

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

**April 27, 2023 - 9:00 AM**

**Monterey Regional Airport  
200 Fred Kane Drive, Suite 200**

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

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Members of the public who desire to make a public comment can send an email to [info@montereyairport.com](mailto: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 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 Air Carrier Service – Marketing – Community Relations Committee Meeting of March 08, 2023](#)
- Approve      2. [Minutes of the Airport Property Development & Leases Committee Meeting of March 10, 2023](#)

- Approve 3. [Minutes of the Budget & Finance Committee Meeting of March 14, 2023](#)
- Approve 4. [Minutes of the Regular Board Meeting of March 15, 2023](#)
- Approve 5. [Minutes of the Special Board Meeting of April 5, 2023](#)
- Approve 6. [Minutes of the Budget & Finance Committee Meeting of April 12, 2023](#)
- Approve 7. [Minutes of the Airport Property Development & Leases Committee Meeting of April 14, 2023](#)

**F. DEFERRED CONSENT AGENDA - ACTION ITEMS**

**G. REGULAR AGENDA - ACTION ITEMS**

- Presentation 1. [Overview of Current Instrument Procedure Capabilities on Runway 10R/28L, by Lean Corporation, Paul Hannah](#)
- Presentation 2. [Well Water Analysis & Potential Distribution Route, by Kimley Horn, Pearse Melvin](#)
- Presentation 3. Update Regarding the Airport's Appeal of a Tree Citation Issued by the City of Monterey
- Direct 4. [Provide Direction to Staff for Airport Fire & Related Emergency Services](#)
- Approve 5. [Revised Monterey Peninsula Airport District On-Airport Rental Car Operator Lease and Concession Agreement](#)
- Discuss 6. Strategic Planning Report Review and More Efficient Board Meetings

**H. BOARD COMMITTEE REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS**

Report on meetings attended by Board Members at Monterey Peninsula Airport District's expense -

AB1234. [The board receives department reports which do not require any action by the board.](#)

Standing Committees:

- i. Budget and Finance Directors Sabo & Leffel
- ii. Air Service, Marketing, Community Relations Directors Sawhney & Pick
- iii. Airport Property Development and Leases Directors Sawhney & Miller

b. Ad-Hoc Committees:

- i. Local Jurisdiction Liaison Director Sawhney & Leffel

c. Liaison/Representatives:

- i. Local Agency Formation Commission Director Leffel
- ii. Regional Taxi Authority Director Pick
- iii. Transportation Agency for Monterey County Director Sabo
- iv. Special Districts Association Liaison Director Sawhney
- v. Association of Monterey Bay Area Governments Director Miller

**I. PENDING REQUESTS FOR FUTURE AGENDA ITEMS**

- Receive Drone and Balloon Update
- Review FY 2024 Rates and Charges as Part of the Budget
- Receive Report on Emergency Procedures and Preparedness
- Review of Six Month and Two-Year SEP Plan

**J. DISCUSSION OF FUTURE AGENDAS**

Any Board member may request the Board of Directors to instruct staff to report back to the Board at a future meeting concerning any matter or place a matter of business on a future agenda. Approval of such requests will be made by motion.

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

**March 8, 2023 – 1:00 PM Pacific Time (4:00 PM Eastern Time)**

**Monterey Regional Airport  
200 Fred Kane Drive, Suite 200  
Monterey, CA  
2<sup>nd</sup> Floor Boardroom**

**and**

**Holiday Inn Miami Doral Area  
325 N.W. 87<sup>th</sup> Ave.  
Miami, FL  
Hotel Lobby**

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**A. CALL TO ORDER**

*The meeting of the Air Carrier Service – Marketing – Community Relations Committee Meeting was called to order at 1:07 PM. Directors Sawhney and Pick, Executive Director La Pier, Acting Board Secretary Adams, and Deputy Executive Director Morello were present. Director Pick participated from a remote location as noticed on the Agenda.*

**B. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS**

*None.*

**C. PUBLIC COMMENTS**

*None.*

**D. REGULAR AGENDA – ACTION ITEMS**

Review        1. Chidlaw Marketing Quarterly Report

*Executive Director La Pier reviewed the February Public Relations Report provided by Chidlaw Marketing. Director Sawhney questioned the title of this Agenda Item, because the report is entitled February Public Relations Report. Executive Director La Pier stated the monthly report is part of the quarterly report. There are written monthly reports and then quarterly Chidlaw Marketing will report at the Board meeting and answer questions. Our Social Media Specialist will also attend that portion of the Board meeting. Director Sawhney referred to Agenda Item 4, asking if Local Marketing and Outreach*

*Update referred to the Digital Media Analytics Report. Executive Director La Pier stated yes. Director Sawhney expressed her desire to see the reports about marketing look more like each other saying it seems marketing is very divided. Executive Director La Pier stated the team is not divided; the PR and advertising team meets with the Social Media Specialist and himself monthly for coordination of calendar and messaging. Director Sawhney wants the reports to have the “same face” and gave additional feedback on the layout of the report. Executive Director La Pier will consider that feedback going forward. Director Sawhney also asked that the board review the website saying it is disjointed to her and Director Leffel also wanted it reviewed. Executive Director La Pier did not agree that is a board function and his understanding is that Director Leffel wanted staff to review it, which they are doing.*

*Director Pick was complimentary about the increased press releases and media attention.*

*Directors discussed the Analytics report. Executive Director La Pier answered questions about the budget for social media and examples of digital media posts. Executive Director La Pier answered questions about the website, stating the commercial site is the montereyairport.com address and the business site is the montereyairport.specialdistrict.org address. He noted, however, the websites flow between each other seamlessly. Director Sawhney suggested the Board get a construct overview at a future Board meeting. Executive Director La Pier answered that we welcome comments and suggestions for the site, but he did not believe a formal review at a Board meeting was necessary since staff is currently entertaining a refresh for the commercial site. Director Pick agreed this was not something the board needed to review; the full board can direct staff to take care of it or it can be dealt with one on one.*

*Directors discussed the media coverage. Director Sawhney asked questions about the demographics and reach of television and radio outlets. Director Sawhney asked for a budget to date report on where the marketing money is spent. Executive Director La Pier stated there are two-line items on the monthly financial reports. One is for marketing, which includes most advertising, and the other is for social media, which includes the social media paid advertising.*

Review            2. Landrum & Brown Quarterly Report

*Executive Director La Pier reviewed the Landrum and Brown Quarterly Report. He reported advance bookings are up and the leakage report shows we are taking customers from both SFO and SJC. Director Pick noted there has been a reduction in flights so the increase in enplanements is with less capacity.*

Review            3. Air Carrier Service Development Update

*Executive Director La Pier reported an air service development meeting with a new airline was postponed due to the weather last month and has been rescheduled for this month. He reported he is also scheduled to participate in the Jumpstart Conference in June. There was a discussion about the “wish list” of new markets.*

*Executive Director La Pier gave an update on the acquisition of cell phone data.*

*Director Sawhney asked if the Monthly Flight Schedule could be added to the standard reports sent to the Air Service Committee. Director Pick agreed.*

Discussion       4. Local Marketing and Outreach Update

*Agenda Item 4. was discussed during Agenda Item 1.*

Discussion 5. Passenger Comments, Services and Amenities Update

*There was a discussion about the passenger comments. It was noted the feedback report is only comments that are submitted via the QR code.*

Discussion 6. Community Noise Concerns Update

*There was a discussion about the noise report. Executive Director La Pier stated the multiple comments from Spreckels are about the new Airbus 319 to and from Dallas. He noted the actual noise is the same as the previous plane and there is no operational change. However, the size of the new plane gets more attention, so it is more noticeable for a while.*

**E. ADJOURNMENT**

*The meeting adjourned at 2:24 PM.*

*Approved at the  
Meeting of April 27, 2022*

*William Sabo, Chair Pro Tem*

**A T T E S T**

*Michael La Pier, AAE  
District Secretary*

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

March 10, 2023 – 10:00 AM

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

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### **A. CALL TO ORDER**

*The meeting of the Airport Property Development & Leases Committee Meeting was called to order at 10:30 AM. Director Sawhney, Director Miller, Executive Director La Pier, District Counsel Huber, Controller Wilson, and Acting Board Secretary Adams were present.*

### **B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS**

*None.*

### **C. PUBLIC COMMENTS**

*None.*

### **D. REGULAR AGENDA – ACTION ITEMS**

Review            1. Leasing Activity Review

*Executive Director La Pier stated the Car Rental Agreement will come back to the Board. He gave an update on the changes requested by rental car companies to date. They include a reduction in the minimum guarantee in the event of a severe downturn in our passenger traffic, a change to the amount of the violations penalty from \$1,000 to \$500, and the hours of operation starting with first arrival instead of first departure. They all have key drops now for departures; that is pretty standard in the industry.*

*Director Miller asked if the Hertz Group agreement would be different than Enterprise's. Executive Director La Pier answered the Hertz agreement will be one brand. The Avis agreement will cover their Budget brand, and the Enterprise agreement will cover their National and Alamo brands. It will be an*

*equal and consistent agreement but there will be slight language changes to accommodate the multiple brands, each with their own Minimum Guarantee.*

*Director Sawhney asked who was authoring the changes. Executive Director answered District Counsel Huber took their comments and drafted modifications to the document.*

*No Public Comment.*

*Executive Director La Pier gave an update on the Hangar Project. Director Sawhney expressed her desire for written updates in the future. Director Miller did not agree that was necessary since nothing in these committee updates require committee action.*

*Controller Wilson gave a recap on the hangar loan. He stated the loan amount, term, and the rate are all the same as previously approved. The only item not previously discussed was that they will require a reserve of the equivalent of one year Principal and Interest (P&I). The agreement went to District Counsel Huber, and he has approved it.*

*Director Miller asked if the hangar project was still on track for completion by October. Executive Director La Pier answered it will be a challenge.*

*District Counsel Huber updated the committee on some complaints he received about non-aviation use of hangars and stated he is following up. Director Sawhney asked how someone would go about filing a complaint. District Counsel Huber stated they can give us the information however they want: email, mail, phone, come into the office, or fill out an online message to [info@montereyairport.com](mailto:info@montereyairport.com) from the website.*

*Director Sawhney asked if Executive Director La Pier had a meeting with the hangar tenants. Executive Director La Pier answered yes and there was a sharing of information and a suggestion that is being looked into.*

*Director Sawhney asked why our current rates are so much less than the local rent analysis done in 2021. Executive Director La Pier answered the Board of Directors wanted to support General Aviation to the best of our ability. So, we did not increase with market rates. Director Miller added some of the hangars weren't in the best of shape either.*

*For the benefit of Director Sawhney, who had been absent from the meeting where it was authorized, there was a recap of the major points of the hangar project.*

*Matt Pasztalaniec, a member of the public and an Airport hangar tenant, commented the rules for non-aviation use of hangars are very clear that it is only allowed when there is no aviation need. There is a wait list for hangars, so there is a need. He is aware there are three hangars filled with cars and some others with fire trucks in them. District Counsel Huber asked that Mr. Pasztalaniec give him the specifics so we can inspect immediately. Mr. Pasztalaniec reported there are 6-8 hangar tenants that are coming to the regular board meeting to make comments. District Counsel Huber gave Mr. Pasztalaniec his email so he could send him details of the non-aviation use he has observed.*

*There was a discussion about the annual hangar inspection process and the fact that we have the right to immediately inspect when we get a complaint and to cancel a commercial lease if we need the hangar for aviation use. Director Sawhney asked how many hangars on Airport property. Executive Director La Pier gave approximate numbers noting NSSI and Del Monte Aviation own and manage some of them.*



Review 2. Car Rental Agreement Update

*This item was reviewed prior to Item 1.*

*There was a discussion about scheduling a standard day and time for the Lease Committee meetings in 2023. It was determined the second Wednesday of the month at 10:00 AM for two hours would be calendared.*

**E. ADJOURNMENT**

*The meeting adjourned at 12:15 PM.*

*Approved at the  
Meeting of April 27, 2022*

*William Sabo, Chair Pro Tem*

**A T T E S T**

*Michael La Pier, AAE  
District Secretary*

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

March 14, 2023 – 9:00 AM

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

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### **A. CALL TO ORDER**

*The meeting of the Monterey Peninsula Airport District Budget & Finance Committee was called to order at 9:00 AM. Director Sabo and Director Leffel, Executive Director La Pier, Deputy Executive Director Morello, and Controller Wilson were present.*

### **B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS**

*None.*

### **C. PUBLIC COMMENTS**

*None.*

### **D. REGULAR AGENDA – ACTION ITEMS**

Review            1. Resolution No. 1841, A Resolution Authorizing and Approving the Service Agreement between the Monterey Peninsula Airport District and KBM Hogue

*Director Sabo asked to modify the agenda to review Item D.2 before Item D.1.*

Review            2. Resolution No. 1842, A Resolution Approving the State of California Department of Transportation ("Cal Trans") California Airport Loan Agreement

*Controller Wilson reported the loan amount is the same as we requested, the rate is the same as discussed, and the term is still 17 years. The agreement requires MPAD to hold a reserve of one year P&I which is approximately \$330k. Payments are due annually and there is no prepayment penalty. There is no specific collateral; this is a general obligation of the airport. There are no covenants. The*

*Agreement was reviewed by Counsel Huber and it is as he expected. The next step is to have the board authorize the execution of the Agreement and then funding would be in 30-45 days.*

*Director Leffel asked to confirm the components of funding of the hangar project. Controller Wilson answered the total required is \$7,040,958 and funding it is this loan of \$3,740,958 and \$3.3 million in district funds; \$1.3 million of which was previously drawn on CARES and earmarked for this and another \$2 million of reserves.*

*Director Leffel asked if the \$333,918 reserve is a 17-year hold if we don't prepay. Controller Wilson answered yes. Director Leffel asked if we could pay in advance and save a little interest. Controller Wilson will look into that. There was a discussion about the timing of receiving the loan and when we really need the money. Controller Wilson noted if we don't execute the loan before August 14, 2023, it becomes null and void. He will review the timing, however.*

*Director Sabo asked questions about disbursements and documentation. Controller Wilson answered this is not a construction loan since we are purchasing a finished product. Cal Trans will fund the entire amount 30-45 days after loan execution. The agreement does stipulate the funds are used for this project, but the accounting and documentation will make that clear. Director Sabo asked Controller Wilson's intentions with regard to the reserve monies. Controller Wilson answered there is a separate bank account set up and it is interest bearing. The amount will be Restricted Cash on the balance sheet. Director Sabo stated he could support this resolution.*

*Director Sabo made comments about the hangar rates and charges and said he has written down some ideas about phasing in the rent increases. Director Leffel suggested he submit his suggestions to staff beforehand and she would do the same. She also supported this resolution.*

*No Public Comments.*

Review 1. Resolution No. 1841, A Resolution Authorizing and Approving the Service Agreement between the Monterey Peninsula Airport District and KBM Hogue

*Executive Director La Pier introduced Resolution No. 1841 that approves buying furnishings for the gate area. Deputy Executive Director Morello reported the District Only project of painting was well below budget, so we amended the Capital Improvement Plan (CIP) to add increased seating for the hold room, made more necessary since we got the A319 aircraft. Deputy Executive Director Morello stated the Airport participates in three cooperative purchasing organizations for public sector procurement. The cooperative contracts are competitively solicited and publicly awarded by a government entity serving as the lead agency. We used this procurement mechanism and worked with KBM Hogue, as the local provider of furnishing for airports, on design and pricing. Deputy Executive Director Morello referred to concept renderings and reviewed the proposed placement of new counter seating.*

*Directors discussed the proposed placement, limited capacity for electrical outlets, and the area in closest proximity to TSA and how it might be used. Director Leffel asked about ADA accessibility and Deputy Executive Director Morello stated it complies. Director Leffel suggested we might investigate additional seating within the TSA boundaries and consider designating a section outside the café as an area where alcohol consumption is allowed.*

*Director Sabo asked if this is a net increase in seating, given that we are taking out the tables outside of the café. Deputy Executive Director Morello answered yes; we're adding about 25 more seats in total. Director Sabo asked if the counters would face a wall. Deputy Executive Director Morello answered all are looking outside except Gate 2. Director Sabo supported and will recommend it to the board.*

*Director Sabo asked if there was a vendor that was more local in the purchasing co-op. Deputy Executive Director Morello stated this is the only one in the cooperative and there are no local vendors that have the purchasing authority for furniture specific to aviation, regardless of co-op discount.*

*No Public Comment.*

*Director Leffel will recommend to the board.*

Review            3. FYTD 2023 Statements

*Controller Wilson reviewed the January 2023 Financial Statements. He reported he added language under "Liquidity" that details the grants that have been received to date.*

*Controller Wilson reported he and Executive Director La Pier looked at cash needs over the next six months and have invested reserves in T-bills that are laddered at 60, 90, 120, and 180 days. The blended rate is close to 5%.*

*Controller Wilson reported January revenues are higher than expected primarily due to a transfer of \$96,000 from the balance sheet, credited to income. That \$96,000 was an obligation to Del Monte Aviation that was eliminated in the restated and consolidated agreement with Monterey Fuel Company.*

*Director Sabo asked for particulars on the increase in yields as compared to our previous investment vehicle. Controller Wilson answered it is almost 300 basis points.*

*Director Sabo asked questions about rental cars, an uptick in professional services against budget and what legal services District Counsel bills outside his monthly retainer. Executive Director La Pier stated most of the variance is due to District Counsel getting caught up on their billing.*

*Director Sabo asked questions about the net pension liability plan. Executive Director La Pier noted we paid the pension obligation bond down; this is the net pension liability in the future according to CalPERS. Controller Wilson added it is recast every year based on the new actuarial calculations that were done.*

*Director Sabo asked additional questions about individual expenditures. There was a discussion about water usage and the fact it is a function of usage of all tenants and passengers. Deputy Executive Director Morello noted water usage goes up the better our tenants do.*

Review            4. Variance Analysis - MTD and YTD

*Director Sabo asked about the variance in licensing fees. Controller Wilson answered it was a timing issue.*

Review            5. Accounts Receivable Aged Invoice Report

*Director Sabo asked for explanations on the past due Accounts Receivable. Controller Wilson stated District Counsel Huber is handling one and the other we are working with.*

Review            6. Grant Funds Balance

*No discussion.*

Discuss           7. General Discussion

*Executive Director La Pier gave an overview of the priorities and strategies for funding the Capital Improvement Plan (CIP), saying most of the CIP will be based on the Safety Enhancement Plan. There are only two other projects under consideration.*

*Executive Director La Pier reviewed the CIP process saying we are looking for every possible funding dollar. The strategy is to find as many outside sources as possible. Director Sabo asked if a project can be on the CIP if we don't know how it is going to be paid for. Executive Director La Pier answered that the CIP budget is based on projects necessary in the following year. Approving the CIP gives staff the authority to bring the contract back to the board. The funding source could be unidentified. But the board is not approving the expenditure. If we don't get funding, then we don't bring it to the board. The CIP is a plan, not an expenditure. There was a discussion about the process.*

*Executive Director La Pier gave an overview of the operations budgeting strategy. There was a discussion about compensation, total benefits, proposed new positions, and the intention to have maintenance on property seven days a week.*

*Executive Director La Pier discussed ideas for additional revenues and the need to replace revenues lost by shutting down the outside storage as part of the environmental work that needs to be done. He intends to have a Rates and Charges breakout discussion during a special Finance Committee meeting.*

*Director Sabo asked about the budget models based on the uncertainty of the economy. Controller Wilson reported he will build a model that has some sensitivities to it so we can switch between scenarios: realistic, pessimistic, and optimistic.*

#### **E. ADJOURNMENT**

*The meeting adjourned at 11:20 AM.*

*Approved at the  
Meeting of April 27, 2023*

*William Sabo, Chair Pro Tem*

**A T T E S T**

*Michael La Pier, AAE  
District Secretary*

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

March 15, 2023 - 9:00 AM

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In the event that a Board Member utilizes the procedure outlined in AB 2449 to attend a meeting, only then will remote public comments be allowed. Under those circumstances, 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 who desire to make a public comment can send an email to [info@montereyairport.com](mailto: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 Board for consideration and will be compiled as part of the record.

### **A. CALL TO ORDER/ROLL CALL**

*Chair Sawhney called to order the Regular Meeting of the Monterey Peninsula Airport District Board of Directors at 9:02 AM. Directors Pick, Leffel, Sabo and Miller were present. The following staff were present: Executive Director La Pier, District Counsel Huber, Acting Board Secretary Adams, Deputy Executive Director Morello, and Controller Wilson.*

### **B. PLEDGE OF ALLEGIANCE**

*Executive Director La Pier led the Pledge of Allegiance.*

### **C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS**

*Executive Director La Pier reported on the operations of the Airport during the recent power outage.*

### **D. PUBLIC COMMENTS ON NON-AGENDA ITEMS**

*Paul Bruno, a member of the public and pilot, commented on the new hangar rent rates being a concern to many. He suggested the cost of moving the hangars should be considered part of the cost of building the new terminal building; he would like to see the cost decoupled from the projected rent for the new hangars. Mr. Bruno also suggested a market comparison be done that considers commercial vs. municipal rates.*

*John Gaglioti, a member of the public and a pilot, commented he supports the new plan but wants to make sure the Airport continues to support the General Aviation (GA) community too; Monterey Airport is a pilot's airport, and a thriving GA community is important to him.*

*Mr. Hodges, a member of the public and GA pilot, commented MRY is unique in that it is a successful commercial airport and has a thriving GA community also, and he would hate to see that change. But if the rent is too high the smaller aircraft will be replaced by larger, out of town, aircraft who will not be as supportive of the Airport.*

*David Dickins, a member of the public and AOPA Liaison to the Airport, read the following statement:*

- Monterey Pilots now has 34 members and includes 18 SE Airport hangar tenants.*
- We didn't request this move – it's been forced on us through no fault of our own.*
- A sharp increase in hangar rents cannot be readily absorbed by the existing tenants.*
- If adopted by the board, the \$750 cost recovery figure mentioned at the January meeting (essentially doubling our rent) will force the majority of the existing tenants to leave MRY.*
- A better approach is to find a way to raise rates gradually. For example, existing leases negotiated between the Airport District and Monterey Fuel Company specify a 7% cap on annual rent increases.*
- We want to work with the Board to avoid rate shock and maintain the stability of nearly full occupancy and uninterrupted income.*
- We are asking the board to set reasonable rates for the new hangars that will ensure that existing tenants are transferred fairly at rents that are not based simply on covering new build costs within a set time frame.*

*Ron Rohde, a member of the public and hangar tenant, commented that he and Yoshimi Allard maintain a plane at the Southeast hangars and, with rent, fuel, training, etc., they have contributed over \$100k to the Airport over the last two decades. He is aware of the fiduciary duty for assets and respectfully submitted there is no grounds to increase rents more than normal increases.*

*Yoshimi Allard, a member of the public and hangar tenant, commented that MRY has a great community of pilots. They meet, train themselves, and contribute to the safety of flight. She is sad to see this community of pilots looking elsewhere.*

*District Counsel Huber commented that we had a report of non-aviation use of hangars. He wanted the Public to know that there is an annual hangar inspection, but when we get a complaint we inspect the hangar immediately. In addition to the hangars owned by the Airport, there are hangars owned by Monterey Fuel Company and NSSI and he will work with them to correct any compliance issues.*

## **E. CONSENT AGENDA - ACTION ITEMS**

- |         |  |
|---------|--|
| Approve | 1. Minutes of the Regular Board Meeting of February 15, 2023   |
| Approve | 2. Minutes of the Air Carrier Service – Marketing – Community Relations Committee Meeting of March 08, 2023  |
| Adopt   | 3. Ordinance No. 930, An Ordinance of the Monterey Peninsula Airport District Repealing in its Entirety Ordinance 926 and Adopting by Reference the 2022 California Building Standards Code, Title 24, as Adopted by the California Building Standards Commission; and the 1997 Uniform Code for the Abatement of Dangerous Buildings, the 1997 Uniform Housing Code, and the 2012 International Property Maintenance Code as Published by the International Conference of Building Officials, Regulating the Erection, Construction, Enlargement, Alteration, Repair, Moving, Removal, Demolition, Conversion, Occupancy, Equipment, Use, Height, Area, and Maintenance of All Buildings or Structures in the Monterey Peninsula Airport; Adopting by Reference Part 9, California Fire Code Including the Appendix |

Chapters of the California Code Of Regulations Title 24; and Providing for Penalties for the Violation Thereof.

Adopt 4. Proclamation Recognizing Women's History Month

Adopt 5. Proclamation Recognizing Director Leffel's Lifetime Achievement Award

*Director Leffel moved to approve the Consent Agenda items. Chair Sawhney pulled Item E.1, E.2, E.4, and E.5. Director Leffel modified her motion to approve Item E.3. Director Miller seconded the modified motion. Item E.3 was approved unanimously with a roll call vote of 5-0.*

**MONTEREY PENINSULA AIRPORT DISTRICT  
ORDINANCE NO. 930**

**AN ORDINANCE OF THE MONTEREY PENINSULA AIRPORT DISTRICT REPEALING IN ITS ENTIRETY ORDINANCE 926 AND ADOPTING BY REFERENCE THE 2022 CALIFORNIA BUILDING STANDARDS CODE, TITLE 24, AS ADOPTED BY THE CALIFORNIA BUILDING STANDARDS COMMISSION; AND THE 1997 UNIFORM CODE FOR THE ABATEMENT OF DANGEROUS BUILDINGS, THE 1997 UNIFORM HOUSING CODE, AND THE 2012 INTERNATIONAL PROPERTY MAINTENANCE CODE AS PUBLISHED BY THE INTERNATIONAL CONFERENCE OF BUILDING OFFICIALS, REGULATING THE ERECTION, CONSTRUCTION, ENLARGEMENT, ALTERATION, REPAIR, MOVING, REMOVAL, DEMOLITION, CONVERSION, OCCUPANCY, EQUIPMENT, USE, HEIGHT, AREA, AND MAINTENANCE OF ALL BUILDINGS OR STRUCTURES IN THE MONTEREY PENINSULA AIRPORT; ADOPTING BY REFERENCE PART 9, CALIFORNIA FIRE CODE INCLUDING THE APPENDIX CHAPTERS OF THE CALIFORNIA CODE OF REGULATIONS TITLE 24; AND PROVIDING FOR PENALTIES FOR THE VIOLATION THEREOF.**

NOW, THEREFORE, the Board of Directors of the Monterey Peninsula Airport District DO ORDAIN as follows:

**SECTION 1: Repeal. That Ordinance No. 926 entitled "AN ORDINANCE OF THE MONTEREY PENINSULA AIRPORT DISTRICT REPEALING IN ITS ENTIRETY ORDINANCE 921 AND ADOPTING BY REFERENCE THE 2022 CALIFORNIA BUILDING STANDARDS CODE, TITLE 24, AS ADOPTED BY THE CALIFORNIA BUILDING STANDARDS COMMISSION; AND THE 1997 UNIFORM CODE FOR THE ABATEMENT OF DANGEROUS BUILDINGS, THE 1997 UNIFORM HOUSING CODE, AND THE 2012 INTERNATIONAL PROPERTY MAINTENANCE CODE AS PUBLISHED BY THE INTERNATIONAL CONFERENCE OF BUILDING OFFICIALS, REGULATING THE ERECTION, CONSTRUCTION, ENLARGEMENT, ALTERATION, REPAIR, MOVING, REMOVAL, DEMOLITION, CONVERSION, OCCUPANCY, EQUIPMENT, USE, HEIGHT, AREA, AND MAINTENANCE OF ALL BUILDINGS OR STRUCTURES IN THE MONTEREY PENINSULA AIRPORT; ADOPTING BY REFERENCE PART 9, CALIFORNIA FIRE CODE INCLUDING THE APPENDIX CHAPTERS OF THE CALIFORNIA CODE OF REGULATIONS TITLE 24, 2013 EDITION OF THE CALIFORNIA BUILDING STANDARDS; AND PROVIDING FOR PENALTIES FOR THE VIOLATION THEREOF" and all other ordinances or parts of ordinances in conflict herewith are hereby repealed.**

**SECTION 2: Adoption. The Monterey Peninsula Airport District hereby adopts by reference the 2022 California Building Standards Code, Title 24, as adopted by the California Building Standards Commission, which includes the 2022 California Administrative Code, the 2022 California Building**



Code, the 2022 California Residential Code, the 2022 California Electrical Code, the 2022 California Mechanical Code, the 2022 California Plumbing Code, the 2022 California Energy Code, the 2022 California Historical Building Code, the 2022 California Fire Code, the 2022 California Existing Building Code, the 2022 California Green Building Standards Code, the 2022 California Referenced Standards Code, the 1997 Uniform Code for the Abatement of Dangerous Buildings, and the 2012 International Property Maintenance Code. A true and correct copy of the 2022 California Building Standards Code as adopted by this section shall be on file in the office of the Secretary of the Monterey Peninsula Airport District for examination and use by the Public.

**SECTION 3:** The California Fire Code, 2022 edition, including Appendix Chapters, is hereby adopted as the Fire Code of the Monterey Peninsula Airport District, regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of building and premises as herein provided; providing for the issuance of permits and collection of fees thereof; and each and all of the regulations, provisions, penalties, conditions and terms of said Fire Code on file in the office of the Monterey Peninsula Airport District are hereby referred to, adopted, and made a part thereof, as if fully set out in this Chapter.

**SECTION 4:** That any person, firm or corporation violating any provision of the code adopted hereby or failing to comply therewith, or violating or failing to comply with any order made thereunder, or who shall build in violation of any detailed statement of specifications or plans submitted and approved thereunder, or any certificate or permit issued thereunder shall be deemed guilty of a misdemeanor or infraction, whichever may be charged, and, upon conviction thereof, shall be punishable by a fine not to exceed One Thousand Dollars (\$1,000) or by imprisonment in the county jail for not to exceed six (6) months, or both fine and imprisonment. Each separate day or portion thereof, during which any violation occurs or continues, shall be deemed to constitute a separate offense. The imposition of any one penalty for any violation shall not excuse the violation or permit it to continue and all such violations shall be corrected or remedied by the person, firm, or corporation responsible for the violation within a reasonable time. The application of any penalties provided for above shall not be held to prevent the enforced removal of any violation of the code hereby adopted.

**SECTION 5:** Compliance with the California Environmental Quality Act: The Board of Directors finds that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines because it has no potential for resulting in physical change to the environment, directly or indirectly.

**SECTION 6:** Severability: If any section provision, of this Ordinance or the application thereof to any person or circumstances is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction or preempted by state legislation, such decision or legislation shall not affect the validity of the remaining portions of this Ordinance. The Board of Directors hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause or phrase hereof not declared invalid or unconstitutional without regard to any such decision or preemptive legislation.

This ordinance shall take effect on the 30<sup>th</sup> day after its adoption.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 15th day of March, 2023 by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>	Pick, Leffel, Sabo, Miller, Sawhney
<b>NOES:</b>	<b>DIRECTORS:</b>	None
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>	None
<b>ABSENT:</b>	<b>DIRECTORS:</b>	None

**F. DEFERRED CONSENT AGENDA - ACTION ITEMS**

*Chair Sawhney stated she pulled the Minutes of the Regular Board Meeting of February 15, 2023 because Item E., Appointment of Committees, subsection b., Ad Hoc Committee, Local Jurisdiction Liaison, should read Director Sawhney and Director Leffel, instead of referring to Director Leffel as an Alternate. Director Pick moved to approve the Minutes of the Regular Board Meeting of February 15, 2023 with the correction noted by Chair Sawhney. Director Leffel seconded the motion. The motion passed unanimously by a roll call vote of 5-0.*

*Chair Sawhney stated she pulled the Minutes of the Air Carrier Service – Marketing – Community Relations Committee Meeting of March 08, 2023 because she disagreed with them and moved to continue the approval of these minutes to the next meeting. Director Miller seconded the motion. The motion passed unanimously by a roll call vote of 5-0.*

*Chair Sawhney stated Items E.4 and E.5 were pulled in order to recognize both Proclamations and present Director Leffel with hers. Director Miller moved to approve Items E.4 and E.5. Director Pick seconded the motion. The motion passed unanimously by a roll call vote of 5-0.*

*Chair Sawhney read the Proclamation Recognizing Director Leffel’s Lifetime Achievement Award and presented her with a bouquet of flowers.*

**G. REGULAR AGENDA - ACTION ITEMS**

Discuss        1. Strategic Planning Report Review and More Efficient Board Meetings

*Chair Sawhney asked to defer this item until after Closed Session.*

Receive        2. Quarterly Update by Chris Chidlaw, Chidlaw Marketing

*Chair Sawhney asked to remove this item and continue it to next month because suggestions made at the Air Carrier Service – Marketing – Community Relations Committee for changes were not made. Executive Director La Pier stated we are taking those suggestions under advisement going forward. Directors discussed Chair Sawhney’s request and concurred we would continue with Item G.2 today.*

*Chris Chidlaw, Chidlaw Marketing, gave a presentation informing the Board about Public Relations and Advertising activities over the last three months.*

*A break was taken at 10:08 AM.*

*The meeting was reconvened at 10:16 AM.*

*Directors discussed the presentation and asked questions of Mr. Chidlaw. Amanda Auker, Social Media Specialist, was in attendance and also answered questions. Directors complimented Mr. Chidlaw.*

*No Public Comment.*

Approve 3. Resolution No. 1841, A Resolution Authorizing and Approving the Service Agreement between the Monterey Peninsula Airport District and KBM Hogue

*Directors agreed to consider Item G.3 after Closed Session in deference to members of the public attending for Item G.5 and those waiting to comment prior to Closed Session.*

Approve 4. Resolution No. 1842, A Resolution Approving the State of California Department of Transportation ("Cal Trans") California Airport Loan Agreement

*Directors agreed to consider Item G.4 after Closed Session in deference to members of the public attending for Item G.5 and those waiting to comment prior to Closed Session.*

Approve 5. Resolution No. 1843, A Resolution Accepting an Avigation Easement Agreement from Kenneth Eugene Slama, Trustee of the Kenneth Eugene Slama Revocable Trust

*District Counsel Huber introduced Item G.5. Director Leffel moved to approve Resolution No. 1843, A Resolution Accepting an Avigation Easement Agreement from Kenneth Eugene Slama, Trustee of the Kenneth Eugene Slama Revocable Trust. Director Pick seconded the motion.*

*Brent Slama, a member of the public and Grantor of the avigation easement, commented there are other properties they own in the area, and they want to work well with the Airport. They, as developers, want their residents to know what they are getting into. There are more avigation easement agreements to come, and he would welcome anything that could be done to make the process more administrative.*

*Directors asked questions about the project and discussed the reasons for the Avigation Easement Agreement.*

*The motion passed unanimously by a roll call vote of 5-0.*

### **RESOLUTION NO. 1843**

#### **A RESOLUTION ACCEPTING AN AVIGATION EASEMENT AGREEMENT FROM KENNETH EUGENE SLAMA, TRUSTEE OF THE KENNETH EUGENE SLAMA REVOCABLE TRUST**

**WHEREAS**, Kenneth Eugene Slama, Trustee of the Kenneth Eugene Slama Revocable Trust dated July 18, 2006 ("Grantor"), is the owner in fee of certain real property with an address of 2300 Garden Road, in the City of Monterey, County of Monterey, State of California, described in Exhibit "A" to the Grant of Avigation Easement Agreement and incorporated herein by reference ("Property"); and

**WHEREAS**, District is the owner and operator of the Monterey Regional Airport ("Airport"), and as incident to the conducting of operations of the Airport by the District, properties situated in close proximity to the Airport may be subject to noise, the flight of low-flying aircraft within their airspace, and other effects associated with the operation of an airport; and

**WHEREAS**, The Property is situated within close proximity of the Airport, and Grantor desires to develop the Property for residential use; and

**WHEREAS**, The City of Monterey, CA is considering approval for a housing conversion from commercial property and requires the granting of an avigation easement in favor of the District as a condition of approval.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** That the Executive Director is hereby authorized to execute such agreement and easement on behalf of the District and that the District Secretary or designee is authorized to affix thereto the official seal of the District.

