

EXHIBIT B

EXHIBIT A
CITY OF SAN DIEGO FRANCHISE AGREEMENT WITH WESPAC

CERTIFICATE OF PUBLICATION
RECEIVED
CITY CLERK

00 JAN -3 A. 1999

SAN DIEGO, C.

12/14/99
item 50
FRAN-Wes Pac Pp's
San Diego, Ltd.

Purchase Order #4020136
City of San Diego
Karen Crenshaw/City Clerk's Office
202 C Street, M.S. 2A
San Diego, CA 92101

IN THE MATTER OF

NO.

Q-18735

ORDINANCE NUMBER Q-18735

AN ORDINANCE AUTHORIZING THE CITY MANAGER
TO EXECUTE A FRANCHISE AGREEMENT WITH
WESPAC PIPEDREAM, SAN DIEGO, LTD.

Section 1. That the City Manager is hereby authorized to execute a franchise agreement with WESPAC PIPEDREAM, San Diego, Ltd. for purposes of constructing and operating a pipeline for the transportation of gas and in the public right-of-way, under the terms and conditions of the agreement, on file in the Office of the City Clerk's Office as Ordinance No. Q-18735.

Section 2. That a full reading of this ordinance is given with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 3. This ordinance having been introduced and adopted by a two-thirds vote of the members of the Council shall take effect and be in force on the thirtieth day from and after its passage.

INTRODUCED ON NOVEMBER 28, 1998.

Passed and adopted by the Council of the City of San Diego on December 14, 1998.

AUTHENTICATED BY:

DURAN BOLDING

Mayor of the City of San Diego, California

CHARLES S. ABDELNOUR

City Clerk of the City of San Diego, California

By Mary A. Gopetz, Deputy

(Ordinance)

Pub. Dec. 27-0117048

I, Lou Sto. Domingo, am a citizen of the United States and a resident of the county aforesaid; am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the San Diego Public Record Reporter, a newspaper of general circulation, printed and published daily, except Saturdays and Sundays, the City of San Diego, County of San Diego and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of San Diego, State of California, under the date of June 18, 1997, Decree No. 00710548; and the

ORDINANCE

is a true and correct copy of which the annexed is a printed copy and was published in said newspaper on the following date(s), to wit:

DECEMBER 27

I certify under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California this 27th day of

December, 1999

Lou Sto Domingo
(Signature)

EXHIBIT A
CITY OF SAN DIEGO FRANCHISE AGREEMENT WITH WESPAC

Passed and adopted by the Council of The City of San Diego on December 14, 1999
by the following vote:

YEAS: MATHIS, WEAR, KEHOE, STEVENS, WARDEN, STALLINGS, McCARTY,
VARGAS, MAYOR GOLDING. NAYS: NONE. NOT PRESENT: NONE.

AUTHENTICATED BY:

SUSAN GOLDING
Mayor of The City of San Diego, California

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California

(Seal)

By: Eduardo Ramos, Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of ORDINANCE
NO. O-18735 (New Series) of The City of San Diego, California.

I FURTHER CERTIFY that said ordinance was not finally passed until twelve calendar days had
elapsed between the day of its introduction and the day of its final passage, to wit, on
November 29, 1999 and on December 14, 1999.

I FURTHER CERTIFY that the reading of said ordinance in full was dispensed with by a vote of not
less than a majority of the members elected to the Council, and that there was available for the
consideration of each member of the Council and the public prior to the day of its passage a written
or printed copy of said ordinance.

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California

(Seal)

By: Eduardo Ramos, Deputy

EXHIBIT A
CITY OF SAN DIEGO FRANCHISE AGREEMENT WITH WESPAC

ORDINANCE NUMBER O- 18735 (O-2000-79)

ADOPTED ON DEC 14 1999

**AN ORDINANCE AUTHORIZING THE CITY MANAGER TO
EXECUTE A FRANCHISE AGREEMENT WITH WESPAC
PIPELINES - SAN DIEGO LTD.**

BE IT ORDAINED, by the Council of The City of San Diego, as follows:

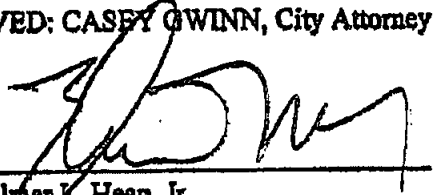
Section 1. That the City Manager is hereby authorized to execute a franchise agreement with WesPac Pipelines - San Diego Ltd., for purposes of constructing and operating a pipeline for the transportation of jet fuel in the public right-of-way, under the terms and conditions of the agreement, on file in the Office of the City Clerk's office as Document No. OO- 18735.

