



**MONTEREY REGIONAL AIRPORT
REQUEST FOR
QUALIFICATIONS/PROPOSAL
AIRPORT RETAIL – NEWS AND GIFT
CONCESSION OPERATOR
RFQ/P NUMBER: CON10012026**

I HAVE READ, UNDERSTAND AND AGREE TO ALL STATEMENTS IN THIS REQUEST FOR QUALIFICATIONS, AND TO THE TERMS, CONDITIONS AND ATTACHMENTS REFERENCED HEREIN.

Date: _____ Company Legal Name: _____

Authorized Signature

Name

Title

Authorized Signature

Name

Title

TABLE OF CONTENTS

INTRODUCTION.....	3
REQUESTS FOR QUALIFICATIONS/PROPOSALS	3
Schedule.....	3
Questions	4
Non-Mandatory Pre-Proposal Conference	4
Communication with MPAD	4
Revisions to the Solicitation	4
SCOPE OF WORK AND SERVICES.....	4
Space Description.....	6
Conditions, Use, and Operational Requirements.....	6
PROPOSAL FORMAT	8
Proposal Content.....	8
Proposer Submission	10
Proposal Evaluation.....	10
Award Notification, Approval, and Development Commencement.....	11

INTRODUCTION

Monterey Regional Airport (“Airport” or “MRY”) is owned and operated by the Monterey Peninsula Airport District (“MPAD”) and is a non-hub commercial service airport serving the central coast of California. The airport serves as the gateway to the region, with its iconic golf courses, snow-white beaches and dramatic cliffs, including the scenic Carmel-by-the-sea and Big Sur, and much more.

The Airport provides commercial and general aviation access to the national air transportation system in support of business and leisure travel. Four commercial airlines currently offer service to the Airport: Alaska, Allegiant, American, United, and Delta. The Airport serves over 650,000 passengers annually, having experienced double-digit enplanement growth each year since 2023.

The Airport is undergoing a transformation. The Airport’s transformation program, MRY Metamorphosis, is on track to deliver modern and efficient facilities that the local community can be proud of. The Terminal Replacement Project will deliver five new gates in 62,754 square feet of public space, a similar footprint to the existing terminal, in a location that allows for operational safety enhancement while preserving the ease and efficiency travelers have come to expect from MRY.

REQUESTS FOR QUALIFICATIONS/PROPOSALS

Monterey Regional Airport is a federal grant funded facility, obligated to the Federal Aviation Administration’s (“FAA”) Grant Assurances. The FAA, as a condition of its receipt of grant funds, requires that the Airport maintain a fee and rental structure for the facilities which will allow the Airport to be as self-sustaining as possible.

Monterey Peninsula Airport District is seeking proposals from qualified bidders to lease, manage and operate a retail, news and gift concession (“Concession”) at the Airport. The Concession must offer a wide variety of non-food, goods and/or services otherwise unavailable in the Airport’s newly constructed terminal building (“Replacement Terminal”). This Concession will be located on the secure side of the Replacement Terminal that is currently under construction. It will serve travelers arriving to, and departing from, the Airport, as well as badged Airport employees.

Schedule

Solicitation Number	CON10012026
Number of Contracts Awarded	1
RFQ/P Release Date	October 1, 2026
Non-Mandatory Pre-Proposal Conference	October 9, 2026 at 2:00 P.M. PT
Deadline for Questions	October 16, 2026 at 2:00 P.M. PT
Email planning@montereyairport.com with a notice of interest	October 30, 2026 at 12:00 P.M. PT

Proposal Due Date and Time	October 30, 2026 at 4:00 P.M. PT
Interviews (if needed)*	November 10-12, 2026
Monterey Peninsula Airport District Board Recommendation*	December 10, 2026

*Dates subject to change

Late submissions will not be considered.

PRE-SUBMITTAL ACTIVITIES

Questions

Questions regarding this RFQ/P, or notifications of apparent errors in this RFQ/P, must be provided to MPAD in writing. Questions and/or notifications must be submitted in writing to planning@montereyairport.com no later than 2:00 P.M. PDT on October 16, 2026.

Questions and/or notifications that are not received in writing, or are received after the deadline, will not be acknowledged or addressed.

Questions and responses will be posted on MPAD's website at <https://montereyairport.specialdistrict.org/legal-notice>.

Non-Mandatory Pre-Proposal Conference

Proposers may attend a non-mandatory pre-proposal conference. The conference will be held on October 9, 2026 at 2:00 P.M.PDT at 200 Fred Kane Drive, Suite 200, Board Room, Monterey CA 93940. Additional conferences will not be hosted. We are offering a virtual option for participation as provided below

<https://us02web.zoom.us/j/84102071400?pwd=Zb3XfFamSzbC23NBXZxiR2ggavM5vz.1>

Meeting ID: 841 0207 1400

Communication with MPAD

Upon issuance of this RFQ/P, Proposers shall not communicate in any way with any MPAD employee or board member other than in accordance with the terms or provisions of this RFQ/P.

Revisions to the Solicitation

MPAD may cancel, revise, or reissue this solicitation, in whole or in part, for any reason and at any time.

SCOPE OF WORK AND SERVICES

The Scope of Work for this Request for Qualifications/Proposals ("RFQ/P") consists of, but is not limited to, development and operation of a retail, news and gift concession, located on the secure side of Monterey Regional Airport's new Replacement Terminal, which is currently under construction. The location is depicted on Exhibit A. This location is beyond the passenger screening security checkpoint and will have exposure to arriving and departing ticketed

passengers and security badged employees. The selected Proposer will enter into a lease ("Concession Agreement") for the space and use of the Airport, in similar form to Exhibit B.

The final executed Concession Agreement will contain provisions required by the FAA, including but not limited to non-discrimination, civil rights, just services, exclusive rights, airport concession disadvantaged business enterprise (ACDBE) and will be subordinate to agreements between MPAD, the United States of America, and the state of California.

Pricing. The selected Proposer shall provide airport customers with first rate products and services. Product pricing should be no more than 15% above the prices charged for comparable products sold in the Monterey region.

Hours of Operation. The Concession will open when the screening check point opens and continue through at least the close of boarding of the last departing flight. If airlines offer a reduced flight schedule, the selected Proposer may reduce hours on Thanksgiving and Christmas with advanced written approval by the Airport Executive Director. A current schedule is provided as a draft sample of hours of operation.

Security Requirements. The selected Proposer and their employees must pass and maintain all required background checks, security criteria, and meet all Federal Aviation Administration ("FAA") and Transportation Security Administration ("TSA") requirements to obtain and maintain an airport security badge for access to the secure area of the Airport.

Development. The selected Proposer will be required to design, provide, and install all facility tenant finish requirements, including but not limited to, special lighting and power, interior finishes, all furnishings, fixtures, trade fixtures, equipment, and signage necessary to operate a first-class concession. All plans and specifications, materials and color selections shall comply with the Airport's development standards and construction requirements ("Development Standards and Construction Requirements"), as maintained and provided by the Airport's Planning & Development Department, as they may from time to time be amended. Proposer shall also comply with all uniform codes adopted by MPAD now or in the future. The Proposer shall specify the amount of capital investment, not including financing costs, interest, inventory, pre-opening expenses or intra-company charges related to construction.

The selected Proposer shall deliver, without expense to MPAD, an acceptable Tenant Construction Payment Bond, Contractor Performance Bond, and Labor and Materials Bond in a sum not less than one hundred percent (100%) of the total contract amount for said construction, alteration or addition of improvements and facilities mentioned herein.

Rent Payment. The selected Proposer agrees to enter into a Concession Agreement with MPAD for the space to operate a news and gift concession at MRY's Replacement Terminal. The Concession Agreement will include monthly rent which will be the greater of a monthly rent or percent of gross sales ("Gross Sales").

The term "Gross Sales" means the aggregate amount received by selected Proposer from all sales, both for cash and on credit; all charges for goods and services rendered in or upon the Concession; the gross amount received by the selected Proposer for merchandise sold pursuant

to orders received at the Concession, and the gross amount received by the selected Proposer from any and all other sources of income derived from the business conducted at the Airport. Gross Sales does not include the amount of any sales tax receipts which the selected Proposer is required to collect and account for to any government or governmental agency.

For each year of the term of the Concession Agreement, Proposer will pay MPAD a negotiated fee for the space and for gross sales.

Space Description

The location of the concession will be in the Airport's Replacement Terminal building, currently under construction. The space available for use is on the secure side of the facility and measures approximately 550 sf. The space is further depicted on Exhibit A to this RFQ/P.

Due to the on-going facility construction, the space is not currently available for access. It will be delivered to the selected Proposer in a 'shell' state and the Proposer will be responsible for finishes to the space as well as any other necessary furnishings, fixtures, and equipment to properly outfit the space for public access and operation.

Electrical service to the Concession space is not metered separately, proposer will be billed by the airport for space use and be responsible for the payment of all charges for such service. Proposer must separately arrange for and be responsible for payment for, telephone service, internet service, trash collection, and/or any other utility or service needed or desired in the space.

Conditions, Use, and Operational Requirements

Qualification Requirements: MPAD requires the following qualifications from respondents:

- Must be properly licensed with the State of California and local regulators.
- Must provide evidence that establishes that the contracting entity has the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance, as applicable.
- Must provide information concerning workers' compensation experience history and a worker safety program.
- The information required under this RFQ/P shall be certified under penalty of perjury by the entity and its general partners or joint venture members, as applicable.

