

AGENDA

**TEHACHAPI CITY COUNCIL REGULAR MEETING,
TEHACHAPI REDEVELOPMENT SUCCESSOR AGENCY REGULAR MEETING,
TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND
TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING
Monday, March 21, 2016 - 6:00 P.M.**

Persons desiring disability-related accommodations should contact the City Clerk no later than ten days prior to the need for the accommodation. A copy of any writing that is a public record relating to an open session item of this meeting is available at City Hall, 115 South Robinson Street, Tehachapi, California, 93561.

CALL TO ORDER

ROLL CALL

INVOCATION

Participation in the invocation is strictly voluntary. Each City Councilmember, city employee, and each person in attendance may participate or not participate as he or she chooses.

PLEDGE TO FLAG

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT

All items listed with an asterisk (*) are considered to be routine and non-controversial by city staff. Consent items will be considered first and may be approved by one motion if no member of the council or audience wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the consent agenda and will be considered in listed sequence with an opportunity for any member of the public to address the city council concerning the item before action is taken. Staff recommendations are shown in caps. Please turn all cellular phones off during the meeting.

AUDIENCE ORAL AND WRITTEN COMMUNICATIONS

The City Council welcomes public comments on any items within the subject matter jurisdiction of the Council. We respectfully request that this public forum be utilized in a positive and constructive manner. Persons addressing the Council should first state their name and area of residence, the matter of City business to be discussed, and the organization or persons represented, if any. To ensure accuracy in the minutes, please fill out a speaker's card at the podium. Comments directed to an item on the agenda should be made at the time the item is called for discussion by the Mayor. Questions on non-agenda items directed to the Council or staff should be first submitted to the City Clerk in written form no later than 12:00 p.m. on the Wednesday preceding the Council meeting; otherwise response to the question may be carried over to the next City Council meeting. No action can be taken by the Council on matters not listed on the agenda except in certain specified circumstances. The Council reserves the right to limit the speaking time of individual speakers and the time allotted for public presentations.

**TEHACHAPI CITY COUNCIL REGULAR MEETING,
TEHACHAPI REDEVELOPMENT SUCCESSOR AGENCY REGULAR MEETING,
TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND
TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING**

Monday, March 21, 2016- 6:00 P.M. - PG. 2

1. General public comments regarding matters not listed as an agenda item.

CITY CLERK REPORTS

Tehachapi City Council Unassigned Res. No. 09-16

Tehachapi City Council Unassigned Ord. No. 16-04-734

Tehachapi Redevelopment Successor Agency Unassigned Res. No. 01-16

Tehachapi Public Financing Authority Unassigned Res. No. 01-16

- *2. **ALL ORDINANCES SCHEDULED FOR INTRODUCTION OR ADOPTION AT THIS MEETING SHALL BE READ BY TITLE ONLY**
- *3. Minutes for the Tehachapi City Council, Tehachapi Redevelopment Successor Agency, Tehachapi Public Financing Authority, and the Tehachapi City Financing Corporation regular meeting on March 7, 2016 – **APPROVE AND FILE**

FINANCE DIRECTOR REPORTS

- *4. Disbursements, bills, and claims for February 9, 2016 through March 2, 2016 – **AUTHORIZE PAYMENTS**
- *5. City of Tehachapi Treasurer’s Report through February, 2016 – **RECEIVE REPORT**

CITY ATTORNEY REPORTS

6. Second reading of an ordinance prohibiting medical marijuana dispensaries, cooperatives, and collectives and the mobile delivery, cultivation, and processing of marijuana – **ADOPT AN ORDINANCE MAKING FINDINGS INCLUDING AN EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND ADDING CHAPTER 8.64 TO THE TEHACHAPI MUNICIPAL CODE PROHIBITING MEDICAL MARIJUANA DISPENSARIES, COOPERATIVES, AND COLLECTIVES, INCLUDING THE MOBILE DELIVERY OF MARIJUANA, THE CULTIVATION OF MARIJUANA, AND THE PROCESSING OF MARIJUANA**
7. Second reading of an ordinance regulating massage establishments – **ADOPT AN ORDINANCE ADDING CHAPTER 5.40 TO THE TEHACHAPI MUNICIPAL CODE REGULATING MASSAGE ESTABLISHMENTS**

CITY MANAGER REPORTS

- *8. Non-commercial hangar ground lease agreements – **APPROVE TWO NON-COMMERCIAL HANGAR GROUND LEASE AGREEMENTS BETWEEN THE CITY OF TEHACHAPI AND BRUCE GLENN FOR HANGARS 01W & 11E AND AUTHORIZE THE MAYOR TO SIGN**
- *9. Commercial hangar ground lease agreements – **APPROVE THREE COMMERCIAL HANGAR GROUND LEASE AGREEMENTS BETWEEN THE CITY OF TEHACHAPI AND JOSEPH STRIPE AND DUSTY STRIPE FOR HANGARS 07W, 08W & 09W AND AUTHORIZE THE MAYOR TO SIGN**
10. Report to Council regarding current activities and programs – **VERBAL REPORT**

**TEHACHAPI CITY COUNCIL REGULAR MEETING,
TEHACHAPI REDEVELOPMENT SUCCESSOR AGENCY REGULAR MEETING,
TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND
TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING**

Monday, March 21, 2016- 6:00 P.M. - PG. 3

COUNCILMEMBER REPORTS

On their own initiative, a Councilmember may ask a question for clarification, make a brief announcement, provide a reference to staff or other resources for factual information, take action to have staff place a matter of business on a future agenda, request staff to report back at a subsequent meeting concerning any matter, or make a brief report on his or her own activities. (Per Gov't. Code §54954.2(a))

ADJOURNMENT

MINUTES

**TEHACHAPI CITY COUNCIL REGULAR MEETING,
TEHACHAPI REDEVELOPMENT SUCCESSOR AGENCY REGULAR MEETING,
TEHACHAPI PUBLIC FINANCING AUTHORITY REGULAR MEETING, AND
TEHACHAPI CITY FINANCING CORPORATION REGULAR MEETING
Monday, March 7, 2016 – 6:00 P.M.**

NOTE: Sm, Gr, Wi, Ni and Wa are abbreviations for Council Members Smith, Grimes, Wiggins, Nixon and Wahlstrom, respectively. For example, Gr/Sm denotes Council Member Grimes made the motion and Council Member Smith seconded it. The abbreviation Ab means absent, Abd abstained, Ns noes, and NAT no action taken.

ACTION TAKEN

<p><u>CALL TO ORDER</u></p> <p>Meeting called to order by Mayor Wiggins at 6:00 p.m.</p> <p><u>ROLL CALL</u></p> <p>Roll call by City Clerk Tori Marsh</p> <p>Present: Mayor Wiggins, Mayor Pro-Tem Nixon, Councilmembers Grimes and Smith.</p> <p>Absent: Councilmember Wahlstrom</p> <p><u>INVOCATION</u></p> <p>By Brent Whitney Pastor Country Oaks Baptist Church</p> <p><u>PLEDGE TO THE FLAG</u></p> <p>Led by Councilmember Grimes</p> <p><u>CONSENT AGENDA</u></p> <p>Approved consent agenda</p> <p>Councilmember Wahlstrom arrived 6:05pm</p> <p><u>AUDIENCE ORAL COMMUNICATIONS</u></p> <ol style="list-style-type: none"> 1. General public comments regarding matters not listed as an agenda item were received from: <ol style="list-style-type: none"> a. Comment received from Ken Hetge, Kern County resident. b. Comment received from David Butler, City resident. 2. Mayor presented a Certificate of Recognition to Steve Denman 	<p style="text-align: center;">Approved Consent Agenda</p>
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ACTION TAKEN

<p>3. Mayor presented a Certificate of Recognition to Del Troy</p>	<p>Tabled</p>
<p><u>CITY CLERK REPORTS</u></p>	
<p>*4. ALL ORDINANCES SCHEDULED FOR INTRODUCTION OR ADOPTION AT THIS MEETING SHALL BE READ BY TITLE ONLY.</p>	<p>All Ord. Read By Title Only</p>
<p>*5. Minutes for the Tehachapi City Council, Tehachapi Redevelopment Successor Agency, Tehachapi Public Financing Authority, and the Tehachapi City Financing Corporation regular meeting on February 16, 2016 - APPROVED AND FILED</p>	<p>Approved & Filed Ni/Sm Motion Carried Ab Wa</p>
<p>*6. Disposition of Property – ADOPTED RESOLUTION 05-16 AUTHORIZING THE DISPOSITION OF PERSONAL PROPERTY</p>	<p>Adopted Resolution 05-16 Authorizing The Disposition Of Personal Property Ni/Sm Motion Carried Ab Wa</p>
<p><u>FINANCE DIRECTOR REPORTS</u></p>	
<p>*7. Disbursements, bills and claims for February 9, 2016 through March 2, 2016 – AUTHORIZED PAYMENTS</p>	<p>Authorized Payments Ni/Sm Motion Carried Ab Wa</p>
<p>8. PUBLIC HEARING – As part of the annual Public Transit Claim for Transportation Development Act funding, it is necessary to conduct a public hearing to receive public testimony concerning the transit needs within the City. Currently, the City of Tehachapi provides a transit service named Dial-A-Ride, through Kern Regional Transit. The average cost per rider from July 2014 to June 2015 was \$27.95 – OPENED HEARING AT 6:20PM; NOTICE OF PUBLIC HEARING ON FEBRUARY 3, 2016; NO CORRESPONDENCE RECEIVED; FINANCE DIRECTOR HANNAH CHUNG GAVE STAFF REPORT; NO PUBLIC COMMENT RECEIVED; CLOSED HEARING 6:25PM; ADOPTED RESOLUTION 06-16 FINDING THAT THERE ARE NO UNMET TRANSIT NEEDS THAT ARE REASONABLE TO MEET WITHIN THE CITY</p>	<p>Adopted Resolution 06-16 Finding That There Are No Unmet Transit Needs That Are Reasonable To Meet Within The City Gr/Wa Ayes All</p>
<p><u>PUBLIC WORKS DIRECTOR REPORTS</u></p>	
<p>9. Injury and Illness Prevention Program update – PUBLIC WORKS DIRECTOR JON CURRY GAVE STAFF REPORT; COMMENT RECEIVED FROM CARL GEHRICKE CITY RESIDENT; ADOPTED THE INJURY AND ILLNESS PREVENTION PROGRAM (IIPP) AND AUTHORIZED THE CITY MANAGER TO SIGN</p>	<p>Adopted The Injury And Illness Prevention Program (IIPP) And Authorized The City Manager To Sign Ni/Sm Ayes All</p>
<p><u>DEVELOPMENT SERVICES DIRECTOR REPORTS</u></p>	
<p>*10. Minor support services agreements – INFORMATION ONLY</p>	
<p>11. Calendar Year 2016 Construction Projects Update – INFORMATION ONLY</p>	
<p><u>CITY ATTORNEY REPORTS</u></p>	

ACTION TAKEN

12. County requested ordinances regarding food safety education, psychoactive bath salts, psychoactive herbal incense (spice) & other synthetic drugs, and tobacco retailers permits – **CITY ATTORNEY TOM SCHROETOR GAVE STAFF REPORT; SECOND READING AND ADOPTION OF THREE ORDINANCES – (1) ADOPTED ORDINANCE 16-01-731 ADOPTING ORDINANCE NO. G-8612 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA ADDING CHAPTER 8.59 TO TITLE 8 OF THE KERN COUNTY ORDINANCE CODE REGARDING FOOD SAFETY EDUCATION; (2) ADOPTED ORDINANCE 16-02-732 ADDING CHAPTER 9.36 TO THE TEHACHAPI MUNICIPAL CODE WHICH ADOPTS ORDINANCE NO. G-8602 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA ADDING CHAPTER 9.44 TO TITLE 9 OF THE KERN COUNTY ORDINANCE CODE REGARDING PSYCHOACTIVE BATH SALTS, PSYCHOACTIVE HERBAL INCENSE (SPICE), AND OTHER SYNTHETIC DRUGS; AND (3) ADOPTED ORDINANCE 16-03-733 AMENDING CHAPTER 8.52 OF THE TEHACHAPI MUNICIPAL CODE AND ADOPTING ORDINANCE NOS. G-7724, G-8006, G-8495, AND G-8586 OF THE BOARD OF SUPERVISORS OF THE COUNTY OF KERN, STATE OF CALIFORNIA AMENDING CHAPTER 8.60 TO TITLE 8 OF THE KERN COUNTY ORDINANCE CODE RELATING TO TOBACCO RETAILER’S PERMIT**

**(1) Adopted Ordinance 16-01-731 Adopting Ordinance No. G-8612 Of The Board Of Supervisors Of The County Of Kern, State Of California Adding Chapter 8.59 To Title 8 Of The Kern County Ordinance Code Regarding Food Safety Education; (2) Adopted Ordinance 16-02-732 Adding Chapter 9.36 To The Tehachapi Municipal Code Which Adopts Ordinance No. G-8602 Of The Board Of Supervisors Of The County Of Kern, State Of California Adding Chapter 9.44 To Title 9 Of The Kern County Ordinance Code Regarding Psychoactive Bath Salts, Psychoactive Herbal Incense (Spice), And Other Synthetic Drugs; And (3) Adopted Ordinance 16-03-733 Amending Chapter 8.52 Of The Tehachapi Municipal Code And Adopting Ordinance Nos. G-7724, G-8006, G-8495, And G-8586 Of The Board Of Supervisors Of The County Of Kern, State Of California Amending Chapter 8.60 To Title 8 Of The Kern County Ordinance Code Relating To Tobacco Retailer’s Permit
Sm/Ni Ayes All**

13. Introduction of an ordinance prohibiting medical marijuana dispensaries, cooperatives, and collectives and the mobile delivery, cultivation, and processing of marijuana – **CITY ATTORNEY TOM SCHROETER GAVE STAFF REPORT; COMMENTS RECEIVED FROM DEPUTY COUNTY COUNCIL JAMES BRENNON; JOHN TARVER KERN COUNTY RESIDENT, LIZ RABE CITY RESIDENT; DAVID BUTLER CITY RESIDENT, BRIAN CARTER CITY RESIDENT, CATHY SMITH CITY RESIDENT, LINDA ATTISSON CITY RESIDENT, DAVE WHALEN NEVADA RESIDENT; INTRODUCTION ONLY**

**Introduced An Ordinance Prohibiting Medical Marijuana Dispensaries, Cooperatives, And Collectives And The Mobile Delivery, Cultivation, And Processing Of Marijuana
Ni/Gr Ayes All**

14. Introduction of an ordinance regulating massage establishments – **INTRODUCTION ONLY**

**Introduced An Ordinance Regulating Massage Establishments
Ni/Wa Ayes All**

ASSISTANT CITY MANAGER REPORTS

15. SBA cell phone tower lease amendment – **ASSISTANT CITY MANAGER CHRIS KIRK GAVE STAFF REPORT; COMMENTS RECEIVED FROM KEN HETGE COUNTY RESIDENT; CARL GEHRICKE CITY RESIDENT; APPROVED THE AMENDMENT TO THE COMMUNICATIONS SITE LEASE BETWEEN THE CITY OF TEHACHAPI AND SBA 1012 TC ASSETS, LLC AND AUTHORIZED THE MAYOR TO SIGN**

**Approved The Amendment To The Communications Site Lease Between The City Of Tehachapi And SBA 1012 TC Assets, LLC And Authorized The Mayor To Sign
Ni/Gr Ayes all**

*16. Update to the City’s Travel Policy – **ADOPTED RESOLUTION 06-16 APPROVING THE 2016 TRAVEL POLICY AND REPEALING RESOLUTION 01-10**

Adopted Resolution 06-16 Approving The 2016 Travel Policy And Repealing Resolution 01-10

ACTION TAKEN

*17. Amendment to the Employee Personnel Manual to include reference to the updated Travel Policy – **ADOPTED RESOLUTION 07-16 APPROVING AN AMENDED EMPLOYEE PERSONNEL MANUAL AND REPEALING RESOLUTION NO. 11-14**

Ni/Sm Motion Carried
Ab Wa

**Adopted Resolution 07-16
Approving An Amended
Employee Personnel Manual And
Repealing Resolution No. 11-14**
Ni/Sm Motion Carried
Ab Wa

CITY MANAGER REPORTS

18. Report to Council regarding current activities and programs – **VERBAL REPORT.**

COUNCIL MEMBER ANNOUNCEMENTS OR REPORTS

1. Councilmember praised Coach Denman.
2. Mayor Pro Tem commented on the Read Across America Program and announced the Stargazing Event planning would begin.

CLOSED SESSION

1. Conference with real property negotiator (City Manager) regarding first right of refusal of Airport property described as Hangar 02W per Government Code Section 54956.8

**Exercise the City's First Right of
Refusal to purchase Hangar 02W
from Mrs. Vandenburg
Gr/Ni Ayes All**

ADJOURNMENT

The City Council/Boards adjourned at 7:30pm to a Tehachapi City Council, Tehachapi Redevelopment Successor Agency, Tehachapi Public Financing Authority and Tehachapi City Financing Corporation Regular Meeting to be held on Monday, 21, 2016, at 6:00p.m.

TORI MARSH
City Clerk, City of Tehachapi

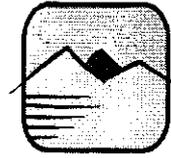
Approved this 21ST day
Of March, 2016.

SUSAN WIGGINS
Mayor, City of Tehachapi

Accounts Payable

Checks by Date - Detail By Vendor Number

User: afrescas
 Printed: 3/16/2016 - 4:11 PM



CITY OF
TEHACHAPI
 CALIFORNIA

Vendor	Invoice No	Line Description	Check Amount
0017	American Business Machines		
Check No:	0	Check Date:	
	CT001	GG/Black Toner	8.00
		Check Total:	8.00
		Vendor Total:	8.00
0035	BC Laboratories Inc.		
Check No:	0	Check Date:	
	B227342	Wtr/Bacteriological/Water Samples	36.00
	B227350	Wtr/Curry Resv/Water Samples	15.00
	B227665	Wtr/Curry Resv/Water Samples	15.00
	B227706	Wtr/Influent-Effluent/Water Samples	325.00
	B227896	Wtr/Bacteriological/Water Samples	36.00
		Check Total:	427.00
		Vendor Total:	427.00
0041	Benz Propane Company Inc.		
Check No:	0	Check Date:	
	238375685	PW/1228101/800 Enterprise Way	147.92
	238375686	Wtr/1228102/750 Enterprise	280.53
	238375686-1	Wtr/1228102/750 Enterprise	35.07
	238375686-2	Wtr/1228102/750 Enterprise	35.07
	2689337	Swr/58021002/800 Enterprise Way	202.57
		Check Total:	701.16
		Vendor Total:	701.16
0223	Kern County Auditors Office		
Check No:	0	Check Date:	
	312016	Parking Citations for Jan 2016	22.00
		Check Total:	22.00
		Vendor Total:	22.00
0241	Kern Bros. Trucking Inc.		
Check No:	0	Check Date:	
	2272	Air/3/4 Crush/3.9 Trucking Hrs	748.46
		Check Total:	748.46
		Vendor Total:	748.46
0263	Lebeau Thelen LLP		
Check No:	0	Check Date:	
	5	PD/Tehachapi Police Foundation	638.67
	57	PD/Walmart CEQA Litigation	27,709.50

Vendor	Invoice No	Line Description	Check Amount
	7	PD/Price Property	42.00
		Check Total:	28,390.17
		Vendor Total:	28,390.17
0304	Mojave Sanitation		
Check No:	0	Check Date:	
	2688546	Swr/965528800/800 Enterprise Way	264.72
	26885462689258	Swr/310163000/Gate Fee	2,510.13
	2688964	Swr/975428801/800 Enterprise Way	342.55
		Check Total:	3,117.40
		Vendor Total:	3,117.40
0362	RSI Petroleum Products		
Check No:	0	Check Date:	
	0291509	PW/Regular Unleaded Fuel/Diesel Fuel	964.19
	0291720	PW/Regular Unleaded Fuel/Diesel Fuel	809.32
		Check Total:	1,773.51
		Vendor Total:	1,773.51
0399	Sparkletts		
Check No:	0	Check Date:	
	4365880030116	Swr/Hot-Cold Water Cooler Rental/5G Drinking	84.75
		Check Total:	84.75
		Vendor Total:	84.75
0426	Tehachapi-Cummings County Water D		
Check No:	0	Check Date:	
	16-001	Wtr/2015 Cost Allocation for Regional Urban W	1,481.68
	342016-A	Wtr/Benz Sanatation 005401-000/Feb 2016	4.50
	342016-B	Wtr/Chemtool 005399-000/Feb 2016	4.50
	342016-C	Wtr/TUSD 005402-000/Feb 2016	4.50
	342016-D	Wtr/Henway 005400-000/Feb 2016	4.50
	342016-E	LLD/Landscaping 005404-000/Feb 2016	4.50
	342016-F	LLD/Median 005405-000/Feb 2016	4.50
	342016-G	LLD/Warrior Park 005403-000/Feb 2016	4.50
		Check Total:	1,513.18
		Vendor Total:	1,513.18
0441	Vulcan Materials Company Western D		
Check No:	0	Check Date:	
	71049188	Wtr/3/8" Fine PG64-10	317.39
	71049189	Wtr/3/8" Fine PG64-10	386.73
	71051829	Wtr/3/8" Fine PG64-10	351.37
		Check Total:	1,055.49
		Vendor Total:	1,055.49
0476	WITTS Everything for the Office		
Check No:	0	Check Date:	
	140562-0	CD/Desk Organizer	19.46
	140584-0	GG/CD Sleeves/Address Labels/Sm Flags/Stora	56.57
	140584-1	GG/CD Sleeves	18.08

Vendor	Invoice No	Line Description	Check Amount
	140611-0	GG/Ink Stamp Pad	2.24
	140612-0	GG/Pencils	7.08
	140612-0	GG/Binder Clips/11x17 Copy Paper	18.41
	140615-0	GG/Custom Stamp for Invoices (PD)	81.10
	140624-0	GG/Labels-Index Markers-Pens-Binders	152.01
		Check Total:	354.95
		Vendor Total:	354.95
0524	Scotts Auto Body Inc.		
Check No:	0	Check Date:	
	1236735	PD/2 Wheel Alignment/2012 Chevy Colorado/L	60.00
		Check Total:	60.00
		Vendor Total:	60.00
0543	BSE Rents		
Check No:	0	Check Date:	
	81436	Air/4hrs Genie TZ34 20-24 Towable-Electric/Fel	187.91
	82245	Air/4hrs Genie TZ34 20-24 Towable-Electric/Ma	93.95
	82245-1	Air/4hrs Genie TZ34 20-24 Towable-Electric/Ma	93.96
	82660	Event Ctr Rodeo Gr/Gen 30kw 37.5kva Colemar	995.93
		Check Total:	1,371.75
		Vendor Total:	1,371.75
1005	Quad Knopf Inc.		
Check No:	0	Check Date:	
	83768	Valley Blvd Bikeway Facilities Project Phase II	12,875.34
		Check Total:	12,875.34
		Vendor Total:	12,875.34
1658	Accela Inc #774375		
Check No:	0	Check Date:	
	INV32423	GG/Web Payment Transaction Fees/Dec 2015	351.05
		Check Total:	351.05
		Vendor Total:	351.05
1724	Banks Pest Control Inc.		
Check No:	0	Check Date:	
	477875	PD/220 C Street/Monthly Svc/1-22-16	95.00
	480978	Const/100 Commercial Way/Monthly Svc 2-5-16	92.50
	480978-1	Air/314 N Hayes St/Monthly Svc 2-5-16	92.50
		Check Total:	280.00
		Vendor Total:	280.00
1729	Alpha Landscape Maintenance		
Check No:	0	Check Date:	
	12579-A	GG/City Office	50.00
	12579-B	GG/Market Place	25.00
	12579-C	GG/Union Pacific	85.00
	12579-D	Strts/Mill St	400.00
	12579-E	Strts/Capital Hills (South Island)	270.00
	12579-F	Strts/S Curry	227.00

Vendor	Invoice No	Line Description	Check Amount
	12579-G	Strts/Street Trees	11.00
	12579-H	Strts/Dennison St	720.00
	12579-I	Land/Pioneer Park	553.00
	12579-J	GG/Downtown Planters	82.00
	12579-K	Land/Railroad Park	505.00
	12579-L	Land/Parking Lot & Wall	28.00
	12579-M	GG/Senior Center	105.00
	12579-N	RD/Railroad Depot	128.00
	12579-O	GG/Tehachapi Blvd Phase	35.00
	12579-P	GG/Robinson St Parking Lot	25.00
	12579-Q	PD/Police Dept	35.00
	12579-R	Strts/Voyager St Trees	10.00
	12579-S	GG/Centennial Plaza	40.00
	12579-T	LLD/Heritage Oaks	860.00
	12579-U	LLD/Clear View Estates	321.00
	12579-V	LLD/Autumn Hills	1,235.00
	12579-W	LLD/Alta Homes	7,790.00
	12579-X	LLD/Orchard Glen	3,632.00
	12579-Y	LLD/Mill St Cottages	25.00
	12579-Z	LLD/Red Barn	95.00
	12586-A	GG/Mar Pl-Un Pac	0.70
	12586-B	Strts/Mill St Island	2.09
	12586-C	Strts/Capital Hills	1.39
	12586-D	LLD/Manzanita Park	2.09
	12586-E	LLD/KB Tract-Highland	0.70
	12586-F	LLD/Alta Tract-Warrior Park	16.03
	12586-G	LLD/Alta Parkway Lawns	1.39
	12586-H	LLD/Alta Planters-Highline & Tract	6.97
	12586-I	Strts/So Curry	1.39
	12586-J	LLD/Heritage Oaks	6.97
	12586-K	LLD/KB Dennison	19.51
	12586-L	Strts/Dennison St	2.09
	12586-M	LLD/Clear View	0.70
	12586-N	PW/Pioneer Park	2.09
	12586-O	GG/Old Town Planter	0.70
	12586-P	LLD/Mill Street Cottages	0.35
	12586-Q	PD/Tehachapi Police Station	0.70
	12586-R	GG/Robinson Park	0.70
	12586-S	GG/Taco Samich	0.70
	12586-T	GG/Senior Center	0.70
	12586-U	RD/Railroad Depot	1.39
	12586-V	GG/Robinson Parking Lot	0.35
		Check Total:	17,361.70
		Vendor Total:	17,361.70
1739	Chevron & Texaco Business Card Ser		
Check No:	0	Check Date:	
	7898196949	GG/Business Mgmt Vehicle/Feb 6-Mar 5 2016	321.94
	7898196949-1	PD/Business Fleet Vehicle/Feb 6-Mar 5 2016	2,880.35
		Check Total:	3,202.29
		Vendor Total:	3,202.29
1801	HD Supply Waterworks LTD		
Check No:	0	Check Date:	
	F137634	Wtr/36" Hook	92.62
	F144357	Wtr/Soil Cutter/Chain Pipe Cut/Chain Ext Assen	335.75