Section 2. That a full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 3. This ordinance having been introduced and adopted by a two-thirds vote of the members of the Council shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: CASEY GWINN, City Attorney

By


Elmer L. Heap, Jr.
Deputy City Attorney

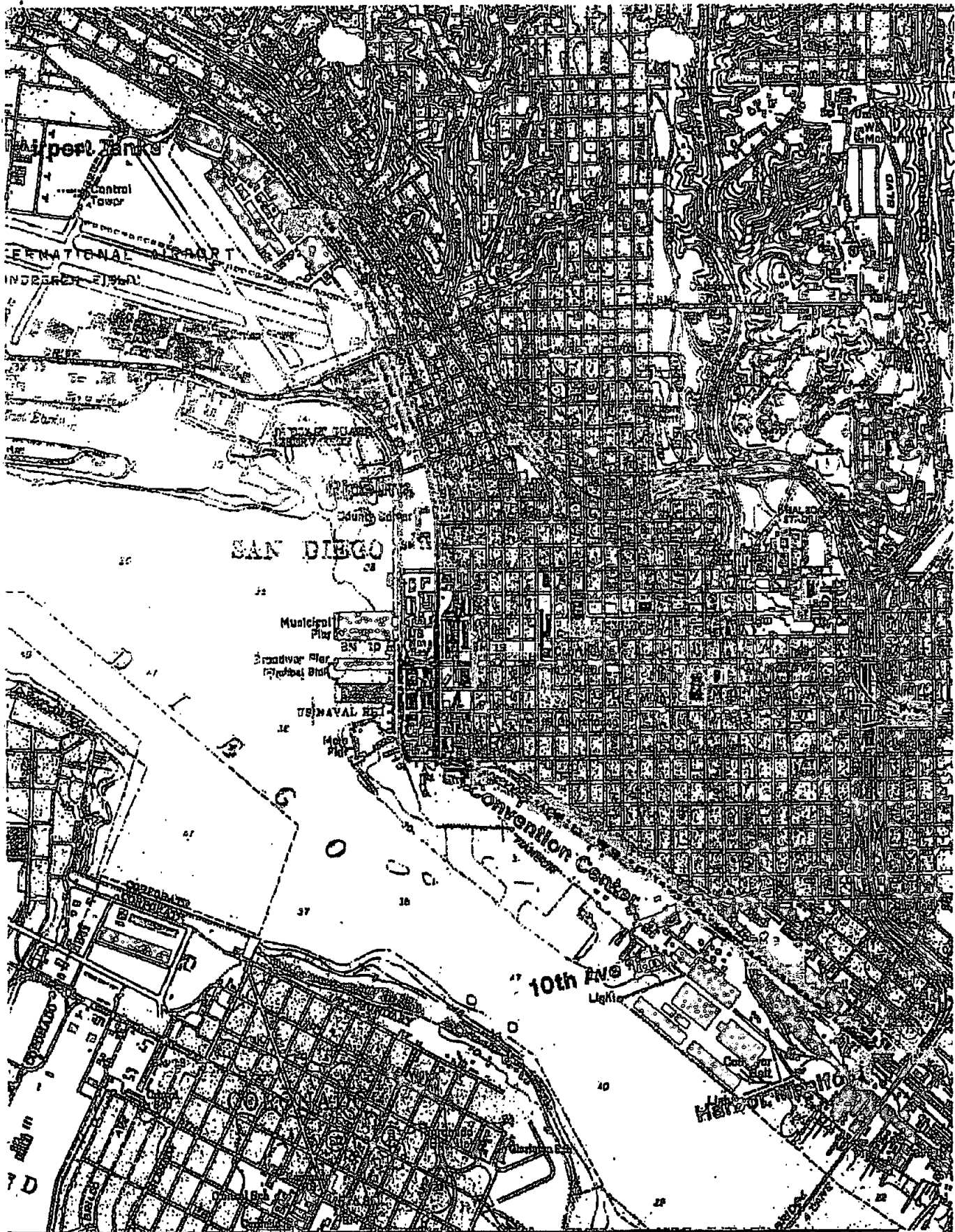
ELH:smf
11/16/99
Or.Dept:Pub.Works
O-2000-79
Form=o+t.frm