Airport Security. The federal Transportation Security Administration is the federal agency primarily responsible for overseeing the security measures utilized by the airport owner pursuant to the relevant provisions of Chapter 49, United States Code, and regulations adopted under the authority of the Code, including but not limited to 49 CFR 1540, 49 CFR 1542, et seq. Violations of the statutes or regulations may result in severe civil monetary penalties being assessed against the airport operator. It is the intent of the airport operator that the burdens and consequences of any security violations imposed upon the airport operator as a result of actions by an airport tenant, including selected Proposer, or the airport tenant's (selected Proposer's) employees, agents, invitees, or licensees shall be borne by the airport tenant, including selected Proposer.

Governing Laws and Regulations. The Proposer is required to be familiar with and shall be responsible for complying with all federal, state, and local laws, ordinances, rules, and regulations that in any manner affect the work including but not limited to applicable FAA and TSA regulations and policies.

Proposer shall be required to obtain necessary permits, licenses, and other required documents and approvals before beginning operations. Proposer shall also be responsible for obtaining any additional permits, licenses, and other required documents and approvals which may be required by Proposers operation at MRY before beginning operations.

Rules and Regulations and Minimum Standards. MPAD has established certain Rules and Regulations and Minimum Standards, subject to change from time to time, for tenants operating at the Airport. Airport Tenants must comply with these Rules and Regulations and Minimum Standards at all times. MRY's Rules and Regulations and Minimum Standards can be found on MPAD's website at: [Aviation Documents & Regulations - Monterey Peninsula Airport District](#) or by request to the Airport.

Title VI Solicitation Notice. The Monterey Peninsula Airport Board, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4), 28 CFR § 50.3, and 49 CFR Part 21, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, all contractors will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of the owner's race, color, national origin, sex, creed, age, or disability in consideration for an award.

Airport Concession Disadvantaged Business Enterprise (ACDBE). This Agreement is subject to the requirements of Title 49, Code of Federal Regulations, Part 23, Participation of Disadvantaged Business Enterprise in Airport Concessions. MPAD has implemented an Airport Concession Disadvantaged Business Enterprise (ACDBE) program under which qualified firms may have the opportunity to operate an airport concession business. The ACDBE participation goal is measured as a percentage, the total annual gross sales generated by certified ACDBE participants in comparison with the total annual gross sales generated by all concessions for the entire concession program. Airport and Airport Authorities are required to count the total dollar value of the gross receipts an ACDBE earns under a concession agreement and the total dollar value of a management contract or subcontract with an ACDBE toward the goal.

Proposers are encouraged to carefully review 49, Code of Federal Regulations, Part 23, as well as the regulations issued thereunder with respect to ACDBE certification requirements and procedures.

The Proposer shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. The Proposer shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the Proposer to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as Agency deems appropriate. Each subcontract the Proposer signs with a subcontractor must include the

assurance in this paragraph (see 49 CFR §26.13(b)).

Form of Agreement. The selected Proposer will be required to enter into a contractual Concession Agreement, inclusive of insurance requirements, with MPAD in accordance with sample Concession Agreement attached (Exhibit B). Please note that the agreement is intentionally not complete and will be negotiated and finalized with the selected Proposer and executed between the parties after MPAD approval of award.

The Proposer will be required to maintain complete and accurate books and records for all Gross Sales, make those records available to MPAD for inspection and audit upon reasonable notice, and submit monthly sales reports in the form required by MPAD. Failure to timely submit reports, remit required rent, or maintain auditable records may constitute a default under the Concession Agreement.

PROPOSAL FORMAT

This section describes the proposal format requirements.

Proposal Content

Proposals must include the following components in the order listed below. Proposals shall not exceed thirty (30) single-sided pages. This page limit does not include the financial statements.

1. **Cover Letter.** A cover letter, not to exceed two pages, signed by an authorized representative, that:
 - a) Certifies the information provided in the proposal.
 - b) Affirms the Proposer's intent to undertake the proposed Concession Agreement, construction build-out, and operation.
 - c) Identifies the proposed estimated start date and duration of construction build-out.
 - d) Provides the Proposer's legal name, phone number, email address, and street address. For business entities, include the legal name, phone number, email address, and business address for each principal.
 - e) Includes the signature, printed name, title, and date of authorized signatory.
2. **Qualifications and Experience.**
 - a) Describe the relevant experience of the Proposer and its team, if applicable, including the Proposer's capacity to successfully deliver the required build-out and operate the proposed concession.
 - b) Abbreviated resumes of key individuals who will provide the services required to operate the concession.
 - c) Disclose whether the Proposer or any of its partners are, currently or have in the past been, suspended or debarred from any federal, state, or local contract or found to be in violation of any rule or regulation of the FAA.

3. **Business Plan.** Each proposal must contain evidence of the Proposers' qualifications to do business in an airport environment. To demonstrate qualifications, the proposal must include a brief written business plan describing its commercial and operational approach:
 - a) The type of goods or services to be offered.
 - b) Why the Proposer believes the goods or services will be appropriate and successful in an airport environment.
 - c) A pricing plan detailing how the prices of goods sold will be established, and how price increases, if any, shall be determined over the full term of the agreement. The pricing plan shall demonstrate a commitment to fair, reasonable, and competitive pricing, with prices appropriately aligned with comparable products available in the local market.
 - d) Economic pro forma for the first two (2) years of operation, including financial return to MPAD.
 - e) Proposed management structure, staffing plan, and method of operation.
4. **Development Plan.** Proposer will provide a conceptual plan detailing how Proposer plans to develop the Concession space, including:
 - a) The proposed layout of the Concession space.
 - b) Proposed tenant finishes, including but not limited to, special lighting and power, interior finishes, all furnishings, fixtures, trade fixtures.
 - c) Proposed storefront signage necessary to operate a first-class concession.
5. **Financial Capability and Resources.** Provide information demonstrating the Proposer's financial capacity, including:
 - a) Plan of finance to support start-up and operation of the Concession.
 - b) Description of legal or regulatory actions, bankruptcies, or bond forfeitures within the past seven (7) years.
 - c) Evidence of the ability to obtain a bond or letter of credit covering the cost of proposed improvements and operational start-up.
 - d) Abbreviated financial information for the past three (3) years, including summary balance sheet, income, and cash flow information.
 - If selected, sole proprietors must provide personal income tax returns for the prior three (3) years.
 - If selected, business entities must provide detailed financial statements for the prior three (3) years, prepared by a CPA.
 - e) One or more financial references from a bank, lender, or financial institution.

6. **Insurance.** List the amount(s) and type(s) of proposed insurance, which in no case shall be less than those applicable requirements in the Airport's Minimum Standards, or demonstrate the ability to obtain such coverage.
7. **Exceptions.** Identify any requested exemptions to the RFQ/P and the basis for each. Failure to identify exemptions constitutes acceptance of all RFQ/P requirements.

Proposer Submission

Proposals must be received electronically at an Online Portal Site by 4:00 P.M. PDT on October 30, 2026. Access to the Portal Site will be provided by email to those participants that have submitted a notice of interest that includes the name and email address to planning@montereyairport.com by October 30, 2026 at 12:00 PM PDT.

Proposer acknowledges and agrees that MPAD may have 120 days to accept or reject proposals. Proposer further guarantees that all contents of its proposal shall be valid for a period of 120 calendar days from the due date of proposals under this RFQ/P.

Proposers to this solicitation are responsible for all costs of submittal preparation, delivery, and any oral presentations required as part of the selection process. All materials submitted in response to this solicitation become property of MPAD and will be returned only at the option of MPAD.

No Commitment

Neither submission of a proposal nor MPAD's receipt of a proposal confers any right to the Proposer nor any obligation on MPAD. This RFQ/P does not commit MPAD to award a contract.

MPAD reserves the right, in its sole discretion, to reject any or all proposals, waive minor irregularities or informalities, request clarifications, cancel or reissue this RFQ/P, negotiate with one or more Proposers, or decline to award a Concession Agreement if MPAD determines that doing so is in its best interests.

Conflict of Interest

Each Proposer must disclose any actual, potential, or perceived conflict of interest related to this RFQ/P, including any current or former business, financial, employment, or personal relationship with MPAD, its Board members, officers, employees, consultants, or advisors that could affect, or appear to affect, the integrity of the procurement process.

Proposal Evaluation

The final determination of which proposal, if any, MPAD will select will be made by the Selection Committee.

1. **Responsiveness.** Proposals will first be reviewed to determine whether they are responsive to the requirements of this RFQ/P. MPAD may reject any proposal that does not comply with the submission requirements. MPAD reserves the right to waive minor or non-material irregularities that do not provide Proposer(s) with a competitive advantage.

2. **Evaluation.** Responsive proposals will be evaluated based on the criteria identified below and the Proposer's ability to meet the requirements of this RFQ/P and applicable Airport Rules and Regulations and Minimum Standards. During the evaluation process, MPAD may request clarifications, additional information, interviews, or presentations from one or more Proposers.
3. **Responsibility.** Prior to selection, MPAD may evaluate the responsibility of a Proposer, including factors such as integrity, past performance, financial capacity, technical qualifications, and ability to successfully perform the proposed activities.
4. **Evaluation Criteria.** MPAD will evaluate the submission in accordance with the selection criteria and will rank the Proposer(s) on the basis of the submittals. MPAD reserves the right to consider information obtained in addition to the data submitted in the response. The selection criterion is listed below:
 - a) **Qualifications and Experience (Factor 20%):** Evaluation of previous concessions development, preferably in an airport environment and management to demonstrate the ability to successfully undertake the proposed project.
 - b) **Financial Capability, Credit Worthiness, and Resources (Factor 20%):** Evaluation of financial capacity to deliver the proposed project improvements and commercial operation, as applicable.
 - c) **Commercial Plan (Factor 30%):** Evaluation of the overall quality and extensiveness of Proposers' commercial plan for the Concessions concept and services including, but not limited to, financial benefit to the Airport, product offering, and pricing.
 - d) **Development and Operational Plan (Factor 30%):** Evaluation of the Proposers' plan to develop and operate the Concession, including, but not limited to its design concept and staffing plan.

