

MOJAVE AIR AND SPACE PORT

REGULAR MEETING OF THE BOARD OF DIRECTORS

Date: May 4, 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 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, and the District will attempt to accommodate your need.

Zoom Video Conference

<https://us02web.zoom.us/j/81103012453?pwd=aWlUWG9UMzdBc0lIbVYk1NHhheTdQUt09>

Phone: 669-900-9128

Meeting ID: 811 0301 2453

Passcode: 092118

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 Special Board Meeting April 20, 2021
- B. Minutes of the Regular Board Meeting April 20, 2021
- C. Check Register dated April 15, 2021, \$48,974.90

4. Action Items

A. 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. Financial Reports

B. Security Report

C. CEO/GM Reports

D. Board Committees

E. 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

B. Labor Negotiations

8. Closed Session Report

9. Ethics Training

Adjournment

This Agenda was posted on April 30, 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.

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 SPECIAL MEETING ON APRIL 20, 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 20, 2021 at 1:15 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, DOA Rawlings, DOP VanWey, DOF Smith, DOT Buck, and District Counsel Navé.

B. Approval of Agenda

Upon motion by Director Deaver, seconded by Director Coleman, the Board voted unanimously to approve the agenda.

2. Ethics Training

District Counsel Navé administered the AB 1234 Ethics Training to Directors, Balentine, Coleman, Deaver and Morgan from 1:15 to 2:00. Director Barney joined the meeting at 1:37.

ADJOURNMENT

There being no further business to come before the Board, the chair adjourned the meeting at 2:00 pm.

ATTEST

Jimmy R. Balentine, President

Diane Barney, Secretary

BOARD OF DIRECTORS

MINUTES OF THE REGULAR MEETING ON APRIL 20, 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 2:08 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, DOA Rawlings, DOP VanWey, DOF Smith, DOT Buck, and District Counsel Navé.

B. Approval of Agenda

Upon motion by Director Morgan, seconded by Director Coleman, The Board unanimously approved the agenda.

2. Community Announcements

There were no public comments.

3. Consent Agenda

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

A. Minutes of the regular Board Meeting April 6, 2021

B. Check Register dated April 15, 2021, \$48,974.90.

4. Action Item

A. Brown Armstrong, Accountancy Corp. Engagement Letter

DOA Rawlings briefed the Board on the request to engage the auditors for the FYE 2021 audit and single audit for the grant. Upon motion by Director Deaver, seconded by Director Coleman, the Board unanimously approved to engage Brown Armstrong, Accountancy Corp. for the FYE 2021 audit and single audit for \$32,400.00.

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)

District Counsel Navé opened the Hearing. Counsel stated MASP hired Merriman & Associates to appraise the property, which was sent to Scaled Composites, owner of Hangar 927. Scaled Composites was also notified of this hearing, and MASP's trial Counsel Doug Gosling received a letter confirming Scaled Composites received notice of this hearing from Scaled Composites' attorney, Kevin Brogan. District Counsel Navé stated now is the time if there is anybody from Scaled Composites to comment on this resolution. Kevin Brogan, Condemnation Counsel for Scaled Composites, stated that given what transpired during the last meeting of MASP's Board, it makes sense to continue this Hearing on the Proposed Adoption of a Resolution of Necessity to Condemn Hangar 927 until the next Board meeting. During this period Scaled and MASP can determine whether there is a true necessity to condemn Hangar 927. Mr. Brogan also requested a copy of the FAA Grant Application and the Award. Mr. Brogan also addressed MASP's urgent need for possession of the hangar, stating Scaled Composite is willing to work with MASP to accommodate the airports needs once there's been a review and consideration of the Grant Application, the Award, and the resolution of this continued hearing. Mr. Brogan stated if the Board of Directors are not agreeable to continue the hearing for this short period of time, he wants Scaled Composite's objection noted to the Resolution of Necessity on the grounds that there is lack of evidence to support the required findings in particular that the condemnation of Hangar 927 is necessary for the proposed project and requests the presentation, recordings and minutes of April 6, 2021 board meeting be made part of the records for this meeting. Mr. Kelley of Scaled Composites addressed the Board and Staff. He acknowledges past and continued efforts of MASP administration with respect to improving the airports infrastructure to support its commercial and general aviation tenants. He requested the hearing be postponed until the next regular Board meeting based on information presented during the April 6, 2021, Board meeting. He stated, "Scaled believes a full report from MASP's CEO on all factors surrounding this situation in his action to find out from the FAA if the row of hangars can stay in place until there is an actual need to remove the row of hangars. Continuing forward on their objection stating there are four conditions required for the Resolution of Necessity. Mr. Kelley commented on three: First, Public Interest or Necessity to acquire the project: Scaled doesn't believe the Public Interest or Necessity to acquire the project in its entirety, they do respect and understand the paving condition were horrendous and actually need improvement. However, the information Director Morgan's presented during the April 6, 2021, would reduce the Airports' s revenue and numbers of hangars to the public, therefore, they don't believe there is a necessity given the weight limits on Runway 8/26 and 4/22. Second, Mr. Kelley stated the project is not planned or located in a manner that will be most compatible with

the greatest public good and least private injury. Maximizing the greatest public good and least private injury would be the airport maintaining the current hangar count and size. Scaled believes they are not in violation of AC150-5300-13A. The 2nd piece is the private party will not be made whole due to the lack of the Airport hangar inventory and loss of the private party's suitable replacement size and location. The airport has no current plans to replace the hangars or how doing so would actually be paid for. If this is allowed to go forward the Airport would take a flight test asset from Scaled with no suitable replacement. He realizes value isn't being discussed today, but the fact Scaled would lose a flight line asset thirteen years prematurely and no suitable replacement should actually be stated in this proceeding. Third, the last consideration is the property sought to be acquired is necessary for this project. The first piece is, the taking of Hangar 927 is not necessary at this time as pointed out in Director Morgan's presentation. Taxiway C services a large ramp area to the west of the tower and higher weight limits are appropriate. At this point in time Mr. Kelly does not believe a Group 3 Aircraft, stating he's no expert in airport management or weight requirements, but he believes that A Group 3 aircraft would not have a need to taxi past Hangar 927 to access RW 8/26 or 4/22 at this current time. Scaled has not received specific details outlining what regulations are being violated with Hangar 927 as opposed to AC150-5300-13A. Mr. Kelly stated as an outside observer looking at the board meeting packet, slide 58 and 60 show T-Hangar 990 in the TOFA (Taxiway Object Free Area) however slide 61 shows an accommodation for this hangar. Stating an accommodation was made for this hangar through the FAA by the Board during the planning time for this tenant and this hangar. Also, something of curiosity to him is the 93' distance stated in slide 60 from the center of the taxiway to edge of the TOFA is for an aircraft design group 3 and believes that's a 79' to 117' wingspan, and he thinks what they've learned is that there isn't a need for a Group 3 aircraft to taxi pass these T-Hangars at this time. In closing it's his opinion that the Board and Staff agreed with Director Morgans presentation at the last board meeting and acknowledges that the row of hangars do not violate the AC150 due to Runway 8/26 and 4/22 weight limitation and wingspan of aircrafts in these groups. Mr. Kelly stated the airport acknowledge the need for the hangars and should allow for hangars to stay in place, and this should have been brought up in the planning and application phase, and at this point he does not see how the Airport has put forth a case to prove a necessity to take a flight test asset away from Scaled 13 years prematurely. Mr. Kelley thanked the Board for their consideration and offered their help and support in any way possible in approaching the FAA in determining if the taking of these hangars are absolutely necessary. District Counsel Navé thanked Mr. Brogan and Mr. Kelley for their comments, stating objections are noted and the request to have the official records of the April 6th meeting be included in the record is noted and the District will do so. District Counsel Navé asked for any other comments from Scaled or any public comments and announced that this is the one time for any public comment on this hearing.

CEO Lindner started he spoke with the FAA and confirmed Taxiway Charlie and Runway 8/26 are currently Group 3 element and not Group 2 as indicated in the previous Board meeting on April 6th. A Group 3 TOFA area off, the top of his head, is 186' in width, and meeting that requirement is driving the removal and relocation of the hangars. CEO Lindner agrees with Mr. Kelley that there should have provisions made in the planning process to address the removal and relocation of the T-Hangars with replacements of other facilities, however that was not done. It is necessary at this time to address the FAA issues and the reason it's becoming an issue is because the Taxiway have been operating in non-compliance all along. It's because now the

FAA is funding the Rehabilitation of Taxiway Charlie and therefore is going to require that Taxiway be brought into compliance. Director Deaver questioned if FAA say anything about holding off and giving MASP a little time or insist MASP demolish the hangars in June. CEO Lindner stated the FAA will allow MASP to leave the structures in place until MASP determined a path forward. Director Barney requested clarification on path forward, timeline or event wise. CEO Lindner said FAA will allow us the time necessary to make the necessary modification to the airport layout plans, complete environmental process for new T-Hangars and the decisions if MASP will build new hangars and how the hangars will be funded. CEO Lindner stated a specific timeline was not discussed. District Counsel Navé asked if the FAA granted the airport the right to change the Taxiway C project to leave the hangars in place while the Taxiway C expansion is going on or is the time frame to reach the resolution built within the project timeline. CEO Lindner stated the FAA timeline is within the project timeline. He stated there will come a time when the project could potentially interfere with those T-Hangars. Director Morgan clarified this is not a Taxiway expansion, stating the only expansion is demolishing the buildings. District Counsel stated the FAA is expecting MASP to proceed with the project as currently designed and funded and the FAA extension of time is to take the building by condemnation or work a deal with Scaled and not an open-ended extension. CEO Lindner said the FAA said the Airport could move this to the end of the project but will not allow MASP to close the grant with the hangars unaddressed. District Counsel confirmed Hangar 927 will have to be removed one way or another within the timeframe of the project. Director Coleman asked about new hangars. CEO Lindner stated no specifics on new hangars have been discussed, but said it would depend replacement and demand, but said he now wants to address the issue of working with Scaled. Director Morgan made a motion to grant Scaled an extension until the next meeting. District Counsel stated the Board didn't need to take action at this time. The Board agreed to move this to the next meeting There were no public comments.

5. Reports

A. CEO/GM Report

CEO Lindner briefed the board on Instrument Approach, Taxiway C Rehab, reimbursable new leases, new employees.

C. Board Committees

There were no comments.

D. Board of Directors

Director Deaver stated he received a very nice email from Floyd VanWey on the new handicapped parking. Director Balentine also stated the new entrance was very nice.

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

8. Closed Session Report

In Closed session, the Board discussed the potential litigation involving Scaled Composites, and 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 2:39 pm.

Jimmy R. Balentine, President

ATTEST

Diane Barney, Secretary



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

DOA 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

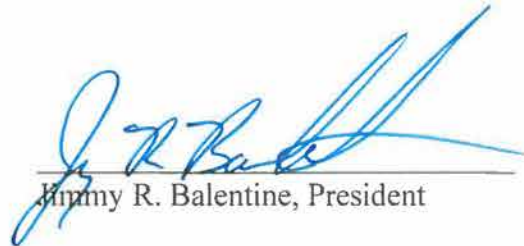


8. Closed Session Report

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.

