**20.10** Tenant shall have the non-exclusive right to the use of the runways and taxiways of the airfield, the public waiting rooms, the restrooms and other public spaces in the Administration Building, roadways and landing aids and other public facilities provided by Landlord for the convenience of aeronautical users.

**20.11** Landlord may lease property at Mojave Airport for non-aeronautical uses only if there is a surplus property. The District has determined that at the time of this lease there is sufficient property at the Airport for leases for non-aeronautical uses. In the event the District determines at any time that surplus property no longer exists at the Airport, it may terminate this lease, to the extent it is for non-aeronautical purposes, upon sixty (60) days written notice to Tenant.

## **ARTICLE 21. NONDISCRIMINATION**

**21.1** Tenant will not discriminate or permit discriminations against any person or class of persons by reason of race, color, creed, sex or national origin in any such manner prohibited by Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, or as the regulation may be amended from time to time.

**21.2** Any commercial enterprises employing persons on the Airport which are primarily related to the aeronautical activities of the Airport, which provides goods or services to the public which is attracted to the Airport by aeronautical activities, which provides services or supplies to other aeronautical related or public service businesses or to the Airport, or which performs construction work on the Airport, must comply with affirmative action

regulation promulgated by the Federal Aviation Administration and implemented by the Landlord. If Tenant falls within the scope of such regulations, Tenant shall comply with the regulations.

## ARTICLE 22. MISCELLANEOUS

**22.1 WAIVER.** Any waiver by Landlord of a breach of a covenant of this Lease by Tenant shall not be construed as a waiver of a subsequent breach of the same covenant. The consent or approval by Landlord to anything requiring Landlord's consent or approval shall not be deemed a waiver of Landlord's right to withhold consent or approval of any subsequent similar act by Tenant. No breach by Tenant of a covenant of this Lease shall be deemed to have been waived by Landlord unless the waiver is in writing signed by Landlord.

**22.2 RIGHTS CUMULATIVE.** Except as provided herein to the contrary, the rights and remedies of Landlord specified in this Lease shall be cumulative and in addition to any other rights and/or remedies otherwise available, whether or not specified in this Lease.

**22.3 ENTIRE AGREEMENT.** It is understood that there are no oral or written agreements or representations between the parties hereto affecting this Lease, and that this Lease supersedes and cancels any and all previous negotiations, arrangements, representations, agreements and understandings, if any, between Landlord and Tenant.

**22.4 NO REPRESENTATION.** Landlord reserves the absolute right to affect such other tenancies in the Mojave Airport as Landlord, in the exercise of its sole business judgment, shall determine to best promote the interests of the Mojave Airport.

**22.5 AMENDMENTS IN WRITING.** No provision of this Lease may be amended except by an agreement in writing signed by Landlord and Tenant.

**22.6 NO OTHER RELATIONSHIP.** Nothing contained in this Lease shall be construed as creating the relationship of principal and agent, partnership or joint venture between Landlord and Tenant.

**22.7 LAWS OF CALIFORNIA TO GOVERN.** This Lease shall be governed by and construed in accordance with the internal laws of the

State of California. Venue in any legal action or proceeding arising from or related to this Lease shall be in the appropriate court for the County of Kern, California.

**22.8 SEVERABILITY.** If any provision of this Lease or the application of such provision to any person, entity or circumstances, is found invalid or unenforceable by a court of competent jurisdiction, such determination shall not affect the other provisions of this Lease and all other provisions of this Lease shall be deemed valid and enforceable. The parties hereto agree to negotiate in good faith to replace any illegal, invalid or unenforceable provision of this Lease with a legal, valid and enforceable provision that, to the extent possible, will preserve the economic bargain of this Lease, or otherwise to amend this Lease to achieve such result.

**22.9 SUCCESSORS.** Subject to the restrictions on assignment and subletting contained herein, all rights and obligations of Landlord and Tenant under this Lease shall extend to and bind the respective heirs, executors, administrators, and the successors, subtenants and assignees of the parties. If there is more than one Tenant or if Tenant is a partnership or other entity and the members of which are subject to personal liability, each shall be bound jointly and severally by the terms, covenants and agreements contained in this Lease.

**22.10 WARRANTY OF AUTHORITY.** If Tenant is a corporation or partnership, each individual executing this Lease on behalf of the corporation or partnership represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of the corporation or partnership, and that this Lease is binding upon the corporation or partnership. If Tenant is a corporation, the person executing this Lease on behalf of Tenant hereby covenants and warrants that (a) Tenant is a duly qualified corporation and all steps have been taken prior to the date hereof to qualify Tenant to do business in the State of California, (b) all franchise and corporate taxes have been paid to date, and (c) all future forms, reports, fees and other documents necessary to comply with applicable laws will be filed when due.

**22.11 BROKERS.** Tenant represents and warrants that it has not had any dealings with any realtors, brokers or agents in connection with the negotiation of this Lease except as may be specifically set forth in the Basic Lease Provisions and agrees to hold Landlord harmless from the

failure to pay any realtors, brokers or agents and from any cost, expense or liability for any compensation, commission or changes claimed by any other realtors, brokers or agents claiming by, through or on behalf of it with respect to this Lease and/or the negotiation hereof.

**22.12 NO IMPLICATION OF EXCLUSIVE USE.** Nothing contained in this Lease shall be deemed to give Tenant an express or implied exclusive right to operate any particular type of business in the Mojave Airport.

**22.13 RECORDING.** Tenant and Landlord shall record a short form of this Lease. Upon the expiration or earlier termination of this Lease for any reason, Tenant shall, within thirty (30) days of the date of request by Landlord, convey to Landlord by quitclaim deed any and all interest Tenant may have under this Lease.

**22.14 INTEREST ON PAST DUE OBLIGATIONS.** Unless otherwise specifically provided in this Lease, any amount due from Tenant to Landlord under this Lease which is not paid when due and any amount due as reimbursement to Landlord for costs incurred by Landlord in performing obligations of Tenant upon Tenant's failure to so perform shall bear interest at the rate which is the lesser of 1.5% per month or the maximum rate allowed by law from the date originally due until paid.

**22.15 FIXTURES, TRADE FIXTURES, PERSONAL PROPERTY AND ALTERATIONS.** Upon the expiration or earlier termination of the Term, Landlord shall have the option (a) to take exclusive possession of and title to Tenant's signs, improvements, additions, Alterations, and fixtures (excluding trade fixtures), to the extent any of these items are affixed to the Premises, or (b) to require Tenant to remove same, at its sole cost and expense, and immediately repair any damage occasioned to the Premises by reason of such removal to as to leave the Premises in a neat and clean condition. Tenant agrees to keep all of its signs, improvements, additions, Alterations, and fixtures free of liens and shall not use the same as security in any loan arrangements. All signs, improvements, additions, Alterations, and fixtures installed in or attached to the Premises by Tenant must be in good condition when so installed or attached.

**22.16 FORCE MAJEURE.** Any prevention, delay or stoppage due to strikes, lockouts, labor

disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by that party for a period equal to the prevention, delay or stoppage, except the obligations imposed with regard to Annual Rental and Additional Rental to be paid by Tenant pursuant to this Lease; provided that the party prevented, delayed or stopped shall have given the other party written notice thereof within thirty (30) days of such event causing the prevention, delay or stoppage. Notwithstanding anything to the contrary contained in this Section, in the event any work performed by Tenant or Tenant's contractors results in a strike, lockout and/or labor dispute, the strike, lockout and/or labor dispute shall not excuse the performance by Tenant of the provisions of this Lease.