Upon selection of a proposal, MPAD reserves the right to negotiate the terms of a Concession Agreement with the Proposer in the best interests of MPAD, as MPAD reasonably determines such interests to be.

Award Notification, Approval, and Development Commencement

1. MPAD will issue a written Notice of Intent to Award to the selected Proposer.
2. The selected proposal and related Concession Agreement will be scheduled for consideration by the MPAD Board at a public meeting, subject to agenda availability. The anticipated timing for MPAD Board consideration is December 10, 2026.
3. The Concession Agreement shall become effective and binding only upon approval by MPAD Board and execution by the Proposer and the authorized designee of MPAD.
4. Activities under the Concession Agreement may commence only after full execution of the Concession Agreement and written notice from MPAD authorizing commencement. Prior to MPAD execution of the Concession Agreement, no MPAD employee may

authorize work, and any work performed prior to that time shall be at the Proposer's sole risk and expense.

5. Additional General Requirements.

- a) Prior to commencement of activities, MPAD and selected Proposer will conduct an initial meeting to review the overall scope, schedule, deliverables, and planning process to develop and operate a successful Concession.
 - b) Staff available to assist the selected Proposer is limited; the proposals submitted should not anticipate extensive staff assistance during delivery or operation.
6. If the selected Proposer fails to timely execute the Concession Agreement, fails to satisfy conditions precedent to execution, or otherwise fails to meet or perform any related obligations required by this RFQ/P, MPAD may, in its sole discretion, withdraw the award, terminate negotiations, and pursue any other remedy available, including but not limited to selecting another Proposer, reissuing the solicitation, or taking no further actions.

Exhibits

Exhibit A: Space Exhibits – Terminal Layout and Space Layout with Specifications

Exhibit B: Sample Concession Agreement



Project
MRY New Terminal Facility
Monterey Regional Airport

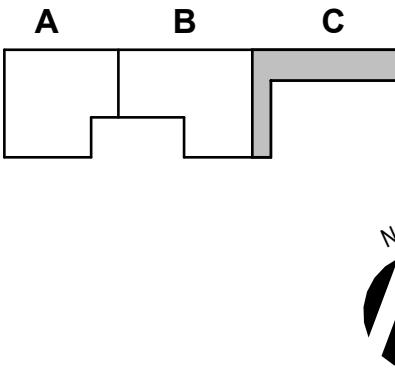
Prepared For
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Key Plan



Professional Seal



No.	Description	Date
1	ISSUE FOR CONTRACT DOCS	2024-11-15
2	AS-BUILT	2026-05-29
3	CONFORMED SET IFC	2026-06-12

Project No: 21.04005.00
Sheet Title

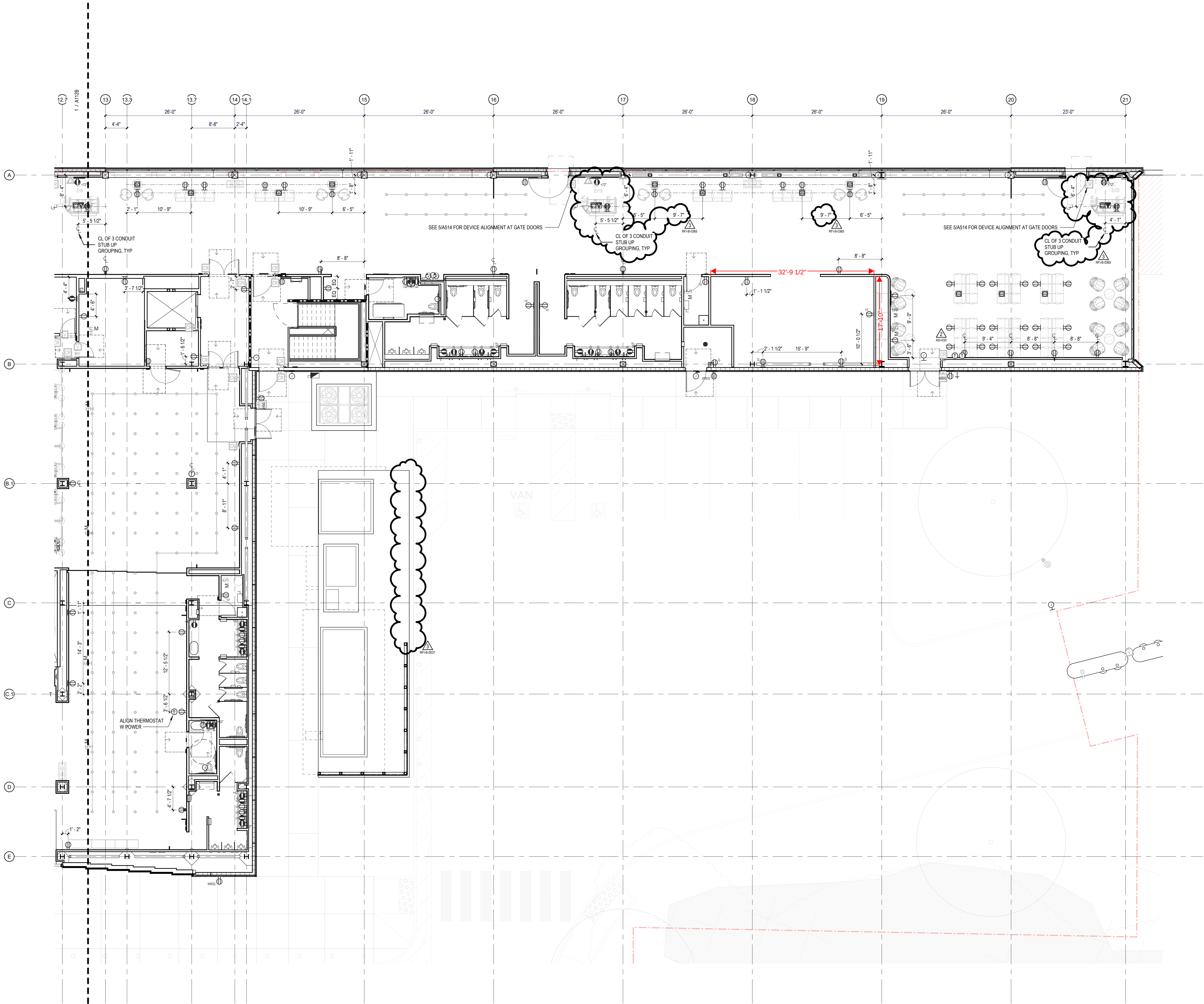
POWER & DATA -
CONCOURSE LEVEL
SECTOR C

Original is A2 x 36. Do not scale contents of this drawing.
Sheet Number

A112C

GENERAL NOTES - POWER AND DATA

1. REFER TO 110010 FOR TYP DEVICE INSTALLATION HEIGHT AND LOCATION ADJACENT TO DOORS.
2. REFER TO A940 SERIES DWGS FOR FIRE RATED FLOOR PENETRATIONS
3. REFER TO EL, TT, AND TY SHEETS FOR COLOR AND FINISH OF DEVICES
4. POWER AND DATA DRAWINGS ARE INTENDED TO BE SUPPLEMENTAL TO AND READ IN CONJUNCTION WITH THE EL, TT, TY, AND OTHER DISCIPLINE DRAWINGS. REFER TO THESE DRAWINGS FOR DEVICE TYPE, CIRCUITING, ETC.
5. FURNITURE SHOWN FOR REFERENCE ONLY



1 POWER & DATA PLAN - CONCOURSE LEVEL - SECTOR C
1/8" = 1'-0"



Project
MRY New Terminal Facility
Monterey Regional Airport

Prepared For
Monterey Peninsula Airport District
200 Fred Kane Drive, Suite 200, Monterey,
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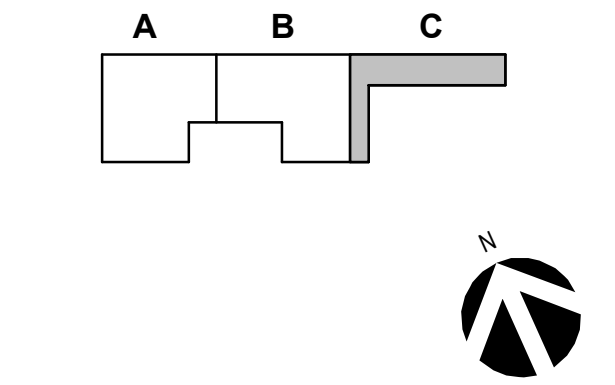
SHEET NOTES