Vendor	Invoice No	Line Description	Check Amount
	F144365	Wtr/WPC 100 Cable	243.49
	F161400	Wtr/1 Ang BMV FIPXMN LL	1,235.95
	F166940	Swr/PVC/Fib Ring/Epoxy	254.73
	F171911	Swr/Cloth Ins Rub Gasket	32.00
		Check Total:	2,194.54
		Vendor Total:	2,194.54
1846	Haaker Equipment Company		
Check No:	0	Check Date:	
	C19855	Strts/GB 4 Seg 600 SP	806.25
	C19857	Strts/Union Tee/Barbed Conn/Spray Nozzle	101.79
		Check Total:	908.04
		Vendor Total:	908.04
1866	Bear Valley CSD		
Check No:	0	Check Date:	
	10312015	PD/Dispatch Services for Oct 2015	35,381.95
	11302015	PD/Dispatch Services for Nov 2015	35,381.95
	12312015	PD/Dispatch Services for Dec 2015	35,381.95
	1312015	PD/Dispatch Services for Jan 2016	35,381.95
	2292015	PD/Dispatch Services for Feb 2016	35,381.95
	7312015	PD/Dispatch Services for July 2015	35,381.95
	8312015	PD/Dispatch Services for Aug 2015	35,381.95
	9302015	PD/Dispatch Services for Sep 2015	35,381.95
		Check Total:	283,055.60
		Vendor Total:	283,055.60
1973	Union Pacific Railroad		
Check No:	0	Check Date:	
	279674034	GG/LS-Rent/Apr 1 2016-Mar 31 2017	5,939.75
		Check Total:	5,939.75
		Vendor Total:	5,939.75
2200	Argo Chemical		
Check No:	0	Check Date:	
	1602153	Argo Chlor Sol12/5% NSF	790.39
		Check Total:	790.39
		Vendor Total:	790.39
2472	All Weather Inc.		
Check No:	0	Check Date:	
	62403	Air/AWOS Maintenance	2,000.00
		Check Total:	2,000.00
		Vendor Total:	2,000.00
2568	Cooperative Personnel Services		
Check No:	0	Check Date:	
	INV351701	Fin/Training Date 2-10-16/Post 911 Dispatcher T	718.00
	INV351702	PD/Test Date 2-10-16/Post 911 Dispatcher Admi	657.00
		Check Total:	1,375.00

Vendor	Invoice No	Line Description	Check Amount
			Vendor Total: 1,375.00
2695	Home Depot Credit Services		
Check No:	0	Check Date:	
	A-21753	Strts/Lumber/Brown Stain	33.52
	B-9021786	Swr/Eye bolt/Fender Washer/Hex Nuts	7.44
	C-9021802	Strts/Dripless Caulk Gun	11.35
	D-9133305	Wtr/Bermuda Green Deco Stones	45.46
	E-8573228	Air/Clear Sign Lamp Bulb	46.61
	F-8573230	Strts/Cabinet Screwdriver/Splicer/Wire Stripper-	24.04
	G-8573235	Const/Bluegranit Bit/Drill Bit/Split Point Bit/Me	50.45
	H-7561305	Wtr/Extension Ladder	192.43
	I-3101146	Depot/Doorlock	48.87
	J-1022254	Swr/Flap Kitchen Bags/30 Qt Tote	57.14
	K-1583496	Wtr/PVC Solvent/Purple Primer/2YD Cloth	27.32
	L-10334	Air/Silicone	12.34
	M-10343	Air/EZ Twist N Lock	24.38
	N-561629	Wtr/7" Scratch Awl	5.88
	O-6561821	Wtr/Blk Nipple	13.63
	P-6593892	Air/11w 27k 1pk	16.62
	Q-5010613	Swr/9x18TPI Recip Blade	16.09
	R-5133974	Const/Sledge Hammer/Pick Mattock	77.10
	S-5593916	GG/Deckmate Screws/Angle Sloted Zinc/HD Dr	37.93
	T-4134043	PW/Tapered Utility Handle	5.35
	U-9010951	Strts/3/4" FP Ball Valve FPT	14.59
	V-8010991	LLD/Thinner/Flat Brush	12.13
	W-8011011	Swr/Buckets/Pails	30.06
	X-8022893	Wtr/Lumber Fee/Doug Fir	14.15
	Y-8022900	Strts/Lumber Fee/Doug Fir	3.96
	Z0-7011044	Air/Paint/Tools /Fee	117.12
	Z1-7011044	Const/Orbit Sander	169.85
	Z2-7011045	Land/Clear Sign Light Bulb	46.61
	Z3-7011057	Land/14x4 Pool Trowel	18.28
	Z4-7562225	Rodeo/Mylar Reflectors	5.10
	Z5-6301027	Strts/Mud Mixer	25.82
			Check Total: 1,211.62
			Vendor Total: 1,211.62
2752	Fastenal Company		
Check No:	0	Check Date:	
	CATEH10084	Swr/Eyeware/Batteries/Safety Vest/Scrubs	44.20
	CATEH10084-1	PW/Eyeware/Batteries/Safety Vest/Scrubs	9.92
	CATEH10084-2	Land/Eyeware/Batteries/Safety Vest/Scrubs	22.46
	CATEH10084-3	Wtr/Eyeware/Batteries/Safety Vest/Scrubs	10.79
			Check Total: 87.37
			Vendor Total: 87.37
2827	SymbolArts		
Check No:	0	Check Date:	
	0251101-IN	PD/Sea	260.00
			Check Total: 260.00
			Vendor Total: 260.00
2874	Department of Justice Accounting Offi		
Check No:	0	Check Date:	

Vendor	Invoice No	Line Description	Check Amount
	154301	PD/Fingerprint Apps/Fingerprint FBI/Record Re	187.00
		Check Total:	187.00
		Vendor Total:	187.00
2893	Cardmember Service		
Check No:	0	Check Date:	
	0237	Eng/Orleans Hotel & Casino Las Vegas/C Arbau	107.52
	8569	CD/AV Press Advertisement/Planning Manager	269.00
	9834	CD/AV Press Advertisement/Planning Manager	90.33
		Check Total:	466.85
		Vendor Total:	466.85
2981	Burke Williams & Sorenson LLP		
Check No:	0	Check Date:	
	198516	LLD/Professional Services Thru Feb 29 2016	609.00
		Check Total:	609.00
		Vendor Total:	609.00
3011	Verizon Wireless		
Check No:	0	Check Date:	
	9761340322	PD/Mobile Broadband/Feb 2-Mar 1 2016	819.48
		Check Total:	819.48
		Vendor Total:	819.48
3104	Hilltop Publishers Home of the Loop		
Check No:	0	Check Date:	
	17195	GG/Full Color Page Ad/Vol 3004 Mar 5 2016	400.00
		Check Total:	400.00
		Vendor Total:	400.00
3278	Hub Construction Specialties Inc.		
Check No:	0	Check Date:	
	A12016398	Strts/Male Fan Tip/Adjust Nozzle	16.77
		Check Total:	16.77
		Vendor Total:	16.77
3281	Statewide Traffic Safety & Signs Inc.		
Check No:	0	Check Date:	
	12002619	Strts/30x30 Aluminum	192.64
		Check Total:	192.64
		Vendor Total:	192.64
3543	West Coast Lights & Sirens		
Check No:	0	Check Date:	
	12005	PD/Dock Station for CF-31/Pkg-Base-Vmt 2003	3,081.20
		Check Total:	3,081.20
		Vendor Total:	3,081.20
3674	Secure On-Site Shredding		

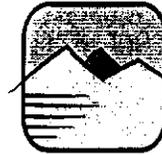
Vendor	Invoice No	Line Description	Check Amount
Check No:	0	Check Date:	
	0687069	GG/300421002/115 S Robinson	35.00
	2687070	Swr/300421004/750 Enterprise Way	35.00
	2687071	PD/300421006/220 West C Street	35.00
		Check Total:	105.00
		Vendor Total:	105.00
3680	Vortex Industries Inc.		
Check No:	0	Check Date:	
	42-1010028-1	Air/480 N Green/Service to Sliding Gate-South	655.00
		Check Total:	655.00
		Vendor Total:	655.00
3716	Ruettggers & Schuler Civil Engineers		
Check No:	0	Check Date:	
	1282016	Right of Way Acquisition for Srts Gap Closure	20,105.00
		Check Total:	20,105.00
		Vendor Total:	20,105.00
3838	Michael J. O'Day and Associates		
Check No:	0	Check Date:	
	022616	PD/Pre Employ Background Investigation-M Mi	1,139.75
		Check Total:	1,139.75
		Vendor Total:	1,139.75
3885	Dell Financial Services		
Check No:	0	Check Date:	
	78402383	GG/Lease 810-6713592-001/Rental Apr 1 2016-	54,754.12
		Check Total:	54,754.12
		Vendor Total:	54,754.12
3904	Cen-Cal Construction		
Check No:	0	Check Date:	
	R12010-5	Curry & Valley Intersection Improvement Projec	23,257.19
		Check Total:	23,257.19
		Vendor Total:	23,257.19
3957	BAVCO		
Check No:	0	Check Date:	
	747869	Land/Comp Repair Kit/RBR RPR Kit	41.23
	747869-1	LLD/Comp Repair Kit/RBR RPR Kit	41.23
	747869-2	LLD/Comp Repair Kit/RBR RPR Kit	42.48
		Check Total:	124.94
		Vendor Total:	124.94
3959	Indoff Incorporated		
Check No:	0	Check Date:	
	2767927	PD/	29,407.30
		Check Total:	29,407.30

Vendor	Invoice No	Line Description	Check Amount
		Vendor Total:	29,407.30
3976	Reliance Fence Company, Inc.		
Check No:	0	Check Date:	
	24128	Strts/Repair 20' of Accident Damaged Fence	1,602.00
		Check Total:	1,602.00
		Vendor Total:	1,602.00
3981	Inland Architects		
Check No:	0	Check Date:	
	90472	Freedom Plaza Visitor Center/200 W Tehachapi	8,813.75
		Check Total:	8,813.75
		Vendor Total:	8,813.75
3982	PSTC		
Check No:	0	Check Date:	
	18706	PD/CTO Workshop 3-18-16/M Murphy-Lead Di	330.00
		Check Total:	330.00
		Vendor Total:	330.00
3983	Optics Planet.com		
Check No:	0	Check Date:	
	4984111	PD/US Palm Level IV Stand Alone Plate/W Fun	299.98
		Check Total:	299.98
		Vendor Total:	299.98
3984	International Code Council Inc		
Check No:	0	Check Date:	
	1000669068	PD/Edu Code Session #13 #14 #31	400.00
		Check Total:	400.00
		Vendor Total:	400.00
		Report Total:	518,287.48

Accounts Payable

Checks by Date - Detail By Vendor Number

User: afrescas
 Printed: 3/17/2016 - 9:10 AM



CITY OF
TEHACHAPI
 CALIFORNIA

Vendor	Invoice No	Line Description	Check Amount
0015	211 Praxair Distribution Inc.		
Check No:	44569	Check Date: 03/17/2016	
	54851167	PWInc Acetylene/Ind Hi-Press 100cf	155.94
		Check Total:	155.94
		Vendor Total:	155.94
0017	American Business Machines		
Check No:	44543	Check Date: 03/17/2016	
	262657	GG/Toner	8.00
		Check Total:	8.00
		Vendor Total:	8.00
0027	Atco International		
Check No:	44545	Check Date: 03/17/2016	
	I0446584	Use Tax 7.5% of \$132.20 (Correction)	9.92
		Check Total:	9.92
		Vendor Total:	9.92
0030	The Bakersfield Californian		
Check No:	44546	Check Date: 03/17/2016	
	2644027	GG/KBJ 1/2	292.50
	2644027-1	CD/Planning Managersala	675.80
		Check Total:	968.30
		Vendor Total:	968.30
0035	BC Laboratories Inc.		
Check No:	44547	Check Date: 03/17/2016	
	B227007	Wtr/Curry Resv/Water Samples	15.00
	B227008	Wtr/Dennison & Mojave/Water Samples	30.00
	B227009	Swr/Influent-Effluent/Water Samples	325.00
		Check Total:	370.00
		Vendor Total:	370.00
0155	FedEx		
Check No:	44556	Check Date: 03/17/2016	
	532566389	Eng/AECOM/Hampton Inn	71.45
	532566389-1	Valley Blvd Bikeway Phase II/Quad Knoph	33.45
	532566389-2	PD/Testing for Dispatch	30.34
		Check Total:	135.24

Vendor	Invoice No	Line Description	Check Amount
		Vendor Total:	135.24
0216	Judicial Data Systems Corporation		
Check No:	44563	Check Date: 03/17/2016	
	5860	Parking Activity for Month of Jan 2016	100.00
		Check Total:	100.00
		Vendor Total:	100.00
0219	Jobs Available		
Check No:	44562	Check Date: 03/17/2016	
	1603040	CD/Planning Mgr Advertisement	351.00
		Check Total:	351.00
		Vendor Total:	351.00
0310	Willdan Financial Services		
Check No:	44579	Check Date: 03/17/2016	
	010-29783	LLD/Tract 6062 Heritage	238.47
	010-29783-1	LLD/Tract 6212 Clear View	82.19
	010-29783-2	LLD/Tract 6215 KB Autumn Hills	171.38
	010-29783-3	LLD/Tract 6216 Alt Estate	619.89
	010-29783-4	LLD/Tract 5812 KB Orchard Glen	415.58
	010-29783-5	LLD/Tract 6360 Mill St Cottages	33.23
	010-29783-6	LLD/Parcel Map 11353 Tehachapi Blvd	29.09
	010-29783-7	LLD/Parcel Map 10997 Industrial Parkway Zone	142.67
	010-29783-8	Drain/Parcel Map 10997 Industrial Parkway Zone	142.67
	010-29783-9	Drain/DBAD 1-Tehachapi Blvd	0.51
		Check Total:	1,875.68
		Vendor Total:	1,875.68
0395	The Gas Company		
Check No:	44577	Check Date: 03/17/2016	
	312016	GG/#10561664466/200 W Tehachapi Bl/Freedor	109.48
		Check Total:	109.48
		Vendor Total:	109.48
0431	Tehachapi News		
Check No:	44575	Check Date: 03/17/2016	
	2642788	PD/Advertisement/Dispatch	109.63
	2642788-1	GG/Annual Report	432.00
	2642788-2	PD/Advertisement/Dispatch	114.00
	2642788-3	CD/Planning Manager	114.00
	2642788-4	CD/Planning Manager	114.00
	2642788-5	CD/Notice of Public Hearing/Jennifers Terrace	37.50
		Check Total:	921.13
		Vendor Total:	921.13
0446	Tehachapi Unified School Dist.		
Check No:	44576	Check Date: 03/17/2016	
	160225	GG/City Council Meetings	120.00
	160225-1	CD/Planning-City Council Meetings	180.00
		Check Total:	300.00

Vendor	Invoice No	Line Description	Check Amount
		Vendor Total:	300.00
0476	WITTS Everything for the Office		
Check No:	44580	Check Date: 03/17/2016	
	140106-0	GG/11x17 Copy Paper	60.12
	140493-0	CD/Walgreens Landscape Plans	6.99
	140517-0	Strts/Xerox Paper/Rehab III	7.51
	721559-0	Strts/Paper	20.63
	721559-1	GG/Paper	8.57
		Check Total:	103.82
		Vendor Total:	103.82
0832	ACWA/JPIA		
Check No:	44541	Check Date: 03/17/2016	
	0399882	GG/Medical Premium April 2016	53,149.92
	0399882-1	GG/Medical Premium Adjustment April 2016	-1,600.05
	0399882-2	GG/Dental Premium April 2016	7,458.59
	0399882-3	GG/Dental Premium Adjustment April 2016	-164.17
	0399882-4	GG/Vision Premium April 2016	1,122.54
	0399882-5	GG/Vision Premium Adjustment April 2016	-21.18
	0399882-6	GG/Life Premium April 2016	1,257.32
	0399882-7	GG/Life Premium Adjustment April 2016	-23.83
		Check Total:	61,179.14
		Vendor Total:	61,179.14
0956	League of California Cities		
Check No:	44565	Check Date: 03/17/2016	
	56310	CD/Planning Mgr Advertisement-Western City A	925.00
		Check Total:	925.00
		Vendor Total:	925.00
1005	Quad Knopf Inc.		
Check No:	44570	Check Date: 03/17/2016	
	83469	HSIP East Tehachapi Traffic Signal & Street Imp	3,638.00
	83728	HSIP East Tehachapi Traffic Signal & Street Imp	1,965.70
		Check Total:	5,603.70
		Vendor Total:	5,603.70
1658	Accela Inc #774375		
Check No:	44540	Check Date: 03/17/2016	
	INV32774	GG/Web Payment Transaction Fees	350.10
		Check Total:	350.10
		Vendor Total:	350.10
1801	HD Supply Waterworks LTD		
Check No:	44561	Check Date: 03/17/2016	
	F124689	Wtr/One-Lock PVC Restr	834.81
	F137540	Wtr/Rubber Meter Washer	113.96
	F138991	Wtr/PVC/Hex Bolt & Nut Kit	155.18
	F144720	Wtr/Instatite spoon	80.88
	F166989	Swr/STL Cplg Epoxy Alloy B&N	111.21
	F175282	Wtr/CTS Pe Tubing 200PSI	88.16

Vendor	Invoice No	Line Description	Check Amount
		Check Total:	1,384.20
		Vendor Total:	1,384.20
1851	AT&T		
Check No:	44544	Check Date: 03/17/2016	
	312016	GG/White Pages	18.81
		Check Total:	18.81
		Vendor Total:	18.81
2113	Fuel Controls Inc.		
Check No:	44559	Check Date: 03/17/2016	
	86361	Air/100 Octane/2,999 GL	13,120.53
	86362	Air/Jet A Fuel/1,996 GL	5,448.95
		Check Total:	18,569.48
		Vendor Total:	18,569.48
2147	Coffee Break Service Inc.		
Check No:	44552	Check Date: 03/17/2016	
	MAR4487	Water Cooler Rental - March 2016	26.95
		Check Total:	26.95
		Vendor Total:	26.95
2478	DataProse Inc.		
Check No:	44554	Check Date: 03/17/2016	
	DP1600571	Ref/Printing/Feb1-29 2016	106.07
	DP1600571-1	Wtr/Printing/Feb 1-29 2016	212.14
	DP1600571-2	Swr/Printing/Feb 1-29 2016	212.14
	DP1600571-3	Wtr/Postage/Feb 1-29 2016	221.99
	DP1600571-4	Wtr/Postage/Feb 1-29 2016	443.97
	DP1600571-5	Swr/Postage/Feb 1-29 2016	443.97
		Check Total:	1,640.28
		Vendor Total:	1,640.28
2833	Sun Ridge Systems Inc.		
Check No:	44573	Check Date: 03/17/2016	
	4287	PD/RIMS CAD Mapping Software 14-15/Eng Fi	14,780.00
		Check Total:	14,780.00
		Vendor Total:	14,780.00
2837	Tartaglia Engineering		
Check No:	44574	Check Date: 03/17/2016	
	2	Air/SW Diagonal Taxilane	35,207.15
		Check Total:	35,207.15
		Vendor Total:	35,207.15
3066	AECOM Technical Services Inc.		
Check No:	44542	Check Date: 03/17/2016	
	37703104	Eng/Pro Svcs from Oct 31 2015-Feb 5 2016/Star	635.48
	37703105	LLD/Mill Street Rehab Project	3,966.93
	37703108	Eng/Attendance at Project Review Meeting	526.50

Vendor	Invoice No	Line Description	Check Amount
	37703108-1	Swr/2016 WWTP Annual Report	2,395.00
	37703108-2	Eng/Motocross Disinfection Station Grant Appli	735.00
	37703108-3	Remove Additional 10% Markup on Converted (-5.54
		Check Total:	8,253.37
		Vendor Total:	8,253.37
3097	Code 3 Uniforms		
Check No:	44551	Check Date: 03/17/2016	
	7675	PD/Polos-Belts-Pants-Shirts Add Zipper-Jacket-l	503.01
	7717	PD/Pants/Polos/M Stout/A Price/K Kroeger/D B	1,006.00
	7989	PD/Class A Pants/B Medina/J Vielma	214.98
		Check Total:	1,723.99
		Vendor Total:	1,723.99
3199	Slick Fish Marketing Co.		
Check No:	44571	Check Date: 03/17/2016	
	2262	Talk It Up Newsletter - March/Loop Ad March	170.00
	2262-1	FTB Order #312613192904136373/25% of 170.0	-42.50
		Check Total:	127.50
		Vendor Total:	127.50
3277	CoreLogic Information Solutions, Inc.		
Check No:	44553	Check Date: 03/17/2016	
	81653911	CD/Real Quest	241.66
		Check Total:	241.66
		Vendor Total:	241.66
3322	Master Meter, Inc.		
Check No:	44567	Check Date: 03/17/2016	
	147025	Wtr/Annual Support & Maintenance	1,500.00
		Check Total:	1,500.00
		Vendor Total:	1,500.00
3503	Solenis LLC		
Check No:	44572	Check Date: 03/17/2016	
	131031905	Swr/Praestol	3,985.19
		Check Total:	3,985.19
		Vendor Total:	3,985.19
3561	Lisa Wise Consulting Inc.		
Check No:	44566	Check Date: 03/17/2016	
	2166	CD/Zoning Code	2,659.00
		Check Total:	2,659.00
		Vendor Total:	2,659.00
3645	Blueprint Service		
Check No:	44548	Check Date: 03/17/2016	
	864273	CD/General Plan Maps	137.28
	865586	Valley Blvd Bikeway	90.73
	865586-1	Tehachapi Blvd Rehab III	10.21

Vendor	Invoice No	Line Description	Check Amount
		Check Total:	238.22
		Vendor Total:	238.22
3693	First American Title Company		
Check No:	44557	Check Date: 03/17/2016	
	745-74514381	CD/Preliminary Report/Loop Ranch LLC	395.00
		Check Total:	395.00
		Vendor Total:	395.00
3730	Tractor Supply Credit Plan		
Check No:	44578	Check Date: 03/17/2016	
	004861	Air/Self Drill	38.66
	023293	PW/Niteglow/Lcd Test	47.26
		Check Total:	85.92
		Vendor Total:	85.92
3807	Diamond Technologies		
Check No:	44555	Check Date: 03/17/2016	
	16376	Eng/OLP Govt Project 2016	449.00
	16407	IT/ITB Momentus Sata 5400 RPM 16M 2.5IN	87.57
	16440	IT/Monthly Backup Agreement	1,915.04
	16470	Air/PCSC IQ600 Panel and Power Supply	2,512.92
		Check Total:	4,964.53
		Vendor Total:	4,964.53
3834	Charlotte L Ruse		
Check No:	44550	Check Date: 03/17/2016	
	31416	GG/Notary Fees/Heinlein/Arbaut/Garrett/Schlos	40.00
		Check Total:	40.00
		Vendor Total:	40.00
3837	CEMEX Construction Materials Pac L		
Check No:	44549	Check Date: 03/17/2016	
	9432748795	Wtr/Water Replacement Sidewalk Panels	421.38
		Check Total:	421.38
		Vendor Total:	421.38
3844	Franchise Tax Board		
Check No:	44558	Check Date: 03/17/2016	
	2262	FTB Order #312613192904136373-Slick Fish M	42.50
		Check Total:	42.50
		Vendor Total:	42.50
3848	O'Reilly Automotive Inc		
Check No:	44568	Check Date: 03/17/2016	
	4447155379	PW/Floor Dry	56.38
	4447155379-1	PW/Late Payment Fee	5.12
		Check Total:	61.50

Vendor	Invoice No	Line Description	Check Amount
			Vendor Total: 61.50
3852	GameTime C/O Great Western		
Check No:	44560	Check Date: 03/17/2016	
	PJI-0030887	Land/Handgrips/Pioneer Park	176.29
			Check Total: 176.29
			Vendor Total: 176.29
3978	A1 Janitorial Supply		
Check No:	44539	Check Date: 03/17/2016	
	A1S16071	Swr/Dissolve Sewer & Lift Station Cleaner	131.26
			Check Total: 131.26
			Vendor Total: 131.26
3979	Labor Consultants of California		
Check No:	44564	Check Date: 03/17/2016	
	1220	Wtr/Snyder Well Intertic	1,445.00
			Check Total: 1,445.00
			Vendor Total: 1,445.00
			Report Total: 171,585.63

**CITY OF TEHACHAPI
TREASURER'S REPORT
FY 2015-16**

MONTH END BANK STATEMENT BALANCE

	<u>9/30/2015</u>	<u>10/31/2015</u>	<u>11/30/2015</u>	<u>12/31/2015</u>	<u>1/31/2016</u>	<u>2/29/2016</u>
BANK ACCOUNTS						
General Checking	638,877.46	533,950.92	504,930.60	642,489.61	268,335.74	307,824.03
Water Deposit Trust	112,350.00	114,280.00	110,840.00	110,840.00	113,210.00	110,160.00
AD 83-1/87-1, Tucker	87,635.93	87,635.93	0.00	0.00	0.00	0.00
AD 89-3	828.82	828.82	0.00	0.00	0.00	0.00
Payroll	95,805.81	95,329.56	94,978.17	94,679.62	94,189.80	93,793.44
AFLAC Flex Spending	15,590.75	16,624.61	14,394.12	14,619.38	14,907.33	15,679.09
Airport key Deposit/Cr Card Purch	118,446.96	138,059.48	149,296.15	158,624.77	164,294.36	177,240.31
Ashtown Water Escrow	107,978.09	107,978.09	107,978.09	107,978.09	107,978.09	107,978.09
LAIF	8,146,589.49	7,755,980.20	6,255,980.20	5,955,980.20	7,565,297.41	7,565,297.41
Total Funds in Banks	9,324,103.31	8,850,667.61	7,238,397.33	7,085,211.67	8,328,212.73	8,377,972.37

INVESTMENTS

CSJVRMA Investment Pool	2,074,141.00	2,071,972.00	2,066,520.00	2,064,201.00	2,084,178.00	2,088,443.00
Loaned to Wtrr/Swr to pay-off COP2000	145,889.41	145,889.41	0.00	0.00	0.00	0.00
Total Investments	2,220,030.41	2,217,861.41	2,066,520.00	2,064,201.00	2,084,178.00	2,088,443.00

TOTAL PORTFOLIO

	11,544,133.72	11,068,529.02	9,304,917.33	9,149,412.67	10,412,390.73	10,466,415.37
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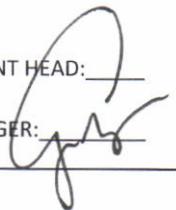
RDA SUCCESSOR AGENCY FUNDS

RDA 2007	333,060.99	333,060.99	734,320.99	362,780.16	362,783.66	362,786.76
RDA 2005	292,456.25	292,456.25	681,397.50	322,176.25	322,179.34	322,182.09
Successor Agency RDA	3,143,650.05	3,143,650.05	3,143,650.05	3,143,650.05	3,143,650.05	3,143,650.05
Total RDA Successor Agency Funds	3,769,167.29	3,769,167.29	4,559,368.54	3,828,606.46	3,828,613.05	3,828,618.90

COUNCIL REPORTS

APPROVED

DEPARTMENT HEAD: _____

CITY MANAGER: _____


MEETING DATE: MARCH 21, 2016

AGENDA SECTION: City Attorney

TO: HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

FROM: TOM SCHROETER, CITY ATTORNEY

DATE: January 11, 2016

SUBJECT: ORDINANCE PROHIBITING MEDICAL MARIJUANA DISPENSARIES COOPERATIVES, AND COLLECTIVES AND THE MOBILE DELIVERY, CULTIVATION, AND PROCESSING OF MARIJUANA

BACKGROUND:

Effective January 1, 2016, the "Medical Marijuana Regulation and Safety Act" went into effect. The Act allows local governments to enact ordinances prohibiting marijuana cultivation, processing, delivery, and medical marijuana dispensaries. A city with "permissive" zoning is deemed to have prohibited these activities without further action. Tehachapi's zoning ordinance arguably is permissive and therefore prohibits these activities. In 2008 and 2009, appellate courts held that if a city's zoning ordinance contained a provision to the effect that any uses not specifically authorized under the zoning ordinance were prohibited, then marijuana activities were deemed prohibited if not specifically authorized. The city has always relied on these decisions to prohibit such activities without adopting an ordinance to specifically prohibit them. This is now set forth in state law.

Although the appellate court decisions were clear, state law is not. State law uses the term "permissive zoning" but does not define it. Additionally, the term could later be defined in a way that would allow certain marijuana activities or it could be removed all together. Consequently, staff has determined that it is better to adopt an ordinance specifically prohibiting those activities rather than relying on the concept of "permissive zoning." The ordinance to be introduced would prohibit the cultivation and processing of marijuana, marijuana delivery, marijuana dispensaries, and medical marijuana collectives and cooperatives.