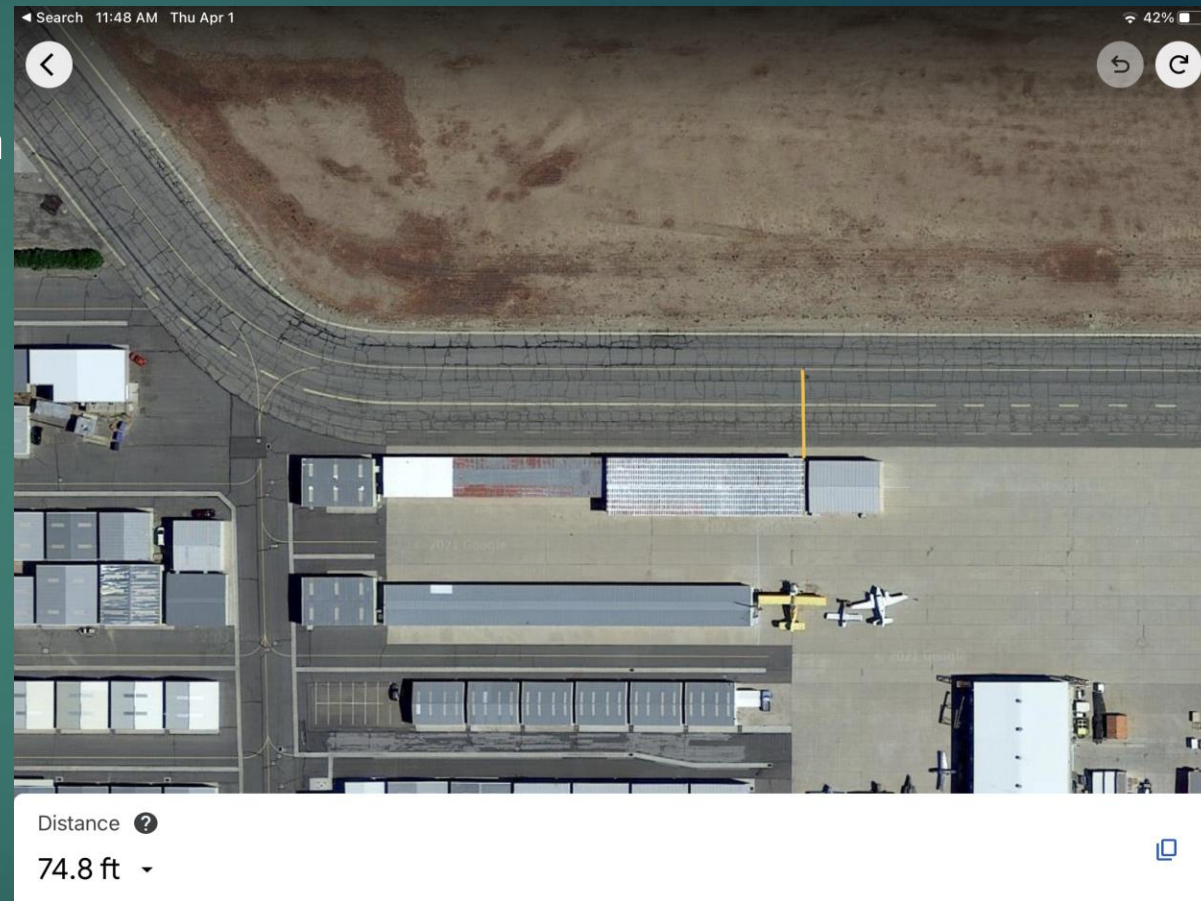
A blue ink signature of Jimmy R. Balentine, written in a cursive style, is positioned above a horizontal line. Below the line, the text "Jimmy R. Balentine, President" is printed in a black, sans-serif font.

ATTEST

A blue ink signature of Diane Barney, written in a cursive style, is positioned above a horizontal line. Below the line, the text "Diane Barney, Secretary" is printed in a black, sans-serif font.

Hangar problem

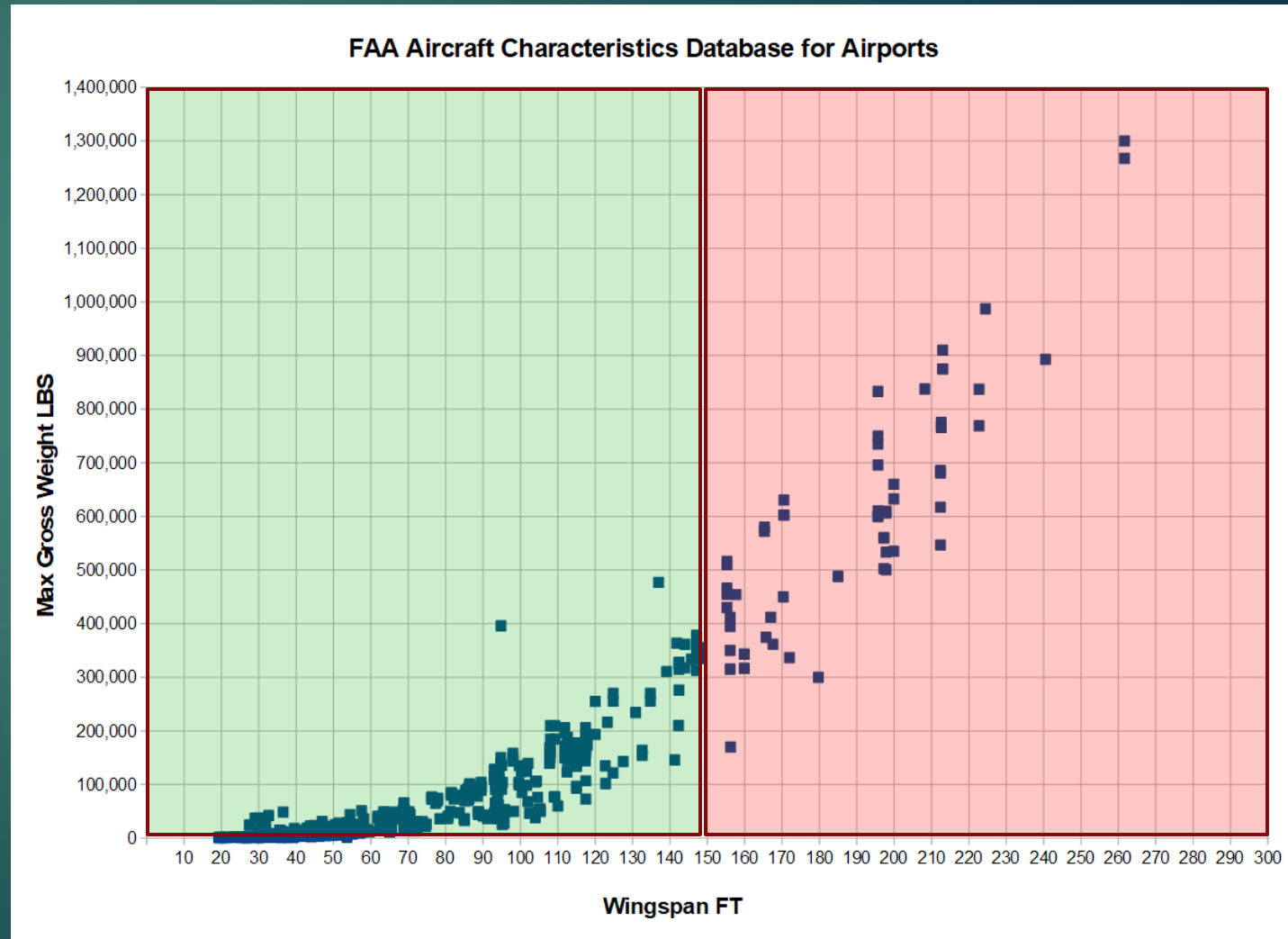
- ▶ Hangars 915A-927 are 75 ft from the center line of taxiway C
- ▶ The assumption that the required clearance* to taxiway centerline was less than required for FAA grant qualification was wrong
- ▶ The previous Airport manager determined the buildings must be removed
- ▶ No plans have been made to replace these 12 hangars. The replacement cost is approximately 1 million not including concrete foundations and taxiway access
- ▶ Buildings do not violate airport design requirements for AC150/5300-13A when applied correctly.



What aircraft can taxi on Charlie and strike a hanger?

- ▶ Clearance is 75 ft from centerline
- ▶ FAA Database all 2,765 aircraft
- ▶ Sample data shown below

Model	Wingspan, ft	MTOW
A310-200	144.03	317,465
A310-300	144.03	361,557
A318-100	111.88	149,914
A319-100	111.88	168,653
A319-100 Sharklet	117.45	168,653
A319neo Sharklet	117.45	166,449
A320-200	111.88	171,961
A320-200 Sharklet	117.45	171,961
A320neo Sharklet	117.45	174,165
A321-100	111.88	196,211
A321-100 Sharklet	117.45	196,211
A321-200	111.88	206,132
A321-200 Sharklet	117.45	206,132
A321neo Sharklet	117.45	206,132
A330-200	197.83	533,519
A330-200F	197.83	533,519
A330-300	197.83	533,519
A340-200	197.83	606,271
A340-300	197.83	609,578
A340-500	208.17	837,756
A340-600	208.17	837,756
A350-1000	212.42	685,638



What aircraft can use runways 08-26 and 04-22?

- ▶ Aircraft weight limits shown in airport facility directory (AFD)
- ▶ Pavement limits runway use:
- ▶ MTOW Limit for 08-26 is 88,000 lb
- ▶ MTOW Limit for 04-22 is 60,000 lb

168

CALIFORNIA

MOJAVE AIR AND SPACE PORT (MHV)(KMHV) 1 E UTC-8(-7DT) N35°03.54' W118°09.04' **LOS ANGELES**

2801 B TPA—See Remarks NOTAM FILE MHV

H-41, L-3D, 7-C
IAP, AD

RWY 12-30: H12503X200 (ASPH) S-120, D-150, 2D-450 HIRL

RWY 12: REIL. PAPI(P4L)—GA 3.0° TCH 68'. Thld displcd 600'.
1.0% down.

RWY 30: REIL. PAPI(P4L)—GA 3.0° TCH 62'. Thld displcd 900'. Rgt tfc.
1.0% up.

RWY 08-26: H7049X100 (ASPH) S-40, D-60, 2D-88 MIRL
0.6% up W

RWY 08: PAPI(P2L)—GA 4.0° TCH 55'.

RWY 26: PAPI(P2L)—GA 3.0° TCH 52'. Rgt tfc.