- PROVIDE TAMPER-RESISTANT RECEPTACLES FOR RECEPTACLES UNDER 5-1/2" IN ALL AREAS WHERE PATRONS AWAIT TRANSPORTATION.
- REFER TO SHEET E001 FOR SYMBOLS, ABBREVIATIONS, AND GENERAL NOTES.
- REFER TO SHEET E005 FOR MECH/PLUMB ELEC. CONNECTION SCHEDULE.
- REFER TO "TT" SERIES DRAWINGS FOR ALL TELECOMM SYSTEM ROUGH-IN REQUIREMENTS.
- REFER TO "TY" SERIES FOR ALL SECURITY SYSTEM ROUGH-IN REQUIREMENTS.
- REFER TO "TA" SERIES DRAWINGS FOR ALL AV SYSTEM ROUGH-IN REQUIREMENTS.
- FINAL TERMINATIONS TO MOTORS AND OTHER VIBRATING EQUIPMENT SHALL BE MADE WITH FMC OR LFMC NOT TO EXCEED 72" IN LENGTH.
- ALL 120V CIRCUITS SHALL BE WITH #12 AWG - HOT, NEUTRAL, AND EQUIPMENT GROUND CONDUCTOR - UON. SHARED NEUTRALS ARE NOT ALLOWED UNLESS SPECIFICALLY NOTED OTHERWISE.
- ALL CONDUIT ROUTING AND J-BOX LOCATIONS SHOWN IS DIAGRAMMATIC. COORDINATE EXACT LOCATIONS OF J-BOXES AND PATH OF CONDUITS/BUSWAY BASED ON EXISTING FIELD CONDITIONS AND OBSTRUCTIONS AND NEW WORK OF OTHER TRADES PRIOR TO INSTALLATION.
- ALL ABOVE COUNTER OUTLETS SHALL BE INSTALLED HORIZONTALLY AND POSITIONED DIRECTLY ABOVE THE BACKSPLASH AND/OR COUNTER (AS SHOWN ON ARCH DWGS).
- COORDINATE AND VERIFY EXACT MOUNTING HEIGHTS AND ROUGH-IN DIMENSIONS FOR ALL WIRING DEVICES (POWER, DATA, AV, ETC.), INCLUDING FLOOR POKE-THRU / FLOOR BOXES WITH ARCHITECT PRIOR TO ROUGH-IN.
- GW6 MOUNTED EQUIPMENT (ELECTRICAL PANELS, ETC.) MUST BE SECURED TO STUDS OR APPROPRIATE SUPPLEMENTAL FRAMING OR BLOCKING. EQUIPMENT SHALL NOT BE INSTALLED TO GYPSUM WALLBOARD WITH TOGGLE BOLTS OR EXPANSION ANCHORS WITHOUT APPROPRIATE BLOCKING.

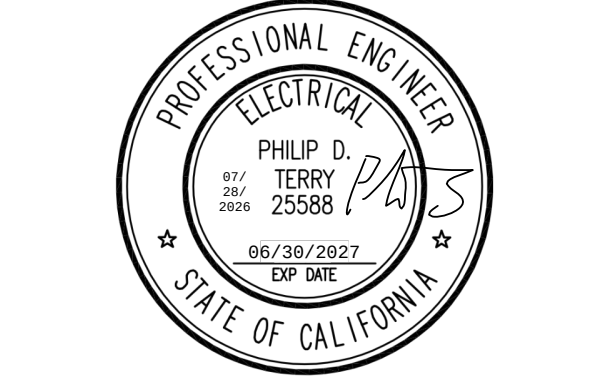
KEYED NOTES

- PROVIDE POWER FOR CLIMA CANAL THROUGH SLAB. COORDINATE WITH MECHANICAL CONTRACTOR PRIOR TO ROUGH-IN.
- PROVIDE 4" CORE FOR POKE-THRU WITH (1) 20A DUPLEX RECEPTACLE, LEGRAND EVOLUTION SERIES: 44T02R6K, WITH HINGE COVER, BLACK FINISH. ASSOCIATED RECEPTACLES SHOWN AS HALF-TONED ARE PROVIDED BY THE FURNITURE MANUFACTURER. COORDINATE EXACT LOCATION OF POKE-THRU WITH STRUCTURAL. PRIOR TO ROUGH-IN. REFER TO ARCHITECTURAL PLANS FOR EXACT LOCATION OF POKE-THRU.
- PROVIDE CORE THROUGH SLAB FOR 3/4" BRANCH CONDUIT. COORDINATE EXACT LOCATION OF CORE WITH STRUCTURAL PRIOR TO ROUGH-IN. REFER TO ARCHITECTURAL PLANS FOR EXACT LOCATION OF POKE-THRU. TIE TO QUADRIPLEX RECEPTACLE IN MILLWORK. PROVIDE FIRESTOPPING THROUGH SLAB AS REQUIRED.
- PROVIDE POWER IN ACCESSIBLE CEILING FOR ALL TOILET FLUSH VALVES. COORDINATE EXACT POWER REQUIREMENTS WITH TOILET MANUFACTURER.
- PROVIDE LOAD CENTER IN GENERATOR TO POWER ASSOCIATED GENERATOR EQUIPMENT (BATTERY CHARGER, BLOCK HEATER, ETC.). COORDINATE ALL REQUIREMENTS WITH GENERATOR MANUFACTURER PRIOR TO ROUGH-IN.
- PROVIDE CONDUIT(S) AS INDICATED ON PLANS, TO PULL BOXES ABOVE FUTURE TENANT CEILING FOR FUTURE TENANT EXTENSION OF FEEDERS. COORDINATE EXACT CONDUIT ROUTING AND STUB-UP LOCATIONS WITH ARCHITECT PRIOR TO ROUGH-IN.
- PROVIDE 6" POKE-THRU IN CONCRETE SLAB (LEGRAND EVOLUTION SERIES OR APPROVED EQUAL). PROVIDE (2) DUPLEX RECEPTACLES AND DATA PORTS. COORDINATE ALL REQUIREMENTS WITH TELECOM FOR NUMBER OF DATA PORTS REQUIRED. COORDINATE EXACT LOCATION WITH ARCHITECT PRIOR TO ROUGH-IN. COORDINATE ALL ELECTRICAL INSTALL REQUIREMENTS WITH TSA AND TSA STANDARDS PRIOR TO ROUGH-IN.
- COORDINATE EXACT LOCATION OF UNDERCOUNTER RECEPTACLES WITH PLUMBING CONTRACTOR PRIOR TO ROUGH-IN. RECEPTACLES ON NORMAL POWER ARE DESIGNATED FOR THE HAND DRYERS. RECEPTACLES ON STANDBY POWER ARE FOR SINKS.

Key Plan



Professional Seal



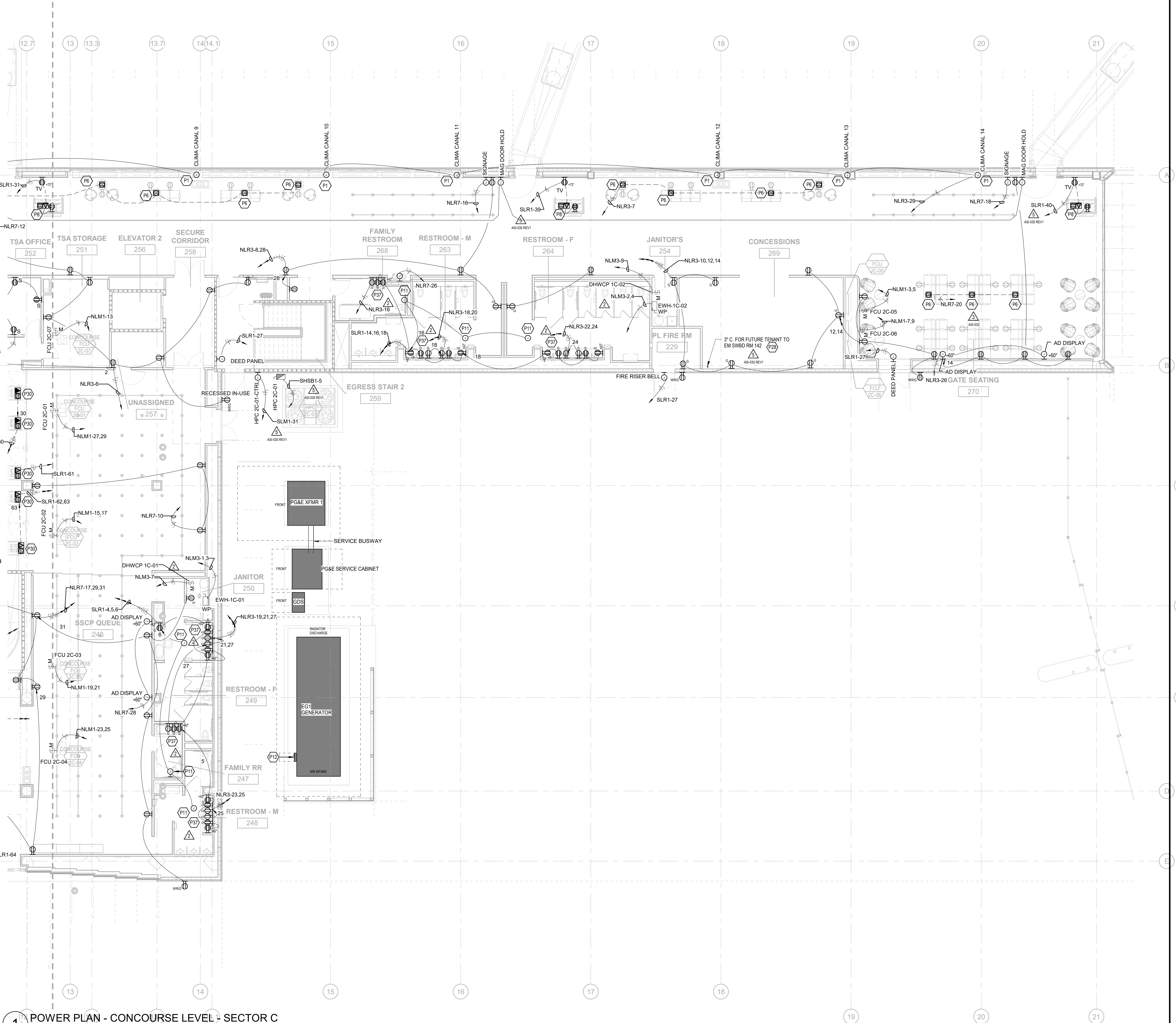
No.	Description	Date
1	ISSUE FOR CONTRACT DOCS	2024-11-15
2	ADDENDUM 3	2025-04-16
3	ASH-033	2026-05-29
4	CONFORMED SET IFC	2026-06-12
5	ASH-035 REV1	2026-07-24
6	CONFORMED SET 2 IFC	2026-07-28

