

Memorandum of Understanding

Silicon Valley Clean Water – County of San Mateo

This Memorandum of Understanding (“MOU”), deemed effective as of January 28, 2020, by and between Silicon Valley Clean Water, a public agency (hereinafter referred to as “SVCW”) and the County of San Mateo, a political subdivision of the State of California (hereinafter referred to as “County”) for the purpose of documenting the intentions and understandings relating to the various and several easements and permits proposed to be granted from the County to SVCW in connection with the SVCW RESCU Program Gravity Pipeline Project (the “Project”). SVCW and the County will be referred to individually as “Party” and collectively as the “Parties” herein.

RECITALS:

WHEREAS, as part of the Project, SVCW will be replacing its existing pressurized sewage force main (the “Existing Force Main”), a portion of which is located under the taxiway of the San Carlos Airport (“Airport”), with a new non-pressurized gravity pipeline (“Gravity Pipeline”); and

WHEREAS, portions of the Project involve construction, installation and use of launch shafts and retrieval shafts; subsurface tunnels, piping, monitoring and depressurizations wells and inclinometers; and surface and subsurface improvements, equipment and instruments; and

WHEREAS, portions of the Project call for both construction activities and the placement of certain temporary and permanent facilities on or under real property owned by the County and operated as the Airport and adjacent property (together, “County Property”); and

WHEREAS, SVCW requests both perpetual public utility easements and temporary permits from the County for the right to enter and use County Property necessary for the Project; and

WHEREAS, the County and SVCW entered into that certain Permit No. 5384, dated as of July 1, 2015, on file in the Real Property Office of San Mateo County, for SVCW’s use of an unimproved portion of property adjacent to San Carlos Airport for construction activities related to the Project; and

WHEREAS, the County executed a public utility easement deed dated January 29, 2019 (“Public Utility Easement Deed”) recorded as Instrument No. 2019-015528 in the official records of the County of San Mateo, granting certain surface and subsurface rights to SVCW over a parcel of the County Property known as Inner Bair Island (APN 095-030-230) (“Inner Bair Island”); and

WHEREAS, the Parties agree that the January 2019 Inner Bair Island Easement Deed no longer captures the Parties’ entire agreement with respect to SVCW’s permanent activities on Inner Bair Island, and that a revised and restated easement deed (“Revised Public Utility

Easement Deed”) will be executed by the parties and recorded to replace the terms and conditions of the Public Utility Easement Deed; and

WHEREAS, the County desires to continue to support the Project and grant SVCW additional necessary property rights to implement the Project; and

WHEREAS, in addition to implementing the Project, SVCW intends in the future to re-purpose the Existing Force Main as a reclaimed water distribution pipeline to be operated in approximately the same location on the County Property as the Existing Force Main (“Reclaimed Water Pipeline Plan”); and

WHEREAS, the County desires to support the Reclaimed Water Pipeline Plan by modifying certain existing rights and/or granting SVCW additional property rights to the County Property, subject to the terms and conditions hereof; and

WHEREAS, SVCW and the County have or will be entering into a series of easements and permits, including amendments to existing instruments, that will provide SVCW the rights and access it requires to complete and operate the Project and the Reclaimed Water Pipeline Plan on, over, under, and through the County Property, as set forth therein; and

WHEREAS, SVCW and the County are desirous to enter into this MOU setting out the various documents memorializing the terms and conditions of the County’s grant of certain property rights to SVCW.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and for other good and valuable consideration moving between the parties, SVCW and County agree as follows:

AGREEMENT

1. **Grant of Permanent Easements.** In consideration of the terms and conditions set forth in this MOU, and other good and valuable consideration, County agrees to grant SVCW the following easements:

- a) A subsurface easement under the unimproved parcel on the north side of Holly Street (APN 095-220-140), as described in, and subject to the terms and conditions of, the Public Utility Easement Deed attached hereto as **Exhibit A** and incorporated herein by this reference;
- b) A subsurface easement under a portion of the Airport taxiway (APNs 046-081-580; 046-082-010; and 046-081-790), as described in, and subject to the terms and conditions of, the Public Utility Easement Deed attached hereto as **Exhibit B** and incorporated herein by this reference;
- c) A surface and sub-surface easement over, through, and across Inner Bair Island (APN 095-030-230), as described in, and subject to the terms and conditions of, the Revised Public Utility Easement Deed attached hereto as **Exhibit C** and

incorporated herein by this reference.

2. Grant of Permits. In consideration of the terms and conditions set forth in this Agreement, County agrees to grant to SVCW the following temporary permits during construction of the Project:

- a) A revised permit to use the unimproved parcel on the north side of Holly Street (APN 095-220-140), for construction, materials storage, electrical sub-station, office, staging, assembly and other related construction activities in support of the Project, as described in, and subject to the terms and conditions of, a Permit Agreement in substantially the same form and with substantially the same content as is attached hereto as **Exhibit D**, incorporated herein by this reference.
- b) A permit to use a portion of Inner Bair Island (APN 095-30-230), as is necessary to properly support and monitor the tunnel being constructed as part of the Project, as described in, and subject to the terms and conditions of, a Permit Agreement in substantially the same form and with substantially the same content as is attached hereto as **Exhibit E**, incorporated herein by this reference.

The Parties recognize that the Airport property is under the jurisdiction of, and is regulated by, the Federal Aviation Administration (“FAA”). In addition to compliance with all applicable FAA regulations regarding use of the Airport property, SVCW hereby agrees to pay fair market rate for the Permits described in this section. Prior to such execution of the Permits, County shall, in its sole discretion, determine fair market rate for the Permits sufficient to meet FAA requirements. In the event SVCW does not agree to pay fair market rate for the Permits as determined by County, SVCW must vacate all permit areas upon sixty day written notice from County, remove all equipment and facilities from the permit areas, remediate any damages to County property, and return the property to County in the same or similar condition as existed prior to its use.

3. Inner Bair Island. Prior to the recordation of the Revised Public Utility Easement Deed described in section 1.c hereof, SVCW shall quitclaim all right, title, and interest, in a form satisfactory to the County, granted by the Public Utility Easement Deed recorded as Instrument No. 2019-015528 in the official records of the County of San Mateo.

4. Airport Taxiway. Other than as expressly provided in the Public Utility Easement Deed described in section 1.b, SVCW shall have no right to access or enter upon the Airport taxiway (APNs 046-081-580; 046-082-010; and 046-081-790), including the right to surface access above any easement area. To the extent that SVCW requires access to said area for activities in support of the Project, SVCW must receive prior written consent from the County.

5. Permanent Rights Purchase Price. SVCW agrees to pay County a total of \$10,000.00 for the permanent rights identified in section 1.a and 1.b hereof. The Parties acknowledge that SVCW previously paid County \$5,000.00 in exchange for the rights granted by the Public Utility Easement Deed (Instrument No. 2019-015528). There will be no additional compensation for the rights granted by the Revised Public Utility Easement Deed described in section 1.c hereof, unless otherwise agreed to by the Parties.

6. Existing Force Main. SVCW agrees that, following commencement of operation of the Gravity Pipeline, SVCW will discontinue use of the Existing Force Main for the transportation of sewage. County agrees to cooperate with SVCW to grant or modify, as necessary, the property rights needed for SVCW to convert the Existing Force Main to a reclaimed water pipeline or other use approved in writing by County. Within one year of abandoning its use of the Existing Force Main, SVCW must submit an inspection report, stamped by a Professional Engineer, that determines what improvements will be needed to maintain the structural integrity of the pipeline for 30 years. If improvements are needed, SVCW must submit to the County for its approval the plans and specifications for the structural improvements to the pipeline. The construction of the improvements will be initiated within one year of the County's approval of plans and specifications.

If operation of the pipeline for the purpose approved by County within the same approximate location as the Existing Force Main has not commenced or substantial completion of the system has not been achieved within ten years of the commencement of operation of the Gravity Pipeline, SVCW shall abandon the Existing Force Main, remove all facilities as determined necessary by County, back fill the Existing Force Main pursuant to plans and specifications approved by County, and execute all documents necessary to abandon or quitclaim the property interests in the Existing Force Main. SVCW hereby agrees to remediate any conditions deemed necessary by County, or any regulatory agency with jurisdiction thereover, resulting from SVCW's use or SVCW's predecessors' use of the Existing Force Main.

7. General Terms. SVCW acknowledges that the Airport is a highly regulated, sensitive operation, and SVCW desires to minimize the impact of the Project on Airport operations. SVCW shall have no right to enter upon, access, possesses, or exercise any other property right in or to the County Property other than as provided in each individual public utility easement deed and permit described in sections 1 and 2 hereof (collectively, "Documents"), subject to the terms and conditions thereof. It is agreed and acknowledged that with regard to all of SVCW's activities in or around the County Property, the following general terms and conditions shall apply unless in conflict with the terms and conditions specified in applicable Documents:

(a) Unless otherwise specified, all temporary permitted wells, monitoring wells, and excavations are to be removed, grouted, or otherwise closed in place with materials and in a manner acceptable and approved by the County.

(b) The parties will cooperate in the scheduling of any necessary tests, monitoring, and inspections that will in any way disrupt Airport operations. County may require reasonable restrictions and/or conditions on such activities in order to minimize disruption to the Airport.

(c) SVCW will compensate the County for any excess "off hours" airport staff time required as a result of SVCW activities. Such "off hours" staff time includes, for example, the required presence of airport staff during nighttime or early morning work by SVCW in the taxiway area to install or monitor wells in the taxiway. The amount and rate charged to SVCW by the County shall be in keeping with whatever the County is required to pay in wages, including overtime, or for additional County employees to be

present or provide services outside of their regular hours or duties.

(d) SVCW shall comply with all applicable laws, regulations, ordinances, and permit conditions, including but not limited to San Mateo County Airport ordinances, rules and regulations; rules and regulations promulgated by the FAA; any and all conditions or specifications contained in any FAA Final Determination Letter directed to SVCW; and any applicable land use requirements.

(e) SVCW shall not do anything in, on, under, or about the County Property that could cause damage to or interference with County's operation of the Airport or any facilities, improvements, or other property located in, on, under, or about the County Property. SVCW agrees, understands and acknowledges that, even if the FAA approves of SVCW's activity, if County determines that the activity interferes with the operation of the Airport (including without limitation, the runways and/or taxiways associated with said airport), then SVCW shall not undertake such activity without the prior written consent of County, which consent may withheld or be subject to conditions specified by County.

(f) SVCW shall defend, indemnify, protect and hold County harmless from any and all costs, claims, damages, losses, liabilities and demands arising from or related to SVCW's, or its agents', employees', contractors' or consultants' entry upon the County Property or other exercise of the rights under this MOU, or its use or its predecessor's use of the Existing Force Main, including damage to the County Property or any adjacent properties, buildings, or improvements; or injury to or death of any person.

8. Other Matters. The Parties acknowledge that day-to-day work on the Project by SVCW and its agents, especially in connection with the Taxiway location, may involve matters and items not specifically covered under or within the scope of the Documents. To the extent such work may require approval from the County and is not otherwise covered by the Documents, requests for such approval shall be directed to:

Don Grady
County Real Property Manager
555 County Center, 4th Floor
Redwood City, CA 94063
650-363-4047

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this MOU by their duly authorized representatives effective as of the date first above written.

COUNTY OF SAN MATEO:

By: WARREN SLOCUM, PRESIDENT OF THE BOARD OF SUPERVISORS

Signature: _____

Name: Warren Slocum

Date: _____

SILICION VALLEY CLEAN WATER

Signature _____

Name: _____

Title: _____

Date: _____

Recording requested by:
Silicon Valley Clean Water JPA

When recorded, return to:
Silicon Valley Clean Water JPA
Attn: Bruce Burnworth
1400 Radio Road
Redwood City, CA 94065-1220

APN: 095-220-140 (near Holly Street)

PUBLIC UTILITY EASEMENT DEED
(To Silicon Valley Clean Water, a public agency)
(North of Holly)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

The County of San Mateo, a political subdivision of the State of California, owner of real property located in the City of Redwood City, County of San Mateo, State of California, identified as APN 095-220-140 (the "Real Property") hereinafter referred to as "GRANTOR" or "Grantor",

subject to the terms and conditions set forth in this Easement Deed, hereby grants to

Silicon Valley Clean Water, a public agency, hereinafter referred to as "GRANTEE" or "Grantee",

a permanent and perpetual non-exclusive subsurface easement (the "Easement") for the installation, construction, use, operation, inspection, maintenance, repair or replacement as GRANTEE shall from time to time elect, of underground sanitary sewerage pipelines and casings, and appurtenances to and for each of said uses (collectively "Grantee's Facilities"), in and to subsurface portions of the Real Property, as more particularly described in Exhibit A ("Legal Description") and Exhibit B ("Plat Map") attached hereto and made a part hereof.

1. Nature of Rights Conveyed

The provisions hereof shall be considered for all purposes to be covenants running with the land and shall inure to the benefit of and bind the successors and assigns of the respective parties hereto.

The rights conveyed herein are non-exclusive rights to the subsurface volume from thirty (30) feet

vertically below the ground elevations existing at the time this document is executed to fifty-five (55) feet vertically below the elevations existing at the time this document is executed (the "Easement Area"), including the right, subject to the terms and conditions set forth in this Easement Deed, to enter, occupy, and use the Easement Area.

GRANTEE'S subsurface rights shall not be construed to interfere with or restrict GRANTOR'S use of the surface or subsurface lying above or below the Easement Area, including, but not limited to, GRANTOR's installing and maintaining driveways, parking, structures, and landscaping, except that GRANTOR shall not allow construction of structures that materially impair or interfere with the use, operation, and maintenance of Grantee's Facilities within the Easement Area.

GRANTEE'S and GRANTOR'S rights and responsibilities with regard to GRANTEE'S tunneling for the installation of Grantee's Facilities, and with regard to their other rights and responsibilities during the construction and placement of Grantee's Facilities are and shall be as set forth in such permits and licenses ("Other Agreements") as GRANTOR and GRANTEE (the "Parties") may agree to, including without limitation Permit No. 5384 entered into by the Parties and dated July 1, 2105, and as such Permit No. 5384 may be modified, amended, restated or extended as the Parties may so agree.

GRANTEE must comply with all applicable federal law, including but not limited to the rules and regulations promulgated by the Federal Aviation Administration (FAA), and state law, including but not limited to, any state land use requirements, in the exercise of any of the rights conveyed or activities permitted hereunder. GRANTEE shall perform any activity authorized hereunder in compliance with the FAA's Airport Construction Standards and Airport Design and Engineering Standards in addition to the Airport's Land Use Compatibility Plan, as amended from time to time.

GRANTEE agrees, understands and acknowledges that it will not and shall not in any way interfere with the operation of the San Carlos Airport and that such airport is managed and operated by Grantor. Accordingly, GRANTEE agrees, understands and acknowledges that even though the FAA approves an activity, if Grantor determines that the activity interferes with the operation of the San Carlos Airport (including without limitation, the runways and/or taxiways associated with said airport) then Grantor shall not undertake such activity without the prior written consent of Grantor, which consent may be withheld or granted subject to conditions specified by Grantor.

Once the Grantee's Facilities are constructed and put into use, Grantee shall not have access to Grantee's Facilities from the surface of the Real Property except as may be specifically permitted in writing by Grantor. To the extent that Grantee may have access rights by law or in equity, Grantee waives such rights with regard to access from the surface of the Real Property and acknowledges that it has or will have access to the Easement Area through other routes (e.g. entering the tunnel from a starting location other than the surface of the Easement Area).

Except as may be permitted pursuant to Other Agreements, GRANTEE shall have no right hereunder to leave or place outside of the Easement Area any improvements, equipment, conveyors or tools.

2. Restrictions on GRANTOR's Use

GRANTOR shall not conduct, or permit others to conduct, or use, or permit others to use, explosives or drilling equipment the effect of which penetrates into any subsurface easement area volume granted herein without prior written consent of GRANTEE, which consent shall not be unreasonably withheld.

Except as stated above, nothing herein shall prevent GRANTOR from making whatever use or development of the of the Real Property, or any portion thereof, it desires; so long as such use or development does not materially impair, interfere with, or adversely affect Grantee's Facilities.

3. Hold Harmless

GRANTEE shall indemnify, defend, reimburse, and hold harmless GRANTOR, its officers, agents, employees, and contractors, and each of them, from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages, and liabilities of any kind ("Claims"), arising in any manner out of (a) any injury to or death of any person or damage to or destruction of any property occurring in, on, or about any part of the Easement Area whether such injury, death, damage, or destruction is caused by the person or property of GRANTEE, its officers, directors, members, employees, agents, consultants, contractors, or subcontractors (collectively, "Agents"), its invitees, guests, or business visitors (collectively, "Invitees"), or third persons, relating to any use or act required or permitted by this Public Utility Easement Deed, (b) any failure by GRANTEE to faithfully observe or perform any of the terms, covenants, or conditions of this Public Utility Easement Deed, (c) the use of the Easement Area or any activities conducted in, on, or about the Real Property by GRANTEE, its Agents, or Invitees, or (d) any release or discharge, or threatened release or discharge, of any hazardous material caused or allowed by GRANTEE, its Agents, or Invitees, on, in, under, or about the Easement Area, the Real Property, any improvements, or into the environment; except solely to the extent of Claims resulting directly from the gross negligence or willful misconduct of GRANTOR or GRANTOR's authorized representatives. In addition to GRANTEE's obligation to indemnify GRANTOR, GRANTEE specifically acknowledges and agrees that it has an immediate and independent obligation to defend GRANTOR from any claim that actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent, or false, which obligation arises at the time such claim is tendered to GRANTEE by GRANTOR and continues at all times thereafter. The foregoing indemnity shall include, without limitation, reasonable attorneys', experts', and consultants' fees and costs, investigation and remediation costs, and all other reasonable costs and expenses incurred by the indemnified parties, including, without limitation, damages for decrease in the value of the real property or the lands of GRANTOR and claims for damages or decreases in the value of the Real Property. GRANTEE's obligations under this paragraph shall survive the expiration or other termination of this Public Utility Easement Deed.

4. Maintenance and Operation

GRANTEE shall maintain the Easement Area, together with any improvements constructed or installed therein by GRANTEE or associated with GRANTEE's use of the Easement Area, in a safe and sanitary condition consistent with the uses authorized hereunder that does not interfere with the use and enjoyment of the Real Property by GRANTOR or third parties. The operation and maintenance of any such improvements and of the Easement Area shall be at GRANTEE's sole cost and expense. GRANTEE shall perform all work for the activities described in this Public Utility Easement Deed in a quality manner and in accordance with all applicable legal, governmental, and industry standards and exercise reasonable precautions necessary to protect the ground surface from perceptible settlement. GRANTEE shall implement, at its sole expense, a settlement-monitoring program in accordance with best management practices during any construction. GRANTEE shall be solely responsible for obtaining any and all required permits and approvals necessary for performing any of the activities permitted by this Public Utility Easement Deed. GRANTOR's grant of the easement herein is made in GRANTOR's sole capacity as a landowner and not in any other capacity, including as a regulatory or land-use authority.

GRANTEE shall not do anything in, on, under, or about the Easement Area or the Real Property that could cause damage to or interference with GRANTOR'S operation of the San Carlos Airport or any facilities, improvements, or other property located in, on, under, or about the Real Property. GRANTEE shall coordinate its use of the Easement Area with GRANTOR and shall take reasonable measures to minimize noise, dust, debris and other possible impacts to the San Carlos Airport and surrounding neighborhoods. Safety shall be paramount at all times. GRANTEE shall ensure that its operations and activities, and those of its Agents, comply with local, state and federal requirements and are in accordance with safe and acceptable practices and procedures. GRANTOR shall have the right to review GRANTEE's operations related to the Easement Area and/or the Real Property and require reasonable modifications as necessary to meet the requirements of this Public Utility Easement Deed.

5. Repair of Damage

GRANTEE shall be responsible for any damage to GRANTOR's property or property of third parties resulting from any exercise of the rights herein granted, including but not limited to soil erosion, subsidence, the development of a sinkhole or other settling, and any consequential or incidental damages (including, but not limited to, lost profits) resulting therefrom. If any portion of the Real Property or any property of the GRANTOR located on or about the Easement Area is damaged or threatened by any of the activities conducted by GRANTEE or anyone acting by or through GRANTEE, at its sole cost, GRANTEE shall immediately notify GRANTOR of such damage or threat. GRANTOR may, but shall not be obligated to, remedy such damage or threat at GRANTEE's sole cost, or GRANTOR may elect to witness GRANTEE's repair work. Subject to GRANTOR's inspection, review, and approval, GRANTEE shall promptly repair and restore to its condition prior to the work by GRANTEE any of GRANTOR's property, including, but not limited to, roads, utilities (both above and below surface), buildings, fences, other improvements, or surfaces that may be altered, damaged, or destroyed in connection with the exercise of the rights granted herein.

GRANTOR has no responsibility or liability of any kind with respect to any utilities that may be on, in, around, or under the Easement Area. GRANTEE has the sole responsibility to locate such utilities and other existing facilities and protect them from damage. GRANTEE shall be solely responsible for arranging and paying directly for any utilities or services necessary for its activities permitted hereunder; provided, GRANTEE shall obtain GRANTOR's prior written approval to the provision of such services or utilities in, on, under, or through the Easement Area or the real property.

6. Hazardous Materials

GRANTEE covenants and agrees that neither GRANTEE nor any of its Agents or Invitees shall cause or permit any hazardous material to be brought upon, kept, stored, staged, generated or disposed of in, on or about the Easement Area or the real property. GRANTEE shall give immediate written notice to GRANTOR of: (a) any action, proceeding or inquiry by any governmental authority (including, without limitation, the California State Department of Health Services, the State or any Regional Water Quality Control Board, San Mateo County Environmental Health, the Bay Area Air Quality Management district, California Coastal Commission, or any local governmental entity) against GRANTEE with respect to the presence or release or suspected presence or release of hazardous material on or about the Easement Area or the Real Property, or the migration thereof from or to other property at the San Carlos Airport; (b) all demands or claims made or threatened by any third party against GRANTEE relating to any loss or injury resulting from any hazardous materials on or about the Easement Area or the real property; (c) any release of hazardous material on or about the Easement Area or the real property due to the rights granted herein that may require any investigation or remediation; and (d) all matters of which GRANTEE is required to give notice pursuant to Section 25359.7 of the California Health and Safety Code. Nothing in the foregoing paragraph shall preclude GRANTEE from using materials necessary to exercise GRANTEE's rights to the Easement Area granted herein so long as any such hazardous materials are used, stored, and disposed of in strict accordance with any and all applicable law and any and all Storm Water Pollution Prevention Plans that apply to the Real Property or the activities of Grantee on the Real Property, as may be amended from time to time.

GRANTEE shall be responsible for all costs and efforts associated with investigating and remediating any environmental contamination whatsoever caused by GRANTEE on or about the Easement Area, and shall reimburse Grantor for any related costs incurred by Grantor.

7. As-Built Drawings and Placement Markers

Within 60 days of the initial operation of Grantee's Facilities, and thereafter within 60 days of the completion of any permitted installation or alteration subsequent to said initial operation, Grantee shall deliver to Grantor (addressed to Airport Manager with a copy to the County Real Property Manager) final As-Built construction drawings showing the nature, size, and location of such improvements. Separately, within 60 days of completion of any such installation or material alteration, GRANTEE shall install appropriate surface markers, of a type and standard approved by GRANTOR, which such approval shall not be unreasonably withheld, identifying the precise location of any pipeline and/or other facilities installed within the Easement Area.

GRANTEE shall be solely responsible for maintaining, replacing, and ensuring the accuracy of all such surface markers.

8. Taxes, Fees, and Liens

GRANTEE alone shall pay any and all taxes, charges or use fee(s) levied by any governmental agency against GRANTEE's interest in the Easement Area or against any of GRANTOR's real property as a result of the easement herein granted. GRANTEE shall not cause liens of any kind to be placed against the Easement Area or any of the Real Property.