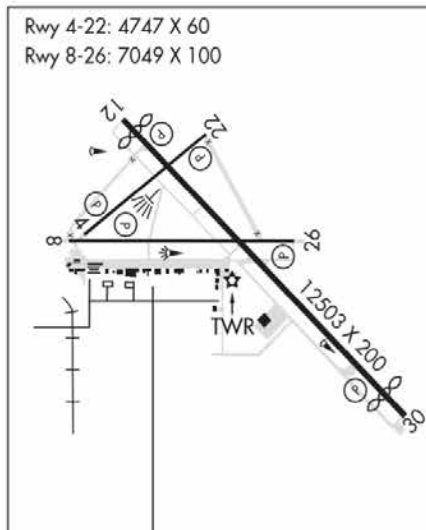
RWY 04-22: H4747X60 (ASPH) S-40, D-60, 2D-60 MIRL

RWY 04: PAPI(P2L)—GA 4.0° TCH 39'. Pole.

RWY 22: PAPI(P2L)—GA 3.0° TCH 40'. Rgt tfc.

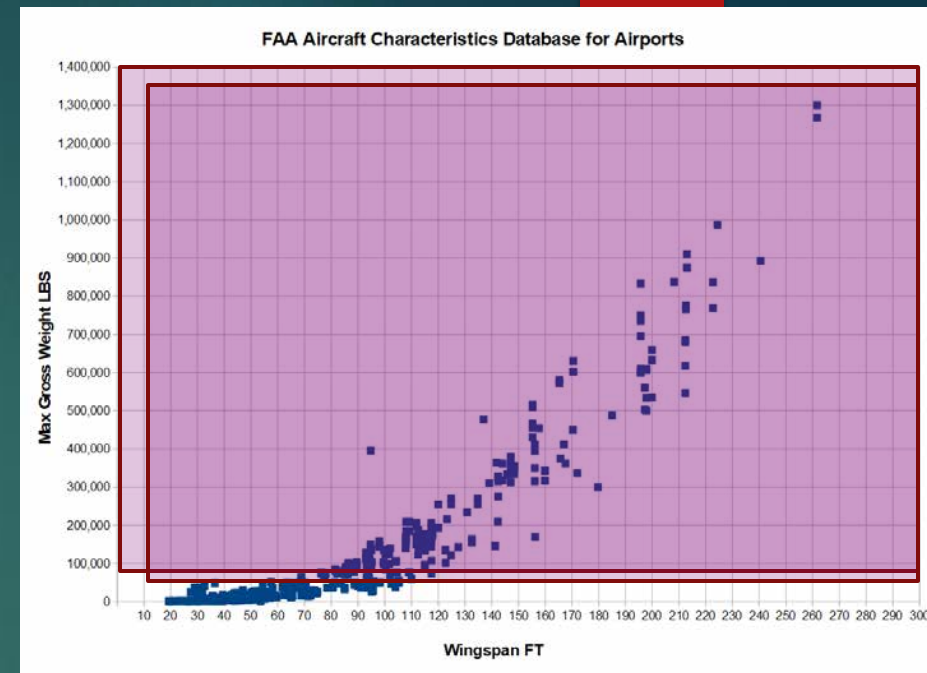
SERVICE: S4 FUEL 100LL, JET A, A+ LGT ACTIVATE MIRL Rwy 08-26,
MIRL Rwy 04-22 and HIRL Rwy 12-30, REIL Rwy 12 and Rwy
30—CTAF.

AIRPORT REMARKS: Attended continuously. Fuel avbl 1500-0100Z±,
Mon-Sat; other times ctc security on CTAF, fee charged. Be alert to high
speed activity invof arpt. Fee charged. Paving width Rwy 08 200'.
TPA—CAT C/D and all turbojet acft TPA 4301' MSL (1500' AGL); CAT
A/B acft TPA 3801' MSL (1000' AGL). Helicopter TPA 3301' MSL
(500' AGL) and use south entry and departure. Twy F is clsd. Due to rapidly rising terrain west and northwest of the arpt
CAT/C/D and all turbojet acft ldg Rwy 08 must remain at or above 4301' MSL until commencing base leg turn and at or
above 3800' MSL until established on A 2.25 NM final. Rwy 12 unusable byd 2.5 NM.



What aircraft can use runways 08-26 and 04-22?

- ▶ The weight limits on both runways limits them to FAA Type Aircraft Design group Classifications I and II only!
- ▶ Therefore West end of Taxiway Charlie is designed by Aircraft Design group Classifications I and II only!
- ▶ Aircraft Design group Classifications III cannot use the runways served by Taxiway Charlie (too heavy)
- ▶ Red box shows aircraft that exceed runway pavement limits
- ▶ FAA Database is 2,765 aircraft (used for airport design)



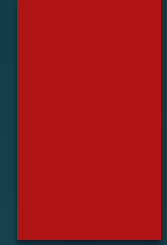
FAA Airport Design Group Classification



FAA Aircraft Design Group Classification Used in Airport Geometric Design.

Design Group	Wingspan (ft)	Example Aircraft
I	< 49	Cessna 152-210, Beechcraft A36
II	49 - 78	Saab 2000, EMB-120, Saab 340, Canadair RJ-100
III	79 - 117	Boeing 737, MD-80, Airbus A-320
IV	118 - 170	Boeing 757, Boeing 767, Airbus A-300
V	171 - 213	Boeing 747, Boeing 777, MD-11, Airbus A-340
VI	214 - 262	A3XX-200 or VLCA (planned)

Taxiway Charlie Object Free Area (OFA)



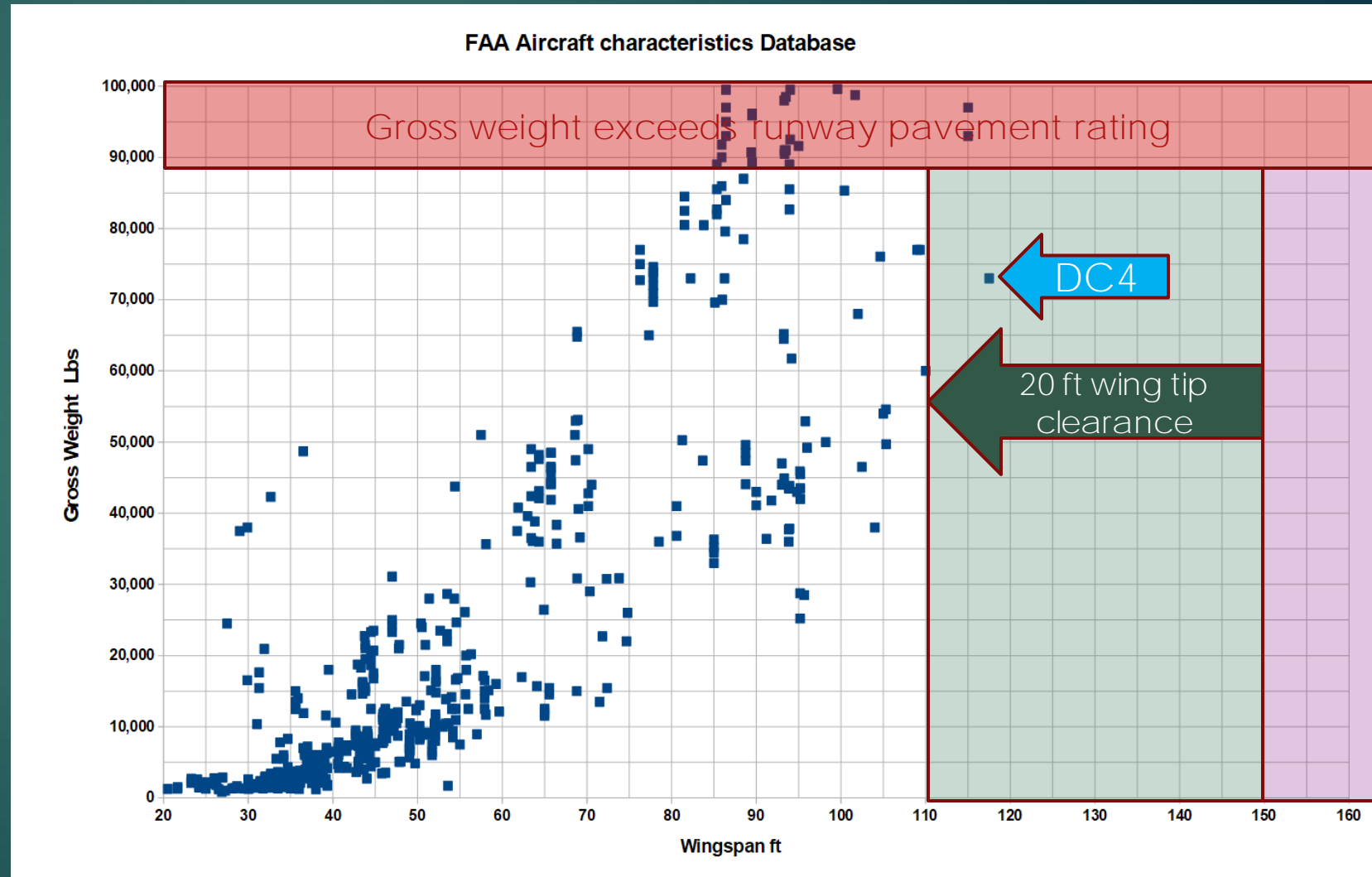
▶ Zoomed in view of aircraft span and weights data shown

▶ Category II aircraft are limited to 79 ft wingspan

▶ Aircraft that are both:

under 88k lbs and over 150 ft wingspan = ZERO (pink zone)

The only aircraft close is a DC4 (clearance over 15 ft)



Taxiway Charlie Object Free Area (OFA) has 19 foot margin!

- ▶ Category II aircraft are limited to 79 ft wingspan
- ▶ OFA required is 131 ft or 65.5 ft from centerline
- ▶ We have 75 ft!