**AND BE IT FURTHER RESOLVED** that the Secretary or the Acting Secretary of the Airport District is authorized and directed to record said avigation easement with the Monterey County Recorder’s Office.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 15th day of March 2023 by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>	Pick, Leffel, Sabo, Miller and Sawhney
<b>NOES:</b>	<b>DIRECTORS:</b>	None
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>	None
<b>ABSENT:</b>	<b>DIRECTORS:</b>	None

**H. BOARD COMMITTEE REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS**

Standing Committees:

- |   |                            |
|---|----------------------------|
| i. Budget and Finance                           | Directors Sabo & Leffel    |
| ii. Air Service, Marketing, Community Relations | Directors Sawhney & Pick   |
| iii. Airport Property Development and Leases    | Directors Sawhney & Miller |

b. Ad-Hoc Committees:

- |                               |                          |
|-------------------------------|--------------------------|
| i. Local Jurisdiction Liaison | Director Sawney & Leffel |
|-------------------------------|--------------------------|

c. Liaison/Representatives:

- |   |                  |
|---|------------------|
| i. Local Agency Formation Commission            | Director Leffel  |
| ii. Regional Taxi Authority                     | Director Pick    |
| iii. Transportation Agency for Monterey County  | Director Sabo    |
| iv. Special Districts Association Liaison       | Director Sawhney |
| v. Association of Monterey Bay Area Governments | Director Miller  |

*Directors agreed to report out from Committee after Closed Session.*

**I. CLOSED SESSION**

1. Pursuant to Government Code section 54956.8, the Board will meet with Real Property Negotiators, Executive Director and General Counsel, regarding a portion of the property commonly known as APN Number 013-221-020-000.

2. Pursuant to Gov. Code 54957.6(b)(2), the board will meet with the Executive Director and General Counsel related to potential exposure to litigation: one case.

*District Counsel Huber gave a recap of each Closed Session item. In response to a question, he stated APN Number 013-221-020-000 is 1600 Airport Road.*

*Gaudenz Panholzer, Fire Chief, Monterey Fire Department, commented that the Monterey Fire Department made a huge commitment to the Airport District nearly 10 years ago to provide fire services and meet all FAA requirements. He emphasized how they've worked with the Airport in the past. However, he stated that moving the building to the north side changes the value it can provide to the local community. He noted conversations have started in order to see if there are ways to leverage that side of the Airport to be of more benefit to the communities and, if that happened, they would come back to the Airport to talk about rebalancing the costs. Chief Panholzer stated the proposal submitted answered the immediate request they received through the RFP. Chief Panholzer then made additional comments about the strengths of the Monterey Fire Department and benefits of the Airport utilizing the them as their Fire Services provider.*

*Pat Moore, President of the Monterey Firefighters Local 3707, commented he speaks for operations, and they hope to continue to provide the Airport with the highest level of service they can.*

*Directors entered Closed Session at 11:55 AM.*

#### **J. RETURN TO OPEN SESSION**

*Directors returned to Open Session at 2:21 PM. Chair Sawhney was temporarily absent. Chair Pro Tem Sabo called the meeting back to order. District Counsel Huber reported direction was given to Staff to hold a Special Board meeting on April 5<sup>th</sup> at 10:00 AM and to invite the proposal parties to attend.*

#### **G. REGULAR AGENDA - ACTION ITEMS (CONTINUED)**

- Approve      3. Resolution No. 1841, A Resolution Authorizing and Approving the Service Agreement between the Monterey Peninsula Airport District and KBM Hogue

*Director Leffel moved to approve Resolution No. 1841, A Resolution Authorizing and Approving the Service Agreement between the Monterey Peninsula Airport District and KBM Hogue. Director Pick seconded the motion.*

*No Public Comment.*

*The motion passed unanimously by a roll call vote of 4-0 with Chair Sawhney absent.*

#### **RESOLUTION NO. 1841**

#### **A RESOLUTION AUTHORIZING AND APPROVING THE SERVICE AGREEMENT BETWEEN THE MONTEREY PENINSULA AIRPORT DISTRICT AND KBM HOGUE**

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

**WHEREAS**, to better accommodate the passenger increase of the mainline American Airlines service, staff evaluated additional west hold room counter seating to increase passenger seating options; and

**WHEREAS**, the adoption of the Fiscal Year 2023 Amended Capital Improvement Program (CIP) budget includes a project for West Hold Room Upgrades; and

**WHEREAS**, the Airport participates in three cooperative purchasing organizations for public sector procurement and staff have worked with a local firm that participates in these competitive solicitation organizations to design and provide cost estimates for these improvements.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** That the Monterey Peninsula Airport District contract with KBM Hogue for a total amount not-to-exceed \$110,000.00 and directs the Executive Director of the District, or his designee, to execute the purchase order.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 15th day of March 2023 by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>	Pick, Leffel, Sabo, Miller
<b>NOES:</b>	<b>DIRECTORS:</b>	None
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>	None
<b>ABSENT:</b>	<b>DIRECTORS:</b>	Sawhney

Approve 4. Resolution No. 1842, A Resolution Approving the State of California Department of Transportation ("Cal Trans") California Airport Loan Agreement

*Chair Sawhney rejoined the meeting at 2:23 PM. Director Pick moved to approve Resolution No. 1842, A Resolution Approving the State of California Department of Transportation ("Cal Trans") California Airport Loan Agreement. Director Leffel seconded the motion. Director Sabo reported the Finance Committee reviewed this item and endorsed it.*

*No Public Comment.*

*The motion passed unanimously by a roll call vote of 5-0.*

#### **RESOLUTION NO. 1842**

#### **A RESOLUTION APPROVING THE STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION CALIFORNIA AIRPORT LOAN AGREEMENT**

**WHEREAS**, the Monterey Peninsula Airport District ("District") has passed and adopted Resolution No. 1837 authorizing the submittal of an application with the California Department of Transportation, for a state airport loan for the purchase of the Northside Hangars; and

**WHEREAS**, the application with the California Department of Transportation state airport loan has been applied for and has been approved by the California Department of Transportation's Aeronautics Division as California Airport Loan Agreement Mon-1-23-L-1, for \$3,740,958.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE**

**MONTEREY PENINSULA AIRPORT DISTRICT:** that the Board of Directors of the Monterey Peninsula Airport District, Monterey in the State of California:

- 1. Authorizes execution of the California Airport Loan Agreement Mon-1-23-L-1. A copy is attached hereto as Exhibit "A".

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 15th day of March, 2023 by the following roll call vote:

**AYES: DIRECTORS:** Pick, Leffel, Sabo, Miller & Sawhney  
**NOES: DIRECTORS:** None  
**ABSTAIN: DIRECTORS:** None  
**ABSENT: DIRECTORS:** None

Discuss 1. Strategic Planning Report Review and More Efficient Board Meetings

*Chair Sawhney recommended Item G.1 be discussed at the next regular meeting of the board. Directors Pick and Miller concurred.*

**H. BOARD COMMITTEE REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS**

Standing Committees:

- i. Budget and Finance Directors Sabo & Leffel
- ii. Air Service, Marketing, Community Relations Directors Sawhney & Pick
- iii. Airport Property Development and Leases Directors Sawhney & Miller

b. Ad-Hoc Committees:

- i. Local Jurisdiction Liaison Director Sawney & Leffel

c. Liaison/Representatives:

- i. Local Agency Formation Commission Director Leffel
- ii. Regional Taxi Authority Director Pick
- iii. Transportation Agency for Monterey County Director Sabo
- iv. Special Districts Association Liaison Director Sawhney
- v. Association of Monterey Bay Area Governments Director Miller

*Chair Sawhney asked Chair Pro Tem to continue to chair the meeting as she needed to leave the meeting soon.*

*Director Sabo reported for Finance Committee. Director Sawhney reported for Air Service Committee. Director Miller reported for Lease Committee.*

*Chair Sawhney reported there is a request for the Ad Hoc Local Jurisdiction Committee to have a meeting.*

*Director Leffel reported on LAFCO budget meetings and their expected increases, which is less than she reported at the last regular meeting. She reported the next board meeting is March 27<sup>th</sup>.*

*Director Pick reported there was no Regional Taxi Authority meeting.*

*Director Sabo reported on the TAMC meeting.*

*Director Sawhney stated there was nothing this month for Special Districts.*

*Director Miller reported on the two AMBAG committee meetings he attended.*

*Director Pick and Chair Sawhney excused themselves from the meeting at 2:33 PM. Chair Pro Tem Sabo continued to chair the meeting.*

**K. PENDING REQUESTS FOR FUTURE AGENDA ITEMS**

- Drone and Balloon Update

**L. DISCUSSION OF FUTURE AGENDAS**

- *Review of Rates and Charges as Part of the Budget*
- *Report Out on Emergency Procedures & Preparedness*

*Director Leffel moved to add both items as pending requests for future agenda items. Director Sabo seconded. No vote was necessary.*

**M. ADJOURNMENT**

*The meeting adjourned at 2:37 PM.*

*Approved at the  
Meeting of April 27, 2022*

*William Sabo, Chair Pro Tem*

**A T T E S T**

*Michael La Pier, AAE  
District Secretary*



# MINUTES OF THE SPECIAL MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

April 5, 2023 - 10:00 AM

## NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD 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 Board Meeting in person and request to speak to the Board when the Chair calls for public comment. In general, remote comments will not be allowed, except as outlined in the limited circumstances 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](http://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 and password.

In the event that a Board Member utilizes the procedure outlined in AB 2449 to attend a meeting, only then will remote public comments be allowed. Under those circumstances, 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 who desire to make a public comment can send an email to [info@montereyairport.com](mailto: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 Board for consideration and will be compiled as part of the record.

### **A. CALL TO ORDER/ROLL CALL**

*Chair Pro Tem Sabo called to order the meeting of the Monterey Peninsula Airport District Board of Directors at 10:03 AM. Directors Pick, Leffel, and Miller were present. Director Sawhney was absent. The following staff were present: Executive Director La Pier, District Counsel Huber, Acting Board Secretary Adams, Deputy Executive Director Morello, and Controller Wilson.*

### **B. PLEDGE OF ALLEGIANCE**

*Director Pick led the Pledge of Allegiance.*

### **C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS**

*Chair Pro Tem Sabo announced Director Sawhney was absent due to a family medical issue and might join later by videoconference.*

*Chair Pro Tem Sabo received guidance from District Counsel Huber regarding the possibility of approving Director Sawhney to attend remotely due to emergency circumstances, as allowed by AB 2499. District Counsel Huber explained the process included first adding an agenda item, which requires a 4/5 vote of those in attendance, since this item came to the attention of Airport staff subsequent to posting of the agenda for this April 5, 2023 meeting. Pursuant to Gov. Code 54954.2, staff is requesting that the Board add Item C.1, pursuant to the Brown Act as amended by AB 2449, to consider approving the emergency medical circumstances to allow this board member to attend this meeting virtually due to medical emergency. Chair Miller made that motion. Director Pick seconded.*

*Public Comment was made by Hans Uslar, City of Monterey, CA, City Manager. Mr. Uslar commented he would be curious when Chair Sawhney joins the meeting if she will have had the benefit of the presentations. If not, he would consider whether she is able to weigh in and comment.*

*The motion failed by a 3-1 roll call vote with Director Leffel voting no. District Counsel Huber announced Director Sawhney could view the board meeting by videoconference but not participate.*

**D. REGULAR AGENDA - ACTION ITEMS**

Presentation 1. City of Monterey Fire Department (10:00 AM – 10:15 AM)

*Executive Director La Pier reported each entity has been asked to provide the other with the courtesy of not attending the other parties' presentation. He asked if there was anyone from Pro-Tec Fire Services in the room, that they please leave.*

*Hans Uslar, City Manager of Monterey, CA introduced Gaudenz Panholzer, Monterey Fire Chief, who gave a presentation regarding the City of Monterey Fire Department Fire Services Proposal. Chief Panholzer reviewed, among other things, the City of Monterey Fire Department prior service agreement, the current contract that started out at a higher price and then employed a projection true up method of pricing, and the fact they are still exploring if they can find ways to create more benefit for the City of Monterey from the location of the new AARF facility and thus reduce costs.*

Interview 2. City of Monterey Fire Department (10:15 AM – 10:30 AM)

*Directors discussed the proposal and asked questions of Chief Panholzer.*

Scheduled Break from 10:30 AM – 10:45 AM

*A break was taken at 11:09 AM. The meeting reconvened at 11:15 AM.*

Presentation 3. J.J. Protective Services, Inc. d/b/a Pro-Tec Fire Services, Ltd. (10:45 AM – 11:00 AM)

*Chair Pro Tem Sabo asked that City of Monterey Fire personnel please leave the room as a courtesy to J.J. Pro-Tec Fire Services, Ltd. Several members of Monterey Fire remained.*

*Chief Dan Diehl of Pro-Tec Fire Services introduced himself and gave a presentation regarding the Pro-Tec Fire Services, Ltd. Fire Services Proposal. Chief Diehl reviewed the services they propose to provide to the Airport on a regular basis. He introduced Chief Sean Edwards, currently Chief of Idaho Falls, ID, who is proposed to be the Monterey Peninsula Airport District Fire Chief.*

Interview 4. J.J. Protective Services, Inc. d/b/a Pro-Tec Fire Services, Ltd. (11:00 AM – 11:15 AM)

*Directors discussed the proposal and asked questions of Chief Diehl and Chief Edwards.*

Direct 5. Provide Direction to Staff for Airport Fire & Related Emergency Services

**Public Comments:**

*Rick Rodewald, a citizen of Del Rey Oaks and retired firefighter, expressed his concern about future mutual aid and asked the board to consider that it is about what a station can provide, as well as take, in the way of mutual aid for all risks, not just one risk.*

*Anthony Melendrez, a resident of Monterey and retired firefighter who was stationed for a time at San Jose Mineta International Airport, expressed concern for a new entity being mediocre as compared to the above and beyond qualifications of the known entity at the Airport now.*

*Josh Hostetter, President of Salinas Firefighters, stated Monterey Fire is 100% union and his concern is that choosing Pro-Tec Fire Services would jeopardize good paying jobs and the mutual aid system.*

*Andrew Melendrez, a firefighter, commented the minimum on a fire engine is two but that is a low level of service; three or more is standard. He encouraged the board not to choose the least expensive proposal.*

*Matt Murphy, a Monterey firefighter, and Casanova Oak Knoll neighborhood resident, read a statement that addressed his concerns about level of service, mutual aid, the importance of the firefighters training with other locals, and a private company putting profit before services.*

*Anthony Shorestein, a Monterey resident, and Monterey Regional Airport firefighter asked the board to consider that the Airport should not decrease protection and service as it increases the size of aircraft.*

*Jeremy Pratt, a resident of Pacific Grove and local firefighter, spoke to the complexities of mutual aid and the implications of a two-person engine crew.*

*Ross Pounds, President of Monterey Firefighters Association Local 3707 representing 78 firefighters employed by the City of Monterey who stand committed to MPAD, read a statement that addressed his respect for the RFP process and concern about public safety and local jobs. He encouraged further deliberations on the topic.*

*Public Comments were closed by Chair Pro Tem Sabo at 12:26 PM.*

*District Counsel Huber addressed the board and the public regarding remote Public Comment rules under the Brown Act and AB 2449.*

*Chair Pro Tem Sabo acknowledged receipt of Public Comment emailed prior to 8:00 AM this morning that was presented to the board and will be taken into consideration.*

*A break was taken at 12:29 PM.*

*The meeting resumed at 12:38 PM.*

*Directors discussed the proposals. It was the consensus of the board to direct staff to get clarity from both parties on specific areas of their proposals and bring final proposals back to the board.*

Adopt           6. Resolution No. 1844, A Resolution Authorizing a Professional Services Agreement with Hellmuth, Obata & Kassabaum, Inc. (HOK) for Design of the Relocated Passenger Terminal Complex

*Executive Director La Pier introduced Item D.6 stating the agreement was provided by HOK but was reviewed and modified by District Counsel Huber, it covers the design of the parking lot as well as the terminal building, and we have grant funds available to cover the cost.*

*Directors discussed the agreement and asked questions of staff and counsel.*

*Director Leffel moved to adopt Resolution No. 1844, A Resolution Authorizing a Professional Services Agreement with Hellmuth, Obata & Kassabaum, Inc. (HOK) for Design of the Relocated Passenger Terminal Complex. Director Miller seconded the motion. The motion was unanimously approved by a roll call vote of 4-0 with Director Sawhney being absent.*

## **RESOLUTION NO. 1844**

### **A RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH HELLMUTH, OBATA & KASSABAUM, INC. (HOK) FOR THE DESIGN OF THE RELOCATED PASSENGER TERMINAL COMPLEX**

**WHEREAS**, On November 26, 2018, the Board of Directors of the Monterey Peninsula Airport District (MPAD) 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**, On 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 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**, The FY23 Adopted Capital Improvement Budget contains Project 2023-01 Safety Enhancement Program (SEP) Phase D1 Terminal Design and the approved Airport Capital Improvement Program (ACIP) for FY 2022-2028 includes this SEP project phase; and

**WHEREAS**, the Monterey Peninsula Airport District (MPAD) has previously submitted an Airport Capital Improvement Program (ACIP) for FY 2021-2025 that includes this Project; and

**WHEREAS**, On October 21, 2022, the top two ranked teams were invited to a final interview that included the Airport Board of Directors where each Design Entity provided a formal presentation and responded to questions from the Board and following the formal presentation/interview HOK was identified as the lead team choice to submit a Scope of Work (SOW) for the Design of the Relocated Passenger Terminal Complex (Project); and

**WHEREAS** The Airport has received notice of eligibility for Bipartisan Infrastructure Law (BIL) Entitlement Grants for FY22 and FY23 totaling \$4.28M and in March 2023, the Airport received notice of eligibility for a \$3.0M Grant for Terminal Design under the competitive BIL/ATP process.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** That MPAD contract with Hellmuth, Obata & Kassabaum, Inc. (HOK) to complete the Design of the Relocated Passenger Terminal Complex at a not-to-exceed cost of \$5,999,950.00.

Further, the Recitals above are incorporated in full into this approval.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 5th day of April 2023, by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>	Pick, Leffel, Miller, Sabo
<b>NOES:</b>	<b>DIRECTORS:</b>	None
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>	None
<b>ABSENT:</b>	<b>DIRECTORS:</b>	Sawhney

**E. ADJOURNMENT**

*The meeting adjourned at 1:53 PM.*

*Approved at the  
Meeting of April 27, 2022*

*William Sabo, Chair Pro Tem*

**A T T E S T**

*Michael La Pier, AAE  
District Secretary*

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

April 12, 2023 – 9:00 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 Board Meeting in person and request to speak to the Board when the Chair calls for public comment. In general, remote comments will not be allowed, except as outlined in the limited circumstances 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](http://www.zoom.us/join) and enter the following Meeting ID: **847 7330 1759**. The password for this meeting is: **20230412**. If you do not have access to the internet, you may listen telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

In the event that a Board Member utilizes the procedure outlined in AB 2449 to attend a meeting, only then will remote public comments be allowed. Under those circumstances, 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 who desire to make a public comment can send an email to [info@montereyairport.com](mailto: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 Board for consideration and will be compiled as part of the record.

### **A. CALL TO ORDER**

*The meeting of the Monterey Peninsula Airport District Budget & Finance Committee was called to order at 9:02 AM. Director Sabo and Director Leffel, Executive Director La Pier, Acting Board Secretary Adams, Deputy Executive Director Morello, and Controller Wilson were present.*

### **B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS**

*Director Leffel announced she attended a ribbon cutting for the Premier Valley Bank in Salinas yesterday and the Salinas Chamber of Commerce recognized the Airport.*

### **C. PUBLIC COMMENTS**

*None.*

### **D. REGULAR AGENDA – ACTION ITEMS**

Review            1. Revised Monterey Peninsula Airport District On-Airport Rental Car Operator Lease and Concession Agreement

*Executive Director La Pier reviewed proposed changes to the Monterey Peninsula Airport District On-Airport Rental Car Operator Lease and Concession Agreement. He reviewed the requests for changes from the operators, which included MAG abatement language, a reduced liquidated damages amount, and that two of them asked to combine their brands into one agreement signed by a parent company, but with the MAG in place for each brand.*

*Director Leffel asked why there was no fiscal impact expected. Controller Wilson answered they already pay this amount; the concession fees are more than the increased MAG amount. Director Leffel asked*

*about the business hours, and how we would monitor that. Executive Director La Pier noted the operators all have a key drop, so the flight departure times are not as important as arrival times. He stated we can have the police help monitor the last flight in. The Hours of Operations language in the agreement will be amended prior to being brought to Lease Committee and to the full board.*

*Director Leffel asked if an auto roll over was standard. Executive Director La Pier answered yes, and there will be a new agreement once we are in the new terminal building because they will be renting a different space. There was a discussion about the timing of the notice period and how long until there would be a new agreement. There were suggestions from Directors Leffel and Sabo regarding the timing matching our fiscal year, instead of a calendar year.*

*Director Sabo asked if staff proposed the \$1000 penalty as liquidated damages for failing to staff the counter at the appropriate time. Executive Director answered yes, that was approved in the October version of the Agreement. Operators proposed \$250 and we countered with \$500. Director Sabo believes that \$500 is too low; Director Leffel said she would support the change.*

*Director Sabo asked questions about the base for the MAG abatement being 2022 and expressed his opinion that a 15% major traffic reduction was too generous. He will not recommend the board accept that change.*

*Director Leffel suggested the agreement start June 1<sup>st</sup> so there is a 30-day notice of change and for practicality on the security deposit. Executive Director La Pier noted the security deposits will be paid in the month of May and we don't carry deposits as receivables.*

Discuss        2. FY 2024 Rates and Charges

*Executive Director La Pier turned the floor over to Controller Wilson to review what we are recommending, based on getting in line with the PFM plan of finance.*

*For the benefit of the public, Controller Wilson shared his screen to show the 2024 Budget and Rates & Charges suggested scenarios for discussion purposes. Controller Wilson reviewed his methodology and stated we used February projections from Landrum & Brown as the base for commercial aviation volume, which is consistent with past years, and then trimmed their estimates by 5% to be conservative.*

*Controller Wilson stated the PFM plan estimated the amount we need to make to be able to service the expected debt. PFM anticipated a big jump in rates and the philosophy we used is to take two years to get there. Director Leffel asked if we could take three years. Controller Wilson answered PFM contemplated Fiscal Year 2026 debt service. Executive Director La Pier added we need to have the revenue in place to be able to service the debt before going to the bond agencies. Deputy Director Morello reviewed the expected timeline for going to bid and beginning construction of the new terminal building. It was determined we would likely need the loan by early Fiscal Year 2026.*

*There was a discussion about commercial airline rates and charges, and it was noted that they have always been set by the board, rather than negotiated with the airlines. Executive Director La Pier stated there has not been an increase for eight years and operating costs have gone up.*

*A break was taken at 10:56 AM. The meeting reconvened at 11:02 AM.*

*Controller Wilson referred to the chart and reviewed proposed commercial and general aviation rates and charges. He reviewed the debt service requirements for the new hangars, stating \$750 per month is the break even, but the proposal is to get there over three years, instead of two.*

*Director Leffel asked for an update on the drawdown analysis on the hangar loan. Controller Wilson answered that the initial cost and the reinvestment of those proceeds is not a significant difference. He reported we've signed the agreement and the loan should be funded in 30 days.*

*There was a discussion about hangar rates on and off the airport for different sizes and types of hangars.*

*Director Sabo explained his suggestions for taking 6 years to get to the \$750 per month rate. There was a discussion about balancing a phased in price increase that includes a subsidy to the hangar tenants and the obligation to have fair and consistent hangar rates across the airport as well as becoming net neutral on the debt service.*

*Director Sabo asked that the record note his disagreement with the 3-year approach with regard to the rent for the new hangars and to the airline increases as they were proposed.*

*Controller Wilson reviewed the rest of the proposed fees, including two proposed new fees. There was a discussion about the new fees proposed.*

*Public comment was made by Matt Pasztalaniec, a member of the public and an Airport hangar tenant, who said he appreciated the consideration of a stepped increase for the new hangars, but the three-year schedule won't be palatable to some of the current tenants and hangars could go empty.*

*There was a discussion about possible future increases in parking fees.*

*There was a discussion about the EV charging rates and expenses.*

*Director Sabo gave his recommendations regarding the apron fee increases and the hangar rate schedule.*

Review        3. FYTD 2023 Statements

*Controller Wilson gave an overview of the February FYTD 2023 financial statements.*

Review        4. Variance Analysis - MTD and YTD

*Director Sabo asked questions about telephone expense, water expense, and the GA landing fees. Executive Director La Pier noted the AT&T Pro Am Golf event positively affected landing fees due to much larger aircraft; rental car income for February was up due to the event also.*

Review        5. Accounts Receivable Aged Invoice Report

*Controller Wilson gave an update on the RV storage that has been abandoned.*

Review        6. Grant Funds Balance

*Controller Wilson gave a report on expected future draws.*

Discuss       7. General Discussion

*Executive Director La Pier gave an update on the investigation into hangars being used for non-aviation purposes.*



*There was a discussion about the Airport's financial auditors and a recommendation by the committee members to seek an engagement letter.*

**E. ADJOURNMENT**

*The meeting adjourned at 1:28 PM.*

*Approved at the  
Meeting of April 27, 2023*

*William Sabo, Chair Pro Tem*

**A T T E S T**

*Michael La Pier, AAE  
District Secretary*

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

April 14, 2023 – 9:00 AM

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

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Members of the public who desire to make a public comment can send an email to [info@montereyairport.com](mailto: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 Board for consideration and will be compiled as part of the record.

### **A. CALL TO ORDER**

*The meeting of the Airport Property Development & Leases Committee Meeting was called to order at 9:05 AM. Director Sawhney, Director Miller, Executive Director La Pier, District Counsel Huber, Controller Wilson, and Acting Board Secretary Adams were present.*

### **B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS**

*None.*

### **C. PUBLIC COMMENTS**

*Phillip Bezouska, a member of the public and V.P. IAFF Local 3707 read a statement regarding fire and emergency services and his opinion they would be downgraded if the Airport were to choose a private firm over Monterey Fire Services.*

### **D. REGULAR AGENDA – ACTION ITEMS**

Review            1. Revised Monterey Peninsula Airport District On-Airport Rental Car Operator Lease and Concession Agreement

*Executive Director La Pier reviewed the history of rental car operator agreements and reminded Directors they approved a new agreement in October 2022 to serve as a basis for negotiating with the rental car operators. He reviewed the points of negotiation and the changes being proposed to the October 2022 agreement.*

*Directors discussed the Agreement. Director Sawhney asked about the cost of auditing the operator's reports. Controller Wilson referred to section 11.3 of the agreement which states the Airport pays the audit costs unless there is a +/- 3% discrepancy.*

*Director Miller suggested the board might like to see a redline version of the changes to the Agreement if one was available. He asked if the Finance Committee had already reviewed the agreement and Executive Director La Pier answered they had.*

Discuss 2. FY 2024 Rates and Charges

*Controller Wilson reported the rates and charges provided are for discussion purposes only in the context of budgeting. The proposed rate changes are based on the PFM Plan of Finance for the assumed costs of the Safety Enhancement Plan including the new terminal building. Executive Director La Pier reminded Directors of the two-day workshop held last year where the plan of finance was presented. Controller Wilson added that some suggested rate increases are because the market rates have increased. The Airport has not increased rates and charges since 2016.*

*Director Sawhney asked about comparisons to other airports. Executive Director La Pier answered that in 2016 our rates were well above our comp airports; the market is now above us. Controller Wilson shared information on current comps.*

*There was a discussion about growth plans, current airline activities as it relates to increased seat availability, and the assumptions about enplanements used in the plan of finance.*

*Directors discussed the idea of phasing in the N.E. Box Hangar rent increases over three years. Director Sawhney suggested there be a four-year phase in and the first year be raised less than proposed, so the rate increases would be more similar each year. Executive Director La Pier reminded Directors there is also an obligation for some consistency of rates across the Airport. Director Miller asked if we could treat new tenants differently than the current tenants. Executive Director La Pier answered no; we are required to be "fair and consistent" with rents.*

*Directors discussed the hangar market, the airport's hangar inventory, and that some hangars were owned by the airport and some by companies that had ground leases.*

## **E. ADJOURNMENT**

*The meeting adjourned at 10:44 AM.*

*Approved at the  
Meeting of April 27, 2022*

*William Sabo, Chair Pro Tem*

**A T T E S T**

*Michael La Pier, AAE  
District Secretary*

**AGENDA ITEM: G-1**  
**DATE: April 27, 2023**

**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Michael La Pier, A.A.E., Executive Director  
**SUBJ:** Overview of Current Instrument Procedure Capabilities on Runway 10R/28L

**BACKGROUND.** On January 21, 2021, the Board of Directors of the Monterey Peninsula Airport District received a presentation providing an overview of the Instrument Procedure Capabilities for Monterey Regional Airport (MRY).

Since that time some of the Board members have changed and technology options continue to evolve. Staff have been working with Lean Technology Corporation to provide an Update on Instrument Procedure and Air Traffic Concepts for Noise Abatement guideline options for MRY.