9. Insurance

- A. GRANTEE shall obtain at its sole expense, and furnish evidence to GRANTOR prior to commencing any work authorized hereunder, a combined general liability and property damage insurance policy in the amount of at least Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) aggregate, in addition to a One Hundred Million Dollar (\$100,000,000) excess liability policy, to be kept in full force until the completion of construction of Grantee's Facilities. Thereafter, GRANTEE shall obtain at its sole expense, and furnish evidence to GRANTOR, of general liability and property damage insurance policies in commercially reasonable amounts to cover GRANTEE's obligations and potential liability hereunder with respect to the operation and maintenance of Grantee's Facilities.
- B. GRANTEE shall furnish GRANTOR with certificates of insurance evidencing the required coverage. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to GRANTOR of any pending change in the limits of liability or of any cancellation or modification of the policy.
- C. GRANTOR, its officers, agents and employees shall be named as additional insured on the liability insurance policy required hereinabove, which shall also contain a provision that the insurance afforded thereby to GRANTOR shall be the primary insurance to the full limits of liability of the policy. If GRANTOR has other insurance coverage against a loss covered by the coverage that GRANTEE and/or its contractor is required to have, such other insurance coverage of GRANTOR shall be excess insurance only.

[Signatures on Following Pages]

GRANTOR

The County of San Mateo, a political subdivision of the State of California

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENT
[GRANTOR]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CERTIFICATE OF ACCEPTANCE

This is to certify that the Silicon Valley Clean Water, a public agency, Grantee herein, hereby accepts for public purposes the real property, or interest therein, described in that Easement Deed dated _____, from the County of San Mateo, a political subdivision of the State of California, Grantor therein, to Grantee, and Grantee hereby accepts said Easement Deed and consents to the recordation thereof.

In Witness Whereof, I have hereunto set my hand this ____ day of _____, 2020.

SILICON VALLEY CLEAN WATER

By _____
Name: Warren Lieberman
Title: Chairman

ATTEST:

By _____
Name: George S. Otte
Title: Commission Secretary

ACKNOWLEDGMENT
[GRANTEE]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

DESCRIPTION OF SURFACE ABOVE EASEMENT SCA1

A strip of land 20.00 feet wide, being a portion of the lands described in Book 6756 of Official Records of San Mateo County at Page 423, lying 10.00 feet on each side of the following described centerline:

Beginning at the most southerly corner of Lot 4 as shown on Volume 112 of Subdivision Maps at Pages 20 through and including 22, San Mateo County Records, thence northwesterly along the southwesterly line of said Lot 4, said line also being the northeasterly line of the lands described in Book 6756 of Official Records of San Mateo County at Page 423, North $40^{\circ}57'43''$ West 7.66 feet to the **TRUE POINT OF BEGINNING** of this description; thence leaving said line and across a portion of the lands described in Book 6756 of Official Records of San Mateo County at Page 423, South $55^{\circ}30'07''$ West 94.04 feet; thence South $16^{\circ}55'45''$ West 69.20 feet, more or less, to a point on the southeasterly boundary of said lands, said point being the **POINT OF TERMINUS** of this description. The sidelines of said strip of land shall be prolonged or shortened so as to begin and terminate on the northeasterly and southeasterly boundary lines of the land described in Book 6756 of Official Records of San Mateo County at Page 423.

A Portion of APN 095-220-140

All distances noted are grid distances and are based on the California Coordinate System, Zone 3. To obtain ground distances, multiply the grid distances by 1.0000626.

LOT 4
 112 M 20-22
 APN: 095-220-210

PORTION 6756 O.R. 423
 APN: 095-220-140

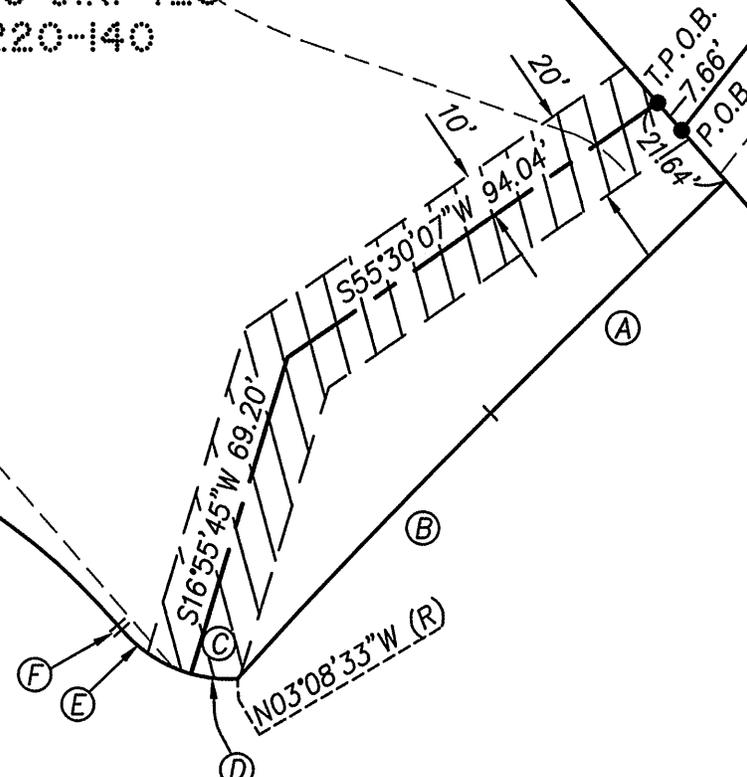
POLE LINE EASEMENT
 (5580 OR 466)

CHANNEL EASEMENT (34715 AS)

P.S.E. & I.E.

EASEMENTS FOR PUBLIC UTILITY
 STREET AND PUBLIC UTILITY
 PURPOSES (7967 O.R. 1761)
 REDWOOD SHORES PKWY
 HOLLY STREET

R=140.00'
 L=305.15'
 Δ=124°53'08"



- (A) N45°20'43"E 69.22'
- (B) R=1260.00'; L=76.69'; Δ=03°29'15"
- (C) R=30.00'; L=27.32'; Δ=52°10'50" (TOTAL)
- (D) R=30.00'; L=9.82'; Δ=18°45'00"
- (E) R=30.00'; L=17.50'; Δ=33°25'50"
- (F) N40°57'43"W 1.30'

DOC. 83011760

PORTION
 6756 O.R. 423
 APN: 095-222-070

EXHIBIT B
 EASEMENT SCA1

Recording requested by:
Silicon Valley Clean Water JPA

When recorded, return to:
Silicon Valley Clean Water JPA
1400 Radio Road
Redwood City, CA 94065-1220

APN: 046-081-580; 046-082-010; and 046-081-790
(Airport Taxiway)

PUBLIC UTILITY EASEMENT DEED
(To Silicon Valley Clean Water, a public agency)
(Taxiway)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

The County of San Mateo, a political subdivision of the State of California, owner of real property located in the City of Redwood City, County of San Mateo, State of California, described in Exhibit A, attached hereto and incorporated herein (“Real Property”), hereinafter referred to GRANTOR or Grantor, hereby grants to

Silicon Valley Clean Water, a public agency, hereinafter referred to as GRANTEE or Grantee,

A permanent and perpetual non-exclusive subsurface pipeline easement for the installation, construction, use, operation, inspection, maintenance, repair or replacement as GRANTEE shall from time to time elect, of underground sanitary sewerage pipelines and casings, tunneling for the installation of such pipelines and casings, and appurtenances to and for said uses (collectively “Grantee’s Facilities”), in, to and through portions of GRANTOR’s Real Property that is described as follows:

The Legal Description marked Exhibit A attached hereto, made a part hereof, and the corresponding Plat Map marked Exhibit B, attached hereto and made a part hereof, as subject to the terms and conditions contained herein.

Non-exclusive rights to the subsurface volume from two (2) feet vertically below the ground elevations existing at the time this document is executed to thirty-five (35) feet vertically below the elevations existing at the time this document is executed, including the right to enter, occupy, and use the subsurface volume (the “Easement Area”), subject to the terms hereof.

1. Nature of Rights Conveyed

The provisions hereof shall be considered for all purposes to be covenants running with the land and shall inure to the benefit of and bind the successors and assigns of the respective parties hereto.

GRANTEE'S and GRANTOR'S rights and responsibilities with regard to the activities in connection with the installation of Grantee's Facilities as described herein, may be further set forth in permits or licenses ("Other Agreements") as GRANTOR and GRANTEE (the "Parties") may agree.

GRANTEE must comply with all applicable federal law, including but not limited to the rules and regulations promulgated by the Federal Aviation Administration (FAA), and state law, including but not limited to, any state land use requirements, in the exercise of any of the rights conveyed or activities permitted hereunder. GRANTEE shall perform any activity authorized hereunder in compliance with the FAA's Airport Construction Standards and Airport Design and Engineering Standards in addition to the Airport's Land Use Compatibility Plan, as amended from time to time.

GRANTEE agrees, understands and acknowledges that it will not and shall not in any way interfere with the operation of the San Carlos Airport and that such airport is managed and operated by Grantor. Accordingly, GRANTEE agrees, understands and acknowledges that even though the FAA approves an activity, if Grantor determines that the activity interferes with the operation of the San Carlos Airport (including without limitation, the runways and/or taxiways associated with said airport) then Grantor shall not undertake such activity without the prior written consent of Grantor, which consent may be withheld or granted subject to conditions specified by Grantor.

As the surface above the Easement Area is part of the San Carlos Airport taxiway, once the Grantee's Facilities are constructed and put into use, Grantee shall not have access to Grantee's Facilities from the surface of the Easement Area except as may be specifically permitted in writing by Grantor (which permission may be limited as to time and place, as GRANTOR may deem appropriate). To the extent that Grantee may have access rights by law or in equity, Grantee waives such rights with regard to access from the surface of the Real Property and acknowledges that it has or will have access to the Easement Area through other routes (e.g. entering the tunnel from a starting location other than the surface of the Easement Area).

Except as may be permitted pursuant hereto or to Other Agreements, GRANTEE shall have no right hereunder to leave in place outside of the Easement Area any improvements, equipment, conveyors or tools. In particular, Grantee intends to install on the surface or otherwise outside of the Easement Area, monitoring wells, inclinometers, or other measuring devices or instruments and it is acknowledged and agreed that unless otherwise agreed in writing (which writings may include Other Agreements) all such devices or instruments will be temporary only, and must be removed or otherwise abandoned in accordance with conditions and requirements as specified by Grantor.

2. Grantor's Use

The rights conveyed herein are non-exclusive subsurface rights and shall not be construed to interfere with or restrict GRANTOR'S use of the surface or subsurface lying above or below the Easement Area, except that unless required for the proper operation of the San Carlos Airport, GRANTOR shall not allow construction of structures that materially impair or interfere with the use, operation, and maintenance of Grantee's Facilities.

3. Hold Harmless

GRANTEE shall indemnify, defend, reimburse, and hold harmless GRANTOR, its officers, agents, employees, and contractors, and each of them, from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages, and liabilities of any kind ("Claims"), arising in any manner out of (a) any injury to or death of any person or damage to or destruction of any property occurring in, on, or about any part of the Easement Area whether such injury, death, damage, or destruction is caused by the person or property of GRANTEE, its officers, directors, members, employees, agents, consultants, contractors, or subcontractors (collectively, "Agents"), its invitees, guests, or business visitors (collectively, "Invitees"), or third persons, relating to any use or act required or permitted by this Public Utility Easement Deed, (b) any failure by GRANTEE to faithfully observe or perform any of the terms, covenants, or conditions of this Public Utility Easement Deed, (c) the use of the Easement Area or any activities conducted in, on, or about the real property by GRANTEE, its Agents, or Invitees, or (d) any release or discharge, or threatened release or discharge, of any hazardous material caused or allowed by GRANTEE, its Agents, or Invitees, on, in, under, or about the Easement Area, the Real Property, any improvements, or into the environment; except solely to the extent of Claims resulting directly from the gross negligence or willful misconduct of GRANTOR or GRANTOR's authorized representatives. In addition to GRANTEE's obligation to indemnify GRANTOR, GRANTEE specifically acknowledges and agrees that it has an immediate and independent obligation to defend GRANTOR from any claim that actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent, or false, which obligation arises at the time such claim is tendered to GRANTEE by GRANTOR and continues at all times thereafter. The foregoing indemnity shall include, without limitation, reasonable attorneys', experts', and consultants' fees and costs, investigation and remediation costs, and all other reasonable costs and expenses incurred by the indemnified parties, including, without limitation, damages for decrease in the value of the real property or the lands of GRANTOR and claims for damages or decreases in the value of adjoining property. GRANTEE's obligations under this paragraph shall survive the expiration or other termination of this Public Utility Easement Deed.

4. Maintenance and Operation

GRANTEE shall maintain the Easement Area, together with any improvements constructed or installed therein by GRANTEE or associated with GRANTEE's use of the Easement Area, in a

safe and sanitary condition consistent with the uses authorized hereunder that does not interfere with the use and enjoyment of the Real Property by GRANTOR or third parties. The operation and maintenance of any such improvements and of the Easement Area shall be at GRANTEE's sole cost and expense. GRANTEE shall perform all work for the activities described in this Public Utility Easement Deed in a quality manner and in accordance with all applicable legal, governmental, and industry standards and exercise reasonable precautions necessary to protect the ground surface from perceptible settlement. GRANTEE shall be solely responsible for obtaining any and all required permits and approvals necessary for performing any of the activities permitted by this Public Utility Easement Deed. GRANTOR's grant of the easement herein is made in GRANTOR's sole capacity as a landowner and not in any other capacity, including as a regulatory or land-use authority.

GRANTEE shall not do anything in, on, under, or about the Easement Area or the Real Property that could cause damage to or interference with GRANTOR'S operation of the San Carlos Airport or any facilities, improvements, or other property located in, on, under, or about the Real Property. GRANTEE shall coordinate its use of the Easement Area with GRANTOR and shall take reasonable measures to minimize noise, dust, debris and other possible impacts to the San Carlos Airport and surrounding neighborhoods. Safety shall be paramount at all times. GRANTEE shall ensure that its operations and activities, and those of its Agents, comply with local, state and federal requirements and are in accordance with safe and acceptable practices and procedures. GRANTOR shall have the right to review GRANTEE's operations related to the Easement Area and/or the Real Property and require reasonable modifications as necessary to meet the requirements of this Public Utility Easement Deed.

5. Repair of Damage

GRANTEE shall be responsible for any damage to GRANTOR's property or property of third parties resulting from any exercise of the rights herein granted, including but not limited to soil erosion, subsidence, the development of a sinkhole or other settling, and any consequential or incidental damages (including, but not limited to, lost profits) resulting therefrom. If any portion of the Real Property or any property of the GRANTOR located on or about the Easement Area is damaged or threatened by any of the activities conducted by GRANTEE or anyone acting by or through GRANTEE, at its sole cost, GRANTEE shall immediately notify GRANTOR of such damage or threat. GRANTOR may, but shall not be obligated to, remedy such damage or threat at GRANTEE's sole cost, or GRANTOR may elect to witness GRANTEE's repair work. Subject to GRANTOR's inspection, review, and approval, GRANTEE shall promptly repair and restore to its condition prior to the work by GRANTEE any of GRANTOR's property, including, but not limited to, roads, utilities (both above and below surface), buildings, fences, other improvements, or surfaces that may be altered, damaged, or destroyed in connection with the exercise of the rights granted herein. GRANTOR has no responsibility or liability of any kind with respect to any utilities that may be on, in, around, or under the Easement Area. GRANTEE has the sole responsibility to locate such utilities and other existing facilities and protect them from damage. GRANTEE shall be solely responsible for arranging and paying directly for any utilities or services necessary for its activities permitted hereunder; provided, GRANTEE shall obtain GRANTOR's prior written approval to the provision of such services or utilities in, on, under, or through the

Easement Area or the Real Property.

6. Hazardous Materials

GRANTEE covenants and agrees that neither GRANTEE nor any of its Agents or Invitees shall cause or permit any hazardous material to be brought upon, kept, stored, staged, generated or disposed of in, on or about the Easement Area or the Real Property. GRANTEE shall give immediate written notice to GRANTOR of: (a) any action, proceeding or inquiry by any governmental authority (including, without limitation, the California State Department of Health Services, the State or any Regional Water Quality Control Board, San Mateo County Environmental Health, the Bay Area Air Quality Management district, California Coastal Commission, or any local governmental entity) against GRANTEE with respect to the presence or release or suspected presence or release of hazardous material on or about the Easement Area or the Real Property, or the migration thereof from or to other property at the San Carlos Airport; (b) all demands or claims made or threatened by any third party against GRANTEE relating to any loss or injury resulting from any hazardous materials on or about the Easement Area or the Real Property; (c) any release of hazardous material on or about the Easement Area or the Real Property due to the rights granted herein that may require any investigation or remediation; and (d) all matters of which GRANTEE is required to give notice pursuant to Section 25359.7 of the California Health and Safety Code. Nothing in the foregoing paragraph shall preclude GRANTEE from using materials necessary to exercise GRANTEE's rights to the Easement Area granted herein so long as any such hazardous materials are used, stored, and disposed of in strict accordance with any and all applicable law and the Airport's Storm Water Pollution Prevention Plan, as amended from time to time.

GRANTEE shall be responsible for all costs and efforts associated with investigating and remediating any environmental contamination whatsoever caused by GRANTEE on or about the Easement Area, and shall reimburse Grantor for any related costs incurred by Grantor.

7. As-Built Drawings and Placement Markers

Within 60 days of the initial operation of Grantee's Facilities, Grantee shall deliver to Grantor (addressed to Airport Manager with a copy to the County Real Property Manager) final As-Built construction drawings showing the nature, size, and location of all installations, equipment or improvements placed by Grantee within the Easement Area ("As-Built Drawings"). Thereafter, within 60 days of the completion of any subsequent permitted installation or alteration, Grantee shall deliver appropriate As-Built Drawings with regard to such additional installation or alteration. Further, within 60 days of completion of any installation or material alteration, GRANTEE shall install appropriate surface markers, of a type and standard approved by GRANTOR, which such approval shall not be unreasonably withheld, identifying the precise location of any pipeline and/or other facilities installed within the Easement Area. GRANTEE shall be solely responsible for maintaining, replacing, and ensuring the accuracy of all such surface markers.

8. Taxes, Fees, and Liens

GRANTEE alone shall pay any and all taxes, charges or use fee(s) levied by any governmental agency against GRANTEE's interest in the Easement Area or against any of GRANTOR's Real Property as a result of the easement herein granted. GRANTEE shall not cause liens of any kind to be placed against the Easement Area or any of the Real Property.

9. Insurance

- A. GRANTEE shall obtain at its sole expense, and furnish evidence to GRANTOR, of general liability and property damage insurance policies in commercially reasonable amounts to cover GRANTEE's obligations and potential liability hereunder with respect to the operation and maintenance of Grantee's Facilities.
- B. GRANTEE shall furnish GRANTOR with certificates of insurance evidencing the required coverage. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to GRANTOR of any pending change in the limits of liability or of any cancellation or modification of the policy.
- C. GRANTOR, its officers, agents and employees shall be named as additional insured on the liability insurance policy required hereinabove, which shall also contain a provision that the insurance afforded thereby to GRANTOR shall be the primary insurance to the full limits of liability of the policy. If GRANTOR has other insurance coverage against a loss covered by the coverage that GRANTEE and/or its contractor is required to have, such other insurance coverage of GRANTOR shall be excess insurance only.

[Signatures on Following Page]

GRANTOR

The County of San Mateo, a political subdivision of the State of California

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

By _____

Name: _____

Title: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

/

Signature _____ (Seal)

CERTIFICATE OF ACCEPTANCE

This is to certify that the Silicon Valley Clean Water, a public agency, GRANTEE herein, hereby accepts for public purposes the real property, or interest therein, described in that Easement Deed dated _____, from the County of San Mateo, a political subdivision of the State of California, GRANTOR therein, to GRANTEE, and GRANTEE hereby accepts said Easement Deed and consents to the recordation thereof.

In Witness Whereof, I have hereunto set my hand this ___ day of _____, 2020.

SILICON VALLEY CLEAN WATER

By _____
Name:
Title: Chairman

ATTEST:

By _____
Name:
Title: Commission Secretary

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A
DESCRIPTION OF EASEMENT SCA3
page 1 of 2

A strip of land 20.00 feet wide, being a portion of the lands described in Book 6024 of Official Records of San Mateo County at Page 448, lying 10.00 feet on each side of the following described centerline:

Beginning at the most northerly corner of the parcel described in Book 6024 of Official Records of San Mateo County at Page 448, thence northeasterly along the southeasterly line of the parcel described in Book 3013 of Official Records of San Mateo County at Page 415, North 40°39'52" East (North 39°29'26" East in said document) 6.25 feet; thence leaving said southeasterly line and across the parcel described in Book 4815 of Official Records of San Mateo County at Page 280, South 43°13'04" East 63.88 feet; thence along the arc of a 1685.00 foot radius tangent curve to the right, through a central angle of 2°15'11", a distance of 66.26 feet, more or less, to a point that is 10.00 feet northeasterly of the southwesterly boundary of said parcel, said point being the **POINT OF TERMINUS** of this description. The sidelines of said strip of land shall be prolonged or shortened so as to begin and terminate on the northwesterly and northeasterly boundary lines of the land described in Book 6024 of Official Records of San Mateo County at Page 448.

EXCEPTING THEREFROM that portion of said lands that lie outside of the lands described in Book 6024 of Official Records of San Mateo County at Page 448.

APN 046-081-790

All distances shown are grid distances and are based on the California Coordinate System, Zone 3. To obtain ground distances, multiply the grid distances by 1.0000623.

EXHIBIT A
DESCRIPTION OF EASEMENT SCA4
page 2 of 2

A strip of land 20.00 feet wide, being portions of the lands described in Book 4815 of Official Records of San Mateo County at Page 280, and in Book 3013 of Official Records of San Mateo County at Page 415, lying 10.00 feet on each side of the following described centerline:

Beginning at the most easterly corner of Parcel Two as shown on Volume 72 of Parcel Maps at Pages 40 through and including 42, San Mateo County Records; thence southwesterly along the southeasterly line of said Parcel Two, South 49°02'07" West 15.62 feet to the **TRUE POINT OF BEGINNING** of this description; thence leaving said southeasterly line and across said Parcel Two, North 34°58'52" West 149.87 feet, to a point on the northeasterly line of said Parcel Two; said point also being on the southwesterly line of the parcel described in Book 4815 of Official Records of San Mateo County at Page 280; thence continuing over and across said parcel North 34°58'52" West 12.31 feet; thence along the arc of a 1600.00 foot radius tangent curve to the left, through a central angle of 5°59'01", a distance of 167.09 feet, more or less, to a point that is 10.00 feet northeasterly of the southwesterly boundary of said parcel; thence along a line that is 10.00 feet northeasterly of, and parallel to, the southwesterly boundary of said parcel, North 40°57'53" West (North 42°00'00" West in said document) 2621.21 feet; thence along the arc of a 1685.00 foot radius tangent curve to the left, through a central angle of 2°15'11", a distance of 66.26 feet; thence North 43°13'04" West 101.63 feet; thence along the arc of a 1880.00 foot radius tangent curve to the right, through a central angle of 1°46'46", a distance of 58.39 feet to a point of compound curvature; thence along the arc of a 800.00 foot radius tangent curve to the right, through a central angle of 19°02'00", a distance of 265.76 feet to a point of compound curvature; thence along the arc of a 1600.00 foot radius tangent curve to the right, through a central angle of 2°04'54", a distance of 58.13 feet; thence North 20°19'25" West 393.02 feet, more or less, to a point on the northwesterly boundary of the land described in Book 4815 of Official Records of San Mateo County at Page 280, said point being the **POINT OF TERMINUS** of this description. The sidelines of said strip of land shall be prolonged or shortened so as to begin and terminate on the southwesterly and northwesterly boundary lines of the land described in Book 4815 of Official Records of San Mateo County at Page 280.

