LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "License") is made and entered into this _16th_ day of August, 2012, by and between

Santa Barbara County Air Pollution Control
District, hereinafter referred to as “APCD”,

and

Santa Ynez Valley Airport Authority, Inc.,
hereinafter referred to as “AIRPORT”,

RECITALS

A. AIRPORT leases and/or manages real property, at 900 Airport Road
Santa Ynez, California that is hereinafter referred to as “Real Property”;
and

B. APCD desires to locate an ambient air monitoring station consisting of a
cement pad, a shelter containing monitoring equipment, and electrical
service lines, hereinafter referred to as “Monitoring Station”, on the
Real Property, which location is shown on Exhibit A, and hereinafter
referred to as “License Area”; and

C. AIRPORT is willing to permit APCD to use said License Area for the
Monitoring Station and to allow reasonable access thereto subject to the
terms and conditions contained herein.

NOW, THEREFORE, in consideration of AIRPORT allowing APCD to use said
License Area, APCD accepts and agrees to the conditions as follows:
1. TERM OF LICENSE AGREEMENT.

The License shall remain in effect until one or both parties exercise their rights under the termination clause below.

2. LIMITS OF LICENSE AREA.

APCD is permitted to construct Monitoring Station only in those areas which are shown on Exhibit A as the License Area and shall have the right to connect and use electrical power from nearest existing Airport utility pole or vault to the Monitoring Station.

3. COSTS.

APCD shall bear the entire cost and expense of the construction, operation, upkeep, maintenance, and removal of the Monitoring Station in said License Area, excluding landscaping; provided, however, Airport shall have no obligation to provide or maintain landscaping. APCD shall maintain the License Area and Monitoring Station in good condition and repair, in accordance with all applicable laws, and in proper operating condition.

4. CONSTRUCTION AND MAINTENANCE.

All work relating to construction, reconstruction and maintenance of the Monitoring Station in the License Area shall (i) comply with all applicable laws; (ii) be constructed pursuant to plans reasonably approved by Airport and pursuant to all required permits; (iii) be constructed in a good and workmanlike manner free of all mechanic’s and material man’s liens; and (iv) conform to recognized building and grading standards. APCD shall, in making any excavation on the Licensed Area, make the same in such a manner as will cause the least injury to the surface of the ground around such excavation, and shall restore the surface of the ground to as near the same condition as it was prior to such excavation as is practicable. APCD shall be responsible for maintaining the License Area in good condition and repair, in accordance with all applicable laws, and in proper operating condition and upon expiration or
earlier termination of the term of this License, surrender the License Area in good condition and repair.

5. ELECTRICITY.

AIRPORT shall provide electricity necessary to run the monitoring station from existing electrical infrastructure located at the Real Property. APCD shall install electrical lines and other equipment necessary to provide electricity for the monitoring station from location A on the map shown in Exhibit A. APCD shall maintain and repair such lines and equipment as necessary. AIRPORT shall not intentionally interrupt power supply to the monitoring station. APCD shall not intentionally or negligently interrupt power supply to the AWOS or windsock lighting which shares the source of electricity. APCD will take immediate corrective action upon being notified by AIRPORT of power interruption due to APCD monitoring equipment. Except in the case of intentional interruption by Airport of the power supply for the Monitoring Station, Airport shall have no liability for interruptions or other disruptions in electrical power supplied to the Monitoring Station. In consideration for the electricity provided by the Authority, APCD shall pay AIRPORT $125 per month. This monthly fee shall be adjusted by the Airport annually on January 1 of each year based on PG&E’s rate adjustments such that APCD shall be obligated to pay the cost of electricity used by APCD in connection with the Monitoring Station and the Licensed Area, as such cost is reasonably determined by AIRPORT.

6. LICENSOR’S RESTRICTIONS.

AIRPORT agrees for itself, its successors and assigns, in its sole but good faith discretion to endeavor to avoid (i) the erection, placement or maintenance of any building or any other structure on the above described License Area which would unreasonably interfere with the use of the Licensed Area as a Monitoring Station or (ii) allowing any vegetation in excess of 8 feet high at full growth within 25 yards of the License Area. AIRPORT shall also notify APCD of any intention to erect, place, or maintain any structure or building within 25 yards of said License Area, providing adequate notice so that either party may exercise their rights under the termination clause below, if intended
building or vegetation will interfere with the monitoring activities being undertaken by APCD.