San Diego International Airport Pipeline Route Description

<u>Item</u>	<u>Description</u>	<u>Location</u>	<u>Approx. Miles</u>
	10-inch Diameter Receiving Pipeline -		
1	Begin Pipeline – Harbor Manifold of SFPP, L.P.	Southwest corner of Harbor Drive. and Beardsley Street	0.00
2	End Pipeline - 10 th Avenue Marine Terminal Tanks	West side of Harbor Drive at 10 th Avenue	0.62
	TOTAL 10-inch Diameter Receiving Pipeline Mileage		0.62
	8-inch Diameter Delivery Pipeline -		
3	Begin Pipeline – 10 th Avenue Marine Terminal Tanks	West side of Harbor Drive at 10 th Avenue	0.00
4	Exit 10 th Avenue Terminal and proceed under Harbor Drive. overpass	North side of Harbor Drive at west end of overpass	0.10
5	Proceed north on Harbor Drive next to roadway to 8 th Avenue	Intersection of Harbor Drive and 8 th Avenue	0.21
6	Proceed north from Harbor Drive from 8 th Avenue to the intersection of Harbor Drive and Pacific Highway	North side of Harbor Drive past the Convention Center until approximately Market Street, then switch to south side of Harbor Drive prior to turning north on Pacific Highway	0.95
7	Turn north on Pacific Highway	Continue north along the west side of Pacific Highway, across the intersection of Pacific Highway and Laurel Street	1.38
8	Turn west into fire lane through parking lot onto San Diego International Airport property just north of runway	Enter Airport property via the fire lane across Jimsair leasehold (parking lot)	0.01
9	Proceed west along north side of Airport Taxiway "C" to west end of Airport south of Airport Tower, then north around west side of Tower to Airport tanks	Parallel Taxiway "C" 150 feet north of Taxiway "C" centerline. Bore under Taxiway "D" and continue to west end of Airport, then north around west side of Tower to Airport tanks	1.11
	TOTAL 8-inch Delivery Pipeline Mileage		3.76

A-7

EXHIBIT A
CITY OF SAN DIEGO FRANCHISE AGREEMENT WITH WESPAC



San Diego International Airport Jet Fuel Pipeline

City of San Diego



WesPac Pipelines, Ltd.

EXHIBIT A
CITY OF SAN DIEGO FRANCHISE AGREEMENT WITH WESPAC

EXHIBIT A

Franchise Area, Pipeline Pathway, and Route Description

EXHIBIT A
CITY OF SAN DIEGO FRANCHISE AGREEMENT WITH WESPAC

Approved as to form and legality

this 22nd day of Feb, 19 2000
CASBY GWINN, City Attorney

By: [Signature]
Elmer L. Heap, Jr.
Deputy City Attorney

WESPAC:

WESPAC PIPELINES - SAN DIEGO LTD., a
Nevada limited liability corporation

By: [Signature]

Its: _____

Title: PRESIDENT

By: _____

Its: _____

Title: _____

EXHIBIT A
CITY OF SAN DIEGO FRANCHISE AGREEMENT WITH WESPAC

Franchise Area during construction or maintenance of the Pipeline(s). In exercising its rights and discharging its obligations under this paragraph 4, WesPac agrees to use commercially reasonable efforts to minimize interference with vehicular and pedestrian traffic in the Franchise Area.

5. **Continuous Access.** During the Franchise Term, the City shall not cause, or permit other parties to cause, any interference with or obstruction or barricade of the Franchise Area that would prevent WesPac from accessing the Pipeline(s), unless the City (a) has obtained the prior written consent of WesPac or, (b) in the case of an emergency, given WesPac reasonable notice of the location and estimated duration of such interference, obstruction or barricade.