RECOMMENDATION:

Adopt an ordinance of the City Council of the City of Tehachapi making findings including an exemption from the California Environmental Quality Act and adding Chapter 8.64 to the Tehachapi Municipal Code prohibiting medical marijuana dispensaries, cooperatives and collectives, including the mobile delivery of marijuana, the cultivation of marijuana, and the processing of marijuana.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI MAKING FINDINGS INCLUDING AN EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND ADDING CHAPTER 8.64 TO THE TEHACHAPI MUNICIPAL CODE PROHIBITING MEDICAL MARIJUANA DISPENSARIES, COOPERATIVES, AND COLLECTIVES, INCLUDING THE MOBILE DELIVERY OF MARIJUANA, THE CULTIVATION OF MARIJUANA, AND THE PROCESSING OF MARIJUANA

THE CITY COUNCIL OF THE CITY OF TEHACHAPI DOES ORDAIN AS FOLLOWS:

Section 1. FINDINGS.

The City Council of the City of Tehachapi ("City") makes the following findings:

- A. That the manufacture, sale, distribution, possession, and cultivation of marijuana, whether for medical purposes or for recreational use, has significant adverse impacts or the potential for significant adverse impacts on the City.
- B. That these impacts include damage to residences and other buildings, dangerous electrical alterations and use, inadequate ventilation, increased robberies and other crime, and the nuisance of strong and noxious odors and other similar negative effects on the public health, safety and welfare to the residents and businesses in the City.
- C. That many California cities have experienced negative impacts from marijuana cultivation, processing and distribution activities, including offensive odors, illegal sales and distribution of marijuana, trespassing, theft, violent robberies and robbery attempts, homicide, fire hazards, and problems associated with mold, fungus, and pests as chronicled in detail by a report prepared by the California Police Chiefs Association dated April 22, 2009 reporting increases in crimes such as burglary, drug dealing, armed robbery, and murder connected to marijuana dispensaries and having quality of life impacts such as adverse traffic and noise.

D. That the indoor cultivation of marijuana has potential adverse effects to the structural integrity of the building, and the use of high wattage grow lights and excessive use of electricity increases the risk of fire which presents a clear and present danger to the building and its occupants.

E. That the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use recognizes that the cultivation or other concentration of marijuana in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as loitering or crime.

F. That the potential establishment of the cultivation, processing and distribution of medical marijuana in the City without an expressed ban on such activities poses a current and immediate threat to the public health, safety, and welfare of the City due to the negative impacts of such activities as described above.

G. That the issuance or approval of business licenses, use permits, building permits, or any other applicable entitlement for marijuana cultivation, processing, delivery, or distribution will result in a further threat to public health, safety, and welfare.

Section 2. AMENDMENTS.

A. Chapter 8.64 entitled "Medical Marijuana" is hereby added to the City of Tehachapi Municipal Code to read as follows:

8.64.010 Legislative Findings and Statement of Purpose. A. The City Council finds that the prohibitions on marijuana cultivation, marijuana processing, marijuana delivery, and marijuana dispensaries are necessary for the preservation and

protection of the public health, safety, and welfare for the City and its community. The City Council's prohibition of such activities is within the authority conferred upon the City Council by state law.

B. The City Council finds that this chapter:

1. Prohibits the cultivation of marijuana in the City and administration of a conditional permit program pursuant to Health and Safety Code Section 11362.777 for the cultivation of marijuana in the City;
2. Exercises its local authority to enact and enforce local regulations and ordinances, including those regarding the permitting, licensing, or other entitlement of the activities prohibited by this chapter;
3. Exercises its police power to enact and enforce regulations for the public benefit, safety, and welfare of the City and its community; and
4. Expressly prohibits the delivery of marijuana in the City.

8.64.020 Definitions. For purposes of this chapter, the following definitions shall apply.

A. "Marijuana" means any or all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin or separated resin whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin, including marijuana infused in food stuff or any other ingestible or consumable product containing marijuana. The term shall also include "medical marijuana" as such phrase is used in the August 2008 Guidelines for the Security and

Non- Diversion of Marijuana Grown for Medical Use, as may be amended from time to time, that was issued by the office of the Attorney General for the State of California or subject to provisions of California Health and Safety Code Section 11362.5 or Sections 11362.7 to 11362.83.

B. "Marijuana cultivation" means to farm, till, work, grow, plant, harvest, dry, cure, grade, trim, process, or develop marijuana, whether within a structure completely or partially enclosed or outdoors."

C. "Marijuana dispensary," "marijuana dispensaries," or "marijuana delivery" means any use, facility, location, business, office, store, retail store front or wholesale component of any establishment, cooperative, or collective that delivers (as defined in Business and Professions Code Section 19300.5(m) or any successor statute thereto) whether mobile or otherwise, dispenses, distributes, exchanges, transmits, transports, sells or provides marijuana to any person for any reason, including members of any medical marijuana cooperative or collective consistent with the August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use as may be amended from time to time that was issued by the office of the Attorney General for the State of California, or for the purposes set forth in California Health and Safety Code Section 11362.5 or Sections 11362.7 to 11362.83."

D. "Marijuana processing" means any method used to prepare marijuana or its byproducts for commercial retail or wholesale, including but not limited to drying, cleaning, curing, packaging, and extraction of active ingredients to create marijuana related products and concentrates.

E. "Medical marijuana collective" and "medical marijuana cooperative" means any group that is collectively or cooperatively cultivating and distributing marijuana for medical purposes that is organized in the manner set forth in the August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use as may be amended from time to time that was issued by the office of the Attorney General for the State of California or subject to provisions of the California Health and Safety Code Section 11362.5 or Sections 11362.7 to 11362.83.

8.64.030 Prohibited Activities. Marijuana cultivation, marijuana processing, marijuana delivery, marijuana dispensaries, and medical marijuana collectives and cooperatives shall be prohibited activities in the City. No use permit, variance, building permit, or any other entitlement, or business license or permit, whether administrative or discretionary, shall be approved or issued for the activities of marijuana cultivation, marijuana processing, marijuana delivery, or the establishment or operation of a marijuana dispensary or medical marijuana collective or cooperative in the City, and no person shall otherwise establish or conduct such activities in the City.

8.64.040 Public Nuisance. Any violation of this chapter is hereby declared to be a public nuisance.

8.64.050 Violations. Any violation of this chapter shall be punishable as provided in Section 1.20.010 of this Code or any successor section thereto.

Section 2. SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions

of this Ordinance.

Section 3. CALIFORNIA ENVIRONMENTAL QUALITY ACT.

This ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines and is not a project which has the potential for causing a significant effect on the environment.

Section 4. EFFECTIVE DATE.

This Ordinance shall take effect 30 days after the date of its passage and within 15 days of its passage shall be published in a newspaper of general circulation, printed and published in the City of Tehachapi.

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INTRODUCED at a regular meeting of the City Council of the City of Tehachapi on the _____ day of _____, 2016.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi on the _____ day of _____, 2016, by the following votes:

AYES: Councilpersons _____

NOES: Councilpersons _____

ABSTAIN: Councilpersons _____

ABSENT: Councilpersons _____

SUSAN WIGGINS, Mayor of
the City of Tehachapi, California

ATTEST:

TORI MARSH, City Clerk
of the City of Tehachapi, California

Published: _____

From: greg@[REDACTED] [mailto:greg@[REDACTED]]

Sent: Wednesday, March 9, 2016 11:45 AM

To: Greg Garrett <ggarrett@tehachapicityhall.com>

Cc: greg@[REDACTED]

Subject: Pot dispensary in our city

Mr Garrett, Your email address is the only one I could find online. I'd like to address this to the city council and would surely appreciate knowing their email addresses. I understand they will be voting on either banning or allowing legalized pot dispensaries in our city. Word on social media is, that they will not allow them and the reason they provide is that pot is a gateway drug. Well, that isn't true. It is a myth based on information that some hard drug users started with pot. It is a correlation without showing causation. I can provide lots of reliable information from reputable sources like Time, FactCheck, Newsweek, and many others. I can also point out, that alcohol and nicotine should also be considered gateway drugs if pot was also considered one, and wonder if the city will soon ban those things in our city. While I don't use pot and never have, I would not start using if were made legal. But it has some VERY proven medical uses, and is FAR superior to legal narcotics such as oxycontin and many others, which are far more addictive. The fact is, many pot users NEVER go on to use harsher drugs. Please pass this along and urge the council members to do more research into the myth they are about to perpetuate. Thank you, Greg Hahn [REDACTED]

This email originated from your listing
in the online directory for the
Greater Tehachapi Chamber of Commerce

COUNCIL REPORTS

MEETING DATE: March 21, 2016 **AGENDA SECTION:** City Attorney

TO: HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

FROM: TOM SCHROETER, CITY ATTORNEY

DATE: January 19, 2016

SUBJECT: AN ORDINANCE REGULATING MASSAGE ESTABLISHMENTS

BACKGROUND:

Last year, the legislature adopted more stringent rules regulating massage therapists. This legislation prohibited cities from enacting or enforcing ordinances that conflict with state law. However, the legislation also authorized cities to adopt or enforce local ordinances that govern zoning, business license or reasonable health and safety requirements for establishments or businesses of a licensed or certified healing arts professional, including a certified massage therapist. Previously, cities did not have this authority.

The ordinance requires all such businesses to obtain an Establishment Registration Certificate (ERC) issued by the police chief to operate a massage establishment. The certificate would be good for one year and would have to be renewed annually thereafter. There is a process outlined for issuing the ERC or for revoking or suspending it if necessary. Operational requirements are described in the Ordinance. Only a massage therapist who maintains a California Massage Therapy Council certificate may work in such a business. Hours of operation, attire, and condition of the premises and supplies, among other things are regulated. Inspections by City officials are authorized. Additionally, no massage business may be located fewer than 1000 feet from another massage establishment.

RECOMMENDATION:

Adopt an Ordinance of the City Council of the City of Tehachapi Adding Chapter 5.40 to the Tehachapi Municipal Code Regulating Massage Establishments.

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI ADDING CHAPTER 5.40 TO THE TEHACHAPI MUNICIPAL CODE REGULATING MASSAGE ESTABLISHMENTS.

THE CITY COUNCIL OF THE CITY OF TEHACHAPI DOES ORDAIN AS FOLLOWS:

Section 1. AMENDMENTS.

Chapter 5.40 attached hereto as Exhibit "A" and by this reference made a part hereof is hereby added to the Tehachapi Municipal Code.

Section 2. SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is held to be invalid or unconstitutional such decision shall not affect the validity of the remaining portions of this Ordinance.

Section 3. ENVIRONMENTAL QUALITY ACT.

This ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines and is not a project which has the potential for causing a Significant effect on the environment.

Section 4. EFFECTIVE DATE.

This Ordinance shall take effect 30 days after the date of its passage and within 15 days of its passage shall be published in the newspaper of general circulation, printed and published in the City of Tehachapi.

INTRODUCED at a regular meeting of the City Council of the City of Tehachapi on the _____ day of _____, 2016. .

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Tehachapi on the day _____ of _____, 2016, by the following votes:

AYES: Councilpersons _____

NOES: Councilpersons _____

ABSTAIN: Councilpersons _____

ABSENT: Councilpersons _____

SUSAN WIGGINS, Mayor of
the City of Tehachapi, California

ATTEST:

TORI MARSH, City Clerk
of the City of Tehachapi, California

EXHIBIT A

CHAPTER 5.40

Massage Establishment Regulation

- 5.40.010- Definitions
- 5.40.020- Authority
- 5.40.030- Establishment Registration Certificate
- 5.40.040- Application for Establishment Registration Certificate
- 5.40.050- Approval or Denial of Establishment Registration Certificate
- 5.40.060- No Transfer of Establishment Registration Certificate
- 5.40.070- Establishment Registration Certificate Expiration and Renewal
- 5.40.080- Revocation or Suspension of Establishment Registration Certificate
- 5.40.090- Establishment Registration Certificate Revocation or Suspension Hearing
- 5.40.100- Reapplication after Denial
- 5.40.110- Exemptions
- 5.40.120- Massage Establishment Requirements
- 5.40.130- Massage Establishment Operation
- 5.40.140- Outcall Massages
- 5.40.150- Massage Establishment Prohibited Conduct
- 5.40.160- Inspection by Officials
- 5.40.170- Violation/Penalty
- 5.40.180- Separate Violations
- 5.40.190- Unlawful Operations Declared Nuisance or Civil Citation
- 5.40.200- Severability

5.40.010 Definitions

“Applicant” means an individual or business seeking to open a Massage Establishment who maintains a current CAMTC Certification or will employ only CAMTC Certified Massage Therapists, and is applying for an Establishment Registration Certificate from the City.

“California Massage Therapy Council” or **“CAMTC”** means the organization created by the State of California, pursuant to Division 2, Chapter 10.5 of the Business and Professions Code, to regulate massage businesses, training, practices, and techniques.

“Establishment Registration Certificate” means a City permit issued by the Police Chief to operate a Massage Establishment.

“Manager” (or **“Operator”**) means the person, who is 18 years of age or older, managing day-to-day operations of a Massage Establishment. A Manager must be an employee or Owner of the Massage Establishment. A Manager may not be an independent contractor of the Massage Establishment.

“Massage Establishment” means any massage business located in, and permitted by, the City, where Massage Therapy for compensation occurs. Massage Establishments

must possess all City permits and licenses including a City Business License, and an Establishment Registration Certificate.

"Massage Therapy" (or "Massage") means any method of person-to-person contact by a Massage Therapist that involves pressure on, friction against or stroking, kneading, rubbing, tapping, pounding, or vibrating the external parts of the human body, except for genitals. These person-to-person contact methods may include use of a Massage Therapist's hands, the aid of any mechanical or electrical apparatus or appliance, and other similar preparations commonly used in this practice.

"Massage Therapist" means any person who is 18 years of age or older, who maintains a current CAMTC Certificate pursuant to Division 2, Chapter 10.5 of the California Business and Professions Code.

"Owner" means the individual or business entity listed as the Owner on the City Business License.

5.40.020 Authority

- A. This Chapter is intended to supplement State Law, including Division 2, Chapter 10.5 of the Business and Professions Code, Government Code Section 51034, and any other applicable State Law, for the regulation of massage businesses.
- B. The City's Police Chief has the authority, at his or her sole discretion, to permit, inspect, or otherwise regulate Massage Establishments. The Police Chief may revoke, suspend, or deny any Establishment Registration Certificate. Any and all of these rights and duties provided to the Police Chief by this Chapter are delegable at his or her discretion to other City authorities, departments, or agencies.

5.40.030 Establishment Registration Certificate

All Massage Establishments seeking to open and conduct business in the City must first obtain an Establishment Registration Certificate. It is unlawful to open or operate a massage business in the City without having first obtained an Establishment Registration Certificate.

5.40.040 Application for Establishment Registration Certificate

A City-provided application form must be completed before obtaining an Establishment Registration Certificate. The Applicant must provide all information required on the application, provide any supplemental information requested by the City, and attest under penalty of perjury that all information presented on the application is true and correct.

- A. All Applicants must submit to, and participate in, a background check by the City. No Establishment Registration Certificate will be issued if the background check reveals any of the following:

1. The Applicant has been convicted of any felony, or conspiracy to commit, or attempt to commit, the same, as defined by Federal or State law; or
 2. The Applicant has been convicted of any misdemeanor, or conspiracy to commit, or attempt to commit, the same, which is sexual in nature, as defined by State or local law; or
 3. The Applicant has been convicted of any crime of moral turpitude, or conspiracy to commit, or attempt to commit, the same, as defined by State or local law; or
 4. The Applicant has had an individual or business permit or license with any agency, board, city, county, territory, or state denied, revoked, restricted, or suspended within the last five years; or
 5. The Applicant has been subject to an injunction for nuisance, as defined by State or local laws, within the last five years.
- B. The Applicant shall provide the non-refundable Establishment Registration Certificate application fee at the time the application is submitted in an amount established by Resolution of the City Council.
- C. Upon receipt of the completed Establishment Registration Certificate application, the Police Chief will commence an application review and background check. The Police Chief will approve or deny the application within 60 days. If 60 days pass without a response from the Police Chief, the application is automatically deemed denied.

5.40.050 Approval or Denial of Establishment Registration Certificate

- A. An Establishment Registration Certificate may be issued by the Police Chief to any Applicant that demonstrates all of the following:
1. The Applicant's background check does not reveal violations contemplated by Section 5.40.040(A) of this Chapter; and
 2. For new Massage Establishments, the proposed location for the Massage Establishment is no fewer than 1,000 feet from another Massage Establishment as measured from the property lines; and
 3. The Massage Establishment complies or will comply with all applicable Federal, State, and local laws, including the City's Building Codes, Zoning Codes, State Health Regulations, and all requirements of this Chapter; and
 4. The Applicant possesses a valid City Business License; and
 5. The Applicant truthfully, accurately, and completely provided all information, assurances, and documentation required by the City on the Establishment Registration Certificate application and additional information required by the Police Chief; and
 6. The Massage Establishment employs only CAMTC Certified Massage

Therapists.

B. The Applicant for the Establishment Registration Certificate may be denied for failure to satisfy any of the requirements in this Chapter.

5.40.060 Transfer of Establishment Registration Certificate

An Establishment Registration Certificate is not transferrable.

5.40.070 Establishment Registration Certificate Expiration and Renewal

Unless earlier revoked or suspended, an Establishment Registration Certificate shall be valid for one year; renewals will be required thereafter. The term of the Establishment Registration Certificate will coincide with the dates appearing on the Applicant's City-issued Business License.

5.40.080 Revocation or Suspension of Establishment Registration Certificate

A. In addition to civil and criminal penalties, Establishment Registration Certificates may be suspended or revoked upon any of the following grounds:

1. The City has determined that an Establishment Registration Certificate holder has made a material misrepresentation on the application for an Establishment Registration Certificate or renewal; or
2. The City determines that the Establishment Registration Certificate holder has violated any of the provisions of this Chapter, or for any violation of Federal, State, or local laws, or any conditions of the Establishment Registration Certificate; or
3. Any employee or independent contractor of the Massage Establishment violates any provisions of this Chapter.

B. The provisions of this Chapter shall apply to all existing Establishment Registration Certificates regardless of the date any Establishment Registration Certificate was issued.

C. No Massage Establishment shall be opened at the same address where a Massage Establishment was closed or Establishment Registration Certificate revoked in violation of any provision of this Chapter, or for any violation of Federal, State, or local laws, for at least 24 months.

D. Following suspension or revocation, the Police Chief may post a notice of revocation or suspension on the premises, and the notice shall state the reasons for the revocation or suspension. The Police Chief may direct the premises to be closed or locked, thereby prohibiting any public access.

E. It is unlawful for any person to conduct the business of a Massage Establishment after the Establishment Registration Certificate has been suspended or revoked.

5.40.090 Establishment Registration Certificate Revocation or Suspension Hearing

Notice of a revocation or suspension by the City of an Establishment Registration Certificate will be provided to the Establishment Registration Certificate holder and will contain a statement of the violations that constitute the basis for such revocation or suspension. The notice will also include information regarding the steps that must be taken for an appeal.

- A. Appeals to the Police Chief under this Chapter shall be in writing, shall clearly state all applicable grounds for the appeal, and shall be filed with the City Clerk not later than 15 calendar days following the date of notice of revocation or suspension issued by the Police Chief.
- B. The City will not accept an appeal, and no hearing may be conducted, unless the appellant has paid a filing fee at the time of serving the appeal papers, in an amount set by Resolution of the City Council.
- C. The scope of the appeal hearing pursuant to this section shall be limited to those issues raised by the appellant in the appeal papers, as submitted pursuant to Subsection A of this Section.
- D. Within 10 days after the Police Chief renders a decision, the Establishment Registration Certificate holder may timely-file a written appeal to the City Manager. The Police Chief shall set the matter for hearing before the City Manager or his or her designee within 30 days of the receipt of the appeal. Unless mutually agreed, the hearing shall be held not fewer than 10 calendar days and not more than 30 calendar days from the date of the appeal request. The hearing may be continued from time to time upon the mutual consent of the parties.
- E. The appellant shall be provided with notice of the time and place of the appeal hearing, as well as a copy of all relevant materials at least 10 calendar days prior to the hearing.
- F. The City will provide a written decision no more than 30 days after the hearing is conducted.

5.40.100 Re-Application after Denial

After an Establishment Registration Certificate has been revoked or denied, no re-application for an Establishment Registration Certificate will be accepted within two years from any person, Applicant, Owner, Operator, Manager, Massage Therapist, or any other person or persons, partnership, or corporation who was listed on an Establishment Registration Certificate. If, however, an Establishment Registration Certificate was denied for the sole reason that a Massage Therapist did not maintain CAMTC Certification, re-application may occur after proper CAMTC Certification has been reinstated.

5.40.110 Exemptions

The provisions of this Chapter shall not apply to the following:

- A. Physicians, surgeons, chiropractors, osteopaths, acupuncturists, and physical therapists duly licensed to practice in the State of California and hospitals, nursing homes, sanitariums, or other health care facilities duly licensed by the State of California; or
- B. Registered or licensed vocational nurses duly registered by the State of California; or
- C. Barbershops and beauty salons; or
- D. Accredited high schools and colleges and their employees; or
- E. Trainers of any amateur, semi-professional, or professional athlete or athletic team; or
- F. Massage Therapy provided by a Massage Therapist according to the terms of a prescription for certain treatment issued by a California licensed health care provider; or
- G. Physical therapy students and Massage Therapy students who are currently enrolled in a licensed program for physical therapy or Massage Therapy in a State recognized or accredited school/educational program, and who provide massage services under the direct supervision of a California licensed instructor; or
- H. Owners of stand-alone hotels with more than 100 on-site rooms for rent, which provide Massage Therapy for their guests on site by a Massage Therapist.

5.40.120 Massage Establishment Requirements

All Massage Establishments shall comply with the following requirements:

- A. Subject to applicable provisions of the Municipal Code, a legible and easy to read sign shall be posted at the main entrance of the Massage Establishment identifying the business as a Massage Establishment; and
- B. A minimum level of artificial lighting sufficient to discern the activity occurring in the Massage Establishment and each separate massage room must be present at all times. This minimum level of artificial lighting is equivalent to an activated 40-watt light bulb in each approximate 100 square feet of indoor space; and
- C. Only equipment and chemicals approved by the County Health Department for disinfecting, cleaning, and sterilizing shall be used in the Massage Establishment; and
- D. Hot and cold running water shall be provided within the Massage Establishment at all times; and
- E. Clean linen shall be stored in a closed cabinet. Approved receptacles acceptable to the County Health Department shall be provided for the deposit of used linens; and
- F. Only professional massage tables that are generally accepted in the professional massage industry may be placed in massage rooms and utilized for Massage Therapy. No beds, mattresses, or waterbeds are allowed in Massage Establishments; and

G. All Massage Establishments shall be subject to periodic inspections by the City, or other government agencies, for compliance with applicable Federal, State, and local health, safety, and building laws and standards.

5.40.130 Massage Establishment Operation

Every Massage Establishment shall comply with the following operating requirements:

- A. Only a Massage Therapist may provide Massage Therapy; and
- B. Massage Therapists must wear their CAMTC issued identification card on the outside of their clothing and in plain view as a name badge at all times while in the Massage Establishment. All non-CAMTC Certified employees and independent contractors working at the Massage Establishment must wear a name badge displaying his or her true and correct name; and
- C. Massage Establishments may only be open between the hours of 8:00 a.m. and 10:00 p.m. The hours of operation must be displayed in a conspicuous place in the lobby or in any front window clearly visible from outside the Massage Establishment. All massages must conclude at or before 10:00 p.m.; and
- D. Massage Therapists shall be clothed at all times. Clothing shall be of completely non-transparent material. Massage Establishment employees and independent contractors may not:
 - 1. Wear attire that substantially exposes the undergarments; or
 - 2. Wear swimsuit attire, unless the Massage Therapist is providing water-based Massage Therapy approved by CAMTC; or
 - 3. Dress in a manner that exposes the employee's or contractor's breasts, buttocks, or genitals; or
 - 4. Dress in a manner that violates the indecent exposure provisions of California Penal Code Section 314 (as may be amended); and
- E. A Manager must be present at the Massage Establishment and on the premises at all times during the Massage Establishment's operating hours; and
- F. Towels, linens, and coverings may not be used on more than one patron unless the towel, linen, or covering has first been laundered and disinfected. Disposable towels, linens, and coverings shall not be used on more than one patron; and
- G. Wet and dry heat rooms, steam or vapor rooms or cabinets, warming appliances, shower rooms and compartments, and toilet rooms and pools, shall be thoroughly cleaned and disinfected at least once each day the Massage Establishment is open. Bathtubs shall be thoroughly cleaned after each use; and
- H. Instruments utilized in Massage Therapy shall not be used on more than one patron unless they have been sterilized using approved sterilizing methods; and
- I. The Owner or Manager of the Massage Establishment shall keep a complete and current list or roster of the legal names, residential addresses, and CAMTC Certificate

numbers of all Massage Therapists, and the legal names and residential addresses of all non-CAMTC Certified employees and independent contractors working at the Massage Establishment. That list shall also include the legal name and residential address of the Manager of the Massage Establishment. This roster shall be kept at the Massage Establishment premises and be available at all times for inspection by the City; and

J. Except as provided for in this Chapter, friends, family, and visitors are not allowed in the Massage Establishment while it is open for business. Only the Owner, Manager, Massage Establishment employees and independent contractors, and patrons are allowed in the Massage Establishment during operating hours; and

K. All doors leading into a Massage Establishment or area where Massage Therapy is performed shall remain unlocked during business hours. Internal offices or areas where cash or valuables are stored may be locked; and

L. Every Massage Establishment Owner or Operator shall report in writing immediately to the Police Chief any and all changes of the Massage Establishment address or ownership of the Massage Establishment; and

M. The following notice shall be posted in a conspicuous place in the Massage Establishment. The notice must be easy to read by any person, must be displayed in English and must be visible to anyone entering the Massage Establishment:

NOTICE TO ALL PATRONS: THIS MESSAGE ESTABLISHMENT AND THE MESSAGE ROOMS DO NOT PROVIDE COMPLETE PRIVACY AND ARE SUBJECT TO INSPECTION BY AUTHORIZED CITY OF TEHACHAPI PERSONNEL WITHOUT PRIOR NOTICE.

and

N. A list of all Massage Therapy services and their costs shall be posted in an open and conspicuous place near the entrance of the Massage Establishment. No Massage Establishment Owner or Manager shall permit, and no employee or independent contractor of the Massage Establishment shall offer to perform, any Massage Therapy services, or charge any fees, other than those posted; and

O. No portion of the Massage Establishment will be used for sleeping or residential purposes.

5.40.140 Outcall Massages

No Massage Therapy shall be conducted in a hotel or motel room except as allowed in Section 5.40.110.H, or in the private residence of the Massage Therapist. A Massage Therapist is permitted to provide outcall massage services at a private residence only between the hours of 8:00 a.m. and 10:00 p.m.

5.40.150 Massage Establishment—Prohibited Conduct

In addition to the conduct, activities, items, and substances prohibited by Federal and

State Laws, the following conduct is prohibited at Massage Establishments:

- A. The sale, service, or consumption of alcohol or marijuana; and
- B. Audio or video recording of, or monitoring of, the patron, the Massage Therapist, or the Massage Therapy, without the prior written consent of the patron; and
- C. Massage Therapy, touching, fondling, or otherwise intentional contact with the genitals, breasts of a female patron, or anus of any patron. To perform Massage Therapy on the breasts of a female patron, the Massage Therapist must have obtained prior written consent from the patron and a prior written referral from a licensed California health care provider; and
- D. Massage Therapy at any time while breasts of female patrons are uncovered or the genitals of any patron is uncovered; and
- E. Advertising or marketing illegal activity, advertising or marketing sexual content related to Massage Therapy, or advertising or marketing sexual content in the promotion of the Massage Establishment; and
- F. Use or possession of adult-oriented merchandise, including "sex toys" and condoms, in any part of a Massage Establishment; and
- G. Any sexual activity at a Massage Establishment.

During the hours of operation, only the client receiving Massage Therapy is allowed in the massage rooms except as follows: (1) the parents or guardian of a patron who is a minor child may be present; (2) the minor child of a patron may be present in the Massage Therapy room with the patron; or (3) the conservator, aide, or other caretaker of a patron may be present in the massage room.