The presentation will cover the following:

1. Procedure Changes Reviewed by FAA
2. Additional Noise Reduction Concepts Explored between MRY and FAA
3. Remaining Areas for Exploration

**ATTACHMENTS.**

Lean Corporation Presentation - Update on Instrument Procedure and Air Traffic Concepts for Noise Abatement (25 pages)

# Update on Instrument Procedure and Air Traffic Concepts for Noise Abatement

Monterey Regional Airport

27 APR 23



# Topics Covered

1. Previous Procedure Changes Under Development by FAA
2. Additional Noise Reduction Concepts Explored between MRY and FAA
3. Remaining Areas for Exploration

# Procedure Changes Considered by FAA

- Request from MRY in JUL22 resulted in FAA evaluation of two procedure changes
  - RACEWAY VISUAL RWY 28L
  - RNAV (RNP) Z RWY 28L

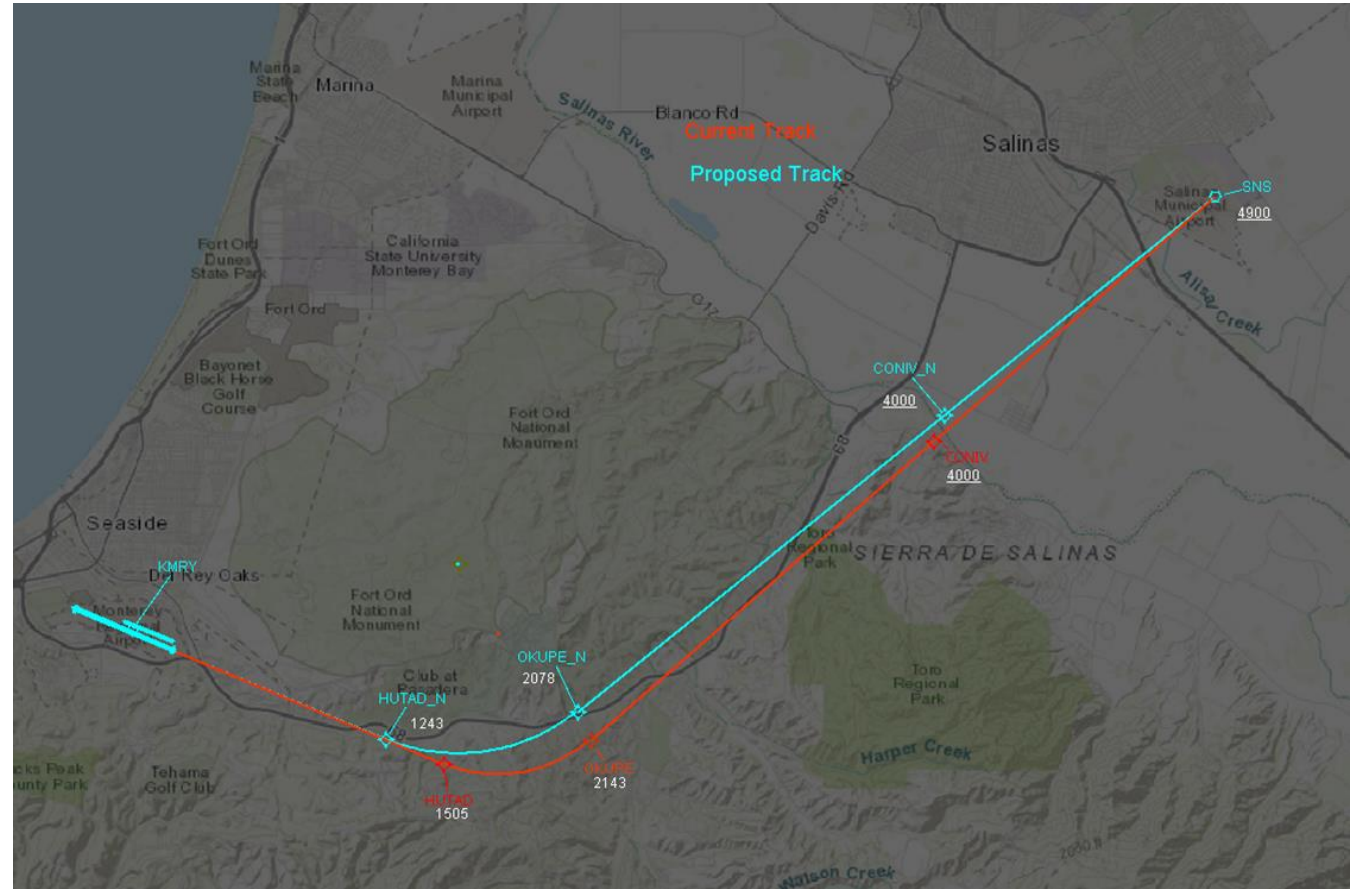
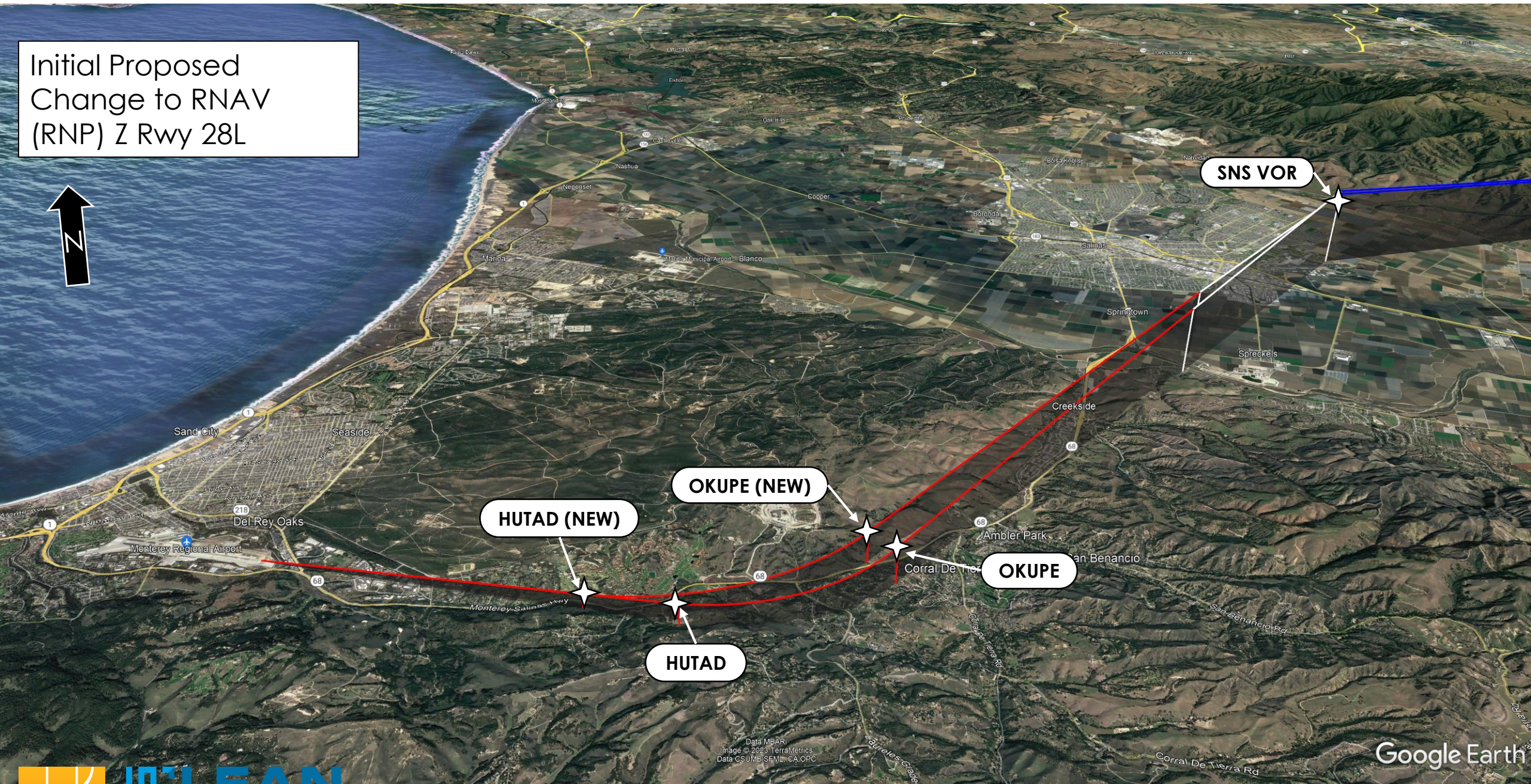


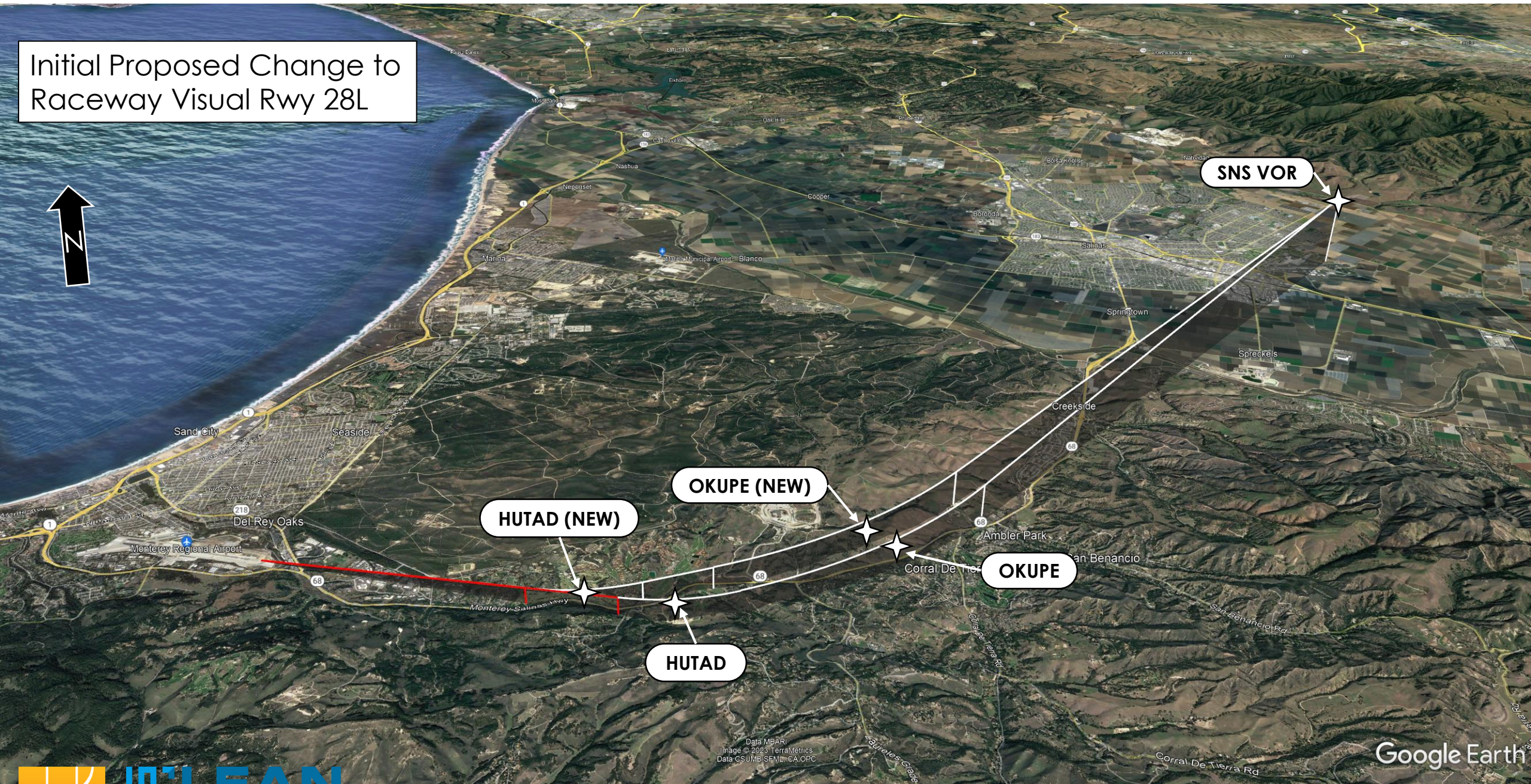
Image provided by FAA NCT via TARGETs JAN/FEB23

Initial Proposed  
Change to RNAV  
(RNP) Z Rwy 28L





Initial Proposed Change to Raceway Visual Rwy 28L



Data MBARI  
Image © 2023 TerraMetrics  
Data CSUMB SFML CA OPC

Google Earth

Initial Proposed Change  
to RNAV (RNP) Z Rwy 28L



OKUPE  
OKUPE (NEW)

HUTAD

HUTAD (NEW)

Initial Proposed Change to Raceway Visual Rwy 28L



OKUPE

OKUPE (NEW)

HUTAD

HUTAD (NEW)

# Summary of Initial Proposed Changes (JAN23)

Initial changes to both the RACEWAY VISUAL and RNAV (RNP) RWY 28L would move aircraft west across Highway 68 by 0.25 Nmi

Procedures would create a slight reduction in minimums to the RNP approach

RNP approach requirements would continue to restrict aircraft usage to a small number of operations (Alaska/Horizon EMB-175LR and select business jets)

RACEWAY VISUAL approach would remain limited to daytime usage and is not required to be the preferred approach issued by NCT or ZOA

**FAA identified criteria challenge with the RNAV (RNP) approach that could be resolved with a slight offset final approach course to the west**

Updated Concept for RNAV (RNP) Z Rwy 28L



New Offset Final Approach Course

HUTAD (NEW)

OKUPE (NEW)

SNS VOR

HUTAD

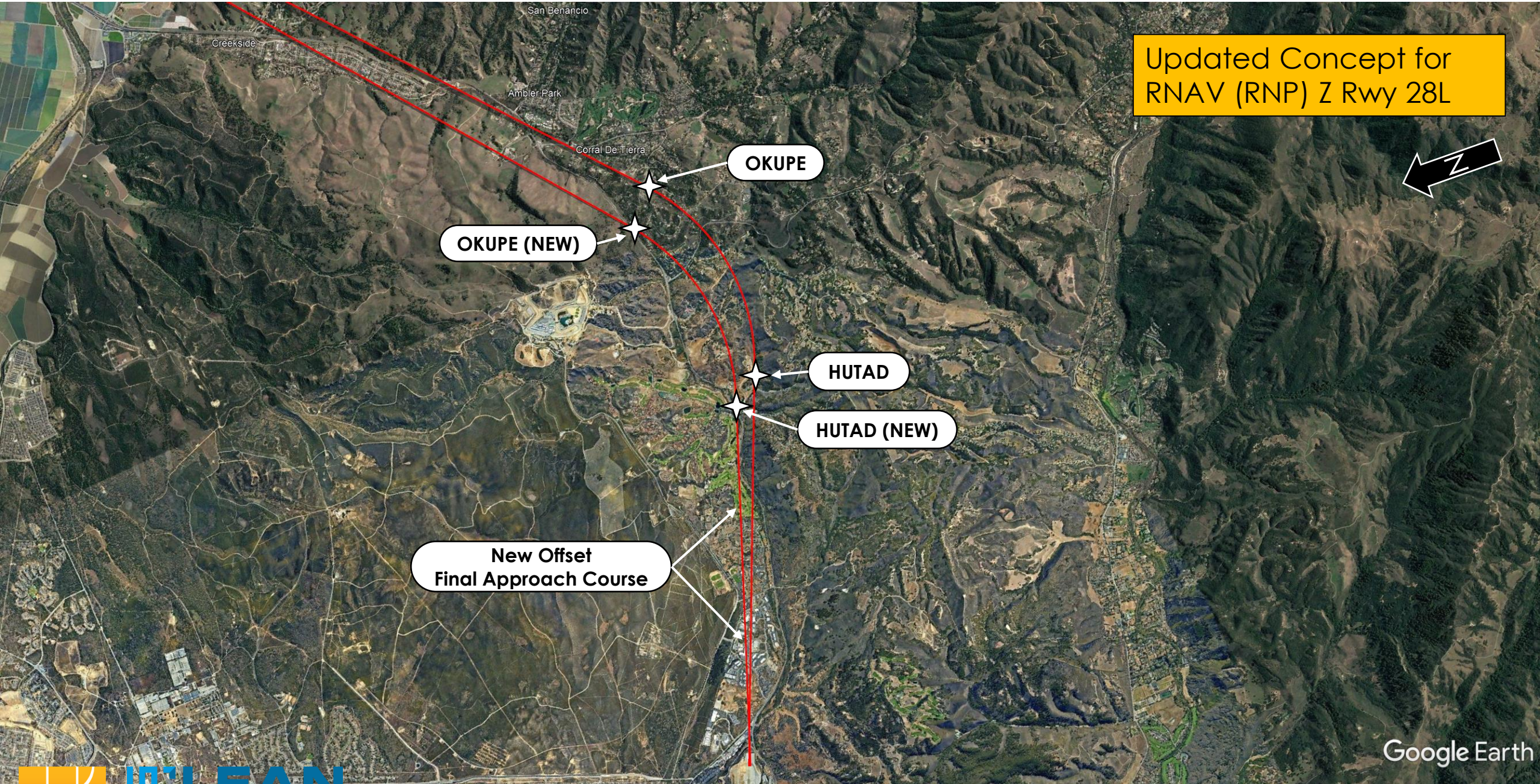
OKUPE



Image created by LEAN from TARGETs and Rendered in Google Earth APR23

Google Earth

Updated Concept for RNAV (RNP) Z Rwy 28L



OKUPE

OKUPE (NEW)

HUTAD

HUTAD (NEW)

New Offset  
Final Approach Course



# FAA/MPAD Review of Proposed Procedure Changes MAR23

FAA Airspace/Environmental Group met with MRY representatives in early MAR23 to provide insight on the proposed procedure changes

MRY team identified that the proposed changes would potentially increase noise in both public areas, especially near Fort Ord National Monument, and near Pasadera

**MRY and FAA agreed to suspend any further exploration into modifications of the RNAV (RNP) Z Rwy 28L and Raceway Visual Rwy 28L**

# Options to Reduce Noise Over Neighborhoods North of MRV

Option		Description	Goal
	<b>RNAV (RNP) Z Rwy 28L</b>	Modify the RNAV (RNP) Z Rwy 28L to move aircraft west of Highway 68	Keep noise over highway 68 or just west of it
	<b>CVFP Rwy 28L</b>	Modify the Raceway Visual CVFP to move aircraft west of Highway 68	Keep noise over highway 68 or just west of it
<b>3</b>	<b>RVFP Rwy 28L</b>	Work with a lead carrier to establish a noise optimized RVFP path	Keep noise over highway 68 or just west of it and/or create a better straight in path to runway 28L
<b>4</b>	<b>RNAV with Fly Visual</b>	Establish a RNAV (GPS) approach that overlays the RNP-Z and Raceway Visual with equivalent minimums to the RNAV (GPS) Y	Provide a noise optimized path to runway 28L over highway 68 that can be used by all aircraft
<b>5</b>	<b>ODO</b>	Utilize Opposite Direction Operations with departures from runway 28L and arrivals to runway 10R when possible	When winds permit the operation, reduce noise over residential areas east of the airport
<b>6</b>	<b>ERAM AAR Change</b>	Change the automatic arrival route for aircraft arriving from SoCAL, Arizona, Las Vegas to terminate at CHRLE	Increase utilization of LOC Rwy 28L and straight-in Raceway Visual Rwy 28L by directing IFR aircraft to CHRLE



## 3./4. RVFP and RNAV (GPS) with Fly Visual

MRY previously inquired with FAA NCT about the likelihood of developing either an RNAV Visual Flight Procedure (RVFP) or an RNAV (GPS) approach that terminates in a “Fly Visual” segment

**FAA NCT is not currently interested in pursuing these options for the purposes of noise abatement at MRY**

# 3. RNAV Visual Flight Procedure (RVFP) at MRY

RVFPs can be developed at MRY but would have limited usability

- Requires a lead carrier (Skywest, NetJets, Horizon/Alaska, Allegiant) to create and maintain the procedure
- Requires OpSpec/Mspec/LOA to utilize (not available to GA and many bizjet operators)
- Can not be used when the tower is closed (NA at nighttime)
- Would not result in better minimums than LOC Rwy 28L or RNAV (GPS) Y Rwy 28L

**FAA is not supportive of adding RVFPs at MRY to Rwy 28L due to the existence of the CVFP which achieves the same effect**

## 4. RNAV (GPS) with Fly Visual Segment

Fly Visual segments can be used at the end of an approach procedure with terrain or ATC challenges that prevent straight-in designs

Fly Visual segments are often enhanced by approach lighting systems like a MALSF or RLLS, especially in terrain challenged environments like MRY

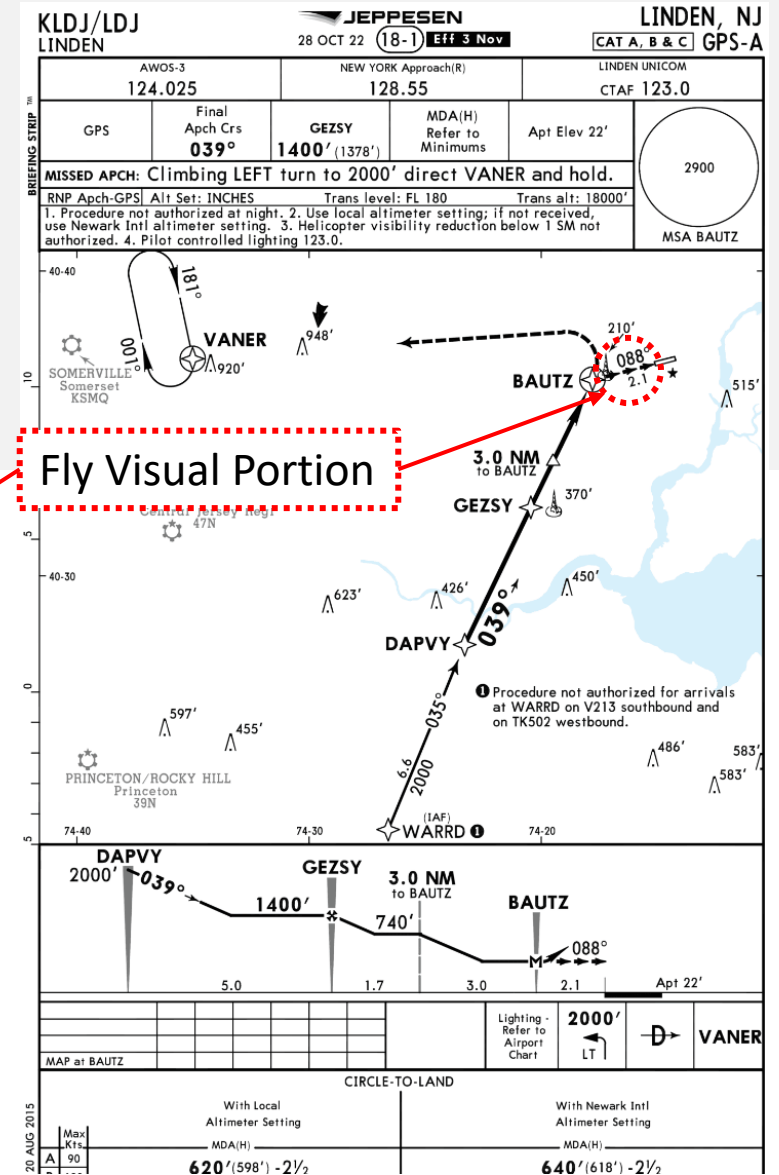
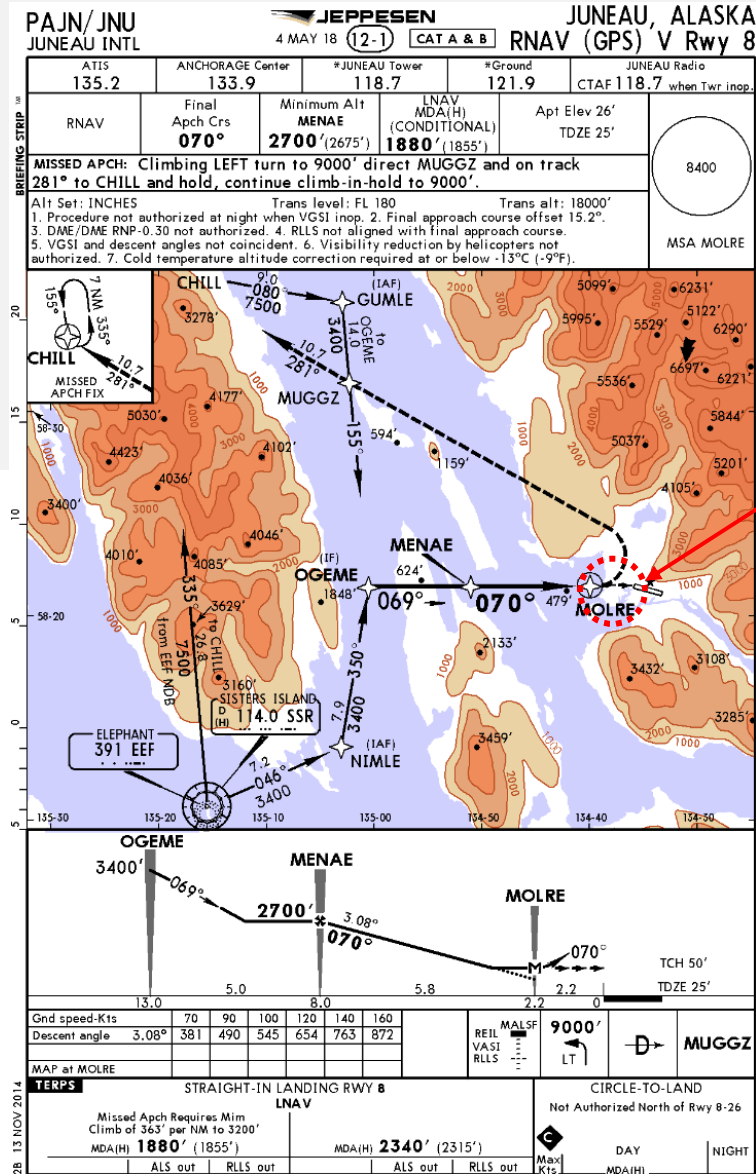
The procedure requires special review by FAA and can require active ATCT, depending on flight inspection and FAA feedback

**FAA would prefer to maintain the current number of approaches to runway 28L and increase utilization of existing procedures that the community finds acceptable**

# 4. Examples of RNAV (GPS) approaches with a Fly Visual Segment





Image on the left involves a fly visual segment due to terrain challenges close-in to runway 8

Image on the right involves a fly visual segment due to traffic constraints imposed by Newark Liberty Intl just North of the airport

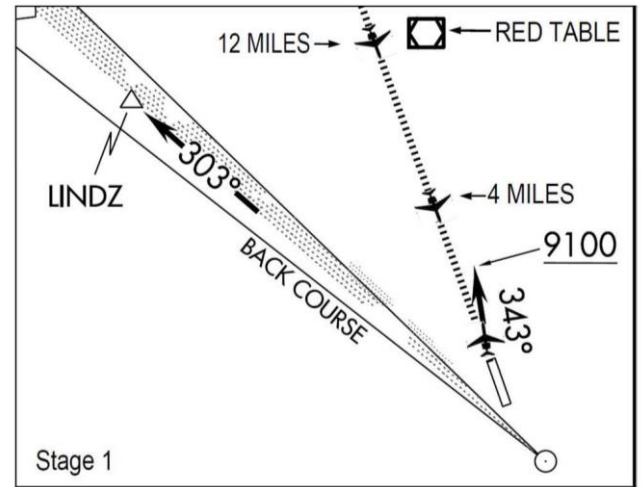


Fly Visual Portion

# Options to Reduce Noise Over Neighborhoods North of MRV

Option		Description	Goal
	<b>RNAV (RNP) Z Rwy 28L</b>	Modify the RNAV (RNP) Z Rwy 28L to move aircraft west of Highway 68	Keep noise over highway 68 or just west of it
	<b>CVFP Rwy 28L</b>	Modify the Raceway Visual CVFP to move aircraft west of Highway 68	Keep noise over highway 68 or just west of it
	<b>RVFP Rwy 28L</b>	Work with a lead carrier to establish a noise optimized RVFP path	Keep noise over highway 68 or just west of it and/or create a better straight in path to runway 28L
	<b>RNAV with Fly Visual</b>	Establish a RNAV (GPS) approach that overlays the RNP-Z and Raceway Visual with equivalent minimums to the RNAV (GPS) Y	Provide a noise optimized path to runway 28L over highway 68 that can be used by all aircraft
<b>5</b>	<b>ODO</b>	Utilize Opposite Direction Operations with departures from runway 28L and arrivals to runway 10R when possible	When winds permit the operation, reduce noise over residential areas east of the airport
<b>6</b>	<b>ERAM AAR Change</b>	Change the automatic arrival route for aircraft arriving from SoCAL, Arizona, Las Vegas to terminate at CHRLE	Increase utilization of LOC Rwy 28L and straight-in Raceway Visual Rwy 28L by directing IFR aircraft to CHRLE

The scenario depicted below is an aircraft departing Aspen "Wrapping" with an arrival aircraft on a 4 mile final and "Westbound in front of" an arrival aircraft on a 12-mile final.



Departure aircraft was issued a takeoff clearance while in LUAW, when the first arrival aircraft was on approximately a 5 1/2 mile final. Crews promptly complied with the takeoff clearance, then immediately turned right to a 343 heading per the LINDZ SID.

Stage 1 of "the Wrap" at ASE

# 5. Opposite Direction Operations (ODO)

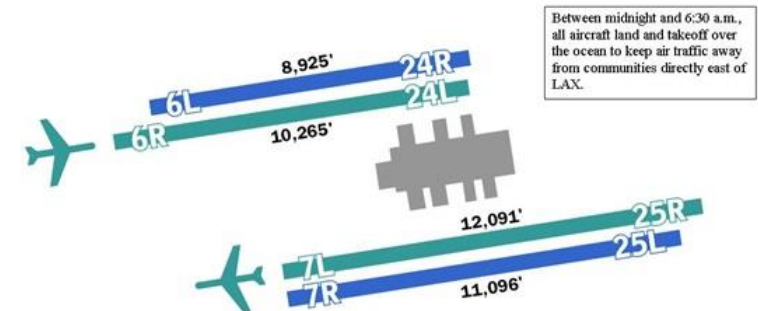
The concept of an Opposite Direction Operation involves aircraft departing runway 28L with aircraft also arriving on runway 10R

All airports with an ATCT have an ODO procedure which is only used when required (i.e. restricted airspace, weather, wildfires, noise abatement)

The use of ODO is limited due to safety issues including VFR vs IFR traffic, visibility and prevailing winds

There are a limited number of airports in the NAS that use ODO on a regular basis

- LAX uses ODO at nighttime to alleviate noise experienced by residents living east of the airport within the 65 CNEL contour
- ASE uses ODO 24/7 to resolve extreme terrain challenges that cause aircraft performance challenges



LAX Nighttime Noise Abatement Using ODO

# 5. Opposite Direction Operations (ODO) at MRY

At MRY, the current policy for ODO requires a 10 NMI cutoff

Arriving aircraft would have to hold over the ocean west of ZEBED while departing aircraft turned to a heading of 323°

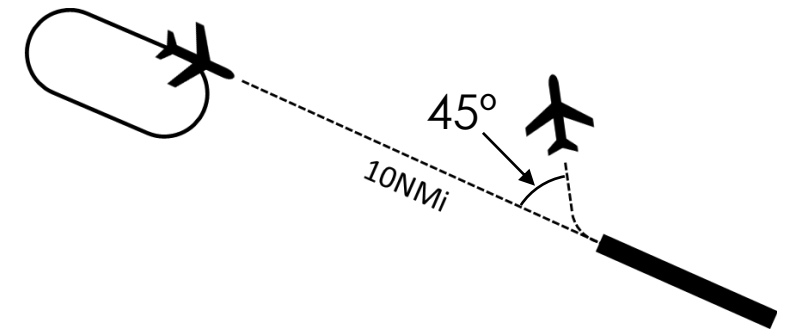
The process depends on IFR traffic, radar availability, ADS-B, active ATCT, NCT and ZOA coordination (NA at nighttime)

Overall airfield capacity during ODO would likely be limited to < 15 operations per hour

Many VFR operators at MRY are uncomfortable holding over water and may prevent the ODO from successfully being utilized

Prevailing winds also limit the opportunities to perform ODO as overall winds would have to be less than 5 kts at the airport

At this time, FAA/NATCA are not supportive of ODO for noise abatement at MRY due to the significant hazards that would need to be mitigated and limited opportunities for use



Example of ODO at MRY

# 5. Opposite Direction Operations (ODO) at MRY

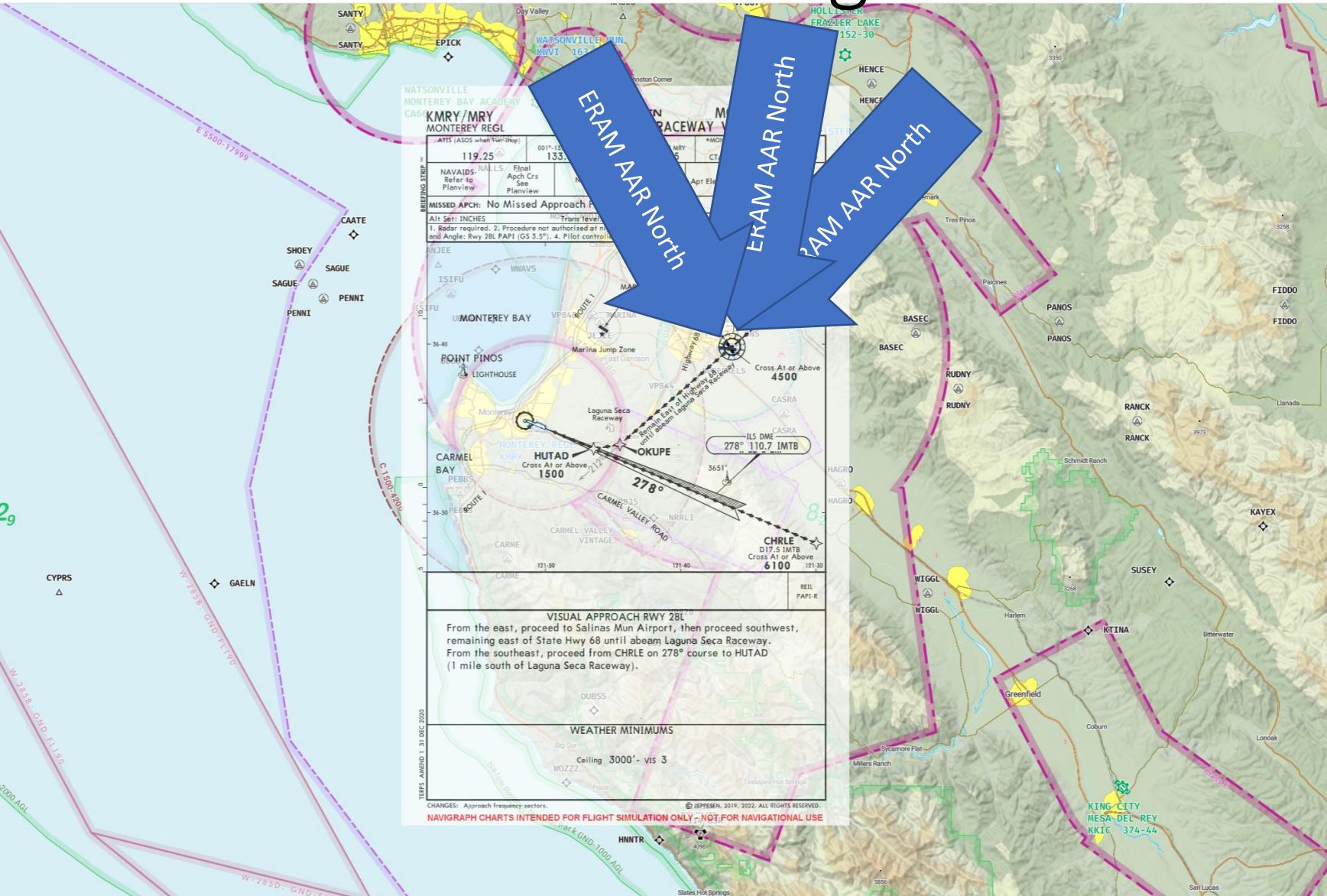
Likelihood of Winds less than 5 knots (Any Direction)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
0:00	63.8%	56.0%	60.6%	58.2%	51.5%	57.1%	60.1%	66.4%	73.7%	75.3%	59.4%	60.0%
1:00	61.4%	51.2%	61.0%	62.5%	52.6%	61.0%	64.4%	70.7%	75.2%	75.0%	67.3%	60.1%
2:00	64.0%	55.5%	62.7%	63.0%	53.1%	60.7%	70.4%	73.7%	76.9%	76.6%	63.1%	60.6%
3:00	64.8%	55.4%	64.7%	65.2%	57.1%	67.7%	70.3%	79.2%	77.2%	78.0%	67.3%	56.1%
4:00	61.0%	56.8%	62.6%	62.1%	59.1%	67.2%	73.4%	80.3%	78.4%	72.8%	63.1%	57.5%
5:00	59.3%	57.3%	61.0%	62.2%	63.6%	69.2%	76.0%	80.6%	77.7%	72.0%	60.2%	53.6%
6:00	61.3%	56.9%	65.1%	69.0%	67.5%	74.7%	77.2%	85.2%	80.5%	70.6%	66.1%	52.8%
7:00	64.7%	64.0%	64.9%	66.4%	66.9%	69.0%	78.2%	82.7%	80.4%	74.4%	65.2%	56.8%
8:00	72.3%	65.2%	71.6%	66.0%	57.5%	63.8%	77.0%	78.2%	83.0%	84.4%	77.6%	65.2%
9:00	73.0%	60.6%	64.6%	53.9%	40.6%	40.5%	50.7%	63.9%	70.5%	78.5%	72.6%	69.2%
10:00	65.4%	40.6%	44.1%	30.8%	19.4%	16.2%	23.3%	35.5%	46.8%	64.1%	54.0%	60.1%
11:00	50.7%	30.6%	26.7%	17.4%	8.5%	9.3%	7.4%	15.3%	24.1%	35.5%	36.2%	48.7%
12:00	40.9%	18.3%	13.7%	8.9%	3.9%	9.3%	3.4%	6.0%	11.4%	18.6%	27.9%	41.0%
13:00	39.6%	22.2%	12.7%	6.5%	4.7%	3.0%	0.9%	4.7%	8.5%	14.4%	28.3%	37.1%
14:00	44.9%	20.9%	10.5%	4.1%	2.5%	1.8%	0.9%	3.3%	6.7%	16.0%	35.7%	40.0%
15:00	52.4%	22.4%	12.4%	3.6%	3.6%	1.9%	0.3%	2.5%	8.0%	19.2%	49.9%	52.2%
16:00	63.6%	40.5%	17.7%	6.8%	2.4%	2.5%	0.3%	3.1%	15.1%	30.4%	64.8%	66.4%
17:00	73.7%	54.5%	30.0%	11.3%	6.2%	4.4%	1.5%	5.2%	18.7%	46.5%	66.6%	68.7%
18:00	67.8%	61.3%	43.3%	19.7%	8.9%	9.3%	3.9%	10.2%	33.9%	62.8%	63.6%	56.0%
19:00	67.5%	59.1%	53.2%	39.3%	17.9%	15.5%	12.2%	24.4%	50.0%	63.1%	60.6%	59.0%
20:00	61.0%	55.5%	58.5%	43.4%	31.3%	30.4%	31.4%	44.5%	57.7%	66.0%	60.2%	50.4%
21:00	57.4%	55.9%	57.3%	49.1%	39.0%	37.6%	44.8%	59.1%	66.2%	71.1%	66.7%	52.2%
22:00	58.5%	54.1%	60.1%	54.1%	45.4%	44.2%	56.0%	66.9%	71.1%	69.8%	62.7%	58.5%
23:00	60.1%	53.7%	63.9%	54.0%	47.8%	54.9%	58.9%	65.5%	71.1%	72.5%	62.0%	62.3%

