

**REGULAR MEETING OF THE
MONTEREY PENINSULA AIRPORT DISTRICT
BOARD OF DIRECTORS**

August 21, 2024 - 8:00 AM

**Monterey Regional Airport
200 Fred Kane Drive, Ste. 200
Monterey, CA 93940**

The Monterey Peninsula Airport District holds regular meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment. In general, in person or emailed comments are preferred. Remote comments are allowed for Board meetings which take place in the Board Room, as outlined below.

The Monterey Peninsula Airport District will continue to broadcast the Board Meetings via Zoom video conference for viewing by the public. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **831 7098 4092**. If you do not have access to the internet, you may listen telephonically by calling (253) 215-8782 and entering the same Meeting ID.

Pursuant to Resolution 1862, members of the public may provide comments remotely for Board Meetings which are held in the Board Room. In the event that remote participation technology is unexpectedly not available, such as during an internet service outage, electrical outage, or other technological issue that prevents remote participation by the public, the meeting will not be continued or cancelled. Remote participation is provided as a courtesy and members of the public who rely upon remote participation to provide public comment do so at their own risk. When the Chair calls for public comment, attendees can queue to speak with the "Raise Hand" feature. On the Zoom application, click the "Raise Hand" button. On the phone, press *9. The Secretary to the Board will call speaker names and unmute speaker microphones. You will have up to 3 minutes to provide your oral comments, pursuant to Board policy.

Members of the public are encouraged to provide written public comment by sending an email to info@montereyairport.com and include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 7:00 AM on the day of the meeting. All submitted comments will be provided to the Board for consideration and will be compiled as part of the record.

A. CALL TO ORDER/ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

Any person may address the Monterey Peninsula Airport District Board at this time on any item that is **NOT** on today's agenda and should be within the jurisdiction of the Monterey Peninsula Airport District Board. Comments concerning matters set forth on this agenda will be heard at the time the matter is considered.

E. CONSENT AGENDA - ACTION ITEMS

The Consent Agenda consists of those items which are routine and for which a staff recommendation has been prepared. A Board member, member of the audience, or staff may request that an item be placed on the deferred consent agenda for further discussion. One motion will cover all items on the Consent Agenda. The motion to approve will authorize the action or recommendation indicated.

- | | |
|---------|---|
| Approve | 1. Minutes of the Regular Meeting of the Monterey Peninsula Airport District Board of Directors of July 17, 2024 |
| Approve | 2. Minutes of the Budget & Finance Committee of the Monterey Peninsula Airport District Board of Directors of August 12, 2024 |

- Approve 3. [Minutes of the Air Carrier Service – Marketing – Community Relations Meeting of the Monterey Peninsula Airport District of August 13, 2024](#)
- Approve 4. [Minutes of the Airport Property Development & Leases Committee Meeting of the Monterey Peninsula Airport District of August 14, 2024](#)
- Approve 5. [Amendment to Employment Agreement for Executive Director](#)

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

G. REGULAR AGENDA - ACTION ITEMS

- Presentation 1. Replacement Terminal Design Update by HOK
- Receive 2. [Report on Firm Selection Process for Investment Banking / Underwriting Services and Introduction of Adam Aranda with Barclays Capital Inc.](#)
- Receive 3. [Update to Noise Information Related to Overflight Presented by Monterey Fly Safe Coalition](#)
- Adopt 4. [Resolution No. 1885, A Resolution Approving the Bid for Runway 28L-10R Improvement Project and Authorizing Execution of a Contract with Granite Rock Company](#)
- Adopt 5. [Resolution No. 1886, A Resolution Authorizing a Professional Services Agreement with Kimley Horn and Associates Inc. to Provide Program Management for Runway 28L-10R Improvement Project Construction Observation Services](#)
- Approve 6. [Amendment to the Professional Services Agreement with Tartaglia Engineering to Provide Construction Support Services for the Runway 28L-10R Improvement Project](#)
- Adopt 7. [Resolution No. 1887, A Resolution Accepting the Guaranteed Maximum Price from OTTO Construction for the Safety Enhancement Program \(SEP\) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements Circulation Elements](#)
- Approve 8. [Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. to Provide Project Management in Support of the Safety Enhancement Program \(SEP\) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements](#)
- Adopt 9. [Resolution No. 1888, A Resolution Adopting a Freeze on Meeting Stipends at the Current Level](#)

H. CLOSED SESSION

- 1. **PENDING LITIGATION.** Pursuant to Gov. Code 54956.9(a), the Board will meet with the Executive Director and General Counsel related to pending litigation: ACCO-Wilson, Inc., v. Mill Construction Company, et al., Monterey County Superior Court, Case No. 24CV000921.
- 2. **PENDING LITIGATION.** Pursuant to Gov. Code 54956.9(a), the Board will meet with the Executive Director and General Counsel related to pending litigation: Collins Electrical Co.,

Inc., v. Mill Construction Company, et al., Monterey County Superior Court, Case No. 24CV02304.

3. **PENDING LITIGATION.** Pursuant to Gov. Code 54956.9(a), the Board will meet with the Executive Director and General Counsel related to pending litigation: Mill Construction Company v. BlueScope Construction Inc., et al., Monterey County Superior Court, Case No. 24CV001770.
4. **PENDING LITIGATION.** Pursuant to Gov. Code 54956.9(a), the Board will meet with the Executive Director and General Counsel related to pending litigation: Patibanda v. Foster, et al., Monterey County Superior Court, Case No. 24CV002782.
5. **POTENTIAL LITIGATION.** Pursuant to Gov. Code 54957.6(b)(4), the Board will meet with the Executive Director and General Counsel related to potential initiation of litigation: one case.
6. **EMPLOYMENT.** Pursuant to Gov. Code section 54957(b), the Board will meet with District Counsel to consider the appointment/employment related to the following position: Executive Director.

I. RECONVENE TO OPEN SESSION

J. BOARD REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

- a. [The Board receives Department Reports which do not require any action by the board.](#)
- b. Board Member questions (if any) for Standing Committees.
- c. Ad-Hoc Committee Reports:
 - i. Local Jurisdiction Liaison Director Leffel & Miller
- d. Liaison/Representatives Reports:
 - i. Local Agency Formation Commission Director Leffel
 - ii. Regional Taxi Authority Director Pick
 - iii. Transportation Agency for Monterey County Director Miller
 - iv. Special Districts Association Liaison Director Gaglioti
 - v. Association of Monterey Bay Area Governments Director Leffel
- e. Board Member reports for conferences and events approved to attend at Monterey Peninsula Airport District expense (per AB 1234 and the Director Remuneration & Business Expense Reimbursement Policy).

K. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

L. DISCUSSION OF FUTURE AGENDAS

M. ADJOURNMENT

AGENDA DEADLINE

This is the final Agenda that has been posted on the bulletin board outside of the District Offices in the Terminal Building at the Monterey Regional Airport no less than 72 hours prior to the meeting.

All items submitted by the public for possible inclusion on the Board Agenda or in the Board packet must be received by 5:00 P.M. on the Friday before the first Wednesday of the month. This agenda is subject to revision and may be amended prior to the scheduled meeting.

Upon request and where feasible, the Monterey Peninsula Airport District will provide written agenda materials in appropriate alternate formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals

with disabilities to participate in public meetings. To allow the District time within which to make appropriate arrangements, please submit a written request containing a brief description of the materials requested and preferred alternative format or auxiliary aid or service desired as far as possible in advance of the meeting. Requests should be sent to the District Secretary at 200 Fred Kane Drive, Suite 200, Monterey, California 93940.

MINUTES OF THE REGULAR MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

July 17, 2024 - 8:00 AM

The Monterey Peninsula Airport District holds regular meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment. In general, in person or emailed comments are preferred. Remote comments are allowed for Board meetings which take place in the Board Room, as outlined below.

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A. CALL TO ORDER/ROLL CALL

Chair Leffel called to order the Regular Meeting of the Monterey Peninsula Airport District Board of Directors at 8:02 AM. Directors Chorbajian, Gaglioti, Pick and Miller were present. The following staff were present: Executive Director La Pier, District Counsel Huber, Deputy Executive Director Morello, Controller Wilson, and Acting Board Secretary Adams. Controller Wilson attended by videoconference.

B. PLEDGE OF ALLEGIANCE

Chair Leffel led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Executive Director La Pier introduced Mark Curtis, Superintendent of Field Operations, and recognized his team, as well as the team at REEF Parking, for a job well done assisting customers during the transition to the new long term parking lot. The board members echoed his comments.

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

E. CONSENT AGENDA - ACTION ITEMS

- | | |
|---------|--|
| Approve | 1. Minutes of the Regular Meeting of the Monterey Peninsula Airport District Board of Directors of June 20, 2024 |
| Approve | 2. Minutes of the Budget & Finance Committee Meeting of the Monterey Peninsula Airport District Board of Directors of July 8, 2024 |

- Approve 3. Minutes of the Air Carrier Service – Marketing – Community Relations Committee Meeting of the Monterey Peninsula Airport District of July 9, 2024
- Approve 4. Minutes of the Airport Property Development & Leases Committee Meeting of the Monterey Peninsula Airport District of July 10, 2024

No Public Comment.

Director Miller motioned to approve Consent Agenda Items E.1 – E.4. Director Pick seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

None.

G. REGULAR AGENDA - ACTION ITEMS

- Adopt 1. Public Hearing on Proposed Issuance by the Monterey Peninsula Airport District of Airport Revenue Obligations and Adoption of Resolution No. 1883, A Resolution Approving Public Hearing Held by the Monterey Peninsula Airport District Relating to Its Airport Revenue Obligations that are Payable from Airport Revenues

Executive Director La Pier introduced Item G.1 stating it is associated with debt related to the replacement terminal. Michael Charlebois from Ballard Spahr, the approved Bond and Disclosure Counsel, joined the meeting by videoconference.

Controller Wilson stated there are certain notices that must be provided to the public prior to any issuance of tax-exempt bonds and that Mr. Charlebois would provide further details and answer any questions.

Mr. Charlebois explained that under Federal law the Internal Revenue Service requires non-profit borrowers that intend to issue tax exempt debt to hold a TEFRA (Tax Equity and Fiscal Responsibility Act) Hearing, which is a public inquiry. He explained this does not approve the debt but does allow up to \$50,000,000 to be approved and issued in the next 12 months. Mr. Charlebois noted the dollar amount is higher than the expected need but provides room for any contingencies.

Chair Leffel opened the Public Hearing at 8:13 AM. She informed the Board that the Finance Committee reviewed this item and supports it.

Controller Wilson explained how the “not to exceed” dollar amount was arrived at, reiterating that it is a conservative number that gives considerable room for any unforeseen circumstances. Mr. Charlebois further explained there are three years to issue debt after this hearing, but the first issuance needs to be within 12 months.

Jean Rasch, a member of the public, asked if the Monterey Peninsula Airport District taxpayer would be liable if bond payments are not timely met. Executive Director La Pier explained that the Monterey Peninsula Airport District collects no taxes and receives no taxes, except for approximately \$135k per year that Monterey County gives the Monterey Peninsula Airport District to cover the cost to hold the election of Board members. The Airport earns revenues through rates and charges and any Airport debt will be paid through revenues generated. If there is a default on the debt, the obligation belongs to the bond buyer. There is no opportunity for the debt to become an obligation of the taxpayer.

Chair Leffel and Controller Wilson explained the difference between a revenue bond and a general taxpayer obligation bond and gave examples of how the Airport earns revenue. Controller Wilson answered questions from Directors regarding tax exempt bonds.

The Public Hearing was closed at 8:29 AM.

Director Pick moved to adopt Resolution No. 1883, A Resolution Approving Public Hearing Held by the Monterey Peninsula Airport District Relating to Its Airport Revenue Obligations that are Payable from Airport Revenues. Director Miller seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1883

A RESOLUTION APPROVING PUBLIC HEARING HELD BY THE MONTEREY PENINSULA AIRPORT DISTRICT RELATING TO ITS AIRPORT REVENUE OBLIGATIONS THAT ARE PAYABLE FROM AIRPORT REVENUES

WHEREAS, the Monterey Peninsula Airport District (the “District”) is a public airport district duly organized and existing under the Constitution and laws of the State of California (the “State”) for purposes of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, pursuant to the laws of the State of California, particularly the Monterey Peninsula Airport District Act (Chapter 52 of the Statutes of 1941), as amended (the “Act”), the District is authorized to carry out the public purposes described therein and contemplated thereby by issuing revenue notes, bonds or other obligations to provide funds for various airport related purposes; and

WHEREAS, the Board of Directors of the District (the “Board”) held a public hearing on July 17, 2024 (the “Public Hearing”) regarding the issuance by the District of its airport revenue bonds, lease revenue bonds, a lease-purchase agreement, certificates of participation, TIFIA Loan or other obligations in one or more series pursuant to a plan of finance (the “Obligations”) for the purposes of: (i) financing the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and/or equipping of an approximately 65,000 square foot replacement passenger airport terminal complex at the District’s Monterey Regional Airport in Monterey, California, including related roads, parking and circulation elements (collectively, the “Project”); (ii) funding necessary reserves, if any; (iii) funding capitalized interest, if any; and (iv) paying costs of issuance of the Obligations; and

WHEREAS, the District anticipates issuing and selling Obligations in an aggregate principal amount not to exceed \$50,000,000; and

WHEREAS, pursuant to the requirements of Section 147(f) of the Code with respect to the Obligations, a public notice of the Public Hearing was posted on the District’s website on July 9, 2024, which date was no fewer than seven (7) days prior to the July 17, 2024 Public Hearing as required by Section 147(f) of the Code; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT, MONTEREY COUNTY, CALIFORNIA, AS FOLLOWS:

Section 1. The Board hereby (i) approves the Public Hearing and (ii) as the elected legislative body of the District, solely to comply with the requirements of Section 147(f) of the Code, in order for the District to issue the Obligations as tax-exempt obligations, approve the issuance of the Obligations to finance costs set forth above in the recitals of this resolution, including the Project.

Section 2. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 17th day of July 2024 by the following roll call vote:

AYES: DIRECTORS: Chorbajian, Gaglioti, Pick, Miller, Leffel
NOES: DIRECTORS: None
ABSTAIN: DIRECTORS: None
ABSENT: DIRECTORS: None

Approve 2. Contract Extension to the Parking Operations Agreement for Operation at the Monterey Regional Airport

There was no Public Comment.

Executive Director La Pier answered Directors' questions about the possibility of managing parking in-house once the replacement terminal project is complete. District Counsel Huber answered a question regarding the contract remedies for non-performance of the current agreement.

Executive Director La Pier provided an overview of operational protocols and procedures that have been put in place to mitigate the inconvenience to customers if wi-fi issues cause a temporary malfunction of the exit gates.

Director Miller motioned to approve the contract extension to the Parking Operations Agreement for Operation at the Monterey Regional Airport. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

Adopt 3. Resolution No. 1884, A Resolution Authorizing and Approving the Service Agreement between the Monterey Peninsula Airport District and Monterey Environmental Solutions and Services

Executive Director La Pier introduced Brian Roth, Project Manager, who gave an overview of the additional hazard abatement needed at 2801 Monterey Salinas Highway, Building C.

There was no Public Comment.

Director Pick reported Resolution No. 1884 was reviewed by the Lease Committee and they support it.

Director Gaglioti reported Resolution No. 1884 was reviewed by the Finance Committee and they support it.

There were no questions.

Director Pick motioned to adopt Resolution No. 1884, A Resolution Authorizing and Approving the Service Agreement between the Monterey Peninsula Airport District and Monterey Environmental Solutions and Services. Director Gaglioti seconded. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1884

A RESOLUTION AUTHORIZING AND APPROVING THE SERVICE AGREEMENT BETWEEN THE MONTEREY PENINSULA AIRPORT DISTRICT AND MONTEREY ENVIRONMENTAL SOLUTIONS AND SERVICES

WHEREAS, the Monterey Peninsula Airport District (MPAD) owns and operates the Monterey Regional Airport; and

WHEREAS, MPAD purchased the property of 2801 Monterey Salinas Highway on July 3, 2019 and upon purchase Building C was vacant; and

WHEREAS, Building C of 2801 Monterey Salinas Highway is known to contain Hazardous Materials; and

WHEREAS, the removal of hazardous materials must be performed by a contractor certified by the California Contractors' State License Board to conduct asbestos-related work and registered with the California Division of Occupational Safety and Health (DOSH) to perform abatement-related work; and

WHEREAS, contractors must be compliant with the requirements of the California Occupational Safety and Health (Cal/OSHA) for Asbestos (Title 8 CCR 1529) and Lead (Title 8 CCR 1532.1) during construction activities; and

WHEREAS, other State and Federal regulation and policy requirements must be met when dealing with the handling and disposal of hazardous materials.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: That MPAD contract with the firm Monterey Environmental Solutions and Services for a total amount not-to-exceed \$61,160.00 and the Executive Director, or his designee, is authorized and directed, for and on behalf of the District, to execute all documents necessary to comply with all regulations and controls for phase two of the additional abatement of 2801 Monterey Salinas Highway Building C, including agreements and any amendments thereto. Such agreements and amendments executed by the Executive Director are hereby approved, as though set forth in full.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 17th day of July 2024 by the following roll call vote:

AYES:	DIRECTORS: Chorbajian, Gaglioti, Pick, Miller, Leffel
NOES:	DIRECTORS: None
ABSTAIN:	DIRECTORS: None
ABSENT:	DIRECTORS: None

Approve 4. Amendment #2 to the Professional Services Agreement with C&S Engineers Inc. to Provide Design Support Services for the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase B2 Commercial Apron Envision Certification

Deputy Executive Director Morello introduced Item G.4 and explained the amendment to the Professional Services Agreement with C&S Engineers, Inc. is for documentation, reports, and administration services related to the pursuit of Envision Silver sustainability certification for the Commercial Apron Project.

There was no Public Comment.

Director Pick motioned to approve Amendment #2 to the Professional Services Agreement with C&S Engineers Inc. to Provide Design Support Services for the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase B2 Commercial Apron Envision Certification. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

A break was taken from 8:58 AM – 9:01 AM.

Approve 5. Responses to Grand Jury Report

District Counsel Huber reported there are two separate draft responses provided. One refers to the Grand Jury report entitled “Monterey Fire Department: Overdue for Overhaul” and portions of that report relate to the Airport because of the contract for fire services at the Airport with the City of Monterey. The second report related to the Airport is entitled “Monterey Regional Airport: Understanding Noise”.

Directors considered the response letter relating to the Fire Services first.

There were no Public Comments.

Director Chorbajian made a motion to approve the Monterey Peninsula Airport District’s Response to 2023-2024 Monterey County Civil Grand Jury Report – “Monterey Fire Department: Overdue for Overhaul”. Director Pick seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

District Counsel Huber gave a detailed report on the history of rules and regulations related to noise curfews and abatement procedures at United States airports, the obsolescence of some of the noise ratings, and the authority of the Federal Aviation Administration (FAA) in regulating aircraft.

District Counsel Huber referred to the Monterey County Civil Grand Jury recommendations related to communication and stated the Air Carrier Service – Marketing – Community Relations Committee meets every month, is a “noticed” meeting subject to the Brown Act and is open to the public. The response indicates the Airport will utilize this as a vehicle to engage with the public about noise.

Uwe Grobecker, as Chair of the Monterey Fly Safe Coalition, made a Public Comment. He read a statement that urged the Airport to consider a citizen’s committee to collaborate on recommendations to the board and to table this item to a future date.

Joyce Haferman, a member of the public, referred to comments she made during the last regular board meeting and urged the board to consider a separate committee to receive community input for noise-related issues.

Ken Underwood, a member of the public, commented on the desire to have a citizens committee, so that recommendations can be formulated and sent to the FAA.

Directors considered the response letter related to airport noise. It was noted the draft letter would be amended to correct the date and it was agreed that the letter would also reference the full name of the

Air Carrier Service – Marketing – Community Relations Committee, instead of just “Air Service Committee”.

Carol Chorbajian motioned to approve the Monterey Peninsula Airport District’s Response to 2023-2024 Monterey County Civil Grand Jury Report – “Monterey Regional Airport: Understanding Noise” with the amendments noted above. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

Approve 6. Response to Fly Safe Coalition

District Counsel Huber distributed a draft response letter to the Fly Safe Coalition to Board members and members of the public that were in the boardroom.

District Counsel Huber recounted the many voluntary procedures that have been recommended to pilots and the FAA by the Monterey Regional Airport (MRY) regarding noise abatement. He referred to the “MRY 5” departure procedure that was approved by the FAA and noted that it usually happens, but the Airport has no authority to mandate it. District Counsel Huber reported on his research regarding the use of the MRY5 departure procedure and the noise ratings of flights by the aircraft tail number.

Howard Fosler, a member of the public, made Public Comments that differed from Counsel Huber’s research.

Joyce Haferman, a member of the public, distributed printed screen shots of flights that did not utilize the MRY5 departure. District Counsel Huber asked for more details on the dates of the screen shots distributed so additional research could occur.

Uwe Grobecker, Chair of the Monterey Fly Safe Coalition, thanked the board for their formal response.

District Counsel Huber and Executive Director La Pier answered questions from Directors.

Director Pick motioned to approve the response to the Fly Safe Coalition. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

A break was taken from 10:40 AM – 10:50 AM.

H. BOARD REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

- a. The Board receives Department Reports which do not require any action by the board.
- b. Board Member questions (if any) for Standing Committees.
- c. Ad-Hoc Committee Reports:
 - i. Local Jurisdiction Liaison Director Leffel & Miller
- d. Liaison/Representatives Reports:
 - i. Local Agency Formation Commission Director Leffel
 - ii. Regional Taxi Authority Director Pick
 - iii. Transportation Agency for Monterey County Director Miller
 - iv. Special Districts Association Liaison Director Gaglioti
 - v. Association of Monterey Bay Area Governments Director Leffel

- e. Board Member reports for conferences and events approved to attend at Monterey Peninsula Airport District expense (per AB 1234 and the Director Remuneration & Business Expense Reimbursement Policy).

No Public Comment.

No questions for Standing Committees.

Chair Leffel reported on her attendance at the Oak Grove neighborhood association meeting.

Chair Leffel gave a report on the LAFCO meeting.

Director Pick reported on the annual Regional Taxi Authority meeting.

Director Miller reported on the recent TAMC meeting.

Director Gaglioti reported on the Special Districts Association meeting.

Chair Leffel reported the July AMBAG meeting is tonight.

I. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- *Consider Actions Necessary for the Board of Director Meeting Stipend to Remain Stable in FY 2025*

J. DISCUSSION OF FUTURE AGENDAS

- *Property De-annexation Update*

K. ADJOURNMENT

The meeting adjourned at 11:25 AM.

*Approved at the
Meeting of August 21, 2024*

Mary Ann Leffel, Chair

A T T E S T

*Michael La Pier
District Secretary*

MINUTES OF THE BUDGET & FINANCE COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

August 12, 2024 – 10:30 AM Pacific Time

Due to the expiration of the COVID-19 California State of Emergency, the Monterey Peninsula Airport District will return to holding meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Committee Meeting in person and request to speak to the Committee Members when the Chair calls for public comment.

Alternatively, members of the public who desire to provide input as to any item can send an email to info@montereyairport.com and include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Committee Members for consideration and will be compiled as part of the record.

A. CALL TO ORDER

The meeting of the Budget & Finance Committee of the Monterey Peninsula Airport District was called to order at 10:30 AM. Directors Leffel & Gaglioti, Deputy Executive Director Morello, Controller Wilson and Acting Board Secretary Adams were in attendance. Executive Director La Pier was absent.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. REGULAR AGENDA – ACTION ITEMS

Receive 1. Report on Firm Selection Process for Investment Banking / Underwriting Services and Introduction of Adam Aranda with Barclays Capital Inc.

Controller Wilson reviewed the process of selecting the firm to provide Monterey Peninsula Airport District (MPAD) with Investment Banking and Underwriting Services, which included consultation with Ballard Spahr, Bond/Tax and Disclosure Counsel, and PFM, Financial Advisor. Controller Wilson stated that on the advice of Bond/Tax Counsel, experience with Certificates of Participation (COPs) is an important factor.

Controller Wilson introduced Adam Aranda, Barclays Capital Inc. and his team members, Harrison Kadish and Hammad Imran. All attended the meeting by video conference.

Mr. Aranda gave committee members an overview of his experience with airport and COP financing, the unique environment created by MPADs governing documents, and the need to utilize COPs as a component of financing. Mr. Aranda answered questions from Directors regarding the difference between COPs and revenue bonds.

There was a discussion about the reason to utilize COPs, and it was suggested the Bond/Tax Counsel attend the Board meeting to give a succinct explanation.

Review 2. Resolution No. 1885, A Resolution Approving the Bid for Runway 28L-10R Improvement Project and Authorizing Execution of a Contract with Granite Rock Company

Deputy Executive Director Morello stated the next three items all relate to the Runway 28L-10R Improvement Project. She reviewed the bid process and noted that the engineer of record, Tartaglia Engineering recommends Granite Rock Company as the lowest responsive bidder. She reported the grant application has been submitted and the funding has been programmed by FAA, and we are waiting for award of the grant.

There was a discussion about the timing of the work. Deputy Executive Director Morello stated it would be done at night, in two phases: one in the fall and one next spring, depending on weather.

The Finance Committee supports this Resolution.

- Review 3. Resolution No. 1886, A Resolution Authorizing a Professional Services Agreement with Kimley Horn and Associates Inc. to Provide Program Management for Runway 28L-10R Improvement Project Construction Observation Services

Deputy Executive Director Morello introduced Resolution No. 1886 stating this is a new agreement with Kimley Horn & Associates, instead of an amendment, because it is not part of the Safety Enhancement Program (SEP). This agreement is to provide on-site construction observation services, reports, and inspections for the Runway 28L-10R Improvement Project. She noted the FAA AIP grant application includes this contract cost at a 90.66% share of the contract costs.

Deputy Executive Director Morello answered questions from Directors regarding FAA oversight.

- Review 4. Amendment to the Professional Services Agreement with Tartaglia Engineering to Provide Construction Support Services for the Runway 28L-10R Improvement Project

Deputy Executive Director Morello reminded Directors that Tartaglia Engineering was selected to prepare design and bid documentation for the Runway 28L-10R Improvement Project. This amendment to their Professional Services Agreement is to provide project management, engineering oversight during construction and the final engineer's report. She noted the FAA AIP grant application includes this cost at a 90.66% share of the contract costs.

- Review 5. Resolution No. 1887, A Resolution Accepting the Guaranteed Maximum Price from OTTO Construction for the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements Circulation Elements

Deputy Executive Director Morello remarked that this item and the next are in tandem and both are part of the Safety Enhancement Program (SEP). This contract with OTTO Construction includes the Guaranteed Maximum Price (GMP) for construction associated with the Terminal Complex Landside Circulation Elements. These circulation element costs are included in the AIP Terminal Complex Landside Improvements grant application. Parking components will be under separate approval through the BIL Entitlement Grant program.

- Review 6. Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. to Provide Project Management in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements

Deputy Executive Director Morello introduced the amendment to the Professional Services Agreement with Kimley-Horn as identified in the agenda item title. It was noted that this cost is included in the FAA grant application at 90.66% share of the contract costs for the Terminal Complex Landside Improvement circulation elements.

Directors discussed and agreed to support items three through six as presented.

Review 7. FYTD Financial Statements

Controller Wilson gave an overview of the Fiscal Year (FY) 2024 June Financial Statements. Highlights include total enplanements of over 275k, a positive variance to the net, and a similar cash investment position.

There was a discussion about interest rates and the likelihood of a reduction coming this Fall.

Controller Wilson reported Forza Motors paid their past due account last week and is now current. The overall Receivables are slightly higher, but he explained that is only due to timing of the report.

Controller Wilson commented that the auditors have completed their interim work, and the field audit began this week. There was a discussion about how the auditors pick which board members to interview. There was a request that the auditors include the Finance Committee members during their interim interviews.

E. ADJOURNMENT

The meeting adjourned at 11:48 AM.

*Approved at the
Meeting of August 21, 2024*

Mary Ann Leffel, Chair

A T T E S T

*Michael La Pier
District Secretary*

MINUTES OF THE AIR CARRIER SERVICE - MARKETING - COMMUNITY RELATIONS COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

August 13, 2024 – 10:00 AM – 12:00 Noon Pacific Time

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD AND COMMITTEE MEETINGS

Due to the expiration of the COVID-19 California State of Emergency, the Monterey Peninsula Airport District will return to holding meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Committee Meeting in person and request to speak to the Committee Members when the Chair calls for public comment.

Alternatively, members of the public who desire to provide input as to any item can send an email to info@montereyairport.com and include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Committee Members for consideration and will be compiled as part of the record.

A. CALL TO ORDER

The Air Carrier Service – Marketing – Community Relations Committee Meeting of the Monterey Peninsula Airport District was called to order at 10:00 AM. Directors Leffel and Pick, Deputy Executive Director Morello, Deputy Executive Director Robare, District Counsel Huber, and Acting Board Secretary Adams were present. District Counsel Huber attended via video conference. Executive Director La Pier was absent.

B. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Director Leffel announced she recently attended the Monterey Vista Neighborhood Association meeting and would like to arrange a presentation for them in the future.

C. REGULAR AGENDA – ACTION ITEMS

Discuss 1. Community Noise Concerns

Public Comment:

Howard Fosler asked for better explanations as to why some aircraft use 28L and some MRY5. He believes some of the deviations are not due to weather or traffic and could be managed. He gave examples of flights he observed last Sunday afternoon.

Nancy Runyon commented that she would like to see a new noise study done. She noted she lives right under the flight path and relayed her recent observations of inconsistent flight patterns.

Public Comment was closed at 10:20 AM.

Director Leffel thanked those who spoke. District Counsel Huber asked Mr. Fosler for the times of the flights he observed last Sunday so that he could further research the situation.

Discuss 2. Air Carrier Service & Development Update

Executive Director La Pier joined the meeting by videoconference. He reported on the successful launch of the Sun Country airlines service to and from Minneapolis, MN, and the inaugural flight and celebrations on August 8, 2024. He noted that, going into the Fall, both traffic and capacity were strong for this twice a week route.

Executive Director La Pier reported the American Airlines Dallas flight that departs at 5:10 AM will cease operation in September.

Joyce Haferman, a member of the public, asked about the safety of Boeing 737's. Director La Pier noted there are hundreds of 737 flights per day in the United States. Ms. Haferman commented on the aviation easement from the 1980's and the departure route at that time and in a brochure from 2008.

There was a discussion about the Cancellations and Delays report. Deputy Executive Director Robare noted that the CrowdStrike IT outage was at the end of July and reflected in this report.

There was a discussion about Allegiant Airlines and what appears to be a lack of communication with their passengers about delays. Executive Director La Pier stated the airport provides the facility but has no control over the airlines; he likened it to a shopping mall owner. He reported that the airport provides feedback and voices concerns to the tenants but has no control to mandate their operations.

Discuss 3. Local Marketing and Digital Outreach Update

Deputy Executive Director Morello reviewed the July Digital Media Analytics report noting the focus was the new Sun Country service to Minneapolis and the ongoing promotion of Alaska Airlines flights to Seattle and San Diego. There were also travel advisories posted regarding the CrowdStrike outage. She commented that the August promotions will focus on Labor Day and booking early for the Holidays since the Defense Language Institute (DLI) winter break affects capacity in late December. She remarked the Airport will host the Military Lounge again this year for active-duty service members.

Discuss 4. Passenger Comments, Services and Amenities Update

Director Leffel noted the comment about restrooms in need of updating and asked if there was anything that could be done with the cleaning schedule during flight delays when the hold room is very full. Deputy Executive Director Robare stated Operations is addressing that issue.

Deputy Director Robare reminded Directors that comments regarding airline personnel and operations are forwarded to the tenant managers. Operations staff also address persistent issues during the quarterly tenant meetings. If necessary, the Executive Director will discuss an issue with the airline regional manager.

Director Pick thanked the members of the public for their involvement in today's meeting.

D. ADJOURNMENT

The meeting adjourned at 10:48 AM.

*Approved at the
Meeting of August 21, 2024*

Mary Ann Leffel, Chair

A T T E S T

Michael La Pier
District Secretary

MINUTES OF THE AIRPORT PROPERTY DEVELOPMENT & LEASES COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

August 14, 2024 at 10:30 AM

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD AND COMMITTEE MEETINGS

Due to the expiration of the COVID-19 California State of Emergency, the Monterey Peninsula Airport District will return to holding meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Committee Meeting in person and request to speak to the Committee Members when the Chair calls for public comment.

Alternatively, members of the public who desire to provide input as to any item can send an email to info@montereyairport.com and include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Committee Members for consideration and will be compiled as part of the record.

A. CALL TO ORDER

The meeting of the Airport Property Development & Leases Committee of the Monterey Peninsula Airport District was called to order at 10:35 AM. Directors Miller and Pick, Executive Director La Pier, Controller Wilson and Acting Board Secretary Adams were in attendance. Executive Director La Pier attended via video conference.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None

C. REGULAR AGENDA – ACTION ITEMS

Receive 1. Leasing Activity Review

Executive Director La Pier turned the floor over to Controller Wilson for property lease updates.

Controller Wilson reported the Corporate Hangar has been listed for sale / long-term lease. It has also been rented on a month-to-month basis to Monterey Fuel Company (MFC) beginning August 1, 2024. The current rent is \$9k per month. There is a six month notice to terminate by either party. Executive Director La Pier and Controller Wilson answered questions about the expected usage of the Corporate Hangar.

Controller Wilson reported Forza Motors is now current on their rent. Motion Products, Inc. (MPI) has confirmed they are still intending to purchase Forza Motors but is not able to confirm an expected closing date.

Controller Wilson distributed property maps of the northside of the airport for Directors' reference. He reported on recent discussions with an existing tenant regarding lease extensions and options, which are still under negotiation. There was a discussion about the current tenants and leases in neighboring buildings and their long-term interests.

Controller Wilson advised that the property at 2959 Monterey Salinas Highway is currently leased long term to the owners of the Dole Building and has been improved as a parking lot. The ground lease on the parking lot ends April 30, 2025, but includes 5 options to extend, at five years each. The agreement calls for a rent adjustment to Fair Market Value at the time of extension, which could be less than the current rent. Executive Director La Pier added the airport will negotiate a new Fair Market Value, but there may be slightly less revenue from this lease going forward.

There was a discussion about ongoing communication with a current ground lease tenant about possible changes to his lease. Controller Wilson gave the committee an overview of the development opportunities being contemplated by the current tenant.

D. ADJOURNMENT

The meeting adjourned at 11:20 AM.

*Approved at the
Meeting of August 21, 2024*

Mary Ann Leffel, Chair

A T T E S T

*Michael La Pier
District Secretary*

AGENDA ITEM: E-5
DATE: Aug. 21, 2024

TO: Monterey Peninsula Airport District Board of Directors
FROM: Scott E. Huber, District Counsel
SUBJ: Amendment to Employment Agreement of Executive Director

BACKGROUND AND DISCUSSION. Michael La Pier has served as the Executive Director of the Monterey Peninsula Airport District (“District”) since 2015. On June 20, 2024, following a positive evaluation, the Board of Directors offered La Pier a one-time incentive payment related to his performance, pursuant to Section 5 of the employment agreement.

The Board directed District Counsel to prepare this agenda item and amended Agreement to memorialize the one-time incentive payment.

FISCAL IMPACT. Additional FY 2025 General Fund impact of \$20,000.

RECOMMENDATION. Approve Third Amendment to Employment Agreement of Michael La Pier.

ATTACHMENTS.

Third Amendment to Employment Agreement of Executive Director
Employment Agreement of Michael La Pier and Prior Amendments

**THIRD AMENDMENT TO THE EMPLOYMENT AGREEMENT
BETWEEN MONTEREY PENINSULA AIRPORT DISTRICT AND
MICHAEL LA PIER**

This Amendment dated August 21, 2024, is to the Employment Agreement between the Monterey Peninsula Airport District (“MPAD”) and Michael La Pier (“La Pier”).

A copy of the Employment Agreement, including prior amendments is attached as Exhibit “A”.

In consideration of the terms and conditions herein, MPAD and La Pier agree that the employment agreement shall be amended as follows:

1. Pursuant to Section 5 of the Employment Agreement, the Board authorizes a one-time incentive payment to La Pier in the amount of \$20,000 to be allocated at the direction of La Pier.
2. Conflicts between this Third Amendment and the Employment Agreement, including all prior amendments, shall be controlled by this Third Amendment. All other provisions within the Employment Agreement not modified by this Third Amendment shall remain in full force and effect.

Approved by the Board of Directors of the Monterey Peninsula Airport District at its regular meeting held August 21, 2024.

**MONTEREY PENINSULA
AIRPORT DISTRICT**

MICHAEL LA PIER

Mary Ann Leffel, Chair

Michael La Pier

APPROVED AS TO FORM:

Scott E. Huber, District Counsel

**EMPLOYMENT AGREEMENT BETWEEN
THE MONTEREY PENINSULA AIRPORT DISTRICT AND
MICHAEL LA PIER**

This agreement, is made and entered into on the 18th day of August, 2021, by and between the Monterey Peninsula Airport District ("District"), and Michael La Pier, both of whom understand as follows:

WHEREAS, District desires to extend the employment services of La Pier as its Executive Director; and

WHEREAS, it is the desire of the Board of Directors of the District ("Board"), to provide certain benefits, to establish certain conditions of employment and to set working conditions for La Pier; and

WHEREAS, La Pier desires to continue his employment as the Executive Director of District.

Now therefore, in consideration of the mutual covenants herein contained, the parties agree as follows:

Section 1. Duties:

District hereby agrees to extend the employment of La Pier as Executive Director of District to perform the functions and duties specified for the position in the job description, as established by the Board, the District's Enabling Act, Ordinance 909 and such other legally permissible and proper duties and functions as the Board shall from time to time assign to him. La Pier shall have the authority to perform the functions of the Executive Director as outlined and authorized by Ordinance 909 and Governance Manual, as currently in effect at the time of execution of this agreement.

Section 2. Term; Termination; Severance Compensation:

- A. La Pier agrees to remain in the exclusive employ of District from August 1, 2021 until July 31, 2024 ("Expiration Date") and neither to accept other employment nor to become employed by any other employer until the expiration date of this agreement, subject to the provisions of Subsection 2. B. On or around the July 2023 and following a positive performance evaluation at or near the end of the second year of this Agreement, La Pier and the District shall enter into negotiations for a two year extension of this Agreement. Upon mutual agreement of the Parties, the term of this Agreement may be extended.
- B. If La Pier resigns his position as Executive Director before the Expiration Date of the initial or any extended term of this agreement, then La Pier shall give District no less than 60 days written notice in advance. In that event, La Pier shall not be entitled to the severance compensation provided for in Section 2. C.
- C. As an "at will" employee serving at the pleasure of the Board, La Pier's appointment may be terminated by the Board for misfeasance, as determined by the Board in its

sole discretion, at any time as outlined in Ordinance 909 and by a four-fifths vote of the Board. In the event that La Pier is terminated by the District before the expiration of the term of this agreement, other than as specified in subsection (D) herein, the District agrees to pay La Pier a lump sum cash payment of six (6) months aggregate salary and continuation of the medical and dental plan in effect at the time of termination for six (6) months, or such other payout as may be mutually agreed upon. In addition, La Pier shall be compensated for all vested accrued leave time, which is currently defined as all accumulated and unused vacation leave.