Project No: 21.04005.00
Sheet Title

POWER PLAN - CONCOURSE LEVEL
SECTOR C

Original is 42" x 36". Do not scale contents of this drawing.
Sheet Number

E102C



1 POWER PLAN - CONCOURSE LEVEL - SECTOR C
1/8" = 1'-0"



Project
MRY New Terminal Facility
Monterey Regional Airport

Prepared For
Monterey Peninsula Airport District
200 Fred Kane Drive, Suite 200, Monterey,
California



Hellmuth, Obata & Kassabaum, Inc.
One Bush Street, Suite 200
San Francisco, CA 94104 USA
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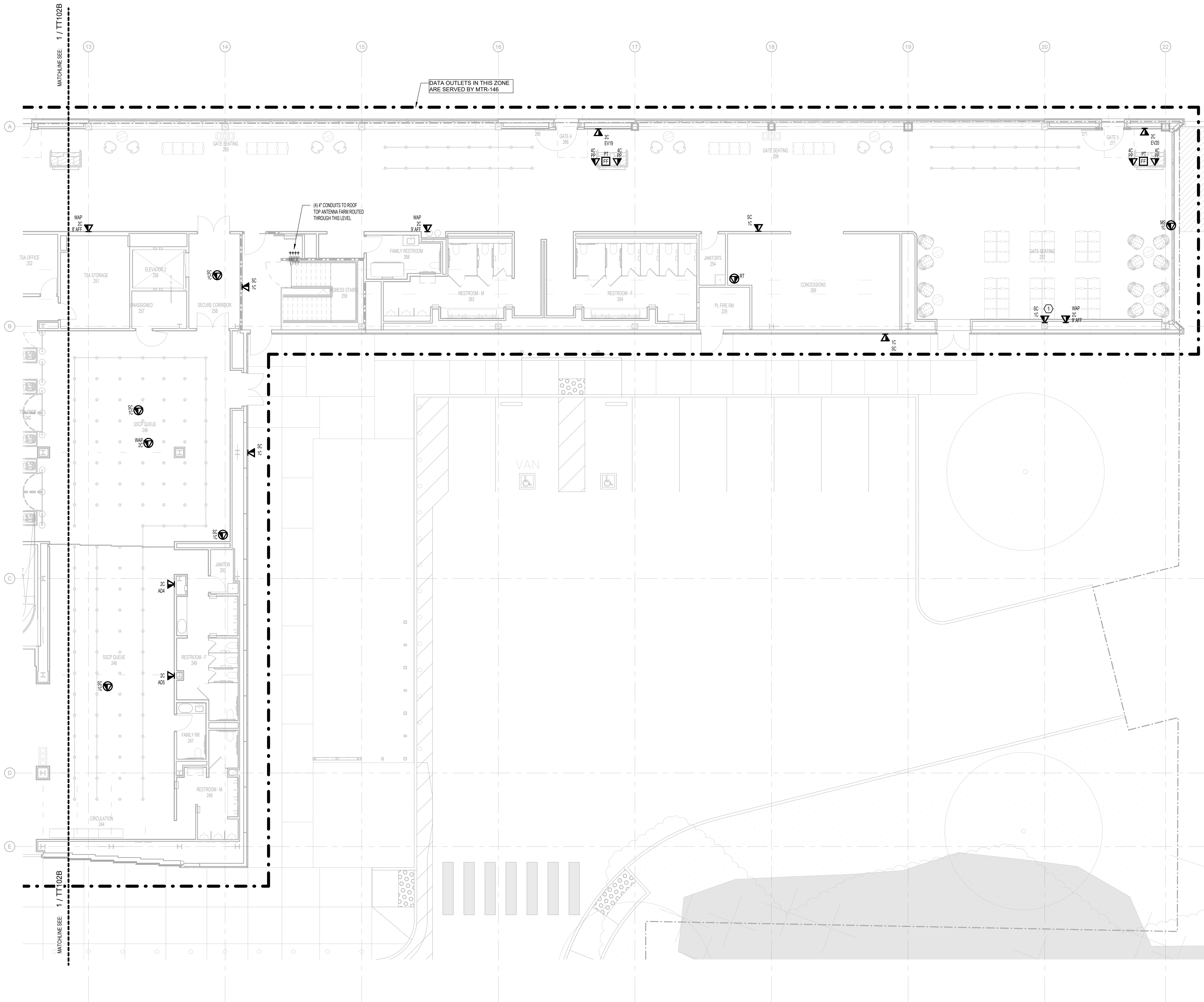
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In Association with

SHEET NOTES:

- REFER TO SHEET TT000 FOR DESCRIPTION OF TELECOMMUNICATIONS SYMBOLS, ASSOCIATED PARAMETERS, AND GENERAL PROJECT NOTES.
- REFER TO TT01X SERIES DRAWINGS FOR COMPOSITE PLANS SHOWING OVERALL TELECOMMUNICATIONS ZONING.
- REFER TO ARCHITECTURAL A700 SERIES DRAWINGS FOR EVIDS DISPLAY ELEVATIONS DEPICTING EXACT LOCATION AND HEIGHTS OF THE DISPLAY AND ASSOCIATED DATA OUTLETS.
- REFER TO SHEET TT903 FOR DATA OUTLET CONFIGURATIONS FOR FRONT XRAY, REAR XRAY, AVS/ETD/BLS AND SINGLE LANE WALL WHICH ARE ALSO REFERRED TO AS CONFIGURATIONS "A", "B", "C", and "D", RESPECTIVELY.

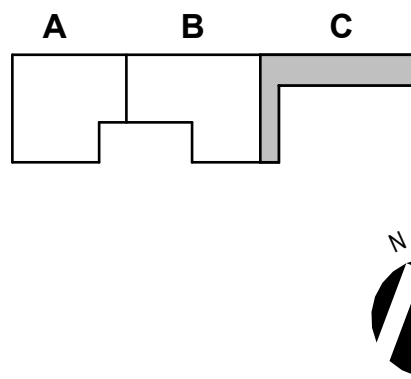
KEY NOTE:

- SECURITY OUTLET TO BE CONCEALED WITHIN AN ACCESS PANEL WITHIN THE WALL. COORDINATE WITH ARCHITECTURAL ELEVATIONS FOR FURTHER DETAIL.



1 TELECOM FLOOR PLAN - CONCOURSE LEVEL - SECTOR C_TT
1/8" = 1'-0"

Key Plan



Professional Seals



No.	Description	Date
1	ISSUE FOR CONTRACT DOCS	2024-11-15
2	CONFORMED SET IFC	2026-06-12

Project No: 21.04005.00
Sheet Title

TELECOM FLOOR PLAN -
CONCOURSE LEVEL -
SECTOR C

Original is A2 x 36. Do not scale contents of this drawing.
Sheet Number

TT102C

CONCESSION AGREEMENT

THIS CONCESSION AGREEMENT ("Agreement") is made effective **XXX, 2027**, ("Effective Date") by and between the Monterey Peninsula Airport District ("District"}, and **XXXXXX**, ("Concessionaire").

A. District owns and operates the Monterey Regional Airport (the "Airport"), a public airport, located in the County of Monterey, State of California.

B. Concessionaire desires to lease certain property within the Airport terminal building to operate a gift shop.

NOW, THEREFORE, the parties hereto, for and in consideration of the rents, covenants and agreements contained herein, agree as follows:

1.0 Premises. District grants to Concessionaire the right to operate an airport terminal concession on the premises described in Exhibit "A" attached hereto (the "Premises".)

2.0 Use. The authorized use of the Premises is for the operation of a terminal concession including sale of newspapers and magazines and other gift items, and the provision of other services to meet the public needs that may from time to time be approved by the District. No other type of business shall be conducted by Concessionaire upon the Premises without the advanced written consent of District. In the event that Concessionaire sells or displays merchandise which District in its sole discretion finds objectionable, Concessionaire shall promptly remove such objectionable merchandise from the Premises.

3.0 Concessionaire's Responsibilities.

3.1 Business Hours. Concessionaire shall operate seven (7) days a week which shall include Proposers' obligation to open for business when the check point opens for the first scheduled flight departure each day and close when the check point closes after the last schedule fight departure. Any change to the Minimum Hours of Operation must be submitted by the Company and pre-approved in writing by the Executive Director. Hours approved by the Executive Director are to be clearly posted by the Concessionaire. As a result of any such review, District may require a change, an extension or allow reduction of the hours of operation as public demand may warrant.