**82.7%** Period when winds and ATCT Availability could potentially facilitate ODO (Traffic Decrease)



# 6. ERAM AAR Change



EnRoute Automation Modernization (ERAM) Adapted Arrival Route (AAR) is currently used by NCT/ZOA for aircraft arriving into MRY from the north

Aircraft arriving from the North will automatically be assigned to “finish” their flight plan at the SNS VOR

Aircraft arriving from the North will frequently use the Raceway Visual Rwy 28L or consider the RNAV (RNP) Z Rwy 28L

# 6. ERAM AAR Change



NCT/ZOA do not currently have any AAR for aircraft arriving from any other direction (East or South)

Aircraft arriving from the South or East will generally plan to arrive at HIXAR which is the start of the RNAV (GPS) Y Rwy 28L approach

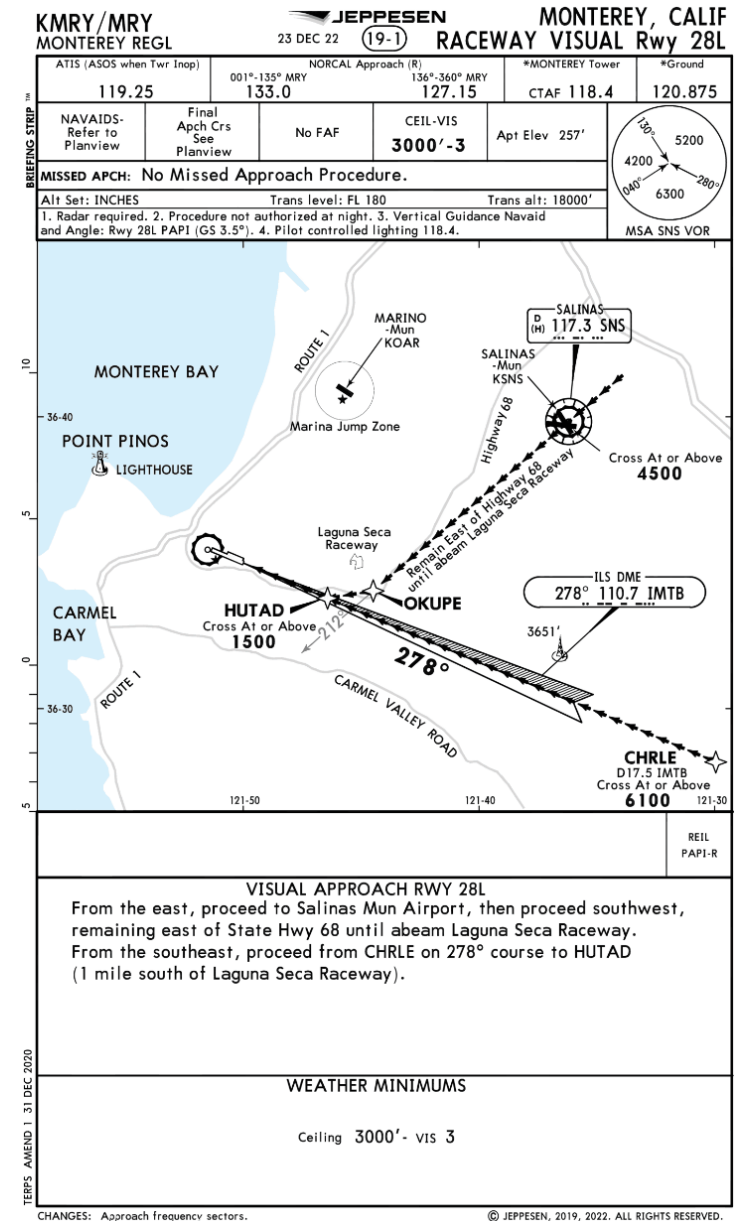
There is an opportunity to modify the ERAM AAR for aircraft arriving from the South and East to finish the flight plan at CHRLE

# 6. ERAM AAR Change

There may be an opportunity to add an AAR for aircraft arriving from SoCAL, Arizona and LAS to arrive at CHRLE

This would potentially encourage more aircraft to fly the LOC Rwy 28L or Raceway Visual Rwy 28L straight-in to MRY

This change would occur via NCT and ZOA, but would need to be discussed with airlines and NBAA



# Options to Reduce Noise Over Neighborhoods North of MRY

Number	Option	Who	When	Usage	Implementation
1	<b>RNAV (RNP) Z Rwy 28L</b>	FAA and MRY	30NOV23	Low	Discontinued
2	<b>CVFP Rwy 28L</b>	FAA and MRY	30NOV23	Moderate	Discontinued
3	<b>RVFP Rwy 28L</b>	FAA, MRY and Lead Carrier	1.5 Years	Moderate to Low	Low
4	<b>RNAV with Fly Visual</b>	FAA, MRY	3 Years	Moderate	Low
5	<b>ODO</b>	FAA	Now	Very Low	Remote
6	<b>ERAM</b>	FAA	2-6 Months	Moderate	Moderate



# Questions

Paul Hannah  
phannah@leancorp.com



**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Michael La Pier, Executive Director  
**SUBJ:** Well Water Analysis & Potential Distribution Route

**DISCUSSION.** In January 2019, Kimley-Horn Associates Inc. (KHA) was selected from our engineering hiring list based on their qualifications for water system engineering design. Accordingly, the Board approved Resolution No. 1737 authorizing a professional services agreement with KHA to review and evaluate options for non-potable water sources that would support the Quick Turn Around Car Wash Rental Facility.

December 14, 2022 the Board Approved Amendment #2 to the Professional Services Agreement between the Monterey Peninsula Airport District and Kimley-Horn Associates, Inc. for Design Services for the Well System Water Conveyance Project.

Since that time, KHA and Staff have been proceeding with potential distribution route options for the property at 2801 Monterey Salinas Highway and 2999 Monterey Salinas Highway locations.

The Well System Water Conveyance Project is anticipated to include the installation of a new water conveyance system and facilities to provide for the use of the new water wells at the 2801 Monterey Salinas Highway site and the 2999 Monterey Salinas Highway site.

The 2801 well is anticipated to supply non-potable well water to the existing Car-Return Quick-Turn Around (QTA) facility. In addition, it is anticipated that a well-head treatment system could be implemented for this well to treat the well water to potable water standards for domestic use in the proposed new terminal. The 2999 well is anticipated to provide non-potable well water for grey water use in the proposed new terminal.

The project components are expected to include: extending and connecting three-phase power to the existing well pump from the current PG&E feed; furnish and install one (1) hydro-pneumatic tank to maintain on-demand pressurized water; furnish and install Long Range Wireless Switch System (LRWSS) for wireless remote control and monitoring of well / tank and supply; modification to existing QTA car wash water supply to accommodate separate well water system to the car wash; and furnish and install water softener system.

KHA engineers will provide an update on the potential distribution routes so that environmental review can commence.

**ATTACHMENT.**

Kimley-Horn Associates Inc. Presentation – Well Water System (8 pages)

April 2023

Prepared by

Kimley»»Horn



# Well Water System

# Contents

1. Design Capacity/Demand
2. Proposed Improvements
  - a) 2801 Monterey-Salinas Hwy
  - b) 2999 Monterey-Salinas Hwy
3. Remaining Items
4. Schedule and Estimate

## Presenters:

Pearse Melvin – Kimley-Horn

Madeline Priest – Kimley-Horn





# 1. Design Capacity/Demand

WATER DEMAND SUMMARY <sup>1</sup>					
	Average Monthly Usage (gallons)	Average Daily Usage (gpd)	Average Usage (gpm)	Peak Hour Flow (Peaking Factor of 4.67) (gpm)	Peak Month, Peak Hour Flow (gpm)
Terminal Demand	371,965.41	12,556.05	8.72	40.72	105.30
Car Wash Demand	58,829.13	2,002.76	1.39	6.50	16.65
All Other Tenants Demand	121,979.20	4,148.65	2.88	13.45	34.53
<b>Total Demand</b>	<b>552,773.74</b>	<b>18,707.45</b>	<b>12.99</b>	<b>60.67</b>	<b>156.49</b>

1. Data provided by Monterey Airport

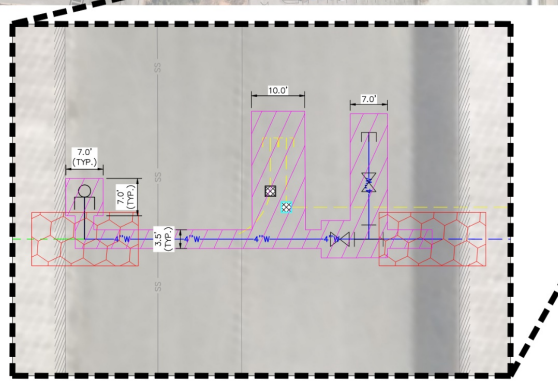
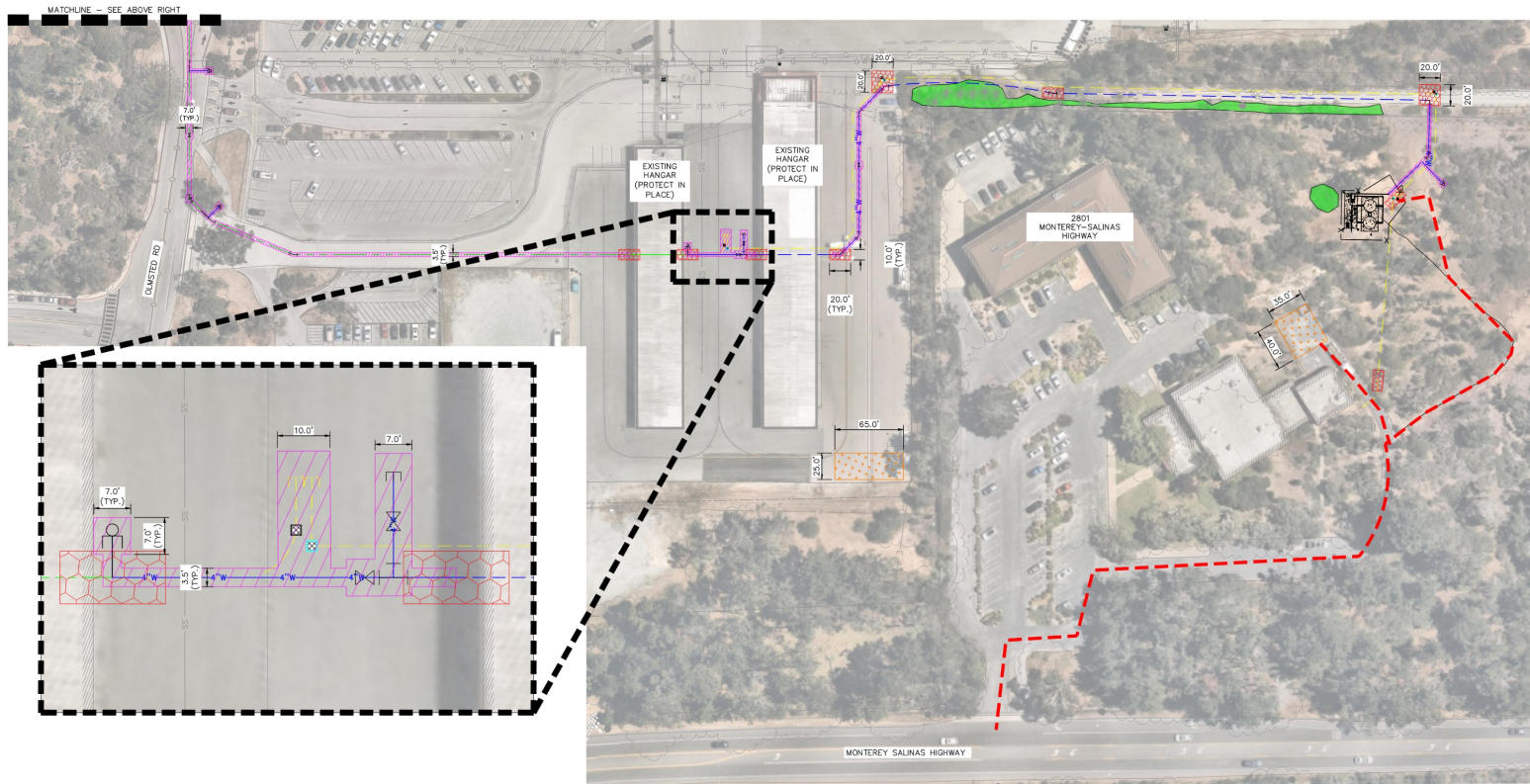
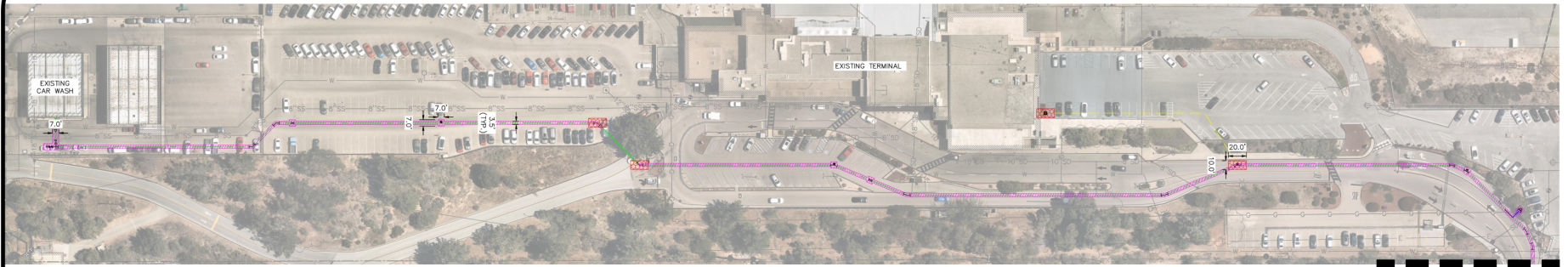
2801 Monterey-Salinas Hwy WELL PRODUCTION SUMMARY			
	Production (gpm)	Source Capacity Reduced Production <sup>2</sup> (gpm)	Source Capacity Reduced Production <sup>2</sup> (gpd)
2801 Well Supply	70.77	17.69	25,477.20

2. As defined by Quantity & Quality Analysis Report dated 2/10/2023 by Bierman Hydrogeologic Consulting & Water Resource Management

- Total Water demand for the entire airport was calculated from CalAM billing data, which included individual meter readings.
- Terminal demand was determined by: Total Gallons Billed – Sum of All Tenant Meter Readings in Gallons
- Car wash demand was estimated by calculating the site’s specific meter reading 4-year average (except for year 2020)
- Peak hour flow was calculated using a peaking factor of 4.67. This peaking factor was calculated with the assumption that 80% of the demand occurs in the early morning time period (4 hours).
- Peak month, peak hour flow was calculated using the average water demand from the month with the highest observed demand and factoring it by the peaking factor of 4.67.
- Well production rate was provided by the Airport via Bierman Hydrogeologic Consulting & Water Resource Management.
- A Source Capacity Reduction Rate was applied to the production rate based on the hydrogeologic report. The Credited Source Capacity is 25% of Post-Recovery Pumping Rate per the report.



# 2. a) Proposed Improvements 2801 Monterey-Salinas Hwy



**LEGEND:**

- ENVIRONMENTALLY SENSITIVE AREA
- BORE PIT
- CONSTRUCTION STAGING AREA
- PROPOSED WATER LINE – TRENCH
- PROPOSED WATER LINE – BORE
- PROPOSED ELECTRIC/COMM – BORE
- PROPOSED JOINT TRENCH (WATER AND COMM)
- PROPOSED JOINT BORE (WATER AND COMM)
- PROPOSED HAUL ROUTE

GRAPHIC SCALE IN FEET  
0 25 50 100

# 2. a) Proposed Improvement 2801 Monterey-Salinas Hwy



## 2. b) Proposed Improvements 2999 Monterey-Salinas Hwy



# 3. Remaining Items

- ✓ Well Water Sampling 2<sup>nd</sup> Round Qtr done
  - 2 additional testing samples need to be completed
- ✓ Submitted Well Pumping & Aquifer Recovery Test –  
Quantity /Quality Report
  - Monterey County Environmental Health Bureau (MCEHB)  
Source Capacity Approval Letter
  - Confirmation of Exemption Water Distribution System  
Monterey Peninsula Water Management District (WPWMD)
  - California Environmental Quality Act (CEQA) Review

# 4. Schedule and Estimate

- ✓ Well Water Sampling
  - Final sampling October/November 2023
- MCEHB Source Capacity Approval Letter – awaiting MCEHB approval
- Confirmation of Exemption with MPWMD – after MCEHB approval
- CEQA Initial Study - May 2023
- Project Bidding – Summer 2023±
- Construction – Summer 2023± three to four months
- 2801 = \$1.7m – Car Wash Quick Turn-Around Facility (QTA)
  - Terminal full buildout plus \$700k
- 2999 - \$850k plus PG&E power

**TO:** Board of Directors, Monterey Peninsula Airport District  
**FROM:** Michael La Pier, Executive Director  
**SUBJ:** Staff Evaluation of the Airport Fire & Related Emergency Services

**DISCUSSION.**

On December 20, 2022, Airport staff published a Request for Proposals (RFP) for Monterey Regional Airport Fire & Related Emergency Services. The RFP notice was published in the Monterey Herald, posted on the Airport District website, and an email was provided to the following Fire Service providers: CalFire, City of Monterey, Monterey County Fire, City of Seaside, Pro-Tec Fire Services.

The RFP directed the proposal to provide for minimum staffing of three firefighters per shift 24 hours a day, with a minimum of one being a fully qualified ARFF firefighter on duty, 24/7/365. The proposal was to include allowances for fire prevention, suppression, and emergency medical services to on-Airport non-aircraft related incidents. The successful agency or provider was to be responsible for arranging all mutual-aid services and relationships, as well as manage and comply with the county-wide Next Generation (NGEN) Radio System Service Agreement that the Airport is party to. All proposals were to include the total cost to the District for providing the scope of services in the proposal, quoted as an annual cost with any inflation factor defined in the proposal.

The RFP submittal guidelines provided notice that all response documents were due to be submitted on March 1, 2023 by 4:00 p.m.

In response to the RFP process, two (2) proposal response documents were received: City of Monterey and Pro-Tec Fire Services, Ltd. (Pro-Tec).

**INITIAL PROPOSAL ANALYSIS**

Staff had reviewed the initial proposals and compared the response information and the cost associated with providing Fire and Related Emergency Services. Both response proposals included all information requested in the RFP submittal guidelines for a contract that would include three firefighters per shift 24 hours a day on Airport property. The original proposal costs are provided below:

<b>TIME FRAME</b>	<b>PRO-TEC FIRE</b>	<b>CITY OF MONTEREY</b>
10/01/2023 – 10-01/2024	\$1,730,000.00	\$3,124,597.19
10/01/2024 – 10-01/2025	\$1,790,000.00	\$3,280,827.05
10/01/2025 – 10-01/2026	\$1,860,000.00	\$3,444,868.40

At a Special Board meeting on April 5, 2023, the Board of Directors received presentations from both RFP response agencies. The Directors discussed the proposals, and it was the consensus of the board to direct staff to get clarity from both parties on specific areas of their proposals and bring final proposals back to the board. Both parties were notified that their Best and Final Offer was due on April 21, 2023 by noon.

## **BACKGROUND:**

As part of the Safety Enhancement Program (SEP) that has been implemented at the Airport, the current Aircraft Rescue and Fire Fighting (ARFF) facility is being relocated to the northeast corner of the airport. During the environmental review process on the SEP, on April 28, 2020, a response letter from the City of Monterey regarding the Draft Environmental Assessment (EA) was provided to the District and Federal Aviation Administration (FAA), as lead agency, that was signed by Monterey Mayor Clyde Roberson and states the following:

*“The City of Monterey respectfully requests the FAA delay a Finding of No Significant Impact (FONSI) decision until a more robust and collaborative analysis is made for the ARFF relocation. If that is not the chosen course of action, then the City requests that the FONSI be mitigated to only allow an ARFF on the north side of the airport if it is self-contained and does not answer daily calls to jurisdictions other than the Monterey Airport District.”*

The FAA issued the FONSI dated June 8, 2020. Contained in those findings on pages 8-9 the FAA states:

*“The only feasible location to relocate the ARFF station, which must be relocated to accommodate the relocated terminal, is on the north side of the airport. ARFF locations on the south side of the Airport are infeasible for cost and logistical reasons. In order for land use under the Proposed Action to remain consistent with the City of Monterey General Plan, once the ARFF building is relocated to the north side of the airport, it shall no longer be used as a joint-use facility that provides off-airport emergency services.”*

Further, as referenced in the FONSI pages 8-9 and defined in the Final EA in “Section 4.3.7 Land Use, page 4-40 Mitigation measure states:

*LU-1: Once the ARFF building is relocated to the north side of the Airport, it shall no longer be used as a joint-use facility that provides off-airport emergency services.”*

On Sept. 20, 2020, the city challenged the District Environmental Impact Report (EIR) Addendum on several issues, one being the relocation of the ARFF facility. The City unsuccessfully argued that the ARFF must remain on the south side of the runway while demanding that the relocated north side ARFF be utilized for on-airport emergencies only.



Consistent with the Final EA, the Revised Addendum to the Final EIR for the Airport Master Plan was adopted on April 20, 2022, and concluded that:

*“Relocation of the aircraft rescue and firefighting (ARFF) facility would be moved from Phase One of the short-term program to Phase Two. To ensure consistency with City of Monterey general plan and neighborhood plan policies, once relocated, the ARFF would no longer be a joint-use facility with the City of Monterey but would be used only for on-airport emergencies.”*

Subsequently, in response to the Revised Addendum to the Final EIR a *Settlement Agreement and Release* dated April 20, 2022, was made by and between the City of Monterey and the District, where on page 1 the “*Recitals*” state:

*“B. On August 12, 2020, the District approved a modified AMP and related Addendum to the AMP FEIR. Modifications to the AMP included: (1) moving the relocation of the aircraft rescue and firefighting building (ARFF) from Phase One of the short-term AMP program to Phase Two of the short-term program, and using the ARFF only for on-airport emergencies consistent with FAA regulations;”*

#### **FURTHER BACKGROUND:**

California State law requires that each city adopt a comprehensive, long-term general plan for the physical development of the area under its jurisdiction. The City of Monterey General Plan was originally Adopted: January 2005 (Resolution No. 05-03) and had several updates, with the most recent amendment dated June 2019 (Resolution No. 19-093). The general plan includes elements that together compose an integrated set of goals, policies, and action programs.

There are several relevant sections below that relate to City of Monterey fire protection policies to both the Airport and mutual aid. This information is taken from the City of Monterey’s website, we have provided a link below:

[https://files.monterey.org/Document%20Center/CommDev/Planning/General-Plan/19\\_0604-General-Plan.pdf](https://files.monterey.org/Document%20Center/CommDev/Planning/General-Plan/19_0604-General-Plan.pdf)

“SAFETY ELEMENT page 81

#### *d. Fire*

*Policy d.4. Continue to work with fire protection agencies that provide fire service to unincorporated areas through mutual aid. Encourage those areas that desire fire protection services which are beyond “outside legitimate mutual aid” to annex to the City of Monterey for fire protection services instead of using contractual or automatic aid agreements.*

*Policy d.5. Cooperate with fire protection agencies to obtain and maintain mutual aid agreements that will augment the City’s fire protection services. Continue*

*mutual aid with the California Department of Forestry that obtain adequate aid for larger, open-range type fires involving brush, trees and grass that require specialized tactics and equipment.”*

“Safety Element page 82

*e. Airport*

*Policy e.2. Continue to work with the airport district through a fire mutual aid agreement.”*

“Public Facilities Element pages 113-114

*c. Fire*

*The City of Monterey provides fire protection to all areas within the City’s jurisdictional boundaries except the Naval Postgraduate School facilities and housing areas. Fire protection by contract is also provided to the Presidio of Monterey (Defense Language Institute), and to the cities of Del Rey Oaks and Sand City.*

*The City’s fire department operates three fire stations. Fire station 1 is located at Pacific and Madison streets; Station 2, at 582 Hawthorne Street; and Station 3, at Montecito and Dela Vina Avenues.*

*The unincorporated areas within the City’s sphere of influence obtain fire protection service from County Service Area 39 (provided by the California Department of Forestry) to areas south of Highway 1, and from Salinas Rural Fire District to areas off Monterey-Salinas Highway (68).*

*The City’s fire protection system is designed to resolve fire occurrences in structures less than 5,000 square feet in area, as well as small open-range fires of brush, trees and grass. To achieve additional fire protection for those small percentages of emergencies that require greater resources, the City has entered into reciprocal mutual aid agreements.*

*Goal c. Maintain facilities to provide a cost-effective, high level of fire protection service.*

*Policy c.1. Require built-in fire protection for new and existing structures to minimize the need for additional fire facilities.*

*Policy c.2. Identify cost-effective fire station locations. using contractual or automatic aid agreements.*

*Policy c.3. Continue to monitor and evaluate the need for a new fire station to serve the Monterey-Salinas Highway (68) and Ryan Ranch areas. Explore opportunities to co-locate at the airport's fire station to provide this additional service.*

*Policy c.4. Provide for adequate fire facilities through capital funding.*

*Policy c.5. Develop a plan to upgrade or replace the fire administration building.”*

## **FINAL PROPOSAL ANALYSIS**

A question was raised by Pro-Tec related to the requirement for a reduced Errors and Omissions Coverage amount. Airport staff considered the reduced insurance amount and agreed that a lower amount would be acceptable given all of the other liability insurance policies in effect to protect the Airport. This information was communicated to both the City of Monterey and Pro-Tec on April 12, 2023 via email. Both parties acknowledged the modification to the errors and omissions insurance requirements. The final proposals were received on Friday, April 21, 2023 and information for each is provided below:

### **PRO-TEC FIRE SERVICES:**

In the *Pro-Tec Best and Final Proposal*, Pro-Tec Fire Services confirmed that with a reduced Errors and Omissions policy, they can offer reduced pricing as follows:

Year 1 10/01/2023 – 10-01/2024:	\$1,650,000.00
Year 2 10/01/2024 – 10-01/2025:	\$1,708,000.00
Year 3 10/01/2025 – 10-01/2026:	\$1,776,000.00

The Pro-Tec cost proposal includes staffing coverage for 24/7/365 as follows:

- One (1) Fire Chief working a 40-hour administrative work week
- Three (3) Captains each working a 24-hour shift (48/96)
- Six (6) Firefighters each working a 24-hour shift (48/96)
- Captains and firefighters will be EMTs

The Pro-Tec proposal assumes 100% dedication of resources to the Airport, except in the case of a Mutual Aid Response.

Pro-Tec Fire Services proposal provides all fire and emergency medical response services for the Airport as currently provided by the City of Monterey. Duties include aviation response that meets FAA requirements, fire prevention, suppression with structural, wildland firefighting, hazardous materials response, and emergency medical services to all on-Airport related incidents. Pro-Tec will be responsible for arranging all mutual-aid services and relationships, as well as managing and complying with the county-wide Next Generation (NGEN) Radio System Service Agreement that the Airport is party to.

The Airport will provide specified real property, building(s), apparatus, and equipment to Pro-Tec

to provide the specified services for the duration of the contract. Pro-Tec will be responsible for the daily maintenance of the buildings, apparatus, and equipment provided for the contract needs. The Airport will be responsible for the replacement and regular maintenance of capital property (ARFF building and vehicle apparatus) provided for services while under contract with Pro-Tec.

Based on reference checks conducted by the airport team and the depth of knowledge and training that Pro-Tec provides nationwide to aviation, including FAA Part 139 inspector training, they appear fully equipped and capable of providing quality fire prevention services to the Airport. Lastly, the *Value-Added Services* outlined in the March 1, 2023 proposal will augment and add to the overall operational support the airport provides to airport staff and tenants. Examples of value-added services include Wildlife Management, NOTAM management, Fire Extinguisher Inspections/Training, First Aid-CPR-AED training, and Storm Water Pollution Prevention Program management.

#### MUTUAL AID:

The Airport entered into a mutual aid agreement with the State of California in February 1974 and with Monterey County in February 1983. As identified in the City of Monterey's General Plan, Policy e.2. it states that they will continue to work with the airport district through a fire mutual aid agreement. While there would be renewed documents that need to be addressed, it appears those hurdles can be overcome.

#### CITY OF MONTEREY ALTERNATE PROPOSAL

The City of Monterey's Best and Final Fire Services Proposal is based on a Shared Service Delivery. This model is proposed to continue to serve the adjacent neighborhoods, Highway 68 Corridor, and Ryan Ranch. The revised pricing is based on an evaluation of a fully staffed, three-person engine company plus one fully dedicated ARFF engine staff member stationed at the Airport.

If the City of Monterey's Shared Delivery Model is accepted, the airport needs to reconcile conflicts with the Settlement Agreement, FEA and FEIR as it relates to joint use and off-airport emergency services. Should additional environmental analysis be necessary, the Airport would not have sufficient time to conduct the analysis before commencement of the fire services agreement.

Based on the shared service model, the engine may be used outside of the Airport's geographic boundaries whenever deemed operationally necessary. The City evaluated the service of on-airport and off-airport response by the engine located at the airport for a two-year period (2021 and 2022). The engine responded to a total of 623 calls which 496 calls were to off-airport (79.6%) and 127 calls were on-airport (20.6%).

Year 1 10/01/2023 – 10-01/2024:	\$1,787,572.98
Year 2 10/01/2024 – 10-01/2025:	\$1,876,951.63
Year 3 10/01/2025 – 10-01/2026:	\$1,970,799.21

Staff has noticed two issues that should be raised, as it may result in future price modifications. First, it appears that the labor agreement between the City of Monterey and the Monterey Fire Fighters' Association may be unresolved at the present time. This is important because the 3-year price proposal needs to be a firm price and not subject to adjustments based on factors external to the agreement for fire service. Second, while the City of Monterey intends to utilize the fire apparatus for all calls in the City of Monterey, which currently accounts for 79.6% of all calls, in the current proposal, 100% of all fees and costs for the fire apparatus are assigned to the Airport.

The revised cost proposal of the engine staffing would include three (3) personnel to meet the City's standards and is based on the percentage of on airport response calls (20.4%) as well as the full cost to staff the ARFF engine (1 technician).

When off airport response occurs, the one (1) ARFF technician is the only firefighter left onsite to service immediate airport needs. The proposal states that depth associated with the Monterey Fire Department will ensure that a resource will always respond to every incident at the Airport within their response time standard of 5 minutes or less.

The City proposes to continue to use the airport engine outside of the airport's geographic boundaries whenever deemed operationally necessary by the Fire Chief or his designee. The cost to maintain, service and fuel the vehicle are not identified.

The proposal requests that the Airport work with the city collaboratively to find a suitable location for the engine and personnel assigned to it, to be staged on the south side of the airfield during daytime hours. The proposal does not define the city's definition of daytime hours, nor does it identify how they intend to respond to off-airport emergencies during non 'daytime hours'. The costs associated with providing and maintaining a suitable southside location are not identified.

Further, it may be difficult to locate an acceptable location to stage the fire apparatus on the south side of the airfield because of the constraints and congestion that will occur for parking and airfield access on the southside when the Commercial Ramp construction project begins this fall 2023. Further, the Airport believes that the fire apparatus should be staged such that if it needs to respond by way of Highway 68, it would be optimal to do so from a signaled intersection to allow cross traffic to stop and give way to the first responders.

The City proposal does not identify who will be responsible for the daily maintenance of the buildings, apparatus, and equipment provided for the contract needs.

The proposal states that this model will allow the Airport and the city to retain the former Airport District employees. We would note that of the eleven (11) fire personnel that were hired from the airport, it appears nine (9) remain active. Of those nine, six (6) of the fire fighters have been with the City longer than they were employed as direct airport employees.

While the City of Monterey does provide a depth of resources, the valued added services dedicated to Airport support are not evident in the alternate proposal.

**SOURCE OF FUNDS.** The Fiscal Year 2024 Operating Budget for ARFF will incorporate the contract fees that will begin in October 2023.

**FISCAL IMPACT.** Fiscal Year 2024 Operating Budget will reflect the contract cost.

**IMPACT ON OPERATIONS.** No impact on operations during contract negotiations.

**RECOMMENDATION.** Staff recommend the Airport enter into a contract with Pro-Tec Fire Services Ltd. for fire services. Should the Board direct staff to enter into discussions with the City of Monterey, it should come with additional direction related to the global relationship with the City of Monterey and resolution of various matters.

Staff anticipates bringing a final agreement to the Board at the May regularly scheduled meeting.

**ATTACHMENTS:**

Pro-Tec Fire Services Ltd. Fire Services Best and Final Offer Pricing  
Pro-Tec Fire Services, Ltd. March 1, 2023 Proposal  
City of Monterey Fire Services Proposal dated April 21, 2023  
City of Monterey Fire Services Proposal dated March 1, 2023  
Fire Service Financial Analysis  
2021 and 2022 Airport Emergency Incident Response summary  
Staff Memo outlining Pro-Tec Reference Checks



Pro-Tec Fire Services, Ltd.  
3433 W. College Avenue  
Appleton, WI 54914  
[www.protecfire.com](http://www.protecfire.com)

(920) 494-8851  
(920) 494-5384 FAX  
(800) 242-6352

April 21, 2023

Monterey Peninsula Airport District  
200 Fred Kane Drive  
Suite 200  
Monterey, CA 93940

Re: Monterey Regional Airport Fire & Related Emergency Services Proposal Best and Final Offer Pricing

Members of the Monterey Regional Airport District Board,

On behalf of Pro-Tec Fire Services, I wish to thank the members of the Board for your time and attention during our presentation on April 5, 2023, to answer any questions regarding our proposal for Aircraft Rescue Firefighting Services.