**22.17 ATTORNEYS' FEES.** In the event Landlord or Tenant shall institute any action or proceeding against the other arising from or related to this Lease, or any default hereunder, the party not prevailing in the action or proceeding shall reimburse the prevailing party for the all costs and expenses, including reasonable attorneys' fees, incurred therein by the prevailing party, including without limitation, any fees, costs of disbursements incurred on any appeal and enforcement of a judgment from the action or proceeding.

**22.18 OPTION TO RENEW.** Tenant is hereby granted the option to extend the term of this Lease for the Renewal Terms described in the Basic Lease Provisions by giving notice of exercise of the option ("Option Notice") to Landlord at least sixty (60) days, but not more than one hundred eighty (180) days, before the expiration of the Basic Term, or the then current Renewal Term, as the case may be; provided, however, that if Tenant is in default on the date of giving any such Option Notice or if Tenant has assigned or sublet the Premises in violation of this Lease, the Option Notice shall be totally ineffective, and provided further, that if Tenant is in default on the date that the Renewal Term would otherwise commence, such Renewal Term at the election of Landlord shall not commence and this Lease shall expire at the end of the Basic Term, or at the end of the then current Renewal Term, as the cause may be. Tenant shall have no other right to extend the term beyond the specific number of Renewal Terms described in the Basic Lease

Provisions. During the Renewal Term(s), all of the terms and provisions contained herein shall apply.

**22.19 SUBMISSION OF LEASE.** Submission of this Lease does not constitute an offer to lease. The Lease shall become effective only upon (a) approval by Landlord's board of directors, (b) execution and delivery thereof by Landlord and Tenant, and (c) Landlord's approval of a financial statement of Tenant, certified to be true and correct by Tenant.

**22.20 FINANCIAL INFORMATION.** Upon execution of this Lease and thereafter upon Landlord's written request, Tenant shall from time to time furnish to Landlord financial statements consistent with the financial statements described in Article 3.3.

**22.21 LIMITATION ON LIABILITY.** In consideration of the benefits accruing hereunder, Tenant and all successors and assigns covenant and agree that, in the event of any actual or alleged failure, breach or default hereunder by Landlord: (a) no director, officer, agent or employee of Landlord shall be sued or named as a party in any suit or action, or served with process, or required to answer or otherwise plead to any service of process, except

to the extent required to bring Landlord under the jurisdiction of the applicable court, nor will any judgment be taken against any director, officer, agent or employee of Landlord. Any judgment taken against director, officer, agent or employee of Landlord may be vacated and set aside at any time nunc pro tunc, and no writ of execution will ever be levied against the assets of any director, agent or employee of Landlord; and (b) the covenants and agreements contained within this Section shall inure to the benefit of and shall be enforceable by Landlord and any director, officer, agent or employee of Landlord.

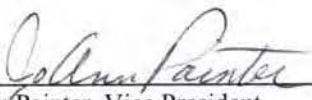
**21.22 COMPLIANCE WITH LAWS.** Tenant shall comply with (a) all federal, state, and local laws, rules and regulations (including Environmental Laws) governing the hangar on the Premises and Tenant's operation of the hangar and Tenant's operations on the Premises pursuant to this Lease; and (b) the rules and regulations of Landlord for the Mojave Airport applicable to Tenant's operations of the hangar, Tenant's operations on the Premises and Tenant's use of runways, roadways and other common areas, pursuant to this Lease.

**22.22 COUNTERPARTS.** This Lease may be executed in counterparts, all of which, when taken together, shall constitute a fully executed original.

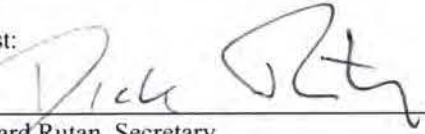
IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the day and year first above written.

By execution hereof, each signatory certifies that this document has been approved by the party for which he/she is signing, and that he/she is duly authorized to execute this document on behalf of such party.

East Kern Airport District

By   
Joann Painter, Vice President

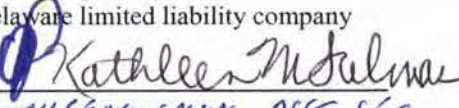
Attest:

By   
Richard Rutan, Secretary

Approved as to form:

Lemieux & O'Neil  
By   
District Counsel

Scaled Composites LLC,  
a Delaware limited liability company

By   
KATHLEEN M. SALINAS, ASST. SEC.



# BUILDING 927 LEASE DESCRIPTION

(March 2009)

## EXHIBIT "A-1"

BEING ALL THAT PORTION OF THE EAST KERN AIRPORT DISTRICT LYING WITHIN THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 11 NORTH, RANGE 12 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE UNINCORPORATED AREA OF COUNTY OF KERN, STATE OF CALIFORNIA, WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT LEASE CORNER NUMBER 58, AS SHOWN ON THE MAP OF THE LEASE AREAS FOR THE MOJAVE AIRPORT (MAP NO. 9-A2 MOJ. LE M7) ON FILE IN THE OFFICE OF THE KERN COUNTY SURVEYOR, FROM WHICH LEASE CORNER NUMBER 17, AS SHOWN ON THE AFORESAID MAP BEARS NORTH 89°54'26" EAST A DISTANCE OF 3110.56 FEET (SAID LEASE CORNERS ARE LOCATED ON THE CENTERLINE OF SABOVICH STREET); THENCE NORTH 0°48'43" EAST, 767.87 FEET TO THE **TRUE POINT OF BEGINNING OF THIS DESCRIPTION;**

THENCE NORTH 0°05'34" WEST, A DISTANCE OF 40.00 FEET;  
THENCE NORTH 89°54'26" EAST, A DISTANCE OF 60.00 FEET;  
THENCE SOUTH 0°05'34" EAST, A DISTANCE OF 40.00 FEET;  
THENCE SOUTH 89°54'26" WEST, A DISTANCE OF 60.00 FEET TO THE **TRUE POINT OF BEGINNING OF THIS DESCRIPTION.**

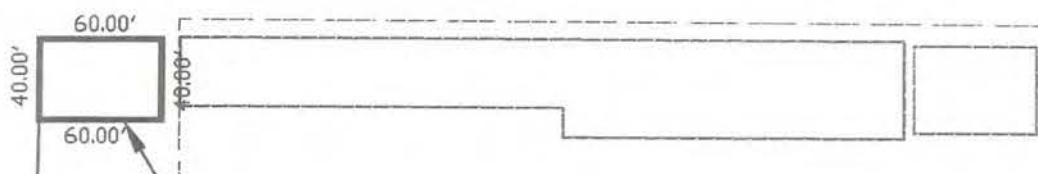
CONTAINING 2,400 SQUARE FEET.

*David E. Russell* 3/6/09

DAVID E. RUSSELL, R.C.E. 24022  
EXPIRES 12/31/2009



59



to Lease Corner No. 58

767.87'

S 0°48'43" W

Roper Street



SCALE 1" = 100'



### BLDG. 927 LEASE

AREA = 2,400 S.F. = 0.055 ACRES

LATITUDE = 35°03'26.52" N  
 LONGITUDE = 118°09'50.74" W

Centerline of Sabovich Street  
 N 89°54'26" E

**EAST KERN AIRPORT DISTRICT**  
**MOJAVE AIRPORT**

1434 FLIGHT LINE MOJAVE, CA., 93501 (661) 824-2433

**NORTHROP-GRUMAN CORPORATION**  
**BUILDING 927 LEASE**

EXHIBIT A-2 - MARCH 2009

**NOTICE OF INTENT TO ADOPT RESOLUTION OF NECESSITY TO ACQUIRE  
CERTAIN REAL PROPERTY OR INTEREST IN REAL PROPERTY BY EMINENT  
DOMAIN**

**(Code of Civil Procedure §1245.235)**

To: Jason Kelley  
Scaled Composites, LLC  
1624 Flight Lane  
Mojave, CA 93501  
[jason.kelley@scaled.com](mailto:jason.kelley@scaled.com)

California Code of Civil Procedure §1245.230 provides that the power of eminent domain may be exercised to acquire property or an interest in real property for a public project if the following conditions are established:

- (a) The public interest and necessity require the project.
- (b) The project is planned or located in the manner that will be most compatible with the greatest public good and least private injury.
- (c) The property sought to be acquired is necessary for the project.
- (d) The offer required by Government Code §7267.2 has been made to the owner of record.