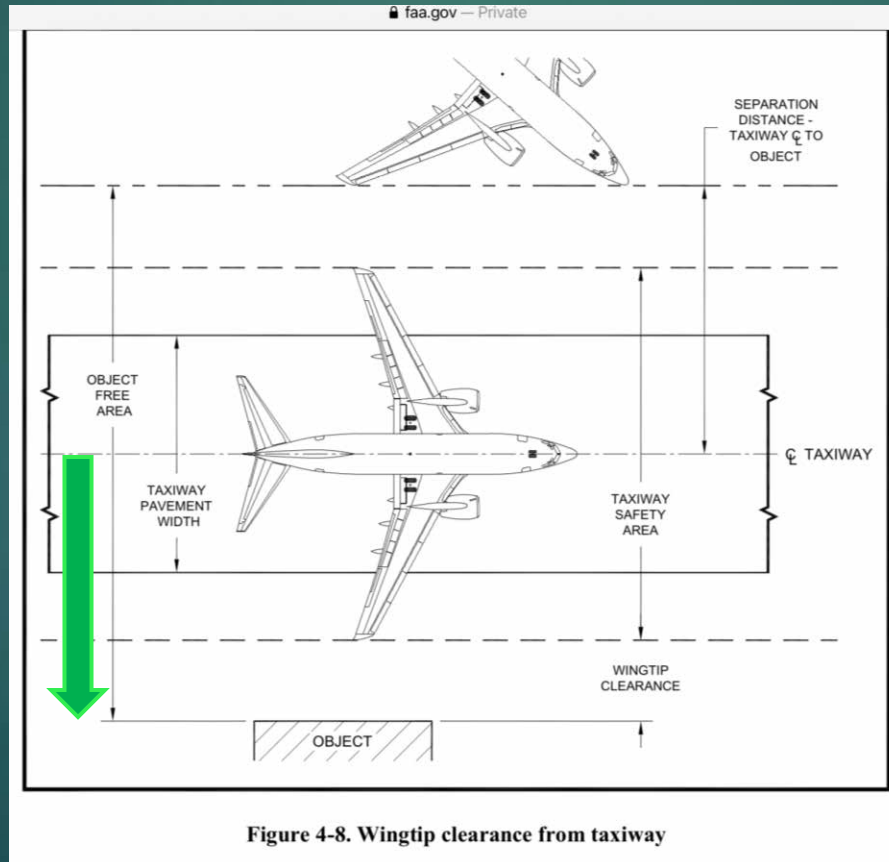


Table 4-1. Design standards based on Airplane Design Group (ADG)

ITEM	DIM (See Figure 3-26)	ADG					
		I	II	III	IV	V	VI
TAXIWAY PROTECTION							
TSA	E	49 ft (15 m)	79 ft (24 m)	118 ft (36 m)	171 ft (52 m)	214 ft (65 m)	262 ft (80 m)
Taxiway OFA		89 ft (27 m)	131 ft (40 m)	186 ft (57 m)	259 ft (79 m)	320 ft (98 m)	386 ft (118 m)
Taxilane OFA		79 ft (24 m)	115 ft (35 m)	162 ft (49 m)	225 ft (69 m)	276 ft (84 m)	334 ft (102 m)
TAXIWAY SEPARATION							
Taxiway Centerline to Parallel Taxiway/Taxilane Centerline ¹	J	70 ft (21 m)	105 ft (32 m)	152 ft (46.5 m)	215 ft (65.5 m)	267 ft (81 m)	324 ft (99 m)
Taxiway Centerline to Fixed or Movable Object	K	44.5 ft (13.5 m)	65.5 ft (20 m)	93 ft (28.5 m)	129.5 ft (39.5 m)	160 ft (48.5 m)	193 ft (59 m)
Taxilane Centerline to Parallel Taxiway/Taxilane Centerline ¹		64 ft (19.5 m)	97 ft (29.5 m)	140 ft (42.5 m)	198 ft (60 m)	245 ft (74.5 m)	298 ft (91 m)
Taxilane Centerline to Fixed or Movable Object		39.5 ft (12 m)	57.5 ft (17.5 m)	81 ft (24.5 m)	112.5 ft (34 m)	138 ft (42 m)	167 ft (51 m)
WINGTIP CLEARANCE							
Taxiway Wingtip Clearance		20 ft (6 m)	26 ft (8 m)	34 ft (10.5 m)	44 ft (13.5 m)	53 ft (16 m)	62 ft (19 m)
Taxilane Wingtip Clearance		15 ft (4.5 m)	18 ft (5.5 m)	22 ft (6.5 m)	27 ft (8 m)	31 ft (9.5 m)	36 ft (11 m)

What can we do

- ▶ Buildings do not violate airport design requirements for AC150/5300-13A
- ▶ Contact FAA Airport district office to discuss correct OFA
- ▶ Change AFD to limit taxiway to category II aircraft at west end (79 ft wingspan) or 98 ft wingspan (wingtip clearance required Cat II)
- ▶ Justification is that here are NO aircraft that are both:

Within the load ratings for both adjacent runways AND have a wingspan that would strike the hangars

Alternative-

- ▶ Request a temporary deviation from standards from FAA airport district office
- ▶ AFD would state " west end Taxiway C wingspan limited to 79 ft"
- ▶ Monterey Regional has similar deviations AFD shown

MONTEREY RGNL (MRY)(KMRY) 3 SE UTC-8(-7DT) N36°35.22' W121°50.57'

SAN FRANCISCO

257 B TPA-1757(1500) Class I, ARFF Index B NOTAM FILE MRY

H-3B, L-3B

RWY 10R-28L: H7175X150 (ASPH-GRVD) S-100, D-160, 2S-175,

IAP, AD

2D-300 PCN 43 F/A/X/U HIRL 1.4% up E

RWY 10R: MALSR. PAPI(P4L)—GA 3.0° TCH 47'. RVR-TR Thld dsplcd 175'.

RWY 28L: REIL. PAPI(P4R)—GA 3.5° TCH 45'. RVR-TR Thld dsplcd 175'. Rgt tfc.

RWY 10L-28R: H3503X60 (ASPH) S-12.5 MIRL 1.7% up E

RWY 10L: REIL. PAPI(P2L)—GA 3.0° TCH 46'.

RWY 28R: REIL. PAPI(P2L)—GA 3.85° TCH 49'. Rgt tfc.

RUNWAY DECLARED DISTANCE INFORMATION

RWY 10R: TORA-7175 TODA-7175 ASDA-7175 LDA-7000

RWY 28L: TORA-7175 TODA-7175 ASDA-7175 LDA-7000

ARRESTING GEAR/SYSTEM

RWY 10R: EMAS

RWY 28L: EMAS

SERVICE: S4 FUEL 100LL, JET A OX 2, 4 LGT PAPI Rwy 28L

unusable byd 2° left of rwy centerline. When twr clsd, ACTIVATE MALSR Rwy 10R, REIL Rwy 28L, PAPI Rwy 10L, 10R, Rwy 28L and 28R, HIRL Rwy 10R-28L—CTAF. When twr clsd REIL 10L and Rwy 28R, MIRL Rwy 10L and Rwy 28R unavbl.

AIRPORT REMARKS: Attended continuously. Self service fuel avbl 24 hrs

with credit card. Svc fuel and repairs between 0600-1400Z† by prior arrangement call 831-373-4151 or 831-373-3201. Rwy 10L-28R not avbl for air carrier use. Fire station apron clsd to hel tfc. Rwy 10L-28R not avbl for sked acr opns with more than 9 psgr seats or unsked acr at least 31 psgr seats. Avoid flying Rwy 28L RNAV Y when possible to reduce noise impacts. Rwy 28L RNAV and RNP apchs are not to be used for practice apchs. Please avoid flights over residential areas, N and S. Ctc arpt ops 831-648-7000 option 2 or www.montereyairport.com for procedures. Rotary wing acft expect to follow fixed wing pattern to rwy ldg. On departure no turns blo 900' unless twr directed. Twr non-visibility area Twy A east holding bay. Acft with wingspan greater than 95' may not taxi past the terminal on Twy Alpha when an MD-80 or 757 is parked at terminal. Acft with wingspan greater than 65' prohibited on Twy Bravo between Twy Echo and Twy Delta. Noise abatement procedures in effect 0700-1500Z†. Facility constraints for commercial diversions. ADG III and larger with seating capacity more than 150 passengers are highly discouraged. CBP processing facilities unavailable. Overnight tiedown fee at FBO, ldg fee charged for acft over 6,000 lbs and helicopters. Overnight tiedown fee at FBO. Ctc FBO for rates and charges. Ltd transient parking PPR rqrd for large and turbine powered multi-engine acft, 831-648-7000 option 2.

AIRPORT MANAGER: 831-648-7000

WEATHER DATA SOURCES: ASOS (831) 642-0241

COMMUNICATIONS: CTAF 118.4 ATIS 119.25 831-375-7433 UNICOM 122.95

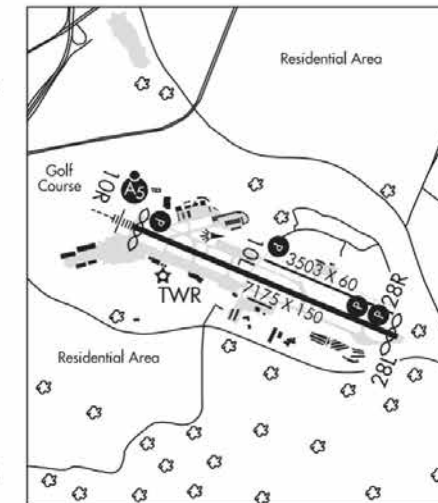
® NORCAL APP/DEP CON 133.0 (360°-150°) 127.15 (151°-359°)

TOWER 118.4 (1400-0500Z†) **GND CON** 120.875 **CLNC DEL** 135.45

CLEARANCE DELIVERY PHONE: For CD or cnl IFR when ATCT clsd, ctc NorCal app con on 133.5; if una, ctc NorCal Apch at 916-361-3748.

AIRSPACE: CLASS C svc ctc APP CON svc 1400-0500Z†; other times CLASS G.

RADIO AIDS TO NAVIGATION: NOTAM FILE SNS.



Date: Tuesday, April 27, 2021
 Time: 01:02PM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 11-21 As of: 4/27/2021

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
Company: MASP										
Acct / Sub:	101000		1200							
060905	CK	5/4/2021	1314 Mead & Hunt	11-21	048198	VO	315568	4/29/2021	0.00	201,484.50
060906	CK	5/4/2021	1314 Mead & Hunt	11-21	048199	VO	315564	4/19/2021	0.00	71,425.61
060907	CK	5/4/2021	1314 Mead & Hunt	11-21	048203	VO	314564	3/18/2021	0.00	21,253.15
Check Count:		3								
Acct Sub Total:										294,163.26

Check Type	Count	Amount Paid
Regular	3	294,163.26
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
Total:	3	294,163.26

Company Disc Total	0.00	Company Total	294,163.26
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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: May 4, 2021

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.

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 May 4, 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 1st day of any month is not paid by the 20th 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 21st 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 approval, 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 20th 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 21st 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.

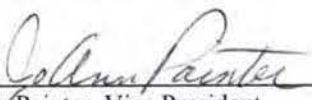
21.22 COMPLIANCE WITH LAWS. Tenant shall comply with (a) all federal, state, and local laws, rules and regulations (including Environmental Laws) governing the hangar on the Premises and Tenant's operation of the hangar and Tenant's operations on the Premises pursuant to this Lease; and (b) the rules 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

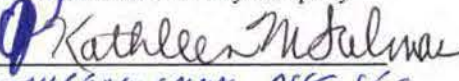
Attest:

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.