We remain grateful to have had the opportunity to submit a proposal to provide Airport Fire and Related Emergency Services for the Monterey Regional Airport.

I wish to clarify the confusion regarding the line item of startup costs. This amount consists of expenses incurred by our company in advance of the contracted start date to be ready to begin the full provision of services. In this case, the current transition date is October 1, 2023. In order for us to start on that date, we must go through the hiring process to fill the required positions. Our Fire Chief is generally hired 45-60 days in advance of the contract start date. This individual goes through our training programs and will also participate in the hiring process for the remainder of the staff on the contract. The fire officers, drivers, and firefighters are hired approximately 30 days prior to contract start. We ensure they are trained and equipped. As such, part of the startup cost covers their wages, salaries, benefits, training, certifications, and any other items necessary so on Day 1 they are on duty and ready for service at the appointed time. These costs also include general office supply items such as computers, exercise equipment, EMS equipment, Personal Protective Equipment, Bedding/Linens, and any other hard items needed. We also include costs for startup-related travel for our Regional Fire Chief, Human Resources Director, President, and others who may be required to support the startup operations in advance of the actual contract start date. This cost is already accounted for in our proposed pricing as part of the total – it is not an additional cost. We then amortize this cost over a given term of the contract. In this case, it is amortized over a period of five (5) years. After the five years, the startup fees are no longer figured into renewal pricing of the contract. If the contract is terminated for any reason prior to the five years, there is no requirement for the customer to pay this money back. It is essentially at our own risk, but it is the best way to capture expenses that we incur before the contract begins.

Regarding the Chief's vehicle, based on the responses to the RFP questions, the airport will not be providing a vehicle for the Fire Chief, which is necessary for both administrative and operational responsibilities under the requirements of the Statement of Work. Pro-Tec will be providing a vehicle for the Fire Chief under this contract, which includes any purchase/lease costs, insurances, maintenances, equipment, fuel, and replacement (if needed). The line-item amount in our cost proposal is included in the total cost and is not in addition to the price quoted.

I also understand that there has been a request to review the total cost of our proposal. Based on our nearly 50 years of experience as the North America leader in providing ARFF and ARFF-related services, we believe the pricing structure submitted in our original proposal is reasonable and competitive based on our understanding of the requirements of the RFP.

As such, should all terms and conditions of the RFP remain the same, our Best and Final Offer will be the pricing provided with our original submission as outlined in the Cost to Provide ARFF Services on page 5, and referenced below:

Year 1: \$1,730,000.00  
Year 2: \$1,790,000.00  
Year 3: \$1,860,000.00

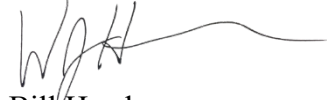
We do understand that there may be an opportunity to reduce, or remove, the current RFP requirement for Errors and Omissions Coverage in the amount of \$10,000,000.00 per occurrence. Pro-Tec Fire Services currently carries a \$4,000,000.00 aggregate Professional Errors policy. If this insured amount is acceptable, we can offer reduced pricing as follows:

Year 1: \$1,650,000.00  
Year 2: \$1,708,000.00  
Year 3: \$1,776,000.00

We firmly believe that our proposal completely meets, or exceeds, the requirements of the RFP to include staffing, services, cost, and certifications and training. All other terms and conditions provided within the RFP and our response remain the same.

Should you have any questions, please do not hesitate to contact me directly.

Respectfully,



Bill Hershman  
President





# PROPOSAL

## AIRCRAFT RESCUE & FIREFIGHTING SERVICES

March 1, 2023



Monterey Regional Airport

### Submitted by

J.J. Protective Services, Inc.  
d/b/a  
Pro-Tec Fire Services, Ltd.



**Pro-Tec Fire Services, Ltd.**

3433 West College Ave  
Appleton, WI 54914

Phone: (920) 494-8851  
Fax: 920-494-5384  
Toll Free: 800-242-6352  
www.protecfire.com

Monterey Peninsula Airport District  
200 Fred Kane Drive  
Suite 200  
Monterey, CA 93940

March 1, 2023

Re: Monterey Regional Airport Fire & Related Emergency Services Proposal

Dear Selection Committee Members,

Pro-Tec Fire Services is honored to submit the enclosed proposal to provide Aircraft Rescue & Firefighting (ARFF) and Related Emergency Services for the Monterey Peninsula Airport District and the Monterey Regional Airport. We confirm our understanding of all terms and conditions contained in the solicitation and commit to providing the essential level of service and compliance to cited governmental regulations and requirements.

Pro-Tec is the premier leader in North America for providing ARFF services to commercial airports, airparks, and aircraft manufacturers. With 47 years of exemplary experience, we now serve 25 customers in the United States and Canada, many of which we have supported for more than 20 years.

Our team has demonstrated skills in the creation and cultivation of relationships, improving safety and security with our clients. We have a proven track record of successful airport startups, resulting in extremely satisfied customers. In just the last two years alone, we have initiated five startups in the U.S. Much of our success is due in part by our culture as defined by our Mission Statement, Values and Code of Conduct and by our past performance.

As our proposal clearly demonstrates, we are uniquely qualified and experienced to provide the requested services. Pro-Tec is a small, family-owned business. All we do is ARFF and airport-related services. We are focused, specialized, nimble, and reliable. With our knowledge and understanding of the service requirements, we excel at FAR 139 training and documentation compliance, as demonstrated by our near flawless FAA annual CERT inspection results.

Pro-Tec is more than just an ARFF contractor. While safety is our number one priority, and maintaining airport index is our focus, we provide an innovative staffing approach, allowing us to maximize our resources and provide value added services AT NO ADDITIONAL COST to you. Here are just a few examples:

- Airport Emergency Plan Review
- Airport Exercise Planning
- Foreign Object Debris/Runway Inspections
- Issuing Notice to Airman (NOTAMs)
- Automatic External Defibrillator (AED) Inspections
- Fire Extinguisher Inspections and Training
- Wildlife Management
- Community Engagement

Our guiding principle for providing additional services is simple. As long as it does not impact safety, nor our ability to maintain airport index, just ask us!

As President, I am authorized to negotiate and ultimately bind Pro-Tec Fire Services to the covenants of this RFP. Our proposal constitutes a firm offer for 90 days. Thank you for this opportunity.

Respectfully,

Bill Hershman  
President





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## Executive Summary

Pro-Tec Fire Services, through its predecessor, JJ Security, Inc., and our current holding company, JJ Protective Services, is the true pioneer of privatized Aircraft Rescue Firefighting Services (ARFF). When the Federal Aviation Administration (FAA) initially authorized airports to contract ARFF services, security, and other operational functions in 1974, many airports were unsure of how it would work and how cost effective it may be. Since our first contract, our success has set the stage in the industry. Not only do we provide cost-effective solutions to ARFF, airport operations, and management, we are a force multiplier for our customers providing an extensive list of value-added services at no additional cost.

Pro-Tec is extremely capable in providing as needed ARFF services and other subject matter expertise in support of this contract to the District. Our ability to go above and beyond the traditional model of contracted ARFF services, combined with the level of expertise and knowledge we bring to the table, clearly sets us apart from other proposers. We have outstanding past and current performance in meeting and exceeding the requirements of Federal Aviation Regulations (FAR 139), National Aerospace Standards (NAS 3306), and Transport Canada. While Monterey is only bound by the FAR requirements, having knowledge and experience with other ARFF regulations makes us a well-rounded provider.

As a private company, we always look at unique and innovating ways we can support our customers and grow our business to include adding experienced airport exercise design following Homeland Security Exercise and Evaluation Program guidance; airport incident management programs; and airport Standard Operating Procedure review and evaluation services.

Our President and Regional Fire Chiefs are emergency service professionals with direct experience in Aircraft Rescue and Firefighting. That means the team assigned to manage your contract know tactical and strategic-level airport emergency operations. We offer real-world experience with real-world solutions. In fact, the Regional Fire Chief assigned to your airport served as the Fire Chief of the Will Rogers World Airports in Oklahoma City, Oklahoma up until 2019. Our proposed Fire Chief for Monterey is Chief Sean Edwards, a well-respected, and well-known chief fire officer who most recently served as the Fire Chief of the Defense Logistics Agency (DLA) installation in San Joaquin, California, located just two hours from the Monterey Regional Airport.

### Unique Qualifiers

The below factors differentiate Pro-Tec from our competitors and allow us to bring additional value to our clients:

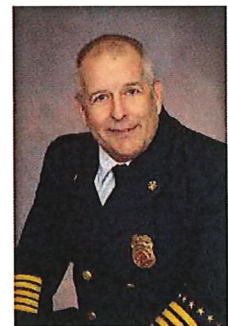
- ***Pro-Tec vigorously promotes a culture of safety.*** It is reflected in our Mission Statement, Core Values, and Code of Conduct. This is not something we just say. It is reflected in our safety record as evidenced by only one lost injury day over the past three years. It is also

### Operational Highlights

- 25 active contracts covering 15 states in the US and 2 Canadian provinces
- Compliance with Federal Aviation Administration, National Aeronautical Standards, and Canadian Aviation Regulations requirements for the provision of ARFF services
- Staffing, Training, and Incident Reporting captured through Emergency Networking Software
- Administration of dozens of Mutual Aid Agreements, Joint Use Agreements, and Memorandum of Understanding for resource sharing
- Force multiplier for airport operations and community engagement

manifested by our extremely low workers' compensation experience modification factor (e-mod), which is at an astonishing low .57 for 2023!

- **Pro-Tec will provide you with continuity and consistency.** As a private company, we focus on hiring the best local talent available. We have numerous retention programs in place designed to reduce turnover. Unlike municipal fire departments, we do not transfer people through our locations. This provides consistency and continuity in the staffing at our locations with employees that are knowledgeable, dependable, and dedicated to the mission.
- **We have been doing this since 1974.** We currently operate at 25 airports, airparks, and aircraft manufacturers across the US and Canada. We are the largest and most experienced independent aircraft rescue firefighting firm in North America.
- **We are a small, family owned, business based in the U.S.** We have more than 300 employees with an organizational structure that provides for freedom, independence, expedited decision making, clear communications, and control. **Our only business is providing ARFF and supporting services. We are unencumbered by multiple layers of bureaucracy, and we empower our Fire Chiefs and Regional Fire Chiefs to make decisions on behalf of the company that benefit our customers.** Our Corporate Officers are available for our clients and are familiar with their individual operations and needs.
- **EXPERIENCED management support.** To ensure we are providing logistical and administrative support, we employ two veteran Regional Fire Chiefs as the liaison between our airport Fire Chiefs and the company. For Monterey, our Western Regional Fire Chief is Dan Diehl. Chief Diehl started his fire service career in 1984 with the Anchorage, Alaska Fire Department. After serving in multiple fire service management roles throughout the US, Chief Diehl was selected as the Fire Chief at Will Rogers World Airport in 2011, where he served until becoming a Regional Fire Chief with Pro-Tec in 2019. Chief Diehl is a designated Chief Fire Officer by the Center for Public Safety Excellence. He is a noted Aircraft Rescue Firefighting Subject Matter Expert.
- **Pro-Tec has significant experience in airport startup operations.** Since 2019, we have successfully started up the following airports:
  - Calgary International – 2019
  - Manchester-Boston – 2019
  - Mobile Airport Authority – 2020
  - Mojave Air and Space Port – 2020
  - Tulsa International Airport – 2021
  - Stennis International Airport – 2021
  - Boeing San Antonio – NORTH – 2022
  - Idaho Falls Regional Airport - 2022
  - Wicomico-Salisbury Regional Airport – 2022



All firefighters are trained by certified instructors and each firefighter will receive their annual live-fire training before they begin working at the airport. Additionally, all equipment is inspected, and all work guidelines are generated to meet the specific needs of the airport. We have a tested Startup/Transition Plan that has been leveraged and modified using best practices based on our years of experience. Monterey startup timeline can be found under additional information section of the proposal.

- **Pro-Tec employs the latest technologies in documenting training, emergency response, airport operations, and other functions in support of our clients.** Many of our airports use Emergency Networking and/or Target Solutions. Both products are web-based record-keeping solutions. Emergency Networking provides for record maintenance and retention suites including compatibility with the National Fire Incident Reporting System (NFIRS). This system also provides for the management of all fire department training records, manages all inventory records, develops work schedules, provides EMS Patient treatment forms,

maintains employee certification records, and provides for a station logbook. Target Solutions assists departments in tracking required training and the multiple expiration dates of required certifications for ARFF and EMS personnel. Target Solutions has a wide array of pre-made EMS/ARFF classes. These classes have been verified by the National Registry of Emergency Medical Technicians (NREMTs). Target Solutions' paramedic continuing education courses are accredited by the Commission on Accreditation for Pre-Hospital Continuing Education (CAPCE), accepted by the National Registry of Emergency Medical Technicians, and approved by UMBC for CCEMT-P recertification. Our staff is also fluent in the use of Airport Security Operations and Compliance System (ASOCS) as provided by GC International. Many of our airports currently use this system for tracking airport operations for inspections and other activities.

- ***Our proposed fire chief for Monterey Regional Airport is Chief Sean Edwards, a 31-year veteran of the fire and emergency services with much of his time being in ARFF.*** Chief Edwards joined Pro-Tec as Fire Chief of the Idaho Falls Regional Airport under a new contract



there in October 2022. Chief Edwards played an integral role in the startup operation, to include the development and administration of the mutual aid agreements between Pro-Tec and the Idaho Falls Fire Department. Chief Edwards recently retired from a distinguished federal fire service career where he served as a Chief Officer for the United States Army, United States Navy, and the Defense Logistics Agency. On the list of his many fire service achievements, Chief Edwards was integral in his department in DLA Columbus, DLA San Joaquin and Fort Detrick reaching "Accredited" status through the Center for Public Safety Excellence. He also served as the Fire Chief for the DLA installation in San Joaquin, California, and is well known and respected throughout the fire service in that area. Chief Edwards has in-depth knowledge of partnering with local, state and federal agencies. He worked within a nearby system in Tracy, California for over 5 years. He partnered similarly and established the only non-proprietary Advanced Life Support program in San Joaquin, County. He has demonstrated experience navigating multiple agency agreements to maintain reliable and fluid response capabilities. Chief Edwards is a designated Chief Fire Officer by the Center for Public Safety Excellence.

- ***Pro-Tec has a nearly flawless record with required Federal Aviation Administration annual inspections.*** We take great pride in our compliance with FAR Part 139 training and documentation. Over the course of the last several years, we have had ZERO deficiencies on our annual FAA inspections. These inspections include everything from the administrative inspection of airport files, to timed response drills. Our Regional Fire Chiefs combined have helped to support hundreds of FAA inspections for our airports. Several months in advance of the FAA Certification Inspection, our Regional Fire Chiefs deploy to the airport and conduct what we call a Staff Assistance Visit (SAV). During this visit, our Regional Chief runs the Fire Chief and airport staff through the paces of a simulated FAA inspection, noting any deficiencies and providing corrective action guidance. The results of our SAVs have been so successful that many inspectors have asked for feedback on what we do to prepare so they can share with other airports.
- ***Pro-Tec is more than just an ARFF contractor, we are a part of your airport community.*** While safety is our number one priority, and maintaining airport index is our focus, we provide more than just standard airport rescue and firefighting services. We go above and beyond by providing value added services AT NO ADDITIONAL COST to you. Here are just a few examples of our Value-Added Services:

- Airport Emergency Plan Review
- Annual Compliance/Risk Assessment Reporting
- Airport Exercise Planning
- Airport Operations Area (AOA) Training
- Issuing Notice to Airman (NOTAMs)
- Automatic External Defibrillator (AED) Inspections
- Fueling/Fuel Farm Inspections
- Fire Extinguisher Inspections and Training
- Wildlife Management
- Operational Risk Management/Job Hazard Analysis
- Community Engagement
- Grant Support

Our guiding principle for providing additional services is simple. As long as it does not impact safety, nor our ability to maintain airport index, just ask us! More information on our value-added services can be found in our Operations Plan.

Our employees live in and around the communities they serve, and they are dedicated to those communities and that service. More information on our operational experience, qualifications, staff, and capabilities can be found throughout our proposal response.



## Cost to Provide ARFF Services

Pro-Tec Fire Services is extending the following pricing for Monterey Regional Airport in Monterey, CA, which represents a total full-time staff of 10 including one (1) Fire Chief working a 40-hour administrative work week, three (3) Captains, and Six (6) Firefighters each working a 24-hour shift (48/96) for 24/7/365 coverage. Pro-Tec will provide a total of three (3) personnel on duty 24/7/365, plus the Fire Chief during regular business hours. Under this staffing model, we can provide Index B coverage, and have some flexibility in responding to other incidents (EMS/Structural) on airport property without impacting index. However, we would recommend some contractual language protecting both parties if another incident has the potential to impact our ability to respond to aircraft emergencies as required under the Federal Aviation Regulations.

Year 1 Annual Firm Fixed Price: **\$1,730,000.00**

### Pricing Breakdown:

Wages and Salaries (annual)	
Fire Chief	<b>\$140,000.00</b>
Fire Captain	<b>\$92,720.00</b>
Firefighter	<b>\$83,448.00</b>
Salaries and Benefits	<b>\$1,256,240.00</b>
Insurances	<b>\$119,300.00</b>
Physicals, Uniforms, Training, Inspections	<b>\$28,000.00</b>
Station Supplies, Maintenance, Repairs, SCBA	<b>\$40,700.00</b>
Chief's Vehicle	<b>\$14,200.00</b>
Startup Costs	<b>\$29,559.00</b>
Overhead and Margin	<b>\$244,941.00</b>

### Pricing Assumptions:

#### **Contractor to Provide:**

- Regulatory expertise and documentation
- Staffing (Index B)
  - One (1) Fire Chief working a 40-hour administrative work week
  - Three (3) Captains each working a 24-hour shift
  - Six (6) Firefighters each working a 24-hour shift
- Captains and Firefighters will be Emergency Medical Technicians
- Benefits: Health, dental, life and 401k
- Payroll taxes and work comp insurance
- All certifications, training, and annual live fire as required by FAR 139
- Liability insurance coverage (\$10 million per occurrence)
- Errors and Omissions insurance coverage (\$10 million per occurrence)
- Uniforms
- Physicals
- Personal Protective Equipment (PPE)
- Self-Contained Breathing Apparatus (SCBA) Maintenance and Replacement



- Station:
  - Cell phones
  - Internet
  - Office supplies
  - Maintenance supplies
  - Emergency Networking software
  - Bedding/linens
  - Exercise equipment and gear
  - Emergency Medical Services Equipment
- Periodic quality/performance audits

**Airport to Provide:**

- Fully furnished ARFF station
- ARFF station utilities (electricity and water)
- ARFF station furnishings
- ARFF station kitchen supplies
- Self-Contained Breathing Apparatus (includes a single face piece for each employee in compliance with NFPA fit testing requirements)
- ARFF vehicles and all related operating expenses (maintenance, foam, retardant, etc)
- Fuel
- All other gear, tools, radios, and supplies required to meet FAR 139

**Assumptions:**

- Start-up: Minimum 60 days following contract execution.
- Pricing includes the cost of OT associated with vacation, sick leave, time off to cover vacancies as required.
- Contract would require mutually agreed upon terms to amend based on significant changes to economic conditions, staffing, unionizing, etc.

**Contract Terms:**

- Firm-Fixed Price
- Three-year contract duration
- Mutually agreed renewals annually following initial contract duration
- First three years fixed rates at the following to cover incremental cost increases:
  - Year 1 - \$1,730,000.00
  - Year 2 - \$1,790,000.00
  - Year 3 - \$1,860,000.00
- Rates negotiated annually thereafter with renewal
- Contractor to invoice monthly at 1/12 annual rate (ex: \$1,730,000/12 = \$144,166.67 per month)
- Terms net 30



## Statement of Qualifications and Experience

Pro-Tec Fire Services has provided Aircraft Rescue and Fire Fighting (ARFF) services continuously since 1974. Currently, we have 25 airports, airparks, and aircraft manufacturers under contract in North America. Each contract is as unique as the needs of each airport. Nevertheless, all contain at their core the same basic service elements for Part 139, NAS 3306, or Transport Canada compliance. We respond as medical first responders to medical emergencies, and we provide initial response to structural fire incidents for almost all our customers. The table below illustrates our experience in the indicated areas of expertise, and we have highlighted our experience with similar airport types.

Table 1. Pro-Tec Experience Factors

Airport	Start Date	FAA Index / DCMA Category/ Transport Canada Category	ARFF	EMS	Airfield	Bldg	DCMA Required	Fuel Farm/ Mobile Fueler Inspection	SIDA Badging/ Training Security
Green Bay Austin Straubel Int'l	1974	C	✓	✓	✓	✓		✓	✓
Kalamazoo-Battle Creek Int'l	1984	B	✓	✓		✓		✓	
Ardmore Airpark	1986	GA	✓	✓	✓	✓		✓	
Rogue Valley Int'l	1986	B	✓	✓	✓			✓	
Will Rogers World *	2001	C	✓	✓	✓			✓	✓
Skyxe Int'l	2004	Cat-6	✓	✓					
Lynchburg Regional	2005	A	✓	✓	✓			✓	
McClellan-Palomar	2007	A	✓	✓	✓	✓		✓	✓
Appleton Int'l	2010	B	✓	✓	✓	✓		✓	✓
Summit Aviation	2011	GA/Cat 4	✓	✓		✓	✓		
Trent Lott Int'l	2012	A	✓	✓	✓		✓		
Chicago Rockford Int'l	2014	C	✓	✓		✓		✓	
Des Moines Int'l *	2014	C	✓	✓				✓	
Boeing San Antonio	2015	GA/Cat 9	✓	✓		✓	✓		✓
Trenton-Mercer	2018	B	✓	✓	✓	✓		✓	
King Aerospace	2018						✓		Security
Calgary Int'l	2019	Cat-9	✓	✓		✓			
Manchester Boston Regional	2019	C	✓	✓	✓	✓		✓	
Mobile	2020	B	✓	✓	✓	✓		✓	
Mojave Air & Space Port	2020	GA	✓	✓	✓	✓		✓	
Tulsa Int'l	2021	C	✓	✓		✓		✓	
Stennis Int'l	2021	A/Cat 6	✓	✓	✓	✓	✓	✓	
Boeing San Antonio – NORTH	2022	GA/Cat 9	✓	✓		✓	✓		✓
Idaho Falls Regional	2022	B	✓	✓	✓			✓	
Wicomico-Salisbury Regional	2022	B	✓	✓	✓				

\* Paramedics on site

As this table clearly demonstrates, we have successful experience with eight (8) Index B airports, providing similar services as would at Monterey Regional Airport. Additionally, we serve seven (7) Index C airports in North America.

We believe our longevity and experience speak for themselves. In addition to the provided list of references, we welcome the Monterey Airport selection committee to contact any one of our customers from the list below for a recommendation.



## Current Pro-Tec Fire Contract Information

Airport	Address	Airport Contact	Contact Number	Start	Index	# of FF
Green Bay Austin Straubel Int'l	2077 Airport Dr. Suite 18 Green Bay, WI 54313	Marty Piette	920-492-4934	1974	C	13
Kalamazoo/Battle Creek Int'l	5235 Portage Rd. Portage, MI 49002	Craig Williams	269-388-3690	1984	B	6
Ardmore Airpark	620 General Dr. Suite 1 Ardmore, OK 49002	Dan Luttrell	580-389-5238	1986	GA	12
Rogue Valley Int'l-Medford	1000 Terminal Loop Parkway #201 Medford, OR 97504	Jerry Brienza	541-776-7222	1986	B	7
Will Rogers World	7100 Terminal Dr. #954 Oklahoma City, OK 73159	Jeff Mulder	405-316-3260	2001	C	36
Skyxe Saskatoon Int'l	2625 Airport Dr. Suite 1 Saskatoon, SK S7L 7L1 CANADA	Andrew Leeming	306-975-6466	2004	B	11
Lynchburg Regional	350 Terminal Dr. Suite 100 Lynchburg, VA 24502	Andrew LaGala	434-455-6089	2005	A	5
McClellan – Palomar	2192 Palomar Airport Rd. Carlsbad, CA 92011	Oliver Brackett	760-431-4646	2007	A	4
Appleton Int'l	W6390 Challenger Dr. Suite 201 Appleton, WI 54914	Abe Weber	920-832-5267	2010	B	14
Summit Aviation, Inc.	4200 Summit Bridge Rd. Middletown, DE 19709	Bruce Palmer	302-449-1039	2011	GA/Cat 4	9
Trent Lott Int'l	8301 Saracennia Rd. Suite 11 Moss Point, MS 39563	Cinnamon Snyder	228-475-1371	2012	A	12
Chicago Rockford Int'l	60 Airport Dr. Rockford, IL 61109	Mike Dunn	815-969-4450	2014	C	10
Des Moines Int'l	5800 Fleur Dr. Suite 207 Des Moines, IA 50321	Kevin Foley	515-256-5100	2014	C	12
Boeing-San Antonio South Ramp	375 Airlift Dr. San Antonio, TX 78226	Phillip Clark	210-452-4590	2015	GA/Cat-9	14
Trenton-Mercer	340 Scotch Rd. Suite 200 Ewing, NJ 08628	Melinda Montgomery	609-882-9015	2018	B	10
King Aerospace	402 Wright Dr. Ardmore, OK 73401	Jack Vanderslice	580-389-5505	2018	n/a	8
Calgary Int'l	2000 Airport Rd. NE Calgary, AB T2E 6W5 Canada	Chris Miles	403-735-5550	2019	C	27
Manchester – Boston	One Airport Rd. Suite 300 Manchester, NH 03103	Ted Kitchens	603-624-6539 x301	2019	C	18
Mobile Airport Authority	1891 Ninth Street Mobile, AL 36615	Izzy Bonilla	251-438-7334	2020	B	13
Mojave Air and Space Port	1434 Flight Line Mojave, CA 93501	Todd Lindner	661-824-2433 x236	2020	A	6
Tulsa Int'l	7777 Airport Drive Suite A-2111 Tulsa, OK 74115	Shawn Chittum	918-838-5115	2021	C	10
Stennis Int'l	7250 Stennis Airport Dr. Kiln, MS 39556	Chanse Watson	228-467-9231 x101	2021	A/Cat-6	5
Boeing – San Antonio North Ramp	375 Airlift Dr. San Antonio, TX 78226	Philip Clark	210-452-4590	2022	GA/Cat-9	11
Idaho Falls Regional	2140 N. Skyline Dr. Ste. 12 Idaho Falls, ID 83402-4906	Rick Cloutier	208-612-8224	2022	B	7
Wicomico-Salisbury Regional	5485 Airport Terminal Rd. Unit-A Salisbury, MD 21804	Tony Rudy	410-548-4827	2022	B	5

2/14/2023



## Operational Procedures & Philosophies

Pro-Tec Fire Services' operational plan is clear and effective. We delegate all necessary authority to our local Fire Chief to ensure immediate and local response to any of the airport's needs. Pro-Tec Corporate Headquarters provides required logistical and administrative support for projects at the airport. Our President and Regional Fire Chiefs are available 24/7/365 to assist Airport Administration and our local Fire Chief. The local Fire Chief has a direct line to the company's senior management team, and communications between the Chief and home office are conducted weekly, if not more frequently.

Pro-Tec has a progressive Human Resources Department, and our company and management policies and procedures are updated regularly. Management policies include, but are not limited to:

- Alcohol and Substance Abuse
- Communication & Information Access Policy
- Equal Opportunity Statement Policy
- Harassment & Sexual Harassment Policy
- Seatbelt Policy
- Social Media Policy
- Social Security Policy
- Solicitation Distribution Policy
- Station Security & Visitor Policy
- Travel Policy
- Uniform Policy
- Vehicle Policy
- Violence in the Workplace

### OPERATIONAL CAPABILITY

- Pro-Tec will provide personnel who are trained to qualify Monterey Regional Airport for "Certification" under Federal Aviation Regulation (FAR) Part 139.315, 139.317, 139.319 entitled "*Certification and Operations: Land Airports Serving Certain Air Carriers*". Personnel will be provided to meet "Index B" requirements with service provided 24-hours each day, unless otherwise directed by the Airport.
- Pro-Tec will provide ARFF and airport operational support services and other duties as outlined in the Monterey Regional Airport Fire and Related Emergency Services Request for Proposals, including:
  - Aircraft Rescue Firefighting
  - Maintaining FAA required training records for firefighters
  - Preparing and organizing all necessary training records and exercises, including the Part 139 required tri0-annual disaster exercise and other required training
  - Daily airfield inspections (FAR Part 139.327) on weekends, holidays, and special occasions
  - Fire Prevention
  - Structural Firefighting
  - Emergency Medical Services
  - Mutual Aid Agreements and Service Agreements impacting emergency response
- Pro-Tec will furnish all certificates of insurance as requested.
- Pro-Tec personnel will respond to structure fires and other on-Airport non-aircraft related incidents to render assistance and initiate command until the arrival of the local fire department, provided that such response does not in any way interfere with the primary responsibility to provide ARFF services as required by contract.
- Pro-Tec reserves the right to cancel or postpone requests for airport operational support services if support for those events hinder response capabilities to an aircraft emergency.
- All licenses and permits applicable to the performance of this contract shall be the responsibility of Pro-Tec Fire Services.

- Pro-Tec shall perform under the contract in accordance with the highest standards and shall observe and comply with all requirements of the duly constituted public authorities and with all federal, state, or local statutes, ordinances, regulations, and standards including, but not limited to, rules and regulations promulgated from time to time by Monterey Regional Airport applicable to Pro-Tec and the operation of the Airport.
- Pro-Tec shall perform other miscellaneous duties and tasks as directed by the Airport Manager, or a designee, provided they are not of a nature that will result in additional cost over and above those expressly identified in the contract.
- Pro-Tec shall have qualified and certified personnel on duty seven (7) days per week, 24 hours per day. This schedule will accommodate any changes or deviations in the airline schedules.
- All staff will receive initial and recurrent training as identified in the training curriculum in accordance with Part 139.319 and Advisory Circular 150/5210-17. All initial and recurrent training will be documented and tracked in a manner approved by the airport and FAA.

**INNOVATIVE APPROACHES AND REGIONAL SOLUTIONS**

Pro-Tec Fire Services has been a leader in the transition from traditional municipal ARFF coverage to professional contracted services. We have successfully completed dozens of these types of transitions, many in just the past few years. Each of these are unique based on the location, existing services provided, current operational procedures and capabilities, and standing agreements. Prior to beginning any contract, our transition team (made up of our Regional Fire Chief, Airport Fire Chief, and others) begins meeting with the surrounding jurisdictions and stakeholders to outline plans, policies, and procedures that take advantage of existing emergency response resources. Because of our Chief Edward’s previous experiences and relationships, we will actively pursue a mutual training partnership with the Presidio of Monterey (POM), along with nearby Seaside, Pacific Grove, Marina, and Monterey.

Additionally, if we are the successful bidder, Pro-Tec Fire Services proposes joining the Monterey County Mutual Aid Plan. This will include emergency response resources from neighboring agencies. Pro-Tec will also ensure partnership with the California Fire and Rescue Mutual Aid System. Chief Edwards will become an active member of the Monterey County Fire Chiefs Association to ensure a seamless transition. The RFP indicated the use of the Mobile IC unit may be used for mutual aid (other than Airport use), so long that the costs are recouped from responding agencies. The State of California has a robust reimbursement system for mutual aid. The Mutual Aid Reimbursement System (MARS) is the program utilized by CALOES to distribute funds for reimbursement. Pro-Tec Fire Services would facilitate any reimbursement of funds in the event Airport resources are requested/dispatched to an incident that authorize a reimbursement as it relates to the reimbursement fee schedule established by CALOES. The funds would be directly returned to the Airport District. Each of these approaches economically benefits the District and strengthens associations with surrounding jurisdictions.

**STAFFING**

Pro-Tec will meet or exceed the staffing levels outlined in the RFP for the Monterey Regional Airport Fire Department. The table to the right illustrates our proposed staffing to maintain Index B.

Index B
(1) Fire Chief
(3) Fire Captains
(6) Firefighters

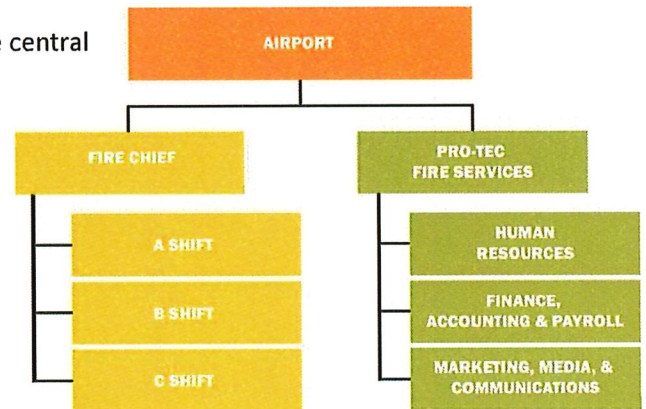
**Index B Staffing**

The Fire Chief, or ARFF Senior Fire Officer (SFO) on-duty in the Fire Chiefs absence, is responsible for ensuring that we meet all the requirements of this section. The Fire Chief will be expected to exercise good judgment when the airport operations tempo is elevated, reserving the right to cancel or postpone operational support services that, in their opinion, would have a negative impact on our ability to respond to an aircraft or medical emergency. Examples of situations which might cause the Fire Chief to cancel or postpone operational support activities include staff currently on an operations support activity; response to a medical emergency; response to a mutual aid request or other airport-directed activity that has reduced available staff to the minimum required to respond to an aircraft-related emergency on the airport. When the airport operations tempo has dropped to where our staff can support operational support activities, we will resume all operational support activities.

The Fire Chief or SFO will be expected to notify airport administration when conditions dictate that we cancel or postpone operational support activities. The fire department will be expected to resume full support of operational support activities as soon as the personnel become available to resume normal operational support activities.

**ORGANIZATIONAL CHART**

Chain of Command and Unity of Command are two of the central tenants of the Incident Command System. These tenants ensure that everyone clearly understands the reporting relationships and flow of communications throughout their organizations. The below chart illustrates our organization chart under this contract. All local Pro-Tec staff will report directly to the Fire Chief. The Fire Chief will report to the Airport Manager or their designee for day-to-day operations at the airport. The Fire Chief will, with strong assistance from the Pro-Tec Regional Fire Chief, be responsible to the Airport Manager or their designee for the successful execution of the contract.