EXCEPTING THEREFROM that portion of said lands that lie outside of the lands described in Book 4815 of Official Records of San Mateo County at Page 280, and also excepting therefrom that portion of lands that lie within the portion of the lands described in Book 3013 of Official Records of San Mateo County at Page 415 which is dedicated to public use (Monte Vista Drive).

APN 046-081-580 and 046-082-010

All distances shown are grid distances and are based on the California Coordinate System, Zone 3. To obtain ground distances, multiply the grid distances by 1.0000621.

PARCEL 4
69 PM 53-54
APN: 046-250-040

APN: 046-082-010

MONTE VISTA DRIVE
3013 O.R. 415

3013 O.R. 415

N40°39'52"E

P.O.B.

T.P.O.B.

N40°39'52"E 6.25'

(N39°29'26"E)

3.80'

20'

S43°13'04"E 63.88'

PORTION
6024 O.R. 448
APN: 046-081-790

10'

4815 O.R. 280
APN: 046-081-580

R=1685.00'
L=66.26'
Δ=2°15'11"

S40°57'53"E

S40°57'53"E
(S40°57'43"E)
BOUNDARY

DOC.

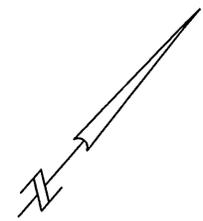
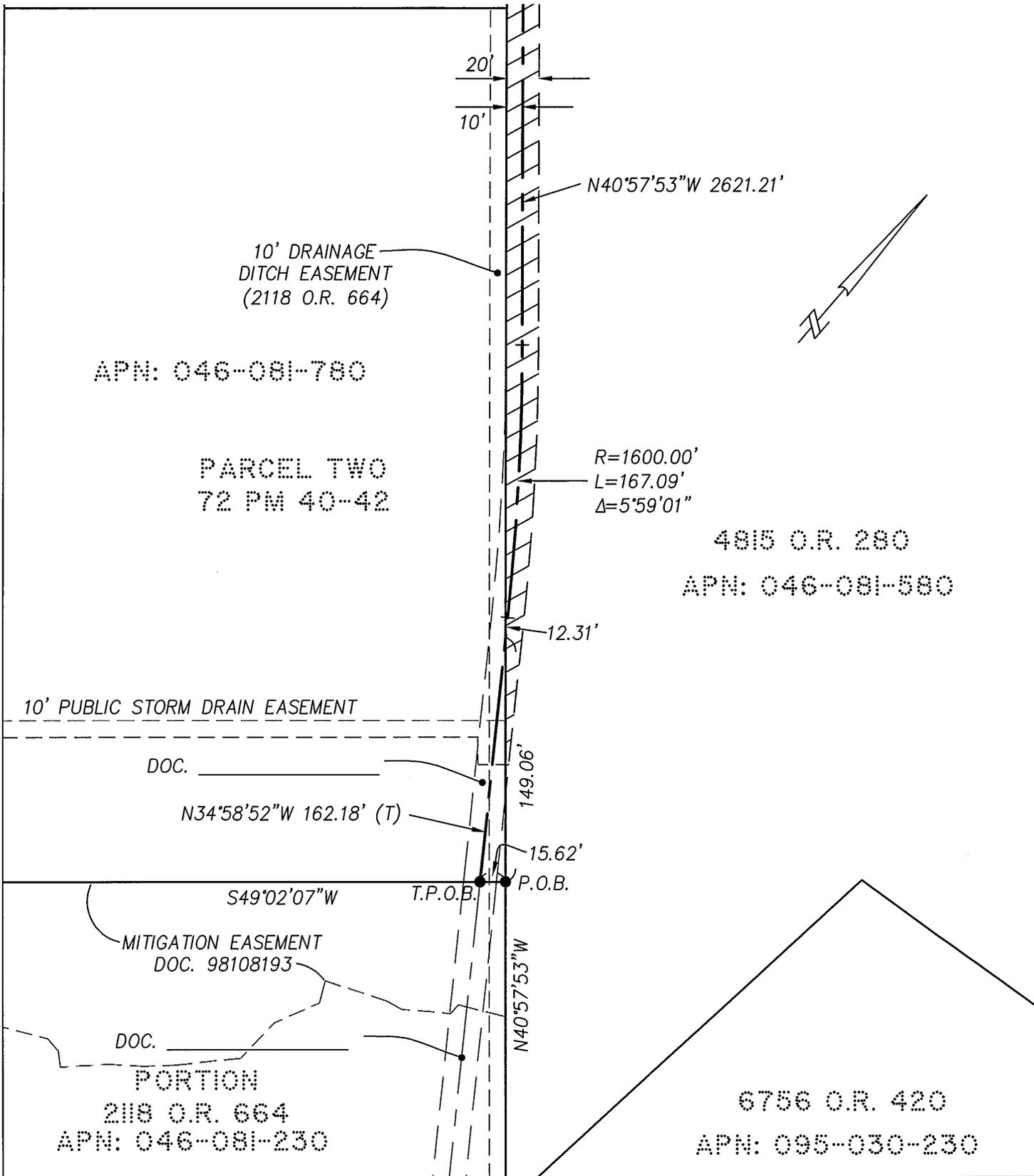


EXHIBIT B
EASEMENT SCA3



APN: 046-081-780

PARCEL TWO
72 PM 40-42

4815 O.R. 280
APN: 046-081-580

PORTION
2118 O.R. 664
APN: 046-081-230

6756 O.R. 420
APN: 095-030-230

EXHIBIT B
EASEMENT SCA4

5836 U.R. 338

APN: 046-081-580

5737 O.R. 730

10'

20'

4815 O.R. 280

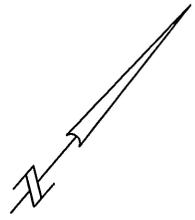
APN: 046-081-580

PARCEL ONE
72 PM 40-42

APN: 046-081-770

N40°57'53"W 2621.21'

10' DRAINAGE
DITCH EASEMENT
(2118 O.R. 664)



PARCEL TWO (72 PM 40-42)

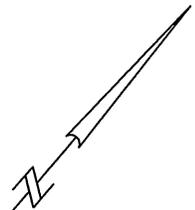
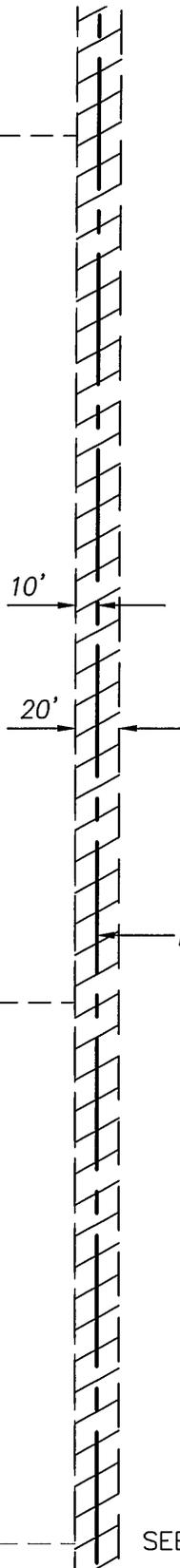
SEE PAGE 1

EXHIBIT B
EASEMENT SCA4

046 081 580

APN: 046-081-580

5737 O.R. 482



4815 O.R. 280

APN: 046-081-580

APN: 046-081-580

5836 O.R. 358

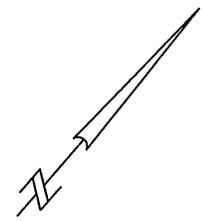
N40°57'53\"W 2621.21'

SEE PAGE 2

EXHIBIT B
EASEMENT SCA4

DOC. 98-029660

APN: 046-081-550



5870 O.R. 736

10'

20'

4815 O.R. 280

APN: 046-081-580

APN: 046-081-580

N40°57'53"W 2621.21'

5196 O.R. 600

SEE PAGE 3

EXHIBIT B
EASEMENT SCA4

PARCEL 1
69 PM 53-54
APN: 046-250-010

PARCEL 4
69 PM 53-54
APN: 046-250-040

4815 O.R. 250
APN: 046-082-010

50' P.U.E.

MONTE VISTA DRIVE
50' R/W 3013 O.R. 415
N40°39'52"E

DOC. _____

PORTION
6024 O.R. 448
APN: 046-081-790

4815 O.R. 280
APN: 046-081-580

APN: 046-081-550

DOC. 98-029660

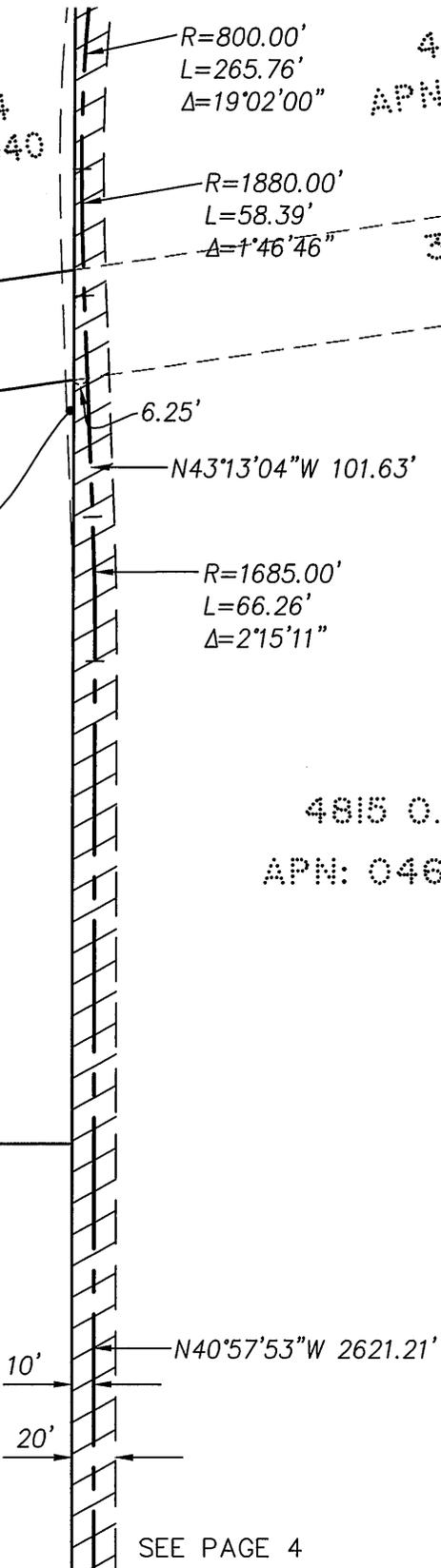


EXHIBIT B
EASEMENT SCA4

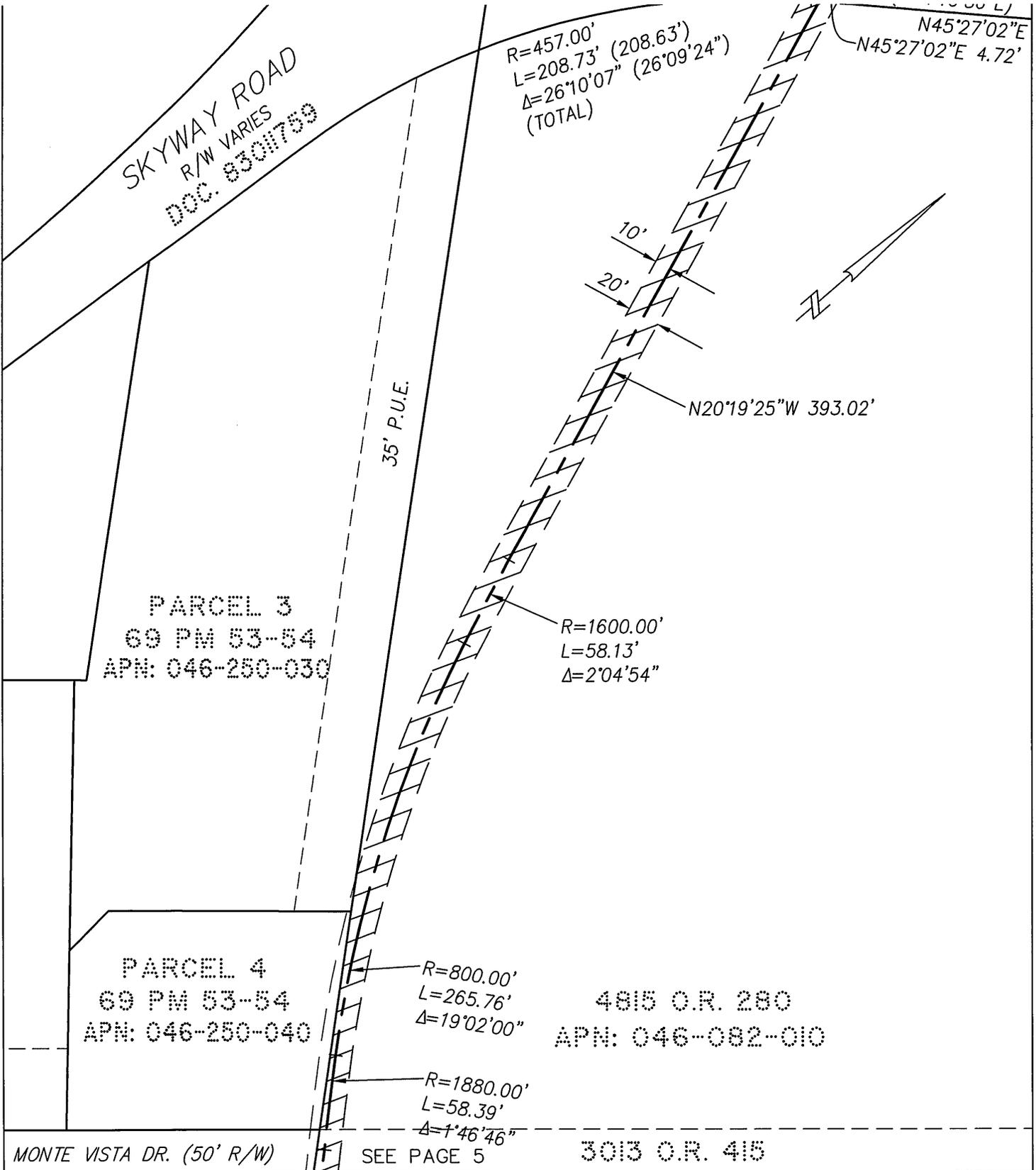


EXHIBIT B
EASEMENT SCA4

Recording requested by:
Silicon Valley Clean Water JPA

When recorded, return to:
Silicon Valley Clean Water JPA
1400 Radio Road
Redwood City, CA 94065-1220

APN: 095-030-230

No Fee pursuant to Gov. Code sec. 6103
No Documentary Transfer Tax per R&T Code sec. 11922
No Recording Fee per Gov. Code sec. 27383

REVISED PUBLIC UTILITY EASEMENT DEED
(To Silicon Valley Clean Water, a public agency)
(Bair Island)
(Replacing Instrument No. 2019-015528)

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

The County of San Mateo, a political subdivision of the State of California, owner of real property located in the City of Redwood City, County of San Mateo, State of California, described in Exhibit A, attached hereto and incorporated herein (“Real Property”), hereinafter called GRANTOR,

hereby grants to

Silicon Valley Clean Water, a public agency, hereinafter called GRANTEE,

permanent and perpetual non-exclusive easements (“Easement Areas”) on Inner Bair Island for the installation, construction, use, operation, inspection, maintenance, repair or replacement (in the original or any other size) as GRANTEE shall from time to time elect, of underground sanitary sewerage pipelines and casings, tunneling for the installation of such pipelines and casings, and appurtenances to and for each of said uses (collectively “Grantee’s Facilities”), and the placement of tools, implements, and materials thereon necessary to exercise the rights conveyed hereunder, in and to each of the Parcels described as follows:

Parcel 1 [Subsurface Easement Area A] – non-exclusive rights to the subsurface volume from fifteen (15) feet vertically below the ground elevations existing at the time this document is executed to fifty-five (55) feet vertically below the elevations existing at the time this document is executed, including the right to enter, occupy, and use the subsurface volume. This Parcel 1

Subsurface Easement Area A is located on that portion of the Real Property described in Exhibit B and depicted in Exhibit C, attached hereto and incorporated herein.

Parcel 2 [Surface and Subsurface Easement Area B] – non-exclusive surface rights reaching a height above the surface of no more than 6 feet (maximum height of 18 feet mean-sea-level) and non-exclusive subsurface rights to the depth of 55 feet, and for ingress and egress to said Easement Area B across GRANTOR’s remaining Real Property for personnel, vehicles, and construction equipment to, from, and along the Easement Area B at any time, without prior notice, including the right to use lanes, drives, rights-of-way, and roadways over GRANTOR’s Real Property which now exist or which hereinafter may be constructed, as shall be necessary for the purpose of exercising the rights herein set forth; provided, however, that nothing herein shall prevent or limit rights of GRANTOR to close such roadways, lanes, or rights-of-way, and to provide GRANTEE with comparable alternative access to Easement Area B, as deemed reasonable by GRANTOR. This Parcel 2 Surface and Subsurface Easement Area B is located on that portion of the Real Property described in Exhibit B and depicted in Exhibit C, attached hereto and incorporated herein.

1. Nature of Rights Conveyed

The provisions hereof shall be considered for all purposes to be covenants running with the land and shall inure to the benefit of and bind the successors and assigns of the respective parties hereto.

The rights conveyed in Parcel 1 are subsurface rights and shall not be construed to interfere with or restrict GRANTOR’s use of the surface or subsurface lying above or below the Subsurface Easement, except that GRANTOR shall not allow construction of structures that would directly or indirectly materially impair or interfere with the use, operation, and maintenance of Grantee’s Facilities.

The rights conveyed in Parcel 2 shall not be construed to interfere with or restrict the use of this Easement Area B by GRANTOR, including, but not limited to, GRANTOR’s installing and maintaining driveways, parking, and landscaping, so long as the same are constructed in a manner that does not materially impair or interfere with the use, operation, and maintenance of and access to Grantee’s Facilities.

GRANTEE must comply with all applicable federal law, including but not limited to the rules and regulations promulgated by the Federal Aviation Administration (FAA), and state law, including but not limited to, any state land use requirements, in the exercise of any of the rights conveyed or activities permitted hereunder. GRANTEE shall perform any activity authorized hereunder in compliance with the FAA’s Airport Construction Standards and Airport Design and Engineering Standards in addition to the Airport’s Land Use Compatibility Plan, as amended from time to time.

GRANTEE agrees, understands and acknowledges that it will not and shall not in any way interfere with the operation of the San Carlos Airport and that such airport is managed and operated by GRANTOR. Accordingly, GRANTEE agrees, understands and acknowledges that

even though the FAA approves an activity, if GRANTOR determines that the activity interferes with the operation of the San Carlos Airport (including without limitation, the runways and/or taxiways associated with said airport) then GRANTEE shall not undertake such activity without the prior written consent of GRANTOR, which consent may be withheld or granted subject to conditions specified by GRANTOR.

Except as may be permitted pursuant to this Easement or other written permits or agreements between the parties, GRANTEE shall have no right hereunder to leave or place outside of the Easement Areas any improvements, equipment, conveyors or tools.

2. Restrictions on GRANTOR's Use

GRANTOR shall not, without prior written consent of GRANTEE, which consent shall not be unreasonably withheld, temporarily or permanently: (1) increase or decrease ground elevations, the existing grade, or otherwise modify the topography of the Real Property more than ten feet from the elevations existing at the time this document is executed; or (2) construct a structure more than two (2) stories in height above any subsurface easement granted herein.

GRANTOR shall not conduct, or permit others to conduct, or use, or permit others to use, explosives or drilling equipment the effect of which can penetrate into any subsurface easement area volume granted herein without prior written consent of GRANTEE, which consent shall not be unreasonably withheld.

Except as stated above, nothing herein shall prevent GRANTOR from making whatever use or development of the Real Property, or any portion thereof, including the Easement Areas, it desires; so long as such use or development does not materially impair, interfere with, or adversely affect Grantee's Facilities.

3. Hold Harmless

GRANTEE shall indemnify, defend, reimburse, and hold harmless GRANTOR, its officers, agents, employees, and contractors, and each of them, from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages, and liabilities of any kind ("Claims"), arising in any manner out of (a) any injury to or death of any person or damage to or destruction of any property occurring in, on, or about any part of Parcel 1, Parcel 2, or the Real Property whether such injury, death, damage, or destruction is caused by the person or property of GRANTEE, its officers, directors, members, employees, agents, consultants, contractors, or subcontractors (collectively, "Agents"), its invitees, guests, or business visitors (collectively, "Invitees"), or third persons, relating to any use or act required or permitted by this Public Utility Easement Deed, (b) any failure by GRANTEE to faithfully observe or perform any of the terms, covenants, or conditions of this Public Utility Easement Deed, (c) the use of Parcel 1 or Parcel 2 or any activities conducted in, on, or about the Real Property by GRANTEE, its Agents, or Invitees, or (d) any release or discharge, or threatened release or discharge, of any hazardous material caused or allowed by GRANTEE, its Agents, or Invitees, on, in, under, or about Parcel 1, Parcel 2, the Real Property, any improvements, or into the environment; except solely to the extent of Claims resulting directly from the gross

negligence or willful misconduct of GRANTOR or GRANTOR's authorized representatives. In addition to GRANTEE's obligation to indemnify GRANTOR, GRANTEE specifically acknowledges and agrees that it has an immediate and independent obligation to defend GRANTOR from any claim that actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent, or false, which obligation arises at the time such claim is tendered to GRANTEE by GRANTOR and continues at all times thereafter. The foregoing indemnity shall include, without limitation, reasonable attorneys', experts', and consultants' fees and costs, investigation and remediation costs, and all other reasonable costs and expenses incurred by the indemnified parties, including, without limitation, damages for decrease in the value of the Real Property or the lands of GRANTOR and claims for damages or decreases in the value of adjoining property. GRANTEE's obligations under this paragraph shall survive the expiration or other termination of this Public Utility Easement Deed.

4. Maintenance and Operation

GRANTEE shall maintain Parcel 1 and Parcel 2, together with any improvements constructed or installed therein by GRANTEE or associated with GRANTEE's use of Parcel 1 and/or Parcel 2, in a safe and sanitary condition consistent with the uses authorized hereunder that does not interfere with the use and enjoyment of the Real Property by GRANTOR or third parties. The operation and maintenance of any such improvements and of Parcel 1 and Parcel 2 shall be at GRANTEE's sole cost and expense. GRANTEE shall perform all work for the activities described in this Public Utility Easement Deed in a quality manner and in accordance with all applicable legal, governmental, and industry standards and exercise reasonable precautions necessary to protect the ground surface from perceptible settlement. GRANTEE shall implement, at its sole expense, a settlement-monitoring program in accordance with best management practices during any construction. GRANTEE shall be solely responsible for obtaining any and all required permits and approvals necessary for performing any of the activities permitted by this Public Utility Easement Deed. GRANTOR's grant of the easement herein is made in GRANTOR's sole capacity as a landowner and not in any other capacity, including as a regulatory or land-use authority.

GRANTEE shall not do anything in, on, under, or about Parcel 1, Parcel 2, or the Real Property that could cause damage to or interference with GRANTOR's operation of the San Carlos Airport or any facilities, improvements, or other property located in, on, under, or about the Real Property. GRANTEE shall coordinate its use of Parcel 1 and/or Parcel 2 with GRANTOR and shall take reasonable measures to minimize noise, dust, debris and other possible impacts to the San Carlos Airport and surrounding neighborhoods. Safety shall be paramount at all times. GRANTEE shall ensure that its operations and activities, and those of its Agents, comply with local, state and federal requirements and are in accordance with safe and acceptable practices and procedures. GRANTOR shall have the right to review GRANTEE's operations related to Parcel 1, Parcel 2, and/or the Real Property and require reasonable modifications as necessary to meet the requirements of this Public Utility Easement Deed.