You are hereby notified that the Mojave Air and Space Port, a public entity (“MASP”), will host a meeting at 2:00 p.m. on April 20, 2021, to decide if the above conditions are met concerning your property interest Hanger 927 and, if the conditions are met, to adopt a Resolution of Necessity.

**Due to the COVID-19 state of emergency orders related to public meetings**, the Board of Directors will conduct this meeting via tele-conference. A physical location will not be available to the public. You may participate in the meeting by using the call in number specified in this Notice. If you need special assistance to participate in the meeting, please contact Lynn at [Lynn@mojaveairport.com](mailto:Lynn@mojaveairport.com), and the District will attempt to accommodate your need.

Tele-Conference Call In Number  
**866-848-6428**

Questions regarding the amount of compensation to be paid are not part of this proceeding and MASP does not consider such in determining whether a Resolution should be adopted.

The adopted Resolution will authorize MASP to acquire the property or interest in real property by eminent domain. A description of the required property is attached to this Notice and is marked “Exhibit A.”

The proposed public use is MASP's taxiway rehabilitation project per FAA guidance (the "Project") that has been the subject of discussion and negotiations between the parties for the last several months.

If you file a written request to appear (within 15 days from the mailing of this Notice), you are entitled to appear telephonically and object to the adoption of the Resolution. Objections are limited to the four conditions listed above.

All requests to appear telephonically must be sent for filing to Doug Gosling, [dgosling@braungosling.com](mailto:dgosling@braungosling.com); please also send a courtesy copy to [Lynn@mojaveairport.com](mailto:Lynn@mojaveairport.com).

Your written request must actually be on file within the 15-day period. Failure to file a written request results in a waiver of your rights to appear and be heard.

The written request to appear telephonically should include a statement of the condition(s) that you feel are pertinent to your property interest. The four conditions that may affect your property interest are set forth above, designated (a), (b), (c), and (d). By designating which condition forms the basis of your concerns, and why, you will enable MASP to have a full and expeditious review made of the project's effect on your property interest.

For your convenience, MASP will consider any written observations you may wish to submit, as long as such written observations are filed within the 15-day period.

MASP must adopt a Resolution of Necessity before an eminent domain proceeding can be commenced. MASP will commence eminent domain proceedings in the Superior Court in the County where the property or property interest is located. In that proceeding, the Court will determine the amount of compensation to which you are entitled.

If you have any questions, please call the undersigned.

Date: 4/1/2021

Mojave Air and Space Port

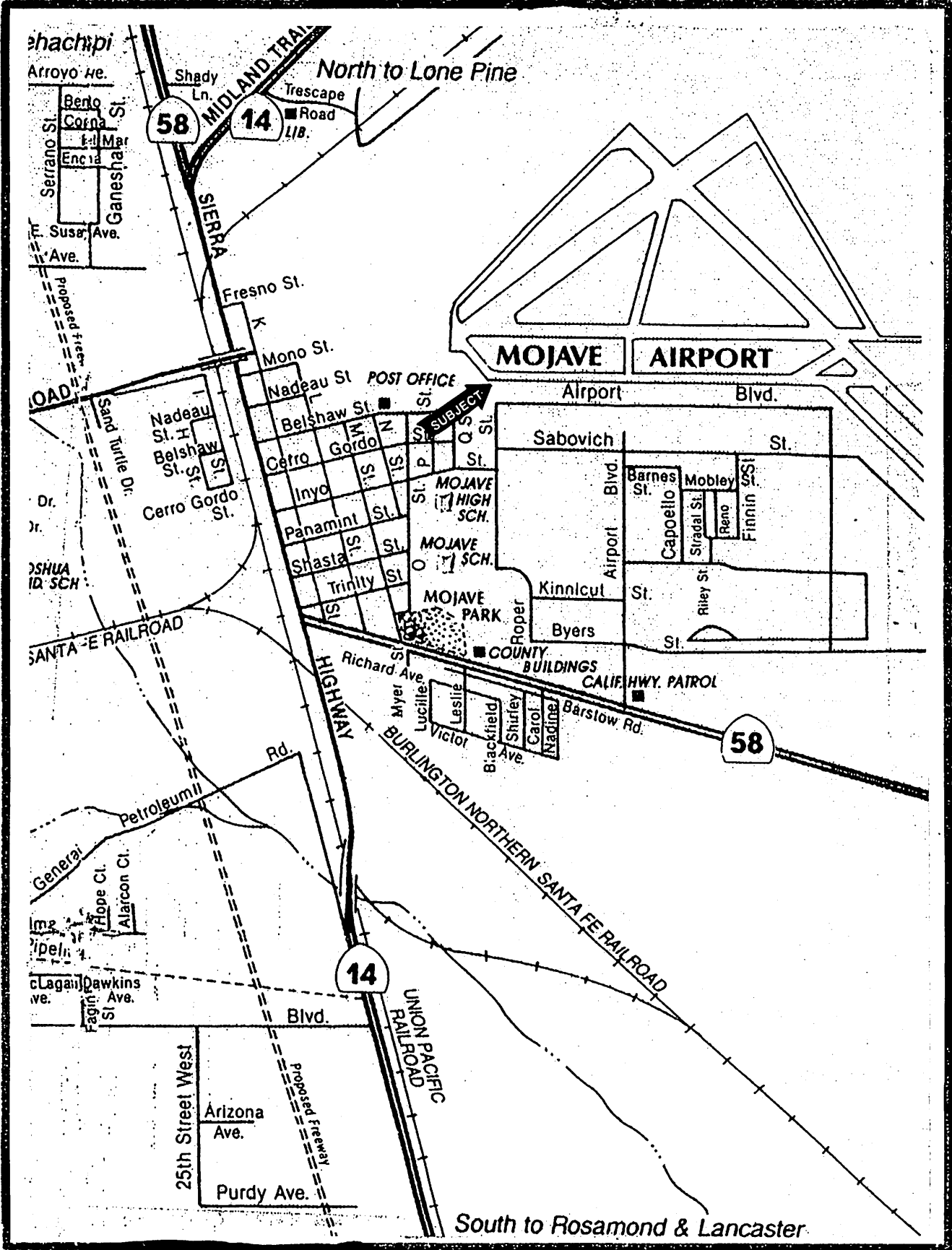
By:   
Name: Doug Gosling, Esq.