**KEY MANAGEMENT PERSONNEL**

Pro-Tec is committed to providing exemplary local leadership in support of this contract. We have a proven track record in hiring talent that represents a diverse industry with a focus on continuous improvement, future growth strategies, a commitment to safety, and key leadership qualities.

Corporate management at Pro-Tec is keenly focused on the success of our organization, as our success equates to the success of our employees. As a small, family-owned business, we can make decisions, effect change, and communicate more effectively. We also can provide complete corporate transparency, and continuously search out opportunities for feedback and improvement. With our Regional Fire Chief located less than one hour from the airport, we can have senior management at your location almost immediately, and our company President is available 24/7.

Below you will find brief biographies of our key management staff. Of note is that our President, Regional Fire Chief, and proposed Fire Chief have nearly 100 years of combined fire service, emergency management, and public safety experience.



## President Bill Hershman



Bill Hershman joined Pro-Tec Fire Services as Senior Vice President in June 2020. He has more than 20 years experience as a senior executive with small businesses and Fortune 500 companies. Additionally, he has more than 30 years experience in the fire and emergency services as a first responder, chief-level officer, and emergency management consultant.

### PROFESSIONAL EXPERIENCE

- **2010-2020**, Bill was the Vice President of Ascenttra, Inc., an international emergency preparedness planning, training, and exercise consulting firm based out of Washington, D.C. There he was responsible for the day-to-day operations including overall program and project management.
- **2011-2015**, Bill was the Government Sales Manager and Northeastern US/Canada ARFF Sales Manager for Rosenbauer America in Lyons, South Dakota. He initiated sales programs to expand business with Federal, State, and local governments by leveraging programs such as the General Services Administration and Defense Logistics Agency. He led the creation of company's first government-based sales and marketing strategy.
- **2006-2010**, Bill held various roles with Oshkosh Corporation and Pierce Manufacturing. For Oshkosh, Bill was responsible for the development of government and homeland security business development for all business units. While at Pierce, he led their Defense, Government, and Rescue sales teams with a budget of more than \$165 million and revenues increasing 3%-5% annually.

### EDUCATION AND ACCOMPLISHMENTS

- Bachelors of Science, Mass Communications from Virginia Commonwealth University
- Masters of Professional Studies from University of Connecticut
- Retired firefighter, fire instructor, fire officer, and Emergency Medical Technician





## Western Regional Fire Chief

**Dan Diehl**



### PROFESSIONAL EXPERIENCE

- 2019-Present, Western Regional Fire Chief, Pro-Tec Fire Services
- 2011-2019, Will Rogers World Airport Fire Chief, Oklahoma City, OK
- 2005-2011, Kalispell Fire Department Fire Chief, Kalispell, MT
- 2001-2005, Fire Consulting, Polson, MT
- 2000-2001, Alaska State Fire Marshal Safety Inspector
- 1984-2000, Anchorage Fire Department Captain, Anchorage, AK

### EDUCATION

- Montana State University, B.S. Business Administration
- University of Alaska, A.A.S. Fire Science
- Chief Fire Officer, Center for Public Safety Excellence

### ACCOMPLISHMENTS

- National Fire Academy courses, Emmitsburg, Maryland
- Fire Officer II, IFSAC
- Fire Instructor II, IFSAC
- Fire Inspector II, International Fire Code
- Building Plans Examiner, International Building Code
- Hazardous Material Technician
- Emergency Medical Technician
- Anchorage Police Academy
- Adjunct Professor, University of Alaska Anchorage
- NIMS 100, 200, 300, 400, 700, 800
- Executive Fire Officer Courses, National Fire Academy



## **Sean Edwards, Fire Chief - Idaho Falls Regional Airport**

Pro-Tec Fire Services, 31 years in Fire Service (16 as Chief)

- IFSAC Firefighter I II
- IFSAC Airport Firefighter
- IFSAC Driver/Operator (Structural)
- IFSAC Driver/Operator (Airfield)
- IFSAC Driver/Operator (Aerial)
- IFSAC Fire Instructor I, II, & III
- IFSAC Haz/Mat Awareness
- IFSAC Haz/Mat Operation
- IFSAC Haz/Mat Technician
- IFSAC Haz/Mat IC
- IFSAC Fire Inspector I & II
- IFSAC Fire Officer I, II, III, & IV
- IFSAC WMD Tech
- IFSAC WMD IC
- IFSAC Telecommunicator I & II
- National Registry Emergency Medical Technician Basic
- State of Maryland Emergency Medical Technician Basic
- Confine Space Rescue I & II
- High Angle Rescue I & II
- IFSAC Haz/Mat Materials Awareness
- IFSAC Haz/Mat Materials Operations

### *Work History*

#### **2022 - Present : Pro-Tec Fire Services, Ltd. - Fire Chief - Idaho Falls Regional Airport, Idaho Falls, ID**

I am responsible for the overall management and supervision of the fire protection program, providing fire prevention, protection, safety education, as well as emergency medical services within Federal Aviation Administration Part 139 regulations to an Index B commercial airport. Major responsibilities include budget planning and oversight, staffing, supply, maintenance, and payroll. I independently direct operating programs to include fire prevention, inspection, public education, fire protection training, fire operation response, basic life support response, investigation, maintenance of fire house facilities and operational readiness of fire apparatus and several types of equipment, and maintenance and testing of fire extinguishing systems. I exercise delegated managerial authority to plan, direct, coordinate, oversee, and control the fire department's operations through subordinate fire officers. I exert significant responsibilities in dealing with officials of other organizations and in advising management officials of higher rank. I assure reasonable equity within the work unit of performance standards and rating techniques developed by subordinates. I make decisions on work problems presented by subordinate supervisors. I evaluate performance of subordinates and serve as the reviewing official on evaluations of nonsupervisory employees rated by subordinate fire officers. I make and/or approve selections for subordinate positions. I hear, review, and resolve group grievances and serious employee complaints. I review and approve serious disciplinary actions involving non-supervisory subordinates. I review and approve requests for training that is non-routine, costly, and may be controversial. I consult with subordinates on immediate and long-range training needs. I approve expenses relative to extensive overtime, employee travel, within-grade increases, etc. I identify and implement ways to eliminate or reduce significant problems and barriers to production and improvements to work operations. I routinely interact with external agencies to modify, negotiate, and execute mutual aid agreements. I have forged relationships with multiple different fire districts encompassing Bonneville County, Idaho resulting in efficient interagency all hazard response. I coordinate and local, State and Federal assistance through established mutual aid agreements. Provide full range of response equipment of all hazard response. I currently hold a non-critical sensitive with secret access federal security clearance with a reevaluation date of 2029.

Professionally, I am highly motivated, well-disciplined, hard-working, and resourceful. Personally, and without reservation, I am good natured, ethical, and selfless. My assessment abilities are worthy of note, in December 2009, I received the prestigious Chief Fire Officer designation through the Center for Public Safety Excellence, becoming the one of only a few fire service professionals to reach this level of professional development. My continued goals are to further my education and grow as a fire service professional.

#### **2018 - 2023 : Department of Army - Fire Chief - Fort Detrick/Forest Glen Fire & Emergency Services Division**

Responsible for the overall management and supervision of the fire protection program, providing fire prevention, protection, safety education, as well as emergency medical services within direct capability guidance for two logistically separated installations. Led the organization to an Accredited status through

the Center for Public Safety Excellence in March of 2019. Major responsibilities include budget planning and oversight, staffing, supply, maintenance, and payroll. I independently direct operating programs to include fire prevention, inspection, public education, fire protection training, fire operation response, advanced life support response, investigation, maintenance of fire house facilities and operational readiness of fire apparatus and various types of equipment, and maintenance and testing of fire extinguishing systems. I exercise delegated managerial authority to plan, direct, coordinate, oversee, and control the fire department's operations through subordinate supervisors. I exert significant responsibilities in dealing with officials of other organizations and in advising management officials of higher rank. I assure reasonable equity within the work unit of performance standards and rating techniques developed by subordinates. I make decisions on work problems presented by subordinate supervisors. I evaluate performance of subordinate supervisors and serve as the reviewing official on evaluations of nonsupervisory employees rated by subordinate supervisors. I make and/or approve selections for subordinate positions. I hear, review, and resolve group grievances and serious employee complaints. I review and approve serious disciplinary actions involving non-supervisory subordinates. I review and approve requests for training that is non-routine, costly, and may be controversial. I consult with subordinates on immediate and long-range training needs. I approve expenses relative to extensive overtime, employee travel, within-grade increases, etc. I identify and implement ways to eliminate or reduce significant problems and barriers to production and improvements to work operations. I routinely interact with external agencies to modify, negotiate, and execute mutual aid agreements. I have forged relationships with multiple different fire districts encompassing Frederick County and Montgomery County, Maryland resulting in efficient interagency all hazard response. I coordinate and provide federal assistance through established mutual aid agreements. Provide full range of response equipment of all hazard response. I currently hold a non-critical sensitive with secret access security clearance with a reevaluation date of 2029.

**2015 - 2018 : Department of the Army - Fire Chief - USAG Detroit Arsenal**

I am responsible for the overall management and supervision of the fire protection program, providing fire prevention, protection, safety education, as well as emergency medical services within CLS guidance. Major responsibilities include budget planning and oversight, staffing, supply, maintenance, and payroll. I independently direct operating programs to include fire prevention, inspection, public education, fire protection training, fire operation response, advanced life support response, investigation, maintenance of fire house facilities and operational readiness of fire apparatus and various types of equipment, and maintenance and testing of fire extinguishing systems. I exercise delegated managerial authority to plan, direct, coordinate, oversee, and control the fire department's operations through subordinate supervisors. I exert significant responsibilities in dealing with officials of other organizations and in advising management officials of higher rank. I assure reasonable equity within the work unit of performance standards and rating techniques developed by subordinates. I make decisions on work problems presented by subordinate supervisors. I evaluate performance of subordinate supervisors and serve as the reviewing official on evaluations of nonsupervisory employees rated by subordinate supervisors. I make and/or approve selections for subordinate positions. I hear, review, and resolve group grievances and serious employee complaints. I review and approve serious disciplinary actions involving non-supervisory subordinates. I review and approve requests for training that is non-routine, costly, and may be controversial. I consult with subordinates on immediate and long range training needs. I approve expenses relative to extensive overtime, employee travel, within-grade increases, etc. I identify and implement ways to eliminate or reduce significant problems and barriers to production and improvements to work operations. I routinely interact with external agencies to modify, negotiate, and execute mutual aid agreements. I have forged relationships with multiple different fire districts encompassing Macomb County in Michigan resulting in efficient interagency all hazard response. I coordinate and provide federal assistance through established mutual aid agreements. Provide full range of response equipment of all hazard response. I currently hold a non-critical sensitive with secret access security clearance with a reevaluation date of 2017.

**2007 - 2015 : Defense Logistics Agency - Fire Chief**

During this period I have served as the installation Fire Chief for two Defense Logistics Agency (DLA) installations. I served first at DLA Columbus from August 2007 to January 2010. My organization became only the 15th Department of Defense Fire Department to reach an "Accredited" status through the Center for

Public Safety Excellence. Additionally, under my leadership, DLA Columbus was awarded the 2008 DLA Fire Prevention Program of the Year, 2009 DLA Fire Department of the Year, and 2009 DLA Fire Prevention Program of the Year. In January 2010, I transferred to California, at the agency's request, where I currently serve as the Fire Chief of DLA San Joaquin, a large complex multi-mission installation.

I am responsible for the overall management and supervision of the fire protection program, providing fire prevention, protection, safety education, as well as paramedic services. Major responsibilities include budget planning and oversight, staffing, supply, maintenance, and payroll. I independently direct operating programs to include fire prevention, inspection, public education, fire protection training, fire operation response, advanced life support response, investigation, maintenance of fire house facilities and operational readiness of fire apparatus and various types of equipment, and maintenance and testing of fire extinguishing systems. I exercise delegated managerial authority to plan, direct, coordinate, oversee, and control the fire department's operations through subordinate supervisors. I exert significant responsibilities in dealing with officials of other organizations and in advising management officials of higher rank. I assure reasonable equity within the work unit of performance standards and rating techniques developed by subordinates. I made decisions on work problems presented by subordinate supervisors. I evaluate performance of subordinate supervisors and serve as the reviewing official on evaluations of nonsupervisory employees rated by subordinate supervisors. I make and/or approve selections for subordinate positions. I hear, review, and resolve group grievances and serious employee complaints. I review and approve serious disciplinary actions involving non-supervisory subordinates. I review and approve requests for training that is non-routine, costly, and may be controversial. I consult with subordinates on immediate and long range training needs. I approve expenses relative to extensive overtime, employee travel, within-grade increases, etc. I identify and implement ways to eliminate or reduce significant problems and barriers to production and improvements to work operations. I routinely interact with external agencies to modify, negotiate, and execute mutual aid agreements. I have forged relationships with over 32 different fire districts encompassing San Joaquin County, California resulting in efficient interagency all hazard response. My organization is a member of the XSJ Region IV Strike Team State level Wildland Strike Team Response. I coordinate and provide federal assistance through established mutual aid agreements. Provide a full range of training for wildland firefighting techniques. Provide full range of response equipment of all hazard response. Most recently, DLA Fire & Emergency Services began utilizing ESAMS, the web-based fire department information management tool. I currently hold a non-critical sensitive with secret access security clearance with a reevaluation date of 2017.

**2006 - 2007 : Department of the Army - Assistant Fire Chief of Operations - Fort Stewart/Hunter Army Airfield**

As the Assistant Fire Chief of Operations, I was extremely well versed with various types of software programs, such as Firehouse management, FASCLASS, ATAAPS, FIREPRO management, CERTTEST, and multiple office management software. I attained impeccable leadership, communication, analytical, organizational, time management, and writing skills. I was an accomplished overall program manager for the following functional areas: fire operations, hazardous materials/CBNRE response, medical response, fire training, fire prevention, short-term/long-term budgetary requirements, government purchase card, applicable regulatory compliance, Operational Risk Management (ORM), risk assessment, EEO policies/procedures, and CFAI accreditation (strategic self-assessment/planning process). I implemented full supervisory controls which included personnel/resource management and all other related tasks. Managerial responsibilities included, but were not limited to, fostered a positive professional work environment, planned work, set and adjusted priorities, prepared schedules for completion of work, assigned work to subordinates based on priorities, difficulty and abilities of employees. The vast majority of my work was of an independent decision making process. I implemented ways to improve production and increase the quality of work and customer service needs. I developed performance standards for subordinates and evaluated work performance of subordinates for the professional development of employees. I participated in the selection process of hiring or promoting employees, interviewed candidates for positions within the organization, and recommended appointment, promotion, or reassignment to such positions. I delegated or exercised leave authority. I identified developmental and training needs of employees and provided for or arranged needed development and training. I gave advice, counsel, or instruction to employees on both work and administrative matters,

heard and resolved complaints from employees, referred group grievances and more serious unresolved complaints to a higher level supervisor. I interacted with directors of Hunter AAF commands and tenant commands as one of the senior authorities in fire prevention and protection matters. I was capable of establishing clear and concise policies to fulfill the fire department's mission.

**2004 - 2006 : Department of the Navy - Assistant Fire Chief of Operations - NAS Sigonella Fire & Emergency Services**

As the Assistant Fire Chief of Operations and Training/Prevention, I demonstrated full supervisory controls which included personnel management, coordination of resources, and all other related tasks. These duties included full supervisory controls of 4 Structural companies and 3 ARFF companies, encompassing three logistically separated fire stations. As the Assistant Fire chief of Operations, I supervised 43 personnel which included US Civilian, US Military, and Local National personnel. Day-to-day managerial responsibilities included, but were not limited to, planned work, set and adjusted priorities, prepared schedules for completion of work. I assigned work to subordinates based on priorities, difficulty, and abilities of employees. The vast majority of my work was of an independent decision making process. I implemented ways to improve production and increase the quality of work. I developed performance standards for subordinates and evaluated work performance of subordinates. I participated in the selection process of hiring or promoting employees, interviewed candidates for positions in the unit, and recommended appointment, promotion, or reassignment to such positions. I delegated or exercised leave authority. I identified developmental and training needs of employees and provided for or arranged needed development and training. I gave advice, counsel, or instruction to employees on both work and administrative matters, heard and resolved complaints from employees, referred group grievances and more serious unresolved complaints to a higher level supervisor. I coordinated and developed budgetary processes for the Operations division as part of the annual Naval Air Station Sigonella Fire & Emergency Services Department budget.

In addition to the management of the Training Division, I was the immediate supervisor to 5 personnel assigned to the Fire Alarm Communications Division and the first line supervisor to 1 Battalion Chief of Operations. As the Assistant Fire Chief of Training, I coordinated, managed, and implemented an extremely diverse training program to over 100 assigned personnel who included: United States Naval personnel, United States Civilian workforce, and Italian Local National Civilian workforce. I demonstrated full supervisory controls which included personnel management, coordination of resources, and all other related tasks.

**2002 - 2004 : Department of the Navy - Battalion Chief/Hazardous Materials Program Manager - NSA Naples Fire Rescue Division**

I performed the following duties as Battalion Chief/Hazardous Material Program Manager: supervised multiple structural and crash fire rescue crews, each which consisted of a Crew Chief (Captain), Driver Operator, and 1 to 2 firefighters. I was responsible for approximately a 30 square mile area that included 3 military areas, 2 of which were active military installations, and 1 recreational area. Other areas of responsibility included multiple residential areas in the Naples Italy community. I performed the Assistant Chief of Operations duties in the absence of the incumbent. I performed all duties, but not limited to the Battalion Chief with limited supervision, such as the completion of duty rosters, daily station reports, annual employee evaluations, submission of pay/budget request information to department heads, annual and sick leave considerations, entered run report information into the National Fire Incident Reporting System, developed and wrote Standard Operating Procedures, and ensured that all assignments were completed in a timely manner. I obtained impeccable leadership, writing, organizational, communication, analytical, and interpretational skills.

**1996 - 2002 : Department of the Navy - Firefighter/Lead Firefighter - NAS Corpus Christi Fire & Emergency Services**

I performed various positions from Firefighter to Lead Firefighter while employed at NAS Corpus Christi, Texas. I responded to structural, EMS, airfield, hazardous materials, and technical rescue emergencies. I performed all duties, but not limited to the Lead Firefighter with limited supervision such as the completion of duty rosters, daily station reports, annual employee evaluations, submissions of pay/budget request

information to department heads, annual and sick leave considerations, entered run report information into the National Fire Incident Reporting System, developed and wrote Standard Operating Procedures, and ensured that all assignments were completed in a timely manner. I obtained impeccable leadership, writing, organizational, communication, analytical, and interpretational skills.

### *Education*

Columbia Southern University, Orange Beach, AL - Fire Science

Community College of Air Force, Maxwell/Gunter AFB, AL - Fire Science

### *Training*

Extraordinary Leadership Training

DLA Executive Leadership Tier III/IV Training Program

DLA Supervisory Tier I/II Training Program

Accreditation Manager's Workshop/Peer Assessor Training

ICS 100, 200, 300, 400, 700, and 800

Sexual Harassment for Supervisory Employees

Supervising US Civilian Employees

Supervising Host National Civilian Employees

Ethics in the Federal Government

Emergency Vehicle Operators Course Inst

Operation Risk Management

### *Performance Ratings, Awards, Honors, and Recognitions*

ID-S 2020 Small Fire Department of the Year – (01-2021)

Quality Step Increase – Performance Award – (06-2020)

Fort Detrick FES – CFAI Accreditation (3-2019)

DLA San Joaquin FES – CFAI Accreditation (3-2014)

Special Act Award (09-2010)

CPSE Chief Fire Officer Designation (2009 – Present)

Named 2009 DLA Fire Department of the Year (05-2010)

Named 2009 DLA Fire Prevention Program of the Year (05-2010)

Named 2008 DLA Fire Prevention Program of the Year (05-2009)

DLA Columbus FES – CFAI Accreditation (03-2009)

Performance Rating of Excellence (1994 – Present )

### *Currently Enrolled*

American Association of Airport Executives

Airport Master Firefighter/Airport Fire Officer designation programs



## Director of Human Resources

### Kate DeSmidt



Kate DeSmidt joined Pro-Tec Fire Services as Human Resources Manager in September 2021 where she is working alongside the HR Director learning all facets of Aircraft Rescue and Firefighting. Kate is actively involved in the recruiting, hiring, placement of employees for multiple contracts along with administrating all commercial and health insurance for the company. Her role in HR, compliance will be an asset to the organization. She has over 25 years experience in both leadership and human resources. She has a strong background in developing policies and procedures to include process improvements throughout her career.

#### PROFESSIONAL EXPERIENCE

- **2013-2021**, Kate held both a leadership and a Human Resources Senior Assistant role while at CONNECT, powered by American Family Insurance (formerly Ameriprise Auto & Home Insurance). There she was responsible for hiring, coaching, evaluating, and mentoring staff, creating and implementing policies and procedures to, which included tracking key deliverables, R/E diversity metrics, and supporting department and company initiatives.
- **1993-2013**, Kate was a Clinic Manager with Dental Associates. She was responsible for developing and leading key initiatives to increase patient and staff satisfaction as well as bottom-line profits for the organization's third largest clinic with annual revenues of \$22 million. She also managed outside vendor contracts and a budget of \$6 million.

#### EDUCATION AND ACCOMPLISHMENTS

- Bachelors of Science, Psychology from Carrol University
- Society of Human Resource Management (SHRM) member
- LEAN Certificate Series for NWTC



## Director of Media Relations and Communications



### Beth Chandonais

Beth Chandonais joined the Pro-Tec Fire Services team in August 2019. Since then, she has been the Director of Media Relations and Communications handling all marketing, website and social media activities. Her main goal is to generate new media opportunities, expand public awareness, align messaging and streamline processes.

#### PROFESSIONAL EXPERIENCE

- **2018-2019**, Beth held the position of Marketing Coordinator for STAT Informatic Solutions, LLC in Appleton, Wisconsin. Here she developed and implemented marketing strategies, advertising campaigns, content marketing and trade shows. She created a new company website and e-mail marketing campaigns.
- **2006-2017**, Beth was employed with Eggers Industries in Neenah, Wisconsin. Starting out in Inside Sales and Estimator and later being promoted to Sales and Order Entry Coordinator and Marketing Specialist. Beth managed the workloads of 14 order detailers and oversaw all incoming purchase orders, hard copies and online. She managed the flow of those POs from receiving to production to shipping. She implemented a "lead time" process that created no late shipments to customers.

#### EDUCATION AND ACCOMPLISHMENTS

- Earned her bachelors degree in Business Administration from Winona State University in Winona, Minnesota
- Continuing education on website design and development
- Broad knowledge of social media platforms
- Increased engagement and impressions on Facebook by 128%, Instagram by 330% and LinkedIn by 20% within seven months by composing daily posts, communicating and engaging with followers and curating marketing campaigns





## Director of Accounting & Finance

### Heidi McGill-Cahak, CPP



Heidi McGill-Cahak joined the Pro-Tec Services team in August, 2018. She is responsible for Accounts Receivable, Accounts Payable and processing payroll for U.S. and Canada employees.

#### PROFESSIONAL EXPERIENCE

- **2017-2018**, Heidi held the position of Associate Accountant at Baker Tilly Virchow Krause, LLP in Appleton, Wisconsin. Here she prepared tax returns, processed client's payroll and assisted with tax projects.
- **2016-2017**, Heidi was a Biller with Bergstrom Automotive in Neenah, Wisconsin. Her main responsibilities were to prepare invoices, monitored daily sales, reconciled vehicle inventory, calculated and logged monthly commissions and prepared credit forms for customers or finance companies.
- **2001-2016**, Heidi held the positions of Accountant and Office Manager for Andrew F. Davis, CPA in Rhinelander, Wisconsin. Here she prepared tax returns, implemented payroll procedures, pre-tax and after-tax benefits and quarterly/year-end tax reporting.

#### EDUCATION AND ACCOMPLISHMENTS

- Earned her designation for Certified Payroll Professional (CPP)
- Earned her A.A.S. degree in Accounting, Small Business Accounting Technical Certificate from Nicolet College, Rhinelander, Wisconsin
- A.A.S. Police Science from Fox Valley Technical College, Appleton, Wisconsin
- Proficient in QuickBooks
- Knowledge of local, state and federal practices and laws
- Member of American Payroll Association (APA)
- Member of Canadian Payroll Association (CPA)



## Payroll Specialist

### Stephanie Koga



Stephanie Koga joined the Pro-Tec Fire Services team in September, 2022. She is responsible for processing payroll for U.S. employees and assisting in Accounts Receivable, Accounts Payable, and processing payroll for Canada employees.

#### PROFESSIONAL EXPERIENCE

- **2018-2022**, Stephanie held the position of Payroll Specialist at Bergstrom Automotive in Neenah, Wisconsin. Here she prepared and processed employees payroll, sales tax, and assisted with year-end statements.
- **2013-2018**, Stephanie was a Biller with Bergstrom Automotive in Neenah, Wisconsin. Her main responsibilities were to prepare invoices, monitored daily sales, reconciled vehicle inventory, calculated and logged monthly commissions, and prepared credit forms for customers or finance companies.

#### EDUCATION AND ACCOMPLISHMENTS

- Attended Rasmussen College for Accounting classes
- Proficient in QuickBooks
- Knowledge of local, state, and federal practices and laws

## Management Approach

*We believe in being actively involved with our clients at each of our contract locations.*

With a typical start-up, we focus on several key milestones as outlined below:

- Day One:** Pro-Tec's active involvement begins immediately upon contract award, when the Regional Fire Chief and the Start-Up Fire Chief make contact with Airport Administration to coordinate the transition.
- 0-6 Months:** During the first six months of the contract the Corporate Office will be in contact with the airport Fire Chief on a weekly basis and with Airport Administration on a bi-weekly basis in order to ensure that the transition is smooth and that operational questions are addressed quickly and effectively.
- 7 Months:** By the seventh month of the contract, a Corporate representative will visit the location to meet with Airport Administration and with ARFF staff and will conduct a quality assurance audit, which we call a *Staff Assistance Visit*. The audit covers FAR Part 139 compliance and examines adherence to all company policies and procedures. Once the Staff Assistance Visit has been completed, the auditor will de-brief Airport Administration on the outcomes.
- Beyond 7 Months:** The Pro-Tec management team is in contact with the Fire Chief on location and with Airport Administration on a regular basis via telephone and email. Communications with each location may be as simple as sharing industry news, training information, newly released Advisory Circulars, Cert Alerts, safety information, or administrative information, such as budget reviews or human resources information. We believe strongly in being proactive and continuing to maintain clear, consistent communication between Pro-Tec Corporate and each location.

*We believe in personal improvement and professional development.*

We believe that continuing to acquire information and operational knowledge is essential to our success and allows us to best serve our clients. One way of achieving this goal is by having our Chiefs attend FAA regional airport conferences. At these events our Chiefs build relationships with regional FAA officials, including Airport Fire Chiefs and FAA Administrators, while marketing our company and our services. These events allow our Chiefs to effectively see the "big picture", to hear Safety and Standards Bureau Certification Inspectors discuss pressing topics first-hand, and to ask questions in an informative environment.

Occasionally, we bring all of our Chiefs together. The Chiefs' Meeting is held at one of our locations, so that all of them may become familiar with the airport, city, and ARFF units at that location. During the three-day meeting, we discuss issues involving safety, budgeting, industrial relations, hiring, turnover, training, quality assurance trends, new policies, and other corporate-related topics. We also facilitate role-playing exercises designed to help our Chiefs improve their counseling and interpersonal skills. This meeting grants Chiefs the opportunity to develop and maintain strong working relationships with fellow location Chiefs and creates a valuable resource network for support or guidance on specific issues.

Pro-Tec is also a sustaining member of the Aircraft Rescue and Fire Fighting Working Group (ARFFWG). As a member, we budget for several of our Chiefs to attend the annual ARFFWG conference each year. At this conference, Chiefs interact and network with other ARFF professionals from around the world, they see the latest in ARFF technology, and they attend

three days of seminars that are facilitated by global ARFF, aviation, and firefighting experts. Each Chief who attends is then tasked with bringing this information back to their staff and to our Corporate Office so that all our Chiefs may benefit from the experiences and knowledge shared at the conference.

### **SAFETY**

Our culture places safety as our number one priority in all day-to-day activities. We take great pride in the fact that our workers comp ex-mod, work related injuries and lost time are well below both state and national averages. We continuously train our employees through safety talks during our morning shift briefings as well as recurring classes and seminars on how to be safe in the workplace. Training with, and use of, appropriate PPE is stressed in all activities.

Our safety culture is also supported by companywide “safety stand-downs”. During the stand-downs, nonessential duties are deferred so crews can focus on safety. Activities may include facility and equipment inspections, vehicle movement, review of SOGs and airport policies, safety in emergency operations, etc. Training is led by the Fire Chief with emphasis on safety in their local environment.

Another major component of safety for ARFF and emergency services is having the physical capabilities to perform the job required. All personnel are required to participate in our physical conditioning program requiring a minimum of one hour per shift to work out and develop their strength, cardio, and physical endurance.

We also place a significant emphasis on employee retention. Both Pro-Tec and our customers benefit operationally and economically from retaining well-trained, qualified, and highly motivated firefighters on our team. Each of our firefighters are given a benefits package that is highly competitive within the market. We also provide continual training that exceeds standard expectations, and we work to ensure that every employee is motivated and engaged.

We believe that it is essential for our firefighters to have as much information and operational knowledge as possible to best serve our customers and our company.

### **SALARIES AND BENEFITS**

Pro-Tec strives to provide our team members with competitive salary and benefits packages that are comparative to local municipalities and aligned with their years of experience and qualifications. Our human resources department research salary and benefit comparisons from surrounding areas on a regular basis so we can adjust based on market trends.

At the end of the day, we are a service provider. We have a people first culture that reflects to our customers as each of our team members represent not only Pro-Tec, but the airports we serve. To that end, we try to provide the best compensation and benefits packages for them and their families. Our employees are also members of the local community and feed the local economy. That concept is not lost on us as we provide wages and benefits packages to help attract and retain the best possible cadre or ARFF professionals available.

### **EMPLOYEE SCREENING**

Pro-Tec employs quality third party partners in conducting thorough criminal background checks, pre-employment and annual physicals, drug screening, and, when required, verification of certifications and credentials. We provide recurring reviews with our team members to provide them with strengths and areas for improvement in their roles, and we regularly consider internal candidates for growth opportunities within the company before we begin looking outside of the organization.

## **AIRPORT OPERATIONS**

The Corporate Fire Chief will primarily provide quality assurance for ARFF services for the corporation. Other corporate officers will also be actively involved in supporting and evaluating the operation in special situations.

Pro-Tec will perform periodic staff assistance inspections during each year of the contract. The Corporate Fire Chief will conduct the inspections. During these inspections we will check for compliance with requirements outlined in the contract. Copies of these reports will be furnished to Monterey Regional Airport on request. Any variations in contract compliance or service are most often corrected on the spot. Items that cannot be corrected immediately will be noted and a correction date, appropriate to the severity of the deficiency, will be issued to the Fire Chief. Corrective actions will be reported to corporate headquarters.

Pro-Tec shall develop reporting forms, for example, training records, logbooks, and other records relating to ARFF functions. These records are to be kept on Airport premises and made readily available for inspection by Airport Administration and the Federal Aviation Administration. The reports shall include all accidents, incidents, safety inspections, and any safety violation related to ARFF occurring at the Airport. Division of Fire Safety forms will be completed after a reportable event. We will ensure that proper log entries and reports are submitted as required to the Airport Manager or designee. Forms must be acceptable to the FAA.

All personnel shall be employees of Pro-Tec Fire Services, and Pro-Tec shall pay all salaries, social security taxes, federal and state unemployment tax and all other taxes relating to such employees.

Consumption of alcoholic beverages by ARFF personnel during the performance of their duties is prohibited, and use of such beverages during duty hours shall be cause for the immediate removal by Pro-Tec Fire Services. Under no circumstances may any employee use or consume any alcohol nine (9) hours prior to or during a scheduled work shift, work breaks, or during the lunch hour when such employee will or can be reasonably expected to be back on the job at his or her workstation immediately following such work break or lunch. Use of mood-altering chemicals such as barbiturates, narcotics, amphetamines, hallucinogens, and marijuana will be grounds for removal of employee.

Pro-Tec shall provide physicals for its personnel, which will include a substance abuse test and hepatitis immunizations as required. Pro-Tec shall also provide a pre-employment physical for each prospective employee as a condition of employment.

Pro-Tec will provide and maintain physical fitness equipment for its staff to use while on-duty. All staff members are required to exercise one hour each shift. The exercise will be logged in an auditable format acceptable to the Airport Manager or their designee.

Pro-Tec, and its personnel, are specifically prohibited from issuing or making any public statements to media except when directed to do so by the Airport Manager or their designee, which must be approved by corporate office.

The building housing the fire equipment shall be maintained in a neat and clean appearance and condition. Pro-Tec shall be responsible for the removal of debris, snow, and ice around the ARFF station that would interfere with operational effectiveness. Pro-Tec will provide grounds maintenance around the ARFF building.

Pro-Tec shall respond to ARFF emergencies which occur on airport property, including, but not limited to, the following:

- Incidents involving any aircraft within the airport boundary.
- Fire occurring in any hangar within the Air Operations Area (within the security fence).
- The terminal building.

- Aviation fuel spillage.
- Medical emergencies.
- Use of automatic defibrillator.

Pro-Tec shall further respond as directed by the Airport Manager and/or designees to any emergency. The scope of the Contractor's responsibility under the provisions of this paragraph may be more specifically defined in a comprehensive ARFF plan developed by the Airport Manager and Pro-Tec.

Pro-Tec shall ensure that adequate ARFF personnel are available to meet minimum response times in emergency situations.

All radios installed in the Airport apparatus and building shall be used only in accordance with rules and regulations issued by the FAA, the Federal Communications Commission, and the Airport Manager or their designee.

The Contractor shall regularly and routinely inspect Airport premises from the standpoint of fire or hazard potential in accordance with FAR 139.321 (B) and recommend corrective action whenever necessary.

Pro-Tec will comply with the requirements of the Request for Proposal. We will inspect the Air Operations Area (AOA) on weekends, holidays, and during special occasions. During these inspections, Pro-Tec shall identify hazards, debris, and inoperative runway, taxiway, and rampway lighting. Deficiencies are to be reported to the Airport Manager or designee on the Daily Report Form.

Pro-Tec shall store and control all necessary materials required to satisfactorily perform the duties and tasks identified.

Pro-Tec shall be responsive to the Airport Emergency Plan as it applies to ARFF functions in the following areas:

- |                               |  |
|-------------------------------|--|
| • Aircraft accident           | • Natural disasters                    |
| • Personal injury and illness | • Civil disturbances                   |
| • Bomb threats or hoax        | • Radiation accident or nuclear attack |
| • Disabled aircraft           | • Mutual aid plans                     |
| • Structural fires            | • Hazardous Materials                  |

Pro-Tec shall perform other miscellaneous duties and tasks as directed by the Airport Manager or designees provided, they are not of a nature that will result in additional costs over and above those expressly identified in the contract.