5. Repair of Damage

GRANTEE shall be responsible for any damage to GRANTOR's property or property of third parties resulting from any exercise of the rights herein granted, including but not limited to soil erosion, subsidence, the development of a sinkhole or other settling, and any consequential or incidental damages (including, but not limited to, lost profits) resulting therefrom. If any portion of the Real Property or any property of the GRANTOR located on or about Parcel 1 or Parcel 2 is damaged or threatened by any of the activities conducted by GRANTEE or anyone acting by or through GRANTEE, at its sole cost, GRANTEE shall immediately notify GRANTOR of such damage or threat. GRANTOR may, but shall not be obligated to, remedy such damage or threat at GRANTEE's sole cost, or GRANTOR may elect to witness GRANTEE's repair work. Subject to GRANTOR's inspection, review, and approval, GRANTEE shall promptly repair and restore to its condition prior to the work by GRANTEE any of GRANTOR's property, including, but not limited to, roads, utilities (both above- and sub-surface), buildings, fences, other improvements, or surfaces that may be altered, damaged, or destroyed in connection with the exercise of the rights granted herein. GRANTOR has no responsibility or liability of any kind with respect to any utilities that may be on, in, around, or under Parcel 1 or Parcel 2. GRANTEE has the sole responsibility to locate such utilities and other existing facilities and protect them from damage. GRANTEE shall be solely responsible for arranging and paying directly for any utilities or services necessary for its activities permitted hereunder; provided, GRANTEE shall obtain GRANTOR's prior written approval to the provision of such services or utilities in, on, under, or through the Parcel 1, Parcel 2, or the Real Property.

6. Hazardous Materials

GRANTEE covenants and agrees that neither GRANTEE nor any of its Agents or Invitees shall cause or permit any hazardous material to be brought upon, kept, stored, staged, generated or disposed of in, on or about Parcel 1, Parcel 2, or the Real Property. GRANTEE shall give immediate written notice to GRANTOR of: (a) any action, proceeding or inquiry by any governmental authority (including, without limitation, the California State Department of Health Services, the State or any Regional Water Quality Control Board, San Mateo County Environmental Health, the Bay Area Air Quality Management district, California Coastal Commission, or any local governmental entity) against GRANTEE with respect to the presence or release or suspected presence or release of hazardous material on or about the Parcel 1, Parcel 2, or the Real Property, or the migration thereof from or to other property at the San Carlos Airport; (b) all demands or claims made or threatened by any third party against GRANTEE relating to any loss or injury resulting from any hazardous materials on or about Parcel 1, Parcel 2, or the Real Property; (c) any release of hazardous material on or about the Parcel 1, Parcel 2, or the Real Property due to the rights granted herein that may require any investigation or remediation; and (d) all matters of which GRANTEE is required to give notice pursuant to Section 25359.7 of the California Health and Safety Code.

Nothing in the foregoing paragraph shall preclude GRANTEE from using materials necessary to exercise GRANTEE's rights to the Easement Area granted herein so long as any such hazardous materials are used, stored, and disposed of in strict accordance with any and all applicable law and any and all Storm Water Pollution Prevention Plans that apply to the Real Property or the activities of GRANTEE on the Real Property, as may be amended from time to time.

GRANTEE shall be responsible for all costs and efforts associated with investigating and remediating any environmental contamination whatsoever caused by GRANTEE on or about the Easement Area. GRANTEE shall pay to the GRANTOR any required fees, as may be necessary, to effectuate this Easement as related to hazardous materials.

7. Taxes, Fees, and Liens

GRANTEE alone shall pay any and all taxes, charges or use fee(s) levied by any governmental agency against GRANTEE's interest in Parcel 1 or Parcel 2, or against any of GRANTOR's real property as a result of the easement herein granted. GRANTEE shall not cause liens of any kind to be placed against Parcel 1, Parcel 2, or any of the Real Property.

8. Insurance

1. GRANTEE shall obtain at its sole expense, and furnish evidence to GRANTOR prior to commencing any work authorized hereunder, a combined general liability and property damage insurance policy in the amount of at least Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) aggregate, in addition to a One Hundred Million Dollar (\$100,000,000) excess liability policy, to be kept in full force until the completion of construction of Grantee's Facilities. Thereafter, GRANTEE shall obtain at its sole expense, and furnish evidence to GRANTOR, of general liability and property damage insurance policies in commercially reasonable amounts to cover GRANTEE's obligations and potential liability hereunder with respect to the operation and maintenance of Grantee's Facilities.
2. GRANTEE shall furnish GRANTOR with certificates of insurance evidencing the required coverage. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to GRANTOR of any pending change in the limits of liability or of any cancellation or modification of the policy.
3. GRANTOR, its officers, agents and employees shall be named as additional insured on the liability insurance policy required hereinabove, which shall also contain a provision that the insurance afforded thereby to GRANTOR shall be the primary insurance to the full limits of liability of the policy. If GRANTOR has other insurance coverage against a loss covered by the coverage that GRANTEE and/or its contractor is required to have, such other insurance coverage of GRANTOR shall be excess insurance only.

9. As-Built Drawings and Placement Markers

Within 60 days of the initial operation of Grantee's Facilities, and thereafter within 60 days of the completion of any permitted installation or alteration subsequent to said initial operation, GRANTEE shall deliver to GRANTOR (addressed to Airport Manager with a copy to the County Real Property Manager) final As-Built construction drawings showing the nature, size, and location of such improvements. Separately, within 60 days of completion of any such installation or material alteration, GRANTEE shall install appropriate surface markers, of a type and standard approved by GRANTOR, which such approval shall not be unreasonably withheld, identifying the precise location of any pipeline and/or other facilities installed within the

Easement Area. GRANTEE shall be solely responsible for maintaining, replacing, and ensuring the accuracy of all such surface markers.

GRANTOR

The County of San Mateo, a political subdivision of the State of California

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CERTIFICATE OF ACCEPTANCE

This is to certify that the Silicon Valley Clean Water, a public agency, GRANTEE herein, hereby accepts for public purposes the real property, or interest therein, described in that Easement Deed dated _____, from the County of San Mateo, a political subdivision of the State of California, GRANTOR therein, to GRANTEE, and GRANTEE hereby accepts said Easement Deed and consents to the recordation thereof.

In Witness Whereof, I have hereunto set my hand this ___ day of _____, 2020.

SILICON VALLEY CLEAN WATER

By _____
Name:
Title: Chairman

ATTEST:

By _____
Name:
Title: Commission Secretary

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

**EXHIBIT A
LARGER PARCEL**

A portion of the lands conveyed to Mobil Oil Estates (Bair Island Investments Limited, a Delaware corporation and described as Parcel 3 in that certain Deed recorded on March 27, 1973 in Book 6350 of Official Records at page 425 (File No. 16249-AG), Records of San Mateo County, California, and said portion being more particularly described as follows:

BEGINNING at the most Easterly corner of the lands conveyed to the City of San Carlos, a municipal corporation, by that certain Deed recorded on August 23, 1951 in Book 2118 of Official Records at page 664 (File No. 55772-J), Records of San Mateo County, California, said most Easterly corner also being an angle point in the boundary of the lands conveyed to Mobile Oil Estates (Bair Island Investments) Limited, a Delaware corporation and described as Parcel 3 in that certain Deed recorded on March 27, 1973 in Book 6350 of Official Records at page 425 (File No. 16249-AG), Records of San Mateo County, California; running thence from said pot of beginning along the Southeasterly line of the aforesaid lands conveyed to the City of San Carlos South 48° West 245 feet; thence leaving said Southeasterly line and crossing the aforesaid lands of Mobil (File No. 16249-AG), South 42° East 1271.60 feet; thence North 48° East 1000 feet; and thence North 42° West 1048.34 feet to the intersection thereof with the general Northerly boundary line of the aforesaid lands of Mobil (File No. 16249-AG); running thence along said last mentioned Northerly boundary line North 88° 50' 40" West 246.98 feet; thence South 41° 18' 31" West 43.90 feet; thence North 81° 57' 51" West 95.80 feet; thence South 84° 48' 21" West 320.50 feet and thence South 5° 54' West 295.83 feet to the point of the beginning.

APN: 095-030-230

EXHIBIT B
DESCRIPTION OF EASEMENT SCAS

All that certain real property situate in the City of Redwood City, County of San Mateo, State of California, being a portion of that certain real property described in Book 6756 of Official Records of San Mateo County at Page 420, and being more particularly described as follows:

AREA A:

Beginning at the most easterly corner of the parcel described in Book 2118 of Official Records of San Mateo County at Page 664; thence southwesterly along the southeasterly boundary of said parcel, South 49°02'17" West 46.49 feet (South 48°00'00" West in said document) to the **TRUE POINT OF BEGINNING** of this description; thence leaving said southeasterly boundary and across the parcel described in Book 6756 of Official Records of San Mateo County at Page 420, South 34°58'52" East 262.17 feet, to a point on the side line of the 20 foot wide easement described in Book 6557 of Official Records of San Mateo County at Page 480; thence North 55°01'08" East 20.00 feet; thence North 34°58'52" West 264.27 feet, more or less, to the southeasterly boundary of that parcel described in Book 2118 of Official Records of San Mateo County at Page 664; thence along said southeasterly boundary South 49°02'17" West (South 48°00'00" West in said document) 20.11 feet to the **TRUE POINT OF BEGINNING**.

AREA B:

Beginning at the most southerly corner of AREA A described above; thence North 55°01'08" East 30.00 feet; thence South 34°58'52" East 165.00 feet; thence South 55°01'08" West 90.18 feet, more or less, to a point on the side line of the 20 foot wide easement described in Book 6557 of Official Records of San Mateo County at Page 480; thence along said side line North 27°00'08" West 18.12 feet; thence along the arc of a 340.00 foot radius tangent curve to the right, through a central angle of 26°51'52", a distance of 159.42 feet to the **POINT OF BEGINNING**.

APN 095-030-230

All distances shown are grid distances and are based on the California Coordinate System, Zone 3. To obtain ground distances, multiply the grid distances by 1.0000618.



PORTION
2118 O.R. 664

APN: 046-081-230

DOC. _____

T.P.O.B. 46.49'

S49°02'17"W

20.11'

20'

10' DRAINAGE DITCH EASEMENT
(2118 O.R. 664)

6756 O.R. 420

DOC. 2013-111512 [CP2(N)]

S34°58'52"E 262.17'

N34°58'52"W 264.27'

AREA A

6557 O.R. 480
20' WIDE

APN: 095-030-230

Parcel Two
97-119043
APN: 095-030-260

P.O.B.

20.00'

R=340.00'
L=159.42'
Δ=26°51'52"

N55°01'08"E 30.00'

DOC.

165.00'

AREA B

N27°00'08"W
18.12'

S55°01'08"W
90.18'

S34°58'52"E

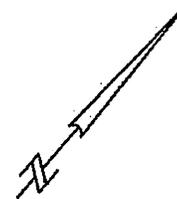


EXHIBIT C
EASEMENT SCA5

PAGE 1 OF 1

**BOHLEY
CONSULTING**

3150 ALMADEN EXPRESSWAY, SUITE 123
SAN JOSE, CA 95118 (408) 265-1600
WWW.BOHLEYCONSULTING.COM

DATE: 1/16/2019
SCALE: 1"=60'
DWG: TUNNEL EASEMENTS
JOB No. 201516

COUNTY OF SAN MATEO

RESTATED AND AMENDED PERMIT

(No. 5384)

SILICON VALLEY CLEAN WATER

San Carlos Airport
San Carlos, California

PERMITTEE: SVCW

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EXHIBIT A - SITE PLAN OF PREMISES

EXHIBIT B - STANDARD PROVISIONS

EXHIBIT C - SPECIAL REQUIREMENTS/CONDITIONS

Restated and Amended Permit (No. 5384)
San Carlos Airport
San Carlos, California
SILICON VALLEY CLEAN WATER, INC.

This Restated and Amended Permit (“Permit”), dated for reference purposes and deemed effective as of July 1, 2019 (“Effective Date”), is entered into by and between the Parties as described herein.

Recitals

WHEREAS, the Parties entered into that certain Permit dated July 1, 2015 (the “Original Permit”) governing Silicon Valley Clean Water’s use of the Premises in connection with its RESCU Program Gravity Pipeline Project (“Project”) for an initial term of one year with four automatic one-year renewal options;

WHEREAS, Silicon Valley Clean Water has continuously used the Premises under the Original Permit since 2015 through the Effective Date;

WHEREAS, the Parties desire to amend and restate the terms of the Original Permit to more fully describe the permitted uses of the Premises, extend the potential term, revise the Base Permit Fee, and update certain other terms; and

WHEREAS, Silicon Valley Clean Water desires to continue to use the Premises and the County of San Mateo desires to permit such use in support of the Project subject to the terms and conditions set forth in this Permit.

NOW THEREFORE, the Parties agree to restate and amend the terms of the Original Permit as follows:

1) BASIC PERMIT INFORMATION

The following is a summary of basic permit information (the “Basic Permit Information”). Each item below shall be deemed to incorporate all of the terms in this Permit pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this Permit, the more specific provision shall control.

Permit Reference Date:	July 1, 2015
Permitter:	County of San Mateo
Permittee:	Silicon Valley Clean Water (and permitted successors and assigns)
Property (Section 4):	San Carlos Airport, San Carlos, California 94070

Premises (Section 4):	Exclusive use of the unimproved portion of the property depicted on the attached Exhibit A (Property Map/Site Plan of Premises), which totals approximately 278,000 square feet.
Term (Section 5):	Initial Term expires June 30, 2020 Following the Initial Term, Permittee shall have four (4) automatic renewal options for four separate additional one (1) year periods under the terms and conditions stated in this Permit.
Base Permit Fee (Section 6):	Monthly payments: \$103,000
Fee Adjustment Dates (Section 8):	3% Increase each July 1
Concession Fee (Section 6):	Not Used
Use (Section 12):	For use as a temporary area for construction, materials storage, electrical sub-station, office, staging, assembly and other related construction activities for implementation of SVCW's RESCU Program Gravity Pipeline Project, including a TBM Launch shaft and inclined conveyor pipe.
Permittee Improvements (Section 13):	In accordance with applicable laws and regulations, Permittee shall be permitted to level and gravel the Premises and make other temporary and permanent improvements as provided for in this Permit.
Utilities (Section 15):	Permittee's sole responsibility.
Janitorial Services (Section 16):	Not Used
Security Deposit (Section 23):	Not Used

Notice Address of County (Section 38): County Manager's Office
Attn: Real Property Services Manager
555 County Center, 4th Floor
Redwood City, California 94063
Telephone: (650) 363 -4047
Fax No.: (650) 363-4832

with a copy to: County of San Mateo
Department of Public Works
Airports Division
Attn: Gretchen Kelly
620 Airport Drive
San Carlos, California 94070
Fax No.: (650) 593-3762

and to: Office of County Counsel
400 County Center, 6th Floor
Redwood City, California 94063
Fax No.: (650) 363-4034

Key Contact for County: Gretchen Kelly, Airport Manager
Phone: (650) 573-3700
Fax: (650) 593-3762

Alternate Contact for County: Airport Business Manager
Phone: (650) 573-3700
Fax: (650) 593-3762

Address for Permittee (Section 38): Silicon Valley Clean Water
1400 Radio Road
Redwood City, CA 94065-1220

Key Contact for Permittee: Kim Hackett
Silicon Valley Clean Water
Phone: 650-832-6217

Brokers (Section 44 (V)): N/A

2) PARTIES

This Permit is made by and between the COUNTY OF SAN MATEO, a political subdivision of the State of California ("Permitter" or "County") and Silicon Valley Clean Water, a public agency ("Permittee").

3) TERMS, COVENANTS AND CONDITIONS

This Permit is subject to the terms, covenants and conditions herein set forth. Each party covenants, as a material part of the consideration for this Permit, to keep and perform each and all of said terms, covenants and conditions that are to be performed, and that this Permit is made upon the condition of said performance.

4) PREMISES

Permitter is the owner of that certain parcel of real property commonly known as the San Carlos Airport, San Carlos, California (the "Property").

Permittee is hereby granted permission to use and occupy a portion the Property, consisting of approximately 278,000 square feet of unimproved land (the "Premises"), more particularly shown in Exhibit A, together with the non-exclusive right of access over and through such portions of the Property as are necessary for Permittee's Use of the Premises, subject to the terms and conditions hereof and the Airport's Special Requirements / Conditions, attached hereto as Exhibit C and incorporated by this reference.

5) TERM

Notwithstanding any reference to the Term or expiration or extension thereof in the Original Permit, the term of the Permit shall extend through June 30, 2020 ("Initial Term"). Permittee shall have four (4) automatic renewal options for four (4) separate additional one (1) year periods as set forth in Section 7 of this Permit (Extension Option), to extend the term of this Permit beyond the Initial Term under the same terms and conditions as described in this Permit.

6) MONTHLY RENTAL

a) Base Permit Fee

Commencing on July 1, 2019, and on or before the first day of each and every successive calendar month thereafter, Permittee agrees to pay to Permitter, without prior notice or demand, for the use of the Premises the sum of \$103,000.00 ("Permit Fee").

The Permit Fee and any other amounts due hereunder are sometimes collectively referred to herein as "Fees".

b) Concession Fee

Not used.

c) Utility Charge

Not used.

d) Processing Fee

Not used.

e) Payment of Fees

Fees for any period during the term hereof which is for less than one (1) month shall be a prorated portion of the monthly installment herein on a per diem basis, based upon a thirty (30) day month. Said fees shall be paid to Permittor at:

County of San Mateo
Airports Division
Attn: Accounts Receivable (Ref #5384)
620 Airport Way – Ste. 10
San Carlos, CA 94070

or to such other person or at such other place as Permittor may from time to time designate in writing.

Permittor shall not be required to invoice Permittee for payment of fees due hereunder. Permittee shall be responsible for payment of all fees due without prior notice or demand. Any amount due which is not paid shall be subject to late fees as set forth in Section 6f (Interest on Late Payment) and Section 11 (Late Charges and Returned Check Charge).

f) Interest on Late Payment

Any Fees, if not paid within five calendar (5) days following the due date, shall bear interest from the due date until paid at the rate of ten percent (10%) per year or, if a higher rate is legally permissible, at the highest rate an individual is permitted to charge under law (the "Interest Rate"). However, interest shall not be payable on late charges incurred by Permittee as set forth in Section 11 (Late Charges And Returned Check Charge) hereof, nor on any amounts on which late charges are paid by Permittee to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Permittee.

7) EXTENSION OPTION

This Permit shall be automatically renewed (the "Extension Option") for each of four (4) additional one (1) year periods (each, an "Extended Term") unless Permittee terminates the Permit in accordance with the terms of section 20 herein. Each Extended Term shall be subject to cancellation or termination in accordance with all the terms and conditions contained in this Permit.

8) RENTAL ADJUSTMENTS

Effective as of July 1, 2020, and on each July 1 thereafter, the Permit Fee shall increase automatically by three percent (3%) above the Permit Fee applicable during the prior twelve-month period.

9) GROSS REVENUES

Not used.

10) ACCOUNTS AND RECORDS

Not used.

11) LATE CHARGES AND RETURNED CHECK CHARGE

Permittee hereby acknowledges that late payment by Permittee to Permitter of rent or other sums due hereunder will cause Permitter to incur costs not contemplated by this Permit, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, administrative processing of delinquent notices and accounting charges. Accordingly, if any installment of rent or of a sum due from Permittee is not received by Permitter within ten calendar (10) days after said amount is due, that payment shall be delinquent and Permittee shall pay to Permitter, in addition to interest as set forth in Section 6 hereof, a late charge equal to six percent (6%) of the total balance due at that time or Fifty Dollars (\$50.00), whichever is greater. A late charge shall be applied for each month rent is delinquent. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Permitter will incur by reason of the late payment by Permittee. Acceptance of late charges by Permitter shall in no event constitute a waiver of Permittee's default with respect to such overdue amount, nor prevent Permitter from exercising any of the other rights and remedies granted hereunder.

Permittee agrees to pay Permitter a special handling charge of Fifty Dollars (\$50.00) for any check dishonored by the bank for any reason. This charge shall be added to and become part of Permittee's obligations hereunder, and shall be in addition to any charge for late payment provided for herein. Permittee agrees to pay Permitter immediately upon request any and all charges for dishonored checks.

12) USE

Permittee shall use the Premises for construction, materials storage, electrical substation, office, staging, assembly and other related construction activities for implementation of the SVCW RESCU Program Gravity Pipeline Project (the

"Project"). In particular Permittee may and shall construct and install temporary site improvements including perimeter fencing, gravity and retaining wall installations, grading, fences and gates, paving, utilities and stormwater improvements, temporary ancillary facilities required for tunnel excavation and carrier pipe installation.

Permittee may construct a TBM Launch shaft using reinforced concrete slurry wall support of excavation and reinforced concrete base slab extending approximately 85 feet below grade. Permittee may construct an inclined conveyor tunnel from the bottom of the TBM Launch shaft to the surface. The portion of the Launch shaft and inclined conveyor pipe that are within 10 feet of the surface shall be removed and the portion below 10 feet backfilled with acceptable backfill. If in the future, County approves a project that requires removal of additional portions of either structure, SVCW agrees to then remove the portions that are in conflict with the approved project.

Permittee may install monitoring wells, inclinometers, and depressurization wells related to the shaft, which installations are to be installed and abandoned in accordance with Permitter's requests and requirements.

Permittee shall not use or permit the Premises to be used for any purpose or use other than as described herein without the prior written consent of County.

Permittee shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which will in any way increase the existing rate of or affect any fire or other insurance upon the Premises or any of its contents, or cause cancellation of any insurance policy covering the Premises or any part thereof or any of its contents. Permittee shall not use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Permittee cause, maintain or permit any nuisance in, on or about the Premises. Permittee shall not commit or suffer to be committed any waste in or upon the Premises.

Permittee shall remove all temporary improvements and personal property upon expiration or termination of this Permit unless specifically authorized in writing by Permitter to remain. All improvements constructed or installed by Permittee on the Premises shall be deemed to be temporary unless permitted to remain pursuant to this Permit or the North of Holly Easement.

a) Operations

Notwithstanding any other permission granted in this Permit, Permittee shall not do anything in, on, under, or about the Premises or the Property that could cause damage to or interference with County's operation of the San Carlos Airport or any facilities, improvements, or other property located in, on, under, or about the Property. Permittee agrees, understands and acknowledges that, even if the FAA approves of Permittee's activity, if Permitter determines that the activity interferes with the operation of the San Carlos Airport (including without limitation, the runways and/or taxiways associated with said airport), then Permittee shall not undertake such

activity without the prior written consent of Permitter, which consent may withheld or be subject to conditions specified by Permitter. Permittee shall take reasonable measures to minimize noise, dust, debris and other impacts to the Property, its users and neighbors. Permitter shall have the right, throughout the Term, to review Permittee's operations and require reasonable modifications as necessary to meet the requirements of this section.

b) Safety

Safety shall be paramount at all times. Permittee shall ensure that its operations, activities, use of the Premises and those activities of its agents and employees, comply with any and all applicable local, state and federal requirements and are in accordance with safe and acceptable practices and procedures that are subject to the reasonable approval of the Permitter. Permittee may have security personnel on the Premises at all times throughout the Term to ensure the safety and security of the Premises. There shall be no overnight habitation of the Premises, though such prohibition shall not preclude 24-hour presence of security personnel on the Premises.

c) Premises Condition

PERMITTEE ACKNOWLEDGES AND AGREES THAT THE PREMISES ARE ACCEPTED IN THEIR "AS IS" CONDITION, WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, AND SUBJECT TO ALL APPLICABLE LAWS, RULES AND ORDINANCES GOVERNING THEIR USE, OCCUPANCY AND POSSESSION. PERMITTEE REPRESENTS AND WARRANTS TO PERMITTOR THAT PERMITTEE HAS INVESTIGATED AND INSPECTED, EITHER INDEPENDENTLY OR THROUGH AGENTS OF PERMITTEE'S OWN CHOOSING, THE CONDITION OF THE PREMISES AND THE SUITABILITY OF THE PREMISES FOR PERMITTEE'S INTENDED USE. PERMITTEE HAS DETERMINED, BASED SOLELY ON ITS OWN INVESTIGATION, THAT THE PREMISES ARE SUITABLE FOR PERMITTEE'S BUSINESS AND INTENDED USE. PERMITTEE ACKNOWLEDGES AND AGREES THAT NEITHER PERMITTOR NOR ANY OF ITS AGENTS HAVE MADE, AND PERMITTOR HEREBY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE RENTABLE AREA OF THE PREMISES, THE PHYSICAL OR ENVIRONMENTAL CONDITION OF THE PREMISES OR THE PROPERTY, THE PRESENT OR FUTURE SUITABILITY OF THE PREMISES FOR PERMITTEE'S BUSINESS, OR ANY OTHER MATTER WHATSOEVER RELATING TO THE PREMISES, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

13) PERMITTEE IMPROVEMENTS

Restated and Amended Permit for North of Holly

Permittee may scrape and dispose of vegetation and debris within the Premises during the Term to provide an adequate and safe area for Permitted Uses authorized in this Permit and install base rock and other improvements as authorized in writing as necessary to accommodate its use of the Premises (the "Site Preparation Work"). Such work shall be coordinated with Permittor and shall be done in a manner that ensures proper drainage and dust control measures are maintained at all times. Permittee shall be responsible for any and all permits or approvals associated with this activity and comply with all applicable laws, rules and regulations. Except as set forth in this Permit or the North of Holly Easement, Permittee shall not make any other improvements or modifications to the Property or Premises without the prior written consent of Permittor, which consent shall not be unreasonably withheld.