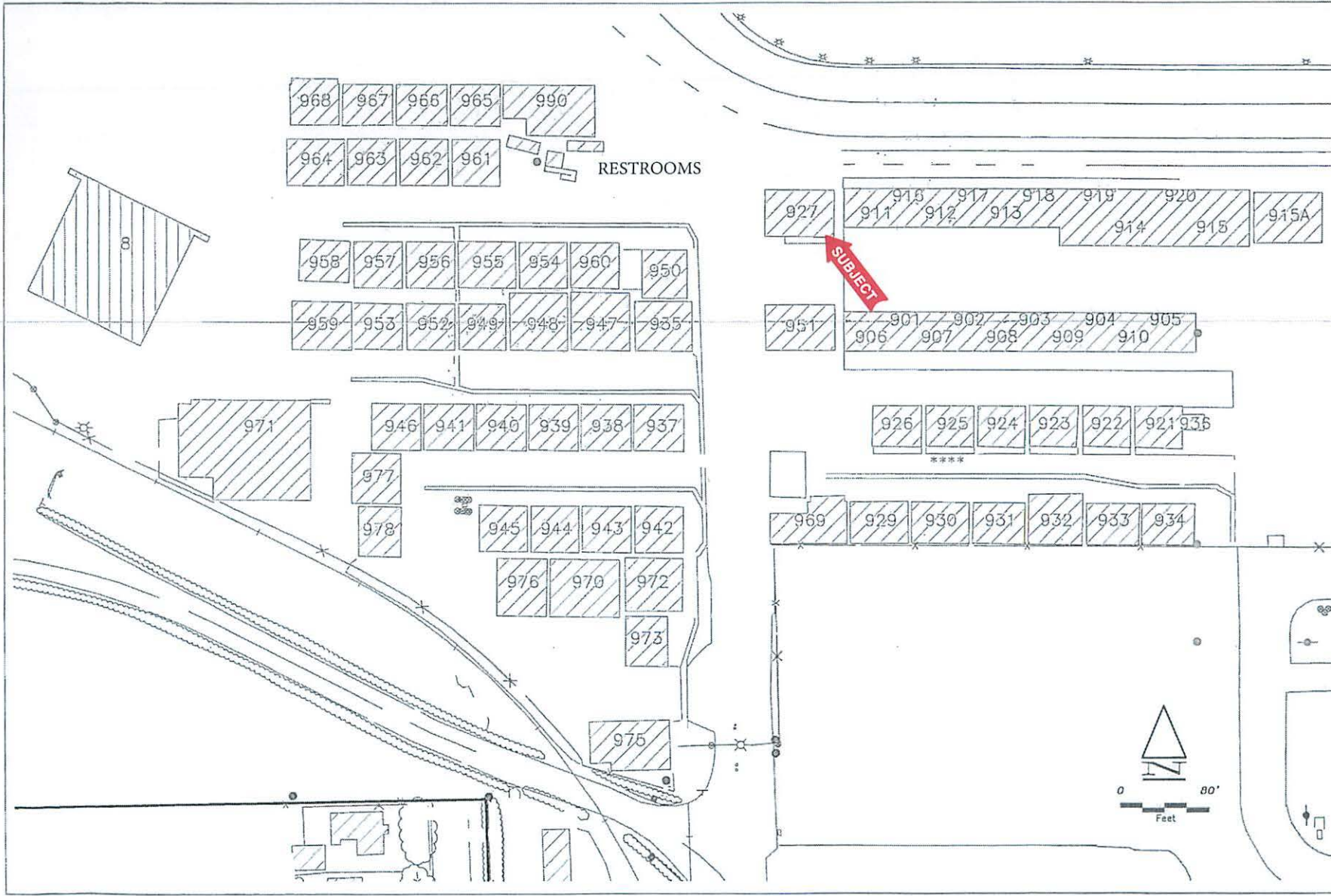
Its: Special Counsel

cc: Kevin H. Brogan, Esq. (counsel for Scaled Composites, LLC)  
Hill, Farrer & Burrill LLP  
One California Plaza  
300 So. Grand Ave., 37th Fl.  
Los Angeles, CA 90071  
[kbrogan@hillfarrer.com](mailto:kbrogan@hillfarrer.com)

**EXHIBIT A**

# Location Map





REV.	DATE	REVISION DESCRIPTION	BY	CR

FILE NO.	DATE	SCALE	PLT.	BY	CHK.	DATE	BY	CHK.

**EAST KERN AIRPORT DISTRICT**  
 1000 S. MAIN ST. SUITE 100  
 BURBANK, CA 91504 (818) 251-3111 FAX (818) 251-3112

**GA Hangar Numbers**

**MOJAVE AIR AND SPACE PORT**

SHEET 1 OF 1 SHEETS

## EXECUTIVE SUMMARY

<b>Appraisal Project</b>	Hangar 927, Mojave Air & Spaceport Ptn. of the SW¼ of Section 9, T11N/R12W, SBB&M, Kern County, CA
<b>Assessor's Parcel No.</b>	Portion of APN 236-340-08
<b>Interest Valued</b>	Possessory Interest in hangar building on leased land
<b>Land Area</b>	2,400 SF or 0.055 Acres, leased from East Kern Airport District
<b>Flood Hazard</b>	Zone X, Other Areas
<b>Zoning</b>	M-2 H PD
<b>Present Use</b>	Privately owned hangar building sited on land leased from East Kern Airport District
<b>Building Improvements</b>	2,400 SF Class 'S' Hangar building
<b>Highest and Best Use</b>	Hangar
<b>Value Indicated by</b>	
<b>Cost Approach</b>	\$95,000
<b>Income Approach</b>	N/A
<b>Sales Comparison Approach</b>	\$91,000
<b>Value Conclusion</b>	\$91,000
<b>Just Compensation</b>	
<b>Value of Portion to be Acquired</b>	\$91,000
<b>Severance Damages</b>	\$ 0
<b>Curable Damages</b>	\$ 0
<b>Project Benefits</b>	\$ 0
<b>Temporary Construction Easement</b>	<u>\$ 0</u>
<b>Opinion of Just Compensation</b> <b>(Rounded)</b>	\$91,000
<b>Date of Inspection</b>	January 11, 2021
<b>Effective Date of Value</b>	January 11, 2021
<b>Date of Report</b>	February 10, 2021



# HILL FARRER

Attorneys - Established 1923

Hill, Farrer & Burrill LLP  
One California Plaza  
300 S. Grand Avenue, 37th Floor  
Los Angeles, CA 90071-3147

Main: 213.620.0460  
Fax: 213.624.4840  
Direct: 213.621.0815  
Email: kbrogan@hillfarrer.com  
hillfarrer.com

April 15, 2021

**BY EMAIL (DGOSLING@BRAUNGOSLING.COM) AND OVERNIGHT MAIL**

Douglas A. Gosling  
Braun Gosling  
1620 Mill Rock Way #400  
Bakersfield, CA 93311

**Re: Resolution of Necessity Hearing re Hanger 927**

Dear Mr. Gosling:

Scaled Composites, LLC has received the Notice of Hearing by the Mojave Air and Space Port ("MASP") for the proposed adoption of a resolution of necessity to condemn Hanger 927. Scaled Composites desires to appear and be heard at the hearing.

Please make this letter part of the record on the resolution of necessity hearing. If you have any questions, please feel free to call or email me.

