

**REIMBURSEMENT AGREEMENT
BETWEEN
THE CITY OF LOMPOC
AND
PALE BLUE DOT VENTURES, INC.**

This Reimbursement Agreement (“Reimbursement Agreement”) is made as of April 16, 2024 (“Effective Date”), by and between the City of Lompoc, a California municipal corporation (“City”) and Pale Blue Dot Ventures, Inc., a Delaware corporation (“PBD or Pale Blue Dot”).

RECITALS

A. On April 16, 2024, the City Council of the City of Lompoc (“City Council”) adopted a resolution pursuant to Government Code section 38443 declaring its intent to call a special election (“Election”) to submit to the voters the question of whether to discontinue the use as a public park of approximately 82 acres of city-owned property (APN 095-070-008) (the “Site”) which contains Ken Adam Park.

B. The City’s purpose in placing the question before the voters is to facilitate exploration of use of the Site for other educational and recreational purposes, or other open space purposes, or both, including a possible sale to PBD for a proposed space-themed educational and recreational development.

C. City and PBD agree and acknowledge that calling the Election, and any potential legal challenge to or related to the Election, would cause the City to incur costs.

D. PBD agrees it will reimburse the City in full for all costs and expenses actually incurred by the City in the calling or conducting of the Election.

F. City and PBD desire to enter into this Reimbursement Agreement so that the City will not incur any costs or expenses as a result of the Election.

AGREEMENT

NOW, THEREFORE, in consideration of performance by the parties of the promises, covenants, and conditions herein contained, the parties agree as follows:

1. Recitals. The parties agree that the preceding recitals are true and correct.
2. Reservation of Authority. City reserves all legislative and governmental authority, and PBD acknowledges and agrees that the decisions whether to call the Election, to approve entitlements for any proposed use on the Site, to change the zoning of the Site, and/or to sell or dispose of the Site remain solely within the discretion of the Lompoc City Council, and that nothing in this Reimbursement Agreement shall be construed as requiring the City to call the Election or to take any other action to approve any entitlements or zoning change for any proposed use on the Site or to sell or dispose of the Site. PBD further acknowledges and agrees City shall have sole discretion

to select which of its employees and contractors are assigned to work on the Election, to determine what work is necessary for the Election, to direct the work and evaluate the performance of the employees and contractors assigned to work on the Election, to terminate or replace at any time any such person, and to determine the amount of compensation paid to employees or contractors assigned to work on the Election. City, not PBD, shall pay employees and contractors assigned to work on the Election from a City account.

3. Waiver of Claim Under MOU. PBD agrees that none of (a) the City's consideration and adoption of the resolution pursuant to Government Code section 38443; (b) the City's holding a hearing and agenda item to consider calling the Election; (c) the City's decision to call the Election for the purpose of facilitating exploration of use of the Site for other educational and recreational purposes, or other open space purposes, or both; or (d) the City's actual consideration and exploration of use of the Site for other educational and recreational purposes, or other open space purposes, or both, as a result of the Election; constitute a violation of section 2.C. of that certain Memorandum of Understanding between the City and PBD dated July 17, 2019; and PBD hereby waives any such claim against the City.

4. Reimbursement of Election Costs. PBD agrees to reimburse City in full for all costs, fees, and expenses incurred in connection with calling and conducting the Election; including but not necessarily limited to City staff costs, City's costs for attorney fees to review, evaluate, process, and perform research in connection with the Election and preparation or review of this Reimbursement Agreement, fees and costs for any consultants retained by the City in connection with the Election, including environmental consultants hired to prepare documents for California Environmental Quality Act ("CEQA") compliance, any fees and costs incurred by such consultants in connection with the Election, and the costs charged to the City by the County of Santa Barbara for conducting the election. PBD acknowledges and agrees that PBD's duty to reimburse City is not contingent upon voters' approval in the Election of the proposed discontinuance of park use of the Site or the statements during the Election of any individual in support or opposition to the proposed discontinuance.

A. Deposit. On or before May 13, 2024, PBD shall deposit with City the sum of \$50,000 ("Initial Deposit"), which deposit represents City's preliminary estimate of PBD's ultimate obligation hereunder. The Initial Deposit may be commingled with other funds of the City for the purposes of investment and safekeeping, but the City shall at all times maintain records as to the expenditure of the deposit. City shall deduct from such deposit, until the deposit is exhausted, all reimbursable costs.