6. **Indemnification.** WesPac agrees to defend, indemnify, protect and hold the City, its agents, officers and employees harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to WesPac's employees, agents or officers that arise out of or are in any manner directly or indirectly connected with the work to be performed under this Agreement, and all expenses of investigating and defending against same; provided, however, that WesPac's duty to indemnify and hold the City harmless shall not apply to any claims or liability arising from the established active negligence, sole negligence or sole willful misconduct of the City, its agents, officers, or employees..

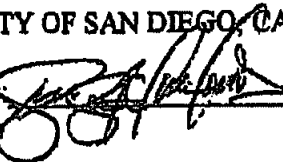
7. **Insurance.** During the Franchise Term, WesPac shall maintain comprehensive public liability insurance insuring WesPac against liability for personal injury or property damage arising out of the construction, operation and maintenance of the Pipeline, with liability limits of at least Two Million Dollars (\$2,000,000.00).

8. **Injunctive Relief.** In the event of any violation or threatened violation of this Franchise Agreement, each party shall have the right to seek injunctive relief from such violation or threatened violation in a court of competent jurisdiction; provided, however, that prior to the commencing of any such action, the non-violating party shall provide reasonable prior written notice of such violation to the offending party.

IN WITNESS WHEREOF, the City and WesPac have duly executed this Franchise Agreement on the day and year first above written.

THE CITY:

CITY OF SAN DIEGO, CALIFORNIA

By:  _____

By: _____

EXHIBIT A
CITY OF SAN DIEGO FRANCHISE AGREEMENT WITH WESPAC

2. **Franchise Term.** The City hereby grants to WesPac the Franchise for a term of twenty-five (25) years commencing on the effective date (the "Effective Date") of the ordinance(s) or other instrument(s) pursuant to which the City approves and makes effective this Franchise Agreement.

3. **Annual Franchise Fee.**

(a) **Base Annual Franchise Fee.** No later than the date that is ten (10) days after the date ("Service Commencement Date") upon which WesPac commences transporting fuel in a Pipeline, and thereafter during the Franchise Term on or before each anniversary of such Service Commencement Date for such Pipeline, WesPac shall pay to the City for each such Pipeline an amount based on (pursuant to California Public Utilities Code § 6231.5(a)(3)) the actual length and diameter of the Pipeline that is constructed within the Franchise Area, which amount is preliminarily calculated as follows (and which preliminary amount shall be adjusted by amendment to this Franchise Agreement, if necessary after completion of the Pipeline, to reflect actual lengths and diameters):

8-inch portion of Pipeline: 19,853 feet x \$.176/ft = \$3,494.00

10-inch portion of Pipeline: 3,274 feet x \$.220/ft = \$ 720.00

Total Base Annual Franchise Fee: \$4,214.00

(b) **Adjustments to Base Annual Franchise Fee.** Pursuant to California Public Utilities Code § 6231.5(b)(1), the Annual Franchise Fee shall be computed and revised each calendar year during the Franchise Term by multiplying the base rates specified in this Paragraph 3 above by the Consumer Price Index for the Franchise Area, as published by the United States Department of Labor, Office of Information, for the month of September immediately preceding the month in which payment is due and payable, divided by the Consumer Price Index for June 30, 1989, which is declared to be 100.0. Under no circumstances shall the multiplying factor be less than one (1). If the United States Department of Labor, Office of Information discontinues publication of a Consumer Price Index for the Franchise Area, the provisions of Section 6231.5(b)(2) of the California Public Utilities Code shall apply.

4. **Construction and Maintenance.** WesPac shall have the right, commencing as of the Effective Date and continuing thereafter throughout the Franchise Term, to make all necessary excavations or other temporary modifications to the Franchise Area to construct, maintain, operate or repair the Pipeline(s); provided, however, that any and all work performed by WesPac during the Franchise Term to so construct, maintain, operate, or repair the Pipeline(s) shall be performed in accordance with all applicable laws of the City and, if necessitated by such laws, in accordance with plans and specifications approved by the City. WesPac shall, at its sole cost and expense, backfill and resurface any areas that are excavated in connection with the construction, maintenance, operation or repair of the Pipeline(s) and return such areas to as good a condition as such areas were found by WesPac immediately prior to WesPac commencing its work. Further, WesPac shall, at its sole cost and expense and subject to the indemnification provisions of paragraph 6 below, assume full responsibility for the proper handling of any contaminated soils that WesPac encounters as a result of WesPac's trenching operations in the

EXHIBIT A

EXHIBIT A
CITY OF SAN DIEGO FRANCHISE AGREEMENT WITH WESPAC

ORIGINAL

FRANCHISE AGREEMENT

This Franchise Agreement ("Franchise Agreement") is made and entered into this 13th day of January, 2000, by and between the City of San Diego, State of California (the "City") and WesPac Pipelines - San Diego Ltd., a Nevada limited liability corporation ("WesPac").