- D. La Pier may be terminated by the Board at any time for either malfeasance or nonfeasance in office, or for a conviction of a crime. In the event of such removal, the District shall have no obligation to pay the aggregate severance pay referenced above.
- E. Six months prior to expiration of this Agreement, La Pier shall give written notice to District if he wishes to extend this agreement on the same terms and conditions for an additional period of time to be negotiated between the parties. Thereafter the Board shall determine, within 60 days, whether or not it wishes to extend the agreement and shall give written notice to La Pier of its decision. If the Board approves such extension, the parties shall enter into a new, or amended, agreement. If the Board disapproves such extension, this agreement shall terminate on the Expiration Date and La Pier shall not be entitled to any compensation except for any vested accrued leave time.

Section 3. Non-Industrial Injury/Illness:

If La Pier is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of four successive weeks beyond any accrued leave, District shall have the option to terminate the agreement, subject to the severance pay provisions of Section 2. C.

Section 4. Salary and Compensation:

La Pier shall receive an initial salary of \$193,000 per year.

Based on the criteria outlined in La Pier's prior employment agreement and in recognition of La Pier's positive performance during the prior year, the District will provide La Pier with a one-time incentive payment of \$20,000 to be allocated at the direction of La Pier.

Employee's salary will be reviewed annually and may be adjusted as determined by the District based on his performance, economic conditions, or other factors as may be determined by the District.

Section 5. Performance Evaluation:

- A. The Board shall review and evaluate the performance of La Pier annually after the commencement of this agreement. At least 30 days in advance before each

anniversary date of the commencement of this agreement, and thereafter, the Board shall determine if La Pier will receive any salary increment adjustment for the 12 months after his anniversary date. Upon a positive performance evaluation, the District Board may, but is not required to, provide La Pier with an incentive payment. Such review and evaluation shall be in accordance with specific criteria developed jointly by Board and La Pier. Such criteria may be added to or deleted from, as the Board may from time to time determine, in consultation with La Pier. Further, the Chair shall provide La Pier with a summary written statement of the evaluation of the Board and provide an adequate opportunity for La Pier to discuss the evaluation with the Board.

- B. The Board and La Pier shall define the criteria that they determine necessary for the proper operation of the District and the reasonable attainment of the Board's goals and objectives and shall further establish a relative priority among them. All such goals and objectives shall be reduced to writing. The goals and objectives shall be reasonably attainable within the time and budgetary resources allocated to La Pier to achieve them.

Section 6. Hours of Work:

La Pier shall be employed on a full-time basis and for optimal customer service, should generally perform such work during District's normal business hours. However, it is recognized that La Pier shall be required to devote a great deal of time outside of normal office hours on business of District, and to that end he shall be allowed to establish an appropriate work schedule to meet the requirements of the position.

Section 7. Bereavement Leave:

When compelled to be absent from work by reason of death of an immediate family member or where death appears imminent, La Pier shall be entitled to receive up to three (3) days Bereavement Leave, which shall not be charged against any other leave acquired by La Pier. If La Pier desires such leave, he shall notify, in writing, the Board of the time of absence needed and the expected date of return to work.

The immediate family is defined as spouse; natural, step or legal child; parent; brother; sister; grandparent; grandchild; mother-in-law or father-in-law.

Section 8. Automobile and Technology Allowance:

District shall provide La Pier with an automobile allowance in the amount of \$750 per month to compensate him for the use of his private vehicle for District business. La Pier may not operate a District vehicle off of District Property. If the District requires La Pier to travel outside a 50-mile radius of the Monterey Airport, La Pier is authorized to rent a vehicle at the expense of the District.

District shall provide a technology allowance of \$200 per month to La Pier to compensate him for the use of his private mobile telephone and other technology used to perform his duties. The District, at the request of La Pier, will provide La Pier with a

District issued mobile phone.

Section 9. Vacation and Sick Leave:

La Pier shall accumulate Sick Leave at the rate of 120 hours per year during the term of this Agreement. La Pier shall be permitted to accumulate an unlimited amount of sick leave.

La Pier shall accumulate Vacation Leave at the rate of 160 hours per year during the term of this Agreement. La Pier shall be permitted to accumulate a maximum of 240 hours of Vacation Leave.

Section 10. Medical, Dental, Vision, Insurance and Other Benefits:

Employee and dependent coverage is available from CalPERS at 80% employer cost and 20% employee cost. The District shall pay \$400 per month to La Pier's Health Savings Account and/or Flexible Spending Account, as La Pier's direction. Health Benefits are available on the first day of the month following the date of hire. Dental coverage for employee and dependents is available at the employer's cost. Dental Benefits are available on the first day of the month following two (2) months of continuous employment. Vision coverage for employee is available at employer cost. Vision coverage for dependents is available at the employee's cost. Vision benefits are available on the first day of the month following two (2) months of continuous employment. The District shall provide life insurance to La Pier equal in face value (no cash-value) to one year of La Pier's base salary during the time this Agreement is in effect.

Section 11. Holidays: La Pier is authorized to celebrate the following holidays:

- | | |
|---------------------------|-----------------------------------|
| 1. New Year's Day | 7. Veteran's Day |
| 2. Martin Luther King Day | 8. Thanksgiving Day |
| 3. President's Day | 9. The Day after Thanksgiving Day |
| 4. Memorial Day | 10. The Day before Christmas Day |
| 5. Independence Day | 11. Christmas Day |
| 6. Labor Day | |

Should any other legal holidays be added as approved holidays for employees of the District, La Pier is authorized to celebrate those additional holidays.

Section 12. Retirement:

The District shall pay the employer's required PERS contribution, and La Pier shall pay the employee contribution as set forth in California statute. The District shall provide for optimal conversion of accrued Sick Leave for Service Credit upon retirement, if available, subject to PERS regulations.

Section 13. Deferred Compensation Plan:

The District shall provide a Deferred Compensation Plan. The District shall not be required to make a contribution to any of La Pier's Deferred Compensation Plan.

Section 14. Outside Employment:

During the term of the agreement and any extensions thereof, La Pier shall not accept any outside employment of any kind or character without having first obtained the prior approval of the Board.

Section 15. Dues and Subscriptions:

District agrees to budget for and to pay for professional dues and subscriptions of La Pier necessary for his continuation and full participation in national, regional, state and local associations and organizations as are desirable for his continued professional participation, growth, and advancement, and for the good of the District; provided, however, the amount of such dues and subscriptions shall not exceed the amount appropriated therefore in the annual budget.

Section 16. Professional Development:

- A. District agrees to pay for travel and subsistence expenses of La Pier for professional and official travel, meetings, and occasions adequate to continue the professional development of La Pier and to adequately pursue necessary official functions for District, and such other national, regional, state and local governmental groups and committees thereof which La Pier serves as a member; provided, however, the amount of such travel and subsistence shall not exceed the amount appropriated therefore in the annual budget. La Pier shall not accept a leadership, executive, or other officer position in an aviation related industry or trade group without the advanced consent of the District.
- B. District also agrees to pay for travel and subsistence expenses of La Pier for short courses, institutes and seminars that are necessary for his professional development and for the good of the District; provided, however, the amount of such travel and subsistence shall not exceed the amount appropriated therefore in the annual budget.

Section 17. General Expenses:

District recognizes that certain expenses of a non-personal and generally job-affiliated nature shall be incurred by La Pier, and hereby agrees to reimburse or to pay such general expenses up to an amount not to exceed the amount provided for such purposes in the Executive Directors' portion of the annual District budget. Reimbursements shall be made pursuant to the District's "accountable" plan. The Finance Department is hereby authorized to disburse such monies in accordance with adopted District expense reimbursement policies.

Section 18. Civic Club Membership:

District recognizes the desirability of representation in and before local civic and other organizations, and La Pier is authorized to become a member of such civic clubs or organizations. During the term of the agreement, District, at its sole discretion, may elect to pay some or all of La Pier's civic club membership expenses.

Section 19. Indemnification:

In addition to the requirements of state and local law, District shall defend, save harmless, and indemnify La Pier against any tort, professional liability claim or demand, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of La Pier's duties as Executive Director, except for any civil action or proceeding brought against La Pier for actual fraud, corruption or actual malice. District, at its sole discretion, shall retain counsel of its choice, and compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

Section 20. Bonding:

District shall bear the full cost of any fidelity or other bonds required of La Pier under any law or ordinance.

Section 21. Other Terms and Conditions Employment:

- A. The Board may fix other terms and conditions of employment, as it may determine from time to time relating to the performance of La Pier, following consultations with him, provided such terms and conditions are not inconsistent with or in conflict with the provisions of the agreement, the Ordinances of the District, the District's enabling act or any other law.
- B. It is understood and agreed by District and La Pier that La Pier is an "at will" employee of the District, appointed by the Board, under the provisions of the District's enabling act. As such, La Pier serves at the pleasure of District and is not subject to the provisions of the District's Personnel Rules and Regulations.

Section 22. Notices:

Notices pursuant to the agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

- A. TO DISTRICT: Chair of the Board, Monterey Peninsula Airport District, 200 Fred Kane Dr., Suite 200, Monterey, CA 93940.
- B. TO La Pier: La Pier, at his permanent residence address on record with the District.

Alternatively, notices required pursuant to the agreement may be personally served to the same persons as is applicable to civil judicial practice. Notice shall be deemed given

as of the date of personal service or as of the date of deposit of such written notice in the United States Postal Service.

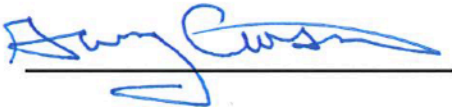
Section 23. General Provisions:

- A. The text herein shall constitute the entire agreement between the parties.
- B. The agreement shall be binding upon and inure to the benefit of the heirs at law and executors of La Pier.
- C. The agreement shall not be assigned by La Pier or District.
- D. The agreement shall not be modified without the written consent of La Pier and District.
- E. The agreement shall become effective commencing August 1, 2021.
- F. La Pier shall only be entitled to those benefits outlined in this Agreement.
- G. If any provision, or any portion thereof, contained in the agreement is held unconstitutional, invalid or unenforceable, the remainder of the agreement or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

Approved by the Board of Directors of the Monterey Peninsula Airport District at its regular meeting held August 18, 2021.

**MONTEREY PENINSULA
AIRPORT DISTRICT**

MICHAEL LA PIER



Gary Cursio, Chair



Michael La Pier

APPROVED AS TO FORM:



Scott E. Huber, District Counsel

**AMENDMENT TO THE EMPLOYMENT AGREEMENT
BETWEEN MONTEREY PENINSULA AIRPORT DISTRICT AND
MICHAEL LA PIER**

This Amendment dated October 19, 2022, is to the Employment Agreement between the Monterey Peninsula Airport District ("MPAD") and Michael La Pier ("La Pier").

A copy of the Employment Agreement is attached as Exhibit "A".

In consideration of the terms and conditions herein, MPAD and La Pier agree that the employment agreement shall be amended as follows:

1. Section 4 of the Employment Agreement is amended as follows:

La Pier shall receive a 5% increase in salary and shall be paid the amount of \$202,650 per year, effective July 1, 2022.

2. Pursuant to Section 5 of the Employment Agreement, the Board authorizes a one-time incentive payment to La Pier in the amount of \$10,000 to be allocated at the direction of La Pier.

3. Conflicts between this Amendment and the Employment Agreement shall be controlled by this Amendment. All other provisions within the Employment Agreement not modified by this Amendment shall remain in full force and effect.

Approved by the Board of Directors of the Monterey Peninsula Airport District at its regular meeting held October 19, 2022.

**MONTEREY PENINSULA
AIRPORT DISTRICT**



Carl Miller, Chair

MICHAEL LA PIER



Michael La Pier

APPROVED AS TO FORM:



Scott E. Huber, District Counsel

**SECOND AMENDMENT TO THE EMPLOYMENT AGREEMENT
BETWEEN MONTEREY PENINSULA AIRPORT DISTRICT AND
MICHAEL LA PIER**

This Amendment dated September 20, 2023, is to the Employment Agreement between the Monterey Peninsula Airport District ("MPAD") and Michael La Pier ("La Pier").

A copy of the Employment Agreement is attached as Exhibit "A".

In consideration of the terms and conditions herein, MPAD and La Pier agree that the employment agreement shall be amended as follows:

1. Section 4 of the Employment Agreement is amended as follows:

La Pier shall receive a 3% increase in salary and shall be paid the amount of \$208,729.50 per year, effective August 1, 2023.

2. Pursuant to Section 5 of the Employment Agreement, the Board authorizes a one-time incentive payment to La Pier in the amount of \$10,000 to be allocated at the direction of La Pier.

3. The Expiration Date of the Agreement, as defined in Paragraph 2, shall be extended to July 31, 2025. On or around the July 2024 and following a positive performance evaluation, La Pier and the District shall enter into negotiations for a one-year extension of this Agreement. Upon mutual agreement of the Parties, the term of this Agreement may be extended.

4. Conflicts between this Second Amendment and the Employment Agreement, including all prior amendments, shall be controlled by this Second Amendment. All other provisions within the Employment Agreement not modified by this Amendment shall remain in full force and effect.

Approved by the Board of Directors of the Monterey Peninsula Airport District at its regular meeting held September 20, 2023.


**MONTEREY PENINSULA
AIRPORT DISTRICT**


Mary Ann Leffel, Chair Pro Tem

MICHAEL LA PIER


Michael La Pier

APPROVED AS TO FORM:


Scott E. Huber, District Counsel

TO: Board of Directors, Monterey Peninsula Airport District
FROM: Michael La Pier, A.A.E., Executive Director
SUBJ: Firm Selection Process for Investment Banking/Underwriting Services

BACKGROUND. The Monterey Peninsula Airport District (MPAD) issued a Request for Qualifications (RFP) for Investment Banking and Underwriting Services on July 8, 2024. Responses were due by 4:00 p.m. PST on July 26, 2024.

Nine (9) firms submitted qualifications for Investment Banking/Underwriting and are listed below in alphabetical order:

Barclays Capital Inc.
4 Embarcadero Center, Suite 2500
San Francisco, CA, 94111

J.P. Morgan Securities LLC
383 Madison Avenue, Floor 3
New York, N.Y. 10179

Loop Capital Markets
2580 California Street, 12th Floor
San Francisco, CA 94104

Piper Sandler & Co.
3 Bethesda Metro Center, Suite 700
Bethesda, MD 20814

Samuel A. Ramirez & Co., Inc.
633 W. 5th Street
Los Angeles, CA 90071

Raymond James & Associates, Inc.
5820 Patterson Avenue, Suite 100
Richmond, VA 23226

RBC Capital Markets
Two Embarcadero Center, Suite 1200
San Francisco, CA 94111

Stifel Public Finance
2121 Avenue of the Stars, Suite 2150
Los Angeles, CA 90067

Truist Securities – Public Finance Group
9777 Wilshire Blvd., Suite 700
Beverly Hills, CA 90212

STAFF ANALYSIS. The submissions were first reviewed for responsiveness. All (except for J.P. Morgan Securities LLC) were found to be responsive to the District's requirements. The evaluations were based on the following criteria:

1. Mandatory Elements
 - a. The firm must have served as Senior Manager on at least one (1) Airport Revenue Bond issuance since January 1, 2021.
 - b. The firm Lead Banker must have a minimum of five (5) years' experience working on airport bond issuances.
 - c. The firm adheres to the instructions in the Request for Qualifications on preparing and submitting the response.

2. Evaluation Criteria

- a. Firm experience.
- b. Proposed Banking Team.
- c. Structuring and Market of proposed 2025 Airport Revenue Bonds.
- d. Understanding of the District’s financing objectives.
- e. Fee Proposal.
- f. Interview Question and Answer session, if necessary.

After reviewing the RFP responses from each firm in detail, Staff, in consultation with PFM Advisors, selected two firms that proposed for Investment Banking/Underwriting Services (Barclays Capital Inc. (“Barclays”) and Piper Sandler & Co. (“Piper”)) and one (J.P. Morgan Securities LLC (“JPMorgan”)) that proposed only for services as a Placement Agent on a private placement, to interview.

Between August 1, 2024 and August 5, 2024, staff interviewed representatives from the two firms that responded for Investment Banking services (Barclays and Piper). The firms were asked to present their team, services, and financing alternative approaches, followed by questions from Staff. In addition, Staff conferred with PFM Advisors and Ballard Spahr on August 5th as to the merits and financing approaches of Barclays and Piper. A second follow-up interview was scheduled with Barclays on August 6, 2024, and an interview was held with JPMorgan on August 6th as well.

Following the interviews with the Engagement Lead of each Firm, Staff contacted the professional references for Barclays. The references were all superlative and confirmed the professional competency of the firm and the engagement team.

Based on the totality of the Evaluation process and the particular areas of expertise needed by the Airport in its financing, Staff selected Barclays to provide Investment Banking and Underwriting services.

FEE PROPOSAL:

D. FEE PROPOSAL
1. Provide a detailed breakdown of a proposed underwriter’s discount expressed in dollars per bond and gross amounts for the hypothetical transaction described above, including proposed takedowns per maturity.

Barclays proposes a takedown of \$3.00 per \$1,000 bond for all maturities of a \$50 million, 30-year level debt service traditional fixed rate offering. Our underwriting expenses, including estimated underwriters’ counsel fee, are shown in the Figure D.1 and remain subject to the District’s approval. Our underwriters’ counsel fee estimate is \$20,000. Barclays would not request a management fee.

Fee Description	Dollars per Bond	Gross Amount
Takedown (detailed by maturity)	\$3.00	\$173,535
Expenses (excluding counsel)	\$0.26	\$15,263
Estimated Underwriter’s Counsel Fee	\$0.35	\$20,000
Total	\$3.61	\$208,798

IMPACT ON FY 2025 OPERATING BUDGET. None. The new fees are incorporated in the FY2025 Capital Budget and will be paid at the completion of the Bond transaction. The fees will be capitalized as Bond Issuance Costs, which will be amortized on a straight-line basis over the life of the Bonds.

AGENDA ITEM: G-3
DATE: Aug. 21, 2024

TO: Monterey Peninsula Airport District Board of Directors
FROM: Scott E. Huber, District Counsel
SUBJ: Update to Noise Information Related to Overflight Presented by Monterey Fly Safe Coalition

BACKGROUND AND DISCUSSION. At the July 2024 Board Meeting, District Counsel presented information related to noise abatement regulations and the status of current law related to the Aircraft Noise and Capacity Act of 1990 (“ANCA”) in response to concerns raised by the Monterey Fly Safe Coalition (“MFSC”).

Members of MFSC presented screen views of aircraft that have overflowed the New Monterey neighborhood. District Counsel has reviewed that information in an effort to determine the cause of why the Monterey Five departure was not utilized. District Counsel will present his findings relative to those aircraft movements, as well as some other instances regarding specific aircraft movements.

FISCAL IMPACT. None.

RECOMMENDATION. Receive Verbal Report.

ATTACHMENTS.

None

AGENDA ITEM: G-4
DATE: August 21, 2024

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, Executive Director
SUBJ: Resolution No. 1885, A Resolution Approving the Bid for Runway 28L-10R Improvement Project and Authorizing Execution of a Contract with Granite Rock Company

BACKGROUND. June 21, 2024 Resolution No. 1848 Approving the FY24 Capital Improvement Budget and July 20, 2022 Resolution No. 1827 Approving the 2022-2028 Airport Capital Improvement Plan (ACIP), which both included the Runway 28L-10R Improvement Project were adopted.

May 15, 2024, the Board adopted Resolution No. 1874 Authorizing a Professional Services Agreement with Tartaglia Engineering to prepare design and bid specifications for Runway 28L-10R Improvement Project. The initial phase of the contract authorization was specific to the design and bidding phase.

Federal Aviation Administration (FAA) San Francisco Airports District Office (SF ADO) approved the Specifications for the Project and invitation for Bids was published in the Monterey Herald on June 14 and June 21, 2024, and a mandatory pre-bid meeting was held on June 26, 2024.

SCOPE OF WORK. ENGINEER'S ANALYSIS. In accordance with the Notice Inviting Sealed Bids and the Addendums, bids were received for the Project on July 11, 2024.

Two (2) proposals were received at the bid submittal deadline. The proposals, as published, were opened in a public forum and bid amounts were read aloud as outlined in the proposal documents. Tartaglia Engineering reviewed the proposals for consistency, completeness, and accuracy of the documents received and requirements requested in the Notice to Bidders dated June 2024.

Bid review criteria and results are as follows:

1. The project was advertised in conformance with District and FAA standard procedures and requirements, both in duration and exposure.
2. A Mandatory Pre-Bid Job Walk was held in which two prime contractors attended.
3. Two sealed proposals were received and complete and accurately filled out.
4. Bidding contractors are properly licensed and registered.
5. All were in attendance at the mandatory Pre-Bid Conference.
6. Based on discussions with the contractors during the bidding process, the contractors are knowledgeable and capable of completing the scope of the work.
7. All submitting contractors identified they have met the DBE goal.

In accordance with the Notice Inviting Sealed Bids and the Addendums, Bid proposal results are as follows:

No	Contractor	Total (Basis of Award)
1	Granite Rock Company	\$2,506,000.00
2	C.R. Contracting, LLC	\$2,897,475.00
Engineer's Estimate		\$2,406,050.00

Elements of construction work is anticipated to occur in two distinct phases and will include:

Phase 1:

- Mill existing surface in two "keel" sections along the centerline of the runway. The Runway 10R keel section repair is 1700 feet in length and 25 feet wide. The Runway 28L keel section repair is 2400 feet long by 25 feet wide with a goal to remove enough of the failing section to assure a solid bond for the new pavement.
- The removed areas will be paved back in a single hot-mix asphalt paving effort.
- At the appropriate time, after pavement cure, the surface of these two repaved areas will be grooved, to be consistent with the balance of the runway surface.

Phase 2:

- The project includes a quantity of crack fill and seal as needed to address cracks throughout the runway.
- A small portion of pavement markings on the runway will be obliterated to 50% (runway centerline and taxiway lead-in lines).
- An emulsified asphalt seal coat will be applied to the runway surface, with shielding of all remaining pavement markings to prohibit application of this seal coat on the marked surface.
- After cure, all removed markings (runway centerline and taxiway lead-in lines) will be reestablished in a two-coat pavement marking process.
- Markings that remain, and were not coated, will receive a single coat of marking paint.

Based on the review and evaluation of the proposals received, Tartaglia Engineers recommend a contract be awarded to Granite Rock Company as the successful lowest responsive bidder as provided by the results outlined above.

STAFF ANALYSIS. Staff concurs with the engineering analysis and recommends award of a Contract to Granite Rock Company in an amount not-to-exceed \$2,506,000.00.

IMPACT ON BUDGET: The fees in the contract with Granite Rock Company are included in the AIP grant application that is based on this bid.

SOURCE OF FUNDS. Funding will include AIP at 90.66% (\$2,271,940.00) and PFC at 9.34% (\$234,060.00).

IMPACT ON OPERATIONS. There will be temporary and intermittent impacts on Airport Operations. Adverse impacts will be minimized as best possible and coordinated well in advance with users and tenants.

SCHEDULE. The expectation is that the phase 1 improvements will begin in late September 2024.

STAFF RECOMMENDATION. Adopt proposed Resolution Approving the Bid for Runway 28L-10R Improvement Project and Authorizing Execution of a Contract with Granite Rock Company.

ATTACHMENTS.

Resolution No. 1885
Granite Rock Company Contract Agreement

RESOLUTION NO. 1885

A RESOLUTION APPROVING THE BID FOR RUNWAY 28L-10R IMPROVEMENT PROJECT AND AUTHORIZING EXECUTION OF A CONTRACT WITH GRANITE ROCK COMPANY

WHEREAS, June 21, 2024 Resolution No. 1848 Approving the FY24 Capital Improvement Budget and July 20, 2022 Resolution No. 1827 Approving the 2022-2028 Airport Capital Improvement Plan (ACIP), which both included the Runway 28L-10R Improvement Project, were adopted; and

WHEREAS, May 15, 2024, the Board adopted Resolution No. 1874 Authorizing a Professional Services Agreement with Tartaglia Engineering to prepare design and bid specifications for Runway 28L-10R Improvement Project; and

WHEREAS, The Federal Aviation Administration (FAA) has programmed the Runway 28L-10R Improvement Project under the Fiscal Year 2024 Airport Improvement Program (AIP); and

WHEREAS, representatives of the Federal Aviation Administration (FAA) approved the Specifications and Invitation for Bids; and

WHEREAS, Invitation for Bids was published in the Monterey Herald on June 14 and June 21, 2024 and a mandatory pre-bid meeting was held on June 26, 2024. Sealed bid proposals were received on July 11, 2024 at 1:00 p.m. PDT and publicly opened; and

WHEREAS, after considering the bids received for the performance of the Runway 28L-10R Improvement Project it is in the best interest of the Airport to accept the lowest responsive and responsible bid from Granite Rock Company.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: That MPAD contract with the firm Granite Rock Company for the Runway 28L-10R Improvement Project in the not-to-exceed amount of \$2,506,000.00, and authorize the Executive Director, or his designee, to execute said contract.

BE IT FURTHER RESOLVED THAT: execution of said contract is conditioned upon receipt of a grant from the FAA in compliance with the grant application and budget as submitted to the FAA.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 21st day of August 2024, by the following roll call vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSTAIN:	DIRECTORS:
ABSENT:	DIRECTORS:

Signed this 21st day of August 2024

Mary Ann Leffel, Chair

ATTEST

Michael La Pier, A.A.E
District Secretary

FORM OF CONTRACT AGREEMENT

MONTEREY PENINSULA AIRPORT DISTRICT
MONTEREY COUNTY, CALIFORNIA

RUNWAY 10R-28L SURFACE TREATMENT

Partially Funded by:

A.I.P 3-06-0159-0xx-2024

THIS CONTRACT, entered into in duplicate this 21st day of August, 2024, by and between the Monterey Peninsula Airport District, hereinafter called the "District", party of the first part, and Granite Rock Company hereinafter called the "Contractor", party of the second party.

WITNESSETH:

In consideration of the mutual promises herein contained, both parties, in relation to a certain public improvement, (hereinafter called the "Work") to wit:

for

RUNWAY 10R-28L SURFACE TREATMENT

at the Monterey Peninsula Airport, Monterey, California, in accordance with the Plans, Specifications and documents consisting of the following:

- (a) Signed Addendum, as accepted by District
- (b) Notice to Contractors
- (c) Information to Bidders
- (d) Signed and executed Proposal of Contractor
- (e) This Form of Contract Agreement
- (f) Performance Bond
- (g) Payment Bond
- (h) Tree Establishment Performance and Irrigation System Maintenance Bond
- (i) Insurance Certifications
- (j) General Provisions
- (k) Technical Specifications
- (l) Supplementary General Provisions
- (m) Plans

- (n) Special Provisions
- (o) Cited Standards for Materials and Testing
- (p) Cited FAA Advisory Circulars
- (q) Cited Design Standards and Standard Specifications and Standard Plans, or as amended, or otherwise indicated in the specifications;

are hereby made a part of this contract, said work to be done as shown on a set of plans of the Monterey Peninsula Airport District dated June 2024 and entitled:

RUNWAY 10R-28L SURFACE TREATMENT

at the Monterey Regional Airport, Monterey, California, which drawing has been approved by said Monterey Peninsula Airport District on behalf of assigns, do hereby covenant and agree as follows:

ARTICLE I. The Contractor agrees at his own cost and expense to do all the work, as hereinbefore described and under the conditions expressed in any material and labor and faithful performance bonds executed therefore, and to furnish all the materials necessary to construct and complete such work in a good and substantial manner to the satisfaction of the Monterey Peninsula Airport District.

ARTICLE II. The Contractor agrees, as full compensation for doing all the said work and for furnishing all materials and all necessary tools, machinery, implements, apparatus and other means of construction and completion of said work, and also as compensation for all loss or damage arising out of the nature of the work, and from action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered during the progress of said work and before the acceptance thereof by the Monterey Peninsula Airport District or from his own negligence or carelessness, and also as compensation for all expenses incurred by or in consequence of the suspension or discontinuance of the work and for well and faithfully completing the work, and the whole thereof, in the manner and according to the plans and specifications, and the requirements of the Monterey Peninsula Airport District, to receive and accept, and the District agrees to pay therefore, the following compensation, to-wit:

The amount of bid items No's one through nineteen (1-19) _____

_____ as specified in the Proposal of the Contractor, for the total price not to exceed of two million, five hundred and six thousand dollars

_____ (\$ 2,506,000.00)

Dollars.

Actual payment will be determined by the number of units constructed for the items specified in the bid schedule multiplied by the unit prices bid.

The undersigned Contractor further agrees to so plan the Work and to prosecute it with such diligence that said Work, and all of it, shall be completed on or before the expiration of the times specified in the Proposal after execution of the Contract on behalf of the District and the receipt from the District of the notice to proceeds with the Work.

ARTICLE III. Where the compensation is fixed on a unit basis, for the purpose of fixing the amount of bonds referred to in ARTICLE I, it is estimated by both parties that the total cost, based on the foregoing is \$ 2,506,000.00.

ARTICLE IV. The plans and specifications referred to in ARTICLE I are hereby incorporated herein, and should there be any conflict between the terms of this instrument and the bid or proposal of the Contractor, this instrument shall control and nothing herein shall be considered as an acceptance of any terms of said proposal conflicting herewith.

ARTICLE V. The work "Engineer" when used herein means the Engineer of the Monterey Peninsula Airport District, or his duly authorized agents, unless the name of some other officer is specifically hereinafter provided to act as Engineer thereof.

ARTICLE VI. The District does employ the Contractor to provide the materials and do said work according to the terms and conditions herein contained and referred to for the compensation aforesaid and agrees to pay him in the following manner. The Engineer, once in each month during the progress of the work and immediately after the completion of the contract, shall make an estimate in writing of the value of all work done to the date of said estimate, basing said estimate on the total cost as noted above. The District shall retain five percent (5%) of said estimated value and from the balance shall be deducted the amount of all previous payments to the Contractor and any other amount which the District may be lawfully entitled to retain, and thereupon the amount remaining after said deductions will be paid to the Contractor upon the "Demand" of the Monterey Peninsula Airport District in the manner provided by law the allowance of claims against the District.

The said progress estimates shall not be conclusive upon the District that the work covered thereby has been done according to the Contract, but the final acceptance of said work shall be by the Engineer. After the expiration of thirty-five (35) days after the final acceptance of said work, the Contractor shall be paid the balance due under the contract after deducting any amounts which the District may lawfully be entitled to retain which may have not previously been deducted.

ARTICLE VII. Contractor agrees to observe the provisions of the Standard Federal Contract Clauses and Requirements for Construction Contracts, and the Standard Federal Equal Employment Opportunity Requirements for Construction Contracts as set forth in the Special Provisions attached hereto and made a part hereof, and further agrees to observe all other requirements set forth in the Specifications, Special Provisions, Proposal, and Technical Specifications attached hereto and made a part hereof.

ARTICLE VIII. Contractor shall provide District with a certified copy of an insurance policy, terminable only after ten days' notice, covering the operations of Contractor in connection with said work, with limits not less than \$1,000,000/\$2,000,000 Bodily Injury and \$1,000,000/\$2,000,000 Property Damage or, a single limit for Bodily Injury Liability and

Property Damage Liability combined of \$2,000,000 for each occurrence/\$2,000,000 Aggregate, together with the Additional Insured Endorsement naming the District and the Engineer (**Tartaglia Engineers**) and its officers and employees, respectively.

The said Contractor agrees at all times during the progress of the work to carry with insurance carriers approved by the District, full coverage workmen's compensation and public liability insurance and furnish the District with certificates from said insurance carriers acknowledging full liability and fully insuring the Contractor and the District, its officers, employees or agents against loss and liability on account of any and all injuries to workmen and others, caused directly or indirectly by the performance of execution of this contract or subcontracts hereunder.

The Contractor agrees to hold harmless, indemnify and defend the District and the Engineer, and any agents or employees thereof, while acting within the scope of their duties from and against any and all liability, claims, damages and cost of defense arising out of the Contractor's performance of the work described herein but not including the sole negligence of the District or the Engineer. The Contractor will require any and all sub-contractors to conform with the provisions of this clause prior to commencing any work.

ARTICLE IX. Contractor shall commence work under this Contract within thirty (30) calendar days of the date set by the Engineer in the written Notice to Proceed.

Work covered by this contract will be complete within **Sixty (60) Working Days**.

The District and the Contractor recognize that time is of the essence of this Agreement and that the District will suffer financial loss in the form of contract administration expenses (including project management and consultant's expenses) if Work is not completed within the time specified above, plus any extensions thereof allowed in accordance with the Contract Documents. The Contractor and the District agree that because of the nature of the Project, it would be impractical or extremely difficult to fix the amount of actual damages incurred by the District because of a delay in completion of the Work. Accordingly, the District and the Contractor agree that as liquidated damages for delay the Contractor shall pay the District:

1. \$5,000.00 dollars (\$) for each calendar day or part thereof that expires after the time specified herein for the Contractor to achieve Completion.
2. Separate and distinct liquidated damages related to failure to re-open the runway (and supporting taxiways) before the end of the authorized closure period: \$1,000.00 dollars per minute or part thereof, for the first ten (10) minutes. \$2,500.00 dollars per minute or any part thereof for all subsequent minutes until such time as the runway and supporting taxiways are re-opened.

These measures of liquidated damages shall apply cumulatively and shall be presumed to be, except as provided below, the damages suffered by the District resulting from delay in completion of the Work, or from delay in re-opening the runway before the end of any runway closure period.

Liquidated damages for delay shall only cover administrative, overhead, and general loss of public use damages suffered by the District as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from defective work, costs of substitute facilities or damages suffered by others who then seek to recover their damages from the District (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties, and defense costs thereof), interest on bonds or lost revenues.

ARTICLE X. The Contractor agrees to immediately repair and replace all defective material and workmanship discovered within one year after acceptance of final payment by Contractor and to indemnify said District against all loss and damage occasioned by any such defect, discovered within said one year, even though the damage or loss may not be ascertained until after the expiration thereof. Provided, however, that if such failure of the Contractor to perform should not, by reasonable diligence, be discoverable or discovered within said 1 year, then the obligation of the Contractor to repair and replace said defective material or workmanship shall continue until one year after the actual discovery thereof.

IN WITNESS WHEREOF, the parties to this instrument have executed it the year and date first herein written.

RECOMMENDED FOR APPROVAL:

MONTEREY PENINSULA
AIRPORT DISTRICT:

CONTRACTOR:

Michael La Pier, AAE,
Executive Director

Robert Snyder, Executive Vice President
Granite Rock Company

MATERIAL AND LABOR BOND

KNOW ALL MEN BY THESE PRESENTS: That we _____
_____ as Surety, _____
_____ and _____ as Principal, are
held and firmly bound onto the Monterey Peninsula Airport District for the sum _____

_____ Dollars (\$ _____
_____),

said sum being 100 (One Hundred) percent of the estimated amount of the foregoing and
annexed contract, to be paid to said Monterey Peninsula Airport District, for which payment, well and
truly to be made, we bind ourselves, our heirs, executors and administrators, successors or assigns, jointly
and severally, firmly and by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH:

That if the above bounden Principal, as Contractor in the annexed contract or his subcontractors,
shall fail to pay for any materials, provisions, or other supplies used in, upon, for or about the
performance of the work contracted to be done, or shall fail to pay any person, company or corporation
renting implements or machinery for or contributing to said work to be done, or any person who has
performed work or labor upon the same, or any person who supplies both work and materials therefore, or
the amount due under the Employment Insurance Act with respect to such work or labor, the Surety will
pay for the same, in an amount not exceeding the above obligation, and also, in case suit is brought upon
such bond, the above bounden Principal and the said Surety will pay a reasonable attorney's fee to be
fixed by the court. This obligation and bond shall insure to the benefit of any and all persons entitled to
file claims under Section 3181 of the Civil Code and said persons or any of them, or their assigns shall
have a right of action thereunder.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on
this _____ day of _____, 20 ____.

_____(SEAL)

Principal

_____(SEAL)

Surety

By _____

Attorney in Fact

STATE OF CALIFORNIA

On this _____ day of _____, 20____

before me _____

a notary public in and for the State of California, personally appeared

known to me to be the person whose name is subscribed to the within instrument as the

Attorney in Fact of _____

and acknowledged to me that he subscribed the name of _____

thereto as Surety, and his own name as Attorney in Fact.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal
the day and year in this certificate first above written.

Notary Public in and for State of California

FAITHFUL PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: That we _____, as
Principal and _____
as Surety, are held and firmly bound onto the Monterey Peninsula Airport District, in the penal sum of

_____ Dollars, (\$
_____),

lawful money of the United States, being not less than one hundred (100) per cent of the estimated contract cost, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bounden principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and faithfully perform the covenants, conditions, and agreements in the said contract and any alterations made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the Monterey Peninsula Airport District, its officers and agents, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue.

As a condition precedent to the satisfactory completion of the said contract, the above obligation to the amount of _____ Dollars, (\$ _____), being not less than ten (10) percent of the estimated contract cost, shall hold good for a period of one (1) year after the completion and acceptance of the said work, during which time if the above bounden principal, his or its heirs, executors, administrators, successors or assigns shall fail to make full, complete and satisfactory repair and replacements or totally protect the said Monterey Peninsula Airport District from loss or damage made evident during said period of one (1) year from the date of final acceptance of said works, and resulting from or caused by defective materials or faulty workmanship in the prosecution of the work done, the above obligation in the said sum of _____ Dollars, (\$ _____), shall remain in full force and virtue, otherwise the above obligation shall be void.

And the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same in any wise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work of the specifications.

IN WITNESS WHEREOF the above bounden parties have executed this instrument under their seals this _____ day of 20 ____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representatives, pursuant to authority of its governing body.

By _____

_____ (SEAL)
Principal

By _____

_____ (SEAL)
Surety

SUPPLEMENTARY GENERAL PROVISIONS

STANDARD FEDERAL CONTRACT CLAUSES AND REQUIREMENTS

**MISCELLANEOUS CLAUSE REQUIREMENTS FOR ALL CONSTRUCTION CONTRACTS AND
SUBCONTRACTS**

**FEDERAL FAIR LABOR STANDARDS ACT
(FEDERAL MINIMUM WAGE)**

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. The [contractor | consultant] has full responsibility to monitor compliance to the referenced statute or regulation. The [contractor | consultant] must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

GENERAL CIVIL RIGHTS PROVISIONS

The contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision binds the contractor and subtier contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

Compliance with Nondiscrimination Requirements

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees as follows:

Compliance with Regulations

The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

Non-discrimination

The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

Solicitations for Subcontracts, Including Procurements of Materials and Equipment

In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

Information and Reports

The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the

information, the contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

Sanction for Noncompliance

In the event of a contractor’s noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding payments to the contractor under the contract until the contractor complies; and/or
- b. Cancelling, terminating, or suspending a contract, in whole or in part.