5.40.160 Inspection by Officials

The City, County, or any investigating official shall have the right to enter the premises of the Massage Establishment from time to time during regular business hours to conduct reasonable inspections to enforce compliance with this Chapter and with building, fire, electrical, plumbing, and State and local health and safety regulations.

No person shall refuse to permit or interfere with a lawful inspection of the Massage Establishment by City or County investigating officials.

5.40.170 Violation—Penalty

Any person violating provisions of this Chapter shall be guilty of a misdemeanor, punishable by a fine of \$1,000.00 or by imprisonment in the County jail for a period not to exceed six months, or by both such fine and imprisonment. Whenever any City official inspects a Massage Establishment and finds that any provision of this Chapter has been violated, a notice of such violation shall be issued by means of a written notice, including, but not limited to, a letter, an inspection report, a notice of violation, or by issuing a civil or criminal citation for each and every violation, including those contemplated by this

Chapter, and Federal, State, City, and other applicable laws.

5.40.180 Separate Violations

Each violation described in this Chapter, or those provided for by State Laws, shall constitute a separate violation. Each violation may be charged as a separate count in the event of administrative or criminal enforcement action. Violations by employees or independent contractors of Massage Establishments shall be considered violations committed by the Massage Establishment, and termination of the employee/contractor shall not relieve the Owner or Establishment Registration Certificate holder of any civil or criminal liability.

5.40.190 Unlawful Operation Declared Nuisance or Civil Citation

Any Massage Establishment operated, conducted, or maintained contrary to the provisions of this Chapter and State laws shall be and the same is hereby declared to be unlawful and a public nuisance. The City Attorney may, in addition to, or in lieu of prosecuting a criminal action hereunder, commence an action or actions, proceeding or proceedings for abatement, removal, or enjoinder thereof, in the manner provided by law. The City Attorney shall take such other steps and shall apply to such court or courts as may have jurisdiction to grant such relief as shall abate or remove such Massage Establishment and restrain and enjoin any Owner, Operator, Manager, Massage Therapist, or any other person from operating, conducting, or maintaining a Massage Establishment in the City.

5.40.200 Severability

Nothing in this Chapter is intended to conflict or supersede Division 2, Chapter 10.5 of the Business and Professions Code as may be amended. If any Section, subsection, phrase, or clause of this Chapter is for any reason held to be invalid by a Court of law, such judicial decision shall not affect the validity of the remaining portion of this Chapter. The City Council declares that it would have adopted this Chapter and each Section, subsection, phrase, or clause contained herein irrespective of the fact that any one or more Sections, subsections, sentences, phrases, or clauses may be declared invalid.



APPROVED

DEPARTMENT HEAD: _____

CITY MANAGER: _____

COUNCIL REPORTS

MEETING DATE: MARCH 21, 2016 **AGENDA SECTION:** CITY MANAGER

TO: HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

FROM: GREG GARRETT, CITY MANAGER

DATE: MARCH 16, 2016

SUBJECT: NON-COMMERCIAL HANGAR GROUND LEASE AGREEMENT – HANGAR 01W & 11E

BACKGROUND

In the late 1980's, Bruce Glenn entered into two hangar ground lease agreements with the City of Tehachapi. Those leases have since expired and Mr. Glenn is requesting two new Hangar Ground Lease Agreements with terms starting on April 1, 2016.

FISCAL IMPACT

Rental Payment:

01W \$49.06/month

11E \$115.50/month

\$1974.72/year

RECOMMENDATION

APPROVE THE NON-COMMERCIAL HANGAR GROUND LEASE AGREEMENT FOR HANGARS 01W & 11E BETWEEN THE CITY OF TEHACHAPI AND BRUCE GLENN

NONCOMMERCIAL HANGAR GROUND LEASE AGREEMENT

(Tehachapi Airport) 01W

THIS LEASE AGREEMENT, hereinafter referred to as this "Lease", is made and entered into this 21st day of March, 2016, by and between the CITY OF TEHACHAPI, hereinafter referred to as "LESSOR", and Bruce Glenn, hereinafter referred to as "LESSEE".

IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

1. **PREMISES:**

LESSOR does hereby demise and lease to LESSEE, and LESSEE hereby hires from LESSOR, those certain premises situated in the City of Tehachapi, County of Kern, State of California, hereinafter referred to as the "premises" or "demised premises", and more particularly delineated on Exhibit A, attached hereto and by this reference made a part hereof.

2. **TERM:**

The term of this Lease shall be for 20 years, commencing on April 1, 2016, and terminating on March 31, 2036 (the "Initial Term"). LESSEE is hereby granted option to renew the LEASE for an additional term of five years from the expiration of the Initial Term, and for a second additional term of five years, provided LESSEE gives LESSOR written notice of LESSEE'S exercise of its option to do so no more than 180 days and no less than 30 days prior to the expiration of the Initial Term or the first additional term, whichever applies. In the event LESSEE exercises its option to renew the Lease, the

renewal shall be on the same terms and conditions as described in this Lease except for rental and as to the rental to be charged, same shall be calculated based on the rental rate or rental formula then in effect by the LESSOR for new noncommercial hangar ground leases. In addition, the rental terms for the renewal period shall include requirements for such increases as is then required by the LESSOR for new noncommercial hangar ground leases.

3. HOLDING OVER:

In the event LESSEE shall hold over after the term herein granted with the expressed or implied consent of LESSOR, such holding over shall be a tenancy only from month to month at twice the rental rate then charged for noncommercial hangar ground leases; provided, however, that if LESSEE is otherwise in default under this Lease at the time of holding over, nothing herein shall expressly or impliedly cure the default and LESSOR shall have all rights to remedy the default in addition to all rights to the increased monthly rental provided for herein.

4. RENTAL CONSIDERATION:

As and for rental, LESSEE agrees to pay to LESSOR, the sum of \$49.06 per month payable in advance on the first day of each month commencing April 1, 2016. On January 1 of each calendar year thereafter, the monthly rental shall increase or decrease for said calendar year by the percentage increase or decrease between the Consumer Price Index (All Urban Consumers) (Base Years 1982-1984=100) for Los Angeles-Riverside-Orange County, CA CMSA published by the United States Department of Labor, Bureau of Labor Statistics ("Index") which is published immediately preceding the commencement of the prior calendar year and the Index published immediately preceding the commencement of the new calendar year.

LESSOR shall notify LESSEE in writing of said rental increase/decrease prior to January 1. LESSOR shall bill LESSEE monthly for the rental and rental shall be due on the date set forth on the billing and shall be deemed delinquent if not received by that date. Notwithstanding the foregoing, rental may also be increased as described in Paragraphs 15 and 24.

5. INTEREST:

If the payments required herein are not paid within fifteen (15) days after they become due, then, in addition to such sums are due, LESSEE shall also pay interest at the rate of ten percent (10%) per month on the unpaid balance or portion thereof, until paid in full.

6. PURPOSE; NUISANCE:

(a) The demised premises shall be used by the LESSEE for one or more of the following purposes: aircraft storage, maintenance, repair, restoration, and for the construction of aircraft to be certified in the experimental category; provided that such aircraft are owned or leased by LESSEE or partnership or other business association approved by the City Manager or designated representative in which LESSEE is a member, except for such aircraft permitted on the premises pursuant to an assignment or sublease approved by LESSOR pursuant to Paragraph 24; and provided further, that LESSEE shall conduct no activity for profit or commercial purpose under this lease.

(b) LESSEE shall not do or permit any act or thing to be done upon the premises which constitutes a nuisance or which may disturb the quiet enjoyment of LESSOR or any tenant of LESSOR on adjacent or neighboring property. LESSEE shall abate or cure any nuisance on the demised premises or for which LESSEE is responsible within ten (10) days after written notice thereof from LESSOR. In the event LESSEE has not taken corrective action within ten (10) days, LESSOR may take any

action necessary to abate or cure such condition at LESSEE'S sole cost and expense, without further written notice and LESSOR shall have no liability to LESSEE therefore nor for any damages to the premises or to the hangar or to property therein or thereon. Notwithstanding the foregoing, if any such nuisance creates, in LESSOR'S reasonable determination, a condition immediately hazardous to health or safety, LESSOR may immediately, without written notice to LESSEE, enter the premises to abate or cure the condition at LESSEE'S sole cost and expense and LESSOR shall have no liability to LESSEE therefore nor for any damage to the premises or to the hangar or to property therein or thereon.

(c) The use of combustible chemicals or cleaning solvents, stripping or painting, or welding or repair to any aircraft on the demised premises are allowed only to the extent permitted under all applicable federal, state and local regulation governing the use of hazardous materials and equipment, and only in a manner consistent with such regulation.

7. CONDITION OF PREMISES:

LESSEE has inspected the demised premises and knows the extent and condition thereto and accepts same in its present condition, as is, subject to and including all defects, latent and/or patent.

8. SAFETY:

Any area that is within the control of the LESSEE at the airport shall be kept clear of accumulation of oil, grease, fuel, trash and debris which are potential fire, environmental, or safety hazards, and LESSEE shall comply with all local, state and federal laws, statutes, rules and regulations with regard thereto.

9. ALTERATIONS:

LESSEE shall not construct any improvements or make any alterations of any

kind (whether permanent or otherwise) on the demised premises without the written consent of the City Manager or designated representative first being obtained..

10. **SIGNS:**

LESSEE shall not construct or place or permit to be constructed or placed, signs, awnings, marquees, or other structures projecting from the exterior of the premises without LESSOR'S prior written consent thereof. LESSEE further agrees to remove signs, displays, advertisements, or decorations it has placed or permitted to be placed on the premises, which, in LESSOR'S opinion are offensive or otherwise objectionable. If LESSEE fails to remove such signs, displays, advertisements or decorations within ten (10) days after having received written notice to remove same from LESSOR, LESSOR reserves the right to re-enter the premises and remove them at LESSEE'S expense.

11. **UTILITY EXTENSION OR MODIFICATION:**

LESSEE shall pay any and all expenses that may be incurred in obtaining the extension of public utility services to the demised premises from existing facilities or any modification of same.

12. **UTILITIES:**

LESSEE agrees to pay during the term of this Lease, or any holding over, all utilities used by LESSEE. The term "utilities" as used herein shall include, but is not limited to, gas, electricity, water, sewer, telephone, and trash and refuse disposal service.

13. **MAINTENANCE:**

LESSEE agrees to provide maintenance, repair, and upkeep on any structures situated on the demised premises and any grounds around the structures in a good, clean, sanitary, and safe condition.

14. **FAILURE TO REPAIR:**

In the event LESSEE shall fail, neglect, or refuse to commence the repair or maintenance work required herein within ten (10) days after receipt of a written notice service by LESSOR, or in the event that LESSEE fails, neglects or refuses to pursue said repair or maintenance work with reasonable diligence to completion, LESSOR may perform or cause to be performed such repair or maintenance work and add the cost thereof to the installments of rent due for this Lease as a charge to LESSEE.

15. **SALE OR REMOVAL OF IMPROVEMENTS:**

(a) Unless otherwise agreed upon by the parties hereto, if LESSEE desires to sell or otherwise transfer any or all buildings, hangars and other improvements (the "Improvements") made to or constructed and placed on the premises during or prior to the term of this Lease, or any extensions thereof, LESSOR shall have a right of first refusal (the "Right of First Refusal") to purchase the improvements and the LESSEE shall give LESSOR a notice in writing at least thirty (30) days before such sale or transfer of the terms of same (the "Lessee Notice"). Any sale or transfer or agreement to sell or transfer the Improvements without LESSEE first complying with the requirements of LESSOR'S Right of First Refusal shall be void and, in addition thereto, shall constitute a breach and material default of this Lease. If LESSEE has received an offer to purchase the Improvements that LESSEE is prepared to accept, the Lessee Notice shall contain a complete copy of the offer (the "Offer"), or if LESSEE does not have any such Offer but nevertheless wishes to sell or transfer the Improvements to a third party, the Lessee Notice shall include all of LESSEE'S terms and conditions for such sale or transfer. Lessor's Right of First Refusal to purchase the Improvements shall be under the same terms and conditions as described in the Lessee Notice. The Lessee Notice shall be personally delivered or mailed to LESSOR by registered mail, return receipt requested. LESSOR shall have thirty (30) days from receipt of the Lessee Notice in

which to exercise its Right of First Refusal (the "Exercise Period"). If LESSOR wishes to exercise its Right of First Refusal, LESSOR shall do so in writing to LESSEE prior to expiration of the Exercise Period, provided however that if the Exercise Period terminates on a weekend or holiday, the Exercise Period shall be extended to 11:59 p.m. (California time) on the next business day thereafter. In the event LESSOR exercises its Right of First Refusal, LESSOR shall complete the purchase of the Improvements within a reasonable time thereafter. If LESSOR does not exercise its Right of First Refusal, LESSEE shall have the right, only for the next sixty (60) days, to complete the sale or transfer of the improvements to the offer or of the offer, or, if none, to any other third party under the same terms and conditions as described in the Lessee Notice, provided however that if the sale or transfer is not completed within sixty (60) days of the expiration of the Exercise Period or if the terms and conditions of the sale or transfer are modified, then LESSOR'S Right of First Refusal shall be revived and LESSEE shall once again give LESSOR the Lessee Notice containing the terms and conditions or, if applicable, the revised terms and conditions of the sale or transfer and LESSOR shall have all rights with regard thereto previously described herein. LESSEE shall not place a lien or otherwise encumber the Improvements as part of any sale or transfer without LESSOR'S prior written consent, which consent may be denied or conditioned in LESSOR'S sole and absolute discretion. If a sale is completed during the term of this Lease, no assignment or subletting of this Lease or of the premises shall occur without compliance with Paragraph 24 and, additionally, LESSOR shall have the right to increase the rental to the rental then being charged by LESSOR for new noncommercial hangar ground leases as then determined by LESSOR. Notwithstanding the foregoing, if the purchaser of the Improvements requests a new Lease, LESSOR may, in LESSOR'S sole and absolute discretion, enter into a new

Lease with the purchaser.

(b) If at the termination of this Lease a new Lease has not been entered into by the parties or their successors, then LESSEE shall remove the Improvements and all fixtures and contents therein no later than 30 days after the expiration of the Lease Term without unnecessary damage to the premises and during the 30 day period after expiration of the Lease Term LESSEE shall pay rental to Lessor as a holdover tenant pursuant to Paragraph 3 of this Lease. If LESSEE does not effect such removal, LESSOR shall have the right to do so and LESSEE shall be obligated to LESSOR for the costs thereof; provided, however, that all right, title and interest in and to the Improvements without their removal may be acquired by LESSOR upon terms and conditions mutually agreeable to both LESSOR and LESSEE. Notwithstanding the foregoing, if LESSEE has failed to effect the removal as required herein and LESSOR and LESSEE have not agreed upon the terms by which LESSOR would acquire the Improvements, LESSEE shall be in breach of this Agreement and LESSOR shall have all rights described in Paragraph 28 of this Lease with regard thereto.

16. COMPLIANCE WITH LAW:

LESSEE shall, at its expense, promptly comply with any and all laws, ordinances, rules, regulations, requirements and orders whatsoever, present or future, of the national, state, county, or city governments which may in any way apply to the use, maintenance, or occupation of, or operations on the demised property.

17. RIGHT OF INSPECTION:

LESSOR shall have the right to enter upon the demised premises at all reasonable times to inspect the premises and LESSEE'S operations thereon. LESSOR reserves all rights in and with respect to the premises, not inconsistent with LESSEE'S use of the premises as in the Lease provided, including (without limiting the generality of

the foregoing) the right of LESSOR to enter upon the premises for the purpose of installing, using, maintaining, renewing, and replacing such underground oil, gas, water, sewer, and other pipelines, and such underground or aboveground telephone, telegraph, and electric power conduits or lines as LESSOR may deem desirable in connection with the development or use of the demised premises or any other property on the airport or in the neighborhood of the premises. LESSOR shall compensate LESSEE for any and all damage to LESSEE'S improvements and personal property caused by the exercise of the rights reserved in this paragraph.

18. **INDEMNIFICATION:**

LESSEE agrees to indemnify, defend (upon request by the LESSOR) and save harmless the LESSOR, its Council persons, agents, officers and employees, and each of them, from any and all losses, costs, expenses, claims, liabilities, actions, and damages, including liability for injuries to person or persons, or damage to property of third persons arising out of or in any way connected with (a) the LESSEE'S use, occupancy and/or operation of the demised premises during the term of this Lease or any holding over, and (b) the construction or the removal of any facilities or improvements on the demised premises during the term of this Lease or any holding over.

19. **WORKERS COMPENSATION:**

LESSEE agrees to observe and obey the Workers' Compensation Act of the State of California as from time to time amended, and will indemnify and save and hold harmless LESSOR from any and all liability hereunder.

20. **LIABILITY INSURANCE:**

LESSEE, in order to protect LESSOR, its agents, officers and employees, against all claims and liability for death, injury, loss, and damage as a result of

LESSEE'S use, occupancy and/or operation of the demised premises or in a connection therewith, shall secure and maintain in force during the entire term of this Lease and covering all LESSEE'S operations and activities on the airport, a Comprehensive General Liability insurance policy in the amount of \$ 500,000 with a reliable insurance carrier approved by the City and authorized to do such public liability and property damage insurance business in the State of California. Said policies of insurance:

(a) shall expressly name LESSOR, Council persons, agents, officers, and employees as additional insured; and

(b) shall be primary insurance as regards any other valid and collectible insurance LESSOR possesses, and any other insurance that LESSOR may possess shall be considered excess insurance only; and

(c) shall contain a Severability of Interest or cross liability clause, which is to say, such policy shall act as though a separate policy were written for each insured and additional named insured in the policy; and

(d) shall not be subject to cancellation and/or coverage reduction without thirty (30) day's prior written notice to LESSOR.

Within ten (10) days from the date of the Lease, LESSEE shall file with the City Manager a duly certified Certificate of Insurance evidencing that the hereinabove mentioned public liability and property damage (and hangar-keeper liability, where applicable) provisions have been complied with, and setting forth that LESSOR, its councilpersons, agents, officers, and employees are named as additional insured. In the event that LESSEE shall fail to obtain or thereafter maintain such policies or to furnish evidence thereof to LESSOR, LESSOR may, in LESSOR'S sole discretion, (1) procure the same, pay the premium therefore, and collect same with the next payment of rental due from LESSEE, or (2) terminate this Lease pursuant to Paragraph 28 hereof.

21. TAXES AND ASSESSMENTS:

LESSEE agrees to pay all taxes and/or assessments levied by any governmental agency upon any interest acquired by LESSEE under the terms of this Lease. Providing further, that LESSEE is aware that certain possessory interests may be created by entering into this Lease and that LESSEE will be subject to the payment of property taxes levied on such interests.

22. LEASE SUBORDINATE TO AGREEMENTS WITH UNITED STATES GOVERNMENT:

This Lease shall be subordinate to the provisions and requirements of any existing or future agreements between the LESSOR and the United States relative to the development, operation or maintenance of the Airport.

23. AERONAUTICAL RESTRICTIONS:

(a) There is hereby reserved to LESSOR for the use and benefit of the public a right of flight for the passage of aircraft in the air space above the surface of the demised premises. This public right of flight shall include the right to cause in said air space any noise inherent in the lawful operation of any aircraft used for navigation or flight through the said air space or landing at, taking off from, or operation on the Tehachapi Airport.

(b) LESSEE shall not erect or permit the erection of any structure, building, or object of natural growth or other obstructions on the demised premises above the maximum elevation permitted by the Federal Aviation Administration. In the event the aforesaid covenant is breached, same shall be deemed a nuisance and a material breach of this Agreement and City shall have all rights described under Paragraph 6 (b) to abate the nuisance and City shall have all other rights and remedies available at law

or in equity.

(c) LESSEE shall not make use of the demised premises in any manner, which might interfere with lawful air navigation and communication, the landing or taking off of aircraft from Tehachapi Airport, or otherwise constitute an airport hazard. In the event the aforesaid covenant is breached, LESSOR reserves the right to enter on the demised premises and cause the abatement of such interference at the expense of LESSEE.

(d) LESSOR reserves the right to further develop or improve the landing area at the Tehachapi Airport as it sees fit regardless of the desires or views of LESSEE, and without interference or hindrance.

(e) LESSOR reserves the right, but shall not be obligated to LESSEE, to maintain and keep in repair the landing area at the Tehachapi Airport and all publicly owned facilities at the airport, together with the right to direct and control all activities of the LESSEE in this regard. Provided, however, that in the event of the taxiways or runways at the airport are determined to be unfit for aeronautical use by the Federal Aviation Administration or by LESSOR or by the Aeronautical Division of the California Department of Transportation, or the airport ceases to be operated as an airport, then this Lease may be terminated by LESSEE, at its option, by its giving of at least thirty (30) days written notice thereof LESSOR.

(f) Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

24. SUBLETTING:

(a) LESSEE shall not assign this Lease or sublet the premises, or any part thereof, without the prior written consent of the LESSOR, which consent shall not be

unreasonably withheld but may be reasonably conditioned to include but not be limited to the following:

- (i) Any assignment or sublease shall be in writing and shall provide that the assignee or sublessee shall agree to and be bound by all of the terms and conditions of the Lease;
- (ii) The assignee or sublessee shall secure and maintain in force during the entire term of such sublease or assignment a liability insurance policy or policies in conformity with the requirements of Paragraph 20, Liability Insurance, with respect to any aircraft hangared on the premises that are owned by sublessee or assignee or other third party; and
- (iii) A rental adjustment, which shall be, based on the rental then in effect by LESSOR for new noncommercial hangar ground leases.

(b) In the event of an attempted assignment or subletting in violation of the foregoing provisions, then in addition to any and all other rights and remedies available to it, the LESSOR may, at its option, by written notice to the LESSEE, either (1) declare such sublease, assignment, transfer, mortgage, or other conveyance void, or (2) terminate this Lease and all rights and interest of LESSEE and all other persons hereunder pursuant to Paragraph 28. Any consent by the LESSOR to any assignment or sublease, shall not be deemed, or construed as a consent to any different or subsequent assignment or sublease. The remedies available herein are cumulative with all other remedies available under this Lease or at law or in equity and the exercise of any remedy herein or under this Lease or at law or in equity shall not prevent the exercise of any other remedy provided herein or in this Lease or at law or in equity.

25. RIGHT OF INGRESS AND EGRESS:

LESSEE shall have the reasonable right-of-way over property owned and controlled by LESSOR for ingress thereto and egress there from for pedestrian, vehicular, and air travel, together with the right to use in common with other LESSEE'S or licenses or LESSOR the airplane landing field adjacent to the demised premises. None of these rights are exclusive but shall be exercised in common with and subject to possible similar rights of other users of the airport. All the forgoing is subject to such reasonable rules and regulations as the LESSOR or its authorized agents may make from time to time. Such rules and regulations, however, shall be reasonable and shall not conflict in any way with similar rules and regulations adopted from time to time by the Federal Aviation Administration or its successor.

26. **BANKRUPTCY:**

In the event that (a) LESSEE shall file a voluntary petition in bankruptcy or shall be adjudged a bankrupt in any voluntary bankruptcy proceeding; (b) any voluntary or involuntary proceeding for the reorganization of LESSEE shall be instituted by anyone other than LESSEE under any of the provisions of the bankruptcy laws of the United States; or (c) a receiver or judicial trustee or custodian shall be appointed for LESSEE, or any lien or any writ of attachment, garnishment, execution or distraint shall be levied upon any LESSEE'S rights or interest under this Lease; or (d) there shall be any other assignment of any LESSEE'S rights or interests under this Lease by operation of law, then in addition to any and all other rights and remedies available to it, LESSOR may, at its option by written notice to LESSEE, terminate this Lease and all rights and interest of LESSEE and all other persons under this Lease. The term "LESSEE", as used in this paragraph, includes any individual, partnership, or corporation who is a LESSEE hereunder, even though several individuals, partnership, or corporations are such, and includes each partner of any partnership, which is LESSEE hereunder.

27. WAIVER OF BREACH:

The waiver by LESSOR of any breach by LESSEE of any provision contained herein shall not be deemed to be a continuing waiver of such provision, or a waiver of any other prior or subsequent breach thereof, or a waiver of any breach of any other provisions contained herein.

28. BREACH:

(a) In the event of a breach by LESSEE of any term, condition, or agreement herein contained, LESSEE shall have 30 days to cure the breach after written notice has been given to LESSEE by LESSOR, provided however that if any such breach cannot be reasonably cured within 30 days of such notice, then LESSEE shall have commenced reasonable efforts to cure same within said period. In the event of LESSEE'S failure to cure or commence the cure of any such breach within 30 days this Lease and all privileges herein granted shall be terminated and be of no further force or effect, and LESSEE shall immediately surrender to LESSOR possession of the premises, and in addition to all other remedies available to LESSOR hereunder or at law or equity, LESSOR shall have the remedies either to remove the Improvements on the premises at the expense of LESSEE or retain the Improvements and to thereafter be the sole and exclusive owner of same. Notwithstanding the foregoing, in the event LESSEE allows a nuisance to exist on the premises as described in Paragraph 6 of this Lease, LESSEE shall abate the nuisance as required therein, and nothing herein shall be deemed to waive or modify the requirements and remedies described in Paragraph 6. Providing further, that in the event LESSEE breaches this Lease and abandons the property before the end of the term, if LESSEE'S right to possession is terminated by LESSOR because of breach of this Lease, LESSOR shall have the right to recover damages from LESSEE as provided in the State of California Civil Code Section 1951.2.

(b) In the event of a breach by LESSOR of any term, condition, or agreement herein contained, that deprives LESSEE in any manner, in whole or part, of its quiet enjoyment of the demised premises or its right to utilize them fully as described in Paragraph 6 hereof, or of its rights of ingress and egress described in Paragraph 25 hereof, LESSEE shall not be obligated to LESSOR for any rental payments otherwise due and payable for the period of such breach.

29. **NEGATION OF PARTNERSHIP:**

LESSOR shall not become or be deemed a partner or joint venture with LESSEE or in any other relationship with LESSEE other than that of landlord and tenant by reason of the provisions of this Lease nor shall LESSEE for any purpose be considered an agent, officer, or employee of LESSOR.

30. **SURRENDER OF PREMISES:**

On the last day of the term, or extension thereof, or sooner termination of this Lease, and subject to the rights and remedies of LESSOR and LESSEE described in Paragraph 15 hereof, LESSEE shall peaceably and quietly leave, surrender and yield up to the LESSOR the demised premises in as good condition and repair as at the commencement of LESSEE'S occupancy, reasonable wear and tear thereof excepted.

31. **ENTIRE AGREEMENT:**

This Lease contains all agreements of the parties with respect to the subject matter described herein. No prior agreements or understandings whether oral or in writing pertaining to any such matter shall be effective or of any force or effect.

32. **VENUE AND GOVERNING LAW:**

This agreement is made, entered into and is to be performed in Kern County, California. This Lease shall be governed by and construed in accordance with the laws of the State of California.

33. COVENANTS AND CONDITIONS:

Each provision of this Lease performable by LESSEE shall be deemed both a covenant and a condition.

34. TIME OF THE ESSENCE:

Time is hereby expressly declared to be the essence of this Lease and of each and every provision thereof, and each such provision is hereby made and declared to be a material, necessary and essential part of this Lease.

35. SEVERABILITY:

If any provision of this Lease is determined by a Court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall in no way be affected thereby and same shall remain in full force and effect.

36. AUTHORIZED AGENT OF LESSOR:

The City Manager of the City of Tehachapi is the duly authorized agent of LESSOR for purposes of this Lease, and as to any obligations assumed herein by LESSEE, they shall be performed to the satisfaction of the City Manager.

37. NOTICES:

All notices required or permitted under this Agreement or at law shall be deemed to be given when personally served on the party to be noticed or when deposited in the United States mail, Registered or Certified, postage prepaid and addressed as follows:

TO LESSOR: City Manager
City of Tehachapi
115 South Robinson Street
Tehachapi, Ca. 93561

TO LESSEE: Bruce Glenn
114 San Bernardino Ave.
Ventura, CA 93004
805-746-5437

Any party may change its or their address by providing notice of same in the manner herein prescribed.