Pro-Tec employees shall be trained to hazardous material operations level and respond to all fuel spills on the airport.

Pro-Tec shall ensure that ARFF vehicles, radios and the alarm systems are tested daily. All discrepancies shall be reported to the Airport Manager or designee.

- The Airport Manager requires certain groups, including the ARFF Services Contractor, to wear uniforms and to maintain a high standard of appearance to identify the airport, the profession, and the individual in a positive and professional manner when on-duty.
- Pro-Tec shall establish procedures for the consistent enforcement of all appearance standards.
- The uniform will be provided to ARFF personnel by Pro-Tec.
- The uniform must be neat, clean, pressed, and presentable always.
- Any person out of uniform will be immediately relieved of duty and replaced when required.

A minimum acceptable uniform shall consist of:

- Trousers, shirt, belt, boots, and jacket - all appropriate to weather, season, and position.
- Appropriate sleeve patches identifying Pro-Tec and Aircraft Rescue Fire Fighting. Pro-Tec shall provide all uniforms insignias for all personnel.

### **TRAINING PROGRAM**

Pro-Tec provides a multi-faceted robust training program for all employees to meet the requirements of the airport, FAA, OSHA, and EMS programs. We encourage and support outside advanced certification training to prepare our employees to assume additional duties and responsibilities. All training is supervised by state certified fire and EMS instructors. We use a combination of training materials including:

- IFSTA Essentials of Firefighting IFSTA ARFF 6th ed.
- OSHA Standards
- DOT Emergency Response Guide
- AAAE's ANTN Digicast NFPA Standards
- State approved EMS training materials

All training is documented in our ERMS records system and transferred to each member's training spreadsheet for inspection by the FAA. Certification Inspectors have been very complimentary of our program and documentation. Our program has passed 50 FAA inspections without any negative comments from the inspector.

Initial training for new employees will consist of the following requirements to be completed and documented prior to the employee being assigned to a fire suppression crew position. Initial training will consist of a minimum of forty (40) hours covering Part 139.303, as well as:

- Part 139.303.c.1-3 = Movement Area Driving
- Part 139.319.h.2.i = Unannounced Timed Responses
- Part 139.319.i.2.i = Airport Familiarization, Including Airport Signs, Marking and Lighting
- Part 139.319.i.2.ii = Aircraft Familiarization
- Part 139.319.i.2.iii = Rescue Fire Fighting Personnel Safety
- Part 139.319.i.2.iv = Emergency Communications Systems Including Fire Alarms
- Part 139.319.i.2.v = Use of Fire Hoses, Nozzles, Turret s & Other Equipment
- Part 139.319.i.2.vi = Application of Extinguishing Agents
- Part 139.319.i.2.vii = Emergency Aircraft Evacuation Assistance
- Part 139.319.i.2.viii = Firefighting Operations
- Part 139.319.i.2.ix = Adapting and Using Structural Rescue and Fire Fighting Equipment for ARFF
- Part 139.319.i.2.x = Aircraft Cargo Hazards, Including HazMat / Dangerous Goods Incidents
- Part 139.319.i.2.xi = Familiarization with Firefighter Duties under the Airport Emergency Plan
- Part 139.319.i.3 = Live Fire Training
- Part 139.327 = Self Inspection Program
- Administrative = Department SOP's and SOG's
- OSHA= Blood-borne Pathogens
- OSHA= Hazardous Communications
- Part 139.313 - Snow and Ice Control, Part 139.337 - Wildlife Hazard Management, and

Part 139.339 - Airport Condition Reporting will be lightly covered in Initial training, and covered more in depth by Airport Operations during their annual training of these topics

- All ARFF personnel will participate in at least one live-fire drill and two (2) No-Notice Timed Response Exercises, one (1) daytime, and one (1) nighttime, prior to initial performance of ARFF duties
- All ARFF personnel will meet the minimum EMS requirements of Part 139.319 (i)

#### **RECURRENT TRAINING REQUIREMENTS**

All personnel employed by Pro-Tec shall be fully trained in aircraft accidents/incidents, fire, and rescue duties. Such personnel shall be fully trained in the application of local, state, and federal regulations. Pro-Tec employees shall be trained to ensure maximum efficiency for the duties assigned. Pro-Tec shall develop an on-going, continual classroom training program keeping precise records as to what classroom training has transpired, course materials used, hours, dates, and attendance records. Such records shall be kept for each individual and made available to the Airport Director or his designee on request. Pro-Tec shall include initial and recurrent instruction in all the areas listed in the previous section, as well as any state required training in firefighting.

The training program shall include classroom studies and on-the-job training. Individual personnel files and records indicating type, extent, and dates of training received will be maintained on each employee.

Two staff members will attend an advanced ARFF training class each year.

#### **EXAMINATIONS TO VERIFY KNOWLEDGE**

Pro-Tec will periodically administer quizzes and practical skills evaluations as a quality assurance tool to ensure we are able to meet the training requirements of this contract, Part 139, and Advisory Circular 150/5210-17x.

#### **TASK PERFORMANCE EVALUATIONS-CHECKLIST**

Periodically as part of Pro-Tec's recurrent training program, all staff members will be required to perform certain operational tasks (i.e., Aircraft Fire Fighting). To ensure that Pro-Tec evaluates each task consistently according to industry standards we have developed standardized checklists, to conduct these evaluations.

#### **EMERGENCY MEDICAL CARE**

All personnel on duty during air carrier operations will be trained and current in basic emergency medical care in accordance with the contract and 139.319 (i) (4).

#### **EMERGENCY NETWORKING SOFTWARE**

Per FAR Part 139 the management of records becomes an important part of this scope of work. Pro-Tec Fire Service's record keeping system is well established, maintained, automated, and supported by Emergency Reporting. Pro-Tec has implemented its current work management and records system called Emergency Networking. This system is a secure web-based record management system that provides record maintenance and record retention suites including the National Fire Incident Reporting System (NFIRS). The system also provides management of all fire department training records, manages all inventory records, develops work schedules, provides EMS Patient treatment forms, develops vehicle and equipment inspection and maintenance forms, maintains employee certification records, provides a station logbook program, and develops pass on information for shift turnover meetings. The system is web based so it will not require any IT support from the customer. Being the fact that the system is web-



based gives Pro-Tec the ability to monitor each customer location from our Corporate Office. Pro-Tec can also provide off site technical backup.

The Duty Firefighter is responsible for ensuring that all required documentation has been completed and entered in the fire department data management system prior to going off duty. They also maintain the shift turnover log so that they can brief the oncoming Firefighter and the ARFF Chief of events that occurred during their shift as well as other pertinent information (condition of the response fleet, condition of the emergency response equipment, important activities that are occurring on the Airport, issues with fire protection systems on the Airport, on-going or abnormal maintenance activities, and changes in hazards), as well as any other vital information that has to be passed on to maintain a strong continuity of services.

Emergency Networking offers several advantages of conventional records management software:

- Real time viewing of all records.
- Training program management.
  - Tracks staff certifications ensuring recertification are completed on time.
  - Schedules recurrent training based on frequency of each required subject.
  - Tracks recurrent training ensuring all staff is current.
  - Library of training references that all staff will have access to 24/7.
- Manage personnel records.
  - Tracks key personnel data securely.
  - Tracks/manages vacations and sick time.
- Ensures all staff read and acknowledges important memos and notices.
- Daily activity logs.
  - Consistent format across the company.
  - Tracks all activities including scheduling inspections.
  - Incident reporting. The software will automatically populate the appropriate NFIRS (National Fire Incident Management Reporting system more efficiently file) report fields.
  - Ensures that the report is complete and ensures the report is reviewed by the Fire Chief before submission.

## **REPORTS**

The following list is a sample of the reports used by Pro-Tec Fire Services. Examples of the following reports are available for review.

1. Incident Report
2. Daily Activity Log
3. Station Checklist
4. AED Daily Checklist
5. Fuel / Farm Mobile Refueler Unit Inspection Checklists
6. Maintenance Records
7. Training Records
8. Daily Vehicle Checklists
9. Weekly Vehicle Checklists

## **INSPECTIONS**

### **Pro-Tec Proposed Inspection System**

The role of Pro-Tec's corporate office regarding the inspection process is straightforward. The Regional Fire Chief or his designee, will conduct a site visit no less than once per year. We refer to this as a Staff

Assistance Visit. The Regional Fire Chief (or designee) conducts a thorough inspection of the fire department's operations using a standardized fourteen-page checklist that includes, but is not limited to, the ARFF vehicles, personnel records, training records, fueling records, the ARFF facilities, policies, and those listed below. During these inspections we will check for compliance with requirements outlined in the contract. Copies of these reports will be furnished to the designated airport representative.

The Regional Fire Chief will review the final contract to determine all services that Pro-Tec will be required to provide under the agreement. A copy of the checklist will be provided to the local Fire Chief to be reviewed with the Regional Fire Chief to ensure that the requirements of the contract are clear and understandable. The contract specifications will serve as a "self-inspection" tool for the local Fire Chief to make certain everything is being accomplished as required by the contract.

Areas reviewed are as follows:

- ARFF Facilities
- Emergency Response Actions
- Communications Training
- Administrative Files
- Protective Clothing
- Budget Planning
- Hazard Communications Program
- Bloodborne Pathogens Program
- Self-Contained Breathing Apparatus
- Fuel Farm and Mobile Refueler Units Inspection Program
- AOA Inspection Reports and NOTAMS
- Vehicle Inspections
- Practical Exercises for Personnel
- No-Noticed Timed Responses

At the completion of the Staff Assistance Visit, the Regional Fire Chief conducts an out-briefing for the local Fire Chief and the Airport Director, providing both with a copy of the inspection report. Any items noted during the inspection that require corrective action will be assigned a suspense date for completion. The local Fire Chief will be required to report, in writing, the corrective action taken for each item assigned a suspense date.

#### **CORRECTIVE ACTION PROCEDURES**

Any variations in contract compliance or service will be corrected in a timely manner. However, most are corrected on the spot. Items that cannot be corrected immediately will be noted and a correction date, appropriate to the severity of the deficiency, will be issued to the local Fire Chief and corrective actions will be reported to Corporate Headquarters.

#### **QUALITY ASSURANCE**

We are dedicated to our customers and our **quality assurance program** is a guarantee that you will receive a positive experience from all required inspections. We have been contracting ARFF services for over 45 years and we have experienced over 400 FAA Safety and Standards Bureau Certification Inspections. We continue to maintain a proven track record of perfect cert inspections for our existing customers, which we credit to continuous training and monitoring by our Corporate Fire Chief and to thorough one-site quality control audits. In fact, we have been consulted numerous times by the FAA and by other authorities to advise airports that are having problems with their ARFF programs and to resolve their outstanding deficiencies.

The Staff Assistance Visit (SAV) program is the primary quality assurance tool that we use in order to ensure that we meet all contractual, federal, local, and state requirements. The SAV is completed 3-4

weeks prior to the airport's FAA certification inspection, in order to allow for any corrective actions that need to be completed prior to certification inspection. The SAV consists of a comprehensive, dynamic checklist that incorporates all necessary contract, federal, local and state requirements. It is completed during a site visit by a Corporate Representative, who evaluates each checklist item on a "Compliant" / "Noncompliant" standard, based on the regulatory requirements for each item. The individual conducting the SAV will debrief the Airport Director and the airport Fire Chief. All noted deficiencies will be followed-up by the individual conducting the SAV, based on a schedule developed with the location Fire Chief.

Throughout the year, there will likely be regulatory changes for which we will issue updates (i.e. new or revised Advisory Circulars, cert-alerts, relevant IFC/NFPA standards, industry technical bulletins, and other industry related publications or human resources issues). When updates are issued, we also create a date by which each location is required to indicate that they have complied with the posted update. If warranted, the updated item will also be included in the revised SAV checklist for the next year.

We take advantage of any opportunity to learn what other certification inspectors are looking for in order to better prepare our other locations for their next cert inspection. After a cert inspection, the Airport Fire Chief is required to report the results of the inspection to the Corporate Fire Chief. The Corporate Fire Chief will then share the results with the other locations but will leave out the name of the specific airport that was inspected. If there is a positive or negative comment that might be found at another location, the Corporate Fire Chief will require the airport Chief to evaluate the risk and to report back for further guidance, in order to ensure that another location does/does not repeat the noted item.

## **BUDGETING**

Each airport Fire Chief is expected to be able to efficiently manage budgets. In many cases, they are expected to manage the client's ARFF budget and Pro-Tec's budget for that specific contract. During the airport's budget development cycle, the Fire Chief will create the airport budget and will send it to the Corporate Fire Chief for review prior to submitting it to the airport for consideration. The Corporate Chief will assist the Airport Chief in determining requirements and will develop justification for budgeted line items.

The ARFF Chief is also responsible for managing the Pro-Tec budget for that location. The Chief will develop the Pro-Tec budget for the next calendar year during the November-December time frame each year. During the budget development phase, the Director of Operations, the Corporate Fire Chief, and the Airport Chief will all meet via teleconference to review the current year's budget and the proposed budget, in order to ensure that it is realistic and that it is within the Corporate budget variance. At every calendar quarter the General Manager will send the Chief a quarterly budget review prepared by our accountant. The Chief will review the report and will explain any expenditure outside of the accepted variance to the Corporate Chief, along with a strategy to ensure that the next quarter aligns with the allowed variance.

## **ELECTRONIC DOCUMENTS AND MANUALS**

Pro-Tec will ensure that the Airport receives copies of all documents and manuals developed to comply with this Operations Plan and the contract, if requested. When operating instructions or Standard Operating Procedures are developed or revised, the local Fire Chief will ensure a copy of the revision is provided to the Airport in an acceptable media, if requested.

## **EMERGENCY CONTINGENCY STAFFING PLAN**

In the event of a significant occurrence where personnel are depleted at one of our facilities, such as natural or man-made disasters or even the current Coronavirus Pandemic, Pro-Tec can continue our operations at our sites with little-to-no disruption. Our company-wide Contingency Emergency Staffing Plan outlines our response to these types of events. Maintaining our operational readiness and your airport index is one of our highest priorities, and with our reach, we can do so.



## Value Added Services

Our Fire Chiefs are the backbone of our company and help us provide expert services to each one of our customers. They provide staff leadership, training, and coordination, with the ultimate objective of meeting and exceeding customer expectations.

The following is a list of **Value-Added Services** that we offer our clients at no additional charge.

- **Airport Emergency Plan Review**
  - We will review the Airport Emergency Plan **annually** to ensure that it is accurate and up to date.
  - We will conduct a Table-Top exercise for all agencies identified in the plan.
  - Training will be documented in a manner deemed acceptable by the FAA.
- **Triennial and Table-Top Exercise Planning**
  - We will plan, coordinate, and conduct all training exercises prescribed by Part 139 and by the Airport Emergency Plan.
- **Airport Self-Inspection Program Compliance**
  - We will conduct airfield inspections in accordance with Part 139.327, documenting the inspections on the forms prescribed by the Airport Certification Manual.
  - Before beginning inspections, our Fire Chief will train and certify our staff to perform the inspections, using a training course we developed that is also approved by the FAA.
  - All staff will receive recurring training throughout the year.
- **Operational Risk Management / Job Hazard Analysis**
  - We will develop an Operational Risk Management Program using industry-wide based practices built from fire department accreditation programs developed by the Commission on Fire Accreditation International and the Center for Public Safety Excellence.
  - This documented process assists in collecting and analyzing data, identifying risks, developing mitigation plans, and program evaluation.
- **Fuel Farm / Mobile Fueler Inspections**
  - We will inspect fueling agents that operate on the airport.
  - We will also inspect fuel farms and mobile refueler units to ensure compliance with FAR Part 139.321, (d).
- **NOTAMs**
  - Our staff will manage the airport's NOTAM program, in accordance with Part 139.339.
  - We will call flight service or use the automated NOTAM system to post NOTAMs, as directed by Airport Administration.
- **First Aid / CPR / AED Training**
  - We will provide airport staff and tenants with CPR and First Aid training, including how to use an Automatic External Defibrillator (AED), making use of either American Heart Association or American Red Cross training materials.
  - We will also offer disaster preparedness training as requested.
- **Community Emergency Response Team (CERT) Training**
  - We will facilitate and train airport and community volunteers on how to respond to emergencies on the airport and in the community.
- **Local Area Community and Technical Colleges**
  - We will work to build our partnership with Local Area Community and Technical Colleges.
  - Teaching students in the Fire Science Technology programs about Airport Rescue Firefighting and high expansion foam systems.
- **Automatic External Defibrillator Inspections**
  - We will inspect Automatic External Defibrillators (AED) in the airport terminal and airport-owned facilities on a **weekly** basis.

- All inspections will be logged in our daily activity log, as well as in the inspection documentation for the AED.
- When we identify one that needs to be services, we will report it to Airport Administration for immediate correction.
- **Incident Command Training**
  - We will conduct FEMA and State-approved Incident Command System training for airport staff and tenants.
  - All training will ensure that the airport meets with appropriate federal guidelines.
- **Fire Prevention Inspection and Programs**
  - We will conduct periodic fire prevention inspections at all airport facilities, noting any deficiencies, all of which will be reported to Airport Administration for correction.
  - We will conduct fire prevention programs for the airport staff and tenants throughout the year.
  - We will implement seasonally based programs, targeted at hazards common for each season.
- **Fire Extinguisher Inspections**
  - We will inspect all fire extinguishers on the airport *monthly or as needed*.
  - We will either replace a faulty extinguisher with one provided by the airport or we will contact the fire extinguisher contractor directly to re-service the extinguisher.
- **Fire Extinguisher Training**
  - We will provide fire extinguisher training for airport staff and tenants, ensuring that all participants know how to operate a fire extinguisher safely and quickly.
  - Additionally, should the airport not have a fire extinguisher training burn trainer, we will work with the airport to secure one through grants or another source.
- **Storm Water Pollution Prevention Program**
  - We will assist in a Storm Water Pollution Prevention Program at each location by inspecting storm water retention ponds and drainage systems.
  - If requested, we will take over responsibility for the Storm Water Pollution Prevention Program
- **Wildlife Management**
  - We will conduct assessments during daily airfield inspections.
  - We will respond when directed by airport operations or the traffic control tower to a report of wildlife on the airfield.
  - We will take appropriate actions as outlined in the Wildlife Airport Management plan.
  - We will create a plan to reduce the risk of wildlife coming into contact with aircraft.
- **Honoring Fallen Heroes**
  - Pro-Tec has a long history of honoring our Fallen Heroes when they return home. When a Fallen Hero is brought home through the airport, our staff will pay the proper respects to the Fallen Hero and their family. We will also make our staff available to assist the family with anything they need.
- **Honor Flights**
  - Our staff will assist with Honor Flight, as they move through the terminal when they arrive in the morning and again when they return in the evening.
- **Grants**
  - We will use our expertise and our contacts to research and secure grants for the airport to purchase needed equipment.
- **Public Relations**
  - We will provide public relations for the airport, as it pertains to aircraft rescue firefighting. This would involve duties including conducting tours for the general public, support airport charity programs, maintain membership with local Fire Chief and Firefighters' organizations, and providing courtesy fire prevention inspection for airport tenant operations.
- **Dignitary Visits**
  - Our staff supports the safety and security needs of dignitaries visiting.

- Chief will represent the Airport Authority at planning meetings and in Secret Service Command posts, acting as the liaison between airport operations and the command post.

Our proposal response includes examples of some of the deliverables from our value-added services. We have enclosed a copy of our Operational Risk Management program at Idaho Falls Regional Airport (Appendix B), and the Situation Manual (SITMAN)(Appendix C) from our annual discussion-based exercise to be conducted in February for Idaho Falls.

The airport Chief and his/her team are available to assist the airport and community in any way the airport would like. Just ask; we take great pride in the services we provide. We will always respond immediately to assist with any emergent situation when requested by airport authorities.

Our guiding principle for additional services is if it is safe and does not derogate our ability to meet our core responsibilities, we will do it!

### **Community Involvement**

We encourage our Fire Chief and our staff to be active members of the community. Here are some of our recent, notable community engagements:

- At John G. Diefenbaker International Airport in Saskatoon, Saskatchewan we host a BBQ and operate telephones for a local children's hospital telethon, raising over \$1,000 each year.
- At Rogue Valley International-Medford Airport in Medford, Oregon our staff sets up a blood pressure screening clinic in the airport terminal, which provides free blood pressure checks and offers information from the American Heart Association on healthy lifestyles.
- At Will Rogers World Airport in Oklahoma City, Oklahoma and at Austin Straubel International Airport in Green Bay, Wisconsin, we participate in "Pass-the-Boot" for Muscular Dystrophy every summer.

**Pro-Tec Fire Services continues to offer unparalleled customer service, centered around our values of safety, service, low-cost, and compliance. We continue to motivate our firefighters to find new ways to exceed customer expectations and we continue to find ways to help our communities become remarkable places to live.**



Our culture is defined by our **Mission Statement**, our **Core Values**, and our **Code of Conduct**.

### **MISSION STATEMENT**

Pro-Tec Fire Services is committed to protecting life, property, and the environment for those we serve through safe practices, teamwork, and community service.

### **CORE VALUES**

<b>Safety</b>	<i>Everyone goes home safely – no one gets hurt.</i>
<b>Service</b>	<i>Delight your customer.</i>
<b>Efficiency</b>	<i>Only use available resources, conservatively.</i>
<b>Excellence</b>	<i>We strive to be the best every day.</i>

Our company's **Mission Statement** and **Core Values** are presented to our employees when they are hired. Each employee will operate and train by these standards. In addition, each firefighter is also expected to operate by our **Code of Conduct**.

### **CODE OF CONDUCT**

**We will** be safe.

**We will** meet or exceed the requirements of our customer.

**We will** be efficient in our use of resources.

**We will** take accountability for our actions.

**We will** conduct ourselves in a professional manner.

**We will** respect our peers, supervisors, and the chain of command.

**We will** wear the uniform with pride.

**We will** train and respond as a team.





Appendix A - Example Certificate of Insurance

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/14/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: The McClone Agency, Inc. CONTACT NAME: INSURER(S) AFFORDING COVERAGE: INSURER A: Endurance American Ins Co, INSURER B: Sentry Insurance a Mutual Co, INSURER C: West Bend Mutual Insurance Co.

COVERAGES CERTIFICATE NUMBER: 1153790752 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSD, SUBR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liab, and Workers Compensation.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER CANCELLATION

Certificate holder information: Kalamazoo Battle Creek International. Cancellation notice: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

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Appendix A



**Operational Risk Management Program**

**Idaho Falls Regional Airport Fire Rescue Division**

The purpose of the following is to establish and implement an Operational Risk Management Program for Idaho Falls Regional Airport Fire Rescue Division. The program will consist of the following items:

- Executive Summary
- Review and analysis of data
- Identification of existing risks
- Selection of goals and objectives
- Requirements for achieving the goals and objectives
- Description of processes to be implemented
- Description of implementation of plan and schedule
- A schedule and method for periodic evaluation of progress

**Idaho Falls Regional Airport Fire Rescue Division**



## **Operational Risk Management Program**

The Idaho Falls Regional Airport Fire Rescue Division is a contract fire department and operates under the Idaho Falls Regional Airport. IDA Fire Rescue is led by a very proactive Fire Chief and augmented by a staff of highly motivated personnel to include: a staff of fire officers and firefighter/EMT(s). The division is divided into three areas of responsibility: fire operations, fire training, and public education services. Idaho Falls Regional Airport Fire Rescue Division provides aircraft firefighting, hazardous materials/CBRNE, basic life support, and technical rescue response capabilities. Additional duties include, Part 139 inspections, Notice to Airman (NOTAMS) reporting, CPR training, fire extinguisher training, wildlife management, and incident management training. Idaho Falls Regional Airport maintains an entire spectrum of support services, multiple story complexes, maintenance shops, aircraft parking structures, and warehouses. Idaho Falls Regional Airport is located within Bonneville County and operates within the city limits of Idaho Falls, Idaho.

The Idaho Falls Regional Airport Fire Rescue Division currently has in place a mutual aid agreement with Idaho Falls Fire Department. This lends us additional resources through the county-wide mutual aid agreements. These agreements afford our agency the necessary resources to meet mandated response requirements as outlined in Federal Aviation Administration, Code of Federal Regulations, and National Fire Protection Association standards.

**Idaho Falls Regional Airport Fire Rescue Division**



## **Operational Risk Management Program**

The fire protection risk management plan establishes a comprehensive safety program that identifies potential problems, risk evaluation, risk decision techniques, and risk management monitoring. The plan covers facilities, training, vehicle operations, protective clothing and equipment, operations at emergency incidents, operations at non-emergency incidents, and other related activities. The intent of this plan is to reduce the risk of firefighter death or injury by preparing for and when possible, avoiding, potentially hazardous situations.

Firefighting operations put firefighters in unusual and dangerous environments and risk management is everyone's responsibility. It is everyone's obligation to prevent and reduce accidents, personal injury and property damage.

Risk Management requires that personal safety be given the highest priority. Emergency operations pose the highest risk to firefighters. Taking unnecessary risks with the lives of firefighting personnel when there is no appreciable benefit is irresponsible. Risk management also applies to every day operations within the fire station and during fire department training exercises.

**Idaho Falls Regional Airport Fire Rescue Division**



## **Operational Risk Management Program**

### **Executive Summary**

To effectively develop, implement and manage an Operational Risk Management (ORM) program, you must first understand what ORM is. ORM is a decision-making tool used at all levels to increase operational effectiveness by anticipating hazards and reducing the potential for loss, thereby increasing the probability of a successful mission. The purpose of ORM is to minimize risks to acceptable levels, proportional to mission accomplishment. The goal of ORM is to manage risk so the mission can be accomplished with the minimum amount of loss. The benefits of ORM are actually applying the process to reduce mishaps, lower or eliminate injury and property damage costs, provide for more effective use of resources, improve training effectiveness, and improve readiness. Idaho Falls Regional Airport Fire Rescue Division's ORM program will follow this 5-step program to use as a guide:

Selection of goals and objectives:

- Risk Analysis
- Risk Assessment
- Risk Decisions
- Control Implementation
- Supervision Controls

**Idaho Falls Regional Airport Fire Rescue Division**



## **Operational Risk Management Program**

Activities that present a significant risk to the safety of members shall be limited to situations where there is a potential to save endangered lives.

Activities that are routinely employed to protect property shall be recognized as inherent risks to the safety of members, and actions shall be taken to reduce or avoid these risks. No risk to the safety of members shall be acceptable when there is no possibility to save lives or property.

Firefighting operations must be evaluated to determine strategy with risk to members being of primary consideration when the Incident Commander makes decisions. The management of risk levels involves all of the following factors:

- Routine evaluation of risk in all situations
- Well-defined strategy options
- Standard Operating Guidelines
- Effective training
- Full protective clothing and equipment
- Effective incident management and communications
- Safety procedures and Safety Officers
- Back-up crews for rapid intervention
- Adequate resources
- Rest and rehabilitation
- Regular re-evaluation of conditions
- Pessimistic evaluation of changing conditions
- Experience based on previous incidents and critiques



## **Operational Risk Management Program**

The Incident Commander shall evaluate the risks to members, with respect to the purpose and potential results of their actions in each situation. In situations where the risk to fire department members is excessive, activities shall be limited to defensive operations.

The acceptable level of risk is directly related to the potential to save lives or property. Where there is no potential to save lives, the risk to members must be evaluated in proportion to the ability to save property of value. When there is no ability to save lives or property, there is no justification to expose fire department personnel to any avoidable risk, and defensive fire suppression operations are the appropriate strategy.

**Idaho Falls Regional Airport Fire Rescue Division**



## **Operational Risk Management Program**

### **Operational Risk Management (ORM)**

The Hazard Risk Assessment Matrix provides a systematic method for assigning a hazard level to a failure event based on the severity and frequency of the event.

The hazard level consists of one number and one letter. The number represents the severity of the event. The numbers represent: (1) Death, system loss, or irreversible environmental damage. (2) Severe injury, occupational illness, major system damage, or reversible severe environmental damage; (3) Injury requiring medical attention, illness, system damage or environmental damage. (4) Possible minor injury, minor system damage, or minimal environmental damage.

The letter of the hazard level represents the frequency of occurrence. The letters represent: (A) Expected to occur frequently; (B) Will occur several times in the life of an item; (C) Likely to occur sometime in the life of an item; (D) Unlikely, but possible to occur in the life of an item; (E) So unlikely, it can be assumed occurrence may not be experienced.

As can be seen from the table, each hazard level is associated with a risk category. Risk categories assist risk-management team members in differentiating credible high-hazard threats that may result in loss of life and property from less probable risks, therefore aiding management in risk vs. cost decisions.





## Operational Risk Management Program

Frequency of Occurrence	Severity			
	(1) Catastrophic	(2) Critical	(3) Marginal	(4) Negligible
(A) Frequent	1A	2A	3A	4A
(B) Probable	1B	2B	3B	4B
(C) Occasional	1C	2C	3C	4C
(D) Remote	1D	2D	3D	4D
(E) Improbable	1E	2E	3E	4E

Risk Categories:

High	Serious	Medium	Low
------	---------	--------	-----

The Operational Risk Management program is a logic-based, common-sense approach to making calculated decisions on human, materiel, and environmental factors before, during, and after operations.

With any fire department operation, there are a multitude of potential risks. This organization evaluates the potential of those risks vs. the benefit of taking said risks and applies the following principles:

1. Risk a lot to protect savable lives
2. Risk a little to protect savable property
3. No risk for life/property already lost



## Operational Risk Management Program

### Operational Risk Management Program

For this section of the ORM program, this organization will conduct an operational analysis by listing the major steps of the operations, then a preliminary hazard analysis will be performed, which will include a list of the hazards, associated with each step and list of the possible causes of the hazards. The following are the most common terms that affect an operational risk management program.

#### **Terms:**

**Hazards:** A condition with the potential to cause illness, injury, death, property damage, or mission degradation.

**Cause:** Something that produces an effect, result, or consequence.

**Risk:** A possible loss expressed in terms of severity and probability.

**Risk Assessment:** A risk assessment is a process that will identify operational hazards and associated risks.

**Severity:** Expected consequences of an event in terms of degree of injury, illness, property damage, or other mission-impairing factor.

**Controls:** Action taken to eliminate hazards or reduce their risks.



## **Operational Risk Management Program**

### **Three types of controls:**

1. Engineering Controls – controls used to reduce risk by design or material replacement.
2. Administrative Controls – controls used to reduce risk through specific administrative actions.
3. Personal Protective Equipment – controls used to create a barrier between a personal and a hazard.



## Operational Risk Management Program

The next step is to perform an operational analysis of the entire organization. In this step we will identify all associated operational risks. According to NFPA 1500, *Standard on Fire Department Occupational Safety and Health Program*, the following are categories that must be outline in an organization's ORM program.

- Administration
- Facilities
- Training
- Vehicle Operations, both emergency and non-emergency
- Protective clothing and equipment
- Operations at emergency incidents
- Operations at non-emergency incidents



## Operational Risk Management Program

### Administration:

Associated risks with the administrative division of this organization are:

- Insufficient knowledge of associated operational risks.
- No in-service training to prevent associated risks.
- Utilizing paper cutter
- Electrical Equipment
- Opened cabinet doors
- Lifting heavy objects
- Typing or Keyboard
- Desk Chairs
- Video Display Terminals



## **Operational Risk Management Program**

### **Risk Analysis:**

- Insufficient knowledge of associated operational risks.
- No in-service training to prevent associated risks.

### **Risk Assessment:**

2A High Risk

### **Risk Decisions:**

Noncompliance of NFPA 1500 is not a risk this department is willing to accept or continue to operate without an established ORM program.

### **Control Implementation:**

- Establish a documented ORM program immediately.
- Establish a training regimen to ensure that there is an even flow of participation in the program.
- Establish a Standard Operating Procedure that outlines the implementation, usage, and guidance of the ORM program.

### **Supervision Controls:**

An ORM program manager shall be assigned to manage the overall operations of the program.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Electrical Equipment

### Risk Assessment:

3D Marginal Risk

### Risk Decision:

Safety briefings on the proper usage, care, and storage of all electrical devices utilized.

### Control Implementation:

- Maintain electrical cords in a manner that keeps them in a secluded area when possible.
- Unplug electrical devices not being utilized.

### Supervision Controls:

Ensure personnel keep electrical cords out of walkways or other areas that could potentially cause a tripping hazard.



## Operational Risk Management Program

### Risk Analysis:

- Opened cabinet doors

### Risk Assessment:

3D Marginal Risk

### Risk Decision:

Provide safety briefings on the closing cabinet doors when not in use.

### Control Implementation:

- Instruct all personnel to close cabinet doors when not in use.

### Supervision Controls:

Ensure personnel are closing cabinet doors when not in use.





## Operational Risk Management Program

### Risk Analysis:

- Lifting heavy objects

### Risk Assessment:

3B Marginal Risk

### Risk Decision:

Instruct personnel on proper lifting procedures and request assistance to assist in lifting heavy objects.

### Control Implementation:

- Provide training on proper lifting procedures.

### Supervision Controls:

Ensure personnel receive proper training in lifting procedures and receive assistance when lifting heavy objects.



## Operational Risk Management Program

### **Risk Analysis:**

- Typing or Keyboard

### **Risk Assessment:**

3A Marginal Risk

### **Risk Decision:**

Instruct personnel on proper typing procedures and proper hand placement.

### **Control Implementation:**

- Provide training on proper typing procedures. Also, provide ergonomic wrist pad for carpal tunnel syndrome.

### **Supervision Controls:**

Ensure personnel receive proper training in typing procedures and proper hand placement



## Operational Risk Management Program

### **Risk Analysis:**

- Desk Chairs

### **Risk Assessment:**

4C Marginal Risk

### **Risk Decision:**

Instruct personnel on proper seating procedures and prohibit the use of elevated feet on the desks.

### **Control Implementation:**

- Provide training on proper seating procedures.

### **Supervision Controls:**

Ensure personnel receive training in proper posture when sitting in a desk chair.



## Operational Risk Management Program

### Risk Analysis:

- Video Display Terminal

### Risk Assessment:

4B Marginal Risk

### Risk Decision:

Instruct personnel on proper screen level and change lighting to reduce glare.

### Control Implementation:

- Provide training on proper lighting and height requirements to avoid glare.

### Supervision Controls:

Ensure personnel receive proper instruction on lighting and screen level while sitting at the workstation.