Incorporation of Provisions

The contractor will include the provisions of paragraphs one through six in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

TITLE VI LIST OF PERTINENT NONDISCRIMINATION AUTHORITIES

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations

and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the contractor or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

The Owner will provide Contractor written notice that describes the nature of the breach and corrective actions the Contractor must undertake in order to avoid termination of the contract. The Owner reserves the right to withhold payments to Contractor until such time the Contractor corrects the breach or the Owner elects to terminate the contract. The Owner's notice will identify a specific date by which the Contractor must correct the breach. Owner may proceed with termination of the contract if the Contractor fails to correct the breach by deadline indicated in the Owner's notice.

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

TERMINATION OF CONTRACT

- a. The Sponsor may, by written notice, terminate this contract in whole or in part at any time, either for the Sponsor's convenience or because of failure to fulfill the contract obligations. Upon receipt of such notice services must be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated in performing this contract, whether completed or in progress, delivered to the Sponsor.
- b. If the termination is for the convenience of the Sponsor, an equitable adjustment in the contract price will be made, but no amount will be allowed for anticipated profit on unperformed services.
- c. If the termination is due to failure to fulfill the contractor's obligations, the Sponsor may take over the work and prosecute the same to completion by contract or otherwise. In such case, the contractor is liable to the Sponsor for any additional cost occasioned to the Sponsor thereby.
- d. If, after notice of termination for failure to fulfill contract obligations, it is determined that the contractor had not so failed, the termination will be deemed to have been effected for the convenience of the Sponsor. In such event, adjustment in the contract price will be made as provided in paragraph 2 of this clause.
- e. The rights and remedies of the sponsor provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

CLEAN AIR AND WATER POLLUTION CONTROL

Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 U.S.C. § 740-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). The Contractor agrees to report any violation to the Owner immediately upon discovery. The Owner

assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

Contractor must include this requirement in all subcontracts that exceeds \$150,000.

RIGHTS TO INVENTIONS

Contracts or agreements that include the performance of experimental, developmental, or research work must provide for the rights of the Federal Government and the Owner in any resulting invention as established by 37 CFR part 401, Rights to Inventions Made by Non-profit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements. This contract incorporates by reference the patent and inventions rights as specified within in the 37 CFR §401.14. Contractor must include this requirement in all sub-tier contracts involving experimental, developmental or research work.

ACCESS TO RECORDS AND REPORTS Documents, Records, etc.,

CLAUSES FOR CONSTRUCTION CONTRACTS AND SUBCONTRACTS

The Contractor must maintain an acceptable cost accounting system. The Contractor agrees to provide the sponsor, the Federal Aviation Administration, and the Comptroller General of the United States or any of their duly authorized representatives, access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

CONTRACT WORKHOURS AND SAFETY STANDARDS ACT REQUIREMENTS

1. Overtime Requirements.

No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic, including watchmen and guards, in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; Liability for Unpaid Wages; Liquidated Damages.

In the event of any violation of the clause set forth in paragraph (1) above, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph 1 above, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph 1 above.

3. Withholding for Unpaid Wages and Liquidated Damages.

The Federal Aviation Administration or the Sponsor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime

contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph 2 above.

4. Subcontractors.

The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs 1 through 4 and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs 1 through 4 of this section.

OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor retains full responsibility to monitor its compliance and their subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

Requirement	Federal Agency with Enforcement Responsibilities
Occupational Safety and Health Act of 1970 (20 CFR Part 1910)	U.S. Department of Labor – Occupational Safety and Health Administration

DAVIS-BACON REQUIREMENTS

1. Minimum Wages

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalent thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under (1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can easily be seen by the workers.

(ii)(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii) (B) or (C) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

2. Withholding

The Federal Aviation Administration or the sponsor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of work, all or part of the wages required by the contract, the Federal Aviation Administration may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

3. Payrolls and basic records

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the

amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual costs incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Federal Aviation Administration if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the Federal Aviation Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <https://www.dol.gov/agencies/whd/government-contracts/construction/payroll-certification> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the Federal Aviation Administration if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit them to the applicant, sponsor, or owner, as the case may be, for transmission to the Federal Aviation Administration, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sponsoring government agency (or the applicant, sponsor, or owner).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under 29 CFR § 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR § 5.5 (a)(3)(i) and that such information is correct and complete;

(2) That each laborer and mechanic (including each helper, apprentice and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (3)(i) of this section available for inspection, copying or transcription by authorized representatives of the sponsor, the Federal Aviation Administration or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and Trainees

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate that is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal Employment Opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. Compliance with Copeland Act Requirements

The contractor shall comply with the requirements of 29 CFR Part 3, which are incorporated by reference in this contract.

6. Subcontracts

The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR Part 5.5(a)(1) through (10) and such other clauses as the Federal Aviation Administration may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR Part 5.5.

7. Contract Termination: Debarment

A breach of the contract clauses in paragraph 1 through 10 of this section may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act Requirements

All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. Disputes Concerning Labor Standards

Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of Eligibility

- (i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
- (ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
- (iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

COPELAND "ANTI-KICKBACK" ACT

Contractor must comply with the requirements of the Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 3145), as supplemented by Department of Labor regulation 29 CFR part 3. Contractor and subcontractors are prohibited from inducing, by any means, any person employed on the project to give up any part of the compensation to which the employee is entitled. The Contractor and each Subcontractor must submit to the Owner, a weekly statement on the wages paid to each employee performing on covered work during the prior week. Owner must report any violations of the Act to the Federal Aviation Administration United States Department of Labor Wage and Hours Division can provide information regarding any specific clauses or assurances pertaining to the Copeland "Anti-Kickback" Act requirements required to be inserted in solicitations, contracts or subcontracts.

EQUAL OPPORTUNITY CLAUSE

During the performance of this contract, the contractor agrees as follows:

- (1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff, or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- (4) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the Contractor's commitments under this section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) (6) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (7) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The Contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

**STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY CONSTRUCTION CONTRACT
SPECIFICATIONS**

1. As used in these specifications:

- a.** "Covered area" means the geographical area described in the solicitation from which this contract resulted
- b.** "Director" means Director, Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, or any person to whom the Director delegates authority;
- c.** "Employer identification number" means the Federal social security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941;
- d.** "Minority" includes:
 - (1) (Black (all) persons having origins in any of the Black African racial groups not of Hispanic origin);

- (2) (Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin regardless of race);
- (3) (Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
- (4) (American Indian or Alaskan native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

2. Whenever the contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

3. If the contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors shall be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each contractor or subcontractor participating in an approved plan is individually required to comply with its obligations under the EEO clause and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The contractor shall implement the specific affirmative action standards provided in paragraphs 7a through 7p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing construction work in a geographical area where they do not have a Federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement nor the failure by a union with whom the contractor has a collective bargaining agreement to refer either minorities or women shall excuse the contractor's obligations under these specifications, Executive Order 11246 or the regulations promulgated pursuant thereto.

6. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees shall be employed by the contractor during the training period and the contractor shall have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees shall be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the contractor's compliance with these specifications shall be based upon its effort to achieve maximum

results from its actions. The contractor shall document these efforts fully and shall implement affirmative action steps at least as extensive as the following:

- a.** Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the contractor's employees are assigned to work. The contractor, where possible, will assign two or more women to each construction project. The contractor shall specifically ensure that all foremen, superintendents, and other onsite supervisory personnel are aware of and carry out the contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.
- b.** Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.
- c.** Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the contractor by the union or, if referred, not employed by the contractor, this shall be documented in the file with the reason therefore along with whatever additional actions the contractor may have taken.
- d.** Provide immediate written notification to the Director when the union or unions with which the contractor has a collective bargaining agreement has not referred to the contractor a minority person or female sent by the contractor, or when the contractor has other information that the union referral process has impeded the contractor's efforts to meet its obligations.
- e.** Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the contractor's employment needs, especially those programs funded or approved by the Department of Labor. The contractor shall provide notice of these programs to the sources compiled under 7b above.
- f.** Disseminate the contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.
- g.** Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with onsite supervisory personnel such as superintendents, general foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
- h.** Disseminate the contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the contractor's EEO policy with other contractors and subcontractors with whom the contractor does or anticipates doing business.
- i.** Direct its recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students; and to minority and female recruitment and training organizations serving the contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment

source, the contractor shall send written notification to organizations, such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a contractor's workforce.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel, for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are non-segregated except that separate or single user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisor's adherence to and performance under the contractor's EEO policies and affirmative action obligations.

8. Contractors are encouraged to participate in voluntary associations, which assist in fulfilling one or more of their affirmative action obligations (7a through 7p). The efforts of a contractor association, joint contractor union, contractor community, or other similar groups of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through 7p of these specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the contractor. The obligation to comply, however, is the contractor's and failure of such a group to fulfill an obligation shall not be a defense for the contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, if the particular group is employed in a substantially disparate manner (for example, even though the contractor has achieved its goals for women generally,) the contractor may be in violation of the Executive Order if a specific minority group of women is underutilized.

10. The contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.

11. The contractor shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the

Office of Federal Contract Compliance Programs. Any contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

14. The contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government, and to keep records. Records shall at least include for each employee, the name, address, telephone number, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

DISADVANTAGED BUSINESS ENTERPRISE

Contract Assurance (§ 26.13) - The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.

Prompt Payment (§26.29) - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the Monterey Peninsula Airport District (MPAD). The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of MPAD. This clause applies to both DBE and non-DBE subcontractors.

PROHIBITION OF SEGREGATED FACILITIES

(a) The Contractor agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this clause is a violation of the Equal Opportunity clause in this contract.

(b) "Segregated facilities," as used in this clause, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin because of written or oral policies or employee custom. The term does not include separate or single-user rest rooms or necessary dressing or sleeping areas provided to assure privacy between the sexes.

(c) The Contractor shall include this clause in every subcontract and purchase order that is subject to the Equal Opportunity clause of this contract.

PROCUREMENT OF RECOVERED MATERIALS

Contractor and subcontractor agree to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, and the regulatory provisions of 40 CFR Part 247. In the performance of this contract and to the extent practicable, the Contractor and subcontractors are to use of products containing the highest percentage of recovered materials for items designated by the Environmental Protection Agency (EPA) under 40 CFR Part 247 whenever:

- a) The contract requires procurement of \$10,000 or more of a designated item during the fiscal year; or,
- b) The contractor has procured \$10,000 or more of a designated item using Federal funding during the previous fiscal year.

The list of EPA-designated items is available at www.epa.gov/epawaste/consERVE/tools/cpg/products/.

Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the contractor can demonstrate the item is:

- a) Not reasonably available within a timeframe providing for compliance with the contract performance schedule;
- b) Fails to meet reasonable contract performance requirements; or
- c) Is only available at an unreasonable price.

TERMINATION FOR CONVENIENCE

The Owner may terminate this contract in whole or in part at any time by providing written notice to the Contractor. Such action may be without cause and without prejudice to any other right or remedy of Owner. Upon receipt of a written notice of termination, except as explicitly directed by the Owner, the Contractor shall immediately proceed with the following obligations regardless of any delay in determining or adjusting amounts due under this clause:

1. Contractor must immediately discontinue work as specified in the written notice.
2. Terminate all subcontracts to the extent they relate to the work terminated under the notice.
3. Discontinue orders for materials and services except as directed by the written notice.
4. Deliver to the owner all fabricated and partially fabricated parts, completed and partially completed work, supplies, equipment and materials acquired prior to termination of the work and as directed in the written notice.
5. Complete performance of the work not terminated by the notice.
6. Take action as directed by the owner to protect and preserve property and work related to this contract that Owner will take possession.

Owner agrees to pay Contractor for:

- a) completed and acceptable work executed in accordance with the contract documents prior to the

- effective date of termination;
- b) documented expenses sustained prior to the effective date of termination in performing work and furnishing labor, materials, or equipment as required by the contract documents in connection with uncompleted work;
 - c) reasonable and substantiated claims, costs and damages incurred in settlement of terminated contracts with Subcontractors and Suppliers; and
 - d) reasonable and substantiated expenses to the contractor directly attributable to Owner's termination action.

Owner will not pay Contractor for loss of anticipated profits or revenue or other economic loss arising out of or resulting from the Owner's termination action.

The rights and remedies this clause provides are in addition to any other rights and remedies provided by law or under this contract.

CONTRACT WORKHOURS AND SAFETY STANDARDS ACT REQUIREMENTS

1. Overtime Requirements.

No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic, including watchmen and guards, in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; Liability for Unpaid Wages; Liquidated Damages.

In the event of any violation of the clause set forth in paragraph (1) of this clause, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this clause.

3. Withholding for Unpaid Wages and Liquidated Damages.

The Federal Aviation Administration (FAA) or the Owner shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph 2 of this clause.

4. Subcontractors.

The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (1) through (4) and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this clause.

BANNING TEXTING WHEN DRIVING

In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving" (10/1/2009) and DOT Order 3902.10 "Text Messaging While Driving" (12/30/2009), the FAA encourages recipients

of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or sub-grant.

In support of this initiative, the Owner encourages the Contractor to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Contractor must include the substance of this clause in all sub-tier contracts exceeding \$3,500 and involve driving a motor vehicle in performance of work activities associated with the project.

SEISMIC SAFETY

The contractor agrees to ensure that all work performed under this contract, including work performed by subcontractors, conforms to a building code standard that provides a level of seismic safety substantially equivalent to standards established by the National Earthquake Hazards Reduction Program (NEHRP). Local building codes that model their code after the current version of the International Building Code (IBC) meet the NEHRP equivalency level for seismic safety.

DRUG FREE WORKPLACE

Government-wide Requirements for Drug-free Workplace –49 CFR Part 29 requires that the Respondent has full responsibility to monitor compliance to the referenced statute or regulation.

VETERAN’S PREFERENCE

In the employment of labor (excluding executive, administrative, and supervisory positions), the contractor and all sub-tier contractors must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 U.S.C. 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

BUY AMERICAN PREFERENCE

The contractor agrees to comply with 49 USC § 50101, which provides that Federal funds may not be obligated unless all steel and manufactured goods used in AIP funded projects are produced in the United States, unless the FAA has issued a waiver for the product; the product is listed as an Excepted Article, Material Or Supply in Federal Acquisition Regulation subpart 25.108; or is included in the FAA Nationwide Buy American Waivers Issued list.

CERTIFICATION REGARDING LOBBYING

The bidder or offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, Executive Director
SUBJ: Resolution No. 1886, A Resolution Authorizing a Professional Services Agreement with Kimley Horn and Associates Inc. to Provide Program Management for Runway 28L-10R Improvement Project Construction Observation Services

BACKGROUND. June 21, 2024 Resolution No. 1848 Approving the FY24 Capital Improvement Budget and July 20, 2022 Resolution No. 1827 Approving the 2022-2028 Airport Capital Improvement Plan (ACIP), which both included the Runway 28L-10R Improvement Project were adopted.

Airport Staff solicited Statements of Qualifications (SOQs) from qualified firms interested in providing on-call professional Consulting Services of one or more qualified firms and/or individuals for a three-year period. Services were divided into two different disciplines: 1) Engineering Services, and 2) Environmental Natural-Cultural Resources. Respondents were invited to respond to either, or a combination of disciplines.

Kimley Horn and Associates (KHA) was determined to be the most suited Engineering Firm to provide Construction Project Management.

SCOPE OF WORK. KHA will provide the support services to manage the construction activities based on the Tartaglia Engineering prepared bid documents for Runway 10R-28L Improvement Project.

Project Management and Administration

KHA will develop and implement a client communication process that involves ongoing e-mail and phone calls for the duration of the Project work.

KHA will compile a Construction Management Program (“CMP”) using the guidelines provided in Advisory Circular 150/5370-12B, Quality Management for Federally Funded Airport Construction Projects and the information provided by the Contractor’s Quality Control Program (“QCP”) and the Quality Assurance (“QA”) requirements and testing subconsultant provided by the design Engineer-of-Record (“Tartaglia Engineering” or “EOR”). The CMP will be submitted to the Client for review and subsequent transmission to the FAA.

On-site Construction Observation and Management

KHA will provide on-site construction observation services as follows:

Observe and document Contractor's general conformance to the Project schedule, Daily Work Times, and the approved Plans and Specifications (“Contract Documents”); Prepare Daily Observation Reports; prepare and submit the construction observation reports using the FAA's standard Form 5370-1. These reports will focus on the status of the project as well as any testing provided by the Contractor’s Quality Control (“QC”) laboratory and the EOR’s Quality Assurance

("QA") laboratory subconsultant; Submit observed noncompliance or deficiency reports and test results provided by the Contractor's QC or the QA subconsultant; Observe and report on the Contractor's Quality Control Program (QCP) and the Contractor's on-going quality control material testing program for compliance with the Contract Documents and FAA standards; maintain a daily log book; will recommend to the Airport that the Contractor's work be disapproved and rejected on the basis of observations and/or EOR testing results; review the quantities submitted for Contractor payment requests; and will participate in a final site visit to ascertain substantial completion and will provide a written recommendation to the Airport for processing of final payment to the Contractor.

An Independent Fee Estimate (IFE) was completed by C&S Engineering and that estimate was over the KHA Fee by \$5,605.00 (2%). The final fee proposal by KHA is considered reasonable as reviewed by the IFE and outlined in FAA Advisory Circular 150/5100-14E Change 1 to ensure the fees are fair and reasonable.

The scope of the proposed contract is a not-to-exceed cost of \$249,010.00.

BUDGET EFFECT. This program management cost is included in FY25 Capital Budget as project 2023-02 Runway 28L-10R Improvement Project.

SOURCE OF FUNDS. The FAA AIP grant application includes this cost at a FAA 90.66% (\$225,752.00) share of the estimated funding costs (Airport Improvement Program) and a 9.34% (\$23,258.00) District share (Passenger Facility Charges).

IMPACT ON OPERATIONS. Staff will be working with the Construction Team to ensure that there will be limited impact during construction but because of the nature of the improvement project, the construction will be done during nighttime runway closures.

SCHEDULE. Staff will continue to document and monitor the construction start once a grant agreement is executed.

RECOMMENDATION. Adopt Resolution No. 1886, A Resolution Authorizing a Professional Services Agreement with Kimley Horn and Associates Inc. to provide Program Management for Runway 28L-10R Improvement Project Construction Observation Services.

ATTACHMENTS.

Resolution No. 1886
Kimley Horn and Associates Contract and Scope of Work

RESOLUTION NO. 1886

A RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY HORN AND ASSOCIATES, INC. TO PROVIDE PROGRAM MANAGEMENT FOR RUNWAY 28L-10R IMPROVEMENT PROJECT CONSTRUCTION OBSERVATION SERVICES

WHEREAS, the Monterey Peninsula Airport District (MPAD) has previously submitted an Airport Capital Improvement Program (ACIP) for FY 2022- 2028; and

WHEREAS, Resolution No. 1848 Approving the FY24 Capital Improvement Budget was adopted on June 21, 2024 and contained project 2023-02 Runway 28L-10R Treatment; and

WHEREAS, representatives of the Federal Aviation Administration (FAA) have programmed Airport Improvement Program funds in Federal Fiscal Year 2024 based on bids and professional service fees; and

WHEREAS, Kimley Horn and Associates Inc. will develop and implement a client communication process and will provide on-site construction observation services related to this Project.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: That MPAD contract with the firm of Kimley Horn and Associates Inc., for Program Management for the Runway 10R-28L Improvement Project Construction Observation Services, in an amount not-to-exceed \$249,010.00.

BE IT FURTHER RESOLVED THAT: execution of said contract is conditioned upon receipt of a grant from the FAA in compliance with the grant application and budget as submitted to the FAA.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 21st day of August 2024, by the following roll call vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSTAIN:	DIRECTORS:
ABSENT:	DIRECTORS:

Signed this 21st day of August 2024

Mary Ann Leffel, Chair

ATTEST

Michael La Pier, AAE
District Secretary

MONTEREY REGIONAL AIRPORT

A Professional Services Agreement with Kimley Horn and Associates, Inc. to Program Management for Runway 10R-28L Improvement Project Construction Observation Services

This Agreement for Professional Services ("Agreement") is made and entered into effective this 21st day of August 2024 by and between the Monterey Peninsula Airport District, a California Special District ("District"), and Kimley Horn and Associates ("Consultant").

WHEREAS, Consultant represents that Consultant is specially trained, experienced, and competent to perform the professional services required by this Agreement; and

WHEREAS, Consultant is willing to render such professional services, as are hereinafter defined, on the following terms and conditions.

NOW, THEREFORE, Consultant and District agree as follows:

1. Scope of Service.

The project contemplated and the Consultant's services are described with detailed fee breakdown in Exhibits "A" and "B", attached hereto and incorporated herein by reference.

2. Completion Schedule.

Consultant shall provide an individual schedule for completing the consulting services described in Exhibit "A", subsequent to receipt of a Notice-To-Proceed (NTP) (refer to Paragraph 22). The time for completion of this project is exclusive of governmental reviews, approvals, and/or delays.

3. Compensation.

District hereby agrees to pay Consultant for services rendered to District pursuant to this Agreement in an amount not-to-exceed the amount indicated in the payment schedule, and in the manner indicated and in accordance with, Exhibit "A" Scope of Services.

The consultant shall be paid for authorized and satisfactorily completed services on a time and materials fee basis with a total not-to-exceed fee as identified below.

The scope of the proposed contract is limited to the program management during the construction in a not-to-exceed cost of \$249,010.00.

4. Billing.

Consultant shall submit to District an itemized invoice, prepared in a form satisfactory to District, describing Consultant's services and fees for the period covered by the invoice. Except as specifically authorized by District, Consultant shall not bill District for duplicate services performed by more than one person. Consultant's bills shall include the following information to which such services or costs pertain:

- (a) a brief description of services performed;
- (b) the date the services were performed;
- (c) the percentage of work completed in each category of work;
- (d) total invoice costs;

- (e) remaining budget balance; and
- (f) Consultant's signature.

In no event shall Consultant submit any billing for an amount in excess of the maximum amount of compensation provided in Section 3, unless authorized pursuant to Section 5 hereof.

All such invoices shall be in full accord with any and all applicable provisions of this Agreement.

District shall make payment on each such invoice within forty-five (45) days of receipt; provided, however, that if Consultant submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, District shall not be obligated to process any payment to Consultant until forty-five (45) days after a correct and complying invoice has been submitted by Consultant.

5. Additional Services.

It is understood by District and Consultant that it may be necessary, in connection with the project, for Consultant to perform or secure the performance of consulting and related services other than those set forth in Exhibit "A". If additional services are requested by District, Consultant shall advise District in writing of the cost of and estimated time to perform the services. Consultant shall not proceed to perform any such additional service until District has determined that such service is beyond the scope of the basic services to be provided by Consultant, is required, and has given District's written authorization to perform. Written approval for performance and compensation for additional services may be granted by the District's Executive Director.

6. Additional Copies.

If District requires additional copies of reports, or any other material which Consultant is required to furnish in limited quantities as part of the services under this Agreement, Consultant shall provide such additional copies as are requested, and District shall compensate Consultant on a time and materials basis.

7. Responsibility of Consultant.

(a) By executing this Agreement, Consultant agrees that Consultant is apprised of the scope of work to be performed under this Agreement and Consultant agrees that said work can and shall be performed in a fully competent manner. By executing this Agreement, Consultant further agrees and warrants to District that Consultant possesses, or shall arrange to secure from others, all of the necessary professional capabilities, experience, resources, and facilities necessary to provide District the services contemplated under this Agreement and that District relies upon the professional skills of Consultant to do and perform Consultant's work. Consultant further agrees and warrants that Consultant shall follow the current, generally accepted practices of the profession to make findings, render opinions, prepare factual presentations and provide professional advice and recommendations regarding the project for which the services are rendered under this Agreement.

(b) Consultant shall assign a single project director to have overall responsibility for the execution of this Agreement for Consultant. Pearse Melvin is hereby designated as the Principal-In-Charge for Consultant. Any changes in the Principal-In-Charge designee shall be subject to the prior written acceptance and approval of District's Deputy Executive Director, Planning/Marketing.

8. Responsibility of District.

To the extent appropriate to the project contemplated by this Agreement, District shall:

(a) Assist Consultant by placing at Consultant's disposal all available information pertinent to the project, including but not limited to, previous reports and any other data relative to the project. Nothing contained herein shall obligate District to incur any expense in connection with field labor, tasks, materials, signage, and equipment, and completion of studies or acquisition of information not otherwise in the possession of District.

(b) Make provision for Consultant to enter upon public and private property as required by Consultant to perform Consultant's services.

(c) Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by Consultant, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.

(d) Chris Morello, Deputy Executive Director, shall act as District's representative with respect to the work to be performed under this Agreement. Such person shall have the complete authority to transmit instructions, receive information, interpret and define District's policies and decisions with respect to the materials, equipment, elements and systems pertinent to Consultant's services. District may unilaterally change its representative upon notice to Consultant.

(e) Give prompt written notice to Consultant whenever District observes or otherwise becomes aware of any defect in the project.

(f) Furnish approvals and permits from all governmental authorities having jurisdiction over the project and such approvals and consents from others as may be necessary for completion of the project.

9. Acceptance of Work Not a Release.

Acceptance by District of the work performed under this Agreement does not operate as a release of Consultant from professional responsibility for the work performed.

10. Indemnification and Hold Harmless.

Consultant shall indemnify, defend and hold District and its officers, employees, agents and volunteers harmless from and against any and all liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to any property, or any violation of any federal, state, or municipal law or ordinance, or other cause in connection with the negligent or intentional acts or omission of Consultant, Consultant's employees, subcontractors, or agents, or on account of the performance or character of the work, except for any such claim arising out of the sole negligence or willful misconduct of District, its officers, employees, agents, or representatives. Acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. Consultant shall reimburse District for all costs and expenses (including but not limited to fees and charges of architects,

engineers, attorneys, and other professionals, and court costs) incurred by District in enforcing the provisions of this section.

11. Insurance.

(a) Consultant, and any subconsultants, shall, throughout the duration of this Agreement, maintain comprehensive general liability and property insurance covering all operations of Consultant, Consultant's agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

(b) Consultant shall maintain the following limits:

General Liability

Combined Single Limit Per Occurrence..... \$1 million
General Aggregate..... \$1.5 million
(The policy shall cover on an occurrence or an accident basis, and not on a claims made basis.)

Automobile Liability:

Combined Single Limit Per Occurrence..... \$1 million
(The policy shall cover on an occurrence or an accident basis, and not on a claims made basis.)

Workers Compensation..... Full Liability Coverage

Professional Errors and Omissions..... \$1 million (no more than \$25,000 deductible)
Consultant shall not disclaim responsibility or avoid liability for the acts or omissions of Consultant's subcontractors or other professional consultants. The retroactive date of the policy must be shown and must be before the date of the Agreement.)

(c) With the exception of workers compensation and professional errors and omissions insurance, each insurance policy affording coverage to Consultant shall name District, its officers, employees, agents, and representatives as additional insureds and shall stipulate that the policy will operate as primary insurance for the work performed and that no other insurance maintained by District, its officers, employees, agents, or representatives will be called upon to contribute to a loss covered thereunder. The policy shall contain no special limitations on the scope of protections afforded to District, its officers, employees, agents, or representatives.

(d) All insurance companies affording coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner to transact the business of insurance in the State of California.

(e) All insurance companies affording coverage shall provide not less than thirty days written notice by certified or registered mail to District should any policy be cancelled or reduced in coverage before the expiration date. For the purposes of this notice requirement, any material change prior to expiration shall be considered cancellation. A statement on the insurance certificate to the effect that the insurance company will endeavor to notify the certificate holder, "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents, or representatives" does not satisfy the requirements of this subsection. Consultant shall ensure that the above-quoted language is stricken from the certificate by the authorized representative of the insurance company.

(f) Consultant, and any subconsultants, shall provide evidence of compliance with the insurance requirements listed above by providing certificates of insurance, in a form satisfactory to District's Risk Manager, concurrently with the submittal of this Agreement. Each insurance certificate shall also state the unpaid limits of the policy.

(g) Consultant, and any subconsultants, shall provide a substitute certificate of insurance no later than thirty days prior to the expiration date of any required policy. Failure by Consultant and/or subconsultants to provide such a substitution and extend the policy expiration date shall be considered a default by Consultant.

(h) Maintenance of insurance by Consultant as specified in this Agreement shall in no way be interpreted as relieving Consultant of any responsibility whatsoever and Consultant may carry, at Consultant's own expense, such additional insurance as Consultant may deem necessary or desirable.

12. Access to Records.

Consultant shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials including but not limited to calculation and survey notes relating to the work performed for District under this Agreement on file for at least three years following the date of final payment to Consultant by District. Any representative of District shall be provided with access to such records for the purpose of inspection, audit, and copying at all reasonable times during Consultant's usual and customary business hours. Consultant shall provide proper facilities for such access and inspection.

13. Assignment.

It is recognized by the parties hereto that a substantial inducement to District for entering into this Agreement was, and is, the professional reputation and competence of Consultant. This Agreement is personal to Consultant and shall not be assigned by Consultant without express written approval of District.

14. Changes to Scope of Work.

District may at any time and, upon a minimum of ten days written notice, seek to modify the scope of basic services to be provided under this Agreement. Consultant shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify District in writing. Upon agreement between District and Consultant as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of the amendment by District and Consultant shall constitute notice to Consultant to proceed with the changed scope.

15. Compliance with Laws, Rules, and Regulations.

Services performed by Consultant pursuant to this Agreement shall be performed in accordance and full compliance with all applicable federal, state, and District laws and any rules or regulations promulgated thereunder.

16. Licenses.

If a license of any kind, which term is intended to include evidence of registration, is required of Consultant, Consultant's employees, agents, or subcontractors by federal or state law, Consultant warrants that such license has been obtained, is valid and in good standing,

and that any applicable bond has been posted in accordance with all applicable laws and regulations.

17. Exhibits Incorporated.

All exhibits referred to in this Agreement are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of this Agreement and of any of the terms of any exhibit to this Agreement, the terms of this Agreement shall control the respective duties and liabilities of the parties hereto.

18. Independent Contractor.

It is expressly understood and agreed that Consultant, while engaged in carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and not an employee of District. Consultant shall refrain from representing, at any time or in any manner, that Consultant is an employee or agent of District.

19. Integration and Amendment.

This Agreement represents the entire understanding of District and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or affect with respect to any matters contained herein. This Agreement may not be modified or altered except by amendment in writing signed by all parties hereto.

20. Jurisdiction.

This Agreement shall be administered and interpreted under the laws of the State of California. Venue for any litigation arising from this Agreement shall be in the State of California in the County of Monterey.

21. Severability.

If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void in so far as it is in conflict with said laws, but the remainder of this Agreement shall continue to be in full force and effect.

22. Notice to Proceed; Progress; Completion.

Upon execution of this Agreement by all parties, District shall give Consultant written notice to proceed with the work. Such notice may authorize Consultant to render all of the services contemplated herein as identified in each portion of said phase, as identified in Exhibit "A". District shall, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the work. Upon receipt of such notices, Consultant shall diligently proceed with the work authorized and complete it within the agreed time period specified in said notice.

23. Ownership of Documents.

Title to all documents, drawings, specifications, data, reports, summaries, correspondence, photographs, computer software, video and audio tapes, and any other materials with respect to the work performed under this Agreement shall vest with District at such time as District has compensated Consultant, as provided herein, for the services rendered by Consultant in connection with which such materials were prepared

24. Subcontractors.

Consultant shall be entitled to the extent determined appropriate by Consultant, to subcontract any portion of the work to be performed under this Agreement. Consultant shall be responsible to District for the actions of persons and firms performing subcontract work. The subcontracting of work by Consultant shall not relieve Consultant, in any manner, of the obligations and requirements imposed upon Consultant by this Agreement.

25. Termination.

(a) District may, for any reason whatsoever, upon written notice to Consultant, terminate this Agreement. Upon termination Consultant shall be entitled to payment of such amount as fairly compensates Consultant for all work satisfactorily performed up to the date of termination, except that in the event of termination by District for Consultant's default, District shall deduct from the amount due Consultant the total amount of additional expenses incurred by District as a result of such default. Such deduction from amounts due Consultant is made to compensate District for its actual additional cost incurred in securing satisfactory performance of the terms of this Agreement, including but not limited to, costs of engaging other consultants for such purposes. In the event that such additional expenses exceed amounts otherwise due and payable to Consultant hereunder, Consultant shall pay District the full amount of such expense.

(b) In the event that this Agreement is terminated by District for any reason, Consultant shall:

(1) Upon receipt of written notice of such termination promptly cease all services on this project, unless otherwise directed by District; and

(2) Deliver to District all documents, data, reports, summaries, correspondence, photographs, computer software, video and audio tapes, and any other materials provided to Consultant or prepared by or for Consultant or District in connection with this Agreement. Such material shall be delivered to District whether in completed form or in process; however, notwithstanding the provisions of Section 23 above, District may condition payment for services rendered to the date of termination upon Consultant's delivery to District of such material.

(c) In the event that this Agreement is terminated by District for any reason, District is hereby expressly permitted to assume this project and complete it by any means, including but not limited to, an agreement with another party.

(d) The rights and remedies of District and Consultant provided in this section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this Agreement.

26. Audit and Examination of Accounts.

(a) Consultant shall keep and will cause any assignee or subcontractor under this Agreement to keep, accurate books of record in account, in accordance with sound accounting principles, which records pertain to services to be performed under this Agreement.

(b) Any audit conducted of books and records and accounts shall be in accordance with generally accepted professional standards and guidelines for auditing.

(c) Consultant hereby agrees to disclose and make available any and all information, reports, or books of records or accounts pertaining to this Agreement to District and any government entity (including, but not limited to, the County of Monterey, the State of California and the federal government) which provides support funding for this project.

(d) All records provided for in this section are to be maintained and made available throughout the performance of this Agreement and for a period of not less than three years after full completion of services hereunder, except that any and all such records which pertain to actual disputes, litigation, appeals, or claims shall be maintained and made available for a period of not less than three years after final resolution of such disputes, litigation, appeals, or claims.

(e) Consultant hereby agrees to include the requirements of subsections (a) through (d) above in any and all contracts with assignees or consultants under this Agreement.

27. Notices.

(a) Written notices to District hereunder shall, until further notice by District, be addressed to:

Chris Morello, Deputy Executive Director, Planning/Marketing
Monterey Regional Airport
200 Fred Kane Dr., Suite 200
Monterey, CA 93940

(b) Written notices to Consultant shall, until further notice by Consultant, be addressed to:

Pearse Melvin, P.E., Principal-In-Charge
Kimley Horn and Associates, Inc.
1100 W Town & Country Road, Suite 700,
Orange, CA 92868

(c) The execution of any such notices by the District shall be effective as to Consultant as if it were by resolution or order of District's Board of Directors.

(d) All such notices shall either be delivered personally, or shall be deposited in the United States mail, properly addressed as aforesaid, postage fully prepaid, and shall be effective the day following such deposit in the mail.

28. Nondiscrimination.

During the performance of this Agreement, Consultant shall not discriminate against any employee or applicant because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age or disability. Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age or disability.

29. Conflict of Interest.

Consultant warrants and declares that Consultant presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation of any

applicable state, local, or federal law. Consultant further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be retained or employed. In the event that any conflict of interest should nevertheless hereafter arise, Consultant shall promptly notify District of the existence of such conflict of interest so that District may determine whether to terminate this Agreement.

30. Headings.

The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this Agreement.

31. Multiple Copies of Agreement.

Multiple copies of this Agreement may be executed but the parties agree that the copy on file in the office of the District is the version that shall take precedence should any differences exist among counterparts of the documents.

32. FAA Requirements.

Consultant agrees to observe the provisions of the Standard Requirements attached hereto as Exhibit "B" and made a part hereof.

33. Completion Schedule for Performance of Scope of Services.

Time shall be of the essence on the Agreement and on each and every covenant and condition hereof. Consultant shall be responsible for all expenses for the selection and employment of such staff as will enable Consultant to perform its services diligently and skillfully in order to complete the stated services in an expeditious manner and in accordance.

IN WITNESS THEREOF, the parties hereto have made and executed this Agreement on the date first above written.

MONTEREY PENINSULA AIRPORT DISTRICT:

CONSULTANT:

Michael La Pier, AAE
Executive Director

Pearse Melven, PE
Principal-In-Charge
Kimley Horn and Associates

Attachments:

Exhibit A - Scope of Services, consisting of eight [8] pages.

Exhibit B –FAA Requirements, consisting of one [1] page.

Monterey Regional Airport
Program Management Construction Observation Services
for
Runway 10R-28L Surface Treatment Project
July 3, 2024

1. OVERVIEW

Monterey Peninsula Airport District (“District” or “Client”) is employing Kimley-Horn and Associates, Inc. (“Kimley-Horn” or “Consultant”) as the Program Management Construction Observation Services Team to support the District during the construction of the Runway 10R-28L Surface Treatment Project (hereafter “Project”) at the Monterey Regional Airport (“MRY” or “Airport”).

This proposal is for Kimley-Horn to provide the Program Management Construction Observation Services requested for the Runway 10R-28L Surface Treatment Project.

2. PROJECT SUMMARY

The proposed improvements (“Work”) includes the asphalt keel mill & fill for two sections of the runway followed by the application of a seal coat over the entire runway. Ancillary work items include the grooving of the new asphalt pavement, and the temporary and permanent runway pavement markings. The anticipated project schedule is presented below:

Bid Opening:	July 2024
NTP:	Phase 1 – August/September 2024 Phase 2 – July 2025
Mobilization:	15 Working Days, approximately
Contract Time:	Phase 1 – 25 Working Days (2024) Phase 2 – 35 Working Days (August 2025)

Kimley-Horn will complete the scope of services in two (2) tasks as follows and as more specifically described in the Detailed Scope of Services.

Task 1 – Project Management This task is for project and contract management, client coordination and communications.

Task 2 – On-Site Construction Observation and Representation: This task is for on-site construction observation services including on-site daily observations.

3. **DETAILED SCOPE OF SERVICES**

Kimley-Horn will provide the following services.

Task 1 – Project Management

Under this Task, Kimley-Horn will complete the following:

1.1 Project Management and Administration

Kimley-Horn will develop and implement a client communication process that involves ongoing e-mail and phone calls for the duration of the Project work.

Kimley-Horn will manage its contract processes, and its budgets including invoicing and maintaining internal Kimley-Horn project controls related to its staffing, schedules, and budgets.