38. **BINDING:**

This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

39. **CAPTIONS:**

The captions appearing in this Lease are for convenience only, are not part of this Lease, and shall not be considered in interpreting this Lease.

40. **AMENDMENTS:**

This Lease may not be altered, amended, or modified except by a writing executed by duly authorized representatives of all parties.

41. **ATTORNEY'S FEES:**

In the event any action or proceeding is instituted arising out of or relating to this Lease or for the purpose of enforcing this Lease, the prevailing party shall be entitled to its reasonable attorney's fees and actual costs.

42. **RECORDATION:**

LESSEE acknowledges its understanding that the law of the State of California authorizes LESSOR to record this Lease or a memorandum of same. In that regard, LESSEE agrees to execute a memorandum of this Lease for the purposes of recordation in such reasonable form and content as may be proposed by Lessor.

43. **COUNTERPARTS:**

This Lease may be executed in counterparts and the respective signature pages for each party may thereafter be attached to the body of this Lease to constitute one integrated agreement which is as fully effective and binding as if the entire Lease had been signed at one time.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

LESSOR:

LESSEE:

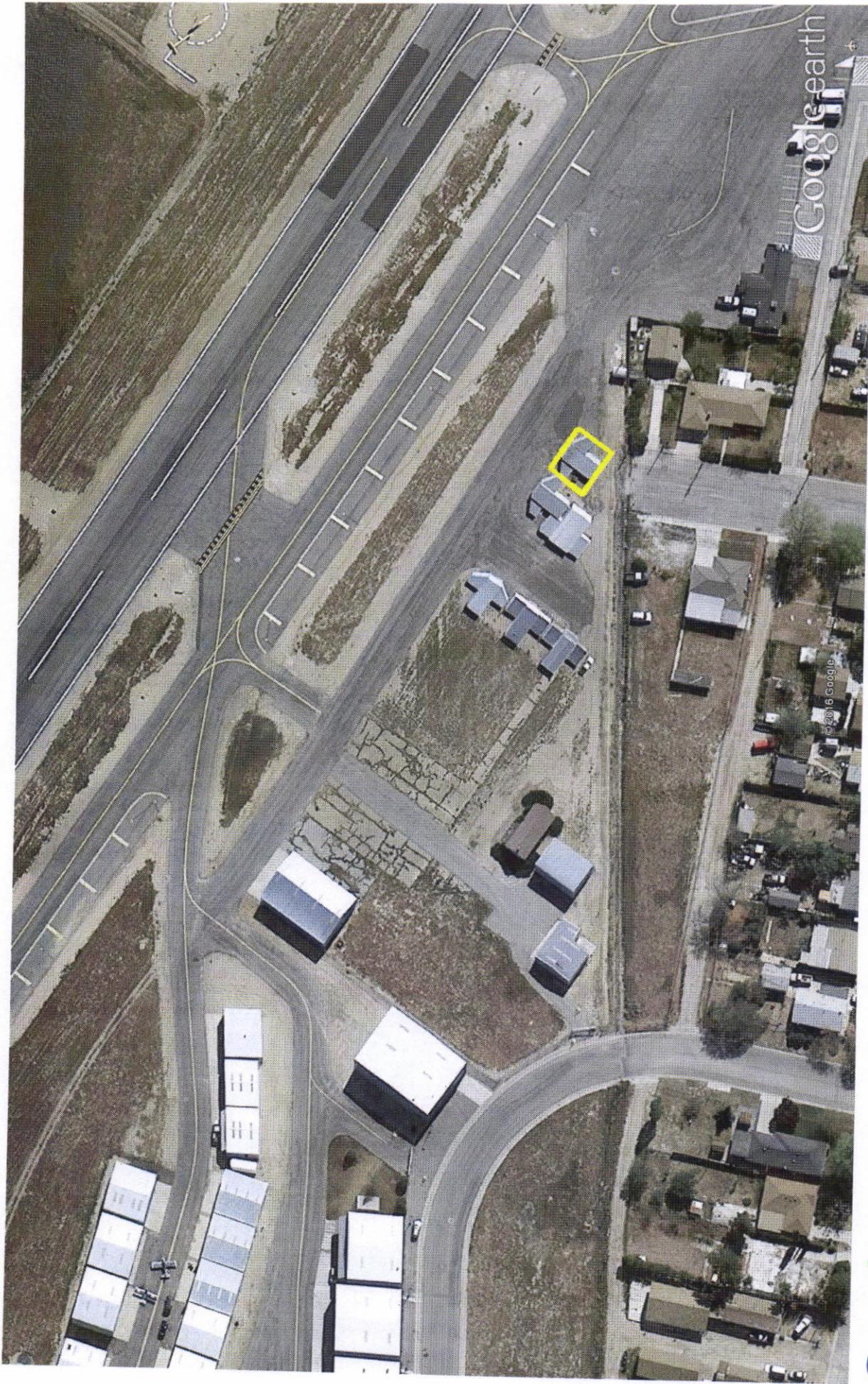
CITY OF TEHACHAPI

By: _____

SUSAN WIGGINS
Mayor of the City of Tehachapi, California

By: _____

Bruce Glenn



Google earth

feet
meters

700
200



NONCOMMERCIAL HANGAR GROUND LEASE AGREEMENT

(Tehachapi Airport) 11E

THIS LEASE AGREEMENT, hereinafter referred to as this "Lease", is made and entered into this 21st day of March, 2016, by and between the CITY OF TEHACHAPI, hereinafter referred to as "LESSOR", and Bruce Glenn, hereinafter referred to as "LESSEE".

IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

1. **PREMISES:**

LESSOR does hereby demise and lease to LESSEE, and LESSEE hereby hires from LESSOR, those certain premises situated in the City of Tehachapi, County of Kern, State of California, hereinafter referred to as the "premises" or "demised premises", and more particularly delineated on Exhibit A, attached hereto and by this reference made a part hereof.

2. **TERM:**

The term of this Lease shall be for 20 years, commencing on April 1, 2016, and terminating on March 31, 2036 (the "Initial Term"). LESSEE is hereby granted option to renew the LEASE for an additional term of five years from the expiration of the Initial Term, and for a second additional term of five years, provided LESSEE gives LESSOR written notice of LESSEE'S exercise of its option to do so no more than 180 days and no less than 30 days prior to the expiration of the Initial Term or the first additional term, whichever applies. In the event LESSEE exercises its option to renew the Lease, the

renewal shall be on the same terms and conditions as described in this Lease except for rental and as to the rental to be charged, same shall be calculated based on the rental rate or rental formula then in effect by the LESSOR for new noncommercial hangar ground leases. In addition, the rental terms for the renewal period shall include requirements for such increases as is then required by the LESSOR for new noncommercial hangar ground leases.

3. **HOLDING OVER:**

In the event LESSEE shall hold over after the term herein granted with the expressed or implied consent of LESSOR, such holding over shall be a tenancy only from month to month at twice the rental rate then charged for noncommercial hangar ground leases; provided, however, that if LESSEE is otherwise in default under this Lease at the time of holding over, nothing herein shall expressly or impliedly cure the default and LESSOR shall have all rights to remedy the default in addition to all rights to the increased monthly rental provided for herein.

4. **RENTAL CONSIDERATION:**

As and for rental, LESSEE agrees to pay to LESSOR, the sum of \$115.50 per month payable in advance on the first day of each month commencing April 1, 2016. On January 1 of each calendar year thereafter, the monthly rental shall increase or decrease for said calendar year by the percentage increase or decrease between the Consumer Price Index (All Urban Consumers) (Base Years 1982-1984=100) for Los Angeles-Riverside-Orange County, CA CMSA published by the United States Department of Labor, Bureau of Labor Statistics ("Index") which is published immediately preceding the commencement of the prior calendar year and the Index published immediately preceding the commencement of the new calendar year.

LESSOR shall notify LESSEE in writing of said rental increase/decrease prior to January

1. LESSOR shall bill LESSEE monthly for the rental and rental shall be due on the date set forth on the billing and shall be deemed delinquent if not received by that date.

Notwithstanding the foregoing, rental may also be increased as described in Paragraphs 15 and 24.

5. **INTEREST:**

If the payments required herein are not paid within fifteen (15) days after they become due, then, in addition to such sums are due, LESSEE shall also pay interest at the rate of ten percent (10%) per month on the unpaid balance or portion thereof, until paid in full.

6. **PURPOSE; NUISANCE:**

(a) The demised premises shall be used by the LESSEE for one or more of the following purposes: aircraft storage, maintenance, repair, restoration, and for the construction of aircraft to be certified in the experimental category; provided that such aircraft are owned or leased by LESSEE or partnership or other business association approved by the City Manager or designated representative in which LESSEE is a member, except for such aircraft permitted on the premises pursuant to an assignment or sublease approved by LESSOR pursuant to Paragraph 24; and provided further, that LESSEE shall conduct no activity for profit or commercial purpose under this lease.

(b) LESSEE shall not do or permit any act or thing to be done upon the premises which constitutes a nuisance or which may disturb the quiet enjoyment of LESSOR or any tenant of LESSOR on adjacent or neighboring property. LESSEE shall abate or cure any nuisance on the demised premises or for which LESSEE is responsible within ten (10) days after written notice thereof from LESSOR. In the event LESSEE has not taken corrective action within ten (10) days, LESSOR may take any

action necessary to abate or cure such condition at LESSEE'S sole cost and expense, without further written notice and LESSOR shall have no liability to LESSEE therefore nor for any damages to the premises or to the hangar or to property therein or thereon. Notwithstanding the foregoing, if any such nuisance creates, in LESSOR'S reasonable determination, a condition immediately hazardous to health or safety, LESSOR may immediately, without written notice to LESSEE, enter the premises to abate or cure the condition at LESSEE'S sole cost and expense and LESSOR shall have no liability to LESSEE therefore nor for any damage to the premises or to the hangar or to property therein or thereon.

(c) The use of combustible chemicals or cleaning solvents, stripping or painting, or welding or repair to any aircraft on the demised premises are allowed only to the extent permitted under all applicable federal, state and local regulation governing the use of hazardous materials and equipment, and only in a manner consistent with such regulation.

7. CONDITION OF PREMISES:

LESSEE has inspected the demised premises and knows the extent and condition thereto and accepts same in its present condition, as is, subject to and including all defects, latent and/or patent.

8. SAFETY:

Any area that is within the control of the LESSEE at the airport shall be kept clear of accumulation of oil, grease, fuel, trash and debris which are potential fire, environmental, or safety hazards, and LESSEE shall comply with all local, state and federal laws, statutes, rules and regulations with regard thereto.

9. ALTERATIONS:

LESSEE shall not construct any improvements or make any alterations of any

kind (whether permanent or otherwise) on the demised premises without the written consent of the City Manager or designated representative first being obtained..

10. **SIGNS:**

LESSEE shall not construct or place or permit to be constructed or placed, signs, awnings, marquees, or other structures projecting from the exterior of the premises without LESSOR'S prior written consent thereof. LESSEE further agrees to remove signs, displays, advertisements, or decorations it has placed or permitted to be placed on the premises, which, in LESSOR'S opinion are offensive or otherwise objectionable. If LESSEE fails to remove such signs, displays, advertisements or decorations within ten (10) days after having received written notice to remove same from LESSOR, LESSOR reserves the right to re-enter the premises and remove them at LESSEE'S expense.

11. **UTILITY EXTENSION OR MODIFICATION:**

LESSEE shall pay any and all expenses that may be incurred in obtaining the extension of public utility services to the demised premises from existing facilities or any modification of same.

12. **UTILITIES:**

LESSEE agrees to pay during the term of this Lease, or any holding over, all utilities used by LESSEE. The term "utilities" as used herein shall include, but is not limited to, gas, electricity, water, sewer, telephone, and trash and refuse disposal service.

13. **MAINTENANCE:**

LESSEE agrees to provide maintenance, repair, and upkeep on any structures situated on the demised premises and any grounds around the structures in a good, clean, sanitary, and safe condition.

14. **FAILURE TO REPAIR:**

In the event LESSEE shall fail, neglect, or refuse to commence the repair or maintenance work required herein within ten (10) days after receipt of a written notice service by LESSOR, or in the event that LESSEE fails, neglects or refuses to pursue said repair or maintenance work with reasonable diligence to completion, LESSOR may perform or cause to be performed such repair or maintenance work and add the cost thereof to the installments of rent due for this Lease as a charge to LESSEE.

15. **SALE OR REMOVAL OF IMPROVEMENTS:**

(a) Unless otherwise agreed upon by the parties hereto, if LESSEE desires to sell or otherwise transfer any or all buildings, hangars and other improvements (the "Improvements") made to or constructed and placed on the premises during or prior to the term of this Lease, or any extensions thereof, LESSOR shall have a right of first refusal (the "Right of First Refusal") to purchase the improvements and the LESSEE shall give LESSOR a notice in writing at least thirty (30) days before such sale or transfer of the terms of same (the "Lessee Notice"). Any sale or transfer or agreement to sell or transfer the Improvements without LESSEE first complying with the requirements of LESSOR'S Right of First Refusal shall be void and, in addition thereto, shall constitute a breach and material default of this Lease. If LESSEE has received an offer to purchase the Improvements that LESSEE is prepared to accept, the Lessee Notice shall contain a complete copy of the offer (the "Offer"), or if LESSEE does not have any such Offer but nevertheless wishes to sell or transfer the Improvements to a third party, the Lessee Notice shall include all of LESSEE'S terms and conditions for such sale or transfer. Lessor's Right of First Refusal to purchase the Improvements shall be under the same terms and conditions as described in the Lessee Notice. The Lessee Notice shall be personally delivered or mailed to LESSOR by registered mail, return receipt requested. LESSOR shall have thirty (30) days from receipt of the Lessee Notice in

which to exercise its Right of First Refusal (the "Exercise Period"). If LESSOR wishes to exercise its Right of First Refusal, LESSOR shall do so in writing to LESSEE prior to expiration of the Exercise Period, provided however that if the Exercise Period terminates on a weekend or holiday, the Exercise Period shall be extended to 11:59 p.m. (California time) on the next business day thereafter. In the event LESSOR exercises its Right of First Refusal, LESSOR shall complete the purchase of the Improvements within a reasonable time thereafter. If LESSOR does not exercise its Right of First Refusal, LESSEE shall have the right, only for the next sixty (60) days, to complete the sale or transfer of the improvements to the offer or of the offer, or, if none, to any other third party under the same terms and conditions as described in the Lessee Notice, provided however that if the sale or transfer is not completed within sixty (60) days of the expiration of the Exercise Period or if the terms and conditions of the sale or transfer are modified, then LESSOR'S Right of First Refusal shall be revived and LESSEE shall once again give LESSOR the Lessee Notice containing the terms and conditions or, if applicable, the revised terms and conditions of the sale or transfer and LESSOR shall have all rights with regard thereto previously described herein. LESSEE shall not place a lien or otherwise encumber the Improvements as part of any sale or transfer without LESSOR'S prior written consent, which consent may be denied or conditioned in LESSOR'S sole and absolute discretion. If a sale is completed during the term of this Lease, no assignment or subletting of this Lease or of the premises shall occur without compliance with Paragraph 24 and, additionally, LESSOR shall have the right to increase the rental to the rental then being charged by LESSOR for new noncommercial hangar ground leases as then determined by LESSOR. Notwithstanding the foregoing, if the purchaser of the Improvements requests a new Lease, LESSOR may, in LESSOR'S sole and absolute discretion, enter into a new

Lease with the purchaser.

(b) If at the termination of this Lease a new Lease has not been entered into by the parties or their successors, then LESSEE shall remove the Improvements and all fixtures and contents therein no later than 30 days after the expiration of the Lease Term without unnecessary damage to the premises and during the 30 day period after expiration of the Lease Term LESSEE shall pay rental to Lessor as a holdover tenant pursuant to Paragraph 3 of this Lease. If LESSEE does not effect such removal, LESSOR shall have the right to do so and LESSEE shall be obligated to LESSOR for the costs thereof; provided, however, that all right, title and interest in and to the Improvements without their removal may be acquired by LESSOR upon terms and conditions mutually agreeable to both LESSOR and LESSEE. Notwithstanding the foregoing, if LESSEE has failed to effect the removal as required herein and LESSOR and LESSEE have not agreed upon the terms by which LESSOR would acquire the Improvements, LESSEE shall be in breach of this Agreement and LESSOR shall have all rights described in Paragraph 28 of this Lease with regard thereto.

16. COMPLIANCE WITH LAW:

LESSEE shall, at its expense, promptly comply with any and all laws, ordinances, rules, regulations, requirements and orders whatsoever, present or future, of the national, state, county, or city governments which may in any way apply to the use, maintenance, or occupation of, or operations on the demised property.

17. RIGHT OF INSPECTION:

LESSOR shall have the right to enter upon the demised premises at all reasonable times to inspect the premises and LESSEE'S operations thereon. LESSOR reserves all rights in and with respect to the premises, not inconsistent with LESSEE'S use of the premises as in the Lease provided, including (without limiting the generality of

the foregoing) the right of LESSOR to enter upon the premises for the purpose of installing, using, maintaining, renewing, and replacing such underground oil, gas, water, sewer, and other pipelines, and such underground or aboveground telephone, telegraph, and electric power conduits or lines as LESSOR may deem desirable in connection with the development or use of the demised premises or any other property on the airport or in the neighborhood of the premises. LESSOR shall compensate LESSEE for any and all damage to LESSEE'S improvements and personal property caused by the exercise of the rights reserved in this paragraph.

18. **INDEMNIFICATION:**

LESSEE agrees to indemnify, defend (upon request by the LESSOR) and save harmless the LESSOR, its Council persons, agents, officers and employees, and each of them, from any and all losses, costs, expenses, claims, liabilities, actions, and damages, including liability for injuries to person or persons, or damage to property of third persons arising out of or in any way connected with (a) the LESSEE'S use, occupancy and/or operation of the demised premises during the term of this Lease or any holding over, and (b) the construction or the removal of any facilities or improvements on the demised premises during the term of this Lease or any holding over.

19. **WORKERS COMPENSATION:**

LESSEE agrees to observe and obey the Workers' Compensation Act of the State of California as from time to time amended, and will indemnify and save and hold harmless LESSOR from any and all liability hereunder.

20. **LIABILITY INSURANCE:**

LESSEE, in order to protect LESSOR, its agents, officers and employees, against all claims and liability for death, injury, loss, and damage as a result of

LESSEE'S use, occupancy and/or operation of the demised premises or in a connection therewith, shall secure and maintain in force during the entire term of this Lease and covering all LESSEE'S operations and activities on the airport, a Comprehensive General Liability insurance policy in the amount of \$ 500,000 with a reliable insurance carrier approved by the City and authorized to do such public liability and property damage insurance business in the State of California. Said policies of insurance:

(a) shall expressly name LESSOR, Council persons, agents, officers, and employees as additional insured; and

(b) shall be primary insurance as regards any other valid and collectible insurance LESSOR possesses, and any other insurance that LESSOR may possess shall be considered excess insurance only; and

(c) shall contain a Severability of Interest or cross liability clause, which is to say, such policy shall act as though a separate policy were written for each insured and additional named insured in the policy; and

(d) shall not be subject to cancellation and/or coverage reduction without thirty (30) day's prior written notice to LESSOR.

Within ten (10) days from the date of the Lease, LESSEE shall file with the City Manager a duly certified Certificate of Insurance evidencing that the hereinabove mentioned public liability and property damage (and hangar-keeper liability, where applicable) provisions have been complied with, and setting forth that LESSOR, its councilpersons, agents, officers, and employees are named as additional insured. In the event that LESSEE shall fail to obtain or thereafter maintain such policies or to furnish evidence thereof to LESSOR, LESSOR may, in LESSOR'S sole discretion, (1) procure the same, pay the premium therefore, and collect same with the next payment of rental due from LESSEE, or (2) terminate this Lease pursuant to Paragraph 28 hereof.

21. TAXES AND ASSESSMENTS:

LESSEE agrees to pay all taxes and/or assessments levied by any governmental agency upon any interest acquired by LESSEE under the terms of this Lease. Providing further, that LESSEE is aware that certain possessory interests may be created by entering into this Lease and that LESSEE will be subject to the payment of property taxes levied on such interests.

22. LEASE SUBORDINATE TO AGREEMENTS WITH UNITED STATES GOVERNMENT:

This Lease shall be subordinate to the provisions and requirements of any existing or future agreements between the LESSOR and the United States relative to the development, operation or maintenance of the Airport.

23. AERONAUTICAL RESTRICTIONS:

(a) There is hereby reserved to LESSOR for the use and benefit of the public a right of flight for the passage of aircraft in the air space above the surface of the demised premises. This public right of flight shall include the right to cause in said air space any noise inherent in the lawful operation of any aircraft used for navigation or flight through the said air space or landing at, taking off from, or operation on the Tehachapi Airport.

(b) LESSEE shall not erect or permit the erection of any structure, building, or object of natural growth or other obstructions on the demised premises above the maximum elevation permitted by the Federal Aviation Administration. In the event the aforesaid covenant is breached, same shall be deemed a nuisance and a material breach of this Agreement and City shall have all rights described under Paragraph 6 (b) to abate the nuisance and City shall have all other rights and remedies available at law

or in equity.

(c) LESSEE shall not make use of the demised premises in any manner, which might interfere with lawful air navigation and communication, the landing or taking off of aircraft from Tehachapi Airport, or otherwise constitute an airport hazard. In the event the aforesaid covenant is breached, LESSOR reserves the right to enter on the demised premises and cause the abatement of such interference at the expense of LESSEE.

(d) LESSOR reserves the right to further develop or improve the landing area at the Tehachapi Airport as it sees fit regardless of the desires or views of LESSEE, and without interference or hindrance.

(e) LESSOR reserves the right, but shall not be obligated to LESSEE, to maintain and keep in repair the landing area at the Tehachapi Airport and all publicly owned facilities at the airport, together with the right to direct and control all activities of the LESSEE in this regard. Provided, however, that in the event of the taxiways or runways at the airport are determined to be unfit for aeronautical use by the Federal Aviation Administration or by LESSOR or by the Aeronautical Division of the California Department of Transportation, or the airport ceases to be operated as an airport, then this Lease may be terminated by LESSEE, at its option, by its giving of at least thirty (30) days written notice thereof LESSOR.

(f) Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

24. **SUBLETTING:**

(a) LESSEE shall not assign this Lease or sublet the premises, or any part thereof, without the prior written consent of the LESSOR, which consent shall not be

unreasonably withheld but may be reasonably conditioned to include but not be limited to the following:

- (i) Any assignment or sublease shall be in writing and shall provide that the assignee or sublessee shall agree to and be bound by all of the terms and conditions of the Lease;
- (ii) The assignee or sublessee shall secure and maintain in force during the entire term of such sublease or assignment a liability insurance policy or policies in conformity with the requirements of Paragraph 20, Liability Insurance, with respect to any aircraft hangared on the premises that are owned by sublessee or assignee or other third party; and
- (iii) A rental adjustment, which shall be, based on the rental then in effect by LESSOR for new noncommercial hangar ground leases.

(b) In the event of an attempted assignment or subletting in violation of the foregoing provisions, then in addition to any and all other rights and remedies available to it, the LESSOR may, at its option, by written notice to the LESSEE, either (1) declare such sublease, assignment, transfer, mortgage, or other conveyance void, or (2) terminate this Lease and all rights and interest of LESSEE and all other persons hereunder pursuant to Paragraph 28. Any consent by the LESSOR to any assignment or sublease, shall not be deemed, or construed as a consent to any different or subsequent assignment or sublease. The remedies available herein are cumulative with all other remedies available under this Lease or at law or in equity and the exercise of any remedy herein or under this Lease or at law or in equity shall not prevent the exercise of any other remedy provided herein or in this Lease or at law or in equity.

25. RIGHT OF INGRESS AND EGRESS:

LESSEE shall have the reasonable right-of-way over property owned and controlled by LESSOR for ingress thereto and egress there from for pedestrian, vehicular, and air travel, together with the right to use in common with other LESSEE'S or licenses or LESSOR the airplane landing field adjacent to the demised premises. None of these rights are exclusive but shall be exercised in common with and subject to possible similar rights of other users of the airport. All the forgoing is subject to such reasonable rules and regulations as the LESSOR or its authorized agents may make from time to time. Such rules and regulations, however, shall be reasonable and shall not conflict in any way with similar rules and regulations adopted from time to time by the Federal Aviation Administration or its successor.

26. **BANKRUPTCY:**

In the event that (a) LESSEE shall file a voluntary petition in bankruptcy or shall be adjudged a bankrupt in any voluntary bankruptcy proceeding; (b) any voluntary or involuntary proceeding for the reorganization of LESSEE shall be instituted by anyone other than LESSEE under any of the provisions of the bankruptcy laws of the United States; or (c) a receiver or judicial trustee or custodian shall be appointed for LESSEE, or any lien or any writ of attachment, garnishment, execution or distraint shall be levied upon any LESSEE'S rights or interest under this Lease; or (d) there shall be any other assignment of any LESSEE'S rights or interests under this Lease by operation of law, then in addition to any and all other rights and remedies available to it, LESSOR may, at its option by written notice to LESSEE, terminate this Lease and all rights and interest of LESSEE and all other persons under this Lease. The term "LESSEE", as used in this paragraph, includes any individual, partnership, or corporation who is a LESSEE hereunder, even though several individuals, partnership, or corporations are such, and includes each partner of any partnership, which is LESSEE hereunder.

27. WAIVER OF BREACH:

The waiver by LESSOR of any breach by LESSEE of any provision contained herein shall not be deemed to be a continuing waiver of such provision, or a waiver of any other prior or subsequent breach thereof, or a waiver of any breach of any other provisions contained herein.

28. BREACH:

(a) In the event of a breach by LESSEE of any term, condition, or agreement herein contained, LESSEE shall have 30 days to cure the breach after written notice has been given to LESSEE by LESSOR, provided however that if any such breach cannot be reasonably cured within 30 days of such notice, then LESSEE shall have commenced reasonable efforts to cure same within said period. In the event of LESSEE'S failure to cure or commence the cure of any such breach within 30 days this Lease and all privileges herein granted shall be terminated and be of no further force or effect, and LESSEE shall immediately surrender to LESSOR possession of the premises, and in addition to all other remedies available to LESSOR hereunder or at law or equity, LESSOR shall have the remedies either to remove the Improvements on the premises at the expense of LESSEE or retain the Improvements and to thereafter be the sole and exclusive owner of same. Notwithstanding the foregoing, in the event LESSEE allows a nuisance to exist on the premises as described in Paragraph 6 of this Lease, LESSEE shall abate the nuisance as required therein, and nothing herein shall be deemed to waive or modify the requirements and remedies described in Paragraph 6. Providing further, that in the event LESSEE breaches this Lease and abandons the property before the end of the term, if LESSEE'S right to possession is terminated by LESSOR because of breach of this Lease, LESSOR shall have the right to recover damages from LESSEE as provided in the State of California Civil Code Section 1951.2.

(b) In the event of a breach by LESSOR of any term, condition, or agreement herein contained, that deprives LESSEE in any manner, in whole or part, of its quiet enjoyment of the demised premises or its right to utilize them fully as described in Paragraph 6 hereof, or of its rights of ingress and egress described in Paragraph 25 hereof, LESSEE shall not be obligated to LESSOR for any rental payments otherwise due and payable for the period of such breach.

29. **NEGATION OF PARTNERSHIP:**

LESSOR shall not become or be deemed a partner or joint venture with LESSEE or in any other relationship with LESSEE other than that of landlord and tenant by reason of the provisions of this Lease nor shall LESSEE for any purpose be considered an agent, officer, or employee of LESSOR.

30. **SURRENDER OF PREMISES:**

On the last day of the term, or extension thereof, or sooner termination of this Lease, and subject to the rights and remedies of LESSOR and LESSEE described in Paragraph 15 hereof, LESSEE shall peaceably and quietly leave, surrender and yield up to the LESSOR the demised premises in as good condition and repair as at the commencement of LESSEE'S occupancy, reasonable wear and tear thereof excepted.