## Operational Risk Management Program

### Facilities:

Associated risks with the facilities division of this organization are:

- Bunker gear stored in non-ventilated rooms
- Stall floor grates
- Stall overcrowding
- Showers
- Infection control
- Slips, Trips and Falls



## Operational Risk Management Program

### Risk Analysis:

- Bunker gear stored in non-ventilated rooms.

**Risk Assessment:** 3A Serious Risk

### Risk Decision:

Install exhaust fans or outside vents in the Bunker gear storage rooms to provide air flow that allows bunker gear to air out.

### Control Implementation:

- Place a work request to have vents or exhaust fans installed in the Bunker gear storage rooms.

### Supervision Controls:

Ensure work request is placed and meets applicable standards.



## Operational Risk Management Program

### Risk Analysis:

- Stall floor grates

### Risk Assessment:

3D Medium Risk

### Risk Decision:

Provide awareness training for all personnel.

Cover the grates when possible.

### Control Implementation:

- Leave vehicles in the station when possible, covering floor grates.

### Supervision Controls:

Ensure vehicles are left in the station when possible, covering floor grates.



## **Operational Risk Management Program**

### **Risk Analysis:**

- Stall overcrowding

### **Risk Assessment:**

4C Low Risk

### **Risk Decision:**

Arrange vehicles & equipment in such a way as to keep a free walkway to and around all vehicles.

### **Control Implementation:**

- Have vehicles & equipment arranged in such a way as to keep a free walkway to and around all vehicles.

### **Supervision Controls:**

Ensure vehicles & equipment is arranged in such a way as to keep a free walkway to and around all vehicles.

**Idaho Falls Regional Airport Fire Rescue Division**





## Operational Risk Management Program

### **Risk Analysis:**

- Showers

### **Risk Assessment:**

4A Medium Risk

### **Risk Decision:**

Provide proper no slip matting in all shower areas.

### **Control Implementation:**

- Purchase proper no slip matting in all shower areas.

### **Supervision Controls:**

Ensure proper no slip matting is installed in all shower areas.



## Operational Risk Management Program

### Risk Analysis:

- Infection control

### Risk Assessment:

4B Medium Risk

### Risk Decision:

Maintain an area for washing and disinfecting clothing, tools, and equipment.

### Control Implementation:

- Dedicate an area for the sole purpose of washing and disinfecting clothing, tools, and equipment.

### Supervision Controls:

Ensure an area for the sole purpose of washing and disinfecting clothing, tools, and equipment is properly utilized and maintained.



## Operational Risk Management Program

### Risk Analysis:

- Slips, Trips and Falls

### Risk Assessment:

- 4C Low Risk

### Risk Decision:

Keep floors clean, dry and free of debris.

Provide training on "Slips, Trips and Falls".

### Control Implementation:

- Keep floors clean, dry and free of debris.
- Provide training on "Slips, Trips and Falls".
- Use of handrails when ascending or descending the stairs.

### Supervision Controls:

Ensure floors are kept clean, dry and free of debris.

Ensure proper training on "Slips, Trips and Falls" is conducted on a regular basis.



## Operational Risk Management Program

### Training:

Associated risks with the vehicle operations portion of this organization are:

- Performing practical evolutions with new (untrained) personnel.
- Night drills
- Inclement weather
- Facility Hazards
- Utilizing live fire for training exercises
- Winds changing direction during live fire training.
- Proper use of PPE during live fire training.
- Ladder Falling



## **Operational Risk Management Program**

### **Risk Analysis:**

- Performing practical evolutions with new (untrained) personnel.

### **Risk Assessment:**

3C Medium Risk

### **Risk Decision:**

Reduce risk by providing classroom instruction prior to performing practical evolutions.

### **Control Implementation:**

- Provide new members initial training, proficiency opportunities, and a method of skill and knowledge evaluation for duties assigned to the member prior to engaging in practical training.

### **Supervision Controls:**

Ensure individuals have completed proper classroom training prior to participating in practical evolutions.

Verify written training documentation has been completed prior to allowing individual to participate in practical evolutions.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Night drills

### Risk Assessment:

3C Medium Risk

### Risk Decision:

Limit the number of night drills.

Perform a "walk through" during daylight to inspect for possible hazards.

Assign Safety Officer & Provide adequate lighting equipment.

### Control Implementation:

- Have crews physically walk the training area during daylight hours to become familiar with the area and remove or clearly mark any tripping hazards.

### Supervision Controls:

Ensure the crews are familiar with training grounds prior to conducting night drills.

Ensure there is a Safety Officer assigned prior to conducting night drills.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Inclement weather

### Risk Assessment:

3D Medium Risk

### Risk Decision:

Limit the time spent in inclement weather for training.

Wear proper clothing and limit time spent in PPE during periods of extreme heat.

Ensure everyone is hydrated and potable water and adequate cover is available during training.

Conduct safety briefings.

### Control Implementation:

- Limit the amount of training to be held during periods of inclement weather.
- Ensure all personnel are wearing PPE.
- Provide potable drinking water and designate an area to get out of the weather during down time.

### Supervision Controls:

Assign a Safety Officer to monitor personnel while training in inclement weather.

Ensure everyone is briefed on proper hydration and are given sufficient down time to periodically seek shelter in designated area and re-hydrate.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Facility Hazards

### Risk Assessment:

4C Low Risk

### Risk Decision:

Pre-Fire Plans, Pre-inspection, & Conduct Facility Familiarization

### Control Implementation:

- Ensure personnel stay together as a group.
- Do not mess with or unnecessarily operate equipment unfamiliar to you.
- Observe all warning signs posted in facilities and watch out for wet, slippery, uneven, or otherwise possibly dangerous existing conditions.

### Supervision Controls:

Keep all personnel together.

Ensure personnel do not operate any equipment unnecessarily.

Wear proper hearing and or eye protection in designated areas.

Ensure all personnel are aware of possible existing trip and or slip hazards.

**Idaho Falls Regional Airport Fire Rescue Division**





## Operational Risk Management Program

### Risk Analysis:

- Utilizing live fire for training exercises

### Risk Assessment:

1B High Risk

### Risk Decision:

Visually inspect all safety devices and emergency shutdown switches are operational prior to live fire training evolutions.

Ensure remote fuel shutoff valves and/or switches are operational and safely located outside of, but within sight of the operation and continuously attended by safety personnel properly trained in its operation.

Eliminate all possible sources of ignition, other than those that are under the direct supervision of the person responsible for the start of the training fire.

### Control Implementation:

- Have all safety measures in place and operational prior to initiating training exercises.

### Supervision Controls:

Ensure all safety measures are in place and operational prior to initiating training exercises.



## Operational Risk Management Program

### Risk Analysis:

- Winds changing direction during live fire training.

### Risk Assessment:

3B Serious Risk

### Risk Decision:

Check weather conditions (forecast, wind speed and direction) and maintain awareness throughout the evolution, including a final update immediately prior to the actual ignition.

### Control Implementation:

- Contact the emergency communications center to get weather conditions (forecast, wind speed and direction) and maintain awareness throughout the evolution, including a final update immediately prior to the actual ignition.

### Supervision Controls:

Ensure weather conditions (forecast, wind speed and direction) are acquired and satisfactory throughout the evolution.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Proper use of PPE during live fire training.

### Risk Assessment:

3B Serious Risk

### Risk Decision:

Clearly mark the operations area, and ensure proper protective equipment is worn before entering the area throughout the entire training evolution.

### Control Implementation:

- Have the operations area clearly marked, and provide proper protective equipment to be worn before entering the training area.

### Supervision Controls:

Ensure the operations area is clearly marked and proper protective equipment is worn before entering the area throughout the entire training evolution.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Ladder Falling

### Risk Assessment:

2D Medium Risk

### Risk Decision:

Provide training in the proper use of ground ladders.

Wear helmets and gloves when working with ladders.

Ensure enough people are present when raising, lowering, and positioning ladders.

### Control Implementation:

- Conduct training in the proper use of ground ladders.
- Wear helmets and gloves when working with ladders.

### Supervision Controls:

Ensure enough people are present when raising, lowering, and positioning ladders.

Ensure helmets and gloves are properly worn when working with ladders.



## **Operational Risk Management Program**

### **Vehicle Operations (Emergency and Non-emergency):**

Associated risks with the vehicle operations portion of this organization are:

- Driving
- Limited Visibility
- Backing vehicles
- Mounting and Dismounting apparatus
- Secure equipment



## Operational Risk Management Program

### **Risk Analysis:**

- Driving

### **Risk Assessment:**

3A Medium Risk

### **Risk Decision:**

Maintain equipment and ensure all safety devices are functioning properly. Conduct vehicle inspection every morning and after each use.

### **Control Implementation:**

- Have vehicle checked daily to ensure all equipment is in place and operating properly, that all personnel have EVOC drivers training, and obey all posted road signs and conditions.

### **Supervision Controls:**

Ensure vehicle is checked daily and all equipment is in place and operating properly, that all personnel have EVOC drivers training, and obey all posted road signs and conditions.



## **Operational Risk Management Program**

### **Risk Analysis:**

- Limited Visibility

### **Risk Assessment:**

- 3A Medium Risk

### **Risk Decision:**

Maintain windows and ensure windshield wipers, defrosters, lights and mirrors are functioning properly.

### **Control Implementation:**

- Have vehicle checked daily to ensure all safety equipment is in place and operating properly.

### **Supervision Controls:**

Ensure vehicle is checked daily and all safety equipment is in place and operating properly.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### **Risk Analysis:**

- Backing vehicles

### **Risk Assessment:**

3A Medium Risk

### **Risk Decision:**

Use spotter at all times.

### **Control Implementation:**

- Have personnel dismount the apparatus and guide the driver whenever backing a vehicle.

### **Supervision Controls:**

Ensure personnel get off and guide the driver whenever backing a vehicle.

**Idaho Falls Regional Airport Fire Rescue Division**





## Operational Risk Management Program

### Risk Analysis:

- Mounting and Dismounting apparatus

### Risk Assessment

3A Medium Risk

### Risk Decision:

Conduct awareness training and safety briefings.

### Control Implementation:

- Provide proper awareness training and conduct safety briefings on the proper procedures to mount and dismount vehicles.

### Supervision Controls:

Ensure proper awareness training and safety briefings are conducted on the proper procedures to mount and dismount vehicles.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Secure equipment

### Risk Assessment:

3B Medium Risk

### Risk Decision:

Conduct vehicle inspections before and after every operation or movement

### Control Implementation:

- Visually inspect vehicles to ensure all equipment is in its place and properly secured before and after each vehicle movement.

### Supervision Controls:

Ensure vehicles are visually inspected ensure all equipment is in its place and properly secured before and after each vehicle movement.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Protective Equipment:

Associated risks with the Protective Equipment portion of this organization are:

- Improper use of or failure to utilize PPE.
- Improper use of or failure to utilize SCBA.
- Improper use of or failure to utilize Hearing protection.
- Improper use of or failure to utilize eye protection.
- Improper use of or failure to utilize PASS device.



## **Operational Risk Management Program**

### **Risk Analysis:**

- Improper use of or failure to utilize PPE.

### **Risk Assessment:**

2B High Risk

### **Risk Decision:**

Ensure proper use of full PPE while performing firefighting duties.

Provide PPE for all personnel.

### **Control Implementation:**

- Provide proper PPE for all personnel to be used while performing firefighting duties.

### **Supervision Controls:**

Ensure proper PPE is issued to all personnel to be used while performing firefighting duties.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Improper use of or failure to utilize SCBA.

### Risk Assessment:

2B High Risk

### Risk Decision:

Train in the proper use of SCBA.

Wear SCBA while working in a hazardous environment.

### Control Implementation:

- Provide training in the proper use of SCBA.
- Provide SCBA for all personnel working in hazardous environment.

### Supervision Controls:

Ensure training in the proper use of SCBA is provided.

Ensure SCBA is utilized while working in hazardous environments.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Improper use of or failure to utilize Hearing protection.

### Risk Assessment:

2C Serious Risk

### Risk Decision:

Train in the proper use of hearing protection.

Wear hearing protection when in noisy environments.

### Control Implementation:

- Provide training in the proper use of hearing protection.
- Provide hearing protection for all personnel.

### Supervision Controls:

Ensure training in the proper use of hearing protection is provided.

Ensure hearing protection for all personnel is utilized when in noisy environments.



## Operational Risk Management Program

### Risk Analysis:

- Improper use of or failure to utilize eye protection.

### Risk Assessment:

2C Serious Risk

### Risk Decision:

Train in the proper use of eye protection.

Wear eye protection while in areas with the potential for causing eye damage or irritation.

### Control Implementation:

- Provide training in the proper use of eye protection.
- Provide eye protection for all personnel.

### Supervision Controls:

Ensure training in the proper use of eye protection is provided.

Ensure eye protection is worn while in areas with the potential for causing eye damage or irritation.



## Operational Risk Management Program

### Risk Analysis:

- Improper use of or failure to utilize Personal Alert Safety System (PASS) device.

### Risk Assessment:

1D Serious Risk

### Risk Decision:

Train in the proper use of PASS device.

Ensure the integrated PASS device is fully functional at the beginning of each shift.

### Control Implementation:

- Provide training in the proper use of the integrated PASS device.

### Supervision Controls:

Ensure training in the proper use of integrated PASS device is provided.

Ensure all personnel are inspecting their integrated PASS device each shift.





## **Operational Risk Management Program**

### **Emergency Operations and Non-Emergency Operations:**

Associated risks with the Emergency Operations and Non-Emergency Operations portion of this organization are:

- Inability to support more than one emergency at any given time
- Hot/Cold temperatures
- Vehicle hazards
- Blood borne Pathogens
- Ventilation
- Aircraft Fuel Fires
- Fires involving compressed gas storage tanks or cylinders
- Burns
- Smoke Inhalation
- Stand-by Operations

**Idaho Falls Regional Airport Fire Rescue Division**



## **Operational Risk Management Program**

### **Risk Analysis:**

- Hot/Cold temperatures

### **Risk Assessment**

4B Medium Risk

### **Risk Decision:**

Wear appropriate clothing, safety briefings, and awareness training.

### **Control Implementation:**

- Provide appropriate clothing, safety briefings, and awareness training.

### **Supervision Controls**

Ensure appropriate clothing, safety briefings, and awareness training is provided.



## Operational Risk Management Program

### **Risk Analysis:**

- Vehicle hazards

### **Risk Assessment:**

2B High Risk

### **Risk Decision:**

Train in accordance with IFSTA and follow manufacturer's recommendations.

Follow Department Standard Operating Guidelines

### **Control Implementation:**

- Provide training in accordance with IFSTA and follow manufacturer's recommendations.
- Provide training on Department Standard Operating Guidelines.

### **Supervision Controls:**

Ensure training in accordance with IFSTA and follow manufacturer's recommendations is provided.

Ensure Department Standard Operating Guidelines are adhered to.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Blood borne Pathogens

### Risk Assessment:

3B Serious Risk

### Risk Decision:

Wear proper protective clothing to limit contact with bodily fluids. Clean contaminated clothing with extractor.

Disinfect tools and equipment with an approved disinfecting solution.

### Control Implementation:

- Provide proper protective clothing to limit contact with bodily fluids.
- Provide an extractor to clean contaminated clothing.
- Provide an area to disinfect tools and equipment with an approved disinfecting solution.

### Supervision Controls:

Ensure proper protective clothing is worn to limit contact with bodily fluids.

Purchase an extractor to clean contaminated clothing.

Ensure an area to disinfect tools and equipment with an approved disinfecting solution is available.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Ventilation

### Risk Assessment:

4B Medium Risk

### Risk Decision:

Wear proper PPE and SCBA while performing ventilation procedures and air monitoring.

### Control Implementation:

- Provide proper PPE and SCBA to be utilized while performing ventilation procedures.

### Supervision Controls:

Ensure proper use of full PPE and SCBA while performing ventilation procedures.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### **Risk Analysis:**

- Aircraft Fuel Fires

### **Risk Assessment:**

3C Medium Risk

### **Risk Decision:**

Utilize full PPE and SCBA while performing extinguishment of aircraft fuel fires.

### **Control Implementation:**

- Provide PPE and SCBA to be worn while performing extinguishment of aircraft fuel fires.

### **Supervision Controls:**

Ensure proper use of full PPE and SCBA while performing extinguishment of aircraft fuel fires.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Fires involving compressed gas storage tanks or cylinders

### Risk Assessment:

ID Serious Risk

### Risk Decision:

Train in the proper procedures for extinguishing fires involving gas storage tanks and cylinders.

### Control Implementation:

- Provide training in the proper procedures for extinguishing fires involving gas storage tanks and cylinders.

### Supervision Controls:

Ensure training in the proper procedures for extinguishing fires involving gas storage tanks and cylinders is provided.



## Operational Risk Management Program

### Risk Analysis:

- Burns

### Risk Assessment

2C Serious Risk

### Risk Decision:

Use full PPE and SCBA while performing firefighting duties.

Train in the proper procedures for extinguishing fires.

### Control Implementation:

- Provide PPE and SCBA to be utilized while performing firefighting duties.
- Provide training in the proper procedures for extinguishing fires.

### Supervision Controls:

Ensure PPE and SCBA are utilized while performing firefighting duties.

Ensure training in the proper procedures for extinguishing fires is provided.

**Idaho Falls Regional Airport Fire Rescue Division**





## Operational Risk Management Program

### Risk Analysis:

- Smoke Inhalation

### Risk Assessment:

2C Serious Risk

### Risk Decision:

Wear full PPE and SCBA while performing firefighting duties.

Train in the proper procedures for extinguishing fires.

### Control Implementation:

- Provide PPE and SCBA to be utilized while performing firefighting duties.
- Provide training in the proper procedures for extinguishing fires.

### Supervision Controls:

Ensure PPE and SCBA are utilized while performing firefighting duties.

Ensure training in the proper procedures for extinguishing fires is provided.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Stand-by Operations

### Risk Assessment:

4C Low Risk

### Risk Decision:

Follow Department Standard Operating Guidelines.

Maintain a safe distance, ensuring safety of personnel and equipment.

### Control Implementation:

- Provide Department Standard Operating Guidelines.
- Provide training on maintaining a safe distance, ensuring safety of personnel and equipment.

### Supervision Controls

Ensure Department Standard Operating Guidelines are provided.

Ensure training on maintaining a safe distance, ensuring safety of personnel and equipment is provided.

**Idaho Falls Regional Airport Fire Rescue Division**



## Operational Risk Management Program

### Risk Analysis:

- Mounting and Dismounting Apparatus

### Risk Assessment

4A Medium Risk

### Risk Decision:

Ensure proper footing and three points of contact when stepping on and off of vehicles.

Utilize handrails when mounting and dismounting vehicles.

### Control Implementation:

- Provide training on proper utilization and use of handrails and three points of contact when mounting and dismounting vehicles.

### Supervision Controls

Ensure training on proper utilization and use of handrails and three points of contact when mounting and dismounting vehicles.



## Operational Risk Management Program

### References:

- NFPA 1500, *Occupational Safety and Health Program*
- NFPA 1250, *Operational Risk Management*
- Idaho Falls Regional Airport, *Airport Certification Manual*
- Idaho Falls Regional Airport, *Airport Emergency Plan*
- Idaho Falls Regional Airport Fire Rescue Division *Standard Operating Guidelines*

This document is continuously reviewed and approved by the Fire Chief. The last revision was completed and approved on 25 October 2022.

*Sean L Edwards*

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Sean L. Edwards, CFO  
Fire Chief  
Idaho Falls Regional Airport  
Fire Rescue Division

**Idaho Falls Regional Airport Fire Rescue Division**



# 2023 IDAHO FALLS REGIONAL AIRPORT – AIRPORT EMERGENCY TTX

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Situation Manual

FEB 23, 2023

This Situation Manual (SITMAN) provides exercise participants with all the necessary tools for their roles in the exercise. Some exercise material is intended for the exclusive use of exercise planners, facilitators, and evaluators, but players may view other materials that are necessary to their performance. All exercise participants may view the SITMAN.



## EXERCISE OVERVIEW

<b>Exercise Name</b>	2023 Idaho Falls Regional Airport Tabletop Exercise
<b>Exercise Date</b>	FEB 23 2023
<b>Scope</b>	This exercise is a tabletop, planned for 4 hours in the Terminal Conference Room. Exercise play is limited to discussion.
<b>Focus Area(s)</b>	Mitigation, Response, Recovery
<b>Core Capabilities</b>	<ul style="list-style-type: none"> <li>Planning</li> <li>Public Information and Warning</li> <li>Operational Coordination</li> <li>Mass Care Services</li> <li>Risk &amp; Disaster Resilience</li> <li>Infrastructure Systems</li> <li>Operational Communication</li> <li>Health and Social Services</li> <li>Housing</li> <li>Risk Mitigation</li> <li>Community Resilience</li> <li>Environment Health and Safety</li> <li>Situational Assessment</li> </ul>
<b>Objectives</b>	<p><b>Objective 1:</b> Assess ability to Stabilize critical infrastructure and functions, minimize health and safety threats, and efficiently restore and revitalize systems and services to support a viable, resilient community.</p> <p><b>Objective 2:</b> Assess ability to establish and maintain a unified and coordinated operational structure and process that appropriately integrates all critical stakeholders and supports the execution of core capabilities.</p> <p><b>Objective 3:</b> Assess ability to provide life-sustaining and human services to the affected population, to include hydration, feeding, sheltering, temporary housing for stranded travelers, evacuee support, reunification, and distribution of emergency supplies.</p> <p><b>Objective 4:</b> Assess ability to deliver coordinated, prompt, and reliable information to the whole community to effectively relay information regarding the threat or hazard, as well as the actions being taken and the assistance being made available.</p> <p><b>Objective 5:</b> Evaluate ability to assess risk and disaster resilience so that decision makers, responders, and community members can take informed action to reduce their entity's risk and increase their resilience.</p>

<b>Threat or Hazard</b>	Alert 3
<b>Scenario</b>	It is FEB 23, 2023, at 10:00 AM Mountain Standard Time (MST). The temperature is 18 degrees and partly cloudy. The Air Traffic Control tower notifies the ARFF team that a Citation twin engine aircraft with 1 SOB with 1000 lbs. of fuel remaining on board. The piloted aircraft is threatening to crash into the IFRA terminal building.
<b>Sponsor</b>	Idaho Falls Regional Airport
<b>Participating Jurisdictions/ Organizations</b>	<p>City of Idaho Falls</p> <ul style="list-style-type: none"> <li>• Directorates                             <ul style="list-style-type: none"> <li>○ IFRA Administrative Staff</li> <li>○ IFRA Operations</li> <li>○ Idaho Falls Fire Department</li> <li>○ Police Department</li> <li>○ Public Works (DPW)</li> </ul> </li> <li>• Supporting Offices                             <ul style="list-style-type: none"> <li>○ Public Affairs Office (PAO)</li> </ul> </li> </ul> <p><b>Partner Jurisdictions &amp; Organizations</b></p> <ul style="list-style-type: none"> <li>• City of Idaho Falls</li> <li>• Bonneville County</li> <li>• City of Idaho Falls Utilities</li> <li>• Intermountain Gas</li> </ul>
<b>Points of Contact</b>	<p>Sean Edwards                      Fire Chief                      Pro-Tec Fire Services                      ARFF Division                      208-497-0234                      sedwards@protecfire.com</p> <p>Grant Kendall                      Safety and Security                      Idaho Falls Regional Airport                      208-612-8224                      gkendall@idahofalls.gov</p>

## GENERAL INFORMATION

### Exercise Objectives and Capabilities

The following exercise objectives in Table 1 describe the expected outcomes for the exercise. The objectives are linked to core capabilities, which are distinct critical elements necessary to achieve the specific mission area(s). The objectives and aligned core capabilities are guided by elected and appointed officials and selected by the Exercise Planning Team.

Exercise Objectives	Core Capability
1. Assess ability to stabilize critical infrastructure and functions, minimize health and safety threats, and efficiently restore and revitalize systems and services to support a viable, resilient community.	Planning, Public Information and Warning, Operational Coordination, Operational Communication, Infrastructure Systems, Risk Mitigation, Risk and Disaster Resilience
2. Assess ability to establish and maintain a unified and coordinated operational structure and process that appropriately integrates all critical stakeholders and supports the execution of core capabilities.	Planning, Public Information and Warning, Operational Coordination, Operational Communication, Situational Assessment
3. Assess ability to provide life-sustaining and human services to the affected population, to include hydration, feeding, sheltering, temporary housing, evacuee support, reunification, and distribution of emergency supplies.	Planning, Public Information and Warning, Operational Coordination, Operational Communication, Mass Care Services, Community Resilience, Housing for travelers
4. Assess ability to deliver coordinated, prompt, and reliable information to the whole community to effectively relay information regarding the threat or hazard, as well as the actions being taken and the assistance being made available.	Planning, Public Information and Warning, Operational Coordination, Operational Communication, Community Resilience
5. Evaluate ability to assess risk and disaster resilience so that decision makers, responders, and community members can take informed action to reduce their entity's risk and increase their resilience.	Planning, Public Information and Warning, Operational Coordination, Operational Communication, Risk and Disaster Resilience, Community Resilience,

**Table 1. Exercise Objectives and Associated Capabilities**

### Participant Roles and Responsibilities

The term *participant* encompasses many groups of people, not just those playing in the exercise. Groups of participants involved in the exercise, and their respective roles and responsibilities, are as follows:



**Players:** Personnel who have an active role in discussing or performing their regular roles and responsibilities during the exercise. Players discuss or initiate actions in response to the simulated emergency.

**Observers:** Do not directly participate in the exercise. However, they may support the development of player responses to the situation during the discussion by asking relevant questions or providing subject matter expertise.

**Facilitators:** Provide situation updates and moderate discussions. They also provide additional information or resolve questions as required. Key Exercise Planning Team members also may assist with facilitation as subject matter experts (SMEs) during the exercise.

**Evaluators:** Are assigned to observe and document certain objectives during the exercise. Their primary role is to document player discussions, including how and if those discussions conform to plans, policies, and procedures.

## Exercise Structure

This exercise will be a multimedia, facilitated exercise. Players will participate in the following two modules:

Module 1: Response

Module 2: Recovery

Each module begins with a multimedia update that summarizes key events occurring within that time period. After the updates, participants review the situation and engage in group discussion of appropriate [focus area] issues.

## Exercise Guidelines

This exercise will be held in an open, no-fault environment wherein capabilities, plans, systems, and processes will be evaluated. Varying viewpoints, even disagreements, are expected.

Respond to the scenario using your knowledge of current plans and capabilities (i.e., you may use only existing assets) and insights derived from your training.

Decisions are not precedent setting and may not reflect your jurisdiction's/organization's final position on a given issue. This exercise is an opportunity to discuss and present multiple options and possible solutions.

Issue identification is not as valuable as suggestions and recommended actions that could improve efforts to achieve stated objectives. Problem-solving efforts should be the focus.

The assumption is that the exercise scenario is plausible, and events occur as they are presented. All players will receive information at the same time.

## Exercise Evaluation

Evaluation of the exercise is based on the exercise objectives, aligned critical tasks, key issues and discussion points which are documented in Exercise Evaluation Guides (EEGs). Evaluators have EEGs for each of their assigned areas. Additionally, players will be asked to complete

participant feedback forms. These documents, coupled with facilitator observations and notes, will be used to evaluate the exercise and compile the After Action Report (AAR) and Corrective Action Plan (CAP).

## MODULE 1: ALERT 3 AND INITIAL RESPONSE

### Scenario

It is FEB 23, 2023, at 10:00 AM Mountain Standard Time (MST). The temperature is 18 degrees and partly cloudy. The Air Traffic Control tower notifies the ARFF team that a Citation twin engine aircraft with 1 SOB with 1000 lbs. of fuel remaining on board. The piloted aircraft is threatening to crash into the IFRA terminal building..

- The aircraft crash causes cracking and damage to primarily to the unreinforced brick and masonry structure of the terminal building.
- Utility outages are beginning to be reported on IFRA property to include electricity, water, and gas.
- Several injuries are being reported due to slips/falls and blunt trauma from falling debris.
- Telephone, cell phone, and internet connectivity is limited or busy due to damaged infrastructure and clogged networks.
- Due to this being a local event, we are operating with the assumption obtaining support via MOU's and MAA's.

### Key Issues

- Implementation of Disaster Preparedness Plans
- Rapid Situation Assessment and effect on Community Lifelines
- Prioritization of Response Assets
- Initiation of Disaster Response Activities
- Operational Coordination & Communication

### Discussion Points

Based on the information provided, participate in the discussion concerning the issues raised in Module 1. Identify any critical issues, decisions, requirements, or questions that should be addressed at this time.

The following questions are provided as suggested subjects that you may wish to address as the discussion progresses. These questions are not meant to constitute a definitive list of concerns to be addressed, nor is there a requirement to address every question.

- Routing of emergency calls and dispatch of first responders/ICS implementation (Idaho Falls Dispatch)
- Initiation of Mass Warning and Notification Systems
- Initiation of facility Emergency Action Plans (Accountability procedures)

- Full activation Emergency Operations Center and key personnel
- EOC/ICS interface & synchronization
- Coordination between all EOC's & interoperability (IFRA, County, State, Private Sector)
- Emergency family assistance center & call center activation (Safe havens, feeding, needs assessment)
- Development of rapid situational assessment (Focus on community lifeline impact and stabilization)
- Critical infrastructure rapid damage assessments (IFRA, Tenants, City Departments)
- State of disaster declaration
- Patient tracking system
- Continuity of Operations implementation (IFRA, Tenants, City Departments)
- Communications system resiliency & redundancy

## MODULE 2: RECOVERY OPERATIONS

### Scenario

It is now FEB 25, 2023, two days after the aircraft crash. There is extensive damage to Infrastructure Systems at IFRA. Police, Fire, and emergency services and hospitals are operating at full capacity. Although numerous injuries were reported. Telephone, cell phone and internet connectivity remain limited. Due to damaged electrical lines, natural gas lines and generators, numerous facilities are without power.

### Key Issues

- Managing recovery process (short, intermediate, long term)
- Process for receiving assistance
- Community needs determination
- Effect on Mission Assurance

### Discussion Points.

Based on the information provided, participate in the discussion concerning the issues raised in Module 2. Identify any critical issues, decisions, requirements, or questions that should be addressed at this time.

The following questions are provided as suggested subjects that you may wish to address as the discussion progresses. These questions are not meant to constitute a definitive list of concerns to be addressed, nor is there a requirement to address every question.

- Completion of detailed damage assessments after receipt of rapid assessments (United States Army Corps of Engineers role) ?
- Assessment and stabilization of community lifelines & infrastructure systems
- Emergency power generation at critical facilities
- Prioritization of resource allocation
- Roles for recovery operations (EOC, recovery working group)
- Emergency contracting support (water, fuel, generators, essential services, etc.)
- Long term continuity operations (Devolution considerations)
- Patient and Employee Accountability
- MOU's (Strengths, Gaps)

## APPENDIX A: EXERCISE SCHEDULE

Aircraft Alert TTX (FEB 23, 2023) Timeline	
Evaluator (Brief)	0745-0800
Registration/Sign	0830-0845
Admin Remarks/Introduction	0845-0900
Module 1 – Initial Response	0900-1015
Break	1015-1030
Module 2 – Recovery	1030-1145
Break	1145-1200
Hot Wash	1200-1230
Evaluator Only (Debrief)	1230-1300



Tenants		

EVALUATION TEAM		



## APPENDIX D: ACRONYMS

Acronym	Term
AAR	After Action Report
CAP	Corrective Action Plan
IFRA	Idaho Falls Regional Airport
IFFD	Idaho Falls Fire Department
IFPD	Idaho Falls Police Department
EEG	Exercise Evaluation Guide
HSEEP	Homeland Security Exercise and Evaluation Program
OCME	Office of Chief Medical Examiner
PAO	Public Affairs Office
SITMAN	Situation Manual
SME	Subject Matter Expert
SOP	Standard Operating Procedure
TTX	Tabletop Exercise



April 21, 2023

Michael La Pier, AAE, Executive Director  
Monterey Peninsula Airport District  
200 Fred Kane Drive, Suite 200  
Monterey, CA 93940

RE: Monterey Peninsula Airport District Supplemental Proposal for Fire and Emergency Services

Dear Mr. La Pier:

In response to the RFP for Fire and Emergency Services and guidance from the Board of Directors, the City of Monterey is submitting a supplemental proposal. We propose a contract in year one in the amount of \$1.78 million, and continue our cost-sharing model that benefits the Airport District and our community.

At its meeting on April 5, all Monterey Peninsula Airport District board members in attendance expressed their satisfaction with the quality of services provided by the City of Monterey's Fire Department. They also encouraged us to meet with you in order to find creative solutions to our fire services contract.

Thank you for meeting with us on Monday, April 17, 2023, and for collaboratively discussing with us creative alternatives that would allow us to continue our cost-sharing model. Your suggestions on how we can use some of the Airport's facilities on the south side of the airfield for an engine would allow us to continue serving the Airport and area neighborhoods, consistent with the cost-sharing model in our current contract. Your vision, creativity, and collaboration are very much appreciated. Based on our conversation, we propose to continue the current model of shared service delivery that we have successfully used over the past 9+ years. This model has proven to be mutually beneficial to the Airport District, City of Monterey, and our collective residents. By continuing the existing service model, which includes serving the adjacent neighborhoods, Highway 68 Corridor, and Ryan Ranch, we are able to significantly revise our price model. This revised pricing is based on our evaluation of the value of a fully staffed, three-person engine company plus one fully dedicated ARFF engine staff member stationed at the Airport.

Attached is the cost breakdown based on that evaluation. The proposal takes the following points into account:

- Staffing of the engine is increased to three personnel to meet the City's standards. Staffing for the ARFF engine remains in compliance with FAA regulations at one person.

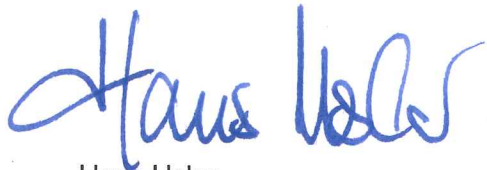
- The shared cost is based on the balance of responses between on-Airport property responses and off-Airport property responses over a two-year period.
  - In 2021 and 2022, the engine located at the Airport responded to a total of 623 calls. Of the 623 calls, 127 were on Airport property, or 20.4% of the total calls.
  - In this revised proposal, the cost of the engine staffing is shared based on this percentage, and the cost to staff the ARFF engine remains fully the responsibility of the Airport.
  - Our proposal allows the Airport District to continue receiving mutual and automatic aid through adjacent neighboring agencies, which only the City of Monterey is able to guarantee.
  - The shared cost model will allow the Airport and the City to retain the former Airport District employees.
- Based on the shared cost model, the engine may continue to be used outside of the Airport's geographic boundaries whenever deemed operationally necessary by the Fire Chief or a designee. The same or similar language shall be used in a new agreement regarding the use of Airport