Kimley-Horn will compile a Construction Management Program (“CMP”) using the guidelines provided in Advisory Circular 150/5370-12B, *Quality Management for Federally Funded Airport Construction Projects* and the information provided by the Contractor’s Quality Control Program (“QCP”) and the Quality Assurance (“QA”) requirements and testing subconsultant provided by the design Engineer-of-Record (“Tartaglia Engineering” or “EOR”). The CMP will be submitted to the Client for review and subsequent transmission to the FAA.

1.2 Project Meetings

1.2.1 Pre-Construction Conference Meeting

Kimley-Horn will participate in a Pre-Construction Conference Meeting at the Airport prior to commencement of construction work. At the Pre-Construction Conference, the EOR, in consultation with the District, will review with the Contractor the general requirements for the scope of construction work. Kimley-Horn assumes that the effort in this subtask will be accomplished in four (4) hours during a one (1) day trip to MRY. Kimley-Horn will provide the agenda and documenting minutes for the Pre-Construction Conference.

Kimley-Horn will work with the Client to schedule and participate in a meeting at MRY to discuss the project, objectives, approach, and schedule. At the same visit to MRY, Kimley-Horn, in conjunction with the EOR, will conduct a site walk to observe field conditions prior to the start of construction.

1.2.2 Project Progress Meetings

Kimley-Horn will work with the Client to schedule and participate in weekly construction progress meetings when construction work is taking place during Phase 1 and Phase 2. Under this subtask Kimley-Horn will create and distribute agenda, and record and circulate meeting minutes to attendees for the progress meetings. In addition to the Client, it is anticipated the Contractor, applicable Subcontractor(s), and the EOR will participate in person or via Teams conference call for the progress meetings. A pre-paving discussion will be included as part of a progress meeting held prior to the asphalt production paving occurring.

For this subtask Kimley-Horn assumes up to a total of fifteen (15) construction progress meetings of up to one (1) hour for the duration of the Project.

Task 2 – On-Site Construction Observation and Representation

2.1 Construction Observation

Kimley-Horn will provide on-site construction observation services during the construction activities as follows:

- a) Establish and maintain correspondence and project files.
- b) Observe and document Contractor's general conformance to the Project schedule, Daily Work Times, and the approved Plans and Specifications ("Contract Documents").
- c) Prepare Daily Observation Reports – as part of these reports, Kimley-Horn will maintain a daily log of the construction activities for the Project.
- d) Form 5370-1, *Construction Progress and Inspection Report* for submittal to the FAA – Kimley-Horn will prepare and submit the construction observation reports using the FAA's standard Form 5370-1. These reports will focus on the status of the project as observed by Kimley-Horn as well as any testing provided by the Contractor's Quality Control ("QC") laboratory and the EOR's Quality Assurance ("QA") laboratory subconsultant.
- e) Submit observed noncompliance or deficiency reports based on general observations by Kimley-Horn, and test results provided by the Contractor's QC or the QA subconsultant. These reports will document noncompliance with the approved plans and may require the EOR to provide information on such noncompliance with design intent to Kimley-Horn. The Client agrees to ensure the EOR will cooperate accordingly.
- f) Observe and report QC and QA testing are at the frequency stated in the specifications.
- g) Observe and report on the Contractor's Quality Control Program (QCP) and the Contractor's on-going quality control material testing program for compliance with the Contract Documents and FAA standards.
- h) Maintain copies of QA and QC test reports performed on site.
- i) Maintain a daily log book – the contents of a log book will include:
 - Weather conditions and temperature.
 - Work in progress and location.
 - Equipment in use - types and numbers.
 - Size of work force including supervision.
 - Materials delivered.
 - Instructions to the Contractor from the District.
 - Principal visitors
- j) Recommendations with Respect to Defective Work – Kimley-Horn will recommend to the Client that the Contractor's work be disapproved and rejected while it is in progress if, on the basis of observations and/or EOR testing results, Kimley-Horn believes that such work will not produce a completed project that conforms generally to the Contract Documents.

- k) Applications for Payment. Based on observations, the EOR's review of Contractor applications for payment and accompanying supporting documentation, Kimley-Horn will review the amounts submitted for Contractor payment requests. By recommending any payment, Kimley-Horn shall not thereby be deemed to have represented that its observations of Contractor's work have been exhaustive, extended to every aspect of Contractor's work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Kimley-Horn in this Agreement. It will also not impose responsibility on Kimley-Horn to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, nor to determine that title to any portion of the work in progress, materials, or equipment has passed to Client free and clear of any liens, claims, security interests, or encumbrances, nor that there may not be other matters at issue between Client and Contractor that might affect the amount that should be paid.

2.2 Project Closeout:

2.2.1 Substantial Completion

After notice from the Contractor that it considers the Work ready for its intended use—and in company with the District, the EOR and the Contractor—Kimley-Horn will participate in a site visit lead by the District, to conclude if the Work is substantially complete. This site visit will also serve as the means to generate a punch list of outstanding work items or required corrections. The Work will be considered substantially complete when the Work can be utilized for its intended purpose and the major requirements outlined in the Contract Documents are fulfilled. If the EOR in collaboration with the District, considers the Work substantially complete, Kimley-Horn will notify the Contractor in writing of the determination.

2.2.2 Final Notice of Acceptability of the Work

The EOR in conjunction with Kimley-Horn, will participate in a final site visit to ascertain if the completed outstanding items of work are complete and to the satisfaction of the EOR. Upon completion of the Work and receipt of a written notice from the EOR that the Work is generally in accordance with the Contract Documents, Kimley-Horn will provide a written recommendation to the Client for processing of final payment to the Contractor. Accompanying the recommendation for final payment, Kimley-Horn shall also provide the Project Closeout documentation which will be a compilation of the Daily/Weekly reports, a tracking spread sheet of installed quantities and contractor payments, and all QA and QC testing data provided to Kimley-Horn.

Deliverables

1. Meeting agenda and recorded minutes
2. Daily observation reports, and weekly FAA reports
3. Review of Contractor's progress pay applications

Assumptions, Clarifications and Exclusions

1. Assumes that all work under this scope of services will be complete no later than December 2025.
2. Assumes up to fourteen (14) continuous weeks of on-site construction services.

3. Assumes up to two (2) weeks of post construction Project Closeout services.
4. SWPPP: Assumes all SWPPP submittal related effort, including, but not limited to development and submitting the SWPPP documents, obtaining approvals and the Notice-of-Intent, SWPPP monitoring and reporting, and submitting for and obtaining the Notice-of-Termination if applicable will be the responsibility of the Contractor provided Qualified SWPPP Developer (“QSD”) and Contractor provided Qualified SWPPP Practitioner (“QSP”).
5. Part 77 Analysis: Part 77 Surface analysis including development and submittal of 7460-1 for construction will be the responsibility of the EOR and/or Contractor.
6. Construction Phasing: Assumes construction phasing and temporary construction to support means and methods of construction are the responsibility of Contractor and not included within Kimley-Horn’s scope.
7. Assumes the EOR will be solely responsible for the review and providing responses to all Project submittals; for reviewing and providing responses to all Contractor RFI’s; and for providing all QA testing required by the Contract Documents.
8. Assumes the Contractor will provide field redline plans of as-built conditions to the EOR.
9. Assumes the EOR will be solely responsible for the production of record drawings (As-Builts).
10. Assumes the Contractor will be responsible for all staking and surveying.
11. Assumes certified payroll will be reviewed by others and not included in Kimley-Horn’s scope of services.
12. Any modifications of these assumptions will require a modification to the consultant contract including schedule and fee.
13. Limitation of Responsibilities. Kimley-Horn shall not be responsible for the acts or omissions of the EOR, any Contractor, or of any of their Subcontractors, suppliers, or of any other individual or entity performing or furnishing the Work. Kimley-Horn shall not have the authority or responsibility to stop the work of any Contractor.
14. Observations by Kimley-Horn are not intended to be exhaustive or to extend to every aspect of Contractor's work in progress. Based on information obtained during site visits and observations, Kimley-Horn will keep the Client informed of the general progress of the Work.

The purpose of Kimley-Horn’s observations will be to enable Kimley-Horn to better carry out the duties and responsibilities specifically assigned in this Agreement to Kimley-Horn. Kimley-Horn shall not, during such visits or as a result of such observations of Contractor's work in progress, supervise, direct, or have control over Contractor's work, nor shall Kimley-Horn have authority over or responsibility for the means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction selected by Contractor, for safety precautions and programs incident to Contractor's work, nor for any failure

of Contractor to comply with laws and regulations applicable to Contractor's furnishing and performing the Work. Accordingly, Kimley-Horn neither guarantees the performance of the design EOR or any Contractor, nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.

Additional Services:

Services not included in this proposal may be added, by mutual agreement, in writing, applying the Rate Schedule included as an attachment.

Special Considerations

Standards: formatting standards for drawings, documents and reports will be defined by Kimley-Horn using Microsoft Word® software for word processing, and Microsoft Excel® software for quantities and estimating purposes. Work by Kimley-Horn will conform to or be compatible with these conventions.

Owner's Responsibilities

1. Provide copies of all existing pertinent contract documents/records/reports/studies in its possession.
2. Provide consultant access to the project.
3. Participate in meetings and planning activities.
4. Perform additional responsibilities as detailed in contract terms and conditions.
5. Kimley-Horn shall be entitled to rely upon the accuracy and completeness of all surveys, reports and information furnished by the Contractor, the Contractor's QC, the EOR, and District.

Schedule

Kimley-Horn understands that services provided under this scope of services will be provided in accordance with the anticipated Project schedule as presented in the Project Summary: above.

Terms of Compensation

Kimley-Horn will perform the Services on a labor fee plus expense basis. Labor fee will be billed on an hourly basis according to the below rate schedule.

Direct reimbursable expenses such as express delivery services, fees, air travel, and other direct expenses will be billed at 1.15 times cost. All permitting, application, and similar project fees will be paid directly by the Client.

Based on current information, Kimley-Horn estimates that the fees will be approximately \$249,010. Fee estimates in this Agreement are for general budgeting purposes only. Actual fees may be less or more than the estimates.

Payment will be due within 30 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

Rate Schedule

Role	Rate
Sr Leader, Principal	\$345 to \$375
Project Manager	\$325 to \$345
Senior Professional I	\$280 to \$300
Senior Professional II	\$250 to \$280
Senior Technical Support	\$245 to \$285
Analyst	\$175 to \$200
Clerical Admin	\$100 to \$125

(1) Beginning on June 30, 2025, and each year anniversary thereafter during the term of the professional services agreement, the Consultant will automatically increase the compensation Fee schedule under this agreement. The amount of the annual increase shall be determined by multiplying the compensation rate by the percentage change in the Consumer Price Index ** (“CPI”) for the preceding year or 5%, whichever is less.

In the event the above-mentioned index is discontinued prior to the expiration of this agreement, the Consultant shall immediately request the Bureau of Labor Statistics of the U.S. Department of Labor to supply a formula for the conversion of the above-mentioned index to a similar index then available; and, said formula shall thenceforth be the basis for the computation.

**U.S. Bureau of Labor Statistics, U.S. County Average, All Items Series A (1982-1984=100) “Urban Wage Earners and Clerical Workers.

**Monterey Regional Airport
Program Management Construction Observation Services
Runway 10R-28L Surface Treatment Project
Derivation of Fee**

		Total \$249,010				Labor				Expenses	
						Project Manager	Senior Technical Support	Analyst	Clerical Admin.	Total Labor Hours	Labor Total
		Rates (w/Fee and Overhead)		\$340.00	\$270.00	\$195.00	\$110.00				
Scope Sections	Title/Task			Enter Labor Hours							
Construction Phase Services - Runway 10R-28L Surface Treatment											
1.0	Project Management			64	24	54	60	202	\$ 45,370	\$ -	\$ -
	1.1	Project Management and Administration		45		45	60	150	\$ 30,675	\$ -	\$ -
	1.2	Project Meetings							\$ -	\$ -	\$ -
		<i>Pre-Construction Meeting</i>		4	9	9		22	\$ 5,545	\$ -	\$ -
		<i>Progress Meetings Total No. 15</i>		15	15				\$ 9,150	\$ -	\$ -
2.0	On-Site Construction Observation and Representation			6	80	740		826	\$ 167,940	\$ -	\$ 35,700
	2.1	Construction Observation							\$ -		\$ -
		Phase 1 - Assumed No. of Weeks 6			30	300		330	\$ 66,600	\$ -	\$ 15,300
		Phase 2 - Assumed No. of Weeks 8			40	400		440	\$ 88,800	\$ -	\$ 20,400
	2.2	Project Closeout		6	10	40		56	\$ 12,540	\$ -	\$ -
Project Totals				70	104	794	60	1200	\$ 213,310	\$ -	\$ 35,700
Percentage of Total				6%	9%	66%	5%		86%		14%

FEDERAL REQUIREMENTS:

Comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application and use of Federal funds for this project including but not limited to the following: Federal Legislation

- a. ACCESS TO RECORDS AND REPORTS. (Reference: 49 CFR part 18.36(i), 49 CFR part 18.42)
- b. BUY AMERICAN PREFERENCE. (Reference: 49 USC § 50101)
- c. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 (Reference: 49 U.S.C. 47123)
- d. CIVIL RIGHTS – GENERAL. (Reference: 49 USC § 47123)
- e. CIVIL RIGHTS – TITLE VI ASSURANCES.
- f. DISADVANTAGED BUSINESS ENTERPRISE. (Reference: 49 CFR part 26)
- g. ENERGY CONSERVATION REQUIREMENTS. Source: 49 CFR part 18.36(i)(13)
- h. FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE) (Reference: 29 USC § 201, et seq.)
- i. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970 (Reference 20 CFR part 1910)
- j. RIGHT TO INVENTIONS (Reference 49 CFR part 18.36(i)(8))
- k. TRADE RESTRICTION (Reference: 49 CFR part 30)
- l. VETERAN’S PREFERENCE (Reference: 49 USC § 47112(c))
- M. SEISMIC SAFETY
- n. COPELAND “ANTI-KICKBACK” ACT (Reference: 49 CFR § 18.36(i)(4), 29 CFR parts 3 & 5)
- o. CERTIFICATION OF OFFERER/BIDDER REGARDING DEBARMENT
- p. DAVIS BACON REQUIREMENTS. (Reference: 49 CFR § 18.36(i)(5))
- q. TEXTING WHILE DRIVING. (Reference: Executive Order 13513)
- r. AFFIRMATIVE ACTION REQUIREMENT. (Reference: 41 CFR part 60-4, Executive Order 11246)
- s. EQUAL OPPORTUNITY CLAUSE AND SPECIFICATIONS. (Reference 41 CFR § 60-1.4, Executive Order 11246)
- t. NONSEGREGATED FACILITIES REQUIREMENT. (Reference: 41 CFR § 60-1.8)
- u. RECOVERED MATERIAL. (Reference: 40 CFR part 247)
- v. TERMINATION OF CONTRACT. (Reference: 49 CFR § 18.36(i)(2))
- w. DEBARMENT AND SUSPENSION (NON-PROCUREMENT). (Reference: 2 CFR part 180 (Subpart C), 2 CFR part 1200, DOT Order 4200.5 DOT Suspension & Debarment Procedures & Ineligibility)
- x. CONTRACT WORKHOURS AND SAFETY STANDARDS ACT REQUIREMENTS. (Reference: 49 CFR § 18.36(i)(6))
- y. LOBBYING AND INFLUENCING FEDERAL EMPLOYEES. . (Reference: 49 CFR part 20, Appendix A)
- z. BREACH OF CONTRACT TERMS. (Reference 49 CFR part 18.36(i)(1))
- aa. CLEAN AIR AND WATER POLLUTION CONTROL. (Reference: 49 CFR § 18.36(i)(12))
- bb. DRUG FREE WORKPLACE

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, Executive Director
SUBJ: Amendment to the Professional Services Agreement with Tartaglia Engineering to Provide Construction Support Services for Runway 28L-10R Improvement Project

BACKGROUND. June 21, 2024 Resolution No. 1848 Approving the FY24 Capital Improvement Budget and July 20, 2022 Resolution No. 1827 Approving the 2022-2028 Airport Capital Improvement Plan (ACIP), which both included the Runway 28L-10R Improvement Project were adopted.

May 15, 2024, the Board adopted Resolution No. 1874 Authorizing a Professional Services Agreement with Tartaglia Engineering to prepare design and bid specifications for Runway 28L-10R Improvement Project. The initial phase of the contract authorization was specific to the design and bidding phase.

SCOPE OF WORK. As the engineering firm of record, Tartaglia Engineering will provide project management, communication, and overall engineering oversight during construction.

- Manage and respond to document submittals, request for information, and other contractor initiated communications, and provide official response documents
- Perform field engineering review of plans and specifications
- Review and approval of contractor progress payments
- Prepare final acceptance and final engineering report

An Independent Fee Estimate (IFE) was completed by C&S Engineering and that estimate was under the Tartaglia Fee by \$5,925.00 (4%). The final fee proposal by Tartaglia is considered reasonable as reviewed by the IFE and outlined in FAA Advisory Circular 150/5100-14E Change 1 to ensure the fees are fair and reasonable.

The scope of the proposed contract amendment for the construction phase of the improvement project is a not-to-exceed cost of \$153,500.00.

BUDGET EFFECT. This program management cost is included in FY25 Capital Budget as project 2023-02 Runway 28L-10R Improvement Project.

SOURCE OF FUNDS. The FAA AIP grant application includes this cost at a FAA 90.66% (\$139,163.00) share of the estimated funding costs (Airport Improvement Program) and a 9.34% (\$14,337.00) District share (Passenger Facility Charges).

IMPACT ON OPERATIONS. Staff will be working with the Project Management Team to ensure that there will be limited impact during construction but because of the nature of the improvement project, the construction will be done during nighttime runway closures.

SCHEDULE. Staff will continue to document and monitor the construction start once a grant agreement is executed.

RECOMMENDATION. Approve Amendment to the Professional Services Agreement with Tartaglia Engineering to Provide Construction Support Services for Runway 28L-10R Improvement Project

ATTACHMENTS.

Tartaglia Engineering. Contract Amendment – 1 page
Tartaglia Engineering Scope of Work – 6 pages

**AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH TARTAGLIA
ENGINEERING TO PROVIDE CONSTRUCTION SUPPORT SERVICES FOR RUNWAY 28L-
10R IMPROVEMENTS PROJECT**

June 21, 2024 Resolution No. 1848 Approving the FY24 Capital Improvement Budget and July 20, 2022 Resolution No. 1827 Approving the 2022-2028 Airport Capital Improvement Plan (ACIP), which both included the Runway 28L-10R Improvement Project, were adopted.

May 15, 2024, the Board adopted Resolution No. 1874 Authorizing a Professional Services Agreement with Tartaglia Engineering to prepare design and bid specifications for Runway 28L-10R Improvement Project. The initial phase of the contract authorization was specific to the design and bidding phase.

This Amendment dated August 21, 2024, is to the existing Agreement between the Monterey Peninsula Airport District (“District”) and Tartaglia Engineering for the Design of Runway 28L-10R Improvements Project to provide construction support related to the design documents.

In consideration of terms and conditions herein, District and Tartaglia Engineering agree that the Professional Services Agreement shall be amended as follows:

Contract Amendment to Provide Construction Design Support Services

Tartaglia Engineering will provide design support during construction for the Runway Improvements project. Once construction is complete, Tartaglia Engineering will produce record drawings and assist the Airport with the grant closeout process. All tasks are identified in the attached Exhibit A, Scope of Work for the Construction and Completion for Runway 10R-28L Surface Treatment Project dated June 27, 2024.

The scope of the proposed contract amendment for Construction Design Support Services is a not-to-exceed cost of \$153,500.00

Execution of the contract amendment is conditioned upon receipt of a grant from the FAA in compliance with the grant application and budget as submitted to the FAA.

MONTEREY PENINSULA
AIRPORT DISTRICT

CONSULTANT

Michael La Pier, AAE
Executive Director

John Smith, PE
Principal
Tartaglia Engineering

SCOPE OF THE PROJECT

The Runway 10R-28L Surface Treatment project is focused on restoration and preservation of the surface of Runway 10R-28L, Monterey Regional Airport.

Elements of construction include:

- Mill existing surface in two “keel” sections along the centerline of the runway. The Runway 10R keel section repair is 1700 feet in length and 25 feet wide. The Runway 28L keel section repair is 2400 feet long by 25 feet wide.
- Depth of the milled section will be based in part on the documented thickness of the existing surface course. The goal is to remove as much material as necessary to remove the raveled surface without compromising the remaining thickness of the top lift. If further depth of removal is necessary, then the goal should be to remove 100% of the top lift in these repair areas, and just a very thin section of the top of the second lift, to assure a solid bond for the new pavement.
- The removed areas will be paved back in a single hot-mix asphalt paving effort.
- At the appropriate time, after pavement cure the surface of these two repaved areas will be grooved, to be consistent with the balance of the runway surface.
- The project includes a quantity of crack fill and seal as needed to address cracks throughout the runway.
- A small portion of pavement markings on the runway will be obliterated to 50% (runway centerline and taxiway lead-in lines).
- An emulsified asphalt seal coat will be applied to the runway surface, with shielding of all remaining pavement markings to prohibit application of this seal coat on the marked surface.
- After cure, all removed markings (runway centerline and taxiway lead-in lines) will be reestablished in a two-coat pavement marking process.
- Markings that remain, and were not coated, will receive a single coat of marking paint.

The work is anticipated to occur in two distinct phases:

Phase 1 (Fall, 2024):

- Mill asphalt and pave back.
- Runway grooving.
- Crack fill and seal.
- Single coat of markings within the new pavement area.

Phase 2 (Fall, 2025):

- Obliterate markings designated to receive seal coat to 50%.
- Apply emulsified asphalt seal coat.
- Apply markings throughout the runway.

The probable cost of construction is \$2,406,000.

SCOPE OF SERVICES: Construction & Completion Phases

Tartaglia Engineering is currently under contract with Monterey Regional Airport for professional services within the Preliminary Engineering, Design, and Bidding Phases of this project. The scope of this second contract (or amendment to the initial contract), is the Construction and Completion Phases of this airport improvement project.

Services to be provided by Tartaglia Engineering may include, but not necessarily be limited to, the following:

Construction Phase

- A. Provide project management, communication, invoicing, and overall coordination of Tartaglia Engineering and associated subconsultants through the work of this phase.
- B. Schedule, chair, and take minutes at two (2) Pre-Construction Conferences:
 - Work to be accomplished in two Phases – a year apart, and each focused on different tasks (subcontractors). On Pre-Construction Conference for each Phase.
 - Airport safety and security. Badging and escort protocol. Gate / access means and methods.
 - The Construction Safety and Phasing Plan (CSPP).
 - Include general discussion about scope, phasing and sequencing, impacts to airfield operations.
 - Include a detailed discussion about mechanics of project completion.
 - Review contractor submittals, pay requests, RFI process, contractor provided schedules and the need for an approved base-line schedule.
 - Coordination of Quality Control and Quality Assurance, layout of the limits of pavement operations.
 - Establish day / time for weekly progress meetings.
- C. Construction contract management:
 - Active communication between all parties of interest including the District and contractor. Provide project updates and advance scheduling information in a format suitable for District dissemination to interested parties.
 - Support the District in securing DIR registration for the project and in assuring contractor responsibilities for DIR registration and upload of payroll statements.
 - Construction site environmental management.
 - Actively manage, respond to, and document through log record all Requests for Information (RFI's), and other contractor-initiated communication, along with official responses.
 - Material submittal review and processing.
 - Monitoring of contractor progress relative to the contract time for performance and contractor-provided, engineer-approved base line schedule.
 - Attendance at periodic construction progress meetings. Generate progressive meeting minutes.
 - Perform field engineering including interpretation of plans and specifications, as necessary, to confirm intent and eliminate any perceived ambiguity.
 - Manage issues during construction as they develop. Render opinion regarding contract obligation, additional work based on unforeseen conditions or circumstances, District-

initiated modification or change, etc. Prepare and issue Requests for Proposals (RFP's), receive and negotiate cost proposals, prepare Change Orders, and gain District and FAA approval of same.

- Review and approval of contractor periodic progress payments.
- Receive, document, and verify DBE levels of participation.
- Periodic review of the CSPP to confirm effectiveness. Modify if appropriate with revisions submitted to FAA for review and approval.
- Participate in Preliminary Final and Final Inspections. Prepare and distribute Punch List.
- Prepare final correspondence to the Airport District for acceptance of work. Prepare and submit Notice of Project Final Acceptance.

D. Construction Observation (Not a Part):

- The Resident Project Representative (RPR) will be provided by Kimley-Horn. Tartaglia will work with and coordinate construction activities including construction observation with the RPR.

E. Survey – Control:

- Provide control in the field for contractor use.
- Provide electronic file copy of plans and excel point data files for contractor use with supporting technical interface to assure correct datum, orientation, control, etc.
- Review contractor-provided survey cut sheets, layout documentation, and surface acceptance surveys: limits of pavement removal and pave back, and pavement markings.

F. Construction Materials Testing:

Through Earth Systems Pacific, provide testing of the following related to P-401 asphalt mix pavement:

- Participate in the review and approval of the contractor-provided P-401 material submittal.
- Proceed through the application, background check, testing and approvals for securing airfield security / access badges (technician and backup).
- Attendance and active participation in a Pre-Paving Workshop at the airport.
- Relocation of your mobile lab to the airport for the duration of paving, and removal of the trailer after all paving is complete and accepted.
- Active sampling and testing of material in the Control Strip (budget for two individual Strips).
- Active sampling and testing of material during up to eight (8) individual paving operations.
- Preparation of a summary letter of the results of materials sampling and testing related to asphalt mix pavement.

Completion Phase

- A. Provide project management, communication, invoicing, and overall coordination of Tartaglia Engineering and associated subconsultants through the work of this phase.
- B. Establish final pay quantities and final compensation to contractor, including any adjustments based on performance. Prepare Balancing Change Order.
- C. Receive the contractor-prepared, marked-up as built plans. With RPR input, revise electronic file version of the project plans to reflect the completed project.
- D. Assure complete contractor vacation of the airport and yard, returning all security badges, removal of any contractor locks, removal of all excess materials and disposal facilities for solid and sanitary waste, etc.
- E. Confirm receipt of all close-out submittals.
- F. Prepare a Final Engineer's Report documenting the project from start to successful completion, including photo documentation and all materials testing results.
- G. Prepare a Construction Project Final Acceptance form (5100-129) and provide to the District for signature and processing to the FAA.
- H. Provide final accounting documentation for the contractor and professional support team. Provide documentation to District in support of either a grant amendment or de-obligation of unused grant funds.
- I. The following deliverables are due at the conclusion of the Completion Phase:
 - Final Engineer's Report.
 - Project accounting, including final contractor pay quantities and balancing change order.
 - Project photos.
 - All materials testing results.
 - As-Built plans.
 - Material submittals.
 - Results of all payroll interviews.
 - Documentation regarding final pay to all DBE's.
 - Close-out submittals.
 - Tartaglia Engineering letter certifying the project as complete and in support of grant closure.

The following deliverables to be provided by the RPR, under separate agreement:

- Daily construction inspection reports.
- Weekly progress reports with photos.

PROFESSIONAL REPRESENTATION / CONTROL

The work of this contract will be performed under the control, oversight, and at the direction of John A. Smith. Mr. Smith is a California registered civil engineer (RCE 46852). Mr. Smith will provide engineering stamp approvals to plans, specifications, and reports.

The topographic survey generated for this project will be prepared by Matthew Cunningham, a California registered land surveyor (L 8120).

TIME FOR PERFORMANCEConstruction Phase:

Proposed improvements are to be constructed in two phases, reflective of the calendar / time of year.

Phase 1: Later summer / fall, 2024: 25 working days

Phase 2: Late summer / fall, 2025: 35 working days

Total Contract Time: 60 working days

Within the Construction Phase, Tartaglia Engineering is prepared to serve this undertaking in-line with the District-provided construction schedule, commencing our work several weeks ahead of the Pre-Construction Conference, remaining engaged through both Phase 1 and 2, until all construction is complete and accepted.

Completion Phase:

Tartaglia Engineering will complete tasks included in the Completion Phase within 60 calendar-days of final construction acceptance, following Phase 2.

CONSULTING TEAM

Tartaglia Engineering will be supported in their effort by Earth Systems Pacific. Earth Systems will be providing services related to the construction of P-401 Asphalt Mix Pavement.

ADDITIONAL SERVICES

While not currently anticipated, from time to time the need for additional services develops during the Construction Phase of improvement projects, either through minor project expansions, the identification of information or conditions previously not known, or through common sense association with the scope of project work related to phasing, controlled access, or economic advantage due to economic advantages of scale. Tartaglia Engineering is available to provide additional services as needed, at the request of the District. Additional services can be provided on a Time and Materials (T&M) basis, at rates identified on the Fee Schedules for Tartaglia Engineering and for Earth Systems Pacific, or additional services can be procured through fee estimates based on District-prepared scope of work summaries.

		Prin. In Charge	Land Survey.	Prof. C. Eng.	Tech. III	Tech. II	Tech. I	Clerical	Survey 1-Man	Inspector ST	Inspector OT	Light Crew	Prof. Travel	Mileage	Per-Diem	Total
Task	Description	\$240.00	\$179.00	\$188.00	\$141.00	\$114.00	\$92.00	\$76.00	\$250.00	\$168.00	\$197.00	\$155.00	\$114.00	\$0.65	\$224.00	
	Construction Phase															
A	Management of team & work	16.0		18.0				4.0								\$7,528.00
B	Pre-Construction Conference	16.0		16.0	8.0								20.0	720.0		\$10,724.00
C	Construction Contract Manage	32.0		136.0	56.0	22.0	8.0	16.0					15.0	1080.0		\$48,016.00
D	Construction Observation	By Others - Not a Part														\$0.00
E	Survey Control		8.0						6.0				5.0	180.0	1.0	\$3,843.00
F	Const. Materials Testing	Earth Systems Pacific July 11, 2024 Scope and Fee Proposal														\$64,450.00
G	Supplies, Postage															\$1,939.00
	Sub-Total, Construct. Phase															\$136,500.00
	Completion Phase															
A	Management of team & work	8.0		2.0				2.0								\$2,448.00
B	Final Pay Quantity & Adjust.			4.0												\$752.00
C	Prepare As-Built Plans	4.0		8.0	12.0	12.0										\$5,524.00
D, E	Contractor Close Out			8.0	8.0			2.0								\$2,784.00
F	Final Engineer's Report	2.0		24.0		12.0		4.0								\$6,664.00
G, H	Final Documentation			6.0				4.0								\$1,432.00
I	Deliverables, Supplies, Postage															\$1,396.00
	Sub-Total, Completion Phase															\$21,000.00
	Total: Construction and Completion Phase Services															\$157,500.00
	General															
1	Task items line up, one for one, with tasks identified in the Scope of Services portion of Exhibit A.															
2	The first 30 minutes and 30 miles from Tartaglia office to destination airport are at no cost to airport, both ways.															
3	It is 120 miles from Atascadero to Monterey Airport. Tartaglia will charge 90 miles, one-way.															
4	It is a 1 hour, 50-minute drive from Atascadero to Monterey airport. Tartaglia will charge 2.5 hours, round trip.															
5	Tartaglia does not mark-up third party professional services invoicing, printing, shipping, supplies, etc.															
	Specific - Construction Phase	Phase 1 = 5 weeks, Phase 2 = 7 weeks. Add 1 week before and after each phase: Total = 16 weeks														
		Assume 16 progress meetings (remote) and 3 trips to airport each phase.														
		Assume 2 Pre-Construction Meetings (1 each phase), at airport.														

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, Executive Director
SUBJ: Resolution No. 1887 Accepting the Guaranteed Maximum Price from OTTO Construction for the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements Circulation Elements

BACKGROUND. November 26, 2018, the Board of Directors (BOD) of the Monterey Peninsula Airport District (MPAD) approved Resolution No. 1730 certifying Final Environmental Impact Report (FEIR) (SCH 2015121105) and Resolution No. 1731, approving Alternative 1 as the Airport Master Plan Project for Monterey Regional Airport (MRY).

April 20, 2022, the BOD approved Resolution No. 1819 and certified the Revised Addendum to FEIR for the Minor Project Modifications and approved Resolution No. 1820 the Minor Project Modifications to the MRY Airport Master Plan.

The FY25 Adopted Capital Improvement Budget contains Project 2025-01 Safety Enhancement Program (SEP) Phase D3 Landside Improvements (parking, circulation) and the approved Airport Capital Improvement Program (ACIP) for FY 2022-2028 includes this SEP project phase.

June 20, 2024, the Board adopted Resolution No. 1882 Authorizing a Professional Services Agreement with OTTO Construction as the Construction Manager-at-Risk for the Replacement Terminal Facility Landside Improvements project.

It was anticipated that there would be additional approvals based on a Guaranteed Maximum Price, provided to the airport by OTTO Construction. Staff will bring another request for approval of the parking lot components based on value engineering in the future.

SCOPE OF WORK. This contract with OTTO Construction as the Construction Manager-at-Risk and General Contractor includes the construction phase costs associated with the Terminal Complex Landside Circulation Elements with a Guaranteed Maximum Price (GMP) in an amount not-to-exceed \$16,919,500.00. These fees are based on bids received by OTTO Construction.

Construction Management Fee	\$ 805,694
Construction Costs	<u>\$ 16,113,806</u>
Total	\$ 16,919,500

OTTO Construction, with the assistance of subcontractors, shall provide the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, utilities, and other facilities to complete construction of the Landside Circulation elements based on HOK design documents.

BUDGET EFFECT. These circulation element costs are included in the FAA federal funding request through the AIP Terminal Complex Landside Improvements grant application. A grant award is anticipated in the near future.

SOURCE OF FUNDS. The AIP grant agreement provides a 90.66% (\$15,339,219.00) AIP share of the Program Management costs and a 9.34% (\$1,580,281.00) District share (Passenger Facility Charges).

IMPACT ON OPERATIONS. Staff will be working with the Project Management Team to ensure that there will be limited impact during construction.

SCHEDULE. The Construction Notice to Proceed is anticipated to be later this calendar year.

RECOMMENDATION. Approve Resolution No. 1887, A Resolution Accepting the Guaranteed Maximum Price from OTTO Construction for the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements Circulation Elements.

ATTACHMENTS.

Resolution No. 1887
OTTO Construction GMP breakdown – 4 (four) pages

RESOLUTION NO. 1887

A RESOLUTION ACCEPTING THE GUARANTEED MAXIMUM PRICE FROM OTTO CONSTRUCTION FOR THE SAFETY ENHANCEMENT PROGRAM (SEP) TAXIWAY A RELOCATION - PHASE D3 TERMINAL COMPLEX LANDSIDE IMPROVEMENTS CIRCULATION ELEMENTS

WHEREAS, November 26, 2018, the Board of Directors (BOD) approved Resolution No. 1730 certifying Final Environmental Impact Report (EIR) (SCH 2015121105), and Resolution No. 1731, approving Alternative 1 as the Airport Master Plan Project for Monterey Regional Airport; and

WHEREAS, September 11, 2019, the BOD adopted Resolution No. 1761 Authorizing a Professional Services Agreement with Kimley-Horn and Associates, Inc. (KHA) to Provide Project Management Services Related to the Development of Airport Capital Improvement Projects; and

WHEREAS, April 20, 2022, the BOD approved Resolution No. 1819 and certified the Revised Addendum to FEIR for the Minor Project Modifications and approved Resolution No. 1820 the Minor Project Modifications to the MRY Master Plan; and

WHEREAS, on June 20, 2024, Resolution No. 1880, Approving the FY25 Capital Improvement Program (CIP) Budget and July 22, 2022, Resolution No. 1827, Approving the 2022 - 2028 Airport Capital Improvement Plan (ACIP), which both included the Safety Enhancement Project (SEP) Phase D3 Landside Improvements were adopted; and

WHEREAS, on September 12, 2018, the District adopted Resolution 1724, A Resolution of the Monterey Peninsula Airport District Authorizing Alternative Project Delivery Methods for Acquisition of Capital Projects and Construction at the Monterey Regional Airport; and

WHEREAS, representatives of the Federal Aviation Administration (FAA) have indicated a willingness to fund the Terminal Facility Landside Improvements project and have approved the alternative delivery method of Construction Manager-At-Risk (CMAR); and

WHEREAS, on June 20, 2024, Resolution No 1882 Authorizing a Professional Service Agreement with Otto Construction as the Construction Manager-at-Risk was adopted; and

WHEREAS, a grant application was submitted to the FAA upon receipt of the Guaranteed Maximum Price (GMP) for the Landside Circulation Elements using Airport Improvement Program (AIP) FAA-FY2024 funds for the improvements.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: That MPAD accepts the Guaranteed Maximum Price from Otto Construction for the Landside Improvements Circulation Elements and authorize the Executive Director, or his designee, to issue a Notice-to-Proceed for the construction services in connection with the New Terminal Facility – Landside Improvements project at the Monterey Regional Airport for a not-to-exceed cost of \$16,919,500.