7. ACCESS TO LICENSE AREA.

APCD and its contractors, agents, guests, and employees, shall have free and non-exclusive access to said License Area and every part thereof, at all times, for the purpose of exercising the rights herein granted. APCD acknowledges that the Airport is an active airport and a hazardous and dangerous area, especially in connection with vehicle use. Accordingly, APCD agrees that access to the Licensed Area shall be limited to the area immediately adjacent to the Gainey Winery fence on the east end of the Real Property or such areas as otherwise designated by the Airport. Furthermore, any party or vehicle accessing the License Area shall (i) exercise great care; (ii) not interfere with aircraft landing, departing or taxing; and (iii) exhibit a “flag” as customary for vehicles which routinely use the Real Property.

8. TERMINATION.

After ten (10) years from the execution date of this License AIRPORT may terminate this License Agreement or any part thereof for any reason by giving written notice to APCD at least one (1) year prior to termination of this License. In such event, Monitoring Station shall remain the sole property of the APCD and APCD shall, at its expense, remove Monitoring Station and restore Real Property to the same condition as it was prior to construction of Monitoring Station as is practicable. This License Agreement shall also terminate automatically at anytime APCD removes the Monitoring Station. APCD shall notify AIRPORT in writing that Monitoring Station has been removed, but failure to notify shall not prevent termination. Notwithstanding the foregoing, either party may terminate this License upon not less than 12 months’ notice to the other party.

9. COMPENSATION.

APCD will construct Monitoring Station at APCD’s own cost. In consideration for the License Agreement, APCD shall pay a one-time sum of $1,000 to AIRPORT by September 30th, 2012. As additional consideration,
APCD hereby grants, transfers and conveys to Airport the 10 meter high tower currently located on the west side of the airport office building.

10. AGREEMENT BINDING UPON SUCCESSORS IN INTEREST.

This License Agreement is an instrument affecting the Real Property. All the terms, covenants, and conditions herein imposed shall be binding upon and inure to the benefit of the successors in interest of AIRPORT and shall run with Real Property. Upon any sale or division of Real Property, the terms of this License shall apply only to that portion of the Real Property upon which Monitoring Station is built and the AIRPORT’s successors in interest in each parcel shall be bound by the obligations imposed on AIRPORT by the License Agreement.

11. INDEMNIFICATION.

Except for the AIRPORT’S active negligence or intentional misconduct, APCD shall defend, indemnify, and save harmless AIRPORT, its officers, directors, agents and employees (if any) from any and all claims, demands, damages, costs, expenses (including attorney’s fees), judgments, or liabilities arising out of or in connection with this Agreement, the occupancy of the License Area by APCD or occasioned by the performance or attempted performance of the provisions hereof, including but not limited to any act or omission to act on the part of APCD or its agents, employees, or independent contractors.

12. MASTER LEASE.

The Licensed Area is a portion of the Real Property leased to the Airport pursuant to that certain Management Agreement and Lease, effective June 1, 1993, as amended ("Master Lease"), by and between the County of Santa Barbara ("County") as lessor, and the Airport as lessee. This License is subject to all of the terms and conditions set forth in the Master Lease.

13. COMPLIANCE WITH LAWS.
APCD shall not do or permit to be done in or about the License Area or the Real Property anything which is prohibited by or will in any way conflict with any law, statute, ordinance, regulation or restriction now in force or hereafter enacted encumbering the Real Property. APCD shall not do or permit anything to be done in or about the License Area which will in any way obstruct or interfere with the rights of the Real Property or any other occupant of the Real Property. APCD agrees to abide by any and all rules promulgated by the Airport or County in connection with the License Area.

14. ASSIGNMENT.

APCD shall not voluntarily or by operation of law, assign, transfer, mortgage, sublet, sublicense or otherwise encumber all or any part of APCD’s interest under this License or in the License Area without Airport’s prior written consent, which consent may be withheld in Airport’s sole and absolute discretion.