31. **ENTIRE AGREEMENT:**

This Lease contains all agreements of the parties with respect to the subject matter described herein. No prior agreements or understandings whether oral or in writing pertaining to any such matter shall be effective or of any force or effect.

32. **VENUE AND GOVERNING LAW:**

This agreement is made, entered into and is to be performed in Kern County, California. This Lease shall be governed by and construed in accordance with the laws of the State of California.

33. COVENANTS AND CONDITIONS:

Each provision of this Lease performable by LESSEE shall be deemed both a covenant and a condition.

34. TIME OF THE ESSENCE:

Time is hereby expressly declared to be the essence of this Lease and of each and every provision thereof, and each such provision is hereby made and declared to be a material, necessary and essential part of this Lease.

35. SEVERABILITY:

If any provision of this Lease is determined by a Court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall in no way be affected thereby and same shall remain in full force and effect.

36. AUTHORIZED AGENT OF LESSOR:

The City Manager of the City of Tehachapi is the duly authorized agent of LESSOR for purposes of this Lease, and as to any obligations assumed herein by LESSEE, they shall be performed to the satisfaction of the City Manager.

37. NOTICES:

All notices required or permitted under this Agreement or at law shall be deemed to be given when personally served on the party to be noticed or when deposited in the United States mail, Registered or Certified, postage prepaid and addressed as follows:

TO LESSOR: City Manager
City of Tehachapi
115 South Robinson Street
Tehachapi, Ca. 93561

TO LESSEE: Bruce Glenn
114 San Bernardino Ave.
Ventura, CA 93004
805-746-5437

Any party may change its or their address by providing notice of same in the manner herein prescribed.

38. **BINDING:**

This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

39. **CAPTIONS:**

The captions appearing in this Lease are for convenience only, are not part of this Lease, and shall not be considered in interpreting this Lease.

40. **AMENDMENTS:**

This Lease may not be altered, amended, or modified except by a writing executed by duly authorized representatives of all parties.

41. **ATTORNEY'S FEES:**

In the event any action or proceeding is instituted arising out of or relating to this Lease or for the purpose of enforcing this Lease, the prevailing party shall be entitled to its reasonable attorney's fees and actual costs.

42. **RECORDATION:**

LESSEE acknowledges its understanding that the law of the State of California authorizes LESSOR to record this Lease or a memorandum of same. In that regard, LESSEE agrees to execute a memorandum of this Lease for the purposes of recordation in such reasonable form and content as may be proposed by Lessor.

43. **COUNTERPARTS:**

This Lease may be executed in counterparts and the respective signature pages for each party may thereafter be attached to the body of this Lease to constitute one integrated agreement which is as fully effective and binding as if the entire Lease had been signed at one time.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

LESSOR:

LESSEE:

CITY OF TEHACHAPI

By: _____
SUSAN WIGGINS
Mayor of the City of Tehachapi, California

By: _____
Bruce Glenn



Google earth



APPROVED

DEPARTMENT HEAD: _____

CITY MANAGER: _____

COUNCIL REPORTS

MEETING DATE: MARCH 21, 2016 **AGENDA SECTION:** CITY MANAGER

TO: HONORABLE MAYOR WIGGINS AND COUNCIL MEMBERS

FROM: GREG GARRETT, CITY MANAGER

DATE: MARCH 16, 2016

SUBJECT: COMMERCIAL HANGAR GROUND LEASE AGREEMENT – HANGAR 07W, 08W & 09W

BACKGROUND

Joseph and Dusty Stripe recently purchased hangars 07W, 08W & 09W located at the Tehachapi Municipal Airport. The Stripes are requesting three new Commercial Hangar Ground Lease Agreements with terms starting on March 5, 2016.

FISCAL IMPACT

Rental Payment:

07W \$66.00/month

08W \$80.85/month

09W \$195.25/month

\$4105.20/year

RECOMMENDATION

APPROVE THE COMMERCIAL HANGAR GROUND LEASE AGREEMENT FOR HANGARS 07W, 08W & 09W BETWEEN THE CITY OF TEHACHAPI AND JOSEPH & DUSTY STRIPE

NONCOMMERCIAL HANGAR GROUND LEASE AGREEMENT

(Tehachapi Airport Hangar 07W)

THIS LEASE AGREEMENT, hereinafter referred to as this "Lease", is made and entered into this 21st day of **March, 2016**, by and between the **CITY OF TEHACHAPI**, hereinafter referred to as "LESSOR", and **Joseph Stripe and Dusty Stripe, husband and wife**, hereinafter referred to as "LESSEE".

In consideration of the mutual covenants and conditions contained herein, the parties hereto agree as follows:

1. **PREMISES:**

LESSOR does hereby demise and lease to LESSEE, and LESSEE hereby hires from LESSOR, those certain premises situated in the City of Tehachapi, County of Kern, State of California, hereinafter referred to as the "premises" or "demised premises", and more particularly delineated on Exhibit A, attached hereto and by this reference made a part hereof and popularly known as Hangar 07W. The premises for the hangar shall be the footprint of the hangar which shall be the exact dimensions of each hangar and shall not include any area outside of the footprint. The areas between hangars and surrounding the hangar (the "Open Areas") are not part of the hangar footprint and are not included in the premises or leased premises. The Open Areas shall be retained by LESSOR and may be utilized by LESSOR as LESSOR deems appropriate from time-to-time in its sole and absolute discretion. The Open Areas may not be used for tie downs, parking, or other uses by the LESSEE. The two security gates located near the premises are not operative and LESSOR shall not be required to repair them and cannot be used for access to the

leased premises

2. **TERM:**

The term of this Lease shall be for 20 years, commencing on **March 5, 2016**, and terminating on **March 4, 2036** (the "Initial Term"). LESSEE is hereby granted an option to renew the LEASE for an additional term of five years from the expiration of the Initial Term, and for a second additional term of five years, provided LESSEE gives LESSOR written notice of LESSEE'S exercise of its option to do so no more than 180 days and no less than 30 days prior to the expiration of the Initial Term or the first additional term, whichever applies. In the event LESSEE exercises its option to renew the Lease, the renewal shall be on the same terms and conditions as described in this Lease except for rental and as to the rental to be charged, same shall be calculated based on the rental rate or rental formula then in effect by the LESSOR for new noncommercial hangar ground leases. In addition, the rental terms for the renewal period shall include requirements for such increases as is then required by the LESSOR for new noncommercial hangar ground leases.

3. **HOLDING OVER:**

In the event LESSEE shall hold over after the term herein granted with the expressed or implied consent of LESSOR, such holding over shall be a tenancy only from month to month at twice the rental rate then charged for noncommercial hangar ground leases; provided, however, that if LESSEE is otherwise in default under this Lease at the time of holding over, nothing herein shall expressly or impliedly cure the default and LESSOR shall have all rights to remedy the default in addition to all rights to the increased monthly rental provided for herein.

4. **RENTAL CONSIDERATION:**

As and for rental, LESSEE agrees to pay to LESSOR, the sum of **\$66.00** per month payable in advance on the first day of each month commencing **March 5, 2016**. On January 1 of each calendar year thereafter, the monthly rental shall increase or decrease for said calendar year by the percentage increase or decrease between the Consumer Price Index (All Urban Consumers) (Base Years 1982-1984=100) for Los Angeles-Riverside-Orange County, CA CMSA published by the United States Department of Labor, Bureau of Labor Statistics ("Index") which is published immediately preceding the commencement of the prior calendar year and the Index published immediately preceding the commencement of the new calendar year. LESSOR shall notify LESSEE in writing of said rental increase/decrease prior to January 1. LESSOR shall bill LESSEE monthly for the rental and rental shall be due on the date set forth on the billing and shall be deemed delinquent if not received by that date. Notwithstanding the foregoing, rental may also be increased as described in Paragraphs 15 and 24.

5. **INTEREST:**

If the payments required herein are not paid within fifteen (15) days after they become due, then, in addition to such sums that are due, LESSEE shall also pay interest at the rate of ten percent (10%) per month on the unpaid balance or portion thereof, until paid in full.

6. **PURPOSE; NUISANCE:**

(a) The demised premises shall be used by the LESSEE only for one or more of the following purposes: aircraft storage, maintenance, repair, restoration, and for the construction of aircraft to be certified in the experimental category; provided that such aircraft are owned or leased by LESSEE or a partnership in which LESSEE is a general partner or other business association in which LESSEE is a principal approved by the City Manager or designated representative, except for such aircraft permitted on the premises

pursuant to an assignment or sublease approved by LESSOR pursuant to Paragraph 24; and provided further, that LESSEE shall conduct no activity for profit or commercial purpose under this lease.

(b) LESSEE shall not do or permit any act or thing to be done upon the premises which constitutes a nuisance or which may disturb the quiet enjoyment of LESSOR or any tenant of LESSOR on adjacent or neighboring property. LESSEE shall abate or cure any nuisance on the demised premises or for which LESSEE is responsible within ten (10) days after written notice thereof from LESSOR. In the event LESSEE has not taken corrective action within ten (10) days, LESSOR may take any action necessary to abate or cure such condition at LESSEE'S sole cost and expense, without further written notice and LESSOR shall have no liability to LESSEE therefore nor for any damages to the premises or to the hangars or to property therein or thereon. Notwithstanding the foregoing, if any such nuisance creates, in LESSOR'S reasonable determination, a condition immediately hazardous to health or safety, LESSOR may immediately, without written notice to LESSEE, enter the premises to abate or cure the condition at LESSEE'S sole cost and expense and LESSOR shall have no liability to LESSEE therefore nor for any damage to the premises or to the hangars or to property therein or thereon.

(c) The use of combustible chemicals or cleaning solvents, stripping or painting, or welding or repair to any aircraft on the demised premises are allowed only to the extent permitted under all applicable federal, state and local regulation governing the use of hazardous materials and equipment, and only in a manner consistent with such regulation.

7. CONDITION OF PREMISES:

LESSEE has inspected the demised premises and knows the extent and condition thereto and accepts same in its present condition, as is, subject to and including all defects, latent and/or patent.

8. **SAFETY:**

LESSEE shall not cause the accumulation of oil, grease, fuel, trash and debris which are potential fire, environmental, or safety hazards within the premises or the areas surrounding the premises, and LESSEE shall comply with all local, state and federal laws, statutes, rules and regulations with regard thereto.

9. **ALTERATIONS:**

LESSEE shall not construct any improvements or make any alterations of any kind (whether permanent or otherwise) on the demised premises without the written consent of the City Manager or designated representative first being obtained.

10. **SIGNS:**

LESSEE shall not construct or place or permit to be constructed or placed, signs, awnings, marquees, or other structures projecting from the exterior of the premises without LESSOR'S prior written consent thereof. LESSEE further agrees to remove signs, displays, advertisements, or decorations it has placed or permitted to be placed on the premises, which, in LESSOR'S opinion are offensive or otherwise objectionable. If LESSEE fails to remove such signs, displays, advertisements or decorations within ten (10) days after having received written notice to remove same from LESSOR, LESSOR reserves the right to re-enter the premises and remove them at LESSEE'S expense.

11. **UTILITY EXTENSION OR MODIFICATION:**

LESSEE shall pay any and all expenses that may be incurred in obtaining the extension of public utility services to the demised premises from existing facilities or any modification of same.

12. **UTILITIES:**

LESSEE agrees to pay during the term of this Lease, or any holding over, all utilities used by LESSEE. The term "utilities" as used herein shall include, but is not limited to,

gas, electricity, water, sewer, telephone, and trash and refuse disposal service.

13. **MAINTENANCE:**

LESSEE agrees to provide maintenance, repair, and upkeep on any structures situated on the demised premises in a good, clean, sanitary, and safe condition.

14. **FAILURE TO REPAIR:**

In the event LESSEE shall fail, neglect, or refuse to commence the repair or maintenance work required herein within ten (10) days after receipt of written notice from LESSOR, or in the event that LESSEE fails, neglects or refuses to pursue said repair or maintenance work with reasonable diligence to completion, LESSOR may perform or cause to be performed such repair or maintenance work and add the cost thereof to the installments of rent due for this Lease as a charge to LESSEE.

15. **SALE OR REMOVAL OF IMPROVEMENTS:**

(a) Unless otherwise agreed upon by the parties hereto, if LESSEE desires to sell or otherwise transfer any or all buildings, hangars and other improvements (the "Improvements") made to or constructed and placed on the premises during or prior to the term of this Lease, or any extensions thereof, LESSOR shall have a right of first refusal (the "Right of First Refusal") to purchase the improvements and the LESSEE shall give LESSOR a notice in writing at least thirty (30) days before such sale or transfer of the terms of same (the "Lessee Notice"). Any sale or transfer or agreement to sell or transfer the Improvements without LESSEE first complying with the requirements of LESSOR'S Right of First Refusal shall be void and, in addition thereto, shall constitute a breach and material default of this Lease. If LESSEE has received an offer to purchase the Improvements that LESSEE is prepared to accept, the Lessee Notice shall contain a complete copy of the offer (the "Offer"), or if LESSEE does not have any such Offer but nevertheless wishes to sell or transfer the Improvements to a third party, the Lessee Notice shall include all of

LESSEE'S terms and conditions for such sale or transfer. Lessor's Right of First Refusal to purchase the Improvements shall be under the same terms and conditions as described in the Lessee Notice. The Lessee Notice shall be personally delivered or mailed to LESSOR by registered mail, return receipt requested. LESSOR shall have thirty (30) days from receipt of the Lessee Notice in which to exercise its Right of First Refusal (the "Exercise Period"). If LESSOR wishes to exercise its Right of First Refusal, LESSOR shall do so in writing to LESSEE prior to expiration of the Exercise Period, provided however that if the Exercise Period terminates on a weekend or holiday, the Exercise Period shall be extended to 11:59 p.m. (California time) on the next business day thereafter. In the event LESSOR exercises its Right of First Refusal, LESSOR shall complete the purchase of the Improvements within a reasonable time thereafter. If LESSOR does not exercise its Right of First Refusal, LESSEE shall have the right, only for the next sixty (60) days, to complete the sale or transfer of the Improvements to the offeror of the offer, or, if none, to any other third party under the same terms and conditions as described in the Lessee Notice, provided however that if the sale or transfer is not completed within sixty (60) days of the expiration of the Exercise Period or if the terms and conditions of the sale or transfer are modified, then LESSOR'S Right of First Refusal shall be revived and LESSEE shall once again give LESSOR the Lessee Notice containing the terms and conditions or, if applicable, the revised terms and conditions of the sale or transfer and LESSOR shall have all rights with regard thereto previously described herein. LESSEE shall not place a lien or otherwise encumber the Improvements as part of any sale or transfer without LESSOR'S prior written consent, which consent may be denied or conditioned in LESSOR'S sole and absolute discretion. If a sale is completed during the term of this Lease, no assignment or subletting of this Lease or of the premises shall occur without compliance with Paragraph 24 and, additionally, LESSOR shall have the right to increase the rental to the rental then

being charged by LESSOR for new noncommercial hangar ground leases as then determined by LESSOR. Notwithstanding the foregoing, if the purchaser of the Improvements requests a new Lease, LESSOR may, in LESSOR'S sole and absolute discretion, enter into a new Lease with the purchaser.

(b) If at the termination of this Lease a new Lease has not been entered into by the parties or their successors, then LESSEE shall remove the Improvements and all fixtures and contents therein no later than 30 days after the expiration of the Lease Term without unnecessary damage to the premises and during the 30 day period after expiration of the Lease Term LESSEE shall pay rental to Lessor as a holdover tenant pursuant to Paragraph 3 of this Lease. If LESSEE does not effect such removal, LESSOR shall have the right to do so and LESSEE shall be obligated to LESSOR for the costs thereof; provided, however, that all right, title and interest in and to the Improvements without their removal may be acquired by LESSOR upon terms and conditions mutually agreeable to both LESSOR and LESSEE. Notwithstanding the foregoing, if LESSEE has failed to effect the removal as required herein and LESSOR and LESSEE have not agreed upon the terms by which LESSOR would acquire the Improvements, LESSEE shall be in breach of this Agreement and LESSOR shall have all rights described in Paragraph 28 of this Lease with regard thereto.

16. COMPLIANCE WITH LAW:

LESSEE shall, at its expense, promptly comply with any and all laws, ordinances, rules, regulations, requirements and orders whatsoever, present or future, of the national, state, county, or city governments which may in any way apply to the use, maintenance, or occupation of, or operations on the demised property.

17. RIGHT OF INSPECTION:

LESSOR shall have the right to enter upon the demised premises at all reasonable

times to inspect the premises and LESSEE'S operations thereon. LESSOR reserves all rights in and with respect to the premises, not inconsistent with LESSEE'S use of the premises as in the Lease provided, including (without limiting the generality of the foregoing) the right of LESSOR to enter upon the premises for the purpose of installing, using, maintaining, renewing, and replacing such underground oil, gas, water, sewer, and other pipelines, and such underground or aboveground telephone, telegraph, and electric power conduits or lines as LESSOR may deem desirable in connection with the development or use of the demised premises or any other property on the airport or in the neighborhood of the premises. LESSOR shall compensate LESSEE for any and all damage to LESSEE'S improvements and personal property caused by the exercise of the rights reserved in this paragraph.

18. INDEMNIFICATION:

LESSEE agrees to indemnify, defend (upon request by the LESSOR) and save harmless the LESSOR, its Council persons, agents, officers and employees, and each of them, from any and all losses, costs, expenses, claims, liabilities, actions, and damages, including liability for injuries to person or persons, or damage to property of third persons arising out of or in any way connected with (a) the LESSEE'S use, occupancy and/or operation of the demised premises during the term of this Lease or any holding over, and (b) the construction or the removal of any facilities or improvements on the demised premises during the term of this Lease or any holding over.

19. WORKERS COMPENSATION:

LESSEE agrees to observe and obey the Workers' Compensation Act of the State of California as from time to time amended, and will indemnify and save and hold harmless LESSOR from any and all liability hereunder.

20. LIABILITY INSURANCE:

LESSEE, in order to protect LESSOR, its agents, officers and employees, against all claims and liability for death, injury, loss, and damage as a result of LESSEE'S use, occupancy and/or operation of the demised premises or in a connection therewith, shall secure and maintain in force during the entire term of this Lease and covering all LESSEE'S operations and activities on the airport, a Comprehensive General Liability insurance policy in the amount of \$ 500,000 with a reliable insurance carrier approved by the City and authorized to do such public liability and property damage insurance business in the State of California. Said policies of insurance:

(a) shall expressly name LESSOR, Council persons, agents, officers, and employees as additional insured; and

(b) shall be primary insurance as regards any other valid and collectible insurance LESSOR possesses, and any other insurance that LESSOR may possess shall be considered excess insurance only; and

(c) shall contain a Severability of Interest or cross liability clause, which is to say, such policy shall act as though a separate policy were written for each insured and additional named insured in the policy; and

(d) shall not be subject to cancellation and/or coverage reduction without thirty (30) day's prior written notice to LESSOR.

Within ten (10) days from the date of the Lease, LESSEE shall file with the City Manager a duly certified Certificate of Insurance evidencing that the hereinabove mentioned public liability and property damage (and hangar-keeper liability, where applicable) provisions have been complied with, and setting forth that LESSOR, its councilpersons, agents, officers, and employees are named as additional insured. In the event that LESSEE shall fail to obtain or thereafter maintain such policies or to furnish evidence thereof to LESSOR, LESSOR may, in LESSOR'S sole discretion, (1) procure the

same, pay the premium therefore, and collect same with the next payment of rental due from LESSEE, or (2) terminate this Lease pursuant to Paragraph 28 hereof.

21. TAXES AND ASSESSMENTS:

LESSEE agrees to pay all taxes and/or assessments levied by any governmental agency upon any interest acquired by LESSEE under the terms of this Lease. Providing further, that LESSEE is aware that certain possessory interests may be created by entering into this Lease and that LESSEE will be subject to the payment of property taxes levied on such interests.

22. LEASE SUBORDINATE TO AGREEMENTS WITH UNITED STATES GOVERNMENT:

This Lease shall be subordinate to the provisions and requirements of any existing or future agreements between the LESSOR and the United States relative to the development, operation or maintenance of the Airport.

23. AERONAUTICAL RESTRICTIONS:

(a) There is hereby reserved to LESSOR for the use and benefit of the public a right of flight for the passage of aircraft in the air space above the surface of the demised premises. This public right of flight shall include the right to cause in said air space any noise inherent in the lawful operation of any aircraft used for navigation or flight through the said air space or landing at, taking off from, or operation on the Tehachapi Airport.

(b) LESSEE shall not erect or permit the erection of any structure, building, or object of natural growth or other obstructions on the demised premises above the maximum elevation permitted by the Federal Aviation Administration. In the event the aforesaid covenant is breached, same shall be deemed a nuisance and a material breach of this Agreement and City shall have all rights described under Paragraph 6 (b) to abate

the nuisance and City shall have all other rights and remedies available at law or in equity.

(c) LESSEE shall not make use of the demised premises in any manner, which might interfere with lawful air navigation and communication, the landing or taking off of aircraft from Tehachapi Airport, or otherwise constitute an airport hazard. In the event the aforesaid covenant is breached, LESSOR reserves the right to enter on the demised premises and cause the abatement of such interference at the expense of LESSEE.

(d) LESSOR reserves the right to further develop or improve the landing area at the Tehachapi Airport as it sees fit regardless of the desires or views of LESSEE, and without interference or hindrance.

(e) LESSOR reserves the right, but shall not be obligated to LESSEE, to maintain and keep in repair the landing area at the Tehachapi Airport and all publicly owned facilities at the airport, together with the right to direct and control all activities of the LESSEE in this regard. Provided, however, that in the event of the taxiways or runways at the airport are determined to be unfit for aeronautical use by the Federal Aviation Administration or by LESSOR or by the Aeronautical Division of the California Department of Transportation, or the airport ceases to be operated as an airport, then this Lease may be terminated by LESSEE, at its option, by its giving of at least thirty (30) days written notice thereof to LESSOR.

(f) Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

24. SUBLETTING:

(a) LESSEE shall not assign this Lease or sublet the premises, or any part thereof, without the prior written consent of the LESSOR, which consent shall not be unreasonably withheld but may be reasonably conditioned to include but not be limited to

the following:

- (i) Any assignment or sublease shall be in writing and shall provide that the assignee or sublessee shall agree to and be bound by all of the terms and conditions of the Lease;
- (ii) The assignee or sublessee shall secure and maintain in force during the entire term of such sublease or assignment a liability insurance policy or policies in conformity with the requirements of Paragraph 20, Liability Insurance, with respect to any aircraft hangared on the premises that are owned by sublessee or assignee or other third party; and
- (iii) A rental adjustment, which shall be based on the rental then in effect by LESSOR for new noncommercial hangar ground leases.

(b) In the event of an attempted assignment or subletting in violation of the foregoing provisions, then in addition to any and all other rights and remedies available to it, the LESSOR may, at its option, by written notice to the LESSEE, either (1) declare such sublease, assignment, transfer, mortgage, or other conveyance void, or (2) terminate this Lease and all rights and interest of LESSEE and all other persons hereunder pursuant to Paragraph 28. Any consent by the LESSOR to any assignment or sublease, shall not be deemed, or construed as a consent to any different or subsequent assignment or sublease. The remedies available herein are cumulative with all other remedies available under this Lease or at law or in equity and the exercise of any remedy herein or under this Lease or at law or in equity shall not prevent the exercise of any other remedy provided herein or in this Lease or at law or in equity.

25. RIGHT OF INGRESS AND EGRESS:

LESSEE shall have the reasonable right-of-way over property owned and controlled by

LESSOR for ingress thereto and egress there from for pedestrian, vehicular, and air travel, together with the right to use in common with other LESSEE'S or licensees or LESSOR the airplane landing field adjacent to the demised premises. None of these rights are exclusive but shall be exercised in common with and subject to possible similar rights of other users of the airport. All the forgoing is subject to such reasonable rules and regulations as the LESSOR or its authorized agents may make from time to time. Such rules and regulations, however, shall be reasonable and shall not conflict in any way with similar rules and regulations adopted from time to time by the Federal Aviation Administration or its successor.

26. BANKRUPTCY:

In the event that (a) LESSEE shall file a voluntary petition in bankruptcy or shall be adjudged a bankrupt in any voluntary bankruptcy proceeding; (b) any voluntary or involuntary proceeding for the reorganization of LESSEE shall be instituted by anyone other than LESSEE under any of the provisions of the bankruptcy laws of the United States; or (c) a receiver or judicial trustee or custodian shall be appointed for LESSEE, or any lien or any writ of attachment, garnishment, execution or distraint shall be levied upon any LESSEE'S rights or interest under this Lease; or (d) there shall be any other assignment of any LESSEE'S rights or interests under this Lease by operation of law, then in addition to any and all other rights and remedies available to it, LESSOR may, at its option by written notice to LESSEE, terminate this Lease and all rights and interest of LESSEE and all other persons under this Lease. The term "LESSEE", as used in this paragraph, includes any individual, partnership, or corporation who is a LESSEE hereunder, even though several individuals, partnership, or corporations are such, and includes each partner of any partnership, which is LESSEE hereunder.

27. WAIVER OF BREACH:

The waiver by LESSOR of any breach by LESSEE of any provision contained herein shall not be deemed to be a continuing waiver of such provision, or a waiver of any other prior or subsequent breach thereof, or a waiver of any breach of any other provisions contained herein.

28. **BREACH:**

(a) In the event of a breach by LESSEE of any term, condition, or agreement herein contained, LESSEE shall have 30 days to cure the breach after written notice has been given to LESSEE by LESSOR, provided however that if any such breach cannot be reasonably cured within 30 days of such notice, then LESSEE shall have commenced reasonable efforts to cure same within said period. In the event of LESSEE'S failure to cure or commence the cure of any such breach within 30 days this Lease and all privileges herein granted shall be terminated and be of no further force or effect, and LESSEE shall immediately surrender to LESSOR possession of the premises, and in addition to all other remedies available to LESSOR hereunder or at law or equity, LESSOR shall have the remedies either to remove the Improvements on the premises at the expense of LESSEE or retain the Improvements and to thereafter be the sole and exclusive owner of same. Notwithstanding the foregoing, in the event LESSEE allows a nuisance to exist on the premises as described in Paragraph 6 of this Lease, LESSEE shall abate the nuisance as required therein, and nothing herein shall be deemed to waive or modify the requirements and remedies described in Paragraph 6. Providing further, that in the event LESSEE breaches this Lease and abandons the property before the end of the term, if LESSEE'S right to possession is terminated by LESSOR because of breach of this Lease, LESSOR shall have the right to recover damages from LESSEE as provided in the State of California Civil Code Section 1951.2.

(b) In the event of a breach by LESSOR of any term, condition, or agreement

herein contained, that deprives LESSEE in any manner, in whole or part, of its quiet enjoyment of the demised premises or its right to utilize them fully as described in Paragraph 6 hereof, or of its rights of ingress and egress described in Paragraph 25 hereof, LESSEE shall not be obligated to LESSOR for any rental payments otherwise due and payable for the period of such breach.

29. NEGATION OF PARTNERSHIP:

LESSOR shall not become or be deemed a partner or joint venture with LESSEE or in any other relationship with LESSEE other than that of landlord and tenant by reason of the provisions of this Lease nor shall LESSEE for any purpose be considered an agent, officer, or employee of LESSOR.

30. SURRENDER OF PREMISES:

On the last day of the term, or extension thereof, or sooner termination of this Lease, and subject to the rights and remedies of LESSOR and LESSEE described in Paragraph 15 hereof, LESSEE shall peaceably and quietly leave, surrender and yield up to the LESSOR the demised premises in as good condition and repair as at the commencement of LESSEE'S occupancy, reasonable wear and tear thereof excepted.

31. ENTIRE AGREEMENT:

This Lease contains all agreements of the parties with respect to the subject matter described herein. No prior agreements or understandings whether oral or in writing pertaining to any such matter shall be effective or of any force or effect.