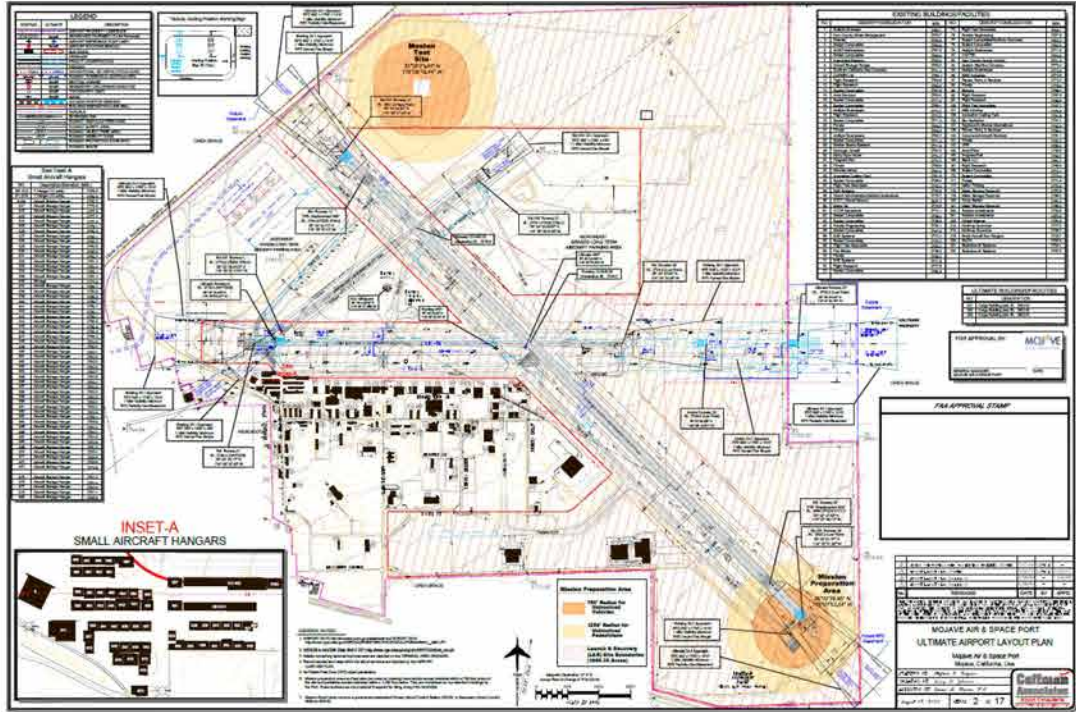
Very truly yours,



KEVIN H. BROGAN  
OF  
HILL, FARRER & BURRILL LLP

CC: Lynn@mojaveairport.com

HFB 2341944.1 S0984 002





U.S. Department  
of Transportation  
**Federal Aviation  
Administration**

May 25, 2010

Mr. Stuart O. Witt  
General Manager  
Mojave Air & Space Port  
East Kern Airport District  
1434 Flightline  
Mojave, California 93501

Mojave Air & Space Port  
Airport Layout Plan - Final Approval  
Airspace Case No. 2009-AWP-1223-NRA

Dear Mr. Witt:

The enclosed Airport Layout Plan has been reviewed for revisions requested in our letter of February 10, 2010. All specified terms have been met; therefore, the subject document is hereby conditionally approved. This approval, as indicated by my signature, is given subject to the conditions cited below.

In accordance with FAA Order 5050.4B, *National Environmental Policy Act (NEPA) Implementing Instructions for Airport Actions* and FAA Order 1050.1E, *Environmental Impacts: Policies and Procedures*, prior to receiving an unconditional approval or funding of projects proposed in the Airport Layout Plan, an FAA environmental review and determination is required. The environmental determination can result in a categorical exclusions if the action meets the list of FAA approved categorical exclusions and there are no extraordinary circumstances, as defined in paragraph 304 of FAA Order 1050.1E. Prior to a categorical exclusion determination, the FAA will need appropriate information from the airport sponsor to describe the project and documentation that shows there are no extraordinary circumstances that result from a proposed project. If environmental impacts are anticipated, then depending on the level of impacts, an Environmental Assessment (EA) or an Environmental Impact Statement (EIS) may be required to document the environmental affects of the proposed action.

Environmental determination and approval by the Federal Aviation Administration (FAA), prior to receipt of any federal funding for construction will be required on the proposed list of identified airport projects below, but not limited to, which maybe categorically excluded provided there are no extraordinary circumstances and do not create impacts outside the airport, however, if significant environmental impacts are anticipated then an Environmental Assessment (EA) will be required.

- Runway 12-30 Threshold Relocations and Establishment of GPS that overlay use of existing procedures
- Runway 8-26, Establishment of GPS that overlay use of existing procedures

Western-Pacific Region  
Los Angeles Airports District Office

P.O. Box 92007  
Los Angeles, CA 90009

FAA has determined that the following list of projects will require an Environmental Assessment (EA) for unconditionally approval.

- Runway 8-26 Interim Extension from 7049' x 100' to 8250' x 150'
- Runway 8-26 Interim Extension from 8250' to 10,000'
- Runway 4-22 Extension from 3,946' x 50' to 4746' x 60'
- Air Cargo Apron and Hangars
- Solar Photovoltaic System (EA is required even without federal funding)

This approval does not commit this agency to participate in the costs for any development not currently programmed, nor does it negate notification and review requirements imposed by Part 77 and Part 157 of the Federal Aviation Regulations as it pertains to all proposed structures shown on this plan. Further, the FAA cannot prevent erection of any structure in the vicinity of airports. Airport environs can only be adequately protected through such means as local zoning ordinances. The airport sponsor is encouraged to coordinate with appropriate agencies and local government to promote adoption of height and zoning restrictions outside of the airport property boundary.

All future proposed structures shown on the ALP, if not built within six (6) months of the ALP's approval date, shall be filed as separate notice on FAA Form 7460-1 at their time of intended construction. This will enable a current airspace evaluation to be completed with regard to contemporary airspace requirements such as TERPS criteria and ATCT line-of-site compliance.

It should be noted that when there are changes to the current design of the runway lengths, relocated thresholds, or any changes to the current displaced thresholds, this will probably result in required amendments to the Instrument Flight Procedures (IFP). The sponsor must contact the Flight Procedures Office (FPO) to coordinate the desired publication date and any changes to that date.

You are additionally advised that the airfield is located within the confines or near a military training route or military training area.

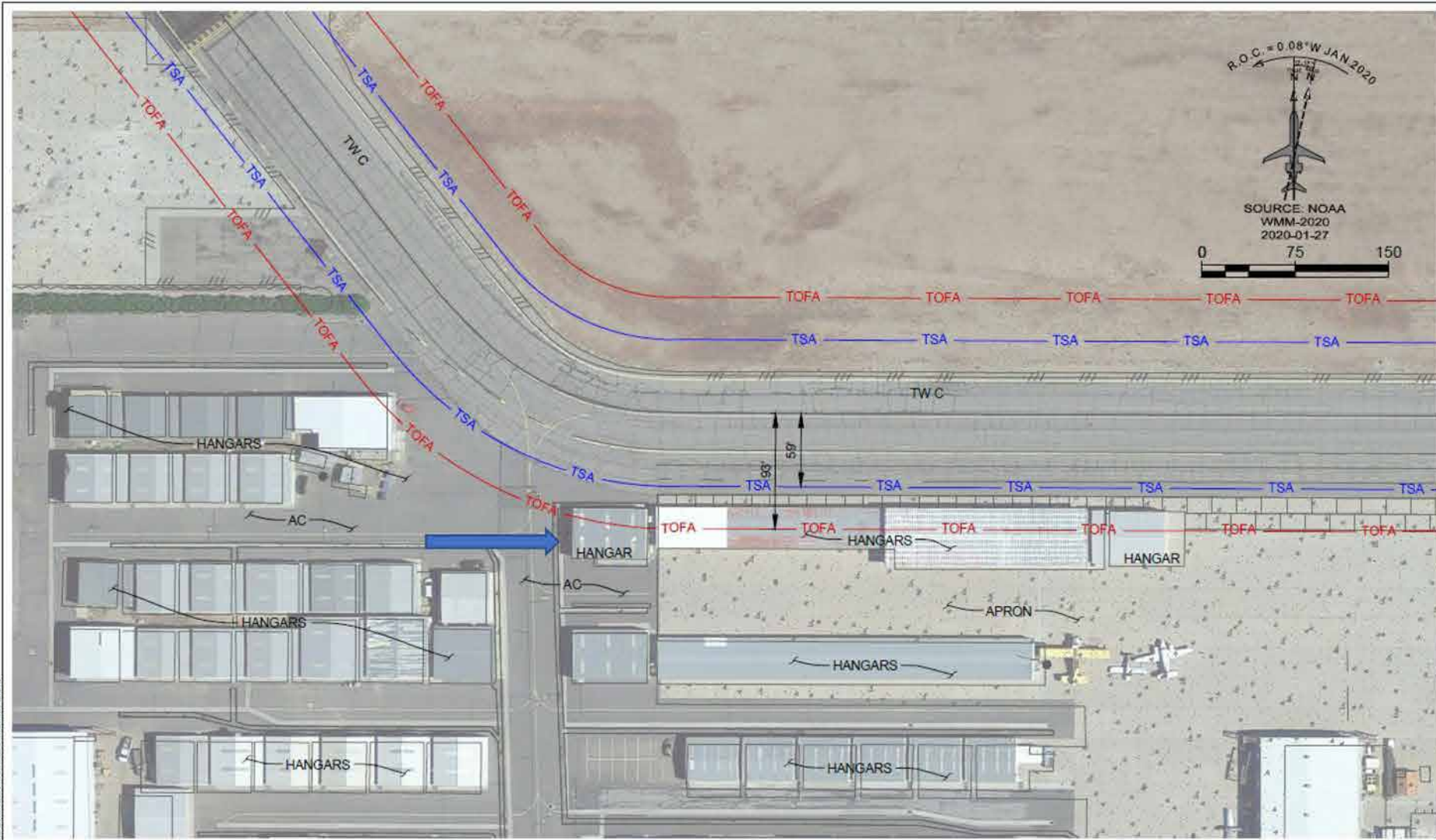
We have retained the full drawing set along with 3 single drawing copies for our files and the Air Traffic Organization's (ATO), Western Service Center (WSC). The remaining 3 copies have been returned to your office. **Please insure that one (1) drawing along with a copy of this letter is provided to the State of California Department of Transportation, Aeronautics Division (CALTRANS) for their files.** If we can be of any further assistance please do not hesitate to call.