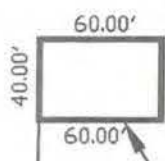
David E. Russell 3/6/09

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

00



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

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, 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; please also send a courtesy copy to 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

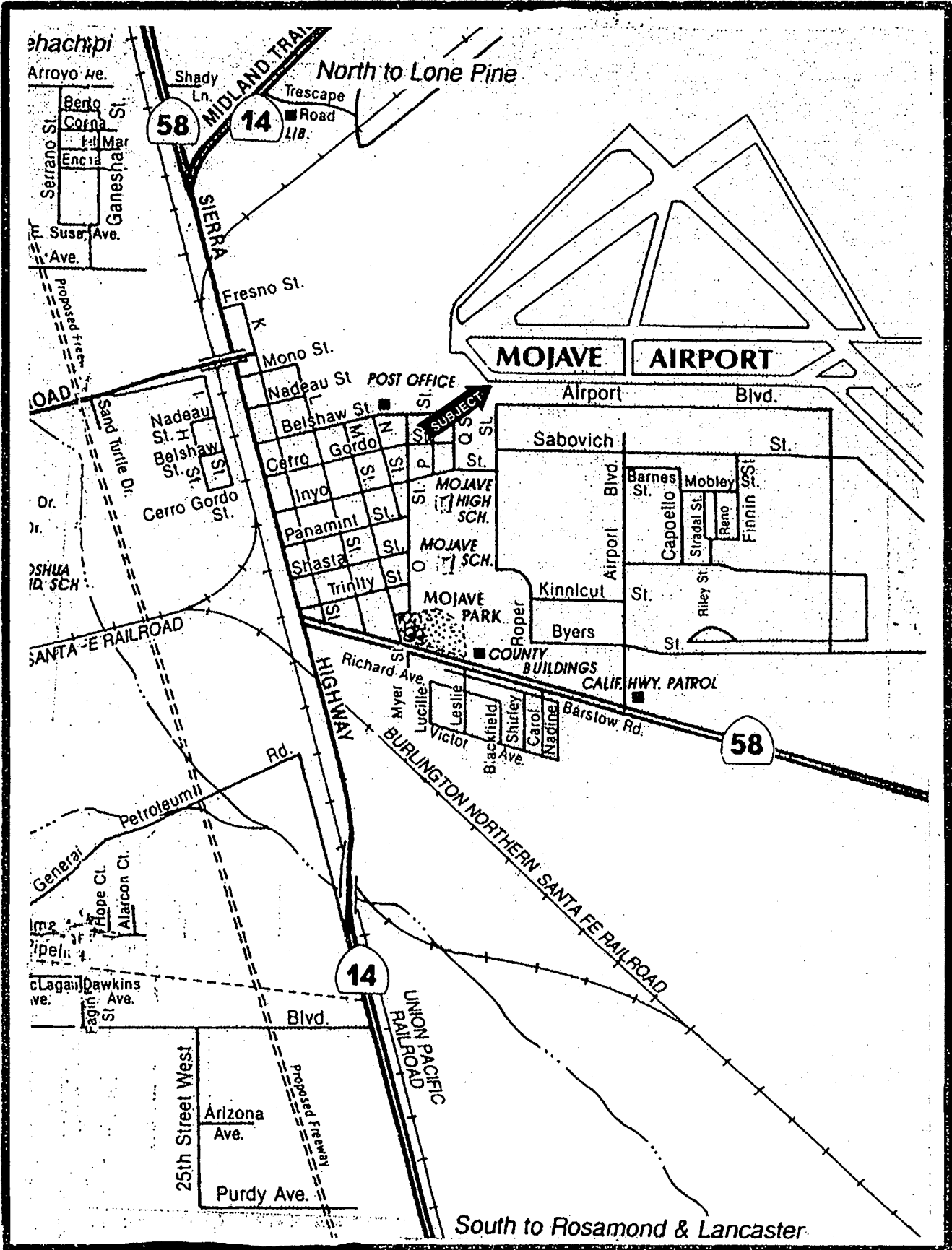
By: 
Name: Doug Gosling, Esq.

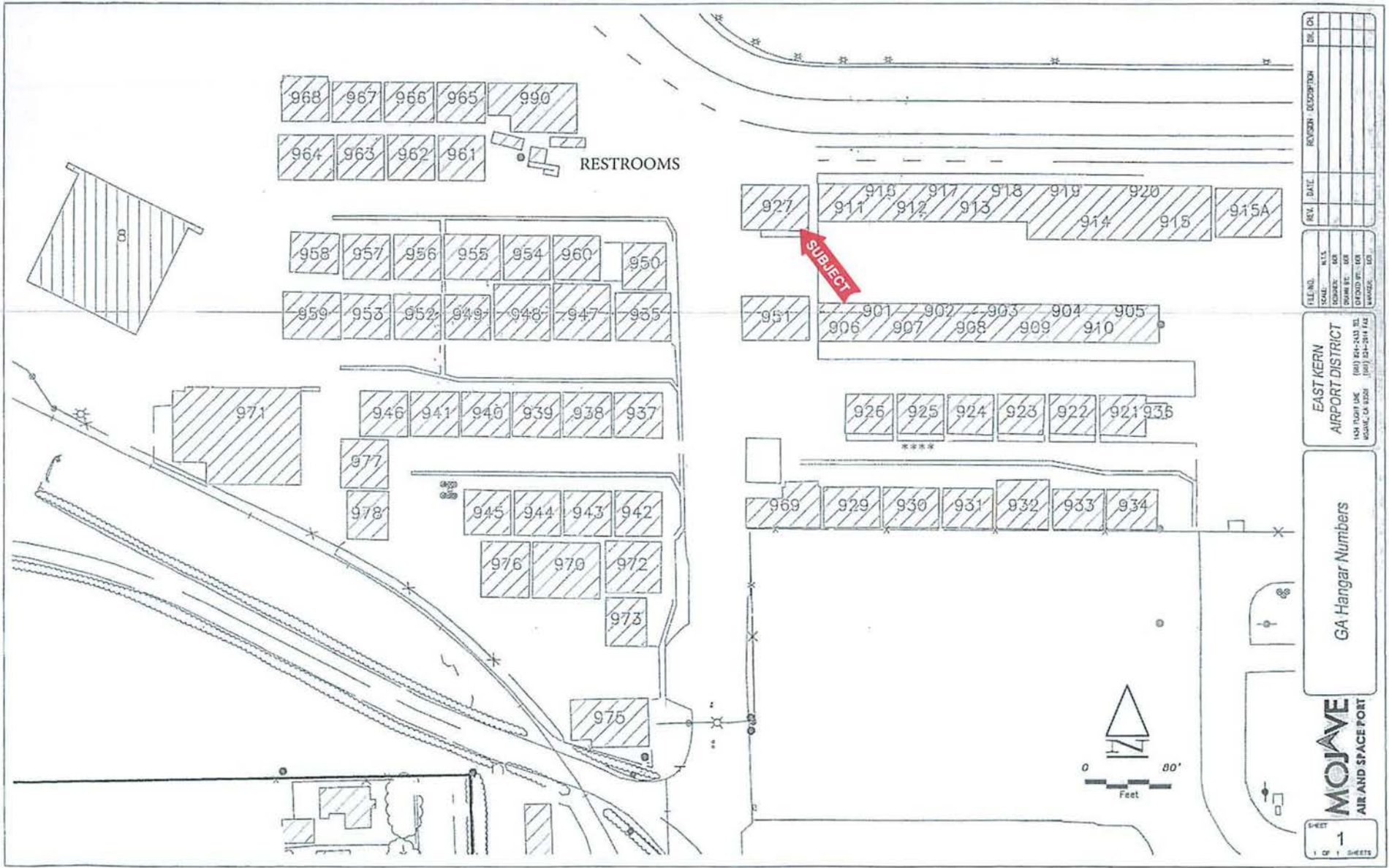
Its: Special Counsel

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

EXHIBIT A

Location Map





REV.	DATE	REVISION DESCRIPTION	BY	CHK

FILE NO.	N.T.S.	DATE	BY	CHK

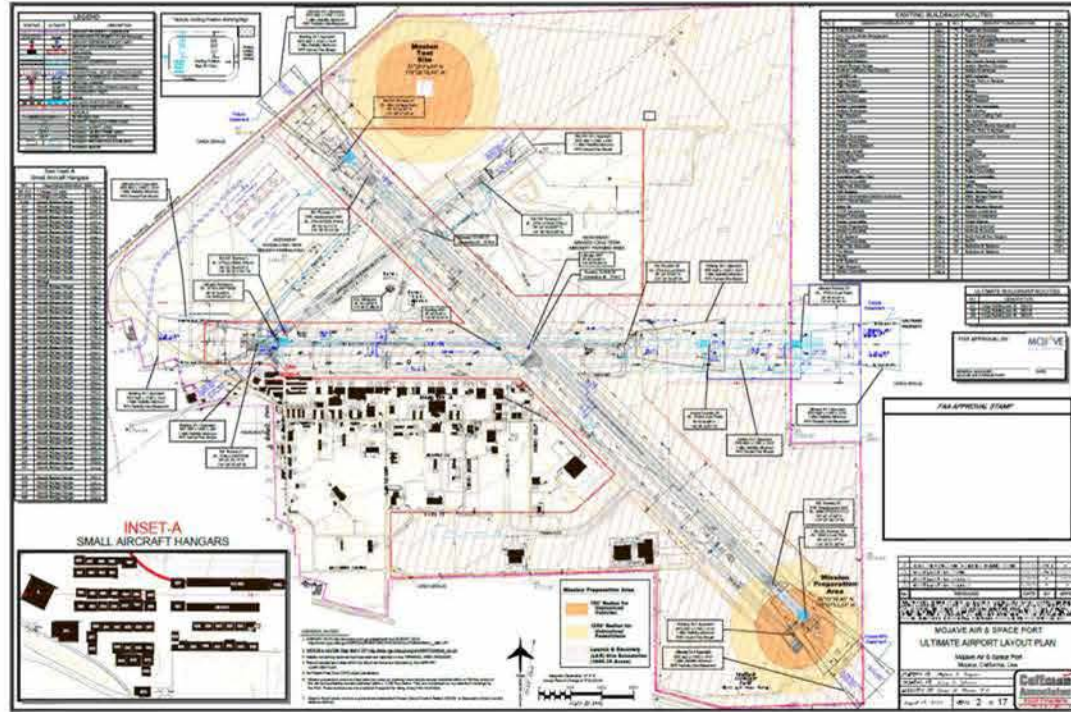
**EAST KERN
AIRPORT DISTRICT**
 1000 S. MAIN ST.
 ARVIN, CA 93203
 (805) 934-3333
 (805) 934-3344 FAX

GA Hangar Numbers

MOJAVE
 AIR AND SPACE PORT

EXECUTIVE SUMMARY

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





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 P.O. Box 92007
Los Angeles Airports District Office 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.