14) MOTOR VEHICLES/PARKING

Permittee shall ensure that its vehicles and those of its agents and customers are parked on the Premises or in areas and locations as approved by the Permittor. No vehicle offered for sale by Permittee shall be parked or stored in the general parking areas of the Property.

Camper trucks, trailers and/or other temporary living facilities may not be parked overnight in any area of the Property without written authorization from the Permittor. No overnight camping is permitted.

15) UTILITIES

During the term of this Permit, Permittee shall be responsible for providing, at its own expense, all utilities and services, including, but not limited to electricity, water, sewer, gas, trash and waste disposal, required for the Premises and any improvements, alterations or additions thereon.

16) JANITORIAL SERVICES

Not used.

17) ASSESSMENTS/TAXES

Permittee shall pay all federal, state and local taxes that are levied or required with respect to its employees, such as, but not limited to, social security and workers' compensation. As between Permittee and Permittor, Permittee shall be responsible for the payment of all sales or excise taxes on its operation. Permittee shall also be liable for any special assessments levied against the property due to Permittee's use of the Premises. Permittee reserves the right to challenge any tax and special assessments.

Permittee shall pay, or cause to be paid, before delinquency, any and all taxes and assessments levied against Permittee's personal property in the Premises.

18) POSSESSORY INTEREST TAX

Permittee recognizes and understands in executing this Permit that its interest in the Premises created herein may be subject to a "possessory interest tax" that the County Assessor may impose on such interest, and any such tax would be the liability of and be paid solely by Permittee in addition to Fees and other charges due hereunder. Permittee agrees to pay promptly when due, any possessory interest tax imposed on its interest in the Premises.

19) MAINTENANCE AND REPAIRS

Throughout the term of this Permit, Permittee shall, at Permittee's sole expense, maintain the Premises and any improvements within the Premises or related to the Permittee's operation, equipment and other personal property thereon, in good sanitary order, condition and repair in accordance with all applicable laws, rules, ordinances, orders and regulations of (1) federal, state, county, municipal or other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials; (2) the insurance underwriting board or insurance inspection bureau having or claiming jurisdiction; and (3) all insurance companies insuring all or any part of the Premises, or improvements, equipment, and other personal property at the Premises. All repairs and maintenance shall be the sole duty of the Permittee and at the Permittee's sole expense.

Permittee shall protect the Premises and the Property from damage caused by Permittee's operations and shall repair at its own expense any and all damage to the Property and Premises, to the extent such damage has been caused by Permittee, its agents, employees or contractors.

Neither offensive or refuse matter, nor any substance constituting an unnecessary, unreasonable or unlawful fire hazard shall ever be permitted to accumulate or remain at the Premises. The Premises shall be kept at all times in an orderly manner to the satisfaction of Permittor.

20) EARLY TERMINATION

Permittee shall have the right to terminate this Permit without any penalties, fee or liability by giving the Permittor not less than one hundred twenty (120) days written notice ("the Termination - Notice").

21) DAMAGE OR DESTRUCTION

If, during the term of this Permit, any improvements that are a part of the Premises are damaged from any cause, rendering the Premises totally or partially inaccessible or unusable, Permittor at its election, may either terminate this Permit or restore such improvements within a reasonable time and, if so restored, this Permit shall continue in full force and effect. If then existing laws do not permit restoration, either party may terminate this Permit immediately by giving notice to the other party.

In case of damage there shall be an abatement or reduction of rent, between the date of the damage and the date of completion of restoration, based on the extent to which the damage interferes with Permittee's use of the Premises. To the extent any damage to said improvements is due to the fault or neglect of Permittee, its agents, contractors, employees or invitees, there shall not be an abatement or reduction of rent to such extent. Additionally, Permittee shall be responsible for the cost of any required restoration or repairs of damages caused by the fault or neglect of Permittee, its agents, contractors, employees or invitees.

Permitter shall not be required to restore or replace any property installed in the Premises by Permittee. Permittee shall not be entitled to any compensation or damages from Permitter for loss of the use of the whole or any part of the Premises, Permittee's personal property, loss of revenue, or any inconvenience or annoyance occasioned by such damage or restoration.

22) SECURITY DEPOSIT

Not used.

23) SURRENDER OF PREMISES

At the expiration or earlier termination of this Permit, Permittee shall surrender to Permitter possession of the Premises. Permittee shall leave the surrendered Premises in substantially the same condition as when delivered to Permittee, except as may be specifically provided in accordance with Section 12, Section 13 and Section 27 of this Permit.

Prior to surrendering the Premises, Permittee and Permitter shall perform a site walk to identify any environmental or physical damage and to develop a plan for Permittee to restore the Premises at Permittee's sole cost and expense; including but not limited to, the removal of excess material and modification of the Premises to repair drainage issues caused by the Permittee's use of the Premises. All property that Permittee abandons on the Premises after termination, shall, at Permitter's election, become Permitter's property at the expiration or termination of this Permit.

24) ENTRY BY PERMITTOR

Permitter reserves and shall at any and all reasonable times have the right to enter the Premises, upon reasonable notice to Permittee, inspect the same, supply any services to be provided by Permitter to Permittee hereunder, if any; to show the Premises to prospective purchasers or permittees; to post notices of non-responsibility; and to alter, improve, repair or restore the Premises as Permitter may deem necessary or desirable, without abatement of rent. For each of the aforesaid purposes, Permitter shall at all times have and retain a key with which to unlock all of the gates in, upon and about the Premises, excluding Permittee's buildings and below ground structures, vaults, cabinets,

safes and files, and Permittor shall have the right to use any and all means which Permittor may deem proper to open said gates in an emergency, in order to obtain entry to the Premises without liability to except for any failure to exercise due care with respect to Permittee's property. Any entry to the Premises obtained by Permittor by any of said means, or otherwise shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into the Premises, or an eviction of Permittee from the Premises or any portion thereof.

25) RESERVATIONS

This Permit shall at all times be subject to such easements or rights-of-way for such sewers, pipe lines, conduits, and for such telephone, telegraph, light, heat or power lines, as shall have been duly established or as may from time to time be reasonably determined by Permittor.

This Permit is subsequent to and subject to all prior exceptions, reservations, grants, easements, permits or licenses of any kind whatsoever as the same appear on record in the office of the County Recorder, County of San Mateo, State of California, or in the official records of said County and of the various departments thereof. Permittee covenants not to disturb the quiet and peaceful enjoyment of any and all parties having any legal right, title, interest or privilege in and to the Premises and that the use of the Premises by Permittee shall at all times be conducted with proper regard for such rights, titles, interests and privileges.

26) CONSENT OF PARTIES

Whenever the consent, approval or permission of either party is required, that party shall not unreasonably delay or withhold such consent, approval or permission.

27) ALTERATIONS AND ADDITIONS

Other than as specified herein or in the North of Holly Easement, Permittee shall not make any alterations or additions to the Premises without Permittor's prior written consent. In making any alterations or additions, Permittee shall comply with the following:

- a) Permittee shall submit reasonably detailed final plans and specifications and working drawings of the proposed alterations and the name of its contractor before the date it intends to commence the alterations.
- b) The alterations shall not be commenced until Permittor has received notice from Permittee stating the date the installation of the alterations is to commence so that Permittor can post and record an appropriate notice of non-responsibility.
- c) The alterations shall be approved by Permittor and all appropriate government agencies, and all applicable permits and authorizations shall be obtained before commencement of the alterations.

- d) All alterations shall be completed with due diligence in compliance with the plans and specifications and working drawings and all applicable laws.

28) DEFAULT

a) Default by Permittee

The occurrence of any one or more of the following events shall constitute a material default and breach of this Permit by Permittee:

- (i) The vacating or abandonment of the Premises by Permittee. (Failure to use or occupy the Premises for fifteen (15) consecutive days shall be deemed a vacation or abandonment.)
- (ii) The failure by Permittee to make any payment of Fees, or any other payment required to be made by Permittee hereunder, as and when due, where such failure shall continue for a period of ten (10) days after notice thereof by Permittor to Permittee.
- (iii) The failure by Permittee to observe or perform any of the terms, covenants or conditions of this Permit to be observed or performed by Permittee, other than described in Sub-sections (A (i)) and (A (ii)) hereinabove, where such failure shall continue for a period of thirty (30) days after notice thereof by Permittor to Permittee; provided, however, that if the nature of Permittee's default and breach is such that more than thirty (30) days are reasonably required for its cure, then Permittee shall not be deemed to be in default and breach if Permittee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion within ninety (90) days.
- (ii) The making by Permittee of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Permittee of a petition to have Permittee adjudged a bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Permittee, the same is dismissed within sixty (60) days); or the appointment of a trustee or a receiver to take possession of substantially all of Permittee's personal property at the Premises or of Permittee's interest in this Permit, where possession is not restored to Permittee within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of a Permittee's personal property at the Premises or of Permittee's interest in this Permit, where such seizure is not discharged within thirty (30) days.

b) Permittor's Remedies

In the event of any such default and breach by Permittee described hereinabove, Permitter may at any time thereafter:

- (i) Terminate Permittee's right to possession and/or use of the Premises by any lawful means, in which case this Permit shall terminate and Permittee shall immediately surrender possession of the Premises to Permitter. In the event Permittee shall have abandoned the Premises, Permitter shall have the option to either (1) take possession of the Premises and recover from Permittee the amount specified in this Section, or (2) proceed under the provisions of the following Sub-section (ii).
- (ii) Maintain Permittee's right to possession, in which case this Permit shall continue in effect whether or not Permittee shall have abandoned the Premises. In such event Permitter shall be entitled to enforce all of Permitter's rights and remedies under this Permit, including the right to recover the rent as it becomes due hereunder.
- (iii) Pursue any other remedy now or hereafter available to Permitter under applicable laws and judicial decisions.

c) Default by Permitter

Permitter shall be in material default and breach of this Permit if it fails or refuses to perform any of the terms, covenants or conditions of this Permit that it is obligated to perform if the failure to perform is not cured within thirty (30) days after written notice of the default and breach has been given by Permittee to Permitter; provided, however, that if the default and breach of Permitter is such that more than thirty (30) days are reasonably required for its cure, then, Permitter shall not be deemed in default and breach if Permitter commences to cure the default within thirty (30) days after the written notice and thereafter diligently prosecutes such cure to completion within ninety (90) days.

d) Permittee's Remedies

In the event of any such material default and breach by Permitter described hereinabove, Permittee may at any time thereafter: (a) Terminate this Permit with a written notice to Permitter and vacate the Premises on the date of termination; and/or (b) Pursue any other remedy now or hereafter available to Permittee under the applicable laws and judicial decisions.

e) California Law Notice Requirements

The notice requirements set forth in this Section modifies and supersedes the notice requirements of the unlawful detainer statutes of California.

29) INDEMNIFICATION AND INSURANCE

a) Hold Harmless

Permittee shall at all times relieve, indemnify, protect and hold harmless Permittor, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of injuries to or death of any person, including Permittee, or damage to property of any kind whatsoever and to whomever belonging, that may in whole or in part arise from, or be caused by:

- (i) The operation, maintenance, use, or occupation of the Premises and defects on the property in which the Permittor has no control;
- (ii) The acts or omissions of Permittee, its officers, agents, employees, servants, invitees or permittees; or
- (iii) The failure of Permittee, its officers, agents, employees, servants, invitees or permittees, to observe or abide by any of the terms, covenants and conditions of this Permit or any applicable federal, state, county or municipal law, rule, or regulation.
- (iv) Any other loss or cost, including but not limited to, the concurrent active or passive negligence of County, its officers, agents, employees, or servants resulting from the performance of any work required of Permittee or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which the County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Permittee to relieve, indemnify, protect and hold harmless, as set forth hereinabove, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

b) Fire and Extended Coverage Insurance

Permittee at its cost shall maintain on the improvements or property that are a part of the Premises a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements, to the extent of at least the replacement value of the improvements or property, which are a part of the Premises. The insurance policy shall be issued in the names of Permittor and Permittee as their interests appear. The insurance policy shall provide that any proceeds shall be payable to Permittor.

Permittee shall secure, and shall maintain at all times during the term of this Permit, insurance against damage or destruction by fire, windstorm, riot or civil commotion on Permittee's improvements or property at the Premises, if any, in the full amount of their replacement value, with such provision in the policies issued to cover the same, or in riders attached thereto, as shall provide for payment for losses thereunder sustained by Permittee; the proceeds of said policies to be held in trust by any reputable bank or trust company. Permittor shall release its interest, if any, in all proceeds from the insurance policy for such payments.

c) Liability and Property Damage Insurance

Permittee at its cost shall maintain Comprehensive Liability insurance for the following coverages with the following limits insuring against all liability of Permittee and its authorized representatives arising out of and in connection with Permittee's use or occupancy of the Premises:

- (i) General Liability with a minimum limit of \$2,000,000 Combined Single Limit (CSL) each occurrence; and
- (ii) For Permittees who operate vehicles on the Premises, Commercial Automobile Liability for all Owned, Non-Owned and Hired automobiles with a minimum limit of \$1,000,000 each accident;
- (iii) All Comprehensive Liability insurance shall insure performance by Permittee of the Hold Harmless Sub-section of this Permit;
- (iv) Permittor shall be named as "additionally insured";
- (v) All required insurance shall contain a Separation of Insureds or Severability of Interests provision; and
- (vi) The policy shall not be cancelled or non-renewed unless the Permittor has received 30 days prior written notice. (Ten days prior notice in the event of cancellation for nonpayment of premium is acceptable). Written notice shall be sent to: County of San Mateo, Attn: Airport Manager, 620 Airport Drive, San Carlos, CA 94070.

d) Workers' Compensation and Employer's Liability Insurance

During the entire term of this Permit, Permittee shall have in effect Workers' Compensation coverage providing full statutory benefits and employer's liability in the minimum amount of \$1,000,000. In executing this Permit, Permittee makes the following certification:

I am aware of the provisions of Section 3700 of the California Labor Code, which require every employer (1) to be insured against liability for Workers' Compensation or (2) to undertake self-insurance in accordance with the provisions of the Code. I will comply with such provisions.

e) Miscellaneous Insurance Provisions

Permittee shall pay the premiums for maintaining the insurance required hereinabove. All the insurance required under this Permit shall:

- (i) Be issued by insurance companies authorized to do business in the State of California, with a financial rating of at least an AV status as rated in the most recent edition of Best's Insurance Reports. Coverage provided by State Fund Insurance shall satisfy this requirement.
- (ii) Be issued as a primary policy.
- (iii) Contain an endorsement requiring thirty (30) days' notice from the insurance company to both parties before cancellation or change in the coverage, scope, or amount of any policy.
- (iv) Permittor shall be named as "additionally insured" on each policy.

f) Certificate of Insurance

A certificate of insurance, together with evidence of payment of premium, shall be deposited with Permitter at the commencement of this Permit, and on renewal of the policy not less than twenty (20) days before expiration of each policy.

In the event Permittee fails to deliver the certificate of insurance verifying insurance coverage as required in this Section, Permitter shall have the option, after a ten (10) day notice to Permittee requesting a certificate, either (a) to terminate this Permit immediately thereafter with a notice to Permittee, or (b) to take out all or part of the required insurance and pay the premium thereon on behalf of Permittee. If Permitter opts to take out the insurance on behalf of Permittee, the cost of the premium paid by Permitter shall be deemed additional rent due and payable by Permittee with the next regular rent payment.

g) Increase in Coverage

Permitter reserves the right to require at any time that the required public liability and property damage insurance minimum coverage be increased in accordance with standard County of San Mateo Risk Management practice in effect at the time the increase is required. Permittee shall be given at thirty (30) days' notice of the required increase.

30) HAZARDOUS MATERIALS ACTIVITY

Permittee shall not cause or permit any hazardous material to be brought upon, kept, stored, staged, generated or disposed of in, on or about the Premises or the Property. Permittee shall give immediate written notice to Permitter of: (a) any action, proceeding or inquiry by any governmental authority (including, without limitation, the California State Department of Health Services, the State or any Regional Water Quality Control Board, San Mateo County Environmental Health, the Bay Area Air Quality Management district, California Coastal Commission, or any local governmental entity) against Permittee with respect to the presence or release or suspected presence or release of hazardous material on or about the Premises or the Property, or the migration thereof from or to other property at or neighboring the San Carlos Airport; (b) all demands or claims made or threatened by any third party against Permittee relating to any loss or injury resulting from any hazardous materials on or about the Premises or the Property; (c) any release of hazardous material on or about the Premises or the Property due to the rights granted herein that may require any investigation or remediation; and (d) all matters of which Permittee is required to give notice pursuant to Section 25359.7 of the California Health and Safety Code.

Nothing in the foregoing paragraph shall preclude Permittee from using materials necessary to perform the permitted uses of the Premises pursuant to section 12 hereof so long as any such hazardous materials are used, stored, and disposed of in strict accordance with any and all applicable law, including but not limited to, California Health and Safety Code, Chapters 6.5, Sections

25100-25249, California Code of Regulations Title 26 and Code of Federal Regulations Section 40 Parts 240-281, and any and all Storm Water Pollution Prevention Plans that apply to the Premises or the activities of Permittee on the Premises, as amended from time to time.

Permittee shall be responsible for all costs and efforts associated with investigating and remediating any environmental contamination whatsoever caused by Permittee on or about the Premises or Property. Permittee shall pay to the Permitter any required fees, as may be necessary, related to the investigation and remediation of any environmental contamination as contemplated under this Section. Permittee may not store, handle or generate hazardous materials/waste/underground tanks on the property unless Permittee has completed and filed a San Mateo County Hazardous Materials Release Response Plan and Inventory ("Business Plan") with the San Mateo County Environmental Health Department. Permittee shall be in default hereunder in the event of Permittee's failure to (1) file the Business Plan, (2) follow the Business Plan, and (3) comply with applicable State and Federal statutes regarding the handling of hazardous materials/waste/underground tanks. In addition, Permitter may exercise any rights applicable under State and Federal law, in regards to requiring Permittee to be responsible for disposal or removal of the hazardous materials/waste/underground tanks in a safe manner.

Hazardous material means any material that, because of its quantity, concentration, or physical or chemical characteristics, poses a significant present or potential hazard to human health and safety or to the environment if released into the work place or the environment. Hazardous materials include, but are not limited to, hazardous substances, hazardous waste, and any material which a handler or the administering agency has a reasonable basis for believing that it would be injurious to the health and safety of persons or harmful to the environment if released into the work place or the environment. Examples of such hazardous materials are, but are not limited to: waste oil, solvents, gasoline and compressed gases.

Subject to Section 24 herein, Permitter shall have the right to inspect the Premises to ensure Permittee's compliance, and charge inspection fees in accordance with applicable local, State and federal statutes.

If Permittee does not intend to and will not store, handle hazardous materials/underground tanks or general hazardous waste, then Permittee must complete and file a "Hazardous Materials Negative Response Form" to that effect the San Mateo County Environmental Health Department. If, at any time during the term of this Agreement, Permittee commences activity that would involve the handling, storage or generation of hazardous materials/waste/underground tanks, Permittee must follow the directives set forth above.

31) COMPLIANCE WITH AIRPORT RULES AND REGULATIONS AND FAA STANDARD PROVISIONS

Permittee agrees to comply with all San Mateo County Airport ordinances, rules and regulations, and at all times to cooperate with County in its operation and management of the San Carlos Airport. Permittee shall notify all users of its facilities of all applicable rules and regulations.

Permittee shall comply with the standard provisions for all leases of airport land promulgated by the Federal Aviation Administration (FAA), as set forth in the attached Exhibit B, and as those provisions may be revised from time to time.

32) NON-ABROGATION OF UNITED STATES GOVERNMENT RIGHTS

The provisions of this Agreement in no way abrogate any rights vested in the United States of America relative to the airport as such rights exist between the United States of America and the County of San Mateo.

33) HOLDING OVER

If Permittee holds over after the expiration or earlier termination of the term hereof without the express written consent of Permitter, Permittee shall become a permittee at sufferance only, at the monthly Fee rate of one hundred fifty per cent (150%) of the Fee in effect upon the date of such expiration and otherwise upon the terms, covenants and conditions herein specified, so far as applicable. Acceptance by Permitter of monthly payments after such expiration or earlier termination shall not constitute a holdover hereunder or result in a renewal. The foregoing provisions of this paragraph are in addition to and do not affect Permitter's right of re-entry or any other rights of Permitter hereunder or as otherwise provided by law.

34) ASSIGNMENT OF PERMIT

Permittee shall not, either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Permit or any interest therein, and shall not convey any right or privilege appurtenant to the Premises, or suffer any other person (the employees, agents, contractors, subcontractors, servants and invitees of Permittee excepted) to occupy or use the Premises, or any portion thereof, without the prior written consent of Permitter, which consent shall not be unreasonably withheld and a consent to one assignment, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, occupation or use by another person. Any such assignment, occupation or use without such consent shall be voidable, and shall, at the option of Permitter, constitute a default under this Permit.

If Permittee is a corporation, any dissolution, merger, consolidation, or other reorganization of Permittee, or the sale or other transfer of a controlling percentage of the capital stock of Permittee, or the sale of at least 51 percent of the value of the assets of Permittee, shall be deemed a voluntary assignment. The phrase "controlling percentage" means the ownership of, and

the right to vote, stock possessing at least 10% of the total combined voting power of all classes of Permittee's capital stock issued, outstanding, and entitled to vote for the election of directors. This paragraph shall not apply to corporations the stock of which is traded through an exchange or over the counter.

Permittee shall pay a fee of One Thousand Dollars (\$1,000.00) per transaction, for Permitter's review and processing of documents regarding any proposed assignment or sublease. Fee is due upon request for an assignment or sublease.

The sublease or assignment agreement, if any, as the case may be, after approval by Permitter, shall not be amended without Permitter's prior written consent, and shall contain a provision directing the assignee or subtenant to pay the rent and other sums due thereunder directly to Permitter upon receiving written notice from Permitter that Permittee is in default under this Permit with respect to the payment of Rent. A consent to subletting, assignment or other occupation or use shall in no way relieve Permittee of any liability or responsibility under this Permit.

35) SAN MATEO COUNTY SMOKING ORDINANCE

Permittee is aware that the County of San Mateo Ordinance Code, Chapter 4.96, prohibits smoking in all County facilities whether owned or leased. Permittee understands that said Ordinance authorizes County to enforce the provisions contained therein and Permittee agrees to enforce the provisions of said ordinance on the Premises.