B. Monthly Accounting. City shall monthly send to PBD an accounting of amounts used over the preceding month. PBD shall replenish the Initial Deposit when a minimum balance of \$10,000 is reached. PBD agrees that the City's work on the Election and its space-themed educational and recreational development shall be suspended at the City's discretion if at any time PBD fails to replenish the deposit as required.

C. Deposit Refund. City shall refund to PBD any amount of PBD's deposits that remain unexpended after the date for any legal challenge to the Election or the results thereof

has passed, provided all costs charged to the City by the County of Santa Barbara for conducting the election have been paid.

5. Notice. All notices permitted or required under this Reimbursement Agreement shall be deemed made when personally delivered or when mailed 48 hours after deposit in the United States Mail, first class postage prepaid and addressed to the party at the following addresses:

City:
City of Lompoc
100 Civic Center Plaza
Lompoc, CA 93436
Attention: City Manager

PBD:
Pale Blue Dot Ventures, Inc.
1010 North H Street
LaunchPad Suite G, Box 35
Lompoc, CA 93436
Attention: Steven Franck, CEO

Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

6. Indemnification, Hold Harmless, and Duty to Defend. In the event of any legal action challenging the validity, applicability, or interpretation of any provision of this Reimbursement Agreement, the Election, the results of the Election, or any action or alleged action of the City, its employees, agents, or officials (“Indemnitees”) related to the Election, PBD must indemnify, defend and hold harmless the Indemnitees, and each of them, to the maximum extent permitted by law, with respect to all liability, costs, and expenses incurred by, and/or awarded against, City or any of the Indemnitees in relation to such action. City shall have the right to select counsel of its choice as to all claims and actions covered by this Section 6. The parties hereby agree to cooperate in defending any such action. In the event of any litigation challenging the effectiveness of this Reimbursement Agreement, or any portion hereof, this Reimbursement Agreement shall remain in full force and effect while such litigation, including any appellate review, is pending, unless otherwise ordered by a court of competent jurisdiction. This Section 6 shall survive the expiration or earlier termination of this Agreement.

7. Entire Agreement. This Reimbursement Agreement contains the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings, or agreements, and may only be modified by a writing signed by both parties.

8. Severability. The invalidity in whole or in part of any provisions of this Reimbursement Agreement shall not void or affect the validity of the other provisions of this Agreement.

9. Venue; Interpretation; Governing Law. The venue for any litigation shall be Santa Barbara County. In the event of any asserted ambiguity in, or dispute regarding the interpretation of any

matter herein, the interpretation of this Reimbursement Agreement shall not be resolved by any rules of interpretation providing for interpretation against the party who causes the uncertainty to exist or against the drafting party. This Reimbursement Agreement shall be governed by and interpreted under the laws of the State of California.

10. No Third Party Rights. No third party shall be deemed to have any rights hereunder against either party as a result of this Reimbursement Agreement.

11. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel, or otherwise.

12. Headings. Headings used in this Reimbursement Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

13. Prohibited Interests; Conflict of Interest. PBD warrants and maintains that it has no knowledge that any officer or employee of City involved in making this Reimbursement Agreement or calling the Election has or any interest, whether contractual, noncontractual, financial, proprietary, or otherwise, in the business of PBD, and that if any such interest comes to the knowledge of PBD at any time during the term of this Reimbursement Agreement, PBD shall immediately make a complete, written disclosure of such interest to City, even if such interest would not be deemed a prohibited "conflict of interest" under applicable laws.

14. Attorney Fees. If either party commences any legal, administrative, or other action against the other party arising out of or in connection with this Reimbursement Agreement, the prevailing party in such action shall be entitled to have and recover from the losing party all of its attorney fees and other costs incurred in connection therewith.

15. Corporate Authority. Each person executing this Reimbursement Agreement on behalf of PBD warrants that he or she is duly authorized to execute this Reimbursement Agreement on behalf of PBD and that by his or her execution, PBD is formally bound to the provisions of this Reimbursement Agreement.

[Signatures continued on page 5.]

[Signatures continued from page 4.]

IN WITNESS WHEREOF, the Parties hereto, through their respective authorized representatives have executed this Reimbursement Agreement as of the Effective Date.

CITY OF LOMPOC

PALE BLUE DOT VENTURES, INC.

By: _____
Jenelle Osborne, Mayor

By: _____

Its _____

Attest:

By: _____
Stacey Haddon, City Clerk

By: _____

Its _____

Approved as to form:

By: _____
Jeff Malawy, City Attorney