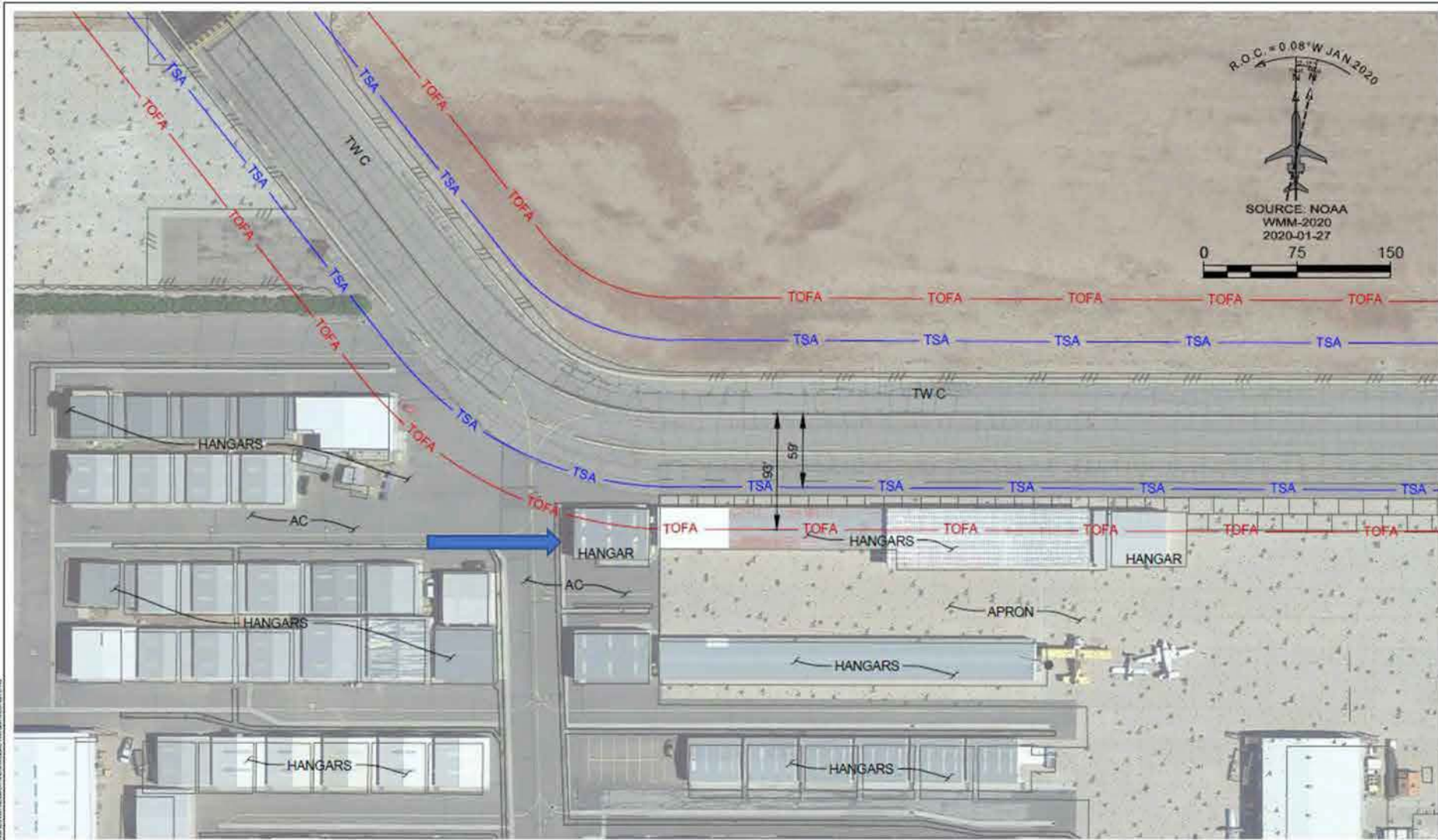
You are additionally advised that the airfield is located within the confines or near a military training route or military training area.

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 Q. Armstrong
Manager, Los Angeles Airport District Office

Enclosures



R.O.C. = 0.08° W JAN 2020

SOURCE: NOAA
WMM-2020
2020-01-27

0 75 150



3229800-191787.01
OCTOBER 2020

TAXIWAY C: EXISTING SAFETY AND OBJECT FREE AREAS





Mead & Hunt
 Mead and Hunt, Inc.
 3110 E. Street Road,
 Suite 200
 Orange, CA 92751
 Phone: 949-487-8800
 mead@mh.com

MOJAVE
 AIR & SPACE PORT

MOJAVE AIR AND SPACE PORT
 1434 FLIGHT LINE, MOJAVE, CA 93501
 PHONE: 949-487-8800
 FAX: 949-487-8801
 WWW.MOJAVEAIRPORT.COM

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

1434 FLIGHT LINE, MOJAVE, CA 93501

NOT FOR CONSTRUCTION
 DRAWING NO. 21
 DATE: APRIL 2008
 PROJECT: TAXIWAY C REHABILITATION
 REVISIONS:
 REVISION NO. 1
 DATE: 05/20/08
 BY: TOLANB

EXHIBIT

**Mojave Air & Space Port
Treasurer's Report
For the month ended March 31, 2021**

	<u>General</u>	<u>County Treasury</u>	<u>LAIF</u>	<u>Total</u>
Beginning Balance	\$ 3,318,720.34	\$ 730,200.72	\$ 4,172,020.65	\$ 8,220,941.71
Receipts:				
Operating Revenues	914,066.77	-	-	914,066.77
Interest Income	141.07	126.20	-	267.27
Tax Proceeds	-	6,231.77	-	6,231.77
Total Receipts	<u>914,207.84</u>	<u>6,357.97</u>	<u>-</u>	<u>920,565.81</u>
Expenditures:				
Operating Expenses	(830,162.41)	-	-	(830,162.41)
Project Expenses	-	-	-	-
Total Expenditures	<u>(830,162.41)</u>	<u>-</u>	<u>-</u>	<u>(830,162.41)</u>
Transfers:				
Between General and County Treasury	-	-	-	-
Between General and LAIF	-	-	-	-
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance	<u>\$ 3,402,765.77</u>	<u>\$ 736,558.69</u>	<u>\$ 4,172,020.65</u>	<u>\$ 8,311,345.11</u>

The Mojave Air & Space Port unencumbered cash is on deposit bearing interest at various rates, in accordance with the District's Investment Policy.

MOJAVE AIR & SPACE PORT
Revenue and Expense by Function
For the Nine Months Ending Wednesday, March 31, 2021

Description	Rents & Leases Aviation	Rents & Leases Non-aviation	Flight Related Activities	Non-flight Related Activities	Total
Operating Revenue					
Fuel Sales & Services	-	-	2,991,807	575	2,992,382
Cost of Fuel & Lubricants Sold	-	-	1,816,794	-	1,816,794
Gross Profit on Fuel Sales & Services	-	-	1,175,014	575	1,175,589
Rents & Leases	3,674,334	1,710,799	-	10,264	5,395,397
Other Revenue	-	-	72,257	178,478	250,735
Total Operating Revenue	3,674,334	1,710,799	1,247,271	189,317	6,821,720
Operating Expense					
Salaries & Benefits	899,877	545,726	759,451	409,746	2,614,799
Noncapitalized Equipment	52,340	8,651	2,414	19,077	82,481
Supplies	64,926	11,774	11,950	15,702	104,352
Licensing & Software	47,050	18,402	11,894	5,629	82,975
Communications	31,195	9,265	13,790	7,781	62,032
Training & Travel	10,557	179	300	12,220	23,255
Permits & Fees	2,792	1,331	4,164	703	8,990
Repairs & Maintenance	305,367	135,778	44,614	3,559	489,317
Engineering Services	73,582	36,525	19,143	57,785	187,034
Legal & Accounting Services	130,135	-	-	76,461	206,596
Operating Services	220,925	82,564	41,160	40,383	385,032
Bad Debts	3,946	-	-	-	3,946
Dues & Subscriptions	12,720	7,700	8,338	18,841	47,599
Insurance	70,419	70,394	70,394	70,394	281,602
Marketing	25,779	2,547	2,517	38,267	69,110
Rent Expense	7,905	1,786	37,117	230	47,038
Utilities	96,151	133,588	27,449	23,831	281,020
Tenant Retention	41,530	31,101	-	-	72,631
Miscellaneous	1,421	1,493	11,312	14,217	28,442
Depreciation	341,769	-	734,459	-	1,076,229
Expense Reimbursements	-	(20,391)	(51,923)	(30,784)	(103,098)
Total Operating Expense	2,440,385	1,078,412	1,748,542	784,043	6,051,383
Excess (Deficit) of Operating Revenue over Operating Expense	1,233,948	632,386	(501,271)	(594,726)	770,338
Nonoperating Revenue					
Property Taxes	308,533	102,844	-	-	411,377
Interest Income	-	-	-	29,057	29,057
Other Nonoperating Revenue	46,663	-	-	-	46,663
Total Nonoperating Revenue	355,196	102,844	-	29,057	487,097
Excess (Deficit) of Revenue over Expense	1,589,144	735,231	(501,271)	(565,669)	1,257,434
FAA Projects					
Grants In Aid-Federal/State	-	-	837,945	-	837,945
FAA Projects Expense	-	-	-	74,428	74,428
Excess (Deficit) of FAA Projects Revenue over FAA Projects Expense	-	-	837,945	(74,428)	763,517
Reserve Designations					
Infrastructure Projects	-	-	-	167,853	167,853
Property Investments	-	-	-	278,564	278,564
Building Improvements	-	-	-	132,775	132,775
Equipment	-	-	-	103,905	103,905
Employee Benefits	-	-	-	250,000	250,000
Total Reserve Designations	-	-	-	933,098	933,098

Mojave Air & Space Port Fuel Inventory Report

MARCH 2021

JET A		
Beginning Inventory	73,232	
Gallons Delivered		
Gallons Purchased	132,693	
Defuels	-	
Total Gallons Delivered	132,693	
Gallons Pumped		
Gallons Sold	140,767	
Refuels	-	
Tank farm/Line truck sumps	85	
Delivery Samples	55	
Total Gallons Pumped	140,907	
Ending Inventory	65,018	
Physical Check	62,464	
Inventory Value at	2.12	\$132,423.68

AVGAS		
Beginning Inventory		9,444
Gallons Delivered		
Gallons Purchased		-
Gallons Pumped		
Gallons Sold		2,654
Tank farm/Line truck sumps		5
Delivery Samples		5
Total Gallons Pumped		2,664
Ending Inventory		6,780
Physical Check		5,482
Inventory Value at	4.05	\$22,202.10

LUBRICANTS		
Beginning Inventory	187	
Quarts Purchased	0	
Quarts Sold	0	
Ending Inventory	187	
Physical Check	187	
Aeroshell 100; 100W; 15/50 Multi 80 @ \$5.62; 48 @ \$6.02; 59 @ \$6.68		\$1,132.68

PRIST		
Beginning Inventory		117
Cans Purchased		0
Cans Sold		0
Ending Inventory		117
Physical Check - Cans		117
Physical Check - Bulk		6.3
117 CANS @ \$7.40; 6.3 (5.2) Gallons @ 120.15		\$1,669.55

UNLEADED FUEL		
Beginning Inventory	915.2	
Gallons Purchased	602.0	
Gallons Used	533.1	
Ending Inventory	984.1	
Physical Check	915.2	
Inventory Value at	\$2.60	\$2,378.60