36) LAWS, RULES, REGULATIONS AND PERMITS

Permittee shall construct any improvements, use, maintain and occupy the Premises in compliance with all applicable laws, rules, and regulations. These include, but are not limited to the Americans With Disabilities Act of 1990 and Title 24 of the California Code of Regulations and all other applicable federal, state, local and administrative laws, rules, regulations, orders and requirements intended to provide equal accessibility for persons with disabilities (collectively, "Disabilities Laws"), and any applicable City, County, State or federal ordinances, rules, policies, laws and regulations, including but not limited to the rules and regulations promulgated by the FAA, and any state land use requirements. Permittee is responsible for ascertaining the need for and obtaining all required permits, licenses, etc., for all of its activities on the Premises. The cost for all permits, licenses, etc., shall be borne solely by Permittee.

Permittee shall perform any activity authorized hereunder in compliance with the FAA's Airport Construction Standards and Airport Design and Engineering Standards in addition to the Airport's Land Use Compatibility Plan, as amended from time to time.

37) PERSONAL PROPERTY

Permittee's personal property shall include equipment, furniture, merchandise, and movable property placed in the Premises by Permittee, including trade fixtures. Trade fixtures include any property installed in or on the Premises by Permittee for purposes of trade, manufacture, ornament, or related use.

38) NOTICES

Any notice, demand, request, consent, approval, waiver, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid mail, and if given by mail shall be deemed sufficiently given when sent by registered or certified mail. Any notice, demand, request, consent, approval, waiver, or communication that either party desires or is required to give by mail to the other party shall be addressed to the other party at the address set forth in Section 1 (Basic Permit Information) of this Permit. Either party may change its address by notifying the other party in writing pursuant to this Section 38 of the change of address. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this Section.

39) LIENS

Permittee shall keep the Premises, free from any liens, including liens arising out of the work performed, materials furnished or obligations incurred by Permittee.

40) PAYMENT OF PERCENTAGE SHARE OF OPERATING EXPENSES

Not used.

41) GENERAL PROVISIONS.

a) Compliance with Law

Permittee shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Permittee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and with the requirements of any board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Premises. The judgment of any court of competent jurisdiction or the admission of Permittee in any action against Permittee, whether Permitter be a party thereto or not, that Permittee has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between Permitter and Permittee.

b) Authority of Parties

- (i) Each individual executing this Permit on behalf of a party represents and warrants that he or she is duly authorized to execute and deliver this Permit on behalf of said entity and that this Permit is binding upon the entity in accordance with its terms.
- (ii) The County Manager, or the designee of the County Manager, shall be the only authorized agent of the County of San Mateo for purposes of giving any notices or exercising any rights, options, privileges or obligations of the County of San Mateo under this Permit. This Permit shall not be valid unless executed by the President of the Board of Supervisors of the County of San Mateo pursuant to a Resolution adopted in accordance with the California Government Code.

c) Other Terms

Clauses, plats, exhibits and riders, if any, initialed and dated by Permitter and Permittee and endorsed on or affixed to this Permit are a part hereof and incorporated herein by reference.

d) Waiver

The waiver by either party of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of Fees hereunder by Permitter shall not be deemed to be a waiver of any preceding breach by Permittee of any term, covenant or condition of this Permit, other than the failure of the Permittee to pay the particular Fees so accepted, regardless of Permitter's knowledge of such preceding breach at the time of the acceptance of such rent.

e) Joint Obligation

"Party" shall mean Permitter or Permittee; and if there be more than one Permittee or Permitter, the obligations hereunder imposed upon Permittees or Permitters shall be joint and several.

f) Time

Time is of the essence of this Permit and each and all of its provisions in which performance is a factor.

g) Successors and Assigns

The terms, covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

h) Recordation

Neither Permittor nor Permittee shall record this Permit.

i) Quiet Possession

Upon Permittee paying the Fees and other charges reserved hereunder and observing and performing all of the terms, covenants and conditions on Permittee's part to be observed and performed hereunder, Permittee shall have quiet possession of the Premises for the entire term hereof, subject to all the provisions of this Permit.

j) Prior Agreements

Except as may be set forth in the North of Holly Easement, this Permit contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Permit, and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provision of this Permit may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. This Permit shall not be effective or binding on any party until fully executed by both parties hereto.

k) Inability to Perform

This Permit and the obligations of Permittee hereunder shall not be affected or impaired because Permittor is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, or any other cause beyond the reasonable control of Permittor.

l) Negation of Partnership

Permittor shall not become or be deemed a partner or a joint venturer with Permittee by reasons of the provisions of this Permit. Nor shall Permittor be responsible or liable in any way in connection with the Project.

m) Sale or Transfer of Premises

In the event of any sale or transfer of the Premises by Permittor, Permittor shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Permit arising out of any act, occurrence or omission occurring after the consummation of such sale or transfer; and the purchaser or transferee, at such sale or transfer or any subsequent sale or transfer of the Premises shall be deemed, without any further agreement between the parties or their successors in interest or between the parties or their successors in interest or between the parties and any such purchaser or transferee, to have assumed and agreed to carry out any and all of the covenants and

obligations and agreed to carry out any and all of the covenants and obligations of Permitter under this permit.

n) Name

Permittee shall not use the name of the Premises or of the development, building or facility in which the Premises may be situated for any purpose other than as an address of the business to be conducted by Permittee in the Premises.

o) Cumulative Remedies

No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

p) Signs and Auctions

Other than required and appropriate signs for an active construction and staging site, Permittee shall not place any sign upon the Premises or conduct any auction thereon without Permitter's prior written consent.

q) Provisions, Covenants and Conditions

All provisions herein, whether covenants or conditions, on the part of either party shall be deemed to be both covenants and conditions.

r) Captions, Table of Contents

The captions and the Table of Contents of this Permit (if any) shall have no effect on the interpretation of this Permit.

s) Payments in U.S. Money

Fees and all sums payable under this Permit must be paid in lawful money of the United States of America.

t) Singular and Plural

When required by the context of this Permit, the singular shall include the plural.

u) Choice of Law

This Permit shall be construed, interpreted and governed in accordance with the laws of the State of California.

v) Brokers

Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any

licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the permit contemplated herein except as identified in the Basic Permit Information, whose commission, if any is due, shall be paid pursuant to a separate written agreement between such broker and the party through which such broker contracted. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes a claim shall be responsible for such commission or fee and shall Indemnify the other party from any and all Claims incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this Permit.

w) Severability

If any provision of this Permit or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Permit, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Permit shall be valid and be enforceable to the fullest extent permitted by law.

x) Venue

The Venue for any court action to interpret or enforce this agreement or to litigate any claim arising out of this agreement shall be had in California State Superior Court of the County of San Mateo.

IN WITNESS WHEREOF, Permitter and Permittee have executed this Permit as of the date and year first above written.

PERMITTEE:

**SILICION VALLEY CLEAN
WATER**

By _____

Manager, SVCW

PERMITTOR:

**COUNTY OF SAN MATEO, a
Political Subdivision of the
State of California**

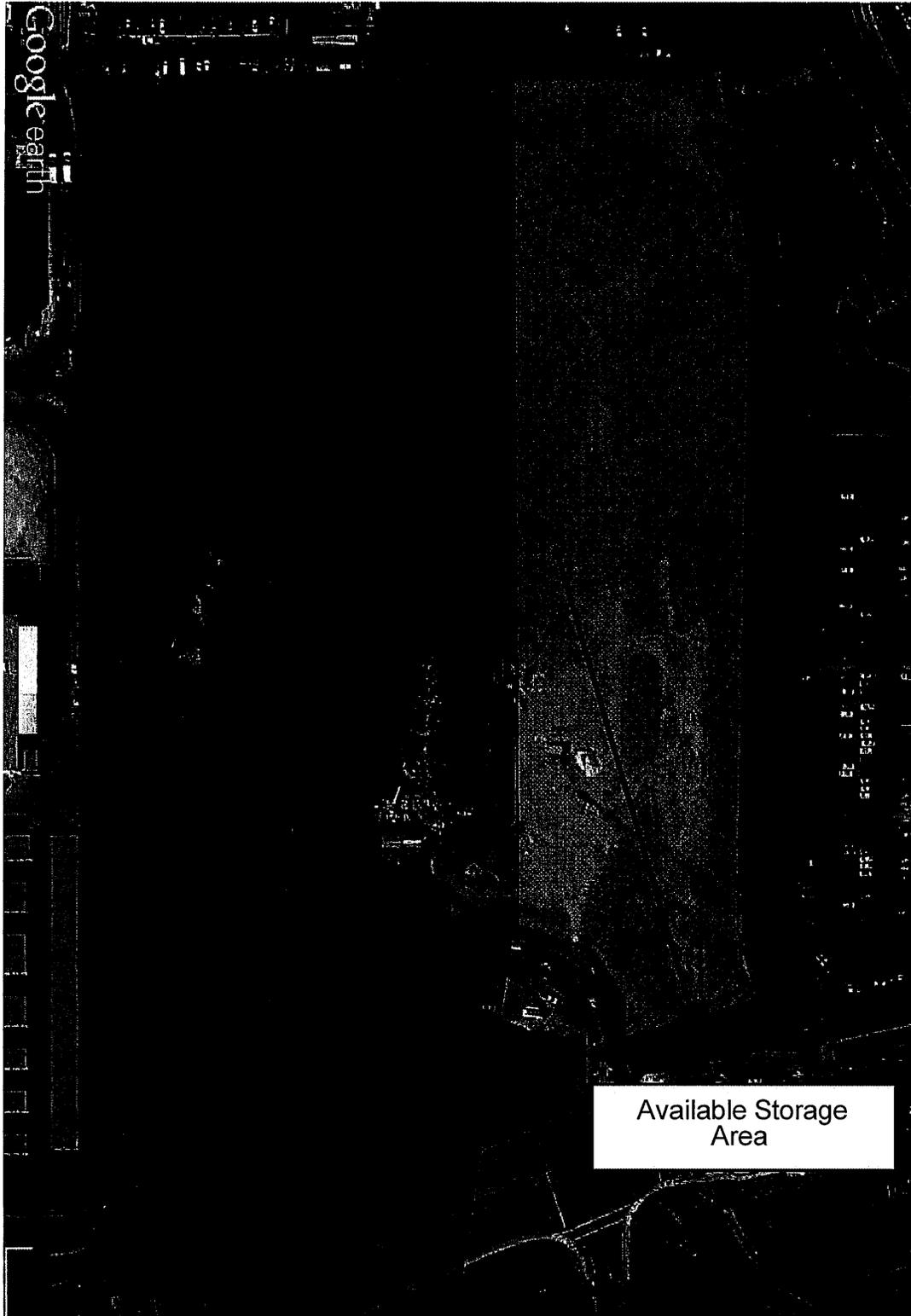
By _____

President, Board of
Supervisors

Resolution No. _____

Attest: _____

EXHIBIT A
**PROPERTY MAP/
SITE PLAN OF PREMISES**



Available Storage
Area

 Premises  Airport Runway Protection Zone

EXHIBIT B
STANDARD PROVISIONS FOR ALL LEASES,
USE, AND OTHER AGREEMENTS AND PERMITS
SAN MATEO COUNTY AIRPORTS

1. Tenant, which for purposes of this Exhibit B may include Permittees or Licensees, for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree "as a covenant running with the land" that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease, agreement or permit for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
2. Tenant for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, sex, sexual orientation, color, national origin, religion, age or disability shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under the lands and furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that Tenant shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, CFR, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
3. In the event of breach of any of the above nondiscrimination covenants, Permitter may terminate the lease, agreement or permit and re-enter and repossess the land and the facilities thereon and hold them as if the lease, agreement or permit had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed, including expiration of appeal rights.
4. Tenant shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users and shall charge fair, reasonable and not

unjustly discriminatory prices for each unit or service; provided that Tenant may make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

5. Non-compliance with Provision 4 above shall constitute a material breach of the lease, agreement or permit. In the event of such non-compliance, Permitter may terminate this lease, agreement or permit and the estate hereby created without liability thereof; or, at the election of Permitter or the United States either or both of these governments may judicially enforce the provision.
6. Permitter may further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of Tenant and without interference or hindrance.
7. Permitter may, but shall not be obligated to Tenant to, maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport. Permitter also may direct and control the activities of Tenant in this regard.
8. The lease, agreement or permit shall be subordinate to the provisions and requirements of any existing or future agreement between County and the United States relative to the development, operation or maintenance of the airport.
9. There is hereby reserved to Permitter, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises covered by the lease, agreement or permit. This public right of flight shall include the right to cause in this airspace any noise inherent in the operation of any aircraft used for navigation of flight through the airspace or to land at, take off from or operate on the San Carlos or Half Moon Bay Airport, as the case may be.
10. Tenant shall comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations if future construction of a building is planned for the premises covered by the lease, agreement or permit or in the event of any planned modification or alteration of any present or future building or structure on the premises.
11. Tenant, by accepting this lease, agreement or permit, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on any land leased that would be in conflict with the provisions of Part 77 of the Federal Aviation regulations. If these covenants are breached, County may enter upon the land and remove the offending structure or object and cut the offending tree, all of which shall be at Tenant's expense.
12. Tenant, by accepting this lease, agreement or permit, agrees for itself, its

successors and assigns that it will not make use of the premises covered by the lease, agreement or permit in any manner which might interfere with the landing and taking off of aircraft from the airport or otherwise constitute a hazard. If this covenant is breached, County may enter upon the premises and cause the abatement of such interference at Tenant's expense.

13. Nothing contained in the lease, agreement or permit shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958 (49 U.S.C. 1349A).
14. The lease, agreement or permit and all its provisions shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the airport or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency.
15. Tenant will conduct its programs and operate its facilities in accordance with the requirements of the Americans with Disabilities Act of 1992 and will assure that no qualified disabled person shall, solely by reason of his or her disability be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination, including discrimination in employment. Tenant will conduct its programs and operate its facilities in compliance with all the requirements imposed by or pursuant to **49 CFR Part 27**.
16. Tenant shall insert the above provisions in any lease, agreement, contract, permit, etc., by which it grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the premises covered by the lease, agreement or permit, including any subleases, and hereby assures that the above provisions will be included in any agreement, contract, permit or further sub-lease granted or entered into by any sub-lessee of the Tenant.

EXHIBIT C
SPECIAL REQUIREMENTS/CONDITIONS
TO AIRPORTS LEASE AGREEMENT WITH
SILICON VALLEY CLEAN WATER, INC.

In the event of any conflict between any provision of the Permit and this Exhibit C, the Permit provision shall prevail.

1. SAFETY

Safety shall be paramount at all times. Permittee shall ensure that its agents, employees and customers safely coordinate all movements and activities on the Property to the satisfaction of the County. Permittee shall ensure that its operations and activities comply with local, state and federal requirements and are in accordance with safe and acceptable practices and procedures as determined in the County's reasonable judgment.

2. LICENSES AND CERTIFICATIONS

Permittee shall obtain all required licenses, certifications, permits, approvals and authorizations from all appropriate agencies for work performed and activities conducted under this Agreement.

3. TRAINING

Permittee shall properly educate and train all agents, employees and customers regarding airport safety and operating procedures prior to allowing access onto the airfield.

4. PARKING

Permittee shall ensure that its vehicles and those of its agents and customers are parked on the Premises or in areas and locations as approved by the County and are in compliance with Airport Parking Policies.

Camper trucks, trailers and/or other temporary living facilities may not be parked overnight in any area of the Airports without written authorization from the County. No overnight camping is permitted.

5. STORAGE OF EQUIPMENT, VEHICLES AND MATERIALS

Unless otherwise authorized herein, Permittee shall not store equipment, vehicles, boats, materials, pallets, boxes, etc. on the airport other than on the Premises or as approved by the County.

6. REPAIRS

Permittee shall protect all property located on the Premises or on the Airport from Permittee's operations and shall repair, at its own expense, any and all damage to the Property of the County or to the Property of others on the Airport, to the extent such damage has been caused by Permittee, its agents or customers.

7. STORMWATER COMPLIANCE

The County has obtained a National Pollutant Discharge Elimination System ("NPDES") Permit from the Regional Water Quality Control Board, San Francisco Bay Region ("RWQCB"), regarding stormwater discharge from the Airport, which includes stormwater discharge and runoff from the Airport. Without limitation of any other obligation of Permittee hereunder, Permittee shall comply with all laws, rules, regulations, requirements, administrative orders and/or programs imposed upon Permittee or County by the RWQCB or any other governmental entity, regarding runoff and stormwater discharge on the Airport. Permittee shall pay any cost that County incurs to take any compliance action on the Airport as a result of Permittee's failure to comply with such laws, regulations, requirements, administrative orders and/or programs. Permittee shall also pay, to the extent caused by Permittee's business on the Airport, County's costs to take any compliance action imposed upon County by the RWQCB or any other governmental entity.

Nothing in this section shall be interpreted as a waiver of any NPDES permits required by the RWQCB for activities not covered by the County's permit.

8. DISCHARGE OF CONTAMINANTS

Permittee, its agents and customers shall at no time discharge any hazardous material or substance onto the Airport. Waste oil and other contaminants shall be properly disposed of and at no time shall the Permittee use the waste oil tanks the County has provided for the non-commercial use of airport tenants.

9. SECURITY/ACCESS

Airport security shall be maintained at all times. Permittee shall take all reasonable steps to restrict unauthorized access onto airport property. All access and security procedures shall be coordinated with and approved by the County. Permittee shall ensure that all gates it uses remain closed and locked at all times and that any mechanical problems with the gates are promptly reported to the County. Access codes shall only be provided with discretion to persons wishing to enter airport property. First-time visitors should be directed to the airport office for instructions and to receive access codes. Permittee shall monitor and report any misuse of airport security codes immediately.

Permittee shall, at its own cost and expense, install temporary fencing and/or gates as may be required by the County to safely secure the Premises and prevent unauthorized or inadvertent access by its agents and customers on to the Airport taxiways or runway.

10. SIGNAGE

No permanent banners or signs of any kind may be installed or displayed on the airport without the written approval of the County. All approved signage shall comply with applicable Local and County requirements. Signs and banners installed without the written approval of the County will be removed and disposed of at Permittee’s sole cost and expense.

11. HOUSEKEEPING

Permittee shall collect and remove from the airport all debris, trash, garbage, or other rubbish generated by Permittee, its agents or customers who may be on the Airport for any purpose connected with the Permittee’s operation.

Permittee shall regularly dispose of pallets, crates and other shipping supplies at its facility. Permittee shall not dump waste or refuse on airport property or in facilities leased by another Permittee or vendor.

12. TRASH AND RECYCLING REMOVAL

Permittee shall dispose of all trash and recyclable materials in Permittee’s own receptacles. To the extent possible, Permittee shall not dispose of recyclable materials in dumpsters or other trash receptacles.

Dumpsters and other trash and recycling receptacles may not block or obstruct in any way roads, hangars or taxiways.

13. OPERATIONS

All operations shall be subject to approval by Permittor. Permittee shall not block or obstruct taxiways, roads or access routes at any time and shall take all reasonable steps to ensure that its operations and activities create minimal impact and inconvenience to the airport, airport users and the surrounding community. At County’s sole discretion, Permittee may be required to implement measures such as limiting the hours of operation, reducing excessive noise, implementation of a dust control program, etc., as necessary.

Permittee shall limit lighting on the Premises to lighting that illuminates only the Premises and does not interfere with aircraft, vehicles on adjacent roadways, etc.

Permittee shall operate in such a manner so as to the greatest extent possible; minimize dust particles generated on the Premises by the Permittee’s operations.

Permittee shall provide sufficient toilet and sanitary facilities for its agents and customers on the Premises.

Initials _____

COUNTY OF SAN MATEO

PERMIT

(No. _____)

SILICON VALLEY CLEAN WATER

San Carlos Airport
San Carlos, California

PERMITTEE: SVCW

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EXHIBIT A - SITE PLAN OF PREMISES
EXHIBIT B - STANDARD PROVISIONS
EXHIBIT C - SPECIAL REQUIREMENTS/CONDITIONS

Permit (No. _____)
San Carlos Airport
San Carlos, California
SILICON VALLEY CLEAN WATER, INC.

This is intended to be a legally binding contract
Read it carefully and consult an attorney.

1) BASIC PERMIT INFORMATION

The following is a summary of basic permit information (the “Basic Permit Information”). Each item below shall be deemed to incorporate all of the terms in this Permit pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this Permit, the more specific provision shall control.

Permit Reference Date:	July 1, 2019
Permitter:	County of San Mateo
Permittee:	Silicon Valley Clean Water (and permitted successors and assigns)
Property (Section 4):	San Carlos Airport, San Carlos, California 94070
Premises (Section 4):	Use of the surface and subsurface portions of Inner Bair Island (APN 095-030-230) as necessary to support the Permittee’s Project and the activities permitted pursuant to the Bair Island Easement. Non-exclusive use of the Property’s common areas and parking facilities, subject to the provisions of Exhibit C, Special Requirements/Conditions.
Term (Section 5):	Commencement Date: July 1, 2019 Expiration Date: June 30, 2020 Permittee shall have four (4) automatic renewal options for four separate additional one (1)

year periods under the terms and conditions stated in this Permit.

Base Permit Fee (Section 6): \$????????? per year

Fee Adjustment Dates (Section 8): Not used

Processing Fee (Section 6): Not Used

Use (Section 12): Use of the surface and subsurface property as necessary to properly support the Permittee's RESCU Program Gravity Pipeline Project and the activities permitted pursuant to the Bair Island Easement.

Permittee Improvements (Section 13): Permittee shall be permitted to level and gravel the Premises and make other improvements as provided for in this Permit.

Utilities (Section 15): None.

Janitorial Services (Section 16): Not Used

Security Deposit (Section 23): None

Notice Address of County (Section 38): County Manager's Office
Attn: Real Property Services Manager
555 County Center, 4th Floor
Redwood City, California 94063
Telephone: (650) 363 -4047
Fax No.: (650) 363-4832

with a copy to: County of San Mateo
Department of Public Works
Airports Division
Attn: Gretchen Kelly
620 Airport Drive
San Carlos, California 94070
Fax No.: (650) 593-3762

and to: Office of County Counsel
400 County Center, 6th Floor
Redwood City, California 94063
Fax No.: (650) 363-4034

Key Contact for County: Gretchen Kelly, Airport Manager
Phone: (650) 573-3700
Fax: (650) 593-3762

Alternate Contact for County: Airport Business Manager
Phone: (650) 573-3700
Fax: (650) 593-3762

Address for Permittee (Section 38): Silicon Valley Clean Water
1400 Radio Road
Redwood City, CA 94065-1220

Key Contact for Permittee: Kim Hackett
Silicon Valley Clean Water
Phone: 650-832-6217

Brokers (Section 44 (V)): N/A

2) PARTIES

This Permit (the "Permit") dated, for reference purposes only, the 1st day of July, 2019, is made by and between the COUNTY OF SAN MATEO, a political subdivision of the State of California ("Permitter" or "County") whose address for these purposes is:

Real property Division, County Manager's Office
555 County Center, 4th Floor
Redwood City, California 94063

and Silicon Valley Clean Water ("Permittee") whose address is:

1400 Radio Road
Redwood City, California 94065-1220

3) TERMS, COVENANTS AND CONDITIONS

This Permit is subject to the terms, covenants and conditions herein set forth. Each party covenants, as a material part of the consideration for this Permit, to keep and perform each and all of said terms, covenants and conditions that are

to be performed, and that this Permit is made upon the condition of said performance.

4) PREMISES

Permitter is the owner of that certain parcel of real property commonly known as the San Carlos Airport, San Carlos, California (the "Property").

In connection with Easement rights granted to Permittee by Permitter pursuant to a separate Public Utility Easement Deed for Inner Bair Island (APN 095-030-230) as approved by Permitter's Board of Supervisors on January 29, 2019 (the "Bair Island Easement"), Permittee is hereby granted, subject to the terms and conditions specified in this Permit, non-exclusive permission to use and occupy the portions of the Property associated with the Bair Island Easement as more particularly described in the Bair Island Easement (the "Easement Premises"), as well as other portions of the Property as described in this Permit (together referred to herein as the "Permit Premises" or the "Premises"). The Permit Premises that is in addition to the Easement Premises is as more particularly described in Exhibit A hereto, which Exhibit is also known as drawing G-1 dated 10-26-18 of Permittee's Site Improvement Plans for the Project (as the Project is defined in Section 12 below). The boundaries of the outer fence as depicted in Exhibit A are agreed and acknowledged to be the boundaries of that fence as it was in place as of August 15, 2019.