32. VENUE AND GOVERNING LAW:

This agreement is made, entered into and is to be performed in Kern County, California. This Lease shall be governed by and construed in accordance with the laws of the State of California.

33. COVENANTS AND CONDITIONS:

Each provision of this Lease performable by LESSEE shall be deemed both a covenant and a condition.

34. TIME OF THE ESSENCE:

Time is hereby expressly declared to be the essence of this Lease and of each and every provision thereof, and each such provision is hereby made and declared to be a material, necessary and essential part of this Lease.

35. SEVERABILITY:

If any provision of this Lease is determined by a Court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall in no way be affected thereby and same shall remain in full force and effect.

36. AUTHORIZED AGENT OF LESSOR:

The City Manager of the City of Tehachapi is the duly authorized agent of LESSOR for purposes of this Lease, and as to any obligations assumed herein by LESSEE, they shall be performed to the satisfaction of the City Manager.

37. NOTICES:

All notices required or permitted under this Agreement or at law shall be deemed to be given when personally served on the party to be noticed or when deposited in the United States mail, Registered or Certified, postage prepaid or when sent by electronic mail ("Email") and addressed as follows:

TO LESSOR: City Manager
City of Tehachapi
115 South Robinson Street
Tehachapi, Ca. 93561
Email - ggarrett@tehachapicityhall.com

TO LESSEE: Joseph Stripe and Dusty Stripe
21813 Sunnybrook Dr.
Tehachapi, Ca. 93561
Email – jrstripe@gmail.com

Any party may change its or their address by providing notice of same in the manner herein prescribed.

38. **BINDING:**

This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

39. **CAPTIONS:**

The captions appearing in this Lease are for convenience only, are not part of this Lease, and shall not be considered in interpreting this Lease.

40. **AMENDMENTS:**

This Lease may not be altered, amended, or modified except by a writing executed by duly authorized representatives of all parties.

41. **ATTORNEY'S FEES:**

In the event any action or proceeding is instituted arising out of or relating to this Lease or for the purpose of enforcing this Lease, the prevailing party shall be entitled to its reasonable attorney's fees and actual costs.

42. **RECORDATION:**

LESSEE acknowledges its understanding that the law of the State of California authorizes LESSOR to record this Lease or a memorandum of same. In that regard, LESSEE agrees to execute a memorandum of this Lease for the purposes of recordation in such reasonable form and content as may be proposed by Lessor.

43. **COUNTERPARTS:**

This Lease may be executed in counterparts and the respective signature pages for each party may thereafter be attached to the body of this Lease to constitute one integrated agreement which is as fully effective and binding as if the entire Lease had been signed at one time.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

LESSOR:

LESSEE:

CITY OF TEHACHAPI

By: _____

SUSAN WIGGINS
Mayor of the City of Tehachapi, California

By: _____

JOSEPH STRIPE

DUSTY STRIPE

EXHIBIT "A"
[Description or Location of the Premises]



700
200

feet
meters

Google earth

NONCOMMERCIAL HANGAR GROUND LEASE AGREEMENT

(Tehachapi Airport Hangar 08W)

THIS LEASE AGREEMENT, hereinafter referred to as this "Lease", is made and entered into this **21st** day of **March, 2016**, by and between the **CITY OF TEHACHAPI**, hereinafter referred to as "LESSOR", and **Joseph Stripe and Dusty Stripe, husband and wife**, hereinafter referred to as "LESSEE".

In consideration of the mutual covenants and conditions contained herein, the parties hereto agree as follows:

1. **PREMISES:**

LESSOR does hereby demise and lease to LESSEE, and LESSEE hereby hires from LESSOR, those certain premises situated in the City of Tehachapi, County of Kern, State of California, hereinafter referred to as the "premises" or "demised premises", and more particularly delineated on Exhibit A, attached hereto and by this reference made a part hereof and popularly known as Hangar 08W. The premises for the hangar shall be the footprint of the hangar which shall be the exact dimensions of each hangar and shall not include any area outside of the footprint. The areas between hangars and surrounding the hangar (the "Open Areas") are not part of the hangar footprint and are not included in the premises or leased premises. The Open Areas shall be retained by LESSOR and may be utilized by LESSOR as LESSOR deems appropriate from time-to-time in its sole and absolute discretion. The Open Areas may not be used for tie downs, parking, or other uses by the LESSEE. The two security gates located near the premises are not operative and LESSOR shall not be required to repair them and cannot be used for access to the

leased premises

2. TERM:

The term of this Lease shall be for 20 years, commencing on **March 5, 2016**, and terminating on **March 4, 2036** (the "Initial Term"). LESSEE is hereby granted an option to renew the LEASE for an additional term of five years from the expiration of the Initial Term, and for a second additional term of five years, provided LESSEE gives LESSOR written notice of LESSEE'S exercise of its option to do so no more than 180 days and no less than 30 days prior to the expiration of the Initial Term or the first additional term, whichever applies. In the event LESSEE exercises its option to renew the Lease, the renewal shall be on the same terms and conditions as described in this Lease except for rental and as to the rental to be charged, same shall be calculated based on the rental rate or rental formula then in effect by the LESSOR for new noncommercial hangar ground leases. In addition, the rental terms for the renewal period shall include requirements for such increases as is then required by the LESSOR for new noncommercial hangar ground leases.

3. HOLDING OVER:

In the event LESSEE shall hold over after the term herein granted with the expressed or implied consent of LESSOR, such holding over shall be a tenancy only from month to month at twice the rental rate then charged for noncommercial hangar ground leases; provided, however, that if LESSEE is otherwise in default under this Lease at the time of holding over, nothing herein shall expressly or impliedly cure the default and LESSOR shall have all rights to remedy the default in addition to all rights to the increased monthly rental provided for herein.

4. RENTAL CONSIDERATION:

As and for rental, LESSEE agrees to pay to LESSOR, the sum of **\$80.85** per month payable in advance on the first day of each month commencing **March 5, 2016**. On January 1 of each calendar year thereafter, the monthly rental shall increase or decrease for said calendar year by the percentage increase or decrease between the Consumer Price Index (All Urban Consumers) (Base Years 1982-1984=100) for Los Angeles-Riverside-Orange County, CA CMSA published by the United States Department of Labor, Bureau of Labor Statistics ("Index") which is published immediately preceding the commencement of the prior calendar year and the Index published immediately preceding the commencement of the new calendar year. LESSOR shall notify LESSEE in writing of said rental increase/decrease prior to January 1. LESSOR shall bill LESSEE monthly for the rental and rental shall be due on the date set forth on the billing and shall be deemed delinquent if not received by that date. Notwithstanding the foregoing, rental may also be increased as described in Paragraphs 15 and 24.

5. **INTEREST:**

If the payments required herein are not paid within fifteen (15) days after they become due, then, in addition to such sums that are due, LESSEE shall also pay interest at the rate of ten percent (10%) per month on the unpaid balance or portion thereof, until paid in full.

6. **PURPOSE; NUISANCE:**

(a) The demised premises shall be used by the LESSEE only for one or more of the following purposes: aircraft storage, maintenance, repair, restoration, and for the construction of aircraft to be certified in the experimental category; provided that such aircraft are owned or leased by LESSEE or a partnership in which LESSEE is a general partner or other business association in which LESSEE is a principal approved by the City Manager or designated representative, except for such aircraft permitted on the premises

pursuant to an assignment or sublease approved by LESSOR pursuant to Paragraph 24; and provided further, that LESSEE shall conduct no activity for profit or commercial purpose under this lease.

(b) LESSEE shall not do or permit any act or thing to be done upon the premises which constitutes a nuisance or which may disturb the quiet enjoyment of LESSOR or any tenant of LESSOR on adjacent or neighboring property. LESSEE shall abate or cure any nuisance on the demised premises or for which LESSEE is responsible within ten (10) days after written notice thereof from LESSOR. In the event LESSEE has not taken corrective action within ten (10) days, LESSOR may take any action necessary to abate or cure such condition at LESSEE'S sole cost and expense, without further written notice and LESSOR shall have no liability to LESSEE therefore nor for any damages to the premises or to the hangars or to property therein or thereon. Notwithstanding the foregoing, if any such nuisance creates, in LESSOR'S reasonable determination, a condition immediately hazardous to health or safety, LESSOR may immediately, without written notice to LESSEE, enter the premises to abate or cure the condition at LESSEE'S sole cost and expense and LESSOR shall have no liability to LESSEE therefore nor for any damage to the premises or to the hangars or to property therein or thereon.

(c) The use of combustible chemicals or cleaning solvents, stripping or painting, or welding or repair to any aircraft on the demised premises are allowed only to the extent permitted under all applicable federal, state and local regulation governing the use of hazardous materials and equipment, and only in a manner consistent with such regulation.

7. CONDITION OF PREMISES:

LESSEE has inspected the demised premises and knows the extent and condition thereto and accepts same in its present condition, as is, subject to and including all defects, latent and/or patent.

8. **SAFETY:**

LESSEE shall not cause the accumulation of oil, grease, fuel, trash and debris which are potential fire, environmental, or safety hazards within the premises or the areas surrounding the premises, and LESSEE shall comply with all local, state and federal laws, statutes, rules and regulations with regard thereto.

9. **ALTERATIONS:**

LESSEE shall not construct any improvements or make any alterations of any kind (whether permanent or otherwise) on the demised premises without the written consent of the City Manager or designated representative first being obtained.

10. **SIGNS:**

LESSEE shall not construct or place or permit to be constructed or placed, signs, awnings, marquees, or other structures projecting from the exterior of the premises without LESSOR'S prior written consent thereof. LESSEE further agrees to remove signs, displays, advertisements, or decorations it has placed or permitted to be placed on the premises, which, in LESSOR'S opinion are offensive or otherwise objectionable. If LESSEE fails to remove such signs, displays, advertisements or decorations within ten (10) days after having received written notice to remove same from LESSOR, LESSOR reserves the right to re-enter the premises and remove them at LESSEE'S expense.

11. **UTILITY EXTENSION OR MODIFICATION:**

LESSEE shall pay any and all expenses that may be incurred in obtaining the extension of public utility services to the demised premises from existing facilities or any modification of same.

12. **UTILITIES:**

LESSEE agrees to pay during the term of this Lease, or any holding over, all utilities used by LESSEE. The term "utilities" as used herein shall include, but is not limited to,

gas, electricity, water, sewer, telephone, and trash and refuse disposal service.

13. **MAINTENANCE:**

LESSEE agrees to provide maintenance, repair, and upkeep on any structures situated on the demised premises in a good, clean, sanitary, and safe condition.

14. **FAILURE TO REPAIR:**

In the event LESSEE shall fail, neglect, or refuse to commence the repair or maintenance work required herein within ten (10) days after receipt of written notice from LESSOR, or in the event that LESSEE fails, neglects or refuses to pursue said repair or maintenance work with reasonable diligence to completion, LESSOR may perform or cause to be performed such repair or maintenance work and add the cost thereof to the installments of rent due for this Lease as a charge to LESSEE.

15. **SALE OR REMOVAL OF IMPROVEMENTS:**

(a) Unless otherwise agreed upon by the parties hereto, if LESSEE desires to sell or otherwise transfer any or all buildings, hangars and other improvements (the "Improvements") made to or constructed and placed on the premises during or prior to the term of this Lease, or any extensions thereof, LESSOR shall have a right of first refusal (the "Right of First Refusal") to purchase the improvements and the LESSEE shall give LESSOR a notice in writing at least thirty (30) days before such sale or transfer of the terms of same (the "Lessee Notice"). Any sale or transfer or agreement to sell or transfer the Improvements without LESSEE first complying with the requirements of LESSOR'S Right of First Refusal shall be void and, in addition thereto, shall constitute a breach and material default of this Lease. If LESSEE has received an offer to purchase the Improvements that LESSEE is prepared to accept, the Lessee Notice shall contain a complete copy of the offer (the "Offer"), or if LESSEE does not have any such Offer but nevertheless wishes to sell or transfer the Improvements to a third party, the Lessee Notice shall include all of

LESSEE'S terms and conditions for such sale or transfer. Lessor's Right of First Refusal to purchase the Improvements shall be under the same terms and conditions as described in the Lessee Notice. The Lessee Notice shall be personally delivered or mailed to LESSOR by registered mail, return receipt requested. LESSOR shall have thirty (30) days from receipt of the Lessee Notice in which to exercise its Right of First Refusal (the "Exercise Period"). If LESSOR wishes to exercise its Right of First Refusal, LESSOR shall do so in writing to LESSEE prior to expiration of the Exercise Period, provided however that if the Exercise Period terminates on a weekend or holiday, the Exercise Period shall be extended to 11:59 p.m. (California time) on the next business day thereafter. In the event LESSOR exercises its Right of First Refusal, LESSOR shall complete the purchase of the Improvements within a reasonable time thereafter. If LESSOR does not exercise its Right of First Refusal, LESSEE shall have the right, only for the next sixty (60) days, to complete the sale or transfer of the Improvements to the offeror of the offer, or, if none, to any other third party under the same terms and conditions as described in the Lessee Notice, provided however that if the sale or transfer is not completed within sixty (60) days of the expiration of the Exercise Period or if the terms and conditions of the sale or transfer are modified, then LESSOR'S Right of First Refusal shall be revived and LESSEE shall once again give LESSOR the Lessee Notice containing the terms and conditions or, if applicable, the revised terms and conditions of the sale or transfer and LESSOR shall have all rights with regard thereto previously described herein. LESSEE shall not place a lien or otherwise encumber the Improvements as part of any sale or transfer without LESSOR'S prior written consent, which consent may be denied or conditioned in LESSOR'S sole and absolute discretion. If a sale is completed during the term of this Lease, no assignment or subletting of this Lease or of the premises shall occur without compliance with Paragraph 24 and, additionally, LESSOR shall have the right to increase the rental to the rental then

being charged by LESSOR for new noncommercial hangar ground leases as then determined by LESSOR. Notwithstanding the foregoing, if the purchaser of the Improvements requests a new Lease, LESSOR may, in LESSOR'S sole and absolute discretion, enter into a new Lease with the purchaser.

(b) If at the termination of this Lease a new Lease has not been entered into by the parties or their successors, then LESSEE shall remove the Improvements and all fixtures and contents therein no later than 30 days after the expiration of the Lease Term without unnecessary damage to the premises and during the 30 day period after expiration of the Lease Term LESSEE shall pay rental to Lessor as a holdover tenant pursuant to Paragraph 3 of this Lease. If LESSEE does not effect such removal, LESSOR shall have the right to do so and LESSEE shall be obligated to LESSOR for the costs thereof; provided, however, that all right, title and interest in and to the Improvements without their removal may be acquired by LESSOR upon terms and conditions mutually agreeable to both LESSOR and LESSEE. Notwithstanding the foregoing, if LESSEE has failed to effect the removal as required herein and LESSOR and LESSEE have not agreed upon the terms by which LESSOR would acquire the Improvements, LESSEE shall be in breach of this Agreement and LESSOR shall have all rights described in Paragraph 28 of this Lease with regard thereto.

16. COMPLIANCE WITH LAW:

LESSEE shall, at its expense, promptly comply with any and all laws, ordinances, rules, regulations, requirements and orders whatsoever, present or future, of the national, state, county, or city governments which may in any way apply to the use, maintenance, or occupation of, or operations on the demised property.

17. RIGHT OF INSPECTION:

LESSOR shall have the right to enter upon the demised premises at all reasonable

times to inspect the premises and LESSEE'S operations thereon. LESSOR reserves all rights in and with respect to the premises, not inconsistent with LESSEE'S use of the premises as in the Lease provided, including (without limiting the generality of the foregoing) the right of LESSOR to enter upon the premises for the purpose of installing, using, maintaining, renewing, and replacing such underground oil, gas, water, sewer, and other pipelines, and such underground or aboveground telephone, telegraph, and electric power conduits or lines as LESSOR may deem desirable in connection with the development or use of the demised premises or any other property on the airport or in the neighborhood of the premises. LESSOR shall compensate LESSEE for any and all damage to LESSEE'S improvements and personal property caused by the exercise of the rights reserved in this paragraph.

18. **INDEMNIFICATION:**

LESSEE agrees to indemnify, defend (upon request by the LESSOR) and save harmless the LESSOR, its Council persons, agents, officers and employees, and each of them, from any and all losses, costs, expenses, claims, liabilities, actions, and damages, including liability for injuries to person or persons, or damage to property of third persons arising out of or in any way connected with (a) the LESSEE'S use, occupancy and/or operation of the demised premises during the term of this Lease or any holding over, and (b) the construction or the removal of any facilities or improvements on the demised premises during the term of this Lease or any holding over.

19. **WORKERS COMPENSATION:**

LESSEE agrees to observe and obey the Workers' Compensation Act of the State of California as from time to time amended, and will indemnify and save and hold harmless LESSOR from any and all liability hereunder.

20. **LIABILITY INSURANCE:**

LESSEE, in order to protect LESSOR, its agents, officers and employees, against all claims and liability for death, injury, loss, and damage as a result of LESSEE'S use, occupancy and/or operation of the demised premises or in a connection therewith, shall secure and maintain in force during the entire term of this Lease and covering all LESSEE'S operations and activities on the airport, a Comprehensive General Liability insurance policy in the amount of \$ 500,000 with a reliable insurance carrier approved by the City and authorized to do such public liability and property damage insurance business in the State of California. Said policies of insurance:

(a) shall expressly name LESSOR, Council persons, agents, officers, and employees as additional insured; and

(b) shall be primary insurance as regards any other valid and collectible insurance LESSOR possesses, and any other insurance that LESSOR may possess shall be considered excess insurance only; and

(c) shall contain a Severability of Interest or cross liability clause, which is to say, such policy shall act as though a separate policy were written for each insured and additional named insured in the policy; and

(d) shall not be subject to cancellation and/or coverage reduction without thirty (30) day's prior written notice to LESSOR.

Within ten (10) days from the date of the Lease, LESSEE shall file with the City Manager a duly certified Certificate of Insurance evidencing that the hereinabove mentioned public liability and property damage (and hangar-keeper liability, where applicable) provisions have been complied with, and setting forth that LESSOR, its councilpersons, agents, officers, and employees are named as additional insured. In the event that LESSEE shall fail to obtain or thereafter maintain such policies or to furnish evidence thereof to LESSOR, LESSOR may, in LESSOR'S sole discretion, (1) procure the

same, pay the premium therefore, and collect same with the next payment of rental due from LESSEE, or (2) terminate this Lease pursuant to Paragraph 28 hereof.

21. TAXES AND ASSESSMENTS:

LESSEE agrees to pay all taxes and/or assessments levied by any governmental agency upon any interest acquired by LESSEE under the terms of this Lease. Providing further, that LESSEE is aware that certain possessory interests may be created by entering into this Lease and that LESSEE will be subject to the payment of property taxes levied on such interests.

22. LEASE SUBORDINATE TO AGREEMENTS WITH UNITED STATES GOVERNMENT:

This Lease shall be subordinate to the provisions and requirements of any existing or future agreements between the LESSOR and the United States relative to the development, operation or maintenance of the Airport.

23. AERONAUTICAL RESTRICTIONS:

(a) There is hereby reserved to LESSOR for the use and benefit of the public a right of flight for the passage of aircraft in the air space above the surface of the demised premises. This public right of flight shall include the right to cause in said air space any noise inherent in the lawful operation of any aircraft used for navigation or flight through the said air space or landing at, taking off from, or operation on the Tehachapi Airport.

(b) LESSEE shall not erect or permit the erection of any structure, building, or object of natural growth or other obstructions on the demised premises above the maximum elevation permitted by the Federal Aviation Administration. In the event the aforesaid covenant is breached, same shall be deemed a nuisance and a material breach of this Agreement and City shall have all rights described under Paragraph 6 (b) to abate

the nuisance and City shall have all other rights and remedies available at law or in equity.

(c) LESSEE shall not make use of the demised premises in any manner, which might interfere with lawful air navigation and communication, the landing or taking off of aircraft from Tehachapi Airport, or otherwise constitute an airport hazard. In the event the aforesaid covenant is breached, LESSOR reserves the right to enter on the demised premises and cause the abatement of such interference at the expense of LESSEE.

(d) LESSOR reserves the right to further develop or improve the landing area at the Tehachapi Airport as it sees fit regardless of the desires or views of LESSEE, and without interference or hindrance.

(e) LESSOR reserves the right, but shall not be obligated to LESSEE, to maintain and keep in repair the landing area at the Tehachapi Airport and all publicly owned facilities at the airport, together with the right to direct and control all activities of the LESSEE in this regard. Provided, however, that in the event of the taxiways or runways at the airport are determined to be unfit for aeronautical use by the Federal Aviation Administration or by LESSOR or by the Aeronautical Division of the California Department of Transportation, or the airport ceases to be operated as an airport, then this Lease may be terminated by LESSEE, at its option, by its giving of at least thirty (30) days written notice thereof to LESSOR.

(f) Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

24. SUBLETTING:

(a) LESSEE shall not assign this Lease or sublet the premises, or any part thereof, without the prior written consent of the LESSOR, which consent shall not be unreasonably withheld but may be reasonably conditioned to include but not be limited to

the following:

- (i) Any assignment or sublease shall be in writing and shall provide that the assignee or sublessee shall agree to and be bound by all of the terms and conditions of the Lease;
- (ii) The assignee or sublessee shall secure and maintain in force during the entire term of such sublease or assignment a liability insurance policy or policies in conformity with the requirements of Paragraph 20, Liability Insurance, with respect to any aircraft hangared on the premises that are owned by sublessee or assignee or other third party; and
- (iii) A rental adjustment, which shall be based on the rental then in effect by LESSOR for new noncommercial hangar ground leases.

(b) In the event of an attempted assignment or subletting in violation of the foregoing provisions, then in addition to any and all other rights and remedies available to it, the LESSOR may, at its option, by written notice to the LESSEE, either (1) declare such sublease, assignment, transfer, mortgage, or other conveyance void, or (2) terminate this Lease and all rights and interest of LESSEE and all other persons hereunder pursuant to Paragraph 28. Any consent by the LESSOR to any assignment or sublease, shall not be deemed, or construed as a consent to any different or subsequent assignment or sublease. The remedies available herein are cumulative with all other remedies available under this Lease or at law or in equity and the exercise of any remedy herein or under this Lease or at law or in equity shall not prevent the exercise of any other remedy provided herein or in this Lease or at law or in equity.

25. RIGHT OF INGRESS AND EGRESS:

LESSEE shall have the reasonable right-of-way over property owned and controlled by

LESSOR for ingress thereto and egress there from for pedestrian, vehicular, and air travel, together with the right to use in common with other LESSEE'S or licensees or LESSOR the airplane landing field adjacent to the demised premises. None of these rights are exclusive but shall be exercised in common with and subject to possible similar rights of other users of the airport. All the forgoing is subject to such reasonable rules and regulations as the LESSOR or its authorized agents may make from time to time. Such rules and regulations, however, shall be reasonable and shall not conflict in any way with similar rules and regulations adopted from time to time by the Federal Aviation Administration or its successor.

26. **BANKRUPTCY:**

In the event that (a) LESSEE shall file a voluntary petition in bankruptcy or shall be adjudged a bankrupt in any voluntary bankruptcy proceeding; (b) any voluntary or involuntary proceeding for the reorganization of LESSEE shall be instituted by anyone other than LESSEE under any of the provisions of the bankruptcy laws of the United States; or (c) a receiver or judicial trustee or custodian shall be appointed for LESSEE, or any lien or any writ of attachment, garnishment, execution or distraint shall be levied upon any LESSEE'S rights or interest under this Lease; or (d) there shall be any other assignment of any LESSEE'S rights or interests under this Lease by operation of law, then in addition to any and all other rights and remedies available to it, LESSOR may, at its option by written notice to LESSEE, terminate this Lease and all rights and interest of LESSEE and all other persons under this Lease. The term "LESSEE", as used in this paragraph, includes any individual, partnership, or corporation who is a LESSEE hereunder, even though several individuals, partnership, or corporations are such, and includes each partner of any partnership, which is LESSEE hereunder.

27. **WAIVER OF BREACH:**

The waiver by LESSOR of any breach by LESSEE of any provision contained herein shall not be deemed to be a continuing waiver of such provision, or a waiver of any other prior or subsequent breach thereof, or a waiver of any breach of any other provisions contained herein.

28. **BREACH:**

(a) In the event of a breach by LESSEE of any term, condition, or agreement herein contained, LESSEE shall have 30 days to cure the breach after written notice has been given to LESSEE by LESSOR, provided however that if any such breach cannot be reasonably cured within 30 days of such notice, then LESSEE shall have commenced reasonable efforts to cure same within said period. In the event of LESSEE'S failure to cure or commence the cure of any such breach within 30 days this Lease and all privileges herein granted shall be terminated and be of no further force or effect, and LESSEE shall immediately surrender to LESSOR possession of the premises, and in addition to all other remedies available to LESSOR hereunder or at law or equity, LESSOR shall have the remedies either to remove the Improvements on the premises at the expense of LESSEE or retain the Improvements and to thereafter be the sole and exclusive owner of same. Notwithstanding the foregoing, in the event LESSEE allows a nuisance to exist on the premises as described in Paragraph 6 of this Lease, LESSEE shall abate the nuisance as required therein, and nothing herein shall be deemed to waive or modify the requirements and remedies described in Paragraph 6. Providing further, that in the event LESSEE breaches this Lease and abandons the property before the end of the term, if LESSEE'S right to possession is terminated by LESSOR because of breach of this Lease, LESSOR shall have the right to recover damages from LESSEE as provided in the State of California Civil Code Section 1951.2.

(b) In the event of a breach by LESSOR of any term, condition, or agreement

herein contained, that deprives LESSEE in any manner, in whole or part, of its quiet enjoyment of the demised premises or its right to utilize them fully as described in Paragraph 6 hereof, or of its rights of ingress and egress described in Paragraph 25 hereof, LESSEE shall not be obligated to LESSOR for any rental payments otherwise due and payable for the period of such breach.

29. NEGATION OF PARTNERSHIP:

LESSOR shall not become or be deemed a partner or joint venture with LESSEE or in any other relationship with LESSEE other than that of landlord and tenant by reason of the provisions of this Lease nor shall LESSEE for any purpose be considered an agent, officer, or employee of LESSOR.

30. SURRENDER OF PREMISES:

On the last day of the term, or extension thereof, or sooner termination of this Lease, and subject to the rights and remedies of LESSOR and LESSEE described in Paragraph 15 hereof, LESSEE shall peaceably and quietly leave, surrender and yield up to the LESSOR the demised premises in as good condition and repair as at the commencement of LESSEE'S occupancy, reasonable wear and tear thereof excepted.

31. ENTIRE AGREEMENT:

This Lease contains all agreements of the parties with respect to the subject matter described herein. No prior agreements or understandings whether oral or in writing pertaining to any such matter shall be effective or of any force or effect.

32. VENUE AND GOVERNING LAW:

This agreement is made, entered into and is to be performed in Kern County, California. This Lease shall be governed by and construed in accordance with the laws of the State of California.

33. COVENANTS AND CONDITIONS:

Each provision of this Lease performable by LESSEE shall be deemed both a covenant and a condition.

34. TIME OF THE ESSENCE:

Time is hereby expressly declared to be the essence of this Lease and of each and every provision thereof, and each such provision is hereby made and declared to be a material, necessary and essential part of this Lease.

35. SEVERABILITY:

If any provision of this Lease is determined by a Court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall in no way be affected thereby and same shall remain in full force and effect.

36. AUTHORIZED AGENT OF LESSOR:

The City Manager of the City of Tehachapi is the duly authorized agent of LESSOR for purposes of this Lease, and as to any obligations assumed herein by LESSEE, they shall be performed to the satisfaction of the City Manager.

37. NOTICES:

All notices required or permitted under this Agreement or at law shall be deemed to be given when personally served on the party to be noticed or when deposited in the United States mail, Registered or Certified, postage prepaid or when sent by electronic mail ("Email") and addressed as follows:

TO LESSOR: City Manager
City of Tehachapi
115 South Robinson Street
Tehachapi, Ca. 93561
Email - ggarrett@tehachapicityhall.com

TO LESSEE: Joseph Stripe and Dusty Stripe
21813 Sunnybrook Dr.
Tehachapi, Ca. 93561
Email – jrstripe@gmail.com

Any party may change its or their address by providing notice of same in the manner herein prescribed.