BE IT FURTHER RESOLVED THAT: execution of said contract amendment is conditioned upon receipt of a grant from the FAA in compliance with the grant application and budget as submitted to the FAA.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 21st day of August 2024, by the following roll call vote:


AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSTAIN:	DIRECTORS:
ABSENT:	DIRECTORS:

Signed this 21st day of August 2024

Mary Ann Leffel, Chair

ATTEST

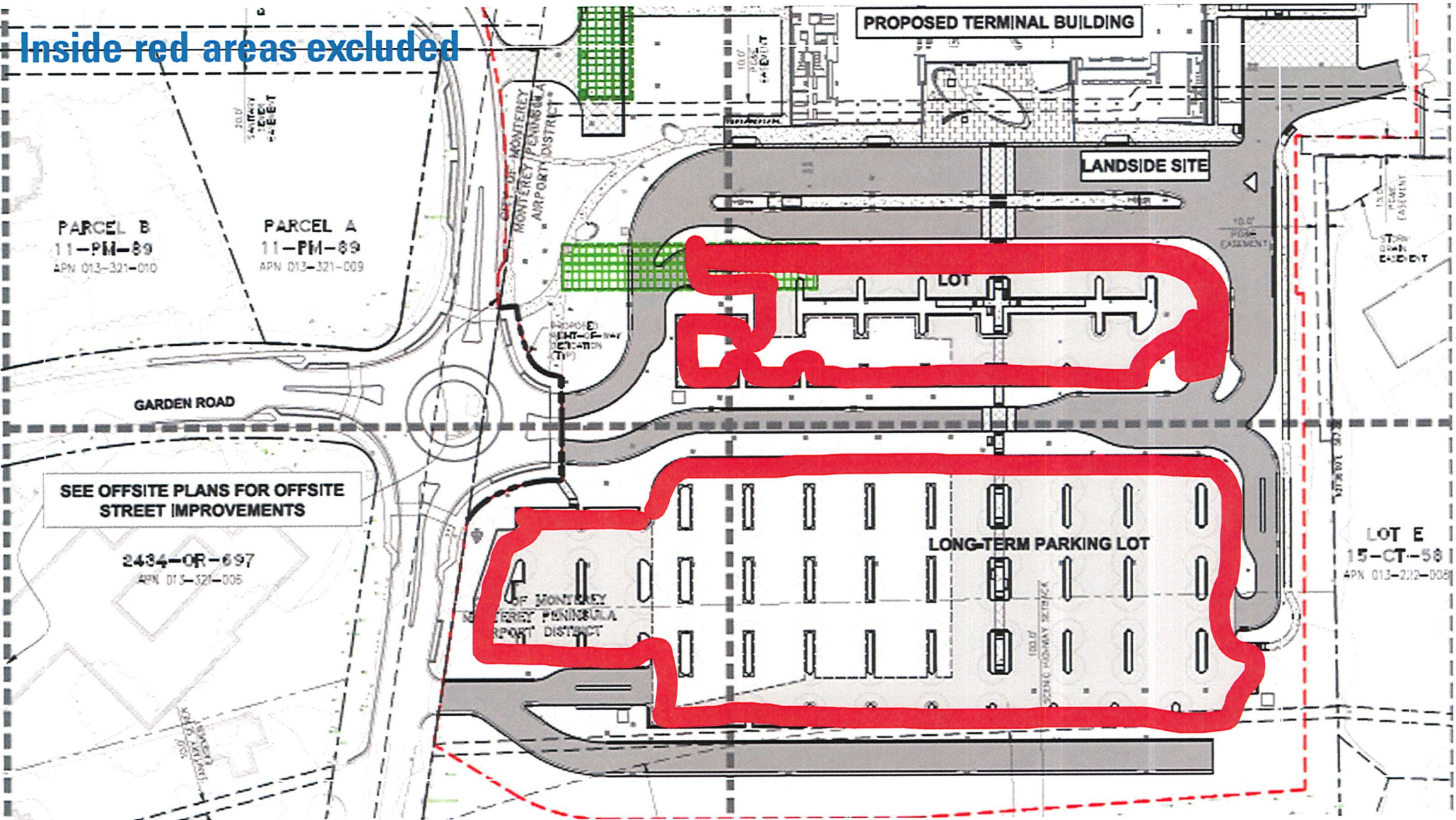
Michael La Pier, A.A.E
Executive Director

A	B	F	G	H	I	
1	Monterey Regional Airport					
2	New Terminal Building - Landside Improvements					
3	GMP Breakdown - FAA Grant Submission R1					
4	July 14, 2024					
5						
						
6	SPEC.	TRADE	TOTAL	CIRCULATION DISCRETIONARY	PARKING ENTITLEMENT/BIL	TRADE PARTNER
7			-			
8	BP01	Surveying	123,800	105,230	18,570	Kier & Wright
9	BP02	Signage	635,317	345,816	289,501	Signs of Success
10	BP03	Site Furnishings	-			
11	03 45 00	Precast Architectural Concrete	732,532		732,532	QCP
12	12 93 00	Fixed Site furnishings	379,597		379,597	Various
13	BP04	Electrical	2,772,300	1,201,300	1,571,000	Royal Electric
14	26 05 00	Common Work Results for Electrical	see electrical			
15	26 05 06	MEP Coordination	see electrical			
16	26 05 10	Electrical Service	see electrical			
17	26 05 18	UL-Listed 2-Hour Fire Rated Insulated Conductors	see electrical			
18	26 05 19	Low Voltage Electrical Power Conductors & Cables	see electrical			
19	26 05 23	Control-Voltage Electrical Cables	see electrical			
20	26 05 26	Grounding & Bonding for Electrical Systems	see electrical			
21	26 05 29	Hangers & Supports for Electrical Systems	see electrical			
22	26 05 33	Raceways & Boxes for Electrical Systems	see electrical			
23	26 05 34	Floor Boxes	see electrical			
24	26 05 43	Underground Ducts & Raceways for Electrical Systems	see electrical			
25	26 05 44	Sleeves & Sleeve Seals for Electrical Raceways & Cabling	see electrical			
26	26 05 48	Seismic Controls for Electrical Systems	see electrical			
27	26 05 53	Identification for Electrical Systems	see electrical			
28	26 05 73	Overcurrent Protective Device Short-Circuit & Coordination Study	see electrical			
29	26 05 74	Overcurrent Protective Device Arc-Flash Study	see electrical			
30	26 05 76	Overcurrent Protective Device Coordination Study	see electrical			
31	26 08 00	Commissioning of Electrical Systems	see electrical			
32	26 09 12	Electricity Metering	see electrical			
33	26 09 13	Electrical Power Monitoring	see electrical			
34	23 09 23	Lighting Control Devices	see electrical			
35	26 09 43	Networked Lighting Controls	see electrical			
36	26 22 13	Low-Voltage Transformers	see electrical			
37	26 24 13	Switchboards	see electrical			
38	26 24 13	Low-Voltage Generator Quick Connect Switchboard	see electrical			
39	26 24 13	Low-Voltage Integrated Switchboards	see electrical			
40	26 24 16	Panelboards	see electrical			
41	26 27 18	Surface Metal Raceway System	see electrical			
42	26 27 26	Wiring Devices	see electrical			
43	26 27 30	Fire-Rated Poke-Through Assemblies	see electrical			
44	26 27 43	Electric Vehicle Service Equipment	see electrical			
45	26 28 13	Fuses	see electrical			
46	26 28 16	Enclosed Switches & Circuit Breakers	see electrical			

	A	B	F	G	H	I
6	SPEC.	TRADE	TOTAL	CIRCULATION DISCRETIONARY	PARKING ENTITLEMENT/BIL	TRADE PARTNER
47	26 32 13	Diesel Engine Generators	see electrical			
48	02 63 60	Automatic Transfer Switches	see electrical			
49	26 43 13	Surge Protective Devices	see electrical			
50	26 51 00	Interior Lighting	see electrical			
51	26 52 19	Emergency Lighting & Exit Signs	see electrical			
52	26 56 00	Exterior Lighting	see electrical			
53	26 57 00	Fire Alarm System	see electrical			
54	BP05	Site Demo, Grading, Paving, Utilities	8,202,050	6,897,050	1,305,000	Duran & Venables
55	02 41 19	Selective Demolition	see site			
56	31 10 00	Site Clearing	see site			
57	31 12 00	Earth Moving	see site			
58	31 21 00	Utility Trenching & Backfill	see site			
59	31 23 16	Excavation & Subgrade (FAA Item P-152)	see site			
60	31 32 13	Cement Treated Subgrade (FAA Item P-156)	see site			
61	32 11 00	Pavement Base Course	see site			
62	32 11 23	Crushed Aggregate Base Course (FAA Item P-209)	see site			
63	32 11 23	Recycled Concrete Aggregate Base Course (FAA Item P-219)	see site			
64	32 11 23	Cement Treat Soil Base Course (FAA Item P-220)	see site			
65	32 12 16	Asphalt Paving	see site			
66	33 10 00	Water System	see site			
67	33 14 19	Water Distribution Fire Hydrants	see site			
68	33 14 20	Testing & Disinfecting Water Utility Distribution	see site			
69	33 30 00	Sanitary Sewer System	see site			
70	33 41 00	Storm Utility Drainage Piping	see site			
71	33 46 00	Subdrainage	see site			
72	BP06	Site Concrete	2,503,000	2,348,000	155,000	JJ Albanese
73	03 10 00	Concrete Formwork	see site concrete			
74	03 20 00	Concrete Reinforcement & Embedded Assemblies	see site concrete			
75	32 13 13	Concrete Pavement	see site concrete			
76	32 13 13	Cement Concrete Pavement (FAA Item P-501)	see site concrete			
77	32 13 16	Decorative Concrete Pavement	see site concrete			
78	32 13 18	Cement & Concrete for Exterior Improvements	see site concrete			
79	32 13 72	Joint Sealants for Pavements (FAA Item P-605)	see site concrete			
80	32 13 75	Concrete Curbs & Gutters	see site concrete			
81	BP07	Striping	276,960	-	276,960	Chrisp Company
82	32 17 23	Pavement Markings	see striping			
83	BP08	Landscaping & Pavers	1,514,620	1,324,735	189,885	McGuire & Hester
84	32 01 90	Landscape Maintenance Period	see landscaping			
85	32 14 00	Unit Paving	355,649	-	355,649	European Paving Design
86	32 84 00	Irrigation	see landscaping			
87	32 91 13	Soil Preparation	see landscaping			
88	32 92 00	Hydroseeding	see landscaping			
89	32 93 00	Plants	see landscaping			
90			-			
91		DIRECT COST OF CONSTRUCTION	17,495,825	12,222,131	5,273,694	
92						

	A	B	F	G	H	I
6	SPEC.	TRADE	TOTAL	CIRCULATION DISCRETIONARY	PARKING ENTITLEMENT/BIL	TRADE PARTNER
93		FIXED CONSTRUCTION SUPPORT COSTS	87,938	58,918	29,020	
94						
95		TIME SENSITIVE CONSTRUCTION SUPPORT COSTS	2,216,368	1,484,967	731,401	
96						
97		DESIGN DEVELOPMENT	1,749,583	672,220	1,077,362	
98						
99		CONSTRUCTION DEVELOPMENT	874,791	586,110	288,681	
100						
101		2025-2026 PRICE ADJUSTMENTS	1,626,059	1,089,459	536,599	
102						
103		SUBTOTAL	24,050,563	16,113,806	7,936,758	
104						
105		BUILDERS RISK INSURANCE	-	-	-	
106						
107		CMAR FEE	1,202,528	805,694	396,834	
108						
109		CMAR SERVICES	131,508	131,508	-	
110						
111		GMP AMOUNT	25,384,599	17,051,007	8,333,592	

Inside red areas excluded



TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, Executive Director
SUBJ: Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. to Provide Project Management Services in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements Construction Observation

BACKGROUND. November 26, 2018, the Board of Directors (BOD) of the Monterey Peninsula Airport District (MPAD) approved Resolution No. 1730 certifying Final Environmental Impact Report (FEIR) (SCH 2015121105) and Resolution No. 1731, approving Alternative 1 as the Airport Master Plan Project for Monterey Regional Airport (MRY).

April 20, 2022, the BOD approved Resolution No. 1819 and certified the Revised Addendum to FEIR for the Minor Project Modifications and approved Resolution No. 1820 the Minor Project Modifications to the MRY Airport Master Plan.

The FY25 Adopted Capital Improvement Budget contains Project 2023-00 Safety Enhancement Program (SEP) Phase D3 Terminal Complex Landside Improvements (parking and circulation) and the approved Airport Capital Improvement Program (ACIP) for FY 2022-2028 includes this SEP project phase.

September 11, 2019, the Board adopted Resolution No. 1761 Authorizing a Professional Services Agreement with Kimley-Horn and Associates, Inc. (KHA) to Provide Project Management Services Related to the Development of ACIP Projects.

Based upon review of the experience and qualification data received, and background information obtained, KHA was determined to be the most suited engineering firm to provide Program Management (PM) and support services as it relates to the Airport Master Plan Short Term Improvement Projects.

It was anticipated that there would be additional agreements based on subsequent Scope of Work associated with this Program Management of the overall SEP.

SCOPE OF WORK. This Amendment to the Agreement is related to the Program Management for construction oversight of the Terminal Complex Landside Improvements Construction Observation.

The objective of Phase 8 is to provide PM Services encompassing the following:

Task 8.1 Project Management: This task is for project and contract management, client coordination and communications.

Task 8.2 On-Site Construction Observation and Representation: This task is for on-site construction observation services including on-site daily observations.

Task 8.3 Environmental Compliance Services: Kimley-Horn's Environmental Compliance subconsultant(s) will perform the Environmental Compliance Services during the project as required by the environmental permitting requirements.

This Contract Amendment of the Project Management for the Terminal Complex Landside Improvements Construction Observation is a not-to-exceed cost of \$1,295,970.00.

An Independent Fee Estimate (IFE) was completed by C&S Engineering and that estimate was over the KHA Fee by \$37,310.00 (3%). The final fee proposal by KHA is considered reasonable as reviewed by the IFE and outlined in FAA Advisory Circular 150/5100-14E Change 1 to ensure the fees are fair and reasonable.

BUDGET EFFECT. This program management cost is included in the FAA federal funding request through the AIP Terminal Complex Landside Improvements grant application. A grant award is anticipated in the near future.

SOURCE OF FUNDS. The AIP grant agreement provides a 90.66% (\$1,174,926.00) AIP share of the Program Management costs and a 9.34% (\$121,044.00) District share (Passenger Facility Charges).

IMPACT ON OPERATIONS. Staff will be working with the Project Management Team to ensure that there will be limited impact during construction.

SCHEDULE. The Construction Notice to Proceed is anticipated to be later this calendar year.

RECOMMENDATION. Approve the Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. to Provide Project Management Services in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements Construction Observations

ATTACHMENTS.

Kimley-Horn and Associates, Inc. Contract Amendment – 2 (two) pages
Kimley-Horn and Associates, Inc. Phase 8 Scope of Work – 9 (nine) pages

AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. TO PROVIDE PROJECT MANAGEMENT IN SUPPORT OF THE SAFETY ENHANCEMENT PROGRAM (SEP) TAXIWAY A RELOCATION – PHASE D3 TERMINAL COMPLEX LANDSIDE IMPROVEMENTS CONSTRUCTION OBSERVATION

November 26, 2018, the Board of Directors (BOD) approved Resolution No. 1730 certifying Final Environmental Impact Report (EIR) (SCH 2015121105), and Resolution No. 1731, approving Alternative 1 as the Airport Master Plan Project for Monterey Regional Airport.

September 11, 2019, the BOD adopted Resolution No. 1761 Authorizing a Professional Services Agreement with Kimley-Horn and Associates, Inc. (KHA) to Provide Project Management Services Related to the Development of Airport Capital Improvement Projects.

April 20, 2022, the BOD approved Resolution No. 1819 and certified the Revised Addendum to FEIR for the Minor Project Modifications and approved Resolution No. 1820 the Minor Project Modifications to the MRY Master Plan.

The FY25 Adopted Capital Improvement Budget contains Project 2025-01 Safety Enhancement Program (SEP) Phase D3 Landside (parking and circulation) and the approved Airport Capital Improvement Program (ACIP) for FY 2022-2028 includes this SEP project phase.

This Amendment dated August 21, 2024, is to the Agreement between the Monterey Peninsula Airport District (“District”) and Kimley-Horn and Associates, Inc. for Support of the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements.

The work and services to be performed by KHA under the proposed Amendment to the Agreement is consistent with, and covered by, the Final EIR for the Airport Master Plan Project.

In consideration of terms and conditions herein, District and KHA agree that the Professional Services Agreement shall be amended as follows:

Contract Amendment to Provide Construction Management Services

The primary goal of Project Management (PM) and support services is to ensure projects related to the Airport Master Plan Short Term Program are successfully executed within schedule and budget while maintaining high quality and safety standards.

The objective of Phase 8 is to provide PM Services encompassing planning support, design management, project controls, administration and compliance monitoring of funds and related professional services for these identified projects. Kimley-Horn will manage the construction compliance activities for the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase D3 Terminal Complex Landside Improvements. All tasks are identified as Phase 8 Program Management Construction Observation Services.

The scope of the proposed contract amendment for Phase 8 Services is a not-to-exceed cost of \$1,295,970.00.

Execution of this contract amendment is conditioned upon receipt of a grant from the FAA in compliance with the grant application and budget as submitted to the FAA.

MONTEREY PENINSULA
AIRPORT DISTRICT

KIMLEY-HORN AND ASSOCIATES, INC.

Michael La Pier, AAE
Executive Director

Pearse Melvin, PE
Principal-In-Charge
Kimley-Horn and Associates, Inc.

Attachment:
Phase 8 Program Management Construction Observation Services Scope of Work

Monterey Regional Airport

PROGRAM MANAGEMENT ADVISORY SERVICES

Phase 8

Program Management Construction Observation Services

for the

Terminal Facility – Landside Improvements CMAR Project

July 9, 2024

1. OVERVIEW:

Monterey Peninsula Airport District (“District” or “Client”) is employing Kimley-Horn and Associates, Inc. (“Kimley-Horn” or “Consultant”) as the Program Management Team to support the District in delivering multiple projects from the Safety Enhancement Program (“SEP”) for Taxiway ‘A’ Relocation within an overall program (hereafter “Program”) at the Monterey Regional Airport (“MRY” or “Airport”).

The Program Management Advisory Services are to provide the professional services needed to assist in providing support and consultation to the Airport as it implements the series of terminal improvement projects that comprise the Program.

This proposal is for Kimley-Horn in the Program Manager role, to provide the Program Management Construction Observation Services requested for the Terminal Facility – Landside Improvements CMAR Project (“Project”). Hellmuth, Obata & Kassabaum, Inc. (“HOK”) are the Architects-of-Record (“AOR”) for the new Terminal Facility, their subconsultant BKF Engineers (“BKF”) are the Engineer-of-Record (“EOR”) for the landside improvements, and RANA Landscape Architecture (“RANA”) are the Landscape Architect-of-Record. Otto Construction (“Otto”) are the Construction Manager at-Risk (“CMAR”) for the Project.

2. PROJECT SUMMARY:

The proposed improvements include the construction of the new Terminal Facility Landside Improvements as shown on the Design Development submittal and include: **a)** the civil Landside Improvement Plans by BKF, dated June 14, 2024; **b)** the Civil Offsite Improvement Plans by BKF, dated June 14, 2024; **c)** the Landscape Plans by RANA, dated June 14, 2024; and **d)** the Parking Plan by Walker Consultants, and dated June 14, 2024.

The anticipated project construction schedule including the assumed notice-to-proceeds (“NTP”), is presented below:

Environmental Compliance Services:	Commence September 2024
CMAR Bid Opening:	July 2024

NTP for Phase 1:	Mid 2025
NTP for Phase 2:	First Quarter 2027
Pre-Construction Phase Duration:	Up to 3 Weeks
Phase 1:	Up to 16 Weeks
Phase 1A:	Up to 8 Weeks
Phase 2:	Up to 20 Weeks

Kimley-Horn will complete the scope of services in three (3) tasks as follows and as more specifically described in the Detailed Scope of Services.

Task 8.1 – Project Management. This task is for project and contract management, client coordination and communications.

Task 8.2 – On-Site Construction Observation and Representation. This task is for on-site construction observation services including on-site daily observations.

Task 8.3 – Environmental Compliance Services. This task is for Environmental Compliance Services carried out by a subconsultant to Kimley-Horn including.

3. **DETAILED SCOPE OF SERVICES**

The Kimley-Horn team will provide Kimley-Horn shall provide the following services. Services are summarized for Kimley-Horn and our subconsultants.

Task 8.1 – Project Management

Under this Task, Kimley-Horn will complete the following:

8.1.1 Project Management and Administration

Under this Task, Kimley-Horn will develop and implement a client communication process that involves ongoing e-mail and phone calls for the duration of this task order.

Kimley-Horn will manage its contract processes, and its budgets including its scoping, subconsultant negotiations, invoicing and maintaining internal Kimley-Horn project controls related to its staffing, schedules, and budgets.

Kimley-Horn will participate in up to two (2) permit coordination conference call/meeting at MRY to discuss project permits from the City of Monterey (“City”) who will be the Agency-having-Jurisdictions (“AHJ”) for a portion of the landside improvements for the .

8.1.2 Project Meetings

8.1.2.1 Preconstruction Meeting:

Kimley-Horn will participate in a Pre-Construction Conference for each phase of the work and prior to commencement of work at the site. At the Pre-Construction Conference the EOR in consultation with the District and CMAR will review with the prime Contractor the general requirements for the scope of construction work. Kimley-Horn assumes that all of the effort in this subtask will be accomplished during a one (1) day trip to MRY. Under this subtask Kimley-Horn will provide an agenda and minutes for the Pre-Construction Conference.

8.1.2.2 Project Progress Meetings:

Kimley-Horn will participate in weekly or bi-weekly project construction progress meetings/conference calls during each phase of the work. Under this subtask Kimley-Horn will provide an agenda and minutes for the progress meetings. In addition to the Client, it is anticipated the CMAR, the prime Contractor, Subcontractor(s) and the EOR will participate in person and/or via conference call. Under this subtask Kimley-Horn will provide agenda and minutes for the progress meetings.

Kimley-Horn will work with the Client to schedule and participate in a meeting at MRY to discuss the project, objectives, approach, and schedule.

Task 8.2 – On-Site Construction Observation and Representation

Kimley-Horn will provide on-site construction observation services during the construction activities as follows:

- a) Establish and maintain correspondence and project files.
- b) Observe and document Contractor's general conformance to the schedule and contract documents.
- c) Prepare Daily Observation Reports - Kimley-Horn will maintain a daily log of the construction activities.
- d) Review Weekly Reports for submittal to the FAA - Kimley-Horn will prepare and submit weekly construction observation reports using the FAA's standard form. These reports will focus on the status of the project as observed by Kimley-Horn as well as any testing provided by the Contractor's Quality Control (QC) and the Quality Assurance (QA) geotechnical subconsultant.
- e) Submit observed noncompliance or deficiency reports based on general observations by Kimley-Horn or test results provided by the Contractor's QC or the QA geotechnical consultants. These reports will document noncompliance with the approved plans and may require the EOR to provide information on such noncompliance to Kimley-Horn. The Client agrees to ensure the EOR will cooperate accordingly.
- f) Review QA tests at the frequency stated in the specifications.
- g) Review the Contractor's Quality Control Program (QCP) and the Contractor's on-going quality control material testing program results for compliance with the Contract Documents.
- h) Maintain copies of acceptance test reports on site.
- i) Maintain a daily log book, and the contents of a log book may include:
 - Weather conditions and temperature.
 - Work in progress and location.
 - Equipment in use - types and numbers.
 - Size of work force including supervision.
 - Materials delivered.
 - Instructions to the Contractor from the District.
 - Principal visitors
- j) Quality Assurance Testing and Reporting:

Kimley-Horn's geotechnical subconsultant(s) will perform the QA testing, reporting and associated construction inspection services during the project utilizing a fully equipped testing laboratory provided by the Contractor, as required by the Contract Documents. Kimley-Horn's geotechnical subconsultant(s) will also be available on an "as needed" basis during the construction period if their presence is requested or additional testing is reasonably required by Kimley-Horn or the District. Daily reports will be prepared for each day on-site. Test results will be transmitted to The Kimley-Horn Team for subsequent transmission to the contractor, and a summary construction observation report incorporating QA test results will be prepared after construction is complete.

- k) Recommendations with Respect to Defective Work - Kimley-Horn will recommend to the District that the Contractor's work be disapproved and rejected while it is in progress if, on the basis of EOR observations and/or testing results, Kimley-Horn believes that such work will not produce a completed project that conforms generally to the Contract Documents.
- l) Applications for Payment. Based on observations, input from the EOR and on review of applications for payment and accompanying supporting documentation, Kimley-Horn will review the amounts submitted for progress payments. By recommending any payment, Kimley-Horn shall not thereby be deemed to have represented that its observations of Contractor's work have been exhaustive, extended to every aspect of Contractor's work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Kimley-Horn in this Agreement. It will also not impose responsibility on Kimley-Horn to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, nor to determine that title to any portion of the work in progress, materials, or equipment has passed to Client free and clear of any liens, claims, security interests, or encumbrances, nor that there may not be other matters at issue between Client and Contractor that might affect the amount that should be paid.

8.2.1 Project Closeout:

8.2.1.1 Substantial Completion:

Kimley-Horn will, after notice from the Contractor that it considers the Work Phase ready for its intended use, in company with the District, the EOR and the Contractor, participate in a site visit lead by the District, who will determine if the Work is substantially complete. Work will be considered substantially complete following satisfactory completion of all items with the exception of those identified on a final punch list. If after considering any objections of the District, the EOR considers the Work substantially complete, Kimley-Horn will notify the District.

8.2.1.2 Final Notice of Acceptability of the Work:

The EOR, with Kimley-Horn participating in the visit, will conduct a final site visit to determine if the completed Work is generally in accordance with the Contract Documents and the final punch list so that Kimley-Horn may recommend to the District, in writing, final payment to the Contractor. Accompanying the recommendation for final payment, Kimley-Horn shall also provide a notice from the EOR that the Work is generally in accordance with the Contract Documents.

Deliverables

1. FAA daily, and weekly reports.

Assumptions, Clarifications and Exclusions

1. Assumes that all work under this scope of services will be complete no later than December 2027.
2. Up to 44 weeks in aggregate of construction phase services.
3. Up to 3 weeks of post construction services.

4. Assumes 44 weeks from NTP to the Contractor until the notice of substantial completion.
5. SWPPP: All SWPPP submittal related effort, including, but not limited to development and submitting the SWPPP documents, obtaining approvals and the Notice-of-Intent, SWPPP monitoring and reporting, and submitting for and obtaining the Notice-of-Termination will be the responsibility of the Contractor provided QSD and QSP.
6. Part 77 Analysis: Part 77 Surface analysis including development and submittals of 7460 for construction will be the responsibility of the Contractor.
7. Construction Phasing: Construction phasing and temporary construction to support means and methods of construction are the responsibility of Contractor and not included within this scope.
8. Any modifications of these assumptions will require a modification to the consultant contract including schedule and fee.
9. Any other services except as detailed within this scope of services are not included in this Agreement.
10. The EOR will be responsible for the contractor's submittal and material reviews / responding to Contractor RFI's / record drawings (As-Builts) / and bidding services.
11. The contractor will be responsible for project all staking and surveying.
12. Limitation of Responsibilities. Kimley-Horn shall not be responsible for the acts or omissions of the EOR, any Contractor, or of any of their Subcontractors, suppliers, or of any other individual or entity performing or furnishing the Work. Kimley-Horn shall not have the authority or responsibility to stop the work of any Contractor.
13. Observations by Kimley-Horn are not intended to be exhaustive or to extend to every aspect of Contractor's work in progress. Based on information obtained during such visits and such observations, Kimley-Horn will keep the Client informed of the general progress of the Work.

The purpose of Kimley-Horn's observations will be to enable Kimley-Horn to better carry out the duties and responsibilities specifically assigned in this Agreement to Kimley-Horn. Kimley-Horn shall not, during such visits or as a result of such observations of Contractor's work in progress, supervise, direct, or have control over Contractor's work, nor shall Kimley-Horn have authority over or responsibility for the means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction selected by Contractor, for safety precautions and programs incident to Contractor's work, nor for any failure of Contractor to comply with laws and regulations applicable to Contractor's furnishing and performing the Work. Accordingly, Kimley-Horn neither guarantees the performance of the design EOR, any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.

Task 8.3 – Environmental Compliance Services

Kimley-Horn’s Environmental Compliance subconsultant(s) will perform the Environmental Compliance Services during the project as required by the environmental permitting requirements.

Additional Services:

Services not included in this proposal may be added, by mutual agreement, in writing, applying the Rate Schedule included as an attachment.

Special Considerations

Standards: formatting standards for drawings, documents and reports will be defined by Kimley-Horn using Microsoft Word® software for word processing, and Microsoft Excel® software for quantities and estimating purposes. Work by Kimley-Horn will conform to or be compatible with these conventions.

Owner’s Responsibilities

1. Provide copies of all existing pertinent contract documents/records/reports/studies in its possession.
2. Provide consultant access to the project.
3. Participate in meetings and planning activities.
4. Perform additional responsibilities as detailed in contract terms and conditions.
5. Kimley-Horn shall be entitled to rely upon the accuracy and completeness of all surveys, reports and information furnished by the CMAR, the prime Contractor’ QC, and the District.

Schedule

Kimley-Horn understands that services provided under this scope of services will commence prior to the Notice-to-Proceed issued to the prime Contractor which is anticipated to be Mid 2025 and construction work will be substantially complete within 44 weeks in aggregate of the Notice-to-Proceed. It is anticipated the services will be performed between Mid 2025 and December 2027.

Terms of Compensation

Kimley-Horn will perform the Services on a labor fee plus expense basis. Labor fee will be billed on an hourly basis according to the below rate schedule.

Direct reimbursable expenses such as express delivery services, fees, air travel, and other direct expenses will be billed at 1.15 times cost. All permitting, application, and similar project fees will be paid directly by the Client.

Based on current information, Kimley-Horn estimates that the fees will be approximately \$1,295,970. Fee estimates in this Agreement are for general budgeting purposes only. Actual fees may be less or more than the estimates.

Payment will be due within 30 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

Rate Schedule

Role	Rate
Sr Leader, Principal	\$345 to \$375
Project Manager	\$300 to \$325
Senior Professional I	\$280 to \$300
Senior Professional II	\$250 to \$280
Technical Support	\$200 to \$250
Analyst	\$150 to \$200
Clerical Admin	\$100 to \$120

⁽¹⁾ Beginning on June 30, 2024, and each year anniversary thereafter during the term of the professional services agreement, the Consultant will automatically increase the compensation Fee schedule under this agreement. The amount of the annual increase shall be determined by multiplying the compensation rate by the percentage change in the Consumer Price Index ^{**} (“CPI”) for the preceding year or 5%, whichever is less.

In the event the above-mentioned index is discontinued prior to the expiration of this agreement, the Consultant shall immediately request the Bureau of Labor Statistics of the U.S. Department of Labor to supply a formula for the conversion of the above-mentioned index to a similar index then available; and, said formula shall thenceforth be the basis for the computation.

^{**}U.S. Bureau of Labor Statistics, U.S. County Average, All Items Series A (1982-1984=100) “Urban Wage Earners and Clerical Workers.

**Monterey Regional Airport
PROGRAM MANAGEMENT SERVICES
Phase 8 - New Terminal Facility
Landside Improvements Construction Phase
Derivation of Fee**

			Total \$1,295,970	Rates (w/Fee and Overhead)	Labor							Total Labor Hours	Labor Total	Subconsultants		Other Expenses
					Sr Leader, Principal	Project Manager	Senior Professional I	Senior Professional II	Senior Technical Support	Technical Support	Clerical Admin.			ESP	Rincon	
Scope Sections		Title/Task	Enter Labor Hours													
PROGRAM MANAGEMENT ADVISORY SERVICES																
Phase 8	Program Management - Terminal Landside Construction															
8.1	Project Management			(50)	(6)		(72)	(2)	(53)	(251)	(\$ 43,560)	\$ -	\$ -	(\$ 5,000)		
	8.1.1	Project Management		50					50	100	\$ 21,500	\$ -	\$ -	\$ 5,000		
	8.1.2	Project Meetings														
		<i>Project Kickoff Meeting</i>		4	2		2	2	1	11	\$ 2,980	\$ -	\$ -	\$ -		
		<i>Progress Meetings Total No. 44</i>		44			66			110	\$ 31,900	\$ -	\$ -	\$ -		
		<i>Permit Coordination Meetings</i>		20	4		4		2	30	\$ 8,940	\$ -	\$ -	\$ -		
8.2	Construction Observation			(98)	(51)		(284)	(1,820)		(2,253)	(\$ 515,150)	(\$ 105,000)	\$ -	(\$ 17,500)		
	8.2.1	Construction Observation														
		Phase 1 - Assumed No. of Weeks 16		32	18		96	640		786	\$ 179,340	\$ 25,000	\$ -	\$ 6,000		
		Phase 1A - Assumed No. of Weeks 8		16	9		48	320		393	\$ 89,670	\$ 35,000	\$ -	\$ 3,500		
		Phase 2 - Assumed No. of Weeks 20		40	24		120	800		984	\$ 224,640	\$ 45,000	\$ -	\$ 8,000		
	8.2.2	Project Closeout		10			20	60		90	\$ 21,500	\$ -	\$ -	\$ -		
8.3	Environmental Compliance Services										\$ -	\$ -	(\$ 588,000)	\$ -		
	8.3.1	Environmental Compliance Services									\$ -	\$ -	\$ 196,000	\$ -		
	8.3.2	Mitigation Planning									\$ -	\$ -	\$ 196,000	\$ -		
	8.3.3	Conservation Area 4 - Maintenance and Monitoring Activities									\$ -	\$ -	\$ 196,000	\$ -		
Project Totals				216	57		356	1,822	53	2,504	\$ 580,470	\$ 105,000	\$ 588,000	\$ 22,500		
Percentage of Total				9%	2%		14%	73%	2%		45%	8%	45%	2%		

AGENDA ITEM: G-9
DATE: Aug. 21, 2024

TO: Monterey Peninsula Airport District Board of Directors
FROM: Scott E. Huber, District Counsel
SUBJ: Resolution No. 1888, A Resolution Adopting a Freeze on Meeting Stipends at the Current Level

BACKGROUND AND DISCUSSION. The amount of compensation that may be paid to board members of a Special District is set by statute. Specifically, Public Utilities Code section 22407, as amended on August 20, 2018, authorizes Special Districts to pay Board Members a meeting stipend amount from \$100 per meeting, with an annual increase of five percent per year.

As outlined in the Governance Manual, the Board of Directors has the discretion to set the rate of compensation at any amount up to the statutory maximum and may adjust the compensation by resolution. The Board of Directors passed Ordinance No. 925 authorizing modifications to the meeting stipend consistent with Public Utilities Code section 22407. The Board has set the rate of compensation for attendance at regular and special meetings of the Board of Directors at the rate of \$127.63.

At a prior Board Meeting, staff was directed to return with the necessary documents to freeze the current level of compensation and to forego the available 5% increase in the meeting stipend. While references to the rate of compensation for attendance at Board Meetings is made in the Governance Manual and the Director Remuneration & Business Expense Reimbursement Policy, those documents do not set the rate, which must be done by ordinance or resolution. Accordingly, no modification to those documents is necessary.

The attached Resolution freezes the amount of compensation per meeting at the current level of \$127.63. The Board will consider approval of the Resolution.

FISCAL IMPACT. None.

RECOMMENDATION. Approve Resolution No. 1888, A Resolution Adopting a Freeze on Meeting Stipends at the Current Level.

ATTACHMENTS.

Resolution 1888

RESOLUTION NO. 1888

A RESOLUTION ADOPTING A FREEZE ON MEETING STIPENDS AT THE CURRENT LEVEL

WHEREAS, Public Utilities Code section 22407, as amended on August 20, 2018, authorizes Special Districts to increase the meeting stipend amount from \$100 per meeting by five percent per year; and

WHEREAS, the Board of Directors passed Ordinance No. 925 authorizing modifications to the meeting stipend consistent with Public Utilities Code section 22407; and

WHEREAS, the Board of Directors previously passed Resolution 1743 to adjust the amount of compensation per meeting, which is currently set at \$127.63 per meeting; and

WHEREAS, the Board of Directors believes that the current amount of compensation should remain frozen at the current level.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT that the Board authorizes a freeze on the meeting stipend at the amount of \$127.63 per meeting, until this resolution is superseded or withdrawn by the Board of Directors.

ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 21st day of August 2024, by the following roll call vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSTAIN:	DIRECTORS:
ABSENT:	DIRECTORS:

Signed this 21st day of August 2024

Mary Ann Leffel, Chair

A T T E S T

Michael La Pier, A.A.E.
Executive

AGENDA ITEM: J
DATE: August 21, 2024

TO: Michael La Pier, Executive Director, Monterey Regional Airport
FROM: Department Heads
SUBJECT: Monthly Department Reports

FINANCE AND ADMINISTRATION.

[Terminal Comment Card Log by Administration](#)
[Financial Summary by Mark Wilson, Controller](#)

FIRE.

[Monthly Fire Report by Monterey Fire Department](#)

OPERATIONS.

[Operations Report by Whitney Robare, Deputy Executive Director Operations and Maintenance](#)

PLANNING AND DEVELOPMENT.

[Planning and Environmental Monthly Project Report by Chris Morello, Deputy Executive Director](#)

POLICE.

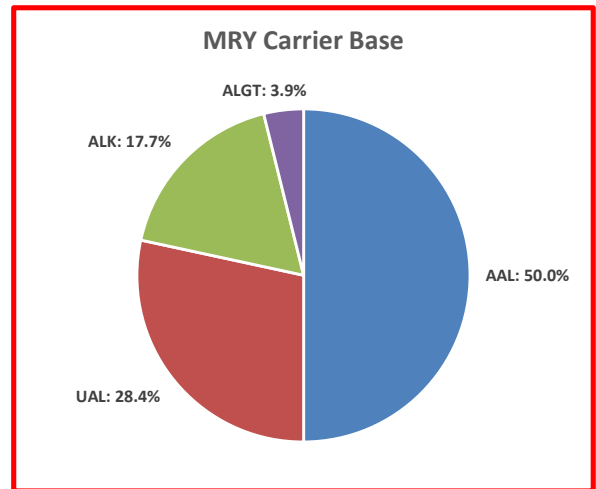
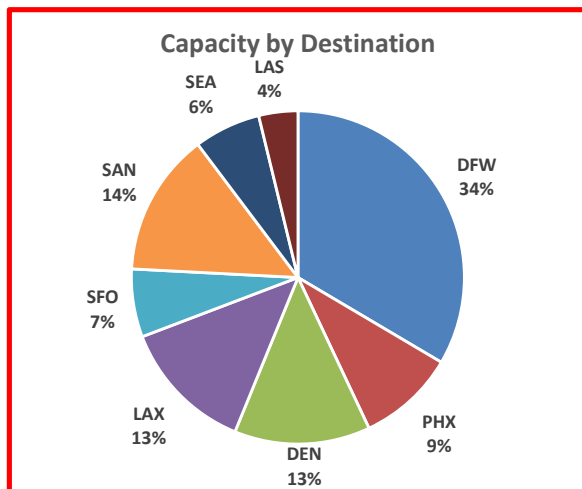
[Police Activity Report by Del Rey Oaks Police Department](#)

RATING	DATE OF VISIT	TIME OF VISIT	PURPOSE	FLIGHT	AIRLINE	COMMENT	CITY	STATE
POOR	7/8/2024	1:00 PM	Departing	-	Alaska	This airport is NOT clean. The bathrooms have a soiled-in odor that I am not sure cleaning could help. The general appearance of the airport is old and sorely in need some fresh paint and a few cosmetic renovations (to say the least).	Seattle	WA
POOR	7/25/2024	12:30 PM	Departing	-	American	Today I checked my two teenage grandkids into American airlines. (Matthew Hoover my to dal at about 12:3) The agent was nasty and very unhelpful. She refused to give the connection time on her suggested alternative flight. American and the airport should have her loading luggage, away from the public. It's your airport's image!!!	-	-
NEUTRAL	7/28/2024	4:20 AM	Departing	3744	American	Having just one guy doing American's check ins was not good, he was clearly overloaded and had to call for help. Also, your ID scanners at security need updating or cleaning or fixing, they were unable to scan either my own or my wife's Wisconsin (RealID compliant) driving licenses and we didn't have any other form if ID. Every other airport we've used has had no problem at all scanning them, so I think the fault is at your end. Security staff were excellent though	Madison	WI
EXCELLENT	7/29/2024	9:58 PM	Arriving	3392	Alaska	Very quick and this airport was incredibly convenient. I will definitely be flying into this airport more often	San Diego	CA

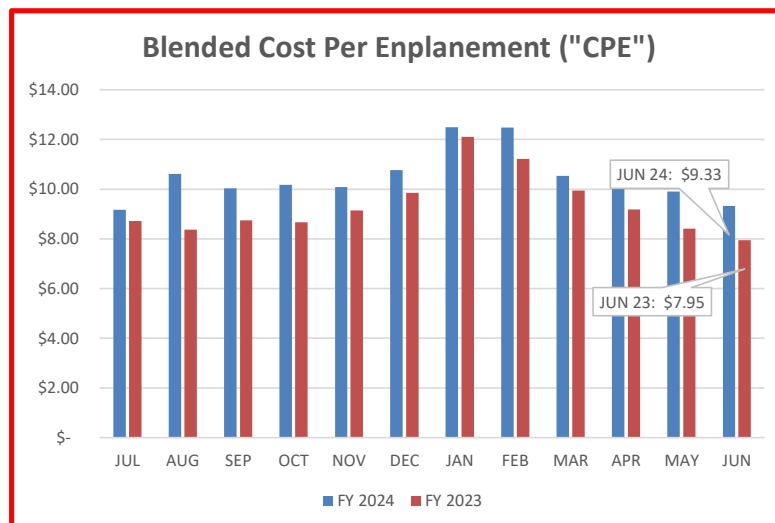
TO: Michael La Pier, Executive Director, Monterey Regional Airport
FROM: Mark Wilson, Controller
SUBJECT: Discussion and Analysis of the June 30, 2024 Financial Statements

KEY OPERATING STATISTICS. June enplanements were 28,769 (vs. 24,866 budgeted), up 16.2% from the 24,765 in the same period in 2023. June commercial airline landings were more than budgeted (433 actual vs. 392 budgeted). Total Passengers for the month of June were 57,078, up 18% from 48,572 in the same period in 2023. Total aircraft operations for June were 4,861, up from 4,363 in the same period in 2023, and Vehicle exit counts in the parking lots were 12,664, up 7.3% from the 11,800 exit counts in June of 2023. Total enplanements for FY24 were 275,259 (vs. 261,312 budget), up 15% from 239,528 in FY23.