3.2 Equipment and Fixtures. Concessionaire, at its own cost and expense, will be required to provide in its concession area all equipment, fixtures, decorations, materials and supplies which Concessionaire may need to conduct the gift shop operation in a professional business-like manner, all of which shall be of high quality, safe, modern in design, attractive in appearance and in keeping with the general architecture and decor of the Airport terminal building, and all of which shall be subject to written approval of District prior to installation.

3.3 Employees. Concessionaire's employees shall be clean, courteous, efficient and neat in appearance. Concessionaire shall not employ any persons in or about the Airport who shall use improper language or act in a loud or boisterous or otherwise improper manner. Upon written notification to Concessionaire that any person employed by Concessionaire at the Airport, is, in the District's opinion, disorderly, discourteous, unkempt, or otherwise unsatisfactory, immediate and appropriate corrective action shall be taken by Concessionaire to ensure that such unsatisfactory and unacceptable conduct does not recur.

3.4 Employee Parking. District has parking facilities to meet the employee parking requirements of all persons whose primary place of duty is in the Airport terminal building, and, Concessionaire's employees shall be required to use such employee parking facilities/lots as are designated by District. The cost of parking is provided in the annual adopted Rates and Charges for the full fiscal year (July-June). Concessionaire's employees are required to pay such fees as may be established.

4.0 Term. The term of this Agreement shall be three (3) years commencing on XXX 2027 and ending on XXX, 2030.

5.0 Concession Fees. Concessionaire shall pay to District as consideration for the rights specified herein a concession fee. The monthly concession fee will be based on a percentage of the Concessionaire's monthly gross receipts, as outlined in Paragraph 5.1; however, in no event shall the Concession Fees be less than the Minimum Rent as outlined in Paragraph 5.2.

5.1 Percentage Fee. Concessionaire shall pay District a monthly percentage fee equal to XX% of Concessionaire's gross receipts for the applicable month. For purposes of this Agreement, gross receipts means all amounts received, whether by cash, credit, or otherwise, from the sale of merchandise and food products, excluding federal, state, and local sales taxes.

5.2 Minimum Rent. In no event, shall the Concessionaire pay less than Minimum Rent in the amount of \$xxxx.00 monthly (\$x.xx per sq. ft. x 550 sq. ft.).

5.3 Utilities. Electricity is provided by District but will be billed on a monthly basis per use.

5.3.1 Gas, water and sewer service are not available on the Premises. Telephone service, trash removal and all other utilities shall be the responsibility of the Concessionaire.

5.4 Time of Payment, Percentage Fees. Concessionaire shall pay District at the office of District, without reduction, abatement, deduction, offset or any prior demand therefore, before 5:00 p.m. on or before the fifteenth (15th) day of each calendar month, the percentage concession fee as calculated and set forth in section 5.1 above or the minimum fee as set forth in section 5.2 above, applicable to the immediately preceding calendar month.

5.5 Place of Payment. All concession fees and rents, together with accompanying reports and statements of gross receipts, shall be delivered to the following address:

Monterey Peninsula Airport District

ATTN: Administration/Accounts Receivable 200
Fred Kane Drive, Suite 200
Monterey, CA 93940

or other such address as District may from time to time direct in writing.

5.6 Late Payments and Charges.

5.6.1 Interest. If Concessionaire fails to pay, when the same is due and payable, any concession fees, any rents, amounts or charges payable hereunder, such unpaid amount shall bear interest from the due date to the date of payment at the rate of one (1%) percent per month up to the maximum rate allowed by applicable usury law.

5.6.2 Late Charge. Concessionaire acknowledges that late payment by Concessionaire to District of concession fees, rents, amounts or charges payable under this Agreement will cause District to incur costs not contemplated by this Agreement, the exact amount of which are extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges, late charges which may be imposed by District and additional property management expenses. Therefore, if any installment of concession fees, rents, other amounts or charges under this Agreement due from Concessionaire are not received by District by 5:00 p.m. on the fifteenth (15th) day of the month when due, Concessionaire shall pay to District as a late charge an additional sum of five (5%) percent of the amount of concession fee, rent, or other charges under this Agreement which are due but unpaid. The parties agree that under this late charge represents a fair and reasonable estimate of the costs that District will incur because of late payment by Concessionaire. Acceptance of any late charge shall not constitute a waiver of Concessionaire's default with respect to the overdue amount or prevent District from exercising any of the other rights and remedies available to District.

6.0 Maintenance, Cleanliness, Alterations, Advertising.

6.1 Maintenance. District agrees to keep the roof, exterior walls and heating facilities, and the basic electric distribution system in good repair. Concessionaire shall be responsible for all damage to District's property caused by any willful act or negligence of Concessionaire, its agents or employees. District agrees to provide janitor service for the

public and passenger space in the terminal building. District shall maintain adequate directional signs in the terminal building. Concessionaire assumes full and exclusive responsibility and liability for any and all damage or injury to any of Concessionaire's personal property, equipment, fixtures and facilities at, in and about the Airport, and for any and all personal property belonging to others in Concessionaire's custody or possession at the Airport.

6.2 Cleanliness. Concessionaire agrees to keep the Premises clear and free of all litter, garbage, debris and refuse, and to keep such Premises and surrounding area in an orderly and sanitary condition at all times.

6.3 Alterations. Concessionaire shall not make structural alterations, additions or improvement upon the Premises with the advanced written consent of District, and provided that when so authorized, said alterations, additions or improvements shall be upon sole charge and responsibility of Concessionaire, and Concessionaire shall protect the Premises from any liens or charges whatsoever, by reason of said alterations, additions or improvements.

6.4 Advertising. Concessionaire shall obtain prior written approval from District prior to erecting or displaying any signs or advertising at or on the Airport.

7.0 Compliance with Governmental Requirements.

7.1 Business and Retail Operations. Concessionaire shall, at Concessionaire's sole cost and expense, comply with all rules, regulations, ordinances, statutes and laws of the Airport and of all county, state, federal and other governmental authorities, now or hereafter in effect pertaining to the Airport, the Premises, or Concessionaire's use thereof.

7.2 Construction Permits. Concessionaire shall obtain and pay for any and all permits required by District for any and all work on alterations, additions, modifications, installations, or improvements accomplished by Concessionaire or by others on behalf of or for the benefit of Concessionaire, or caused or allowed to be accomplished by Concessionaire on the Premises. Any consent of District required under this Agreement shall be separate from any other consents or approvals required by any other governmental agency.

7.3 Airport Rules and Regulations. District reserves the right to adopt, amend and enforce rules and regulations governing the Premises and the public areas and facilities used by Concessionaire in connection therewith. Such rules and regulations shall be consistent with the safety, security, and overall public utility of the Airport and with the rules, regulations and

orders of the Federal Aviation Administration ("FAA") or the Transportation Security Administration ("TSA") or such successor agency(ies) as may be designated by the federal government to perform either similar, new, additional, or supplemental functions, powers or duties with respect to air transportation, aircraft, airports, etc. Concessionaire agrees to observe, obey and abide by all such rules and regulations heretofore or hereafter adopted or amended by District, including compliance with FAA, TSA and Airport security rules, regulations and plans.

7.4 Security Requirements. It shall be the responsibility of Concessionaire to take all necessary measures to carry out security requirements imposed by the FAA and by the TSA on District as airport operator pursuant to the access control system requirements of section 107.14 of Title 14 of the Code of Federal Regulations or to other requirements of Federal Aviation Regulations part 107; and the Concessionaire may be required to pay any and all civil penalties imposed by the FAA or TSA on District in the event that Concessionaire fails to carry out any such security requirements in accordance with this provision or requirements imposed on the airport operator at the direction of the FAA or the TSA.

8.0 Interruption of Utility Services. Concessionaire hereby expressly waives any and all claims for damage against District arising from failure or interruption of utility services including but not limited to, electricity, gas, water, plumbing, sewage, heat, ventilation, or air conditioning.

9.0 Interruption of Business Operations. Concessionaire hereby expressly waives any and all claims for damage against District arising from failure or interruption of the Concessionaire's business operations due to a change or reduction of commercial airline travelers, or airline scheduling and airline schedule reduction.

10.0 Indemnity and Insurance.

10.1 Waiver. This Agreement, is made upon the express condition that Concessionaire hereby waives all claims against District and any of its agents, employees, servants or representatives for damages to property or for injury or death to any person or persons from any cause including the negligence of District or any of its agents, employees, servants or representatives arising at any time.

10.2 Indemnity. Concessionaire hereby agrees to and shall indemnify and defend District against and hold District harmless from any and all claims, demands, actions, damages, liability and expense in connection with or for loss of or damage to property or injury or death to any person from any cause whatsoever while in, upon or about the Premises or any such claims, demand or the like arising from or out of any occurrence in, upon or at the Premises from or in connection with the occupancy or use by Concessionaire of the Premises or any part thereof or from or in connection with the business conducted by Concessionaire in the Premises or occasioned wholly or in part by any act or omission of Concessionaire, or any of its agents, contractors, employees, licensees or

tenants.

10.3 Insurance Coverage. Upon execution of this Agreement and prior to Concessionaire's exercising any of the rights and privileges herein granted, Concessionaire shall, at Concessionaire's expense, obtain and, throughout the life of this Agreement, maintain in full force and effect, a broad form comprehensive coverage policy or policies of public liability insurance protecting both Concessionaire and District from claims of bodily injury and property damage which may arise out of Concessionaire's occupancy(ies) and use(s) of the Premises or any portion thereof, or which may arise as a result of any one, more, and/or all of Concessionaire's activities/operations on, to or from the Airport under authority hereof. Such insurance shall include bodily injury and property damage limits of not less than one million (\$1,000,000) dollars combined single limits. Said general liability policy shall include Blanket Contractual Liability and Products Liability. Concessionaire shall also maintain Workers' Compensation and Employers' Liability policies written in accordance with laws of the State of California and providing coverage for any and all employees of Concessionaire. Insurance shall be with a company or companies satisfactory to District in the amounts of not less than that specified herein or in minimum amounts as may be subsequently adjusted by District in the exercise of its reasonable business judgment. Concessionaire shall at all times during the term of this Agreement, including any extensions or renewal thereof, provide District with a certificate from the insurance carrier or carriers insuring District and Concessionaire as set forth herein. Insurance policies shall not be subject to cancellation except after notice to District by registered mail at least thirty (30) days prior to such cancellation. Where policies have normal expirations during the term of this Agreement or any extension thereof written evidence of renewal shall be furnished to District thirty (30) days prior to such expiration.

10.4 Waiver of Subrogation. The parties release each other and their respective authorized representatives from any claims for damage to any person or to the Premises and to the fixtures, personal property, Concessionaire improvements and alterations by District or Concessionaire in or on the Premises that are caused by or result from risks insured against under any insurance policy carried by either party and in force at the time of any such damage to the extent of the insurance proceeds received from such policy. Each party shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. If the insurance cannot be obtained or the party in whose favor a waiver of subrogation is desired refuses to pay the additional premium charged the other party is relieved of the obligation to obtain a waiver of subrogation right with respect to the particular insurance involved.

11.0 Taxes and Assessments. In addition to the concession fees, rentals, amounts and charges herein set forth, Concessionaire shall pay, as and when due any and all taxes and general and special assessments of any and all types or descriptions whatsoever which, at any time during the term are levied by the Monterey County Assessor upon

or assessed against Concessionaire, the Premises or any one or more of the improvements located therein or thereon belonging to District or Concessionaire, or upon Concessionaire's interest in the Premises, improvements or other property.

12.0 Concessionaire's Right to Appeal. Nothing within this article shall be deemed to limit any of Concessionaire's rights to appeal any levies or assessments in accordance with the rules, regulations, laws, statutes, or ordinances governing the appeal process of the taxing authority making such levies or assessments.

13.0 Default. It is mutually understood and agreed that if any default be made in the payment of concession fees, rents, other amounts and charges herein provided or in the performance of the covenants, conditions, or agreements herein (any covenant or agreement shall be construed and considered as a condition), or should Concessionaire fail to fulfill in any manner the uses and purposes for which the Premises are leased as above stated, and such default shall not be cured within three (3) days after written notice thereof if default is in the submittal of a report or in the payment of concession fee, rent or other charges, or ten (10) days after written notice thereof if default is in the performance of any other covenant, condition or agreement, District shall have the right to immediately terminate this Agreement. District shall further have all other rights and remedies as provided by law, including without limitation the right to recover damages for the detriment proximately caused by the Concessionaire's failure to perform its obligations under this Agreement or which in the event of the termination of this Agreement pursuant to the provisions stated, District shall have any rights to which it would be entitled in the event of the expiration or sooner termination of this Agreement under the provisions stated therein or as otherwise provided by law.

14.0 Assignment and Subletting. Without District's prior written consent, which shall not unreasonably be withheld, Concessionaire (including without limitation any subsequent assignee or subtenant) shall not wither voluntarily or by operation of law assign, hypothecate or encumber the leasehold interest created by this Agreement or any part thereof, or sublet the Premises or any part thereof. Any transfer of the leasehold interest created by this Agreement from Concessionaire by sale, conveyance, bequest or inheritance shall constitute an assignment for the purposes of this section. District's consent to an assignment or subletting shall not constitute a waiver of the necessity for such consent to a subsequent assignment or subletting, whether by Concessionaire or any subsequent assignee or subtenant. District's acceptance of any rent or any other payment in the nature of rent from Concessionaire's assignee or subtenant shall not constitute or be construed as District's consent to such assignment or subletting nor shall it be deemed or considered a waiver of any provision of this Agreement or a release of Concessionaire from the full performance by Concessionaire of all of the terms, conditions and covenants contained in this Agreement.

14.1 Request for Consent. Should Concessionaire (including any subsequent assignee or subtenant) request District's consent to an assignment or sublease,

Concessionaire shall submit in writing to District the following:

- a. The name, address and telephone number of the proposed assignee or subtenant and the relationship, if any, with Concessionaire;
- b. The terms and conditions of the proposed assignment or subtenant agreement;
- c. The nature and character of the business of the proposed assignee or subtenant (to include a business plan with pro forma financial statements) and information regarding the experience of the proposed assignee or subtenant;
- d. Banking, financial and other credit information relating to the proposed assignee or subtenant reasonably sufficient to enable District to determine the proposed assignee's or subtenant's financial responsibility.

14.2 Payment of Expenses. Concessionaire shall pay to District, on demand, all costs incurred by District in connection with processing any request for assignment or subletting, including the expense of credit checks and District's attorney fees.

14.3 Reasonableness of Withholding Consent. Concessionaire agrees that the consent of District shall not be deemed or considered unreasonably withheld if District refuses to consent to an assignment or subletting to any person, firm or corporation the operations of which will in the reasonable business judgment of District, adversely affect the image, tenant mix, or other valuable aspect of District's property or result in excessive noise, traffic or interference with District's operations. Concessionaire agrees that the consent of District shall not be deemed or considered unreasonably withheld by reason of District requiring as a condition of any assignment or subletting that the rent payable under this Agreement be adjusted to the then fair rental value as determined by the District in its sole discretion.

14.4 Reserved.

14.5 Unauthorized Subleasing or Assignment. Any assignment, sublease or other unauthorized use of the Premises without District's consent shall be voidable and, at the election of District, shall constitute a default under this Agreement.

15.0 Damage or Destruction of Premises. In the event of damage to or destruction by fire, the elements, acts of God, or any other cause, of Concessionaire- constructed improvements located within the Premises or in the event Concessionaire- constructed improvements located within the Premises are declared unsafe or unfit for use or occupancy by District or by a public entity with the authority to make and enforce such declaration, Concessionaire shall, within ninety (90) days of such damage, destruction or declaration commence and diligently pursue to completion the repair, replacement or reconstruction of improvements necessary to permit full use and occupancy of the Premises for the purposes required by this Agreement. Repair,

replacement or reconstruction of improvements within the Premises shall be accomplished in a manner and according to plans approved by District; provided, however that Concessionaire shall not be obligated to repair, reconstruct or replace the improvements following their destruction in whole or substantial part.

16.0 Bankruptcy. In the event Concessionaire becomes insolvent, makes an assignment for the benefit of creditors, becomes the subject of a bankruptcy proceeding, reorganization, arrangement, insolvency, receivership, liquidation, or dissolution proceeding, or in the event of any judicial sale of Concessionaire's interest under this Agreement, District shall have the right to declare this Agreement in default.

17.0 Records, Reports and Audits.

17.1 Records. In order to ensure the availability of complete, up-to-date and verifiable records with respect to any and all business conducted/done by Concessionaire under the authority hereof, Concessionaire shall maintain and keep true and accurate accounts, records, books and data, in accordance with generally accepted accounting principles, which shall, among other things, clearly and accurately show all sales made for cash, credit, or otherwise; and the aggregate amount of all sales and/or orders, and all of Concessionaire's business at the Airport, or elsewhere, under authority of this Agreement. Any and all accounts, records, books, data, and any and all source/supporting/supplemental/backup documentation, including without limitation, any and all electronic data processing/machine/computer generated/retrievable records, reports, files, registers, and/or computer tapes/disks, whether maintained by Concessionaire in Monterey or elsewhere, shall be retained by Concessionaire for a minimum of three (3) years following the date on which such shall be created. Concessionaire shall ensure that a receipt shall be issued for each and every sale and/or other transaction, whether for cash, credit or otherwise.

17.2 Reports. Commencing with the month most immediately following the Effective Date, and then continuing monthly thereafter throughout the term hereof, Concessionaire shall prepare and submit to District a detailed monthly statement showing the gross receipts of the business conducted by Concessionaire under authority hereof for the preceding calendar month. Such statements shall be prepared and submitted by Concessionaire with sufficient timeliness so as to be received by District not later than 5:00 p.m. on the fifteenth (15th) calendar day of the month immediately following the month for which such statement shall be due. See also section 5.4.

17.3 Audit. District or the authorized representatives of District shall have the right to examine Concessionaire's records at all reasonable times. At its option, District may cause from time to time through the term of this Agreement on seven (7) days prior written notice to Concessionaire a complete audit to be made of Concessionaire's entire business affairs and records relating to Concessionaire's percentage concession fees for the period covered by any statement submitted

by Concessionaire as required by this Agreement provided, however, that no such audit shall be made at a time which is more than three (3) years following the end of the period covered by such statement. If the books and accounts and records of Concessionaire are kept at some location other than the Airport, Concessionaire agrees at Concessionaire's expense to transport said books and records to the Airport for such audit. Except as provided below, the cost of such audit shall be paid by District. The audit shall be performed by a public accountant selected by District and shall be finding upon the parties. If it shall be determined as a result of such audit that there has been a deficiency in the payment of any concession fees, rents, other amounts or charges, then such deficiency shall become immediately due and payable with interest at the greater of eighteen (18%) percent or the maximum rate allowed by any applicable usury law. If the deficiency is in excess of five (5%) percent of the fees theretofore computed and paid by Concessionaire for the period covered by the audit, Concessionaire shall also immediately pay District the cost of the audit in addition to such fees.