DIESEL FUEL		
Beginning Inventory		936.0
Gallons Purchased		51.0
Gallons Used		350.3
Ending Inventory		636.7
Physical Check		665.6
Inventory Value at	\$2.30	\$1,530.21

March 2021 Fuel Inventory \$161,336.82

March Gallons Sold 143,421
Year to Date 1,080,382

Mojave Air & Space Port
Customers Over 90 Days Past Due

	1-30 Days	31-60 Days	61-90 Days	90+ Days	TOTAL	Comments
Engineering Propulsion	0.00	0.00	0.00	5,043.86	5,043.86	Working with legal
Dragon Aviation	119.26	1,802.62	1,505.26	934.24	4,361.38	Working with Tenant - Making current month rent payments
Jose Lopez	12.54	11.75	12.99	1,263.22	1,300.50	Tenant vacated and making small payments
Forestry	0.00	7,194.14	0.00	11,028.66	18,222.80	Tenant vacated and payment is processing
Aged AR as of 4/27/2021	360,319.16	58,452.43	10,530.60	18,269.98	447,572.17	

2021 Mojave Invoice Attachment

	January	February	March	April	May	June	July	August	September	October	November	December
Total Income	\$ 2,953.04	\$ 2,950.28	\$ 4,514.50									
Total Expenses	\$ (9,629.12)	\$ (11,902.46)	\$ (13,725.90)									
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
Net Income	\$ (6,676.08)	\$ (8,952.18)	\$ (9,211.40)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MEMBERSHIPS	357	338	349									
New Members	0	0	30									
Cancelled Members	-26	-19	-19									
Net Change	-26	-19	11									
Notes for board:	<u>JANUARY:</u>	Of the 26 cancels, 8 moved, 7 were returned to collections, 4 had job transfered or out of the area, 3 because the gym closure, 2 had no time, & equipment at home & misrepresentation										
	<u>February:</u>	Of the 19 cancels, 11 were returned to collections, 3 were no longer employees, 2 had a job transfered or out of area, Reasons for Joined other club, duplicat account & move all had 1										
	<u>March:</u>	Of the 19 cancels, 5 were because the gym closure, 4 had equipment at home, 3 moved, misrepresentation & returned to collections had 2, and no time, job transfer & limited hours h										

MOJAVE
AIR AND SPACE PORT
STAFF MEMORANDUM

TO: Board of Directors
FROM: Chris Spandorf, Security Chief
SUBJECT: Security
MEETING DATE: May 4, 2021

Background:

Security Activity: April 1st - 25th, 2021.

Conducted a total of 3,719 Location checks to include but not limited to:

- Single report of Unauthorized sUAS activity in class delta airspace. Unconfirmed by MASP Security. 4/14/2021 Report# 124507
- 979 T-Hangar Checks
- 2,129 Building Checks
- 558 Gate Checks
- Responded to 49 building alarms.
- Patrolled a total of 4,086 miles.
- No Law Enforcement support requested

Impacts:

Fiscal: All budgeted hours
Environmental: N/A
Legal: N/A

Recommended Action:

No Action Required

MOJAVE

AIR AND SPACE PORT

CEO REPORT

TO: MASP Board of Directors

FROM: Todd Lindner

MEETING DATE: May 04, 2021

Updates

- ➔ Mead & Hunt – General Aviation Meeting (04/19/2021)
 - Mead & Hunt is assembling a scope of work which will include an evaluation of the pavement conditions and stormwater drainage conditions associated with the GA aircraft storage area.
 - In addition to assessing the existing pavement and drainage in the GA area, the evaluation will also provide alternatives and Rough Order of Magnitude of costs.

- ➔ Entered into a Letter of Agreement (LOA) between Mojave ATCT and Pro-Tec Aircraft Rescue and Fire Fighting service (04/21/2021).
 - Purpose of the LOA is to identify and assign the responsibility for coordination, notification and dissemination of flight data and operational information between Pro-Tec & MHV ATCT during normal and extended business hours.

- ➔ Mr. Doug Lloyd accepted an offer to serve as an Air Traffic Controller at the MASP ATCT (04/21/2021).
 - Mr. Lloyd will begin service on May 13.

- ➔ Shannon Montano Cal Trans (04/22/2021)
 - Cal Trans participation in T-Hangars is limited to the \$10,000 annual entitlement received from the State.
 - Funds may be held for up to 5-years.
 - Currently seeking t-hangar funds through EDA grant.

- ➔ Scaled Composites/Hangar 927 Meeting (04/23/2021)
 - Met with Mr. Jason Kelley and Mr. Pete Siebold to discuss the Hangar 927 project.
 - Both Mr. Kelley and Mr. Siebold were unaware of the manner and method in which FAA categorized taxiways and runways.
 - Neither Mr. Kelley nor Mr. Siebold had been provided any specific details from the airport regarding replacing Hangar 927 with a suitable replacement for Scaled Composites.
 - Mr. Kelley and Mr. Siebold both indicated the desire of Scaled Composites was not to be a problem to MASP, but consideration for the company's asset was essential considering the use and purpose of Hangar 927 relative to Scaled Composites business model.
 - Alternatives discussed included the following:
 - Relocation of the existing Hangar 927 to an appropriate location.
 - The relocation would be completed primarily at the cost of MASP

MOJAVE

AIR AND SPACE PORT

CEO REPORT

- The cost associated with relocating the Hangar combined with the possible damage to the structure are factors which potentially result in this alternative not being economically feasible.
- Scaled Composites and MASP have discussed this scenario in the past. Agree it might not be a cost effective solution.
- Work toward accepting a similarly sized hangar, which currently exists, but is under the ownership of a different party.
 - The time required to complete the transaction involving the release and vacating of the hangar and relocation of Scaled may not be operationally viable.
 - This may still be a viable option. There are details with this solution that can be worked to determine if this will be an acceptable solution.
- Replacement of the hangar in a location as not to interfere with the TOFA.
 - Both parties agreed replacement of the hangar is a viable option.
 - Both parties discussed the advantages and disadvantages of one party or organization constructing the facility, versus the other.
 - Regarding any level of cost sharing, Scaled Composites would need to see very specific details on cost sharing to actually evaluate offer.
 - Lease terms and rates were not discussed but will need to be discussed to fully evaluate airports offer.
- Currently, removal of Hangar 927 can be pushed to the August 2021 timeframe.
- It will be most difficult if not impossible to have a replacement facility constructed before August 2021.
- The meeting concluded with all parties agreeing there are potential alternatives to addressing the issue and a plan could be in place prior to the August 2021 removal of Hangar 927.
- Both parties agreed considering the potentiality of selection of a plan forward and viable alternative, it is recommended Imminent Domain be postponed until negotiations reach an impasse and cannot be overcome.
- ➔ Hazardous Communications (04/23/2021)
 - Working with Chris Spandorf and Chief Farrar, an update of the Hazardous Communications Plan (“Red Book”) has been initiated.
 - A draft will be available for review prior to May 14, 2021.
- ➔ Instrument Approach – LPV Runway 30 (04/26/2021)
 - FAA has assigned for Categorical Exclusion (Cat X) determination.
 - Anticipated Cat X determination will be complete in 30 – 60 days.
 - Next steps will include submission of the procedure to FAA-Flight Standards for final review and then to FAA-Aeronautical Information Systems for publication and dissemination.
- ➔ Federal Contract Tower Application (04/26/2021)



CEO REPORT

- Previously FAA requested information regarding the impact to operations at MASP resulting from the COVID pandemic.
 - Data was submitted to FAA on January 15.
- Dr. David Chien from FAA who serves as the Deputy Executive Director, Office of Policy and Plans has communicated FAA is currently in the process of approving seven additional airport applications.
- MASP should anticipate receiving an application approval within 60 – 90 days.
- Once approved by FAA, the application will be forwarded to the Office of Management & Budget (OMB) for approval and then to Congress.

- ➔ Taxiway 'C' Rehab Construction (04/27/2021)
 - Project is proceeding as scheduled and possibly one to two days ahead of schedule.
 - Closeout documentation has been submitted to FAA for the FAA Design Grant.

- ➔ North Perimeter Road (04/28/2021)
 - Working with Congressman McCarthy's office to secure an EDA Grant to pave the North Perimeter Road
 - Two project phases – Phase I – Environmental and Design, and Phase II Construction.

- ➔ Stratolaunch Update (04/29/2021)
 - Successful flight 04/29/2021

- ➔ State of California Department of Aeronautics Inspection (04/28/2021)

New Leases

- Kane – 902, month to month.
- ABL – Bldg. 21, 2 years, 1 yr. opt.

MOJAVE

AIR AND SPACE PORT

CEO REPORT

Authorized Payments

BOARD MEETING: 5/20/21	DATE	AMOUNT	EFT'S	TOTAL
CEO CHECK REGISTER	4/23/2021	64,266.21		64,266.21
	4/26/2021	-	264,887.85	264,887.85
		64,266.21	264,887.85	329,154.06
VOIDED CHECK				
BOD CHECK	5/4/2021	201,484.50		201,484.50
	5/4/2021	71,425.62		71,425.61
	5/4/2021	21,253.15		21,253.15
		294,163.26		294,163.26
				-
TOTAL ALL CHECKS & EFT'S				623,317.32

Date: Friday, April 23, 2021
 Time: 12:43PM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 10-21 As of: 4/23/2021

Page: 1 of 5
 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
Company: MASP										
Acct / Sub:	101000		1200							
060865	CK	4/23/2021	0222 ADB Safegate	10-21	048141	VO	90094330	4/1/2021	0.00	2,490.99
060866	CK	4/23/2021	0234 Banyan	10-21	048144	VO	1882645	4/16/2021	0.00	258.34
060867	CK	4/23/2021	0296 Communication Enterprises, Inc	10-21	048134	VO	1107010	4/19/2021	0.00	21.45
060868	CK	4/23/2021	0350 Clarks Pest Control	10-21	048163	VO	28292908/0421	4/20/2021	0.00	63.00
060868	CK	4/23/2021	0350 Clarks Pest Control	10-21	048164	VO	28292918/0421	4/20/2021	0.00	52.00
060868	CK	4/23/2021	0350 Clarks Pest Control	10-21	048165	VO	28292923/0421	4/20/2021	0.00	51.00
060868	CK	4/23/2021	0350 Clarks Pest Control	10-21	048166	VO	28292926/0421	4/20/2021	0.00	88.00
Check Total										254.00
060869	CK	4/23/2021	0365 Consolidated Electrical Distr.	10-21	048105	VO	3978-1009349	3/29/2021	0.00	20.61
060869	CK	4/23/2021	0365 Consolidated Electrical Distr.	10-21	048106	VO	39781009077	3/29/2021	0.00	686.40
060869	CK	4/23/2021	0365 Consolidated Electrical Distr.	10-21	048133	VO	3978-1009772	4/6/2021	0.00	24.61
Check Total										731.62
060870	CK	4/23/2021	0430 Desert Truck Service Inc.	10-21	048124	VO	1333023	4/14/2021	0.00	44.94
060871	CK	4/23/2021	0468 Clean Right	10-21	048107	VO	CJ323214	3/23/2021	0.00	125.00
060871	CK	4/23/2021	0468 Clean Right	10-21	048108	VO	CJ330211	3/30/2021	0.00	125.00
Check Total										250.00
060872	CK	4/23/2021	0479 Aramark	10-21	048135	VO	2100893707	4/9/2021	0.00	195.25
060872	CK	4/23/2021	0479 Aramark	10-21	048136	VO	2100892361	4/2/2021	0.00	143.50
060872	CK	4/23/2021	0479 Aramark	10-21	048137	VO	2100895408	4/16/2021	0.00	143.50