5) TERM

The term of this Permit shall commence on July 1, 2019 and shall expire on June 30, 2020 ("Initial Term"). Permittee shall have four (4) automatic renewal options for four (4) separate additional one (1) year periods as set forth in Section 7 of this Permit (Extension Option), to extend the term of this Permit beyond the Initial Term under the same terms and conditions as described in this Permit.

6) FEES

a) Base Permit Fee

The parties have agreed that the fair market value of the rights granted pursuant to this Permit is \$???????? per year for each year of the Permit. Accordingly, upon execution of this Permit, and on or before each July 1 thereafter during the term of this Permit, Permittee agrees to pay to Permitter, without prior notice or demand, for the use of the Permit Premises the sum of \$???????? ("Permit Fee").

The Permit Fee and any other amounts due hereunder are sometimes collectively referred to herein as "Fees" or "rent".

b) Concession Fee

Not used.

c) Utility Charge

Not used.

d) Processing Fee

Not used.

e) Payment of Fees

Fees shall be paid to Permittor at:

County of San Mateo
Airports Division
Attn: Accounts Receivable (Ref #5384)
620 Airport Way – Ste. 10
San Carlos, CA 94070

or to such other person or at such other place as Permittor may from time to time designate in writing.

Permittor shall not be required to invoice Permittee for payment of fees due hereunder. Permittee shall be responsible for payment of all fees due without prior notice or demand. Any amount due which is not paid shall be subject to late fees as set forth in Section 6f (Interest on Late Payment) and Section 11 (Late Charges and Returned Check Charge).

f) Interest on Late Payment

Any Fees, if not paid within five calendar (5) days following the due date, shall bear interest from the due date until paid at the rate of ten percent (10%) per year or, if a higher rate is legally permissible, at the highest rate an individual is permitted to charge under law (the "Interest Rate"). However, interest shall not be payable on late charges incurred by Permittee as set forth in Section 11 (Late Charges And Returned Check Charge) hereof, nor on any amounts on which late charges are paid by Permittee to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Permittee.

7) EXTENSION OPTION

This Permit shall be automatically renewed (the "Extension Option") for each of four (4) additional one (1) year periods (each, an "Extended Term") unless Permittee terminates the Permit in accordance with the terms of section 20 herein. Each Extended Term shall be subject to cancellation or termination in accordance with all the terms and conditions contained in this Permit.

8) FEE ADJUSTMENTS

Not Used.

9) GROSS REVENUES

Not used.

10) ACCOUNTS AND RECORDS

Not used.

11) LATE CHARGES AND RETURNED CHECK CHARGE

Permittee hereby acknowledges that late payment by Permittee to Permitter of rent or other sums due hereunder will cause Permitter to incur costs not contemplated by this Permit, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, administrative processing of delinquent notices and accounting charges. Accordingly, if any installment of rent or of a sum due from Permittee is not received by Permitter within ten calendar (10) days after said amount is due, that payment shall be delinquent and Permittee shall pay to Permitter, in addition to interest as set forth in Section 6 hereof, a late charge equal to six percent (6%) of the total balance due at that time or Fifty Dollars (\$50.00), whichever is greater. A late charge shall be applied for each month a payment is delinquent. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Permitter will incur by reason of the late payment by Permittee. Acceptance of late charges by Permitter shall in no event constitute a waiver of Permittee's default with respect to such overdue amount, nor prevent Permitter from exercising any of the other rights and remedies granted hereunder.

Permittee agrees to pay Permitter a special handling charge of Fifty Dollars (\$50.00) for any check dishonored by the bank for any reason. This charge shall be added to and become part of Permittee's obligations hereunder, and shall be in addition to any charge for late payment provided for herein. Permittee agrees to pay Permitter immediately upon request any and all charges for dishonored checks.

12) USE

Permittee shall use the Permit Premises as is necessary to properly support and monitor the tunnel being constructed using an Earth Pressure Balance Tunnel Boring Machine (the "TBM") and to properly construct the TBM Retrieval shaft using steel sheet pile wall support of excavation and reinforced concrete base slab, all in conjunction with the Bair Island Easement and part of Permittee's RESCU Program Gravity Pipeline Project (the "Project").

Permittee may install and construct temporary site improvements including perimeter fencing, gate, cement/lime treated soil, aggregate base, concrete equipment pads, paving, utilities and stormwater improvements.

Except as allowed pursuant to the Bair Island Easement, all improvements and personal property installed or constructed pursuant to this Permit are to be removed upon completion of the Project unless specifically authorized in writing by Permitter (in this Permit or elsewhere) to remain.

It is understood that consistent with the Bair Island Easement, Permittee desires to leave in place portions of the launch shaft; access and air inlet structures; a vortex drop structure; instrumentation for monitoring flows; vortex generator; and a fence with gates to surround the aforementioned improvements. Permitter will allow such improvements to remain only to the extent that such improvements do not negatively impact Permitter's use or access to its Property and do not negatively impact its San Carlos Airport operations. Permitter shall determine whether or not leaving any particular improvement in place will have such a negative impact and may refuse to allow such improvement to remain or may impose restrictions or limitations on the extent or location of the improvement in order for it to remain.

Permittee shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which will in any way negatively impact airport operations or increase the existing rate of or affect any fire or other insurance upon the Premises or any of its contents, or cause cancellation of any insurance policy covering the Premises or any part thereof or any of its contents. The foregoing includes prohibiting Permittee from using, installing or maintaining improvements, equipment or cranes that in any way negatively impact airport operations. Permittee shall not use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Permittee cause, maintain or permit any nuisance in, on or about the Premises. Permittee shall not commit or suffer to be committed any waste in or upon the Premises.

Permittee shall not use or permit the Premises to be used for any purpose or use other than as described herein without the prior written consent of County.

Permittee's use and occupation of the Premises is subject to the terms and conditions specified in Exhibit B (Standard Provisions for All Leases, Use and Other Agreements and Permits) and Exhibit C (Special Requirements/Conditions) attached hereto.

a) Operations

Notwithstanding any other permission granted in this Permit, Permittee shall not do anything in, on, under, or about the Premises or the Property that could cause damage to or interference with County's operation of the San Carlos Airport or any facilities, improvements, or other property located in, on, under, or about the Property. Permittee agrees, understands and acknowledges that, even if the FAA approves of Permittee's activity, if Permittor determines that the activity interferes with the operation of the San Carlos Airport (including without limitation, the runways and/or taxiways associated with said airport), then Permittee shall not undertake such activity without the prior written consent of Permittor, which consent may withheld or be subject to conditions specified by Permittor. Permittee shall take reasonable measures to minimize noise, dust, debris and other impacts to the Property, its users and neighbors. Permittor shall have the right, throughout the Term, to review Permittee's operations and require reasonable modifications as necessary to meet the requirements of this section.

b) Safety

Safety shall be paramount at all times. Permittee shall ensure that its operations, activities, use of the Premises and those activities of its agents and employees, comply with any and all applicable local, state and federal requirements and are in accordance with safe and acceptable practices and procedures that are subject to the reasonable approval of the Permittor. Permittee may have security personnel on the Premises at all times throughout the Term to ensure the safety and security of the Premises. There shall be no overnight habitation of the Premises, though such prohibition shall not preclude 24-hour presence of security personnel on the Premises.

c) Premises Condition

PERMITTEE ACKNOWLEDGES AND AGREES THAT THE PREMISES ARE ACCEPTED IN THEIR "AS IS" CONDITION, WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, AND SUBJECT TO ALL APPLICABLE LAWS, RULES AND ORDINANCES GOVERNING THEIR USE, OCCUPANCY AND POSSESSION. PERMITTEE REPRESENTS AND WARRANTS TO PERMITTOR THAT PERMITTEE HAS INVESTIGATED AND INSPECTED, EITHER INDEPENDENTLY OR THROUGH AGENTS OF PERMITTEE'S OWN CHOOSING, THE CONDITION OF THE PREMISES AND THE SUITABILITY OF THE PREMISES FOR PERMITTEE'S INTENDED USE. PERMITTEE HAS DETERMINED, BASED SOLELY ON ITS OWN INVESTIGATION, THAT THE PREMISES ARE SUITABLE FOR PERMITTEE'S BUSINESS AND INTENDED USE. PERMITTEE ACKNOWLEDGES AND AGREES THAT

NEITHER PERMITTOR NOR ANY OF ITS AGENTS HAVE MADE, AND PERMITTOR HEREBY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE RENTABLE AREA OF THE PREMISES, THE PHYSICAL OR ENVIRONMENTAL CONDITION OF THE PREMISES OR THE PROPERTY, THE PRESENT OR FUTURE SUITABILITY OF THE PREMISES FOR PERMITTEE'S BUSINESS, OR ANY OTHER MATTER WHATSOEVER RELATING TO THE PREMISES, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

13) PERMITTEE IMPROVEMENTS

Permittee may not scrape or dispose of vegetation or debris within the Premises during the Term hereof without first obtaining the written permission of Permittor. Any such work shall be coordinated with Permittor and shall be done in a manner that ensures proper drainage and dust control measures are maintained at all times. Permittee shall be responsible for any and all permits or approvals associated with this activity and comply with all applicable laws, rules and regulations. Except as set forth in this Permit or the Bair Island Easement, Permittee shall not make any other improvements or modifications to the Property or Premises without the prior written consent of Permittor, which consent shall not be unreasonably withheld.

14) MOTOR VEHICLES/PARKING

Permittee shall ensure that its vehicles and those of its agents and customers are parked on the Premises or in areas and locations as approved by the Permittor. Permittee shall have the non-exclusive use of the general parking areas of the Property for the reasonable use of its employees, invitees, and other guests. All such parking shall be subject to the limitation, rules and regulations established from time to time by Permittor. No vehicle offered for sale by Permittee shall be parked or stored in the general parking areas of the Property.

Camper trucks, trailers and/or other temporary living facilities may not be parked overnight in any area of the Property without written authorization from the Permittor. No overnight camping is permitted.

15) UTILITIES

During the term of this Permit, Permittee shall be responsible for providing, at its own expense, all utilities and services, including, but not limited to electricity, water, sewer, gas, trash and waste disposal, required for the Premises and any improvements, alterations or additions thereon.

16) JANITORIAL SERVICES

Not used.

17) ASSESSMENTS/TAXES

Permittee shall pay all federal, state and local taxes that are levied or required with respect to its employees, such as, but not limited to, social security and workers' compensation. As between Permittee and Permitter, Permittee shall be responsible for the payment of all sales or excise taxes on its operation. Permittee shall also be liable for any special assessments levied against the property due to Permittee's use of the Premises. Permittee reserves the right to challenge any tax and special assessments.

Permittee shall pay, or cause to be paid, before delinquency, any and all taxes and assessments levied against Permittee's personal property in the Premises.

18) POSSESSORY INTEREST TAX

Permittee recognizes and understands in executing this Permit that its interest in the Premises created herein may be subject to a "possessory interest tax" that the County Assessor may impose on such interest, and any such tax would be the liability of and be paid solely by Permittee in addition to Fees and other charges due hereunder. Permittee agrees to pay promptly when due, any possessory interest tax imposed on its interest in the Premises.

19) MAINTENANCE AND REPAIRS

Throughout the term of this Permit, Permittee shall, at Permittee's sole expense, maintain the Premises and any improvements within the Premises or related to the Permittee's operation, equipment and other personal property thereon, in good sanitary order, condition and repair in accordance with all applicable laws, rules, ordinances, orders and regulations of (1) federal, state, county, municipal or other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials; (2) the insurance underwriting board or insurance inspection bureau having or claiming jurisdiction; and (3) all insurance companies insuring all or any part of the Premises, or improvements, equipment, and other personal property at the Premises. All repairs and maintenance shall be the sole duty of the Permittee and at the Permittee's sole expense.

Permittee shall protect the Premises and the Property from damage caused by Permittee's operations and shall repair at its own expense any and all damage to the Property and Premises, to the extent such damage has been caused by Permittee, its agents, employees or contractors.

Neither offensive or refuse matter, nor any substance constituting an unnecessary, unreasonable or unlawful fire hazard shall ever be permitted to accumulate or remain at the Premises. The Premises shall be kept at all times in an orderly manner to the satisfaction of Permitter.

20) EARLY TERMINATION

Permittee shall have the right to terminate this Permit without any penalties, fee or liability by giving the Permitter not less than one hundred twenty (120) days written notice (“the Termination - Notice”).

21) DAMAGE OR DESTRUCTION

If, during the term of this Permit, any improvements that are a part of the Premises are damaged from any cause, rendering the Premises totally or partially inaccessible or unusable, Permitter at its election, may either terminate this Permit or restore such improvements within a reasonable time and, if so restored, this Permit shall continue in full force and effect. If then existing laws do not permit restoration, either party may terminate this Permit immediately by giving notice to the other party.

In case of damage there shall be an abatement or reduction of rent, between the date of the damage and the date of completion of restoration, based on the extent to which the damage interferes with Permittee's use of the Premises. To the extent any damage to said improvements is due to the fault or neglect of Permittee, its agents, contractors, employees or invitees, there shall not be an abatement or reduction of rent to such extent. Additionally, Permittee shall be responsible for the cost of any required restoration or repairs of damages caused by the fault or neglect of Permittee, its agents, contractors, employees or invitees.

Permitter shall not be required to restore or replace any property installed in the Premises by Permittee. Permittee shall not be entitled to any compensation or damages from Permitter for loss of the use of the whole or any part of the Premises, Permittee's personal property, loss of revenue, or any inconvenience or annoyance occasioned by such damage or restoration.

22) SECURITY DEPOSIT

Not used.

23) SURRENDER OF PREMISES

At the expiration or earlier termination of this Permit, Permittee shall surrender to Permitter possession of the Premises. Permittee shall leave the surrendered Premises in substantially the same condition as when delivered to Permittee, except as may be specifically provided in accordance with Section 12, Section 13 and Section 27 of this Permit.

Prior to surrendering the Premises, Permittee and Permitter shall perform a site walk to identify any environmental or physical damage and to develop a plan for Permittee to restore the Premises at Permittee's sole cost and expense;

including but not limited to, the removal of excess material and modification of the Premises to repair drainage issues caused by the Permittee's use of the Premises. All property that Permittee abandons on the Premises after termination, shall, at Permitter's election, become Permitter's property at the expiration or termination of this Permit.

24) ENTRY BY PERMITTOR

Permitter reserves and shall at any and all reasonable times have the right to enter the Premises, upon reasonable notice to Permittee, inspect the same, supply any services to be provided by Permitter to Permittee hereunder, if any; to show the Premises to prospective purchasers or permittees; to post notices of non-responsibility; and to alter, improve, repair or restore the Premises as Permitter may deem necessary or desirable, without abatement of rent. For each of the aforesaid purposes, Permitter shall at all times have and retain a key with which to unlock all of the gates in, upon and about the Premises, excluding Permittee's buildings and below ground structures, vaults, cabinets, safes and files, and Permitter shall have the right to use any and all means which Permitter may deem proper to open said gates in an emergency, in order to obtain entry to the Premises without liability to except for any failure to exercise due care with respect to Permittee's property. Any entry to the Premises obtained by Permitter by any of said means, or otherwise shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into the Premises, or an eviction of Permittee from the Premises or any portion thereof.

25) RESERVATIONS

This Permit shall at all times be subject to such easements or rights-of-way for such sewers, pipe lines, conduits, and for such telephone, telegraph, light, heat or power lines, as shall have been duly established or as may from time to time be reasonably determined by Permitter.

This Permit is subsequent to and subject to all prior exceptions, reservations, grants, easements, permits or licenses of any kind whatsoever as the same appear on record in the office of the County Recorder, County of San Mateo, State of California, or in the official records of said County and of the various departments thereof. Permittee covenants not to disturb the quiet and peaceful enjoyment of any and all parties having any legal right, title, interest or privilege in and to the Premises and that the use of the Premises by Permittee shall at all times be conducted with proper regard for such rights, titles, interests and privileges.

26) CONSENT OF PARTIES

Whenever the consent, approval or permission of either party is required, that party shall not unreasonably delay or withhold such consent, approval or permission.

27) ALTERATIONS AND ADDITIONS

Other than as specified herein or in the Bair Island Easement, Permittee shall not make any alterations or additions to the Premises without Permitter's prior written consent. In making any alterations or additions, Permittee shall comply with the following:

- a) Permittee shall submit reasonably detailed final plans and specifications and working drawings of the proposed alterations and the name of its contractor before the date it intends to commence the alterations.
- b) The alterations shall not be commenced until Permitter has received notice from Permittee stating the date the installation of the alterations is to commence so that Permitter can post and record an appropriate notice of non-responsibility.
- c) The alterations shall be approved by Permitter and all appropriate government agencies, and all applicable permits and authorizations shall be obtained before commencement of the alterations.
- d) All alterations shall be completed with due diligence in compliance with the plans and specifications and working drawings and all applicable laws.

28) DEFAULT

a) Default by Permittee

The occurrence of any one or more of the following events shall constitute a material default and breach of this Permit by Permittee:

- (i) The vacating or abandonment of the Premises by Permittee. (Failure to use or occupy the Premises for fifteen (15) consecutive days shall be deemed a vacation or abandonment.)
- (ii) The failure by Permittee to make any payment of Fees, or any other payment required to be made by Permittee hereunder, as and when due, where such failure shall continue for a period of ten (10) days after notice thereof by Permitter to Permittee.
- (iii) The failure by Permittee to observe or perform any of the terms, covenants or conditions of this Permit to be observed or performed by Permittee, other than described in Sub-sections (A (i)) and (A (ii)) hereinabove, where such failure shall continue for a period of thirty (30) days after notice thereof by Permitter to Permittee; provided, however, that if the nature of Permittee's default and breach is such that more than thirty (30) days are reasonably required for its cure, then Permittee shall not be deemed to be in default and breach if Permittee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion within ninety (90) days.

- (ii) The making by Permittee of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Permittee of a petition to have Permittee adjudged a bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Permittee, the same is dismissed within sixty (60) days); or the appointment of a trustee or a receiver to take possession of substantially all of Permittee's personal property at the Premises or of Permittee's interest in this Permit, where possession is not restored to Permittee within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of a Permittee's personal property at the Premises or of Permittee's interest in this Permit, where such seizure is not discharged within thirty (30) days.

b) Permitter's Remedies

In the event of any such default and breach by Permittee described hereinabove, Permitter may at any time thereafter:

- (i) Terminate Permittee's right to possession and/or use of the Premises by any lawful means, in which case this Permit shall terminate and Permittee shall immediately surrender possession of the Premises to Permitter. In the event Permittee shall have abandoned the Premises, Permitter shall have the option to either (1) take possession of the Premises and recover from Permittee the amount specified in this Section, or (2) proceed under the provisions of the following Sub-section (ii).
- (ii) Maintain Permittee's right to possession, in which case this Permit shall continue in effect whether or not Permittee shall have abandoned the Premises. In such event Permitter shall be entitled to enforce all of Permitter's rights and remedies under this Permit, including the right to recover the rent as it becomes due hereunder.
- (iii) Pursue any other remedy now or hereafter available to Permitter under applicable laws and judicial decisions.

c) Default by Permitter

Permitter shall be in material default and breach of this Permit if it fails or refuses to perform any of the terms, covenants or conditions of this Permit that it is obligated to perform if the failure to perform is not cured within thirty (30) days after written notice of the default and breach has been given by Permittee to Permitter; provided, however, that if the default and breach of Permitter is such that more than thirty (30) days are reasonably required for its cure, then, Permitter shall not be deemed in default and breach if Permitter commences to cure the default within thirty (30) days after the

written notice and thereafter diligently prosecutes such cure to completion within ninety (90) days.

d) Permittee's Remedies

In the event of any such material default and breach by Permitter described hereinabove, Permittee may at any time thereafter: (a) Terminate this Permit with a written notice to Permitter and vacate the Premises on the date of termination; and/or (b) Pursue any other remedy now or hereafter available to Permittee under the applicable laws and judicial decisions.

e) California Law Notice Requirements

The notice requirements set forth in this Section modifies and supersedes the notice requirements of the unlawful detainer statutes of California.

29) INDEMNIFICATION AND INSURANCE

a) Hold Harmless

Permittee shall at all times relieve, indemnify, protect and hold harmless Permitter, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of injuries to or death of any person, including Permittee, or damage to property of any kind whatsoever and to whomever belonging, that may in whole or in part arise from, or be caused by:

- (i) The operation, maintenance, use, or occupation of the Premises and defects on the property in which the Permitter has no control;
- (ii) The acts or omissions of Permittee, its officers, agents, employees, servants, invitees or permittees; or
- (iii) The failure of Permittee, its officers, agents, employees, servants, invitees or permittees, to observe or abide by any of the terms, covenants and conditions of this Permit or any applicable federal, state, county or municipal law, rule, or regulation.
- (iv) Any other loss or cost, including but not limited to, the concurrent active or passive negligence of County, its officers, agents, employees, or servants resulting from the performance of any work required of Permittee or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which the County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Permittee to relieve, indemnify, protect and hold harmless, as set forth hereinabove, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

b) Fire and Extended Coverage Insurance

Permittee at its cost shall maintain on the improvements or property that are a part of the Premises a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements, to the extent of at least the replacement value of the improvements or property, which are a part of the Premises. The insurance policy shall be issued in the names of Permitter and Permittee as their interests appear. The insurance policy shall provide that any proceeds shall be payable to Permitter.

Permittee shall secure, and shall maintain at all times during the term of this Permit, insurance against damage or destruction by fire, windstorm, riot or civil commotion on Permittee's improvements or property at the Premises, if any, in the full amount of their replacement value, with such provision in the policies issued to cover the same, or in riders attached thereto, as shall provide for payment for losses thereunder sustained by Permittee; the proceeds of said policies to be held in trust by any reputable bank or trust company. Permitter shall release its interest, if any, in all proceeds from the insurance policy for such payments.

c) Liability and Property Damage Insurance

Permittee at its cost shall maintain Comprehensive Liability insurance for the following coverages with the following limits insuring against all liability of Permittee and its authorized representatives arising out of and in connection with Permittee's use or occupancy of the Premises:

- (i) General Liability with a minimum limit of \$2,000,000 Combined Single Limit (CSL) each occurrence; and
- (ii) For Permittees who operate vehicles on the Premises, Commercial Automobile Liability for all Owned, Non-Owned and Hired automobiles with a minimum limit of \$1,000,000 each accident;
- (iii) All Comprehensive Liability insurance shall insure performance by Permittee of the Hold Harmless Sub-section of this Permit;
- (iv) Permitter shall be named as "additionally insured";
- (v) All required insurance shall contain a Separation of Insureds or Severability of Interests provision; and
- (vi) The policy shall not be cancelled or non-renewed unless the Permitter has received 30 days prior written notice. (Ten days prior notice in the event of cancellation for nonpayment of premium is acceptable). Written notice shall be sent to: County of San Mateo, Attn: Airport Manager, 620 Airport Drive, San Carlos, CA 94070.

d) Workers' Compensation and Employer's Liability Insurance

During the entire term of this Permit, Permittee shall have in effect Workers' Compensation coverage providing full statutory benefits and employer's liability in the minimum amount of \$1,000,000. In executing this Permit, Permittee makes the following certification:

I am aware of the provisions of Section 3700 of the California Labor Code, which require every employer (1) to be insured against liability for Workers' Compensation or (2) to undertake self-insurance in accordance with the provisions of the Code. I will comply with such provisions.

e) Miscellaneous Insurance Provisions

Permittee shall pay the premiums for maintaining the insurance required hereinabove. All the insurance required under this Permit shall:

- (i) Be issued by insurance companies authorized to do business in the State of California, with a financial rating of at least an AV status as rated in the most recent edition of Best's Insurance Reports. Coverage provided by State Fund Insurance shall satisfy this requirement.
- (ii) Be issued as a primary policy.
- (iii) Contain an endorsement requiring thirty (30) days' notice from the insurance company to both parties before cancellation or change in the coverage, scope, or amount of any policy.
- (iv) Permittor shall be named as "additionally insured" on each policy.

f) Certificate of Insurance

A certificate of insurance, together with evidence of payment of premium, shall be deposited with Permittor at the commencement of this Permit, and on renewal of the policy not less than twenty (20) days before expiration of each policy.