Sincerely,

for Brian O. Armstrong  
Manager, Los Angeles Airport District Office

Enclosures

**MOJAVE**  
AIR AND SPACE PORT



TAXIWAY C: EXISTING SAFETY AND OBJECT FREE AREAS



3229800-191787.01  
OCTOBER 2020





**Mead & Hunt**  
 Mead and Hunt, Inc.  
 3110 E. Street Road,  
 Orange, CA 92751  
 phone: 949-487-8880  
 mead@mh.com

**MOJAVE**  
 AIR & SPACE PORT

**MOJAVE AIR AND SPACE PORT  
 TAXIWAY C REHABILITATION**

1434 FLIGHT LINE, MOJAVE, CA 93501

**NOT FOR CONSTRUCTION**  
 DRAWING NO: 52820-01/TW-21  
 DATE: APRIL 2008  
 PROJECT: TAXIWAY C REHABILITATION  
 REALIGNMENT  
 EXIST  
 OF TAXIWAY C

**EXHIBIT**

# MOJAVE

## AIR AND SPACE PORT

### CEO REPORT

**TO:** MASP Board of Directors

**FROM:** Todd Lindner

**MEETING DATE:** April 20, 2021

---

#### Updates

- MASP ATCT became fully staffed following the addition of Mr. Devin Wyatt on January 11, 2021.
  - Mr. Wyatt successfully completed his FAA certification on April 12, 2021
- Instrument Approach - FAA's IFP Environmental Pre-screening gateway reflects MHV's RNAV (GPS) study has been assigned to a specialist for review/determination.
  - Currently in conversations with Mr. Bob Abbott with Hughes Aerospace to obtain a projected completion date.
- Taxiway 'C' Rehab Construction
  - Project is proceeding as scheduled and possibly one to two days ahead of schedule.
  - Per FAA's request, Floyd VanWey is currently closing the FAA Design Grant.
  - The Taxiway 'C' Rehab project does include implementation of drainage improvements, which may have a positive impact on the existing GA area.
    - Completion of the installation of the drainage structures will require demolition or removal of t-hangars scheduled for demolition.
- John Himes last day was 04/09/21
  - Advertising for Director of Operations Position through AAAE & Indeed.
  - Position has received a significant level of interest.
- Plane Crazy (04/17/2021)
  - Considering on going airfield construction and the potential for Stratolaunch Taxiing activities, the use of Air Traffic Controllers was authorized.
- Stratolaunch Update
  - Taxi Tests & Flight Test

#### New Agreements

- Governmental Accounting Standards Board Statement No. 75 (GASB 75) Rael & Letson (\$23,300)
  - Actuarial valuation to determine the District's Other Post Employment Benefits (OPEB) and liability.

# MOJAVE

## AIR AND SPACE PORT

### CEO REPORT

- Data is updated annually and required as part of the annual audit.
- Every three years, the District enters into a new contract.
  
- Cal OES Grant (\$68,576.93)
  - Grant received as part of the FY2020 Community Power Resiliency Program to Special Districts.
  - Grant is planned to be used to purchase an emergency generator for the ATCT.
  
- Cares Act (\$11,369.85)
  - Entered into a new agreement with Kern County regarding the CARES Act where they will reimburse COVID Related expenses.
  - Original agreement went to the end of 2020, but there is more funds available.
  - We have already submitted through December 2020 and received \$46,000.

#### New Lease

Lowery – Bldg. 88 H, month to month.

#### New Access License

Paxton Incorporated – 14 acres adjoining, one year terminating February 22, 2022.

#### Authorized Payments

BOARD MEETING: 4/20/21	DATE	AMOUNT	EFT'S	TOTAL
CEO CHECK REGISTER	4/6/2021	57,746.97		57,746.97
	4/14/2021	45,671.77		45,671.77
	4/12/2021	-	242,839.21	242,839.21
		103,418.74	242,839.21	346,257.95
VOIDED Check	60809			
	60859			
	60860			
	60861			
	60862			
BOD CHECK	4/20/2021	4,106.78		4,106.78
	4/20/2021	44,868.12		44,868.12
				48,974.90
				-
				-
TOTAL ALL CHECKS & EFT'S				395,232.85

Date: Tuesday, April 6, 2021  
 Time: 09:53: AM  
 User: CPANKO

## Mojave Air & Space Port

Page: 1 of 5  
 Report: 03630.rpt  
 Company: MASP

### Check Register - Standard

Period: 10-21 As of: 4/6/2021

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period		Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
				To Post	Closed						
<b>Company: MASP</b>											
Acct / Sub:	101000		1200								
060793	CK	4/6/2021	0000 Innovative Engineering Solutions	10-21		047986	VO	AR-0100953	3/25/2021	0.00	3,334.00
060794	CK	4/6/2021	0139 All Weather, Inc	10-21		048027	VO	6541309	4/1/2021	0.00	750.00
060795	CK	4/6/2021	0187 AFLAC	10-21		048002	VO	993086/0321	3/29/2021	0.00	537.60
060796	CK	4/6/2021	0204 BAE Systems Tech Solutions & I	10-21		047987	VO	0100603/REFUND	3/25/2021	0.00	31.28
060797	CK	4/6/2021	0284 Michael L. Brouse	10-21		048040	VO	033121	3/31/2021	0.00	1,312.50
060798	CK	4/6/2021	0333 Capture Technologies, Inc	10-21		048011	VO	2830	3/31/2021	0.00	2,158.99
060799	CK	4/6/2021	0337 Air & Space Smithsonian	10-21		047993	VO	003859030/0321	3/29/2021	0.00	49.00
060800	CK	4/6/2021	0479 Aramark	10-21		047975	VO	2100889481	3/19/2021	0.00	44.06
060800	CK	4/6/2021	0479 Aramark	10-21		047976	VO	2100886763	3/5/2021	0.00	161.98
060800	CK	4/6/2021	0479 Aramark	10-21		047977	VO	2100886765	3/5/2021	0.00	45.45
060800	CK	4/6/2021	0479 Aramark	10-21		047978	VO	2100888132	3/12/2021	0.00	45.45
060800	CK	4/6/2021	0479 Aramark	10-21		047979	VO	2100888124	3/12/2021	0.00	195.25
060801	CK	4/6/2021	0485 DIR-DOSH Elevator Permits	10-21		047974	VO	E 1781947 SB	3/2/2021	0.00	225.00
060802	CK	4/6/2021	0597 Evans & Company, Inc	10-21		047994	VO	032721	3/29/2021	0.00	2,025.00
060803	CK	4/6/2021	0657	10-21		048019	VO	0076825-IN	4/1/2021	0.00	206.36
<b>Check Total</b>										0.00	<b>492.19</b>