15. DEFAULT.

If either party is in default under this License for a period of 10 days following receipt of notice from the other party, then the noticing party may pursue any remedies available to it against the other party, including but not limited to, the right to terminate this License. Notwithstanding the foregoing, in the event of a default by Airport, APCD’s sole remedy shall be to terminate this License or seek specific performance of this License and APCD hereby waives any right to seek money damages.

16. EXEMPTION OF AIRPORT FROM LIABILITY.

Except for the AIRPORT’S active negligence or intentional misconduct, Airport shall not be liable for injury or damage to the person or property of APCD or its agents, contractors, employees or invitees. Airport shall not be liable for any injury or damage arising from any acts or neglect of any other lessee, sublessee or license of Airport or any portion of the Airport, nor the failure of Airport to enforce the provisions of any other lease, sublease or license of the Airport or any portion thereof.
17. HAZARDOUS MATERIALS.

APCD, its agents, employees, contractors or representatives, will not use, permit, store, generate, release or discharge, any substance, chemical or waste (collectively, “Hazardous Substance”) on the Licensed Area that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation. APCD shall indemnify, defend and hold harmless Airport, the County and their respective officers, directors, members, agents and employees, from any and all claims, damages, penalties, costs and liabilities, including without limitation, attorneys’ fees, which arise directly or indirectly out of the presence, use, generation, storage, release or discharge of any Hazardous Substance on, into, from, under or about the Licensed Area or the Real Property by APCD or its agents, employees, contractors or representatives.

18. “AS-IS” CONDITION.

APCD acknowledges and agrees that Airport has made no representations or warranties, express or implied, regarding the physical condition of the License Area or the suitability of the License Area for APCD’s intended purposes. APCD hereby accepts the License Area in it’s “as-is” and “with all faults” condition as of the date hereof.

19. MISCELLANEOUS.

(a) Subject to the restrictions on any transfer by APCD contained herein, this License applies to and binds the heirs, successors, executors, administrators and assigns of the parties to this License; (b) this License is governed by the laws of the State of California; (c) this License constitutes the entire agreement between the parties and supersedes all prior written and verbal agreements, representations, promises or understandings between the parties. Any amendments to this License must be in writing and executed by both parties; (d) if any provision of this License is invalid or unenforceable with respect to any party, the remainder of this License or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, will not be affected and each provision of this License will be valid and enforceable.
to the fullest extent permitted by law; (e) the prevailing party in any action or proceeding in court or mutually agreed upon arbitration proceeding to enforce the terms of this License is entitled to receive its reasonable attorneys’ fees and other reasonable enforcement costs and expenses from the non-prevailing party; (f) time is of the essence for the performance of each term, condition and covenant of this License; (g) the waiver by Airport of any term, covenant, agreement or condition contained in this License shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, agreement or condition contained in this License; and (h) this License may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one and the same License.

20. NOTICING.

Communications between the parties to this License Agreement may be sent to the following address:

APCD: Monitoring Supervisor
SBC APCD
260 North San Antonio Road, Suite A
Santa Barbara, CA 93110-1315

AIRPORT: Jim Kunkle
Santa Ynez Valley Airport Authority, Inc.
900 Airport Road
Santa Ynez, CA 93460-9481

[signatures begin on the following page]
This License Agreement between Santa Barbara County Air Pollution Control District and Santa Ynez Valley Airport Authority was executed at Santa Barbara, California on the day and year first above written.

ATTEST:

LOUIS D. VAN MULLEM, JR.
Clerk of the Board

By: [Signature]
Deputy

APPROVED AS TO FORM:

RAY AROMATORIO, ARM, AIC
Risk Manager

By: [Signature]
Risk Manager

APPROVED AS TO ACCOUNTING FORM:

ROBERT W. GEIS, C.P.A.
Auditor Controller

By: [Signature]
Deputy

Santa Barbara County Air Pollution Control District, State of California

By: [Signature]
Chairperson

APPROVED AS TO FORM:

DENNIS A. MARSHALL
Santa Barbara County Counsel

By: [Signature]
Deputy

AIRPORT

Santa Ynez Valley Airport Authority, Inc., a California non profit public benefit corporation

By: [Signature]
Jim Kunkle, President

Date: 8-22-12