38. **BINDING:**

This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

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41. **ATTORNEY'S FEES:**

In the event any action or proceeding is instituted arising out of or relating to this Lease or for the purpose of enforcing this Lease, the prevailing party shall be entitled to its reasonable attorney's fees and actual costs.

42. **RECORDATION:**

LESSEE acknowledges its understanding that the law of the State of California authorizes LESSOR to record this Lease or a memorandum of same. In that regard, LESSEE agrees to execute a memorandum of this Lease for the purposes of recordation in such reasonable form and content as may be proposed by Lessor.

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This Lease may be executed in counterparts and the respective signature pages for each party may thereafter be attached to the body of this Lease to constitute one integrated agreement which is as fully effective and binding as if the entire Lease had been signed at one time.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

LESSOR:

LESSEE:

CITY OF TEHACHAPI

By: _____
SUSAN WIGGINS
Mayor of the City of Tehachapi, California

By: _____
JOSEPH STRIPE

DUSTY STRIPE

EXHIBIT "A"
[Description or Location of the Premises]



Google earth

feet
meters

700
200



NONCOMMERCIAL HANGAR GROUND LEASE AGREEMENT

(Tehachapi Airport Hangar 09W)

THIS LEASE AGREEMENT, hereinafter referred to as this "Lease", is made and entered into this 21st day of **March, 2016**, by and between the **CITY OF TEHACHAPI**, hereinafter referred to as "LESSOR", and **Joseph Stripe and Dusty Stripe, husband and wife**, hereinafter referred to as "LESSEE".

In consideration of the mutual covenants and conditions contained herein, the parties hereto agree as follows:

1. **PREMISES:**

LESSOR does hereby demise and lease to LESSEE, and LESSEE hereby hires from LESSOR, those certain premises situated in the City of Tehachapi, County of Kern, State of California, hereinafter referred to as the "premises" or "demised premises", and more particularly delineated on Exhibit A, attached hereto and by this reference made a part hereof and popularly known as Hangar 09W. The premises for the hangar shall be the footprint of the hangar which shall be the exact dimensions of each hangar and shall not include any area outside of the footprint. The areas between hangars and surrounding the hangar (the "Open Areas") are not part of the hangar footprint and are not included in the premises or leased premises. The Open Areas shall be retained by LESSOR and may be utilized by LESSOR as LESSOR deems appropriate from time-to-time in its sole and absolute discretion. The Open Areas may not be used for tie downs, parking, or other uses by the LESSEE. The two security gates located near the premises are not operative and LESSOR shall not be required to repair them and cannot be used for access to the

leased premises

2. **TERM:**

The term of this Lease shall be for 20 years, commencing on **March 5, 2016**, and terminating on **March 4, 2036** (the "Initial Term"). LESSEE is hereby granted an option to renew the LEASE for an additional term of five years from the expiration of the Initial Term, and for a second additional term of five years, provided LESSEE gives LESSOR written notice of LESSEE'S exercise of its option to do so no more than 180 days and no less than 30 days prior to the expiration of the Initial Term or the first additional term, whichever applies. In the event LESSEE exercises its option to renew the Lease, the renewal shall be on the same terms and conditions as described in this Lease except for rental and as to the rental to be charged, same shall be calculated based on the rental rate or rental formula then in effect by the LESSOR for new noncommercial hangar ground leases. In addition, the rental terms for the renewal period shall include requirements for such increases as is then required by the LESSOR for new noncommercial hangar ground leases.

3. **HOLDING OVER:**

In the event LESSEE shall hold over after the term herein granted with the expressed or implied consent of LESSOR, such holding over shall be a tenancy only from month to month at twice the rental rate then charged for noncommercial hangar ground leases; provided, however, that if LESSEE is otherwise in default under this Lease at the time of holding over, nothing herein shall expressly or impliedly cure the default and LESSOR shall have all rights to remedy the default in addition to all rights to the increased monthly rental provided for herein.

4. **RENTAL CONSIDERATION:**

As and for rental, LESSEE agrees to pay to LESSOR, the sum of **\$195.25** per month payable in advance on the first day of each month commencing **March 5, 2016**. On January 1 of each calendar year thereafter, the monthly rental shall increase or decrease for said calendar year by the percentage increase or decrease between the Consumer Price Index (All Urban Consumers) (Base Years 1982-1984=100) for Los Angeles-Riverside-Orange County, CA CMSA published by the United States Department of Labor, Bureau of Labor Statistics ("Index") which is published immediately preceding the commencement of the prior calendar year and the Index published immediately preceding the commencement of the new calendar year. LESSOR shall notify LESSEE in writing of said rental increase/decrease prior to January 1. LESSOR shall bill LESSEE monthly for the rental and rental shall be due on the date set forth on the billing and shall be deemed delinquent if not received by that date. Notwithstanding the foregoing, rental may also be increased as described in Paragraphs 15 and 24.

5. **INTEREST:**

If the payments required herein are not paid within fifteen (15) days after they become due, then, in addition to such sums that are due, LESSEE shall also pay interest at the rate of ten percent (10%) per month on the unpaid balance or portion thereof, until paid in full.

6. **PURPOSE; NUISANCE:**

(a) The demised premises shall be used by the LESSEE only for one or more of the following purposes: aircraft storage, maintenance, repair, restoration, and for the construction of aircraft to be certified in the experimental category; provided that such aircraft are owned or leased by LESSEE or a partnership in which LESSEE is a general partner or other business association in which LESSEE is a principal approved by the City Manager or designated representative, except for such aircraft permitted on the premises

pursuant to an assignment or sublease approved by LESSOR pursuant to Paragraph 24; and provided further, that LESSEE shall conduct no activity for profit or commercial purpose under this lease.

(b) LESSEE shall not do or permit any act or thing to be done upon the premises which constitutes a nuisance or which may disturb the quiet enjoyment of LESSOR or any tenant of LESSOR on adjacent or neighboring property. LESSEE shall abate or cure any nuisance on the demised premises or for which LESSEE is responsible within ten (10) days after written notice thereof from LESSOR. In the event LESSEE has not taken corrective action within ten (10) days, LESSOR may take any action necessary to abate or cure such condition at LESSEE'S sole cost and expense, without further written notice and LESSOR shall have no liability to LESSEE therefore nor for any damages to the premises or to the hangars or to property therein or thereon. Notwithstanding the foregoing, if any such nuisance creates, in LESSOR'S reasonable determination, a condition immediately hazardous to health or safety, LESSOR may immediately, without written notice to LESSEE, enter the premises to abate or cure the condition at LESSEE'S sole cost and expense and LESSOR shall have no liability to LESSEE therefore nor for any damage to the premises or to the hangars or to property therein or thereon.

(c) The use of combustible chemicals or cleaning solvents, stripping or painting, or welding or repair to any aircraft on the demised premises are allowed only to the extent permitted under all applicable federal, state and local regulation governing the use of hazardous materials and equipment, and only in a manner consistent with such regulation.

7. CONDITION OF PREMISES:

LESSEE has inspected the demised premises and knows the extent and condition thereto and accepts same in its present condition, as is, subject to and including all defects, latent and/or patent.

8. **SAFETY:**

LESSEE shall not cause the accumulation of oil, grease, fuel, trash and debris which are potential fire, environmental, or safety hazards within the premises or the areas surrounding the premises, and LESSEE shall comply with all local, state and federal laws, statutes, rules and regulations with regard thereto.

9. **ALTERATIONS:**

LESSEE shall not construct any improvements or make any alterations of any kind (whether permanent or otherwise) on the demised premises without the written consent of the City Manager or designated representative first being obtained.

10. **SIGNS:**

LESSEE shall not construct or place or permit to be constructed or placed, signs, awnings, marquees, or other structures projecting from the exterior of the premises without LESSOR'S prior written consent thereof. LESSEE further agrees to remove signs, displays, advertisements, or decorations it has placed or permitted to be placed on the premises, which, in LESSOR'S opinion are offensive or otherwise objectionable. If LESSEE fails to remove such signs, displays, advertisements or decorations within ten (10) days after having received written notice to remove same from LESSOR, LESSOR reserves the right to re-enter the premises and remove them at LESSEE'S expense.

11. **UTILITY EXTENSION OR MODIFICATION:**

LESSEE shall pay any and all expenses that may be incurred in obtaining the extension of public utility services to the demised premises from existing facilities or any modification of same.

12. **UTILITIES:**

LESSEE agrees to pay during the term of this Lease, or any holding over, all utilities used by LESSEE. The term "utilities" as used herein shall include, but is not limited to,

gas, electricity, water, sewer, telephone, and trash and refuse disposal service.

13. **MAINTENANCE:**

LESSEE agrees to provide maintenance, repair, and upkeep on any structures situated on the demised premises in a good, clean, sanitary, and safe condition.

14. **FAILURE TO REPAIR:**

In the event LESSEE shall fail, neglect, or refuse to commence the repair or maintenance work required herein within ten (10) days after receipt of written notice from LESSOR, or in the event that LESSEE fails, neglects or refuses to pursue said repair or maintenance work with reasonable diligence to completion, LESSOR may perform or cause to be performed such repair or maintenance work and add the cost thereof to the installments of rent due for this Lease as a charge to LESSEE.

15. **SALE OR REMOVAL OF IMPROVEMENTS:**

(a) Unless otherwise agreed upon by the parties hereto, if LESSEE desires to sell or otherwise transfer any or all buildings, hangars and other improvements (the "Improvements") made to or constructed and placed on the premises during or prior to the term of this Lease, or any extensions thereof, LESSOR shall have a right of first refusal (the "Right of First Refusal") to purchase the improvements and the LESSEE shall give LESSOR a notice in writing at least thirty (30) days before such sale or transfer of the terms of same (the "Lessee Notice"). Any sale or transfer or agreement to sell or transfer the Improvements without LESSEE first complying with the requirements of LESSOR'S Right of First Refusal shall be void and, in addition thereto, shall constitute a breach and material default of this Lease. If LESSEE has received an offer to purchase the Improvements that LESSEE is prepared to accept, the Lessee Notice shall contain a complete copy of the offer (the "Offer"), or if LESSEE does not have any such Offer but nevertheless wishes to sell or transfer the Improvements to a third party, the Lessee Notice shall include all of

LESSEE'S terms and conditions for such sale or transfer. Lessor's Right of First Refusal to purchase the Improvements shall be under the same terms and conditions as described in the Lessee Notice. The Lessee Notice shall be personally delivered or mailed to LESSOR by registered mail, return receipt requested. LESSOR shall have thirty (30) days from receipt of the Lessee Notice in which to exercise its Right of First Refusal (the "Exercise Period"). If LESSOR wishes to exercise its Right of First Refusal, LESSOR shall do so in writing to LESSEE prior to expiration of the Exercise Period, provided however that if the Exercise Period terminates on a weekend or holiday, the Exercise Period shall be extended to 11:59 p.m. (California time) on the next business day thereafter. In the event LESSOR exercises its Right of First Refusal, LESSOR shall complete the purchase of the Improvements within a reasonable time thereafter. If LESSOR does not exercise its Right of First Refusal, LESSEE shall have the right, only for the next sixty (60) days, to complete the sale or transfer of the Improvements to the offeror of the offer, or, if none, to any other third party under the same terms and conditions as described in the Lessee Notice, provided however that if the sale or transfer is not completed within sixty (60) days of the expiration of the Exercise Period or if the terms and conditions of the sale or transfer are modified, then LESSOR'S Right of First Refusal shall be revived and LESSEE shall once again give LESSOR the Lessee Notice containing the terms and conditions or, if applicable, the revised terms and conditions of the sale or transfer and LESSOR shall have all rights with regard thereto previously described herein. LESSEE shall not place a lien or otherwise encumber the Improvements as part of any sale or transfer without LESSOR'S prior written consent, which consent may be denied or conditioned in LESSOR'S sole and absolute discretion. If a sale is completed during the term of this Lease, no assignment or subletting of this Lease or of the premises shall occur without compliance with Paragraph 24 and, additionally, LESSOR shall have the right to increase the rental to the rental then

being charged by LESSOR for new noncommercial hangar ground leases as then determined by LESSOR. Notwithstanding the foregoing, if the purchaser of the Improvements requests a new Lease, LESSOR may, in LESSOR'S sole and absolute discretion, enter into a new Lease with the purchaser.

(b) If at the termination of this Lease a new Lease has not been entered into by the parties or their successors, then LESSEE shall remove the Improvements and all fixtures and contents therein no later than 30 days after the expiration of the Lease Term without unnecessary damage to the premises and during the 30 day period after expiration of the Lease Term LESSEE shall pay rental to Lessor as a holdover tenant pursuant to Paragraph 3 of this Lease. If LESSEE does not effect such removal, LESSOR shall have the right to do so and LESSEE shall be obligated to LESSOR for the costs thereof; provided, however, that all right, title and interest in and to the Improvements without their removal may be acquired by LESSOR upon terms and conditions mutually agreeable to both LESSOR and LESSEE. Notwithstanding the foregoing, if LESSEE has failed to effect the removal as required herein and LESSOR and LESSEE have not agreed upon the terms by which LESSOR would acquire the Improvements, LESSEE shall be in breach of this Agreement and LESSOR shall have all rights described in Paragraph 28 of this Lease with regard thereto.

16. **COMPLIANCE WITH LAW:**

LESSEE shall, at its expense, promptly comply with any and all laws, ordinances, rules, regulations, requirements and orders whatsoever, present or future, of the national, state, county, or city governments which may in any way apply to the use, maintenance, or occupation of, or operations on the demised property.

17. **RIGHT OF INSPECTION:**

LESSOR shall have the right to enter upon the demised premises at all reasonable

times to inspect the premises and LESSEE'S operations thereon. LESSOR reserves all rights in and with respect to the premises, not inconsistent with LESSEE'S use of the premises as in the Lease provided, including (without limiting the generality of the foregoing) the right of LESSOR to enter upon the premises for the purpose of installing, using, maintaining, renewing, and replacing such underground oil, gas, water, sewer, and other pipelines, and such underground or aboveground telephone, telegraph, and electric power conduits or lines as LESSOR may deem desirable in connection with the development or use of the demised premises or any other property on the airport or in the neighborhood of the premises. LESSOR shall compensate LESSEE for any and all damage to LESSEE'S improvements and personal property caused by the exercise of the rights reserved in this paragraph.

18. INDEMNIFICATION:

LESSEE agrees to indemnify, defend (upon request by the LESSOR) and save harmless the LESSOR, its Council persons, agents, officers and employees, and each of them, from any and all losses, costs, expenses, claims, liabilities, actions, and damages, including liability for injuries to person or persons, or damage to property of third persons arising out of or in any way connected with (a) the LESSEE'S use, occupancy and/or operation of the demised premises during the term of this Lease or any holding over, and (b) the construction or the removal of any facilities or improvements on the demised premises during the term of this Lease or any holding over.

19. WORKERS COMPENSATION:

LESSEE agrees to observe and obey the Workers' Compensation Act of the State of California as from time to time amended, and will indemnify and save and hold harmless LESSOR from any and all liability hereunder.

20. LIABILITY INSURANCE:

LESSEE, in order to protect LESSOR, its agents, officers and employees, against all claims and liability for death, injury, loss, and damage as a result of LESSEE'S use, occupancy and/or operation of the demised premises or in a connection therewith, shall secure and maintain in force during the entire term of this Lease and covering all LESSEE'S operations and activities on the airport, a Comprehensive General Liability insurance policy in the amount of \$ 500,000 with a reliable insurance carrier approved by the City and authorized to do such public liability and property damage insurance business in the State of California. Said policies of insurance:

(a) shall expressly name LESSOR, Council persons, agents, officers, and employees as additional insured; and

(b) shall be primary insurance as regards any other valid and collectible insurance LESSOR possesses, and any other insurance that LESSOR may possess shall be considered excess insurance only; and

(c) shall contain a Severability of Interest or cross liability clause, which is to say, such policy shall act as though a separate policy were written for each insured and additional named insured in the policy; and

(d) shall not be subject to cancellation and/or coverage reduction without thirty (30) day's prior written notice to LESSOR.

Within ten (10) days from the date of the Lease, LESSEE shall file with the City Manager a duly certified Certificate of Insurance evidencing that the hereinabove mentioned public liability and property damage (and hangar-keeper liability, where applicable) provisions have been complied with, and setting forth that LESSOR, its councilpersons, agents, officers, and employees are named as additional insured. In the event that LESSEE shall fail to obtain or thereafter maintain such policies or to furnish evidence thereof to LESSOR, LESSOR may, in LESSOR'S sole discretion, (1) procure the

same, pay the premium therefore, and collect same with the next payment of rental due from LESSEE, or (2) terminate this Lease pursuant to Paragraph 28 hereof.

21. **TAXES AND ASSESSMENTS:**

LESSEE agrees to pay all taxes and/or assessments levied by any governmental agency upon any interest acquired by LESSEE under the terms of this Lease. Providing further, that LESSEE is aware that certain possessory interests may be created by entering into this Lease and that LESSEE will be subject to the payment of property taxes levied on such interests.

22. **LEASE SUBORDINATE TO AGREEMENTS WITH UNITED STATES GOVERNMENT:**

This Lease shall be subordinate to the provisions and requirements of any existing or future agreements between the LESSOR and the United States relative to the development, operation or maintenance of the Airport.

23. **AERONAUTICAL RESTRICTIONS:**

(a) There is hereby reserved to LESSOR for the use and benefit of the public a right of flight for the passage of aircraft in the air space above the surface of the demised premises. This public right of flight shall include the right to cause in said air space any noise inherent in the lawful operation of any aircraft used for navigation or flight through the said air space or landing at, taking off from, or operation on the Tehachapi Airport.

(b) LESSEE shall not erect or permit the erection of any structure, building, or object of natural growth or other obstructions on the demised premises above the maximum elevation permitted by the Federal Aviation Administration. In the event the aforesaid covenant is breached, same shall be deemed a nuisance and a material breach of this Agreement and City shall have all rights described under Paragraph 6 (b) to abate

the nuisance and City shall have all other rights and remedies available at law or in equity.

(c) LESSEE shall not make use of the demised premises in any manner, which might interfere with lawful air navigation and communication, the landing or taking off of aircraft from Tehachapi Airport, or otherwise constitute an airport hazard. In the event the aforesaid covenant is breached, LESSOR reserves the right to enter on the demised premises and cause the abatement of such interference at the expense of LESSEE.

(d) LESSOR reserves the right to further develop or improve the landing area at the Tehachapi Airport as it sees fit regardless of the desires or views of LESSEE, and without interference or hindrance.

(e) LESSOR reserves the right, but shall not be obligated to LESSEE, to maintain and keep in repair the landing area at the Tehachapi Airport and all publicly owned facilities at the airport, together with the right to direct and control all activities of the LESSEE in this regard. Provided, however, that in the event of the taxiways or runways at the airport are determined to be unfit for aeronautical use by the Federal Aviation Administration or by LESSOR or by the Aeronautical Division of the California Department of Transportation, or the airport ceases to be operated as an airport, then this Lease may be terminated by LESSEE, at its option, by its giving of at least thirty (30) days written notice thereof to LESSOR.

(f) Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act.

24. SUBLETTING:

(a) LESSEE shall not assign this Lease or sublet the premises, or any part thereof, without the prior written consent of the LESSOR, which consent shall not be unreasonably withheld but may be reasonably conditioned to include but not be limited to

the following:

- (i) Any assignment or sublease shall be in writing and shall provide that the assignee or sublessee shall agree to and be bound by all of the terms and conditions of the Lease;
- (ii) The assignee or sublessee shall secure and maintain in force during the entire term of such sublease or assignment a liability insurance policy or policies in conformity with the requirements of Paragraph 20, Liability Insurance, with respect to any aircraft hangared on the premises that are owned by sublessee or assignee or other third party; and
- (iii) A rental adjustment, which shall be based on the rental then in effect by LESSOR for new noncommercial hangar ground leases.

(b) In the event of an attempted assignment or subletting in violation of the foregoing provisions, then in addition to any and all other rights and remedies available to it, the LESSOR may, at its option, by written notice to the LESSEE, either (1) declare such sublease, assignment, transfer, mortgage, or other conveyance void, or (2) terminate this Lease and all rights and interest of LESSEE and all other persons hereunder pursuant to Paragraph 28. Any consent by the LESSOR to any assignment or sublease, shall not be deemed, or construed as a consent to any different or subsequent assignment or sublease. The remedies available herein are cumulative with all other remedies available under this Lease or at law or in equity and the exercise of any remedy herein or under this Lease or at law or in equity shall not prevent the exercise of any other remedy provided herein or in this Lease or at law or in equity.

25. RIGHT OF INGRESS AND EGRESS:

LESSEE shall have the reasonable right-of-way over property owned and controlled by

LESSOR for ingress thereto and egress there from for pedestrian, vehicular, and air travel, together with the right to use in common with other LESSEE'S or licensees or LESSOR the airplane landing field adjacent to the demised premises. None of these rights are exclusive but shall be exercised in common with and subject to possible similar rights of other users of the airport. All the forgoing is subject to such reasonable rules and regulations as the LESSOR or its authorized agents may make from time to time. Such rules and regulations, however, shall be reasonable and shall not conflict in any way with similar rules and regulations adopted from time to time by the Federal Aviation Administration or its successor.

26. BANKRUPTCY:

In the event that (a) LESSEE shall file a voluntary petition in bankruptcy or shall be adjudged a bankrupt in any voluntary bankruptcy proceeding; (b) any voluntary or involuntary proceeding for the reorganization of LESSEE shall be instituted by anyone other than LESSEE under any of the provisions of the bankruptcy laws of the United States; or (c) a receiver or judicial trustee or custodian shall be appointed for LESSEE, or any lien or any writ of attachment, garnishment, execution or distraint shall be levied upon any LESSEE'S rights or interest under this Lease; or (d) there shall be any other assignment of any LESSEE'S rights or interests under this Lease by operation of law, then in addition to any and all other rights and remedies available to it, LESSOR may, at its option by written notice to LESSEE, terminate this Lease and all rights and interest of LESSEE and all other persons under this Lease. The term "LESSEE", as used in this paragraph, includes any individual, partnership, or corporation who is a LESSEE hereunder, even though several individuals, partnership, or corporations are such, and includes each partner of any partnership, which is LESSEE hereunder.

27. WAIVER OF BREACH:

The waiver by LESSOR of any breach by LESSEE of any provision contained herein shall not be deemed to be a continuing waiver of such provision, or a waiver of any other prior or subsequent breach thereof, or a waiver of any breach of any other provisions contained herein.

28. **BREACH:**

(a) In the event of a breach by LESSEE of any term, condition, or agreement herein contained, LESSEE shall have 30 days to cure the breach after written notice has been given to LESSEE by LESSOR, provided however that if any such breach cannot be reasonably cured within 30 days of such notice, then LESSEE shall have commenced reasonable efforts to cure same within said period. In the event of LESSEE'S failure to cure or commence the cure of any such breach within 30 days this Lease and all privileges herein granted shall be terminated and be of no further force or effect, and LESSEE shall immediately surrender to LESSOR possession of the premises, and in addition to all other remedies available to LESSOR hereunder or at law or equity, LESSOR shall have the remedies either to remove the Improvements on the premises at the expense of LESSEE or retain the Improvements and to thereafter be the sole and exclusive owner of same. Notwithstanding the foregoing, in the event LESSEE allows a nuisance to exist on the premises as described in Paragraph 6 of this Lease, LESSEE shall abate the nuisance as required therein, and nothing herein shall be deemed to waive or modify the requirements and remedies described in Paragraph 6. Providing further, that in the event LESSEE breaches this Lease and abandons the property before the end of the term, if LESSEE'S right to possession is terminated by LESSOR because of breach of this Lease, LESSOR shall have the right to recover damages from LESSEE as provided in the State of California Civil Code Section 1951.2.

(b) In the event of a breach by LESSOR of any term, condition, or agreement

herein contained, that deprives LESSEE in any manner, in whole or part, of its quiet enjoyment of the demised premises or its right to utilize them fully as described in Paragraph 6 hereof, or of its rights of ingress and egress described in Paragraph 25 hereof, LESSEE shall not be obligated to LESSOR for any rental payments otherwise due and payable for the period of such breach.

29. NEGATION OF PARTNERSHIP:

LESSOR shall not become or be deemed a partner or joint venture with LESSEE or in any other relationship with LESSEE other than that of landlord and tenant by reason of the provisions of this Lease nor shall LESSEE for any purpose be considered an agent, officer, or employee of LESSOR.

30. SURRENDER OF PREMISES:

On the last day of the term, or extension thereof, or sooner termination of this Lease, and subject to the rights and remedies of LESSOR and LESSEE described in Paragraph 15 hereof, LESSEE shall peaceably and quietly leave, surrender and yield up to the LESSOR the demised premises in as good condition and repair as at the commencement of LESSEE'S occupancy, reasonable wear and tear thereof excepted.

31. ENTIRE AGREEMENT:

This Lease contains all agreements of the parties with respect to the subject matter described herein. No prior agreements or understandings whether oral or in writing pertaining to any such matter shall be effective or of any force or effect.

32. VENUE AND GOVERNING LAW:

This agreement is made, entered into and is to be performed in Kern County, California. This Lease shall be governed by and construed in accordance with the laws of the State of California.

33. COVENANTS AND CONDITIONS:

Each provision of this Lease performable by LESSEE shall be deemed both a covenant and a condition.

34. TIME OF THE ESSENCE:

Time is hereby expressly declared to be the essence of this Lease and of each and every provision thereof, and each such provision is hereby made and declared to be a material, necessary and essential part of this Lease.

35. SEVERABILITY:

If any provision of this Lease is determined by a Court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall in no way be affected thereby and same shall remain in full force and effect.

36. AUTHORIZED AGENT OF LESSOR:

The City Manager of the City of Tehachapi is the duly authorized agent of LESSOR for purposes of this Lease, and as to any obligations assumed herein by LESSEE, they shall be performed to the satisfaction of the City Manager.

37. NOTICES:

All notices required or permitted under this Agreement or at law shall be deemed to be given when personally served on the party to be noticed or when deposited in the United States mail, Registered or Certified, postage prepaid or when sent by electronic mail ("Email") and addressed as follows:

TO LESSOR: City Manager
City of Tehachapi
115 South Robinson Street
Tehachapi, Ca. 93561
Email - ggarrett@tehachapicityhall.com

TO LESSEE: Joseph Stripe and Dusty Stripe
21813 Sunnybrook Dr.
Tehachapi, Ca. 93561
Email – jrstripe@gmail.com

Any party may change its or their address by providing notice of same in the manner herein prescribed.

38. **BINDING:**

This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

39. **CAPTIONS:**

The captions appearing in this Lease are for convenience only, are not part of this Lease, and shall not be considered in interpreting this Lease.

40. **AMENDMENTS:**

This Lease may not be altered, amended, or modified except by a writing executed by duly authorized representatives of all parties.

41. **ATTORNEY'S FEES:**

In the event any action or proceeding is instituted arising out of or relating to this Lease or for the purpose of enforcing this Lease, the prevailing party shall be entitled to its reasonable attorney's fees and actual costs.

42. **RECORDATION:**

LESSEE acknowledges its understanding that the law of the State of California authorizes LESSOR to record this Lease or a memorandum of same. In that regard, LESSEE agrees to execute a memorandum of this Lease for the purposes of recordation in such reasonable form and content as may be proposed by Lessor.

43. **COUNTERPARTS:**

This Lease may be executed in counterparts and the respective signature pages for each party may thereafter be attached to the body of this Lease to constitute one integrated agreement which is as fully effective and binding as if the entire Lease had been signed at one time.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

LESSOR:

CITY OF TEHACHAPI

By: _____

SUSAN WIGGINS
Mayor of the City of Tehachapi, California

LESSEE:

By: _____

JOSEPH STRIPE

DUSTY STRIPE

EXHIBIT "A"
[Description or Location of the Premises]



700
200

feet
meters

Google earth