Flight Light										
060804	CK	4/6/2021	0719 Ferguson H&C #794	10-21	047973	VO	3361561	3/23/2021	0.00	6,578.34
060805	CK	4/6/2021	0786 GuardMetrics LLC	10-21	048021	VO	02230	4/1/2021	0.00	158.00
060806	CK	4/6/2021	0866 The Home Depot Credit Plan	10-21	047992	VO	07610417/0321	2/26/2021	0.00	234.54
060807	CK	4/6/2021	1104 KCNewman Photography	10-21	048001	VO	031221	3/12/2021	0.00	500.00
060808	CK	4/6/2021	1161 Kern Auto Parts Inc	10-21	047980	VO	942041	3/11/2021	0.00	12.85
060808	CK	4/6/2021	1161 Kern Auto Parts Inc	10-21	047981	VO	942043	3/11/2021	0.00	23.58
060808	CK	4/6/2021	1161 Kern Auto Parts Inc	10-21	047982	VO	942044	3/11/2021	0.00	16.59
060808	CK	4/6/2021	1161 Kern Auto Parts Inc	10-21	047983	VO	942040	3/11/2021	0.00	32.16
060809 VOID	CK	4/6/2021	1200 L & L Construction	10-21	047985	VO	014655827	3/18/2021	0.00	18,308.36
060810	CK	4/6/2021	1241 Loschnigg Consulting LLC	10-21	048012	VO	2021-03-31	3/31/2021	0.00	6,000.00
060811	CK	4/6/2021	1372 Mojave Public Utility District	10-21	048035	VO	6072002/0321	3/31/2021	0.00	81.36
060811	CK	4/6/2021	1372 Mojave Public Utility District	10-21	048036	VO	6072003/0321	3/31/2021	0.00	191.10
060811	CK	4/6/2021	1372 Mojave Public Utility District	10-21	048037	VO	6072001/0321	3/31/2021	0.00	6,620.16
060811	CK	4/6/2021	1372 Mojave Public Utility District	10-21	048038	VO	6072000/0321	3/31/2021	0.00	93.30
060812	CK	4/6/2021	1411 Nave Law Office, P.C.	10-21	048032	VO	20945	4/1/2021	0.00	6,185.50
060813	CK	4/6/2021	1448 National Business Furniture LLC	10-21	048000	VO	MK558717-TDQ	3/25/2021	0.00	636.84
060814	CK	4/6/2021	1449 National Notary Association	10-21	047988	VO	D10201	3/25/2021	0.00	165.00
060815	CK	4/6/2021	1501 Office Depot	10-21	047991	VO	10076136/0321	3/15/2021	0.00	812.45
									<b>Check Total</b>	<b>85.18</b>
									<b>Check Total</b>	<b>6,985.92</b>

060816	CK	4/6/2021	1639 ProActive Work Health Services	10-21	048003	VO	64870	3/9/2021	0.00	35.00
060817	CK	4/6/2021	1670 Praxair	10-21	047971	VO	62517337	3/23/2021	0.00	262.77
060818	CK	4/6/2021	1705 QT Petroleum on Demand	10-21	048013	VO	85429	3/31/2021	0.00	1,402.00
060819	CK	4/6/2021	1803 Race Telecommunications, Inc.	10-21	048020	VO	RC472521	4/1/2021	0.00	415.89
060819	CK	4/6/2021	1803 Race Telecommunications, Inc.	10-21	048024	VO	RC472442	4/1/2021	0.00	3,276.68
									<b>Check Total</b>	<b>3,692.57</b>
060820	CK	4/6/2021	1865 RLH Fire Protection	10-21	048028	VO	0964962/b-580	4/1/2021	0.00	930.00
060820	CK	4/6/2021	1865 RLH Fire Protection	10-21	048029	VO	0964964/PUMPHSE	4/1/2021	0.00	2,035.00
060820	CK	4/6/2021	1865 RLH Fire Protection	10-21	048030	VO	0964965/BLDG 5	4/1/2021	0.00	615.00
060820	CK	4/6/2021	1865 RLH Fire Protection	10-21	048031	VO	0964963/G-B-137	4/1/2021	0.00	915.00
									<b>Check Total</b>	<b>4,495.00</b>
060821	CK	4/6/2021	1896 Speedy Car Wash	10-21	048041	VO	2052	3/31/2021	0.00	270.00
060822	CK	4/6/2021	1925 Sparkletts	10-21	048014	VO	13703338021821	2/18/2021	0.00	413.22
060822	CK	4/6/2021	1925 Sparkletts	10-21	048023	VO	13703338031821	3/18/2021	0.00	356.93
									<b>Check Total</b>	<b>770.15</b>
060823	CK	4/6/2021	1945 Harold Smith	10-21	048033	VO	040521	4/5/2021	0.00	309.00
060824	CK	4/6/2021	2014 Sharper Landscaping Services Ir	10-21	048022	VO	5744/0321	4/1/2021	0.00	1,600.00
060825	CK	4/6/2021	2045 Shreds Unlimited, Inc	10-21	047990	VO	17420/0321	3/24/2021	0.00	40.00
060826	CK	4/6/2021	2068 Resource MFG	10-21	047972	VO	8406416458	3/22/2021	0.00	1,086.80
060826	CK	4/6/2021	2068 Resource MFG	10-21	048017	VO	8406442002	3/29/2021	0.00	1,127.56
									<b>Check Total</b>	<b>2,214.36</b>
060827	CK	4/6/2021	2253 Waste Management Kern Count	10-21	047995	VO	3535248085/0321	4/1/2021	0.00	366.11
060827	CK	4/6/2021	2253	10-21	047996	VO	3544448080/0321	4/1/2021	0.00	727.49

060827	CK	4/6/2021	Waste Management Kern Count 2253	10-21	047997	VO	3593748083/0321	4/1/2021	0.00	185.43
060827	CK	4/6/2021	Waste Management Kern Count 2253	10-21	048034	VO	13613348088	3/31/2021	0.00	790.90
060828	CK	4/6/2021	3003 Lennora Johansen	10-21	048039	VO	033021	4/2/2021	0.00	348.14
060829	CK	4/6/2021	3220 Hatfield-Ray	10-21	048015	VO	033021	3/30/2021	0.00	241.36
060830	CK	4/6/2021	4225 Tehachapi Optometric	10-21	048016	VO	033021/HIMES	3/30/2021	0.00	533.00

**Check Total** 2,069.93

Check Count: 38

**Acct Sub Total:** 76,055.33

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Electronic Payment		0.00
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Stub	0	0.00
Zero	0	0.00
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<b>Total:</b>	<b>38</b>	<b>76,055.33</b>