In the event Permittee fails to deliver the certificate of insurance verifying insurance coverage as required in this Section, Permittor shall have the option, after a ten (10) day notice to Permittee requesting a certificate, either (a) to terminate this Permit immediately thereafter with a notice to Permittee, or (b) to take out all or part of the required insurance and pay the premium thereon on behalf of Permittee. If Permittor opts to take out the insurance on behalf of Permittee, the cost of the premium paid by Permittor shall be deemed additional rent due and payable by Permittee with the next regular rent payment.

g) Increase in Coverage

Permittor reserves the right to require at any time that the required public liability and property damage insurance minimum coverage be increased in accordance with standard County of San Mateo Risk Management practice in effect at the time the increase is required. Permittee shall be given at thirty (30) days' notice of the required increase.

30) HAZARDOUS MATERIALS ACTIVITY

Permittee shall not cause or permit any hazardous material to be brought upon, kept, stored, staged, generated or disposed of in, on or about the Premises or the Property. Permittee shall give immediate written notice to Permitter of: (a) any action, proceeding or inquiry by any governmental authority (including, without limitation, the California State Department of Health Services, the State or any Regional Water Quality Control Board, San Mateo County Environmental Health, the Bay Area Air Quality Management district, California Coastal Commission, or any local governmental entity) against Permittee with respect to the presence or release or suspected presence or release of hazardous material on or about the Premises or the Property, or the migration thereof from or to other property at or neighboring the San Carlos Airport; (b) all demands or claims made or threatened by any third party against Permittee relating to any loss or injury resulting from any hazardous materials on or about the Premises or the Property; (c) any release of hazardous material on or about the Premises or the Property due to the rights granted herein that may require any investigation or remediation; and (d) all matters of which Permittee is required to give notice pursuant to Section 25359.7 of the California Health and Safety Code.

Nothing in the foregoing paragraph shall preclude Permittee from using materials necessary to perform the permitted uses of the Premises pursuant to section 12 hereof so long as any such hazardous materials are used, stored, and disposed of in strict accordance with any and all applicable law, including but not limited to, California Health and Safety Code, Chapters 6.5, Sections 25100-25249, California Code of Regulations Title 26 and Code of Federal Regulations Section 40 Parts 240-281, and any and all Storm Water Pollution Prevention Plans that apply to the Premises or the activities of Permittee on the Premises, as amended from time to time.

Permittee shall be responsible for all costs and efforts associated with investigating and remediating any environmental contamination whatsoever caused by Permittee on or about the Premises or Property. Permittee shall pay to the Permitter any required fees, as may be necessary, related to the investigation and remediation of any environmental contamination as contemplated under this Section. Permittee may not store, handle or generate hazardous materials/waste/underground tanks on the property unless Permittee has completed and filed a San Mateo County Hazardous Materials Release Response Plan and Inventory ("Business Plan") with the San Mateo County Environmental Health Department. Permittee shall be in default hereunder in the event of Permittee's failure to (1) file the Business Plan, (2) follow the Business Plan, and (3) comply with applicable State and Federal statutes regarding the handling of hazardous materials/waste/underground tanks. In addition, Permitter may exercise any rights applicable under State and Federal law, in regards to requiring Permittee to be responsible for disposal or removal of the hazardous materials/waste/underground tanks in a safe manner.

Hazardous material means any material that, because of its quantity, concentration, or physical or chemical characteristics, poses a significant present or potential hazard to human health and safety or to the environment if released into the work place or the environment. Hazardous materials include, but are not limited to, hazardous substances, hazardous waste, and any material which a handler or the administering agency has a reasonable basis for believing that it would be injurious to the health and safety of persons or harmful to the environment if released into the work place or the environment. Examples of such hazardous materials are, but are not limited to: waste oil, solvents, gasoline and compressed gases.

Consistent with Section 24 above, Permittor shall have the right to inspect the Premises to ensure Permittee's compliance with the provisions of this Section 30, and charge inspection fees in accordance with applicable local, State and federal statutes.

If Permittee does not intend to and will not store, handle hazardous materials/underground tanks or general hazardous waste, then Permittee must complete and file a "Hazardous Materials Negative Response Form" to that effect with the San Mateo County Environmental Health Department. If, at any time during the term of this Agreement, Permittee commences activity that would involve the handling, storage or generation of hazardous materials/waste/underground tanks, Permittee must follow the directives set forth above.

31) COMPLIANCE WITH AIRPORT RULES AND REGULATIONS AND FAA STANDARD PROVISIONS

Permittee agrees to comply with all San Mateo County Airport ordinances, rules and regulations, and at all times to cooperate with County in its operation and management of the San Carlos Airport. Permittee shall notify all users of its facilities of all applicable rules and regulations.

Permittee shall comply with the standard provisions for all leases of airport land promulgated by the Federal Aviation Administration (FAA), as set forth in the attached Exhibit B, and as those provisions may be revised from time to time.

32) NON-ABROGATION OF UNITED STATES GOVERNMENT RIGHTS

The provisions of this Agreement in no way abrogate any rights vested in the United States of America relative to the airport as such rights exist between the United States of America and the County of San Mateo.

33) HOLDING OVER

If Permittee holds over after the expiration or earlier termination of the term hereof without the express written consent of Permittor, Permittee shall become a permittee at sufferance only, at the monthly Fee rate of one hundred fifty per

cent (150%) of the Fee in effect upon the date of such expiration and otherwise upon the terms, covenants and conditions herein specified, so far as applicable. Acceptance by Permitter of monthly payments after such expiration or earlier termination shall not constitute a holdover hereunder or result in a renewal. The foregoing provisions of this paragraph are in addition to and do not affect Permitter's right of re-entry or any other rights of Permitter hereunder or as otherwise provided by law.

34) ASSIGNMENT OF PERMIT

Permittee shall not, either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Permit or any interest therein, and shall not convey any right or privilege appurtenant to the Premises, or suffer any other person (the employees, agents, contractors, subcontractors, servants and invitees of Permittee excepted) to occupy or use the Premises, or any portion thereof, without the prior written consent of Permitter, which consent shall not be unreasonably withheld and a consent to one assignment, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, occupation or use by another person. Any such assignment, occupation or use without such consent shall be voidable, and shall, at the option of Permitter, constitute a default under this Permit.

If Permittee is a corporation, any dissolution, merger, consolidation, or other reorganization of Permittee, or the sale or other transfer of a controlling percentage of the capital stock of Permittee, or the sale of at least 51 percent of the value of the assets of Permittee, shall be deemed a voluntary assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing at least 10% of the total combined voting power of all classes of Permittee's capital stock issued, outstanding, and entitled to vote for the election of directors. This paragraph shall not apply to corporations the stock of which is traded through an exchange or over the counter.

Permittee shall pay a fee of One Thousand Dollars (\$1,000.00) per transaction, for Permitter's review and processing of documents regarding any proposed assignment or sublease. Fee is due upon request for an assignment or sublease.

The sublease or assignment agreement, if any, as the case may be, after approval by Permitter, shall not be amended without Permitter's prior written consent, and shall contain a provision directing the assignee or subtenant to pay the rent and other sums due thereunder directly to Permitter upon receiving written notice from Permitter that Permittee is in default under this Permit with respect to the payment of Rent. A consent to subletting, assignment or other occupation or use shall in no way relieve Permittee of any liability or responsibility under this Permit.

35) SAN MATEO COUNTY SMOKING ORDINANCE

Permittee is aware that the County of San Mateo Ordinance Code, Chapter 4.96, prohibits smoking in all County facilities whether owned or leased. Permittee understands that said Ordinance authorizes County to enforce the provisions contained therein and Permittee agrees to enforce the provisions of said ordinance on the Premises.

36) LAWS, RULES, REGULATIONS AND PERMITS

Permittee shall construct any improvements, use, maintain and occupy the Premises in compliance with all applicable laws, rules, and regulations. These include, but are not limited to the Americans With Disabilities Act of 1990 and Title 24 of the California Code of Regulations and all other applicable federal, state, local and administrative laws, rules, regulations, orders and requirements intended to provide equal accessibility for persons with disabilities (collectively, "Disabilities Laws"), and any applicable City, County, State or federal ordinances, rules, policies, laws and regulations, including but not limited to the rules and regulations promulgated by the FAA, and any state land use requirements. Permittee is responsible for ascertaining the need for and obtaining all required permits, licenses, etc., for all of its activities on the Premises. The cost for all permits, licenses, etc., shall be borne solely by Permittee.

Permittee shall perform any activity authorized hereunder in compliance with the FAA's Airport Construction Standards and Airport Design and Engineering Standards in addition to the Airport's Land Use Compatibility Plan, as amended from time to time.

37) PERSONAL PROPERTY

Permittee's personal property shall include equipment, furniture, merchandise, and movable property placed in the Premises by Permittee, including trade fixtures. Trade fixtures include any property installed in or on the Premises by Permittee for purposes of trade, manufacture, ornament, or related use.

38) NOTICES

Any notice, demand, request, consent, approval, waiver, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid mail, and if given by mail shall be deemed sufficiently given when sent by registered or certified mail. Any notice, demand, request, consent, approval, waiver, or communication that either party desires or is required to give by mail to the other party shall be addressed to the other party at the address set forth in Section 1 (Basic Permit Information) of this Permit. Either party may change its address by notifying the other party in writing pursuant to this Section 38 of the

change of address. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this Section.

39) LIENS

Permittee shall keep the Premises, free from any liens, including liens arising out of the work performed, materials furnished or obligations incurred by Permittee.

40) PAYMENT OF PERCENTAGE SHARE OF OPERATING EXPENSES

Not used.

41) GENERAL PROVISIONS.

a) Compliance with Law

Permittee shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Permittee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and with the requirements of any board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Premises. The judgment of any court of competent jurisdiction or the admission of Permittee in any action against Permittee, whether Permittor be a party thereto or not, that Permittee has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between Permittor and Permittee.

b) Authority of Parties

- (i) Each individual executing this Permit on behalf of a party represents and warrants that he or she is duly authorized to execute and deliver this Permit on behalf of said entity and that this Permit is binding upon the entity in accordance with its terms.
- (ii) The County Manager, or the designee of the County Manager, shall be the only authorized agent of the County of San Mateo for purposes of giving any notices or exercising any rights, options, privileges or obligations of the County of San Mateo under this Permit. This Permit shall not be valid unless executed by the President of the Board of Supervisors of the County of San Mateo pursuant to a Resolution adopted in accordance with the California Government Code.

c) Other Terms

Clauses, plats, exhibits and riders, if any, initialed and dated by Permitter and Permittee and endorsed on or affixed to this Permit are a part hereof and incorporated herein by reference.

d) Waiver

The waiver by either party of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of Fees hereunder by Permitter shall not be deemed to be a waiver of any preceding breach by Permittee of any term, covenant or condition of this Permit, other than the failure of the Permittee to pay the particular Fees so accepted, regardless of Permitter's knowledge of such preceding breach at the time of the acceptance of such rent.

e) Joint Obligation

"Party" shall mean Permitter or Permittee; and if there be more than one Permittee or Permitter, the obligations hereunder imposed upon Permittees or Permitters shall be joint and several.

f) Time

Time is of the essence of this Permit and each and all of its provisions in which performance is a factor.

g) Successors and Assigns

The terms, covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

h) Recordation

Neither Permitter nor Permittee shall record this Permit.

i) Quiet Possession

Upon Permittee paying the Fees and other charges reserved hereunder and observing and performing all of the terms, covenants and conditions on Permittee's part to be observed and performed hereunder, Permittee shall have quiet possession of the Premises for the entire term hereof, subject to all the provisions of this Permit.

j) Prior Agreements

Except as may be set forth in the North of Holly Easement, this Permit contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Permit, and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provision of this Permit may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. This Permit shall not be effective or binding on any party until fully executed by both parties hereto.

k) Inability to Perform

This Permit and the obligations of Permittee hereunder shall not be affected or impaired because Permitter is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, or any other cause beyond the reasonable control of Permitter.

l) Negation of Partnership

Permitter shall not become or be deemed a partner or a joint venturer with Permittee by reasons of the provisions of this Permit. Nor shall Permitter be responsible or liable in any way in connection with the Project.

m) Sale or Transfer of Premises

In the event of any sale or transfer of the Premises by Permitter, Permitter shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Permit arising out of any act, occurrence or omission occurring after the consummation of such sale or transfer; and the purchaser or transferee, at such sale or transfer or any subsequent sale or transfer of the Premises shall be deemed, without any further agreement between the parties or their successors in interest or between the parties or their successors in interest or between the parties and any such purchaser or transferee, to have assumed and agreed to carry out any and all of the covenants and obligations and agreed to carry out any and all of the covenants and obligations of Permitter under this permit.

n) Name

Permittee shall not use the name of the Premises or of the development, building or facility in which the Premises may be situated for any purpose other than as an address of the business to be conducted by Permittee in the Premises.

o) Cumulative Remedies

No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

p) Signs and Auctions

Other than required and appropriate signs for an active construction and staging site, Permittee shall not place any sign upon the Premises or conduct any auction thereon without Permitter's prior written consent.

q) Provisions, Covenants and Conditions

All provisions herein, whether covenants or conditions, on the part of either party shall be deemed to be both covenants and conditions.

r) Captions, Table of Contents

The captions and the Table of Contents of this Permit (if any) shall have no effect on the interpretation of this Permit.

s) Payments in U.S. Money

Fees and all sums payable under this Permit must be paid in lawful money of the United States of America.

t) Singular and Plural

When required by the context of this Permit, the singular shall include the plural.

u) Choice of Law

This Permit shall be construed, interpreted and governed in accordance with the laws of the State of California.

v) Brokers

Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the permit contemplated herein except as identified in the Basic Permit Information, whose commission, if any is due, shall be paid pursuant to a separate written agreement between such broker and the party through which such broker contracted. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes a claim

shall be responsible for such commission or fee and shall Indemnify the other party from any and all Claims incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this Permit.

w) Severability

If any provision of this Permit or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Permit, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Permit shall be valid and be enforceable to the fullest extent permitted by law.

x) Venue

The Venue for any court action to interpret or enforce this agreement or to litigate any claim arising out of this agreement shall be had in California State Superior Court of the County of San Mateo.

IN WITNESS WHEREOF, Permitter and Permittee have executed this Permit effective as of July 1, 2019.

PERMITTEE:

SILICION VALLEY CLEAN WATER

By _____
Manager, SVCW

PERMITTOR:

**COUNTY OF SAN MATEO, a Political
Subdivision of the State of California**

By _____
President, Board of Supervisors

Resolution No. _____

Attest: _____

EXHIBIT A

PERMIT PREMISES

[I am not able to transfer the Plan Drawing into this Word Document, but I have included that drawing as an attachment to the email I am using to transmit this copy of the Permit].

EXHIBIT B
STANDARD PROVISIONS FOR ALL LEASES,
USE, AND OTHER AGREEMENTS AND PERMITS
SAN MATEO COUNTY AIRPORTS

1. Tenant, which for purposes of this Exhibit B may include Permittees or Licensees, for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree "as a covenant running with the land" that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this lease, agreement or permit for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
2. Tenant for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, sex, sexual orientation, color, national origin, religion, age or disability shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under the lands and furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that Tenant shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, CFR, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
3. In the event of breach of any of the above nondiscrimination covenants, Permitter may terminate the lease, agreement or permit and re-enter and repossess the land and the facilities thereon and hold them as if the lease, agreement or permit had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed, including expiration of appeal rights.
4. Tenant shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users and shall charge fair, reasonable and not

unjustly discriminatory prices for each unit or service; provided that Tenant may make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

5. Non-compliance with Provision 4 above shall constitute a material breach of the lease, agreement or permit. In the event of such non-compliance, Permitter may terminate this lease, agreement or permit and the estate hereby created without liability thereof; or, at the election of Permitter or the United States either or both of these governments may judicially enforce the provision.
6. Permitter may further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of Tenant and without interference or hindrance.
7. Permitter may, but shall not be obligated to Tenant to, maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport. Permitter also may direct and control the activities of Tenant in this regard.
8. The lease, agreement or permit shall be subordinate to the provisions and requirements of any existing or future agreement between County and the United States relative to the development, operation or maintenance of the airport.
9. There is hereby reserved to Permitter, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises covered by the lease, agreement or permit. This public right of flight shall include the right to cause in this airspace any noise inherent in the operation of any aircraft used for navigation of flight through the airspace or to land at, take off from or operate on the San Carlos or Half Moon Bay Airport, as the case may be.
10. Tenant shall comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations if future construction of a building is planned for the premises covered by the lease, agreement or permit or in the event of any planned modification or alteration of any present or future building or structure on the premises.
11. Tenant, by accepting this lease, agreement or permit, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on any land leased that would be in conflict with the provisions of Part 77 of the Federal Aviation regulations. If these covenants are breached, County may enter upon the land and remove the offending structure or object and cut the offending tree, all of which shall be at Tenant's expense.
12. Tenant, by accepting this lease, agreement or permit, agrees for itself, its

successors and assigns that it will not make use of the premises covered by the lease, agreement or permit in any manner which might interfere with the landing and taking off of aircraft from the airport or otherwise constitute a hazard. If this covenant is breached, County may enter upon the premises and cause the abatement of such interference at Tenant's expense.

13. Nothing contained in the lease, agreement or permit shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958 (49 U.S.C. 1349A).
14. The lease, agreement or permit and all its provisions shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the airport or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency.
15. Tenant will conduct its programs and operate its facilities in accordance with the requirements of the Americans with Disabilities Act of 1992 and will assure that no qualified disabled person shall, solely by reason of his or her disability be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination, including discrimination in employment. Tenant will conduct its programs and operate its facilities in compliance with all the requirements imposed by or pursuant to **49 CFR Part 27**.
16. Tenant shall insert the above provisions in any lease, agreement, contract, permit, etc., by which it grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the premises covered by the lease, agreement or permit, including any subleases, and hereby assures that the above provisions will be included in any agreement, contract, permit or further sub-lease granted or entered into by any sub-lessee of the Tenant.

EXHIBIT C
SPECIAL REQUIREMENTS/CONDITIONS
TO AIRPORTS LEASE AGREEMENT WITH
SILICON VALLEY CLEAN WATER, INC.

In the event of any conflict between any provision of the Permit and this Exhibit C, the Permit provision shall prevail.

1. SAFETY

Safety shall be paramount at all times. Permittee shall ensure that its agents, employees and customers safely coordinate all movements and activities on the Property to the satisfaction of the County. Permittee shall ensure that its operations and activities comply with local, state and federal requirements and are in accordance with safe and acceptable practices and procedures as determined in the County's reasonable judgment.

2. LICENSES AND CERTIFICATIONS

Permittee shall obtain all required licenses, certifications, permits, approvals and authorizations from all appropriate agencies for work performed and activities conducted under this Agreement.

3. TRAINING

Permittee shall properly educate and train all agents, employees and customers regarding airport safety and operating procedures prior to allowing access onto the airfield.

4. PARKING

Permittee shall ensure that its vehicles and those of its agents and customers are parked on the Premises or in areas and locations as approved by the County and are in compliance with Airport Parking Policies.

Camper trucks, trailers and/or other temporary living facilities may not be parked overnight in any area of the Airports without written authorization from the County. No overnight camping is permitted.

5. STORAGE OF EQUIPMENT, VEHICLES AND MATERIALS

Unless otherwise authorized herein, Permittee shall not store equipment, vehicles, boats, materials, pallets, boxes, etc. on the airport other than on the Premises or as approved by the County.

6. REPAIRS

Permittee shall protect all property located on the Premises or on the Airport from Permittee's operations and shall repair, at its own expense, any and all damage to the Property of the County or to the Property of others on the Airport, to the extent such damage has been caused by Permittee, its agents or customers.

7. STORMWATER COMPLIANCE

The County has obtained a National Pollutant Discharge Elimination System ("NPDES") Permit from the Regional Water Quality Control Board, San Francisco Bay Region ("RWQCB"), regarding stormwater discharge from the Airport, which includes stormwater discharge and runoff from the Airport. Without limitation of any other obligation of Permittee hereunder, Permittee shall comply with all laws, rules, regulations, requirements, administrative orders and/or programs imposed upon Permittee or County by the RWQCB or any other governmental entity, regarding runoff and stormwater discharge on the Airport. Permittee shall pay any cost that County incurs to take any compliance action on the Airport as a result of Permittee's failure to comply with such laws, regulations, requirements, administrative orders and/or programs. Permittee shall also pay, to the extent caused by Permittee's business on the Airport, County's costs to take any compliance action imposed upon County by the RWQCB or any other governmental entity.

Nothing in this section shall be interpreted as a waiver of any NPDES permits required by the RWQCB for activities not covered by the County's permit.

8. DISCHARGE OF CONTAMINANTS

Permittee, its agents and customers shall at no time discharge any hazardous material or substance onto the Airport. Waste oil and other contaminants shall be properly disposed of and at no time shall the Permittee use the waste oil tanks the County has provided for the non-commercial use of airport tenants.

9. SECURITY/ACCESS

Airport security shall be maintained at all times. Permittee shall take all reasonable steps to restrict unauthorized access onto airport property. All access and security procedures shall be coordinated with and approved by the County. Permittee shall ensure that all gates it uses remain closed and locked at all times and that any mechanical problems with the gates are promptly reported to the County. Access codes shall only be provided with discretion to persons wishing to enter airport property. First-time visitors should be directed to the airport office for instructions and to receive access codes. Permittee shall monitor and report any misuse of airport security codes immediately.

Permittee shall, at its own cost and expense, install temporary fencing and/or gates as may be required by the County to safely secure the Premises and prevent unauthorized or inadvertent access by its agents and customers on to the Airport taxiways or runway.

10. SIGNAGE

No permanent banners or signs of any kind may be installed or displayed on the airport without the written approval of the County. All approved signage shall comply with applicable Local and County requirements. Signs and banners installed without the written approval of the County will be removed and disposed of at Permittee's sole cost and expense.

11. HOUSEKEEPING

Permittee shall collect and remove from the airport all debris, trash, garbage, or other rubbish generated by Permittee, its agents or customers who may be on the Airport for any purpose connected with the Permittee's operation.

Permittee shall regularly dispose of pallets, crates and other shipping supplies at its facility. Permittee shall not dump waste or refuse on airport property or in facilities leased by another Permittee or vendor.

12. TRASH AND RECYCLING REMOVAL

Permittee shall dispose of all trash and recyclable materials in Permittee's own receptacles. To the extent possible, Permittee shall not dispose of recyclable materials in dumpsters or other trash receptacles.

Dumpsters and other trash and recycling receptacles may not block or obstruct in any way roads, hangars or taxiways.

13. OPERATIONS

All operations shall be subject to approval by Permittor. Permittee shall not block or obstruct taxiways, roads or access routes at any time and shall take all reasonable steps to ensure that its operations and activities create minimal impact and inconvenience to the airport, airport users and the surrounding community. At County's sole discretion, Permittee may be required to implement measures such as limiting the hours of operation, reducing excessive noise, implementation of a dust control program, etc., as necessary.

Permittee shall limit lighting on the Premises to lighting that illuminates only the Premises and does not interfere with aircraft, vehicles on adjacent roadways, etc.

Permittee shall operate in such a manner so as to the greatest extent possible; minimize dust particles generated on the Premises by the Permittee's operations.

Permittee shall provide sufficient toilet and sanitary facilities for its agents and customers on the Premises.

Initials _____