RECITALS

A. The City has jurisdiction over certain public property and streets in the city of San Diego, California, which property and streets are more particularly described in Exhibit "A" attached hereto and incorporated herein (collectively, the "Franchise Area").

B. WesPac is a private enterprise that constructs and operates pipelines for petroleum products. The parties agree that WesPac is deemed a common carrier utility for purposes of this Franchise Agreement.

C. WesPac requires a grant of franchise from the City to (a) initially construct, maintain and operate one (1) pipeline for the transportation of jet fuel and other petroleum substances from a supply source southwest of downtown San Diego to the San Diego International Airport and (b) have the right to later construct, maintain and operate an additional pipeline for the transportation of jet fuel and other petroleum substances to the San Diego International Airport. The City agrees to grant WesPac such franchise on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the promises and of the mutual obligations, agreements, and representations contained herein, the City and WesPac hereby agree as follows:

AGREEMENT

1. **Grant of Franchise.** The City hereby grants and reserves to WesPac, its successors and assigns, a franchise (the "Franchise") to construct, operate, maintain, repair, renew, change the size of and remove or abandon in place of existing pipelines, in, under, along and across the Franchise Area (as such pathway through the Franchise Area is outlined in Exhibit "A" attached hereto), up to two (2) pipelines, neither of which may exceed ten (10) inches in internal diameter, for the transportation of jet fuel and other petroleum substances, together with all manholes, service connections and appurtenances necessary or convenient for the operation and maintenance of such pipeline (such pipelines together with their respective manholes, service connections and appurtenances to be referred to herein collectively as the "Pipelines" and to each individually as a "Pipeline"). The parties acknowledge and agree that WesPac intends to initially, as soon as is reasonably practicable after the Effective Date (as defined below), construct one (1) Pipeline in the Franchise Area and that, in accordance with the City's grant of the Franchise as detailed in this paragraph 1 above, WesPac shall have the right at any time during the Franchise Term and subject to all the terms and conditions of this Franchise Agreement to construct one (1) additional Pipeline in the Franchise Area.

DOCUMENT NO 00-18735

FILED DEC 14 1999

OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

“Every person or entity contracting . . . who will receive more than 10% of the contracted amount or who own more than 10% of the entity contracting with the City, where the City will be expending or receiving more than the amounts established by ordinance of the City Council or where City Council approval is required by this Charter or by ordinance.”

Attached hereto, please find copies of the City’s “Mandatory Disclosure of Business Interests” form for the following entities:

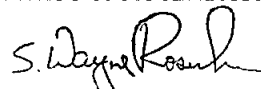
- Buckeye Aviation (San Diego) LLC;
- JET Infrastructure Holding IA LLC

The above list identifies persons as required by both § 21.0103(c) as well as changes to City Charter § 225.as it will be amended. These forms are attached as Exhibit B.

Please let us know if you have any questions regarding this matter.

Yours very truly,

ENVIRONMENTAL LAW GROUP LLP
VARCO & ROSENBAUM



S. Wayne Rosenbaum

SWR/mt
Enclosures

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S. WAYNE ROSENBAUM
swr@envirolawyer.com

**ENVIRONMENTAL
LAW GROUP LLP**
Varco & Rosenbaum

December 18, 2018

Via Email

Director Cybele Thompson
City of San Diego
1200 Third Ave., Suite 1700
San Diego, CA 92101
E: ThompsonC@sandiego.gov

Re: Notice and Mandatory Disclosure of Business Interest for Transfer of Franchise Agreement

Dear Director Thompson:

I am an attorney with Environmental Law Group LLP ("ELG"). ELG represents JET Infrastructure Holding IA LLC ("JET") in matters related to the purchase of the franchise agreement ("Franchise Agreement") currently in place between the City of San Diego ("City") and WesPac Pipelines – San Diego Ltd., a Nevada limited liability corporation ("WesPac"). A copy of the Franchise Agreement, executed by the City and WesPac and approved as document number O-18735 with an effective date of January 13, 2000 and a term of twenty-five (25) years, is attached hereto as "Exhibit A".