ACCT TOTAL -18,308.36

57,746.97

**Company Disc Total** 0.00

**Company Total** 57,746.97

Date: Wednesday, April 14, 2021  
 Time: 12:39PM  
 User: CPANKO

**Mojave Air & Space Port**  
**Check Register - Standard**  
 Period: 10-21 As of: 4/14/2021

Page: 1 of 3  
 Report: 03630.rpt  
 Company: MASP

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
<b>Company: MASP</b>										
Acct / Sub:	101000		1200							
060831	CK	4/14/2021	0109 AT&T	10-21	048076	VO	8123831139/0421	4/7/2021	0.00	128.25
060831	CK	4/14/2021	0109 AT&T	10-21	048077	VO	7134122793/0421	4/7/2021	0.00	128.25
060831	CK	4/14/2021	0109 AT&T	10-21	048078	VO	2429683334/0421	4/1/2021	0.00	422.63
<b>Check Total</b>										<b>679.13</b>
060832	CK	4/14/2021	0122 Aerotech News and Review	10-21	048070	VO	5282021	4/8/2021	0.00	102.74
060833	CK	4/14/2021	0396 CDW Government	10-21	048079	VO	B419153	4/7/2021	0.00	1,148.20
060833	CK	4/14/2021	0396 CDW Government	10-21	048080	VO	B352443	4/6/2021	0.00	823.76
<b>Check Total</b>										<b>1,971.96</b>
060834	CK	4/14/2021	0430 Desert Truck Service Inc.	10-21	048089	VO	1332968	4/8/2021	0.00	53.07
060835	CK	4/14/2021	0474 Alma Del Rio	10-21	048083	VO	040921	4/12/2021	0.00	446.75
060836	CK	4/14/2021	0479 Aramark	10-21	048058	VO	2100890817	3/26/2021	0.00	45.45
060836	CK	4/14/2021	0479 Aramark	10-21	048059	VO	2100890812	3/26/2021	0.00	195.25
<b>Check Total</b>										<b>240.70</b>
060837	CK	4/14/2021	0518 Elevation Corp. Health, LLC	10-21	048055	VO	8239	3/31/2021	0.00	9,211.40
060838	CK	4/14/2021	0597 Evans & Company, Inc	10-21	048081	VO	WE4.6.21	4/9/2021	0.00	2,010.00
060839	CK	4/14/2021	0751 The Gibbons Family LLc	10-21	048067	VO	INVST PMT/0321	3/31/2021	0.00	5,943.26
060840	CK	4/14/2021	0842 J. Hitchcock Riverwest	10-21	048068	VO	INVST PMT/0321	3/31/2021	0.00	3,962.17

Date: Wednesday, April 14, 2021  
 Time: 12:39PM  
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**Mojave Air & Space Port**  
**Check Register - Standard**  
 Period: 10-21 As of: 4/14/2021

Page: 2 of 3  
 Report: 03630.rpt  
 Company: MASP

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
060841	CK	4/14/2021	1106 Elmer F. Karpe, Inc.	10-21	048066	VO	INVST PMT/0321	3/31/2021	0.00	9,905.44
060842	CK	4/14/2021	1200 L & L Construction	10-21	048096	VO	WE 4.11.21	4/11/2021	0.00	750.00
060842	CK	4/14/2021	1200 L & L Construction	10-21	048097	VO	WE 3.28.21	3/28/2021	0.00	1,200.00
<b>Check Total</b>										<b>1,950.00</b>
060843	CK	4/14/2021	1364 Karl's Hardware Mojave	10-21	048045	VO	0321	3/31/2021	0.00	1,132.04
060844	CK	4/14/2021	1626 Petro Lock, Inc.	10-21	048061	VO	409832	4/2/2021	0.00	616.25
060845	CK	4/14/2021	1800 Ramos Strong Incorporated	10-21	048044	VO	0356473	3/30/2021	0.00	1,274.82
060846	CK	4/14/2021	1945 Harold Smith	10-21	048062	VO	040621	4/6/2021	0.00	994.00
060847	CK	4/14/2021	2020 Tehachapi News	10-21	048063	VO	14773771R	4/6/2021	0.00	479.00
060848	CK	4/14/2021	2068 Resource MFG	10-21	048060	VO	8406454603	4/5/2021	0.00	1,086.80
060849	CK	4/14/2021	2126 US Standard Products	10-21	048088	VO	679547	3/2/2021	0.00	421.97
060850	CK	4/14/2021	2193 Velosio LLC	10-21	048057	VO	IN100-00040531	3/30/2021	0.00	877.50
060851	CK	4/14/2021	2450 Xerox Corporation	10-21	048064	VO	013052396	4/1/2021	0.00	297.80
060852	CK	4/14/2021	3017 Carmelita Panko	10-21	048082	VO	041021	4/12/2021	0.00	536.00
060853	CK	4/14/2021	3027 Nicole Altman	10-21	048056	VO	0321	4/8/2021	0.00	116.98

Date: Wednesday, April 14, 2021  
 Time: 12:39PM  
 User: CPANKO

**Mojave Air & Space Port**  
**Check Register - Standard**  
 Period: 10-21 As of: 4/14/2021

Page: 3 of 3  
 Report: 03630.rpt  
 Company: MASP

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
060854	CK	4/14/2021	3030 Sonia Valenzuela	10-21	048046	VO	032921	3/29/2021	0.00	125.00
060855	CK	4/14/2021	4024 Joshua Holifield	10-21	048098	VO	040921	4/9/2021	0.00	79.99
060856	CK	4/14/2021	4028 Antelope Valley Optometric	10-21	048084	VO	040221/SMITH	4/2/2021	0.00	650.00
060856	CK	4/14/2021	4028 Antelope Valley Optometric	10-21	048085	VO	040221/SMITH	4/2/2021	0.00	367.00
060856	CK	4/14/2021	4028 Antelope Valley Optometric	10-21	048086	VO	040221/SMITH	4/2/2021	0.00	50.00
<b>Check Total</b>										<b>1,067.00</b>
060857	CK	4/14/2021	4215 Gentle Family Denistry, P.C.	10-21	048043	VO	32921/RICCOMINI	4/7/2021	0.00	65.00
060858	CK	4/14/2021	4523 Gerardo Perez	10-21	048087	VO	041221/DENTAL	4/12/2021	0.00	25.00

Check Count: 28

**Acct Sub Total: 45,671.77**

Check Type	Count	Amount Paid
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<b>Total:</b>	<b>28</b>	<b>45,671.77</b>

**Company Disc Total 0.00 Company Total 45,671.77**

**ELECTRONIC FUND TRANSFERS APRIL 1 THROUGH APRIL 12, 2021**

Date		Debit
4/12/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$17,544.99
4/12/2021	ACH DEBIT INVOICE PAYCHEX EIB	\$200.00
4/9/2021	ACH DEBIT 1800 CALPERS	\$52,913.72
4/9/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$16,931.07
4/9/2021	ACH DEBIT PAYROLL PAYCHEX	\$9,877.75
4/9/2021	ACH DEBIT 1800 CALPERS	\$7,337.15
4/9/2021	ACH DEBIT TAXES PAYCHEX TPS	\$3,315.17
4/8/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$17,515.75
4/7/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$4,059.42
4/2/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$18,308.36
4/2/2021	ACH DEBIT TAXES PAYCHEX TPS	\$9,026.22
4/2/2021	ACH DEBIT INVOICE PAYCHEX EIB	\$206.70
4/1/2021	ACH DEBIT PAYROLL PAYCHEX	\$47,400.31
4/1/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$37,572.38
4/1/2021	ACH DEBIT GARNISH PAYCHEX CGS	\$615.22
4/1/2021	WIRE TRANSFER FEE	\$15.00
	Total	\$242,839.21