Date: Friday, April 23, 2021
 Time: 12:43PM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 10-21 As of: 4/23/2021

Page: 2 of 5
 Report: 03630.rpt
 Company: MASP

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						
060872	CK	4/23/2021	0479 Aramark	10-21		048138	VO	2100893712	4/9/2021	0.00	45.45
060872	CK	4/23/2021	0479 Aramark	10-21		048139	VO	2100895411	4/16/2021	0.00	45.45
060872	CK	4/23/2021	0479 Aramark	10-21		048140	VO	2100892365	4/2/2021	0.00	45.45
060872	CK	4/23/2021	0479 Aramark	10-21		048152	VO	2100881389	2/5/2021	0.00	182.98
060872	CK	4/23/2021	0479 Aramark	10-21		048153	AD	2110029873	2/14/2021	0.00	-66.70
060872	CK	4/23/2021	0479 Aramark	10-21		048154	VO	2100892300	4/2/2021	0.00	80.17
Check Total											815.05
060873	CK	4/23/2021	0554 Engel & Company, Inc.	10-21		048114	VO	23230	3/19/2021	0.00	340.00
060873	CK	4/23/2021	0554 Engel & Company, Inc.	10-21		048115	VO	23132	3/19/2021	0.00	1,320.00
060873	CK	4/23/2021	0554 Engel & Company, Inc.	10-21		048119	VO	23340	3/19/2021	0.00	2,810.00
Check Total											4,470.00
060874	CK	4/23/2021	0615 Federal Express	10-21		048143	VO	734145500	4/16/2021	0.00	16.55
060875	CK	4/23/2021	0717 Geographic Data and	10-21		048110	VO	GD109535	3/31/2021	0.00	4,895.00
060875	CK	4/23/2021	0717 Geographic Data and	10-21		048111	VO	GD109536	3/31/2021	0.00	1,650.00
Check Total											6,545.00
060876	CK	4/23/2021	0719 Ferguson H&C 794	10-21		048168	VO	3395518	4/20/2021	0.00	640.58
060877	CK	4/23/2021	0722 Freeway Smog & Auto Repair	10-21		048128	VO	1740	4/7/2021	0.00	87.41
060877	CK	4/23/2021	0722 Freeway Smog & Auto Repair	10-21		048129	VO	1804	4/7/2021	0.00	72.11
Check Total											159.52
060878	CK	4/23/2021	0825 Edward Hargroder	10-21		048118	VO	032921	3/29/2021	0.00	500.00
060879	CK	4/23/2021	0866 The Home Depot Credit Plan	10-21		048158	VO	07610417-2/0321	3/30/2021	0.00	1,269.30

Date: Friday, April 23, 2021
 Time: 12:43PM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 10-21 As of: 4/23/2021

Page: 3 of 5
 Report: 03630.rpt
 Company: MASP

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						
060880	CK	4/23/2021	0897 Core and Main LP	10-21		048109	VO	N921925	3/23/2021	0.00	38.06
060880	CK	4/23/2021	0897 Core and Main LP	10-21		048120	VO	N920362	4/1/2021	0.00	472.55
Check Total										0.00	510.61
060881	CK	4/23/2021	0898 IML Security Supply	10-21		048112	VO	2803326	3/12/2021	0.00	568.59
060882	CK	4/23/2021	1032 Interstate All Battery Center	10-21		048127	VO	1909399004695	4/5/2021	0.00	150.75
060883	CK	4/23/2021	1112 Kern County Public Works,	10-21		048117	VO	03.24 - 3.31.21	3/31/2021	0.00	104.40
060884	CK	4/23/2021	1254 Lincoln Nat'l Life Ins. Co.	10-21		048156	VO	0521	5/1/2021	0.00	792.72
060885	CK	4/23/2021	1306 Martha's Cleaning Service	10-21		048131	VO	2047	4/1/2021	0.00	4,686.00
060885	CK	4/23/2021	1306 Martha's Cleaning Service	10-21		048132	VO	2048	4/1/2021	0.00	3,596.00
Check Total										0.00	8,282.00
060886	CK	4/23/2021	1314 Mead & Hunt	10-21		048121	VO	315555/0321	4/19/2021	0.00	2,029.75
060887	CK	4/23/2021	1315 McMaster-Carr	10-21		048113	VO	55378900	3/23/2021	0.00	62.46
060888	CK	4/23/2021	1372 Mojave Public Utility District	10-21		048101	VO	03211/0321	4/12/2021	0.00	4,911.31
060888	CK	4/23/2021	1372 Mojave Public Utility District	10-21		048102	VO	03212/0321	4/12/2021	0.00	157.50
Check Total										0.00	5,068.81
060889	CK	4/23/2021	1673 Proline Construction Inc.	10-21		048160	VO	INV0539	3/11/2021	0.00	7,100.00
060890	CK	4/23/2021	1800 Ramos Strong Incorporated	10-21		048146	VO	0357023	4/12/2021	0.00	2,303.83
060891	CK	4/23/2021	1895 Smith Pipe & Supply	10-21		048130	VO	3727930	4/2/2021	0.00	661.74

Date: Friday, April 23, 2021
 Time: 12:43PM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 10-21 As of: 4/23/2021

Page: 4 of 5
 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
060892	CK	4/23/2021	1925 Sparkletts	10-21	048145	VO	13703338041521	4/15/2021	0.00	619.24
060893	CK	4/23/2021	1952 Southern California Edison	10-21	048103	VO	2025279670/0321	4/19/2021	0.00	812.38
060893	CK	4/23/2021	1952 Southern California Edison	10-21	048104	VO	2025279670	3/31/2021	0.00	2,038.89
060893	CK	4/23/2021	1952 Southern California Edison	10-21	048161	VO	2395077167/PED	4/19/2021	0.00	62.59
060893	CK	4/23/2021	1952 Southern California Edison	10-21	048162	VO	616545683/B-58	4/19/2021	0.00	1,329.35
									Check Total	4,243.21
060894	CK	4/23/2021	1954 Southern California Gas	10-21	048147	VO	7111545997/0421	4/15/2021	0.00	296.46
060894	CK	4/23/2021	1954 Southern California Gas	10-21	048148	VO	7531545767/0421	4/15/2021	0.00	195.91
060894	CK	4/23/2021	1954 Southern California Gas	10-21	048149	VO	0289363938/0421	4/15/2021	0.00	138.74
060894	CK	4/23/2021	1954 Southern California Gas	10-21	048150	VO	6561545001/0421	4/15/2021	0.00	625.94
									Check Total	1,257.05
060895	CK	4/23/2021	1996 SWRCB ACCOUNTING OFC	10-21	048123	VO	447171	4/6/2021	0.00	1,474.00
060896	CK	4/23/2021	2006 Sierra Rail Services	10-21	048122	VO	211203/0321	4/20/2021	0.00	492.20
060897	CK	4/23/2021	2012 Standard Signs, Inc.	10-21	048116	VO	54686	3/22/2021	0.00	1,907.76
060898	CK	4/23/2021	2068 Resource MFG	10-21	048151	VO	8406481558	4/12/2021	0.00	1,229.44
060898	CK	4/23/2021	2068 Resource MFG	10-21	048167	VO	8406502361	4/19/2021	0.00	1,086.80
									Check Total	2,316.24
060899	CK	4/23/2021	2071 Synchrony Bank	10-21	048159	VO	0762035/0321	4/10/2021	0.00	903.67
060900	CK	4/23/2021	2136 UNUM Life Ins. Co.	10-21	048155	VO	558036001/0521	5/1/2021	0.00	2,579.07

Date: Friday, April 23, 2021
 Time: 12:43PM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 10-21 As of: 4/23/2021

Page: 5 of 5
 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
060901	CK	4/23/2021	2230 Verizon Wireless	10-21	048157	VO	9877500212/0421	4/12/2021	0.00	1,492.23
060902	CK	4/23/2021	2313 Waxie Sanitary Supply	10-21	048126	VO	79939683	4/13/2021	0.00	346.54
060903	CK	4/23/2021	3220 Ray Hatfield	10-21	048125	VO	041521	4/15/2021	0.00	208.00
060904	CK	4/23/2021	3864 Carrie Rawlings	10-21	048142	VO	040821	4/8/2021	0.00	324.00

Check Count: 40

Acct Sub Total: 64,266.21

Check Type	Count	Amount Paid
Regular	40	64,266.21
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
Total:	40	64,266.21

Company Disc Total	0.00	Company Total	64,266.21
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Electronic Fund Transfers April 13 through April 23, 2021

4/13/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$17,839.57
4/13/2021	ACH DEBIT CDTFA EPMT CA DEPT TAX FEE	\$654.00
4/14/2021	ACH DEBIT 3100 CALPERS	\$7,388.89
4/14/2021	ACH DEBIT 3100 CALPERS	\$2,978.02
4/14/2021	ACH DEBIT CDTFA EPMT CA DEPT TAX FEE	\$279.00
4/14/2021	WIRE TRANSFER FEE	\$15.00
4/15/2021	ACH DEBIT PAYROLL	\$47,720.70
4/15/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$34,330.20
4/15/2021	ACH DEBIT ACH PMT AMEX EPAYMENT	\$5,693.85
4/15/2021	ACH DEBIT ACH PMT AMEX EPAYMENT	\$3,608.65
4/15/2021	ACH DEBIT GARNISH PAYCHEX	\$653.70
4/15/2021	ACH DEBIT INVESTMENT	\$319.00
4/15/2021	ACH DEBIT INVESTMENT DSTRS	\$250.00
4/16/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$33,736.94
4/16/2021	ACH DEBIT TAXES	\$9,522.64
4/16/2021	ACH DEBIT INVOICE PAYCHEX	\$222.45
4/20/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$17,376.67
4/20/2021	ACH DEBIT TAXES PAYCHEX TPS	\$1,509.87
4/20/2021	ACH DEBIT INVOICE PAYCHEX	\$528.30
4/21/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$16,434.43
4/23/2021	ACH DEBIT 3100 CALPERS	\$7,631.50
4/23/2021	ACH DEBIT 3100 CALPERS	\$2,978.02
4/23/2021	ACH DEBIT INVESTMENT DSTRS	\$319.00
4/23/2021	ACH DEBIT INVESTMENT DSTRS	\$250.00
4/23/2021	ACH DEBIT EFTTRANSFE AVFUEL	\$52,647.45

Total \$264,887.85