The Franchise Agreement grants to WesPac, certain rights and privileges related to the use of undergrounded pipes for the purposes of transporting jet fuel from the Tenth Avenue Marine Terminal to San Diego International Airport. Buckeye Aviation (San Diego) LLC, WesPac's successor in interest of the Franchise Agreement, seeks to transfer the Franchise Agreement by sale to JET.

(Exhibit A) San Diego Municipal Code ("SDMC") § 21.0103(c) requires:

"Prior to transferring any right, title, or interest in a *transaction* with the City, every *person* who will be a party to the transfer shall provide the City with the name, identity, and the precise nature of the interest of all *persons* who are *directly or indirectly involved* in the transfer." (Italics in original.)

SDMC § 21.0103(a)(3) defines "transaction" to specifically include any "franchise right." "Person[s]" who must satisfy these disclosure obligations are defined at § 21.0103(a)(2), and San Diego voters recently approved Measure J in the November 2018 midterm election which amended the City Charter to revise the definition of persons required to disclose information under certain contracts with the City to:

EXHIBIT B
MANDATORY DISCLOSURE OF BUSINESS INTEREST

Mandatory Disclosure of Business Interests Form

BIDDER/PROPOSER INFORMATION

Legal Name JET Infrastructure Holding IA LLC	DBA		
Street Address 66 Wellington Street West, 31st Floor	City Toronto	State Ontario, Canada	Zip M5K 1E9
Contact Person, Title Stephen Simpson, Secretary	Phone +1 (416) 815-6224	Fax Ontario, Canada	M5K 1E9

Provide the name, identity, and precise nature of the interest* of all persons who are directly or indirectly involved** in this proposed transaction (SDMC § 21.0103).

* The precise nature of the interest includes:

- the percentage ownership interest in a party to the transaction,
- the percentage ownership interest in any firm, corporation, or partnership that will receive funds from the transaction,
- the value of any financial interest in the transaction,
- any contingent interest in the transaction and the value of such interest should the contingency be satisfied, and
- any philanthropic, scientific, artistic, or property interest in the transaction.

** Directly or indirectly involved means pursuing the transaction by:

- communicating or negotiating with City officers or employees,
- submitting or preparing applications, bids, proposals or other documents for purposes of contracting with the City, or
- directing or supervising the actions of persons engaged in the above activity.

JET Infrastructure Holding IA LLC

Name Delaware Limited Liability Company	Title/Position
---	-----------------------

City and State of Residence JET Infrastructure Holding IA LLC is purchasing a one hundred percent (100%) membership interest in Buckeye Aviation (San Diego) LLC	Employer (if different than Bidder/Proposer)
--	---

Interest in the transaction Buckeye Aviation (San Diego) LLC	
--	--

Name Delaware Limited Liability Company	Title/Position
---	-----------------------

City and State of Residence Buck Eye Aviation is selling a one hundred percent (100%) membership interest to JET.	Employer (if different than Bidder/Proposer)
---	---

Interest in the transaction	
------------------------------------	--

*** Use Additional Pages if Necessary ***

Under penalty of perjury under the laws of the State of California, I certify that I am responsible for the completeness and accuracy of the responses contained herein, and that all information provided is true, full and complete to the best of my knowledge and belief. I agree to provide written notice to the Mayor or Designee within five (5) business days if, at any time, I learn that any portion of this Mandatory Disclosure of Business Interests Form requires an updated response. Failure to timely provide the Purchasing Agent with written notice is grounds for Contract termination.

<u>Stephen Simpson, Secretary</u>		<u>12/18/2018</u>
Print Name, Title	Signature	Date

Failure to sign and submit this form with the bid/proposal shall make the bid/proposal non-responsive. In the case of an informal solicitation, the contract will not be awarded unless a signed and completed Mandatory Disclosure of Business Interests Form is submitted.