In June 2024, American Airlines accounted for approximately 50.0% of the passenger enplanements. Monterey Regional Airport's enplaning passenger carrying capacity for June was 36,932 Seats, with an overall Passenger Load Factor of 77.9%.



In June, the Airport's blended CPE was \$9.33, compared to \$7.95 in the same period in 2023. The \$1.38 increase reflects the impact of the increased Rates & Charges implemented in FY24 \$1.71 and partially offset by the favorable impact from higher enplanements.



LIQUIDITY AND CAPITAL RESOURCES. As of June 30, 2024 the Airport had unrestricted cash and investments of \$13.9M.

As of June 30, 2024 the Airport had Restricted PFC cash and investments of \$1.402M and Restricted CFC cash and investments of \$1.571M.

The Current Ratio of unrestricted current assets to current liabilities is a very healthy 21.2X. This compares favorably to an overall Airport Industry Benchmark* of 5.39X. Days Cash on Hand (based on FY 24 Budgeted Operating Expenses), was 509, which is in line with the overall Airport Industry Benchmark* of 640 Days.

OPERATING INCOME. The Airport's higher than budgeted revenues and higher than budgeted operating expenses in June resulted in an operating income of \$323.3K, which is a favorable variance of \$58.8K to June's budgeted operating income of \$264.5K.

OPERATING INCOME				
	June 2024 ACTUAL	June 2024 BUDGET	VARIANCE Favorable (Unfavorable)	
			\$	%
Operating Revenues	\$ 1,236,494	\$ 1,081,223	\$ 155,271	14%
Operating Expenses	(913,161)	(816,739)	(96,423)	12%
Operating Income	<u>\$ 323,333</u>	<u>\$ 264,485</u>	<u>\$ 58,848</u>	<u>22%</u>

REVENUES. June 2024 combined Operating Revenues were (\$1,236.5K), which was (\$155.3K)/14% higher than budget (\$1,081.2K). This favorable variance was primarily due to higher Revenues across all sources of operations and Interest Income.

	June 2024 ACTUAL	June 2024 BUDGET	VARIANCE Favorable (Unfavorable)	
			\$	%
Terminal Revenues	\$ 746,528	\$ 650,540	\$ 95,988	15%
General Aviation	190,559	187,972	2,587	1%
Non-Aviation	197,059	179,831	17,228	10%
Other Operating	27,174	25,285	1,889	7%
Interest Income	75,175	37,595	37,580	100%
Total Operating Revenues	<u>\$ 1,236,494</u>	<u>\$ 1,081,223</u>	<u>\$ 155,271</u>	<u>14%</u>

* Source: Merritt Research Services Benchmark Central - Airport Medians for 2022.

Terminal Revenues:

Commercial Aviation fees (\$164.1K) for June was higher than budget (\$137.7K) due primarily to higher United landing (\$7.8K), RON (\$4.7K) and Apron fees (\$1.9K), and higher American landing (\$2.6K), RON (\$3.8K) and Apron fees (\$0.6K) and fuel flowage fees (\$1.5K). DMA reported fuel sales of 361,122 gallons to the airlines for the month (49% to American, 32% to United, 18% to Alaska, 1% to Allegiant).

Terminal Rents (\$169.8K) for June was materially on budget (\$171.0K).

TNC Permits, Trip Fees & Peer-to-Peer Rentals (\$31.3K) for June was higher than the budget (\$20.2K) by (\$11.1K)/55%. This favorable variance was primarily due to higher than budgeted TNC Trip Fees (\$7.3K) from Uber.

Terminal Concessions (\$27.8K) for June was materially on budget (\$26.K).

Rental Car Concessions (\$203.8K) for June was higher than the budget (\$187.0K) by (16.8K)/9%. This favorable variance was primarily due to higher than budgeted rental car activity for Hertz, Avis/Budget and Enterprise, partially offset by lower than budgeted revenue from National and GoRentals.

Parking Concession (\$149.8K) for June was higher than the budget (\$108.7K) by (\$41.1K)/38%. Parking Concession revenues for June were budgeted at 10,342 parked cars with an average of \$10.51 net to MPAD. In June, the number of parked cars was more than budgeted at 12,664 with an average of \$11.83 net to MPAD per car, resulting in a favorable variance.

General Aviation Revenues:

Heavy General Aviation revenues, including landing fees (\$156.9K) for June was higher than budget (\$142.1K) due primarily to higher landing (\$7.4K) and fuel flowage fees (\$6.6K). MJC and DMA reported fuel sales of 134,972 and 196,134 gallons of Jet A, respectively, for the month. MJC and DMA reported 365 and 376 revenue landings, respectively, for the month.

Light General Aviation revenues (\$33.7K) for June was lower than budget (\$45.9K) due primarily to budgeted rent for the Northeast corporate hangar which was not leased in June (\$12.5K).

Non-Aviation Revenues:

Non-Aviation revenues (\$197.1K) for June was higher than budget (\$179.8K) due primarily to unplanned rents for 2801 MSH Suite F and the former Holk space and rental increase for an existing long-term tenant.

Other Operating Revenues:

Other Operating revenues (\$27.2K) for June was materially on budget (\$25.3K).

Interest Income:

Interest Income (\$75.2K) for June was higher than budget (\$37.6K) due to higher than budgeted interest income earned on T-Bills.

EXPENSES. Total operating expenses of (\$913.2K) for June was higher than the budget (\$816.7K) by (\$96.4K)/12%. See the following detailed analysis of significant variances:

OPERATING EXPENSES - BY MAJOR CATEGORY TYPE				
	June 2024 ACTUAL	June 2024 BUDGET	VARIANCE Favorable (Unfavorable)	
			\$	%
Salaries & Taxes	\$ 220,624	\$ 222,703	\$ 2,079	1%
Employee Benefits	110,885	111,300	414	0%
Recruitment & Training	12,660	8,785	(3,875)	-44%
Business Expenses	54,537	35,479	(19,058)	-54%
Supplies & Materials	5,696	12,605	6,909	55%
Repairs & Maintenance	35,362	27,944	(7,418)	-27%
Outside Services	272,501	269,161	(3,340)	-1%
Professional Services	86,848	49,689	(37,159)	-75%
Marketing, PR	53,864	25,050	(28,814)	-115%
Utilities	43,391	37,831	(5,560)	-15%
Interest Expense	16,794	16,192	(601)	-4%
Total Operating Expenses	\$ 913,161	\$ 816,739	\$ (96,423)	-12%

OPERATING EXPENSES - BY DEPARTMENT				
	June 2024 ACTUAL	June 2024 BUDGET	VARIANCE Favorable (Unfavorable)	
			\$	%
Admin & Finance	\$ 230,547	\$ 194,499	\$ (36,048)	-19%
Planning & Marketing	139,085	88,089	(50,996)	-58%
Maintenance	131,606	132,676	1,071	1%
Operations	63,106	74,730	11,624	16%
Police	126,550	115,565	(10,984)	-10%
Fire	178,083	171,892	(6,191)	-4%
Board of Directors	20,255	15,590	(4,665)	-30%
Rental Properties	7,137	7,505	368	5%
Interest Expense	16,794	16,192	(601)	-4%
Total Operating Expenses	\$ 913,161	\$ 816,739	\$ (96,423)	-12%

Salary & Taxes Expenses (\$220.6K) for June was materially in-line with budget (\$222.7K).

Employee Benefit Expenses (\$110.9K) for June was materially in-line with budget (\$111.3K).

Personnel Recruitment, Training & Pre-Employment and Related Expenses (\$12.7K) for June was lower than Budget (\$8.8K). This favorable variance is due to timing of travel expense to conferences.

Business Expenses (\$54.5K) was higher than Budget (\$35.5K). This unfavorable variance is due to higher Liability Insurance costs and timing of the LAFCO expense that was budgeted in early FY24.

Supplies & Materials expenses (\$5.7K) for June was lower than Budget (\$12.6K) by (\$6.9K)/55%. This favorable variance was primarily due to lower than budgeted Custodial Supplies & Materials (\$4.2K).

Repair & Maintenance expenses (\$35.4K) for June was higher than Budget (\$27.9K) by (\$7.4K)/27% due primarily to timing of repair costs on vehicles and equipment.

Outside Services expenses (\$272.5K) for June was materially on Budget (\$269.2K).

Professional Service expenses (\$86.8K) for June was higher than Budget (\$49.7K) by (\$37.2K)/75% due primarily to higher than budgeted engineering services (\$23.1K) for tenant capital projects that is offset with tenant payments received back in May.

Marketing and Public Relations expenses (\$53.9K) for June was higher than Budget (\$25.1K) by (\$28.8K)/115%. This unfavorable variance was primarily due to the timing of payments for sponsorships (\$6.2K) and website/homepage redesign costs of (\$14.0K).

Utilities expenses, combined (\$43.4K) for June was higher than Budget (\$37.8K) by (\$5.6K)/15% due primarily to higher than budgeted water expense (\$0.7K), electricity (\$4.8K) and natural gas (\$0.7K).

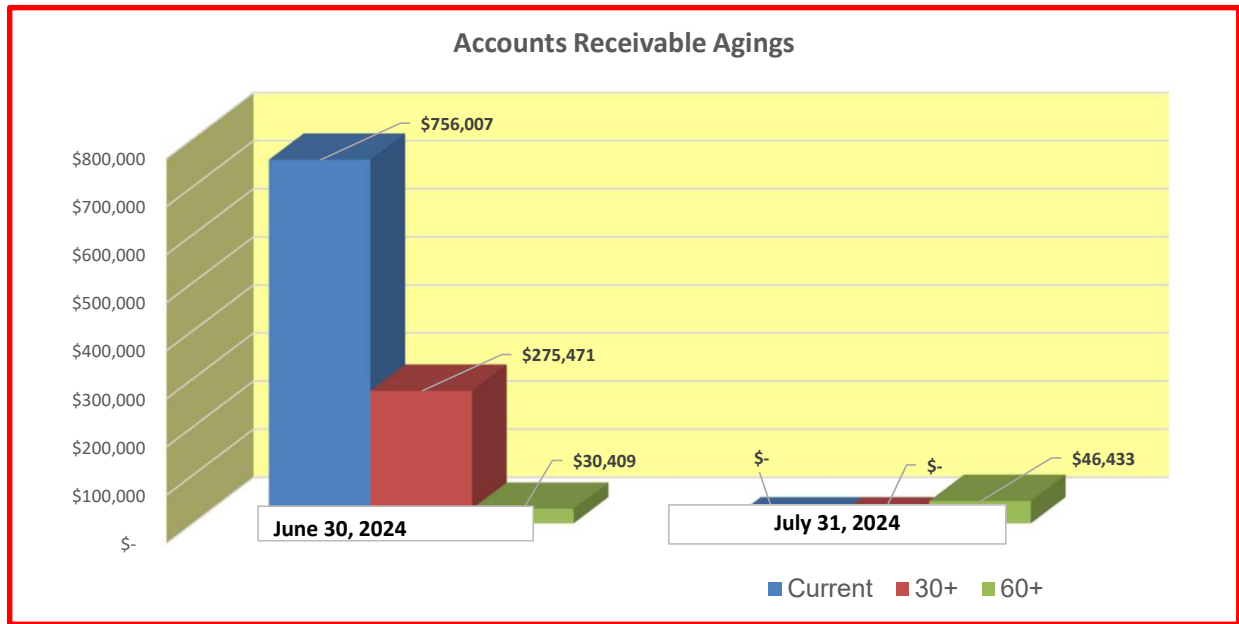
Interest expense (\$16.8K) for June was materially on budget (\$16.2K).

SELECTED BALANCE SHEET ANALYSES:

ACCOUNTS RECEIVABLE. The accounts receivable balance on June 30, 2024 was \$1,061.9K. This balance is \$162.7K or 18% greater than the May 31, 2024 balance \$899.2K, and \$407.2K/62% higher than the \$654.7K balance on June 30, 2023. The accounts receivable balance over 60 days old on June 30, 2024, was \$30.4K. The higher AR in the month was the result in timing differences.

Chart 2 below graphically presents the aging of accounts receivable (1) as of June 30, 2024 and (2) prior to the next billing cycle (July 31, 2024).

Chart 2



Total accounts receivable of \$1,061.9K as of June 30, 2024 was comprised of \$221.3K/20.8% from Commercial Airlines, \$231.5K/21.8% from Rental Car companies, \$126.8K/11.9% from FBOs, \$299.7K/28.2% from Parking, \$26.8K/2.5% from the Monterey Hi-Way Self Storage, \$41.4K/3.9% from TNCs and Taxis, \$16.1K/1.5% from Woody's and \$98.4K/9.3% from all other customer accounts.

The District carries a \$10K allowance for doubtful accounts. Prepaid accounts receivable as of June 30, 2024 of \$17.1K have been reclassified to deferred revenue.

Chart 3 below graphically presents the composition of accounts receivable by major customer/concessionaire/tenant.

Chart 3

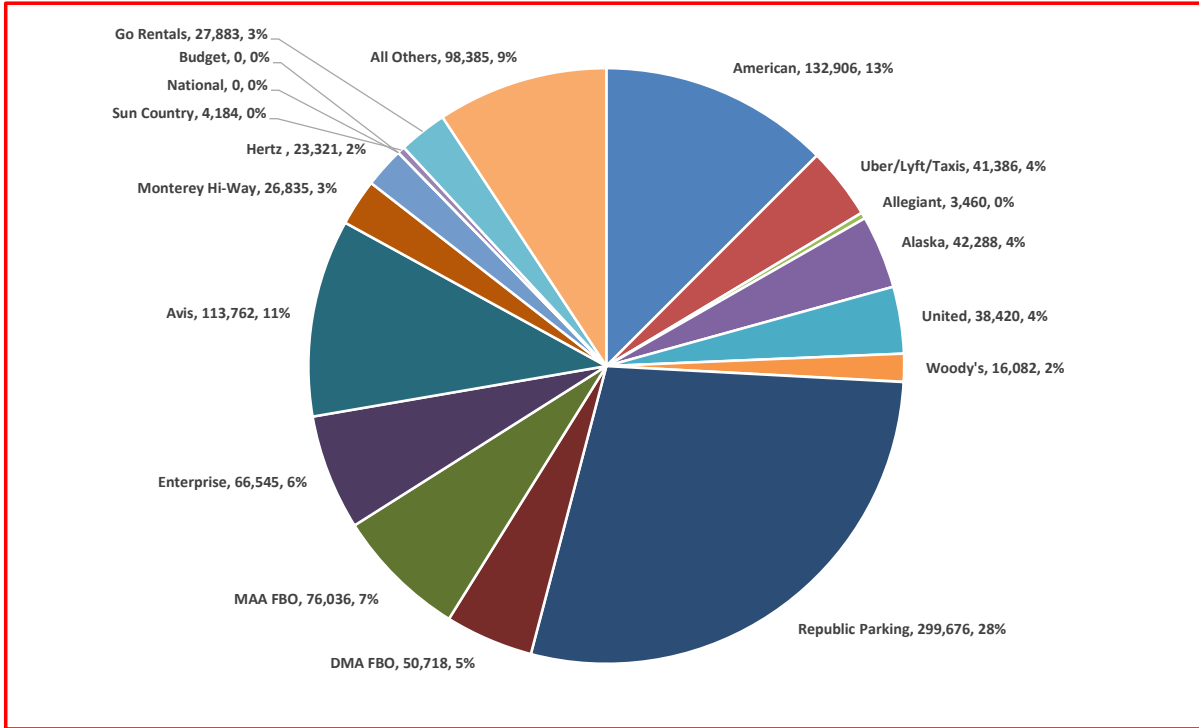
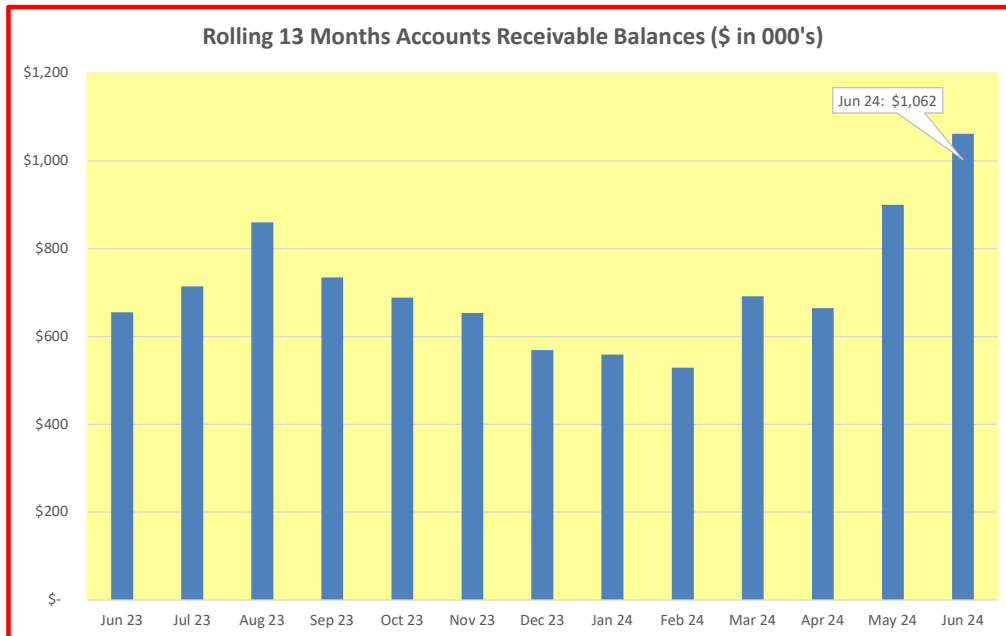


Chart 4 below depicts the total accounts receivable balances for the 13 months from June 2023 to June 2024.

Chart 4



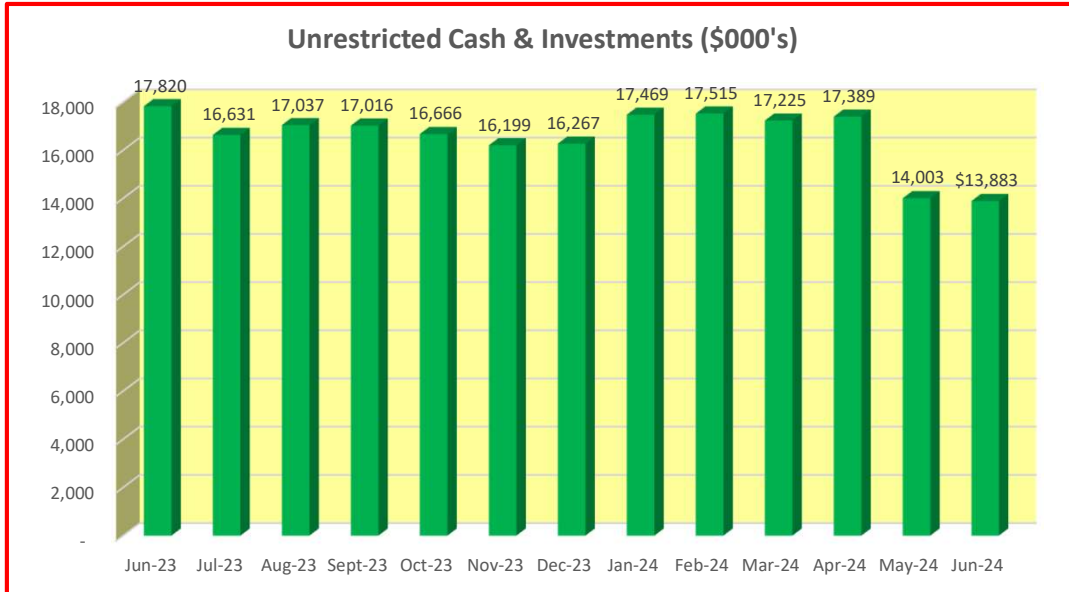
The balance of accounts receivable at month-end aligns with operating revenues in that month. On June 30, 2024, accounts receivable is 85.9% of revenues and the rolling thirteen-month average is 62.3%.

UNRESTRICTED CASH AND INVESTMENTS. The unrestricted cash and investments balance on June 30, 2024, was \$13.88M and the unrestricted cash and investments balance on May 31, 2024 was \$14.00M, a decrease of \$0.12M.

The decrease in unrestricted cash and investments was primarily due to: (1) cash provided by Capital and Related Financing Activities of (\$321K) and cash provided by Investing Activities of (\$1,963K) and (2) cash used by Operating Activities of (\$0.3M), (see Statement of Cash Flows on Page 17 for more details).

Chart 6 graphically presents the monthly balances of unrestricted cash and investments.

Chart 6

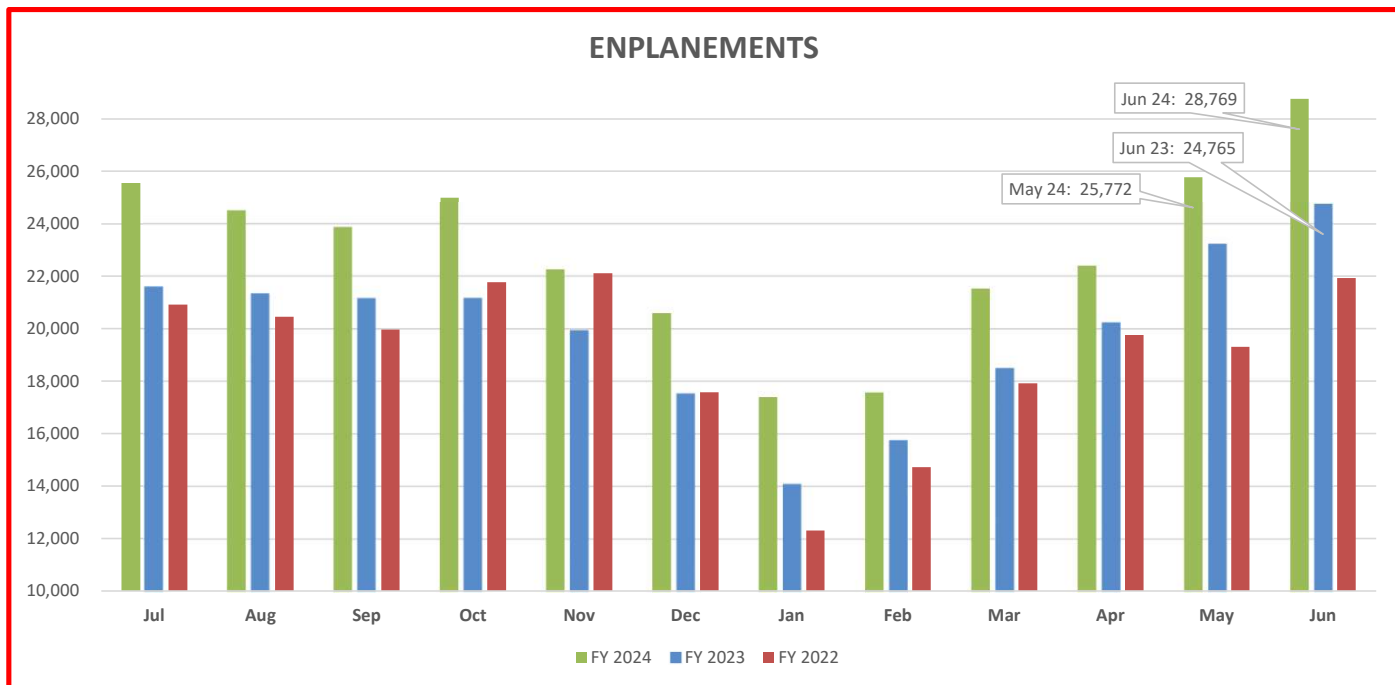


SELECTED OPERATING STATISTICS:

ENPLANEMENTS AND LOAD FACTORS. The table below presents simple load factors for fiscal years 2018 to 2024. Load factors indicate the customer utilization of available airline seat capacity which generally correlates to customer use of TCP, Taxi and TNC services, parking, and other support services. Simple load factors do not include non-revenue enplanements. Historically, annual load factors range from approximately 70% to 77%; FY21 load factors reflect the impact of COVID-19. Commercial Airline aircraft types have a direct impact on capacity and potential changes in enplanements. As the mix of aircraft and destinations change, the goal is to have load factors sustained or increased, which indicates that customers are willing to use the services offered by the Airlines.

Fiscal Year	June 30, 2024				FYTD			
	Load Factors	Enplanements	Available Seats	Flights	Load Factors	Enplanements	Available Seats	Flights
2024	77.9%	28,769	36,932	433	75.9%	275,259	362,626	4,350
2023	81.8%	24,765	30,262	373	76.4%	239,644	313,604	4,230
2022	72.5%	21,933	30,270	419	74.5%	228,763	306,880	4,549
2021	83.8%	18,083	21,580	286	53.1%	103,309	194,568	2,641
2020	43.8%	3,499	7,994	123	67.3%	171,709	254,974	3,855
2019	73.8%	21,774	29,492	437	69.3%	205,604	296,501	4,433
2018	71.8%	15,857	22,078	349	75.7%	190,056	250,984	3,934

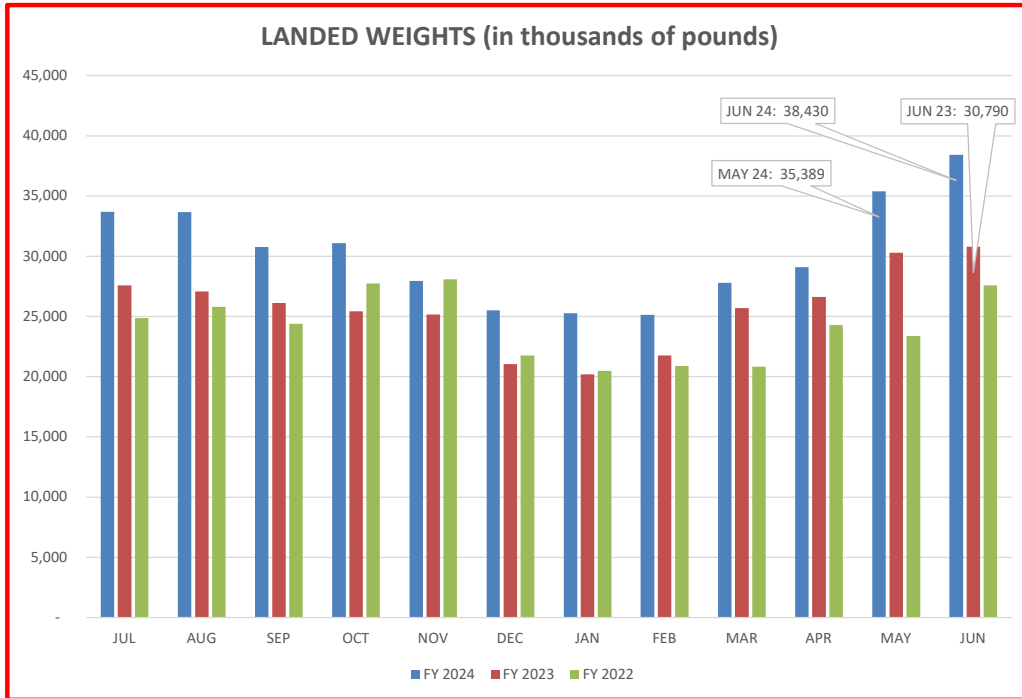
Chart 7 below presents a comparison of monthly enplanements for FY 2024 to all FY 2023 and FY 2022 enplanements (which reflect the seasonality of the Airport's business cycle). When comparing enplanements for June 2024 (28,769) and May 2024 (25,772), enplanements increase by 2,997. When comparing June 2024 to June 2023, enplanements increased by 4,004/16.2%: (28,769) vs. (24,765).



LANDED WEIGHTS. Chart 8 compares the Airport's landed weights for FY 2024 to FY 2023. We anticipate landed weights for FY 2024 to increase as American continues up-gauging with heavier aircraft (the Mainline A319 has a MGLW of 137,788 pounds, as compared to a MGLW of 74,957 pounds for the Regional Embraer 175).

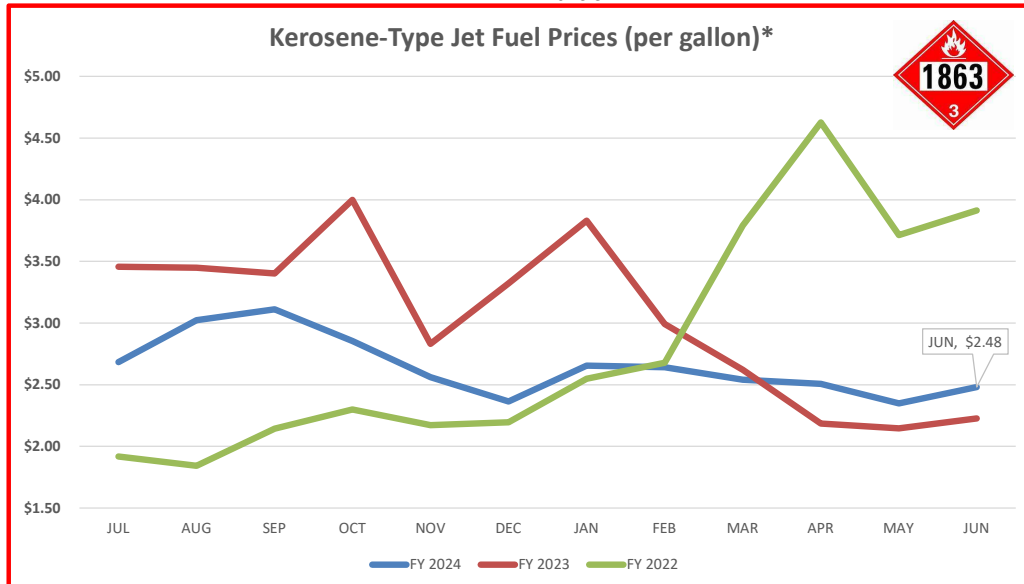
Total landed weights for June 2024 were 38,430K pounds, an increase of 7,640K pounds over the 30,790K pounds landed in the comparable period in 2023, and an increase of 3,041K pounds over the 35,389K pounds landed in May 2024, due primarily to the anticipated increase in seasonal demand and additions of flights (433 in June vs. 425 in May).

Chart 8



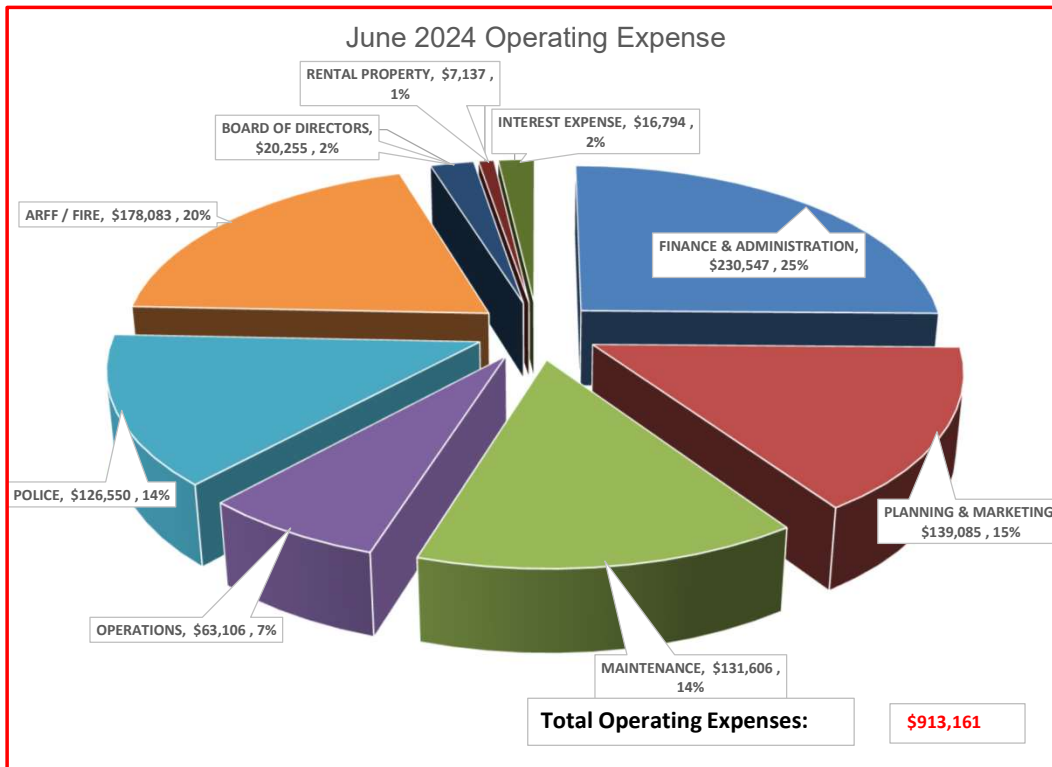
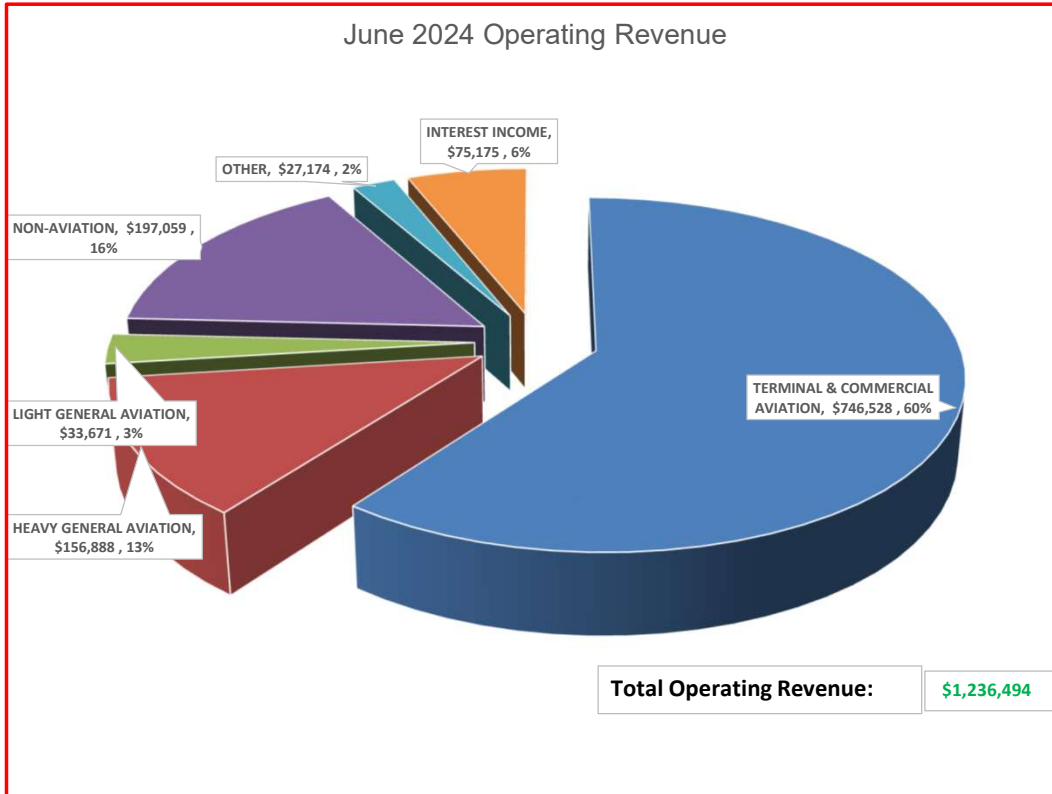
JET FUEL PRICES. Fuel (after crew costs) is an airline's largest operating cost, comprising as much as 29% of operating expenses. Rising fuel costs may put negative pressure on air carrier profitability, and as such it is an important macro indicator. Jet Fuel Prices are 100% correlated to fluctuations in crude oil spot prices, plus fluctuations in the Crack Spread (the Refinery's margin). **Chart 9** tracks the historical wholesale prices over the last 3 fiscal years.