18.0 Hazardous Substances. The provisions of this section which govern Concessionaire's obligations with regard to hazardous substances, as defined below, shall survive termination of this Agreement.

18.1 Definition of Hazardous Substance. For purposes of this Agreement, "Hazardous Substances" is defined to mean any substance, material or waste, including asbestos and petroleum (including crude oil or any fraction thereof), which is or becomes designated, classified or regulated as being "toxic", "hazardous", a "pollutant", or similar designation under any federal, state or local law, regulation or ordinance.

18.2 Indemnity Regarding Hazardous Substances. Concessionaire agrees to indemnify and hold District harmless from and against all liabilities, claims, actions, foreseeable and unforeseeable consequential damages, costs and expenses (including sums paid in settlement of claims and all consultant, expert and legal fees and expenses of Concessionaire's counsel) or loss directly or indirectly arising out of or resulting from the presence of any Hazardous Substances as a result of Concessionaire's or any sub-Concessionaire's activities, whether before, during or after construction, in or around any part of the property or the soil, groundwater or soil vapor on or under the property, including those incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, or any resulting damages or injuries to the person or property of any of the parties or to any natural resources. Upon demand by District, Concessionaire shall defend any investigation, action or proceeding alleging the presence of any Hazardous Substances in any such location, which affects the property or which is brought or commenced against District, whether alone or together with Concessionaire or any other person, all at Concessionaire's own cost and by counsel to the approved by District in the exercise of its reasonable judgment. In the alternative, District may elect to conduct its own

defense at the expense of Concessionaire.

18.3 Compliance Regarding Hazardous Substances. Concessionaire has complied and shall comply and cause all occupants of the Premises to comply, with all laws, regulations, and ordinances governing or applicable to Hazardous Substances as well as the recommendations of any qualified environmental engineer or other expert which apply or pertain to the Premises. Concessionaire acknowledges that Hazardous Substances may permanently and materially impair the value and use of the Premises.

18.4 Notice Regarding Hazardous Substances. Concessionaire shall promptly notify District if it knows, suspects or believes, there may be any Hazardous Substances in or around the Premises, or in the soil, groundwater or soil vapor on or under the property, or that Concessionaire or the Premises may be subject to any threatened or pending investigation by any governmental agency under any law, regulation or ordinance pertaining to any Hazardous Substances.

18.5 Site Visits, Observations, and Testing. District and its agents and representatives shall have the right at any reasonable time to enter and visit the Premises for the purposes of observing the Premises, taking and removing solid or ground water samples, and conducting tests on any part of the Premises. District is under no duty, however, to visit or observe the Premises or to conduct tests. No site visit, observation or testing by District shall result in a waiver of any default of Concessionaire or impose any liability on District.

19.0 Non-Discrimination. The Standard Non-Discrimination and Airport Development Provisions for Agreements attached hereto as Exhibit "B" are incorporated herein by this reference. Concessionaire's failure to abide by the requirements set forth therein shall constitute a breach of the terms of this Agreement in like manner as if the same were contained herein as covenants and conditions.

20.0 Attorney's Fees. In the event that any suit is commenced to enforce, protect or establish any right or remedy or to interpret any of the terms and conditions hereof, including without limitation a summary action commenced by District under laws of the State of California relating to unlawful detainer of property, the prevailing party shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of suit.

21.0 Access by District. Concessionaire shall permit District and its agents to enter the Premises at all reasonable times for and appropriate purpose, including, without limitation, the following purposes: (a) to inspect the Premises; (b) to maintain the Airport; (c) to maintain or make such repairs to the Premises as District is obligated or may elect to make; (d) to make repairs, alterations or additions to any other portion of the Airport; (e) to post notices of non-

responsibility for alterations, additions or repairs; (f) to show the Premises to prospective purchasers or Concessionaires. District shall have such right of entry and the right to fulfill the purpose thereof without any rebate of rent to Concessionaire for any loss of occupancy or quiet enjoyment of the Premises thereby occasioned.

22.0 Miscellaneous.

22.1 Time. Time is of the essence of this Agreement and of each and every one of the provisions herein contained except in respect to delivery of possession of the Premises to Concessionaire.

22.2 Entire Agreement. This Agreement sets forth all the covenants, agreements and conditions between District and Concessionaire concerning the Premises and there are no other covenants, promises, agreements, conditions or understandings either oral or written between them. No subsequent alteration, amendment change or addition to this Agreement shall be binding upon District or Concessionaire unless reduced to writing and signed by each of them.

22.3 Notices. Wherever notice is required by the terms of this Agreement, notice shall be deemed complete upon personal service of written notice upon the party or parties to whom such notice is given or such notice may be given by prepaid U. S. first-class mail addressed to District at 200 Fred Kane Drive, Suite 200, Monterey, California 93940 or addressed to Concessionaire at 200 Fred Kane Drive, Suite 103, Monterey, California 93940 and such notice shall be deemed complete upon deposit in the United States mail within the State of California.

22.4 Captions. The headings and titles to the paragraphs of this Agreement are not a part of this Agreement and shall have no effect upon the construction of interpretation of any part of this Agreement.

22.5 Applicable Law. The laws of the State of California shall govern the validity, performance and enforcement of this Agreement.

22.6 Force Majeure. Any prevention, delay or stoppage due to strikes, walkouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substance therefore, governmental restrictions, governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage, except for the obligation imposed with regard to rental and other charges to be paid by Concessionaire pursuant to this Agreement.

22.7 Partial Invalidity. If any term, covenant or condition of this Agreement or the application

thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each term, covenant and condition shall be valid and enforced to the fullest extent possible permitted by law.

22.8 Tense, Number and Gender. Each number, tense and gender used in this Agreement shall include any other tense, number or gender where the context and the parties hereto or the context and references therein shall require.

22.9 No Partnership. District is not in any way or for any purpose a partner to Concessionaire in the conduct of Concessionaire's business or otherwise, or a joint venture or a member of a joint enterprise with Concessionaire. The provisions of the Agreement relating to the rent and other fees payable hereunder are included solely for the purpose of providing a method whereby the rent is measured and ascertained.

22.10 Exhibits Incorporated. All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by reference as though fully set forth herein, whether or not actually attached.

22.11 Counterpart Copies. This Agreement may be signed by any number of counterparts with the same effect as if the signatures to each such counterpart were upon the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates below indicated.

MONTEREY PENINSULA AIRPORT DISTRICT

CONCESSIONAIRE

Executive Director

Date

Date

Attachment A

**STANDARD NONDISCRIMINATION AND AIRPORT DEVELOPMENT
PROVISIONS FOR AGREEMENTS**

1. Concessionaire for himself/herself/itself and all heirs, personal representatives, successors in interest, and assigns, as a part of the consideration for the Agreement to which these Standard Nondiscrimination and Airport Development Provisions For Agreements are attached or made a part (hereinafter, the "Agreement"), 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 the Agreement (the "Premises") for a purpose for which a United States Department of Transportation ("DOT") program or activity is extended or for another purpose involving the provision of similar services or benefits, Concessionaire shall maintain and operate such facilities and services in compliance with all 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. Concessionaire for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Agreement, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin 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 Premises and the 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, and (3) that Concessionaire shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination 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. Concessionaire for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Agreement, does hereby covenant and agree as a covenant running with the land that in the event of breach of any of the above nondiscrimination covenants, District shall have the right to terminate the Agreement and to reenter and repossess said land and the facilities thereon, and hold the same as if said Agreement 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.

EXHIBIT B

4. Concessionaire shall furnish all accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Concessionaire may be allowed to 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 Agreement and in the event of such non-compliance District shall have the right to terminate the Agreement and the estate thereby created without liability therefore or at the election of District or the United States either or both said governments shall have the right to judicially enforce these provisions.
6. Concessionaire agrees that Concessionaire shall insert the above five provisions in any sublease, lease agreement or other contract by which Concessionaire grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Premises.
7. Concessionaire assures that Concessionaire will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Concessionaire assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Concessionaire assures that Concessionaire will require that Concessionaire's covered sub-organizations provide assurances to Concessionaire that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.
8. District reserves the right to further develop or improve the landing area of the Monterey Regional Airport (the "Airport") as District sees fit, regardless of the desires or view of Concessionaire and without interference or hindrance.
9. District reserves the right, but shall not be obligated to Concessionaire to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Concessionaire in this regard.
10. This Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between District and the United States, relative to the development, operation or maintenance of the Airport.
11. There is hereby reserved to District, its successors and assigns, for the use

EXHIBIT B

and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking *off* from or operation of the Airport.

12. Concessionaire agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.

13. Concessionaire by accepting the Agreement expressly agrees for himself/herself/itself and all successors and assigns that Concessionaire will not erect nor permit the erection of any structure or object, not permit the growth of any tree on the Premises above the mean sea level elevation not applicable feet. In the event the aforesaid covenants are breached, District reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Concessionaire.

14. Concessionaire by accepting the Agreement expressly agrees for himself/herself/itself and all successors and assigns that Concessionaire will not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Monterey Regional Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, District reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of the Concessionaire.

15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a).

16. The Agreement and all the provisions thereof 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.