Chart 9

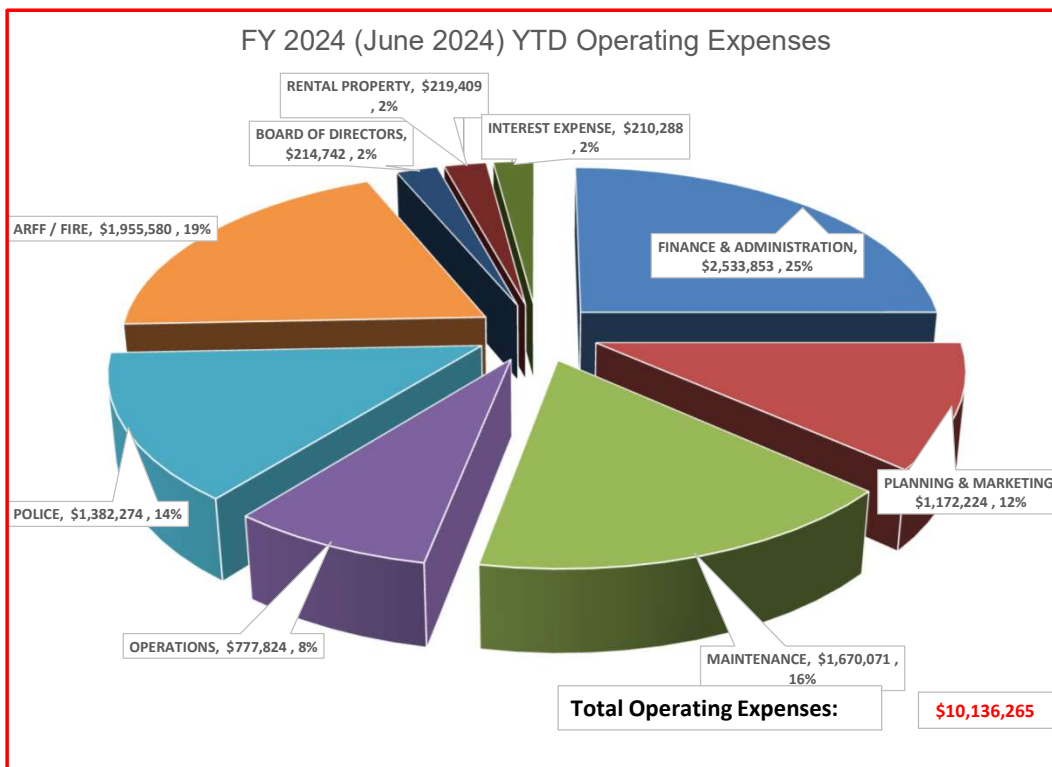
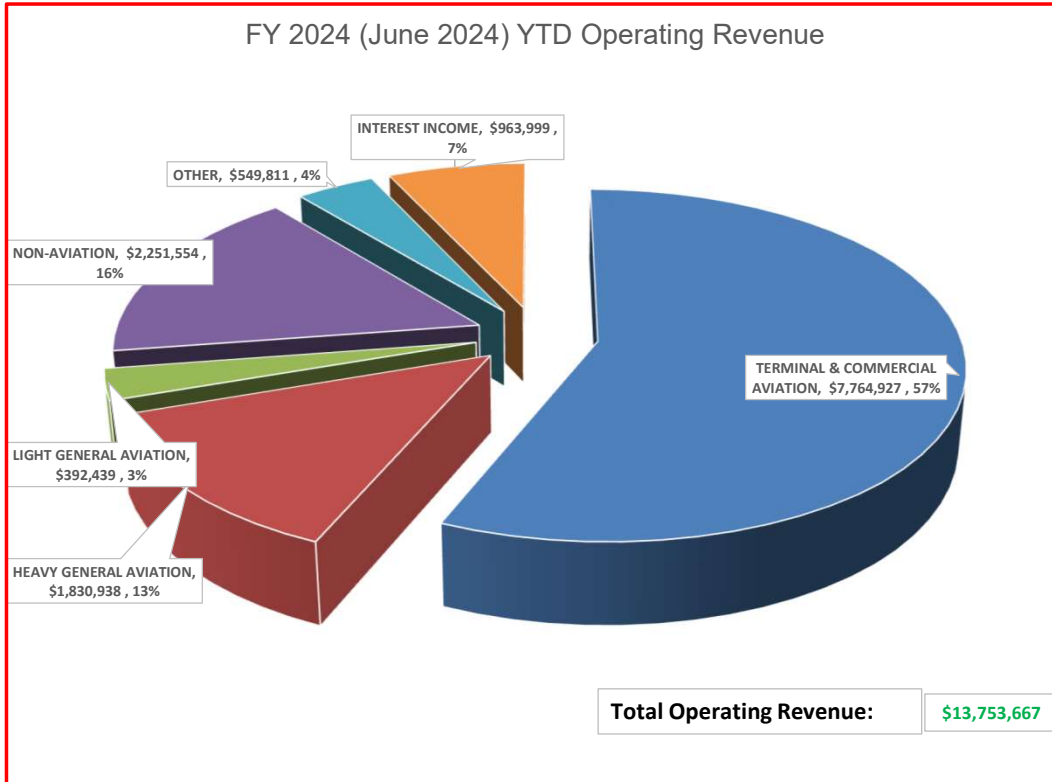


* Source: Federal Reserve Economic Data; Kerosene-Type Jet Fuel Prices: U.S. Gulf Coast.

Monterey Peninsula Airport District



Monterey Peninsula Airport District



AIRPORT DISTRICT OPERATING AND FINANCIAL PERFORMANCE SUMMARY

June 2024

OPERATING STATISTICS	June 2024	Budget	%	June 2023	YTD FY 24	Budget	%	YTD FY 23
AIRPORT ACTIVITY								
Air Carrier Landings ¹	433	392	10%	373	4,350	4,108	6%	4,230
Landed Weight (in thousands of pounds)	38,430	33,932	13%	30,790	363,802	349,813	4%	307,931
Enplanements	28,769	24,866	16%	24,765	275,259	261,312	5%	239,528
Passengers (emp/dep)	57,078			48,572	551,837			477,517
Total Cargo (in pounds)	47,595			56,653	638,536			605,592
Commercial	1,615			1,481	17,399			16,899
General Aviation	3,179			2,808	37,479			35,350
Military	67			74	524			1,882
TOTAL AIRCRAFT OPERATIONS	4,861			4,363	55,402			54,131
VEHICLE EXIT COUNT								
Long Term (1) Lot	2,165	1,903	14%	2,275	30,869	23,066	34%	25,254
Upper Short Term (2) Lot	3,190	1,968	62%	2,590	30,264	24,604	23%	23,629
Lower Short Term (3) Premium Lot	7,309	6,471	13%	6,935	73,066	70,607	3%	70,670
TOTAL VEHICLE EXIT COUNT	12,664	10,342	22%	11,800	134,199	118,277	13%	119,553

1: Cancelled Flight Landings: Current Month =3 (0 - Alaska /0 - Allegiant /1 - American /2 - United) FYTD = 46 (1 - Alaska /0 - Allegiant /24 - American /21 - United)

	June 2024 ACTUAL	June 2024 Budget	\$ ▲ Favorable ▼ Unfavorable	June 2023 ACTUAL	YTD FY 24 ACTUAL	Budget	\$ ▲ Favorable ▼ Unfavorable	YTD FY 23 ACTUAL
OPERATING REVENUE								
TERMINAL								
CA Landing, RON, Apron, and Fuel Flowage Fees	\$ 164,054	\$ 137,707	\$26,347 ▲	\$ 109,661	\$ 1,518,410	\$ 1,443,894	\$74,516 ▲	1,079,204
Rents	169,782	170,967	(1,184) ▼	145,245	2,062,795	2,051,587	11,208 ▲	1,740,771
TCP, Taxi & TNC Operator Permits	258	437	(179) ▼	420	8,142	5,460	2,682 ▲	5,610
Taxi Trip Fees	3,411	3,900	(489) ▼	3,276	33,683	42,506	(8,823) ▼	37,525
TNC Trip Fees and Peer-to-Peer Rentals	27,613	15,824	11,789 ▲	21,315	278,801	200,857	77,944 ▲	213,604
Concessions	27,833	26,039	1,795 ▲	27,638	311,301	293,231	18,070 ▲	285,167
Rental Car	203,789	186,966	16,823 ▲	165,915	1,963,948	1,930,399	33,549 ▲	1,805,190
Parking	149,787	108,701	41,086 ▲	107,784	1,587,847	1,342,186	245,661 ▲	1,173,586
HEAVY GENERAL AVIATION								
GA Landing and Special Event Fees	48,120	40,736	7,384 ▲	39,491	552,534	509,676	42,858 ▲	446,354
FBO Rent	54,089	53,199	890 ▲	60,677	694,816	665,100	29,716 ▲	714,124
Fuel Flowage Fees	54,679	48,124	6,555 ▲	43,071	583,588	505,247	78,341 ▲	478,224
LIGHT GENERAL AVIATION								
	33,671	45,913	(12,242) ▼	32,188	392,439	499,636	(107,197) ▼	398,651
NON-AVIATION								
	197,059	179,831	17,228 ▲	183,946	2,251,554	2,192,728	58,826 ▲	2,201,101
OTHER OPERATING REVENUE								
	27,174	25,285	1,889 ▲	30,436	549,811	423,590	126,221 ▲	604,661
INTEREST INCOME								
	75,175	37,595	37,580 ▲	79,830	963,999	484,794	479,205 ▲	360,733
TOTAL OPERATING REVENUE	\$ 1,236,494	\$ 1,081,223	\$155,271 ▲	\$ 1,050,892	\$ 13,753,667	\$ 12,590,891	\$1,162,777 ▲	\$ 11,544,505

OPERATING EXPENSE								
Finance & Administration	\$ 230,547	\$ 194,499	(\$36,048) ▼	\$ 230,332	\$ 2,533,853	\$ 2,555,923	\$22,070 ▲	2,367,758
Planning & Marketing	139,085	88,089	(50,996) ▼	51,982	1,172,224	1,174,525	2,301 ▲	657,209
Maintenance & Custodial Services	131,606	132,676	1,071 ▲	113,185	1,670,071	1,765,025	94,954 ▲	1,515,482
Airport Operations	63,106	74,730	11,624 ▲	46,449	777,824	854,629	76,806 ▲	543,010
Police Services	126,550	115,565	(10,984) ▼	97,773	1,382,274	1,385,092	2,818 ▲	1,177,447
ARFF/Fire Services	178,083	171,892	(6,191) ▼	137,539	1,955,580	1,953,989	(1,591) ▼	1,659,879
Board of Directors	20,255	15,590	(4,665) ▼	26,002	214,742	194,967	(19,775) ▼	222,837
Office Rentals	7,137	7,505	368 ▲	6,132	219,409	132,025	(87,384) ▼	135,161
Interest Expense	16,794	16,192	(601) ▼	17,456	210,288	210,288	(0) ▼	60,518
TOTAL OPERATING EXPENSE	\$ 913,161	\$ 816,739	(\$96,423) ▼	\$ 726,849	\$ 10,136,265	\$ 10,226,464	\$90,199 ▲	\$ 8,339,300

OPERATING INCOME	\$ 323,333	\$ 264,485	\$58,848 ▲	\$ 324,043	\$ 3,617,402	\$ 2,364,427	\$1,252,976 ▲	\$ 3,205,205
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DISTRICT CAPITAL EXPENDITURES (See Page 20)	\$ (46,108)	\$ (196,908)	\$150,801 ▲	\$ -	\$ (991,524)	\$ (3,411,449)	\$2,419,925 ▲	\$ (7,558,328)
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DEBT SERVICE - PRINCIPAL ONLY	\$ (1,202)			\$ (4,442)	\$ (345,475)			\$ (196,503)
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MONTEREY PENINSULA AIRPORT DISTRICT

Statements of Net Position

	June 30, 2024 (Unaudited)	June 30, 2023 (Audited)
ASSETS:		
Current assets:		
Unrestricted:		
Cash	\$ 359,803	\$ 1,983,524
Investments - L.A.I.F.	168,231	492,500
Investments - T-Bills	12,860,387	14,470,883
Investments - Negotiable CDs	494,723	873,032
Accounts receivable, net of \$10,000 allowance	1,051,887	644,659
Accrued Interest receivable	115,926	159,451
Leases receivable (GASB 87), current portion ⁽¹⁾	1,280,411	1,073,013
FAA Grant Receivable	5,161,546	941,320
Prepaid and other assets	255,925	146,350
	<u>21,748,837</u>	<u>20,784,732</u>
Restricted:		
Cash	521,175	2,910,566
Investments - T-Bills	3,157,647	396,872
Investments - Negotiable CDs	97,946	290,389
PFC Receivable	220,339	194,373
Accrued Interest Receivable	16,941	1,517
Total restricted current assets	<u>4,014,048</u>	<u>3,793,717</u>
Total Current Assets	<u>25,762,885</u>	<u>24,578,449</u>
Noncurrent assets:		
Leases receivable (GASB 87), net of current portion ⁽¹⁾	9,429,531	9,574,583
Tenant receivable, net of current portion	24,922	40,260
Right-of-Use (GASB 96), net of current portion	3,477	11,581
Bond Offering Costs	1,500	-
Capital assets:		
Construction-in-Process	36,982,706	12,068,064
Non-depreciable land	4,206,755	4,206,755
Depreciable capital assets, net	73,615,398	75,504,376
Total Capital assets:	<u>114,804,859</u>	<u>91,779,195</u>
Total Noncurrent assets:	<u>124,264,288</u>	<u>101,405,619</u>
Total Current and Noncurrent assets:	<u>150,027,173</u>	<u>125,984,068</u>
DEFERRED OUTFLOWS OF RESOURCES:		
Actuarial valuation of deferred outflows related to pensions ⁽²⁾	5,098,192	5,098,192
Actuarial valuation of deferred outflows related to OPEB ⁽⁴⁾	244,433	310,596
	<u>5,342,625</u>	<u>5,408,788</u>
LIABILITIES:		
Current liabilities:		
Accounts Payable	6,432,750	1,228,176
Accrued liabilities	162,105	87,174
Accrued Interest	36,567	38,008
Unearned revenues, current portion	26,010	53,024
Loans payable, current portion	320,462	346,678
SBITA (GASB 96) liability	3,477	11,581
Funds held in trust (CFCs)	1,628,390	1,055,030
Accrued compensated absences, current portion	44,827	30,689
Total Current Liabilities	<u>8,654,588</u>	<u>2,850,360</u>
Long-term liabilities:		
Security deposits	440,829	449,333
Unearned revenues, net of current portion	212,290	221,167
Accrued compensated absences, net of current portion	163,361	140,986
Actuarial valuation of net pension liability ⁽⁶⁾	5,802,890	5,802,890
Actuarial valuation of OPEB liability ⁽⁷⁾	1,386,786	1,560,497
Loans payable, net of current portion	5,313,640	5,632,900
Total Long-Term Liabilities	<u>13,319,797</u>	<u>13,807,773</u>
Total Liabilities	<u>21,974,384</u>	<u>16,658,133</u>
DEFERRED INFLOWS OF RESOURCES:		
Actuarial valuation of deferred inflows related to pensions ⁽³⁾	5,009,360	5,009,360
Actuarial valuation of deferred inflows related to OPEB ⁽⁵⁾	805,752	901,675
Deferred inflows related to leases (GASB 87) ⁽¹⁾	10,709,942	10,647,596
Total Deferred Inflows of Resources	<u>16,525,054</u>	<u>16,558,631</u>
NET POSITION:		
Net investment in capital assets	105,064,931	84,679,500
Restricted - unspent Passenger Facilities Charges	293,164	1,664,398
Restricted - Cash Assets	(1,920,688)	1,007,340
Unrestricted	13,432,952	10,824,852
	<u>\$ 116,870,360</u>	<u>\$ 98,176,090</u>

See Notes to Statements of Net Position.

**Notes to Statement of Net Position
As of June 30,2024**

	Lease Receivable	Lease Interest	Total Lease Payments
1. Lease Receivable (GASB 87)			
Current:			
FY 2025	\$ 1,280,411	\$ 426,400	\$ 1,706,811
Noncurrent:			
FY 2026	1,225,625	373,367	1,598,991
FY 2027	1,273,892	321,022	1,594,914
FY 2028	890,517	272,670	1,163,187
FY 2029	713,259	239,752	953,011
FY 2030-FY2034	1,969,860	882,516	2,852,376
FY 2035-FY2039	921,598	608,061	1,529,659
FY 2040-FY2044	1,057,395	406,979	1,464,374
FY 2045-FY2049	985,112	177,000	1,162,112
FY 2049-FY2053	392,274	31,415	423,689
	9,429,531	3,312,782	12,742,313
	\$ 10,709,942	\$ 3,739,182	\$ 14,449,124

The District recognizes lease revenues by category and three categories were impacted by the implementation of GASB 87: General Aviation, Terminal Concessions and Non-Aviation revenue categories.

GASB 87 specifically excludes Regulated leases for which the District is the lessor. Terminal space, aircraft hangars, and recreational vehicle parking space future lease revenue are excluded.

	Combined	Miscellaneous	Safety
2. Deferred Outflows of Resources related to Pensions			
Pension contributions subsequent to measurement date	\$ 627,970	\$ 163,779	\$ 464,191
Changes of Assumptions	588,906	237,316	351,590
Differences between expected and actual experience	190,821	46,509	144,312
Net Difference between Projected and Actual Earnings	974,857	424,218	550,639
Adjustments due to differences in proportions	57,913	41,834	16,079
Difference in actual to proportionate share contribution	2,657,725	616,663	2,041,062
	\$ 5,098,192	\$ 1,530,319	\$ 3,567,873

	Combined	Miscellaneous	Safety
3. Deferred Inflows of Resources related to Pensions			
Differences between expected and actual experience	\$ 69,015	\$ 31,149	\$ 37,866
Adjustments due to differences in proportions	4,510,691	954,611	3,556,080
Differences between actual contributions and the proportionate share of contributions	429,653	64,710	364,943
	\$ 5,009,359	\$ 1,050,470	\$ 3,958,889

The District's proportion of the net pension liability was based on the District's share of the actuarial accrued liability of the cost-sharing plan, less the District's share of the fiduciary net position.

4. Deferred Outflows of Resources related to OPEB	
Changes in assumptions	\$ 86,893
Differences between expected and actual experience	91,840
Contributions made subsequent to the Measurement Date	65,700
	\$ 244,433

5. Deferred Inflows of Resources related to OPEB	
Changes in assumptions	\$ 317,808
Differences between expected and actual experience	487,944
	\$ 805,752

6. Net Pension Liability	
CalPERS - Miscellaneous Plan (6/30/2022 Measurement Date)	\$ 2,315,936
CalPERS - Safety Plan (6/30/2022 Measurement Date)	3,486,953
	\$ 5,802,889

7. Total OPEB Liability	
Police	\$ 357,799
Fire	606,670
Miscellaneous Plan	422,317
	\$ 1,386,786

MONTEREY PENINSULA AIRPORT DISTRICT

Statement of Cash Flows

	June 2024 (Unaudited)	FYTD 2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	\$ 1,050,017	\$ 12,898,290
Payments to vendors for goods and services	(1,007,140)	(17,861,496)
Payments for employees pension and OPEB benefits	(50,045)	(536,559)
Payments to employees for services	<u>(269,549)</u>	<u>(3,055,000)</u>
Net Cash Provided (Used) by Operating Activities	<u>(276,716)</u>	<u>(8,554,764)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from FAA Grants and Passenger Facilities Charges	526,570	16,788,829
Proceeds from Customer Facilities Charges	568	27,402
Acquisition and construction of capital assets	(204,438)	(12,545,416)
Interest paid on loans	(0)	(211,729)
Principal paid on loans	<u>(1,202)</u>	<u>(345,475)</u>
Net cash provided (used) by capital and related financing activities	<u>321,498</u>	<u>3,713,611</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income received	68,596	994,335
Investments matured (purchased)	<u>(75,828)</u>	<u>(248,044)</u>
Net cash (used) by investing activities	<u>(7,232)</u>	<u>746,291</u>
CASH FLOWS FROM NON-OPERATING ACTIVITIES:		
	<u>-</u>	<u>81,750</u>
Net Change in Cash and Cash equivalents	37,549	(4,013,112)
Cash and Cash Equivalents at Beginning of Period	843,429	4,894,090
Cash and Cash Equivalents at End of Period	<u>\$ 880,978</u>	<u>\$ 880,978</u>
STATEMENT OF NET POSITION		
CLASSIFICATION OF CASH AND CASH EQUIVALENTS:		
Unrestricted	\$ 359,803	\$ 359,803
Restricted	521,175	521,175
Total cash and cash equivalents	<u>\$ 880,978</u>	<u>\$ 880,978</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:		
Operating Loss after Depreciation and Amortization	\$ (246,764)	\$ (2,389,139)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	511,716	6,236,978
(Increase) decrease in:		
Accounts receivable	(181,908)	(435,570)
Prepaid and other current assets	(161,131)	(169,399)
Increase (decrease) in:		
Accounts payable	(285,287)	(12,429,930)
Accrued liabilities	583	52,971
Interest Payable	-	-
Security deposits	(750)	(8,505)
Unearned revenues	71,356	537,469
Accrued compensated absences	15,469	50,361
Total Adjustments	<u>(29,952)</u>	<u>(6,165,625)</u>
Net cash provided (used) by operating activities	<u>\$ (276,716)</u>	<u>\$ (8,554,764)</u>
Non-cash capital and related financing activities:		
Acquisition of capital assets in accounts payable	<u>\$ 4,105,826</u>	<u>\$ 4,105,826</u>
Accrued interest on CEC and CalTrans loans	<u>\$ 16,794</u>	<u>\$ 210,288</u>

MONTEREY PENINSULA AIRPORT DISTRICT
FINANCIAL STATEMENTS UNAUDITED

	FY 2024 June ACTUAL	FY 2024 YEAR-TO-DATE ACTUAL
SOURCES AND USES OF CASH -- OPERATIONS		
SOURCES OF CASH:		
CASH RECEIVED - OPERATING REVENUE	\$ 1,161,319	\$ 12,789,668
CASH RECEIVED - INTEREST INCOME	75,175	963,999
CASH RECEIVED	<u>1,236,494</u>	<u>13,753,667</u>
USES OF CASH -- OPERATIONS:		
CASH (DISBURSED) - OPERATING EXPENSE	(896,368)	(9,925,977)
CASH (DISBURSED) - DEBT SERVICE (INTEREST EXPENSE)	(16,794)	(210,288)
CASH (DISBURSED) - DEBT SERVICE (PRINCIPAL REDUCTION)	<u>(1,202)</u>	<u>(345,475)</u>
CASH (DISBURSED)	<u>(914,364)</u>	<u>(10,481,740)</u>
CHANGE IN CASH POSITION FROM OPERATIONS & DEBT SERVICE	<u>322,130</u>	<u>3,271,928</u>
USES OF CASH -- CAPITAL PROGRAM:		
CASH (DISBURSED) - ALL CAPITAL PROJECTS (See Page 20)	(4,293,539)	(23,479,019)
CASH (DISBURSED) - MONTEREY FUEL COMPANY	-	(3,000,000)
CASH REIMBURSED - ALL CAPITAL PROJECTS (See Page 21)	<u>5,837,721</u>	<u>22,442,768</u>
CHANGE IN CASH POSITION FROM CAPITAL PROGRAM	<u>1,544,181</u>	<u>(4,036,252)</u>
CHANGE IN CASH POSITION FROM OPERATIONS, CAPITAL & DEBT SERVICE	<u><u>\$ 1,866,312</u></u>	<u><u>\$ (764,324)</u></u>

FISCAL YEAR 2024
FINANCIAL STATEMENTS UNAUDITED
Construction-In-Progress
June 30, 2024

Project Number/AIP #	Project Name	Balance at June 30, 2023	FYTD Additions	FYTD Placed in Service	Balance at June 30, 2024	Total Spent And/Or Committed	Total Project Budget	Percentage Physically Complete
CFC Funded:								
2019-03	Water Distribution System	\$ 937,761	\$366,118		\$ 1,303,879	\$ 3,547,543	\$2,828,058	46%
FAA/PFC Funded:								
2022-01/AIP 79	SEP Phase B1/B2/B3 - ARFF D & C	5,279,526	5,237,089		10,516,615	11,161,991	11,209,740	94%
2024-01	SEP Phase D1 - Terminal Design (BIL ATP)	0	2,996,843		2,996,843	4,899,402	3,150,000	95%
2023-03	Commercial Apron	0	13,887,445		13,887,445	41,226,842	44,707,180	31%
		5,279,526	22,121,377	0	27,400,903	57,288,235	59,066,920	
District Only Funded:								
2023-01	SEP Phase D1 - Terminal Design ¹	195,858	904,690		1,100,548	1,100,548	3,664,550	30%
2023-03	Commercial Apron ²	-	86,834		86,834	81,834	81,834	0%
2023-08	SE Hangar Relocation - \$7M	5,309,298	1,781,245		7,090,542	7,080,527	7,100,000	100%
		5,505,155	2,772,769	-	8,277,924	8,262,908	10,846,384	
		\$ 11,722,442	\$ 25,260,264	\$ -	\$ 36,982,706	\$ 69,098,687	\$ 72,741,362	
FY 2024 Closed Projects:								
2020-14	Northwest Building Abatement	203,879	-	(203,879)	-			
2023-04	2801 Property Repairs	40,871	378,851	(419,722)	-			
2023-05	Fred Kane to Skypark Paving	31,661	257,016	(288,677)	-			
2024-02	New Maintenance EV Truck	-	58,708	(58,708)	-			
2024-03	Airfield and Property Maintenance	-	199,490	(199,490)	-			
2024-04	Terminal Area Improvements	-	61,889	(61,889)	-			
2023-07	West Hold Room Passenger flow upgrades	69,210	58,004	(127,214)	-			
		\$ 345,621	\$ 1,013,957	\$ (1,359,578)	\$ -			

¹Funds advanced by District as authorized by Resolution #1855.

FISCAL YEAR 2024
Airport Capital Improvements / Capital Expenditures
FINANCIAL STATEMENTS UNAUDITED
June 30, 2024

Airport Improvement Programs

District Expenditures
AIP -- FAA Funded Expenditures
AIP -- PFC Funded Expenditures
AIP -- CFC Funded Expenditures
Total Capital Improvement Expenditures

Actual FY 2024	
Current Period	
\$ 46,107.50	1%
3,547,702.00	83%
350,898.29	8%
348,831.55	8%
\$ 4,293,539.34	100%

Actual FY 2024	
Year-To-Date	
\$ 991,524.05	4%
20,137,046.00	86%
1,984,330.99	8%
366,118.33	2%
\$ 23,479,019.37	100%

FY 2024 District Capital Expenses/Budget:

	June 2024	Budget	Actual FYTD	Budget FYTD
CFC Funded:				
2019-03 Water Distribution System	\$ 348,831.55	-	\$ 366,118.33	\$ 1,975,532.00
FAA/PFC Funded:				
2022-01 SEP Phase B1/B2/B3-ARFF Design	5,597.10	-	5,237,089.09	6,400,216.00
2023-03 Commercial Apron Construction	3,471,221.83	2,120,000.00	13,887,444.59	20,837,180.00
2024-01 Terminal Design (BIL ATP)	421,781.36	262,500.00	2,996,843.31	3,150,000.00
	<u>3,898,600.29</u>	<u>2,382,500.00</u>	<u>22,121,376.99</u>	<u>30,387,396.00</u>
District Funded:				
2023-01 SEP Phase D1 Terminal Design ¹	46,107.50	196,908.00	904,690.19	2,865,449.00
2023-03 Commercial Apron Construction ²	-	-	86,833.86	400,000.00
	<u>46,107.50</u>	<u>196,908.00</u>	<u>991,524.05</u>	<u>3,411,449.00</u>
	<u>\$ 4,293,539.34</u>	<u>\$ 2,579,408.00</u>	<u>\$ 23,479,019.37</u>	<u>\$ 35,774,377.00</u>

¹Funds advanced by District pending approval of BIL Entitlement Grant of \$3,322,281.

²Funds advanced by District as authorized by Resolution #1855.

FISCAL YEAR 2024
FINANCIAL STATEMENTS UNAUDITED
Non-District Funding and Reimbursements of Construction-In-Progress
June 30,2024

Project Number/AIP #	Project Name	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals
Reimbursements & Transfers from Restricted Cash														
CFC Funded:														
2019-03	Water Distribution System	\$ 10,513	\$ 3,123	\$ 4,273	\$ 6,582	\$ 747	\$ 700	\$ -	\$ 898	\$ -	\$ -	\$ -	\$ 568	\$ 27,404
FAA Reimbursed:														
2020-12/AIP 73	Northeast GA Apron Construction		120,167											120,167
2021-04/AIP 76	SEP Phase 1 A1- Commercial Apron Design	52,501												52,501
2022-01/AIP 79	SEP Phase B1/B2/B3 - ARFF		768,652	2,706,796		1,038,720		833,760	14,051					5,361,979
2023-03/AIP 80*	Commercial Apron Construction					71,555		1,521,233	1,597,078	973,791	1,772,413	1,579,023	4,760,854	12,275,947
2024-01/AIP 81*	Terminal Design (BIL ATP)					8,622	195,608	210,394	404,567	601,240		792,600	815,386	3,028,417
		<u>\$ 52,501</u>	<u>\$ 888,819</u>	<u>\$ 2,706,796</u>	<u>\$ -</u>	<u>\$ 1,118,897</u>	<u>\$ 195,608</u>	<u>\$ 2,565,387</u>	<u>\$ 2,015,696</u>	<u>\$ 1,575,031</u>	<u>\$ 1,772,413</u>	<u>\$ 2,371,623</u>	<u>\$ 5,576,240</u>	<u>\$ 20,839,011</u>
PFC Funded:														
2020-04	CCTV and Perimeter Camera System	4,158												4,158
2020-12/AIP 73	Northeast GA Apron Construction		9,544											9,544
2022-01/AIP 79	SEP Phase B1/B2/B3 - ARFF	79,189	64,222	148,338	72,361		14,399	290				22,138	41,038	441,974
2023-03/AIP 80	Commercial Apron Construction				280	18	25,764	157,030	164,844	100,322	182,849	162,771	198,049	991,926
2024-01/AIP 81	Terminal Design (BIL ATP)						1,201	11,073	21,292	31,643	28,127	13,589	21,826	128,751
		<u>83,347</u>	<u>73,766</u>	<u>148,338</u>	<u>72,641</u>	<u>18</u>	<u>41,364</u>	<u>168,393</u>	<u>186,136</u>	<u>131,966</u>	<u>210,975</u>	<u>198,498</u>	<u>260,913</u>	<u>1,576,353</u>
	Grand Totals	<u>\$ 146,361</u>	<u>\$ 965,708</u>	<u>\$ 2,859,407</u>	<u>\$ 79,223</u>	<u>\$ 1,119,662</u>	<u>\$ 237,672</u>	<u>\$ 2,733,780</u>	<u>\$ 2,202,730</u>	<u>\$ 1,706,997</u>	<u>\$ 1,983,388</u>	<u>\$ 2,570,121</u>	<u>\$ 5,837,721</u>	<u>\$ 22,442,768</u>

*AIP 80 FAA reimbursements of June invoices accrued as of June 30, 2024. Payments received in July.

AIP 81 FAA reimbursements of June invoices of \$400,692 accrued as of June 30, 2024. Payments received in July.

FISCAL YEAR 2024
Schedule Of Cash and Investments
FINANCIAL STATEMENTS UNAUDITED

	Par Value	Settle Date	Maturity Date	Value At June 30,2024	Yield/ Interest Rate
UNRESTRICTED:					
U.S. Treasury Bills - MPAD (JP Morgan custodian):					
U.S. Treasury Bill - \$1,526,000 - 1 Month	\$ 1,526,000.00	6/13/24	7/11/24	\$ 1,519,894.05	5.25%
U.S. Treasury Bill - \$1,008,000 - 1 Month	\$ 1,008,000.00	6/18/24	7/18/24	\$ 1,003,687.44	5.24%
U.S. Treasury Bill - \$1,015,000 - 2 Month	\$ 1,015,000.00	6/11/24	8/8/24	\$ 1,006,574.23	5.28%
U.S. Treasury Bill - \$2,554,000 - 2 Month	\$ 2,554,000.00	6/20/24	8/20/24	\$ 2,531,777.72	5.25%
U.S. Treasury Bill - \$1,013,000 - 3 Month	\$ 1,013,000.00	4/18/24	7/18/24	\$ 999,830.38	5.30%
U.S. Treasury Bill - \$2,542,000 - 4 Month	\$ 2,542,000.00	3/21/24	7/16/24	\$ 2,499,895.27	5.25%
U.S. Treasury Bill - \$813,000 - 4 Month	\$ 813,000.00	4/18/24	8/13/24	\$ 799,436.01	5.29%
U.S. Treasury Bill - \$2,564,000 - 6 Month	\$ 2,564,000.00	3/21/24	9/19/24	\$ 2,499,291.48	5.19%
	<u>\$ 13,035,000.00</u>			<u>\$ 12,860,386.58</u>	
Pooled Money Investment Account - MPAD					
State of California - Local Agency Investment Fund		Various	Various	<u>168,853.01</u>	4.00%
Money Market Account - MPAD					
JP Morgan Chase - District Reserve - Money Market Account				<u>2,132.43</u>	0.01%
Royal Alliance - Certificates of Deposits and Cash Equivalents - MPAD					
Sallie Mae BK Salt Lake City UT CTF DEP ACT/365		06/28/22	07/08/24	250,000.00	3.30%
Capital One Bank USA New York CFT DEP ACT/365		04/13/22	04/15/25	<u>250,000.00</u>	2.60%
				500,000.00	
Cash And Cash Equivalents		Various	Various	<u>-</u>	Variable
				<u>500,000.00</u>	
General Accounts - MPAD					
JP Morgan Chase - various checking accounts				<u>357,670.70</u>	
				13,889,042.72	
MPAD Cash and Investments - Unrestricted				(622.05)	
Less: L.A.I.F. 06/30/2024 Fair Value Adjustment				<u>(5,277.50)</u>	
Less: CDs June 30,2024 matrix pricing adjustment					
Unrestricted Cash and Investments				<u>\$ 13,883,143.17</u>	
				\$ 359,803.13	
Unrestricted Cash				<u>13,523,340.04</u>	
Unrestricted Investments				<u>\$ 13,883,143.17</u>	

FISCAL YEAR 2024
Schedule Of Cash and Investments
FINANCIAL STATEMENTS UNAUDITED

	Par Value	Purchase Date	Maturity Date	Value At June 30,2024	Yield/ Interest Rate
RESTRICTED:					
Tenant's Security Deposits - RESTRICTED:					
U.S. Treasury Bills - MPAD (JP Morgan custodian):					
U.S. Treasury Bill - \$433,000 - 3 Month	\$ 433,000.00	3/26/24	6/20/24	\$ <u>442,179.24</u>	5.28%
Passenger Facility Charges (PFCs) - RESTRICTED:					
Chase Bank - Passenger Facility Charges (PFCs)				\$ 295,215.94	0.01%
U.S. Treasury Bill - \$254,000 - 1 Month	\$ 254,000.00	6/13/24	7/11/24	252,983.68	5.25%
U.S. Treasury Bill - \$253,000 - 2 Month	\$ 253,000.00	5/14/24	7/11/24	250,897.34	5.29%
U.S. Treasury Bill - \$254,000 - 2 Month	\$ 254,000.00	6/20/24	8/20/24	252,781.25	5.25%
U.S. Treasury Bill - \$255,000 - 4 Month	\$ 255,000.00	3/21/24	7/16/24	249,794.41	5.27%
				<u>1,006,456.68</u>	
Royal Alliance - Certificates of Deposits and Cash Equivalents:					
Capital One Bank USA New York CFT DEP ACT/365		04/13/22	04/15/25	100,000.00	3.15%
Cash and Cash Equivalents		Various	Various	2.55	Variable
				<u>100,002.55</u>	
				<u>\$ 1,401,675.17</u>	
Customer Facility Charges (CFCs) - RESTRICTED:					
U.S. Treasury Bill - \$254,000 - 1 Month	\$ 254,000.00	6/13/24	7/11/24	\$ 252,983.68	5.25%
U.S. Treasury Bill - \$265,000 - 2 Month	\$ 265,000.00	5/14/24	7/11/24	262,797.61	5.29%
U.S. Treasury Bill - \$255,000 - 2 Month	\$ 255,000.00	6/20/24	8/20/24	252,781.25	5.25%
U.S. Treasury Bill - \$102,000 - 3 Month	\$ 102,000.00	6/27/24	9/26/24	100,676.67	5.27%
U.S. Treasury Bill - \$508,000 - 4 Month	\$ 508,000.00	3/21/24	7/16/24	499,588.82	5.25%
Chase Bank - Customer Facility Charges (CFCs)				202,248.02	0.01%
				<u>\$ 1,571,076.05</u>	
Tenant's Security Deposits - RESTRICTED:					
Chase Bank - Money Market Account				\$ <u>21,209.66</u>	0.01%
Airport Improvement Program - RESTRICTED:					
Chase Bank - AIP Checking Account				\$ -	
CalTrans Annual Debt Service - RESTRICTED:					
U.S. Treasury Bill - \$349,000 - 6 Months	\$ 349,000.00	3/21/24	9/19/24	\$ 340,183.35	5.42%
Chase Bank - Checking Account				2,498.65	
				<u>\$ 342,682.00</u>	
Sub-Total: MPAD Cash and Investments - Restricted				3,778,822.12	
Less: CDs June 30,2024 matrix pricing adjustment				<u>(2,054.00)</u>	
Restricted Cash and Investments				<u>\$ 3,776,768.12</u>	
Restricted Cash				\$ 521,174.82	
Restricted Investments				3,255,593.30	
				<u>\$ 3,776,768.12</u>	



MONTEREY FIRE DEPARTMENT

Report to Airport Board of Directors

July 2024

1. Incident Responses

Engine assigned to Fire Station 16 (Airport) responded to a total of 62 incidents during the month as follows:

- MPAD property – 8
- City of Monterey – 44
- Other Cities in Monterey Fire Jurisdiction – 6
- Auto / Mutual Aid – 4

2. Training

Personnel completed a total of 48.0 hours of Airport-related training during the month.

Currently the following numbers of personnel are qualified in the ARFF training program:

- Awareness (familiar with operations at the Airport): 76
- Operational (qualified to work at Airport, but live fire training not current): 34
- Technician (fully qualified to be the designated ARFF fire engineer): 12

3. Other

4. Incident List – on Airport property incidents

Alarm Date / Time	Response Time	Location	Incident Type
7/1/2024 12:58 PM	0:05:28	200 Fred Kane DR	EMS call, excluding vehicle accident with injury
7/2/2024 12:36 PM	0:00:00	200 Fred Kane DR	Dispatched & canceled en route
7/3/2024 4:06 PM	0:07:03	300 Sky Park DD	Person in distress, other
7/8/2024 1:18 PM	0:00:00	200 Fred Kane DR	Dispatched & canceled en route
7/14/2024 11:56 AM	0:00:03	200 Fred Kane DR	Gasoline or other flammable liquid spill
7/19/2024 7:36 AM	0:10:54	1202 Airport Rd	Central station, malicious false alarm
7/19/2024 9:49 PM	0:02:36	200 Fred Kane DR	Medical assist, assist EMS crew
7/27/2024 9:24 AM	0:02:50	194 Sky Park DR	Assist invalid

TO: Michael La Pier, Executive Director
FROM: Operations Department
DATE: August 2, 2024
SUBJ: Operations Report

The following is a summary of activity of general Airport Operations for July 2024 and planned airline activities for August 2024.

- 1 The following reports are attached:
 - July 2024 Noise Comment Report
 - Operating and Expense Reports for the Taxi (through July 2024) and TNC ground transportation systems (through June 2024)
 - Commercial Flight Cancellations & Delays Report for July 2024
 - Commercial Flight Schedule for August 2024.

- 2 Below is the summary of scheduled airline activity for August 2024:

Sun Country

- This is a new route operated by a new commercial carrier at the airport. Sun Country will be operating with a Boeing 737-800 (B738) twice a week.
- Scheduled to operate a monthly total of 14 flights (Arrivals and Departures)

Alaska Air operated by SkyWest / Horizon

- Continues to use the Embraer (EMB) 175 aircraft to SAN twice a day and SEA once a day
- Scheduled to operate a monthly total of 186 flights (Arrivals and Departures)

Allegiant Air

- Continues to use the Airbus 319/320 series to LAS on Mondays and Fridays
- Scheduled to operate a total of 16 flights (Arrivals and Departures)

United operated by SkyWest.

- SFO continues two flights a day using the E175.
- LAX continues two flights a day, using the E175.
- DEN continues twice a day with the E175.
- Scheduled to operate a monthly total of 366 flights (Arrivals and Departures)

American Eagle operated by Mesa / Envoy.

- PHX operates between three and four flights a day using a mix of A319 / E175 / CRJ700 aircraft.
- DFW continues with two daily flights using the A319 aircraft.
- Scheduled to operate a monthly total of 384 flights (Arrivals and Departures)

Cumulatively speaking, flights have increased by 211 (968 vs. 757) compared to August 2023, an increase of 27%. The number of available seats has increased by approximately 30% (85,244 vs. 65,298).

**MRY AIRPORT NOISE COMMENT LOG
JULY 2023**

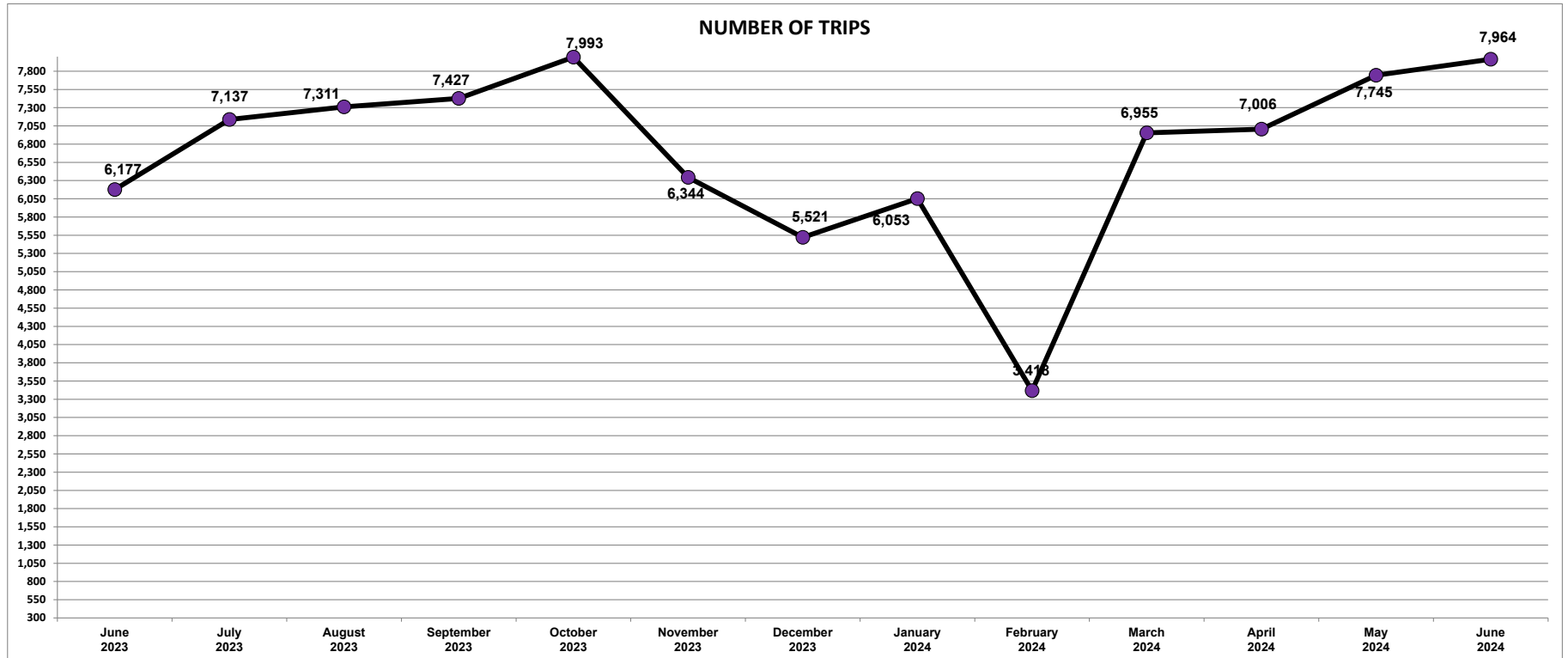
Name	Location (Address)	Incident Date	Incident Time	Aircraft ID	</> of Flight	Comments	By	Action Taken	Reported Weather / Notes	
AIR OPERATIONS CENTERED AT MONTEREY AIRPORT										
1	Dave Smith	Sand City	7/2/2024	5:15 AM	A319	28L dep	As a resident of this area I have observed what I believe are deviations from the planned flight paths causing increased noise levels and disturbances in our community. The flights over the Del Monte Beach Neighborhood beginning at 5:15 AM are not heading towards the Peninsula before turning north at 1100 feet elevation which were established to minimize noise pollution and preserve the quality of life for residents in our neighborhood. These deviations have resulted in heightened disruptions and discomfort for myself and other members of the community. I urge the airport authorities to investigate this issue and take necessary actions to ensure that flights adhere to the approved flight paths. Maintaining the designated flight paths is crucial in mitigating noise disturbances and upholding the peaceful atmosphere of the Del Monte Beach neighborhood. I kindly request regular updates on the measures being implemented to address this concern and any changes planned to rectify the situation.	KC	Explained that after reviewing the flight path all the head start commercial flights followed the recommended departure procedure. Also went on to explain that these earlier departures are some of the largest aircraft servicing the airport which is why they may appear closer.	
2	Dana Heinrich	Montero	7/17/2024	5:15 AM	A319	Departure	The daily 5:10am flight to DFW is extremely disturbing. We purchased our home here fully knowing and loving that we are near the airport and airplanes but we were told that earliest flight was 6am. Why has this parameter changed?	KC	Explained that the flight runs on a more seasonal basis which is why it may appear new. Informed resident that the FAA mandates the airport be open 24/7 as a public use airport and that the airline has the final decision on the flight schedule. Finally explained that this is one of our larger aircraft to service the airport which is why the noise may seem louder than usual.	
3	Martin Patterson	Del Monte Beach	7/12/2024	1:15 PM	Piaggio	28L Der	N806J flew directly over Del Monte Beach creating a noise hazard. Flight path shows they started their northward turn before Hwy 1 causing this instead of following special district guidance https://montereyairport.specialdistrict.org/noise-management-recommendations	MC	Checked flightpath and aircraft did turn early. I responded by saying there are several reasons why this may be the case, but as it's the Tower that direct traffic, I couldn't say for sure the actual reason.	

4	Karen Brown	Monterra	7/17/2024	5:10 AM	A319	N/A	I would like to voice my complaint about the 5 am flights that depart from the airport. These planes are very loud, and wake my family up every morning. We sleep with the windows closed and wear earplugs. I have lived here for 24 years and this last year has been horrible. I strongly object to such early flights. It used to be these were the quiet hours accepted by the airport, but clearly something has changed. How can I further explore the choice to allow these early morning flights? Why can't they be scheduled for later? I feel there was a lack of communication about the change, and I would like more information.	MC	I responded by saying this is a scheduled flight and schedules are set by the airlines. The airport has no say in the scheduling and we are required to be available 24/7. We have no authority to allow aircraft to fly or take off. These early morning flights are scheduled by the airlines to give passengers the greatest option of onward connecting flights.
5	John Beckman	Monterey	7/22/2024	12:00 AM, 12:10 AM, 1:10 AM	Unknown	Unknown	Aircraft taking off after midnight. 12AM 12:10AM 1:10 AM Why not fly all night? My kids don't need sleep? As is you only allow five hours of rest. Are midnight fliers more important than us taxpayers who mindlessly continue to support this money-losing airport? Why can't we have a 10pm to 7am curfew like Burbank? I'm sure we'd like to have a decent night's sleep like they do. 10PM to 7AM flight curfew. Be a good neighbor.	MC	Responded by saying there was some disruption last night due to Instrument Landing System outage, although I couldn't see any departures on flight aware. Also explained we are special district with a healthy budget and aren't funded by local taxpayers. Also explained the Airport Noise and Capacity Act (ANCA) 1990 precludes us from enforcing any kind of curfew.
6	Unknown	Unknown	7/23/2024	Unknown	Unknown	Unknown	Resident upset with the noise. Is going public and will be inviting the local news to his yard to hear the noise.	MC	This call was forwarded from the main line and a voicemail was left. No details were left so we were unable to respond.
AIR OPERATIONS ORIGINATING FROM ANOTHER AIRPORT									
0	**NONE**								
AIR OPERATIONS OF UNKNOWN ORIGIN									

MONTHLY TOTALS and COMPARISONS

	Jul-24	Jul-23	% Change	Other Airport	UNKNOWN ORIGINS
Number of Complaints:	6	17	-65%	0	0
Number of Operations:	5888	5,413	9%		
			% Change		
Annual Total	18	34	-47%	0	0

Transportation Network Companies (TNCs)



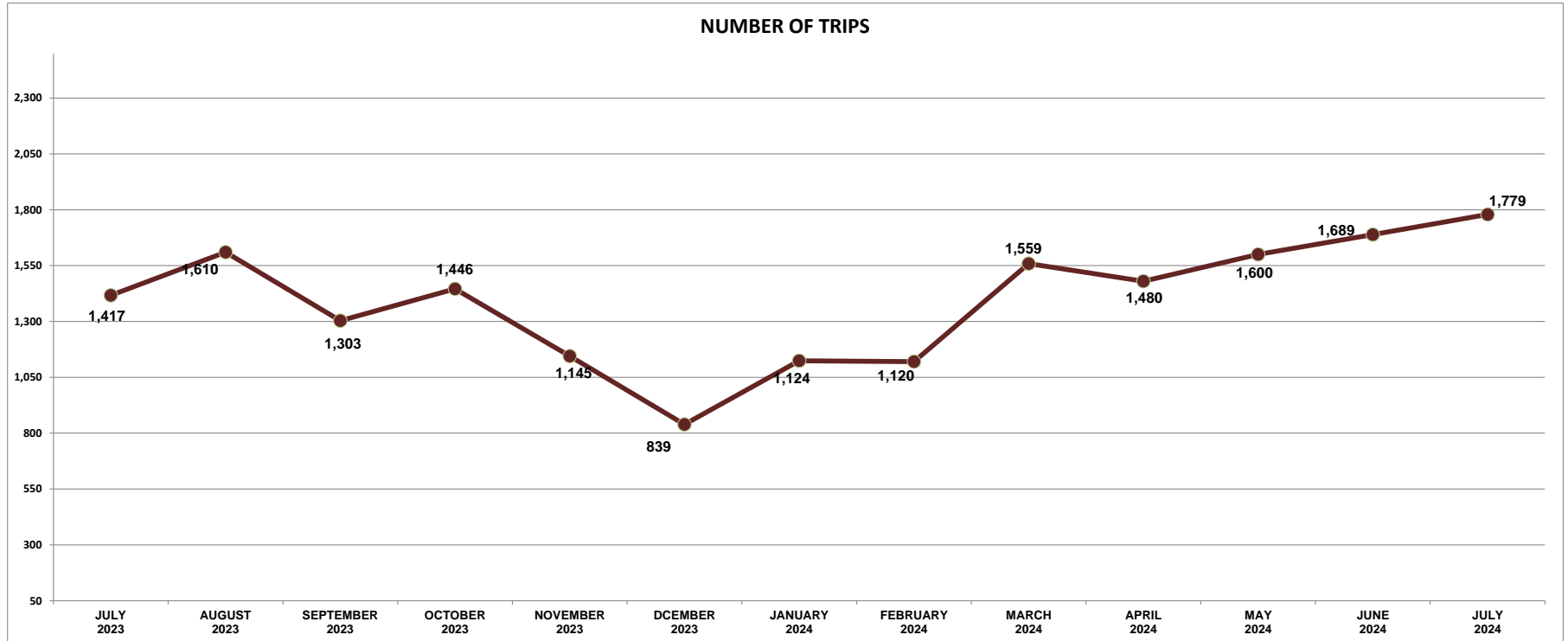
	2023 June	2023 July	2023 August	2023 September	2023 October	2023 November	2023 December	2024 January	2024 February	2024 March	2024 April	2024 May	2024 June
NUMBER OF TRIPS	6,177	7,137	7,311	7,427	7,993	6,344	5,521	6,053	3,418	6,955	7,006	7,745	7,964
NUMBER OF TNCs	2	2	2	2	2	2	2	2	2	2	2	2	2
TNC TRIP FEES	\$ 18,531	\$ 21,411	\$ 21,933	\$ 22,281	\$ 23,979	\$ 19,032	\$ 16,563	\$ 18,159	\$ 10,254	\$ 20,865	\$ 21,018	\$ 23,235	\$ 23,892
TNC PAYMENT PENALTIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TNC - TOTAL REVENUE	<u>\$ 18,531</u>	<u>\$ 21,411</u>	<u>\$ 21,933</u>	<u>\$ 22,281</u>	<u>\$ 23,979</u>	<u>\$ 19,032</u>	<u>\$ 16,563</u>	<u>\$ 18,159</u>	<u>\$ 10,254</u>	<u>\$ 20,865</u>	<u>\$ 21,018</u>	<u>\$ 23,235</u>	<u>\$ 23,892</u>

Cumulative 12-Month Operating Income: \$ 242,622

Fiscal Year To Date (July 2023 - June 2024) Operating Income: \$ 242,622

13-MONTH ROLLING COMPARISON

Taxis

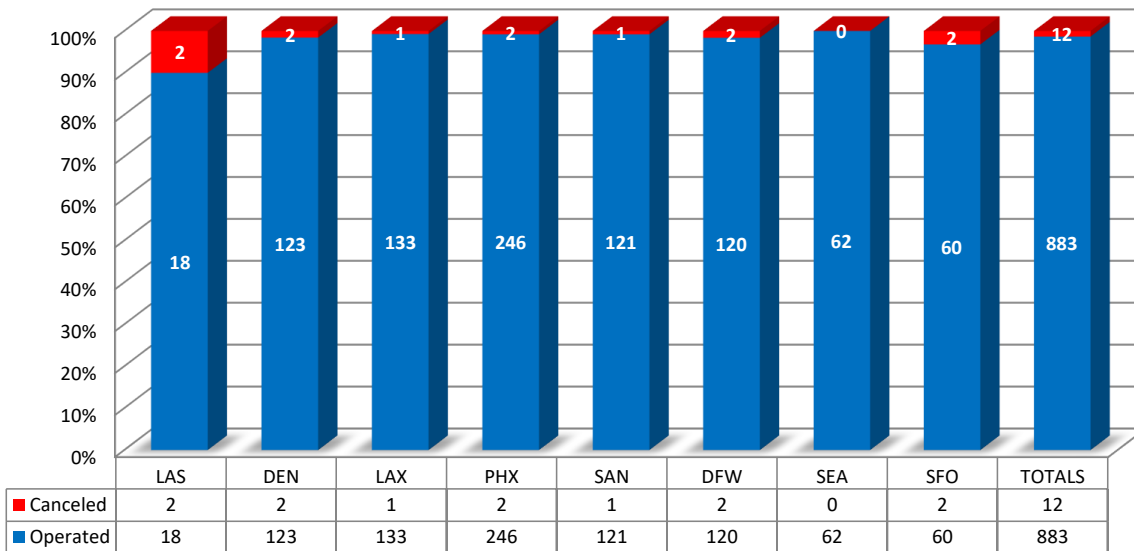


	2023 JULY	2023 AUGUST	2023 SEPTEMBER	2023 OCTOBER	2023 NOVEMBER	2023 DECEMBER	2023 JANUARY	2024 FEBRUARY	2024 MARCH	2024 APRIL	2024 MAY	2024 JUNE	2024 JULY
NUMBER OF TRIPS	1,417	1,610	1,303	1,446	1,145	839	1,124	1,120	1,559	1,480	1,600	1,689	1,779
PERMITS SOLD	14	0	1	2	0	0	0	1	1	0	0	10	14
TAXI TRIP FEES	\$ 4,251	\$ 4,830	\$ 3,909	\$ 4,338	\$ 3,435	\$ 2,517	\$ 3,372	\$ 3,360	\$ 4,677	\$ 4,440	\$ 4,800	\$ 5,067	\$ 5,337
TAXI PERMIT FEES	\$350	\$0	\$100	\$100	\$100	\$100	\$1,200	\$100	\$100	\$100	\$200	\$0	\$1,400
TAXI - TOTAL REVENUE	<u>\$ 4,601</u>	<u>\$ 4,830</u>	<u>\$ 4,009</u>	<u>\$ 4,438</u>	<u>\$ 3,535</u>	<u>\$ 2,617</u>	<u>\$ 4,572</u>	<u>\$ 3,460</u>	<u>\$ 4,777</u>	<u>\$ 4,540</u>	<u>\$ 5,000</u>	<u>\$ 5,067</u>	<u>\$ 6,737</u>
CURB MGMT CONTRACT													
OBD LICENSING	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,916	\$ 3,004	\$ 3,004	\$ 3,004	\$ 3,004	\$ 3,004
TAXI - TOTAL EXPENSE	<u>\$ 2,083</u>	<u>\$ 2,083</u>	<u>\$ 2,916</u>	<u>\$ 3,004</u>	<u>\$ 3,004</u>	<u>\$ 3,004</u>	<u>\$ 3,004</u>	<u>\$ 3,004</u>	<u>\$ 3,004</u>	<u>\$ 3,004</u>	<u>\$ 3,004</u>	<u>\$ 3,004</u>	<u>\$ 3,004</u>
OPERATING INCOME / (LOSS)	\$ 2,518	\$ 2,747	\$ 1,093	\$ 1,434	\$ 531	\$ (387)	\$ 1,568	\$ 456	\$ 1,773	\$ 1,536	\$ 1,996	\$ 2,063	\$ 3,733
FYTD 2024 (July 2023 - July 2024) OPERATING INCOME / (LOSS)													\$ 17,327
CUMULATIVE (12-MONTH) OPERATING INCOME / (LOSS)													\$ 18,542

* February 1st swap to "OBD" system

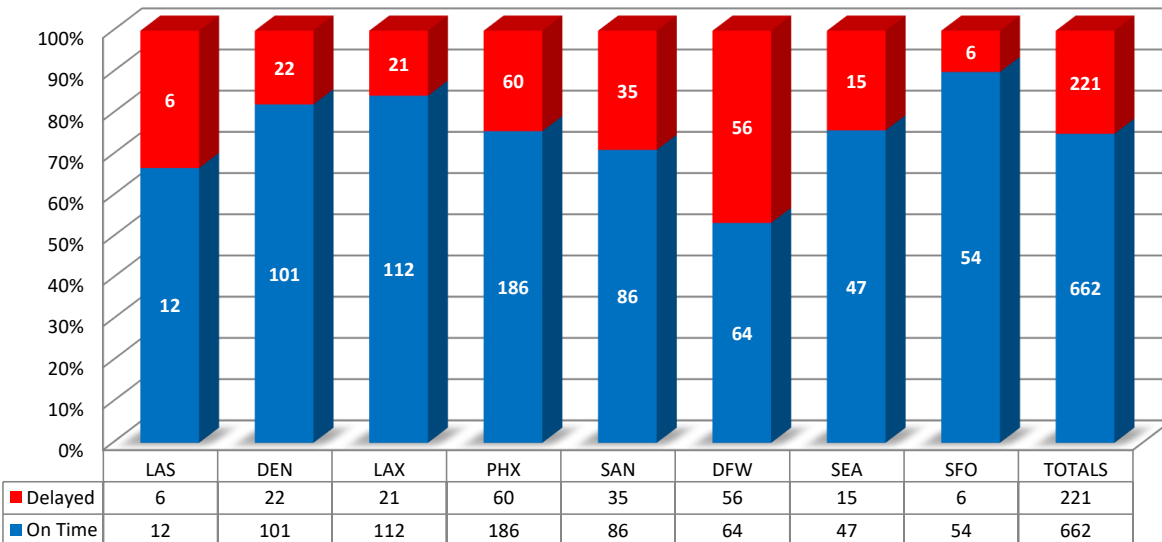
JULY 2023

July Commercial Flights Operated vs. Canceled



TOTAL CANCELLATIONS: 12

July Commercial Flights On Time vs. Delayed



TOTAL DELAYED FLIGHTS: 221



Monterey Regional Airport August 2024 Flight Schedule



		ARRIVALS					DEPARTURES						
Aircraft Type (Seats)	FROM	AIRLINE	FLIGHT	TIME	SCHD	TO	AIRLINE	FLIGHT	TIME	SCHD	Aircraft Type (Seats)		
A319 (128)	DFW	American Airlines	2879	11:40AM 1:00 PM	SUN-FRI SAT	DEN	UNITED	5444	5:10 AM	DAILY	EMB175 (76)		
EMB175 (76)	LAX	UNITED	5310	12:00 PM	DAILY	DFW	American Airlines	1770	5:10 AM	DAILY	A319 (128)		
EMB175 (76)	PHX	American Airlines	3952	12:30 PM	DAILY	PHX	American Airlines	4938	6:10 AM	DAILY	EMB175 (76)		
EMB175 (76)	DEN	UNITED	5438	1:15 PM	DAILY	SFO	UNITED	5422	7:45AM	DAILY	EMB175 (76)		
EMB175 (76)	SEA	Alaska	3467	1:25 PM	1-19	SAN	Alaska	3474	6:00 AM	DAILY	EMB175 (76)		
EMB175 (76)	SFO	UNITED	5791	2:00 PM	DAILY	DFW	American Airlines	2820	12:00 PM	3 SUN-MON WED-FRI	A319 (128)		
EMB175 (76)	SAN	Alaska	3346	2:45 PM	DAILY	DEN	UNITED	5620	12:45 PM	DAILY	EMB175 (76)		
EMB175 (76)	PHX	American Airlines	6287	3:30 PM	DAILY	PHX	American Airlines	3952	1:00PM	DAILY	EMB175 (76)		
A319 (128)	PHX	American Airlines	2476	6:30PM	1-25 27-31	LAX	UNITED	5329	2:00 PM	DAILY	EMB175 (76)		
EMB175 (76)	LAX	UNITED	5398	7:35 PM	DAILY	SEA	Alaska	3467	2:05 PM	1-19	EMB175 (76)		
EMB175 (76)	DEN	UNITED	5414	9:00 PM	DAILY	SFO	UNITED	4729	2:45 PM	DAILY	EMB175 (76)		
A319 (128)	DFW	American Airlines	1563	9:00 PM	SUN-MON WED-FRI	SAN	Alaska	3346	3:25 PM	DAILY	EMB175 (76)		
EMB175 (76)	SAN	Alaska	3392	9:55 PM	DAILY	PHX	American Airlines	5012	4:05 PM	DAILY	EMB175 (76)		
EMB175 (76)	PHX	American Airlines	3631	10:30 PM	SUN-MON WED-FRI EX 26-31	PHX	American Airlines	5482	7:15 PM	SUN-MON WED-FRI EX 26,27,28	A319 (128)		
EMB175 (76)	SFO	UNITED	5670	11:45 PM	DAILY	LAX	UNITED	5482	8:20 PM	DAILY	CRJ700 (66)		
B737 (183)	MSP	sun country airlines	277	4:30 PM	TH & SUN	MSP	sun country airlines	278	5:30 PM	TH & SUN	B737 (183)		
A319 (156)	LAS	allegiant	64	1:00PM 4:30 PM 6:18 PM 9:03 PM	30 9,12,16,19 23,26 2,5	LAS	allegiant	131 1634	1:50 PM 5:30 PM 7:08PM 9:52 PM	30 9,12,16,19 23,26 2,5	A319 (156)		

*Flight Schedule is general information and subject to change. Schedules are updated monthly and can change daily. Please contact your airline for further information.

TO: Michael La Pier, Executive Director
FROM: Chris Morello, Deputy Executive Director
DATE: August 1, 2024
SUBJ: Planning/Marketing and Capital Projects Monthly Report

Attached is the current monthly Project Report for the Planning and Marketing Departments with the following highlights for July 2024:

➤ **SEP Commercial Apron Construction**

- Construction continues to move forward.
- The additional 65 spaces in the long-term parking lot were made available on Friday July 26, at 3:00 pm and were immediately put into use as the remainder of the lot had just reached capacity.

➤ **10R 28L Runway Improvements Project**

- Plans and specifications were developed by staff and Tartaglia Engineering and bids were received on July 11, 2024.

➤ **SEP Landside Improvements Project**

- OTTO Construction has begun the procurement process for the landside improvements and a GMP was provided to the Airport on July 12, 2024.

➤ **FAA Airport Improvement Program (AIP) grant requests that are currently in process:**

- FAA AIP Grant amount only @90.66%
 - Commercial Apron Phase 2 \$16,788,053
 - 10R-28L Rehabilitation \$ 2,815,801
 - ARFF Truck \$ 958,274
 - Terminal Complex Landside (no parking) \$16,744,657
- TOTAL AIP \$37,306,785**

- Terminal Design **BIL AIG** (announced on 7/30/24) **\$ 3,249,481**

FUNDING				EXPENDITURES				STATUS			
PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2025 Expenditures to Date	7/31/2024	% Physical Complete	Project Name	Current Status	4 Week Look Ahead	
<u>ACTIVE FEDERALLY-FUNDED PROJECTS:</u>											
1	2022-01	79	18-22-C-00-MRY	\$11,209,740	\$10,515,600	\$133,576	\$10,649,176	99%	SEP Phase C1/C2/C3 ARFF Design/Construction Demo/Airfield Access	The fire personnel moved into the new location on October 18, 2023. Hazardous abatement was completed on the southside location on October 27, 2023. Demolition began on November 28, 2023 after PG&E disconnected the utilities.	Project close out documents are being compiled.
2	2023-01	TBD	18-22-C-00-MRY	\$3,664,550	\$1,056,320	\$44,228	\$1,100,548	50%	SEP Phase D1 Terminal Design	The contract for Terminal Design was approved at the April 5, 2023 meeting. Staff are working with HOK on the phase 1 schedule of activities.	MRY is still awaiting the BIL entitlement grant that will fund 47% of the HOK design and 100% of KHA and PFM contracts. FAA has provided notice of award, we are just waiting to execute the grant agreement.
3	2024-01	81	18-22-C-00-MRY	\$3,150,000	\$2,575,062	\$421,781	\$2,996,843	95%	SEP Phase D1 Terminal Design	The BIL ATP grant application was executed on September 13, 2023 which funds 53% of the HOK design services. HOK made a presentation to the BOD on 11/30/23 and a design concept was chosen.	An update on Design Development will be provided by HOK August Board meeting. HOK is working on bid documents that will be ready in November of 2024.
4	2023-02	TBD	18-22-C-00-MRY	\$2,170,000	\$0	\$0	\$0	0%	RUNWAY 28L-10R TREATMENT	A design contract with Tartaglia Engineering was approved by the BOD at the May 15, 2024 meeting.	Tartaglia Engineering completed the design documents, and bids were received on July 11, 2024. A contract based on bids will be provided at the August board meeting for consideration.
5	2023-03	80	18-22-C-00-MRY	\$44,707,180	\$10,701,033	\$5,036,867	\$15,737,900	75%	SEP Phase B2 Commercial Apron Construction	A notice to proceed was executed on 11/30/2023 and GRV JV began mobilization.	Grading and soil removal of the southeast ramp area continues. Installation of the concrete batch plant is tentatively scheduled to begin to be erected in late August 2024.

FUNDING				EXPENDITURES				STATUS			
PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2025 Expenditures to Date	7/31/2024	% Physical Complete	Project Name	Current Status	4 Week Look Ahead	
6	2025-01	TBD	18-22-C-00-MRY \$18,469,730		\$0		0%	SEP Phase D3 Landside circulation and parking	A contract with OTTO Construction as the Construction Manager at-risk team was approved at the June 2024 board meeting.	An approval for the construction costs based a Guaranteed Maximum Price, provided to the airport by OTTO Construction will be provided at the August board meeting for consideration.	
7	2025-02	TBD	TBD \$1,100,000		\$0		0%	Purchase Primary ARFF Vehicle		The BOD adopted resolution 1881 authorizing a contract with Oshkosh Airport Products based on bids received for a replacement ARFF Vehicle. The tentative delivery of the new vehicle is December 2025.	
<u>OUTSIDE FUNDED PROJECTS:</u>											
8	2019-03	N/A	N/A \$2,828,058	\$955,048	\$810,379	\$1,765,427	50%	WATER DISTRIBUTION SYSTEM	After CEQA MND Certification, the project bid notification was provided to contractors. A contract was approved at the October, 24, 2023 BOD meeting.	The project began in mid June 2024 and is anticipated to continue into the fall of 2024.	
<u>DISTRICT ONLY FUNDED PROJECTS</u>											
9	2025-06	N/A	N/A \$290,000		\$0		0%	2801 PROPERTY REPAIRS			
10	2025-03	N/A	N/A \$210,000		\$0		0%	EAST TSA ACCESS RD, SHORT TERM LOT IMPROVEMENTS			
11	2025-04	N/A	N/A \$125,000		\$0		0%	AIRFIELD AND PROPERTY MAINTENANCE			
12	2025-05	N/A	N/A \$1,000,000		\$0		0%	PLAN OF FINANCE TEAM FEES			



POLICE

DEL REY OAKS

MONTHLY POLICE ACTIVITY REPORT

July 2024

TO: Michael La Pier, Executive Director
FROM: Commander Roger Guzman
DATE: August 7th, 2024
SUBJECT: Police Activity Report for JULY 2024

The following is a summary of significant activity in the Police Department in JULY, 2024:

Highlights

Del Rey Oaks Police Officers responded to approximately 26 **door and gate alarms** in JULY. Daily Sterile Area Sweeps conducted with TSA Personnel, no discrepancies observed. Daily testing of the Law Enforcement paging system conducted without error. DRO PD Officers conducted the Weekly Duress Alarm testing with TSA Personnel, all test alarms performing as required.

Training

Officer Dowson provided updated training regarding MRY OPS. Meeting with Mark Curtis about upcoming Motorlux Event at Monterey Jet Center. All officers took online portion of the AOA drivers training.

Calls for Service

1. 07/01/2024 09:45 AM Ofcr Dowson
Main Terminal: UGE Supervisors office
Along with Airport Operations, meeting held with UGE Manager. Advised of the proper protocol for reporting damage to Airport Property and future incidents will result in full investigation including FST's for any involved drivers.
2. 07/01/2024 12:05 PM Ofcr Dowson
Main Terminal: Medical
A Passenger on an outbound flight passed out multiple times due to a pre-existing medical issue. Had difficulty parking the fire engine and ambulance due to heavy traffic including several large buses and SUVs from Pebble Beach Company.
3. 07/01/2024 08:04 PM Ofcr Gomez
TSA Checkpoint: Ammunition Surrendered
Eleven .22 caliber rounds were surrendered at the TSA checkpoint. Ammo collected and booked at DROPD
4. 07/01/2024 10:59 PM Ofcr Gomez
Commercial Ramp: NORCAL Request
Aircraft did not inform Norcal when it landed. Norcal was originally unsure of the tail number. Conducted area check in AOA and located American N214NN recently landed. Norcal advised.

5. 07/02/2024 12:22 AM Ofcr Gomez
Commercial Ramp: NORCAL Request
Aircraft did not inform Norcal when it landed. Conducted area check in AOA and located American N9017P recently landed. Norcal advised.
6. 07/02/2024 8:00 AM Ofcr Dowson
Lost Property Report
Lost Sterile Area Badge Report. DRO PD CR 24-171, Badge later located in Café trash can.
7. 07/03/2024 05:46 PM Ofcr Bough
Lost and Found
Set of keys located in the Gate 2 area. Placed in Airport Lost and Found.
8. 07/03/2024 8:25 PM Ofcr Tang
Lost and Found
Red sleeping bag, camo blanket, 2 pillows, white puma shoes found curbside. Property placed in Airport Lost and Found.
9. 07/03/2024 10:30 PM Ofcr Tang
Long Term Parking: Citizen Assist
Flagged down by citizen, vehicle was not starting. DRO PD jumped start the vehicle.
10. 07/04/2024 5:50 AM Ofcr J Andoy
V-16: Citizen Assist
Chris McClernon requested V16 be opened as his AOA badge was not working. Badge was valid.
11. 07/05/2024 8:00 AM Ofcr Bough
TSA Checkpoint: Surrendered Property
Single round of .22 Cal ammunition surrendered at the TSA Checkpoint. Ammo collected and booked at DROPD
12. 07/06/2024 5:20 PM Ofcr J. Andoy
Parking Lot: Equipment
Officers found short term parking lot entry arm on the ground. Airport Operations was notified.
13. 07/07/2024 7:05 AM Ofcr Dowson
Main Terminal: Lost and Found
California Drivers License turned into PD. License placed on Lost and Found desk in Badging Office.
14. 07/07/2024 08:15 AM Ofcr Dowson
Main Terminal: Lost and Found
Cell Phone turned into PD by American Airlines. Was Located in Gate area. the owner was notified. Place on lost and found desk.
15. 07/07/2024 10:15 AM Ofcr Dowson
Main Terminal: Outside Agency Assist
Dispatched to area check for a possible Missing Person out of Pacific Grove. The subject was not at the airport and was located by PG PD.

16. 07/07/2024 12:30 PM Ofcr Dowson
Main Terminal: Upset Passenger
Upset American Airlines Passenger contacted near District Office. The passenger wanted to file a complaint against the airline, advised to contact Monterey Operations via email as no OPS personnel on duty today.
17. 07/07/2024 2:07 PM Ofcr Dowson
Main Terminal: Lost and Found
Located a white iPhone near the east elevator on the second floor. Placed on lost and found desk.
18. 07/07/2024 3:15 PM Ofcr Dowson
Yellow Patrol: V-18
V-18 alarm, tenant contacted about expired badge and advised to make an appointment to renew badge
19. 07/07/2024 6:24 PM Ofcr Gomez
Blue Patrol: 415/Property Damage
Jet Center staff called in regards to a male who threw V12's gate sensor cover over gate and was manipulating the keypad. Located subject laying on ground at edge of roadway on Garden Rd. Father related autistic male enjoys watching the planes but began having an episode while outside of gate V12. Autistic male ran away on foot from father but ultimately calmed down and was taken home by father. Airport Ops was notified of incident via telephone. DRO case #24-180
20. 07/08/2024 7:11 AM Ofcr Dowson
TSA Checkpoint: Suspicious Bag
Suspicious Bag in X-ray. TSA Manager contacted TSOC, bag was cleared.
21. 07/08/2024 12:40 PM Ofcr Dowson
Blue Patrol: Gate Found Open
FAA Tower gate found open. FAA Tower contacted and they advised they are aware as the gate is broken.
22. 07/08/2024 1:20 PM Ofcr Dowson
Main Terminal: West Elevator
Female and infant stuck in West Elevator. I was able to open the elevator door and free the stuck passengers
23. 07/08/2024 1:45 PM Ofcer Dowson
Main Terminal: Citizen Fall
A male with a pre-existing injury fell in the main terminal. He was helped to a chair and refused medical assistance.
24. 07/09/2024 11:00 AM Ofcer Bough
Main Terminal: Lost and Found
TSA found a wallet in Gate 2. Before I could research and get a number for the owner, Christian Connelly, his wife called and left a message with lost & found. I called her and got an address where they would be at in Colorado and overnighted the wallet to them through USPS.

25. 07/10/2024 7:39 PM Ofcer Gomez
Main Terminal: United Counter
Passenger upset United couldn't print out her boarding pass. United explained she did not have proper identification and did not know personal information to receive the boarding pass. Passenger called for refund and left.
26. 07/11/2024 3:33 AM Ofcer Gomez
Main Terminal: Lost and Found
Hydroflask water bottle near United. Turned into lost and found.
27. 07/11/2024 2:35 PM Ofcer J. Andoy
Front Curb: Disabled Vehicle
A large RV towing a Jeep tried going around the terminal, but got stuck as they were going around the Premium Lot. The RV went over the curb and could not get passed the large rocks. The Jeep was released from the hitch and the RV was able to complete the turn. Airport Maintenance assisted the driver.
28. 07/18/2024 2:45 PM Ofcer J. Andoy
Main Terminal: Lost and Found
Two suitcases left on curb by baggage claim. Owner was contacted and advised his bags were taken to Lost & Found.
29. 07/19/2024 4:45 AM Ofcer Tang
Main Terminal: Ticket Check in
Global internet outage caused a delay in checking in passengers.
30. 07/21/2024 5:37 PM Ofcer Bough
Main Terminal: Unattended Bags
4 sets of golf clubs and some luggage was left directly in front of the Alaska counter "for quite a while" according to the gate agent. I took 5 pieces upstairs on a luggage cart and when I went back down to get the rest, the owners had returned from the restaurant. Their luggage was returned and they were warned against leaving unattended luggage at ANY airport
31. 07/22/2024 9:40 AM Ofcer K Andoy
Main Terminal: Emailed Threats
PD was notified of threats received via email on 7/20/2024 at approximately 0311 hours. Investigation by PD conducted.
32. 07/22/2024 11:15 AM Ofcer K Andoy
Main Terminal: Security Sweep
TSA K9 handler and K9 arrive at the airport. A sweep of the airport was conducted. Along with the K-9 sweeps, DRO PD, Airport OPS, and MRY maintenance conducted an entire visual assessment of the entire terminal.
33. 07/23/2024 12:55 PM Ofcer Dirkes
Main Terminal: Lost and Found
Bag left from United flight. Bag turned in to United.
34. 07/25/2024 9:55 PM Ofcer Moore
Commercial Ramp: NORCAL Request
NORCAL Tracom inquired about American Airlines Flight 1563. Pilot did not close flight plan. Flight 1563 from Dallas arrived without issues.

35. 07/26/2024 2:19 PM Ofcer J Andoy
Main Terminal: Found Property
TSA reported an unattended bag near the stairs in front of the checkpoint. The bag was completely empty and was discarded.
36. 07/27/2024 2:40 PM Ofcer J Andoy
Main Terminal: American Ticket Counter
Father of two minors who were flying unaccompanied was upset because his children would not be able to make the delayed Dallas flight. The Dallas flight was delayed since 5 AM. He was advised he was late and the flight was closed. Father became upset and used a few swear words with American employees. American manager apparently told the father that she would help him after boarding the flight, which caused the father to be more upset. PD and Airport Ops were able to calm the father down and assist him with getting his children rebooked for a flight on Monday.
37. 07/27/2024 11:00 PM Ofcer Dowson
Main Terminal: Lost and Found
A suspicious Bag was reported outside the baggage claim. The bag was Located and placed in Lost and Found.
38. 07/27/2024 11:15 PM Ofcer Dowson
Blue Patrol: Citizen Assist
Sky Park Self-Storage tenant requested to be let out as they were locked in. Tenant let out.

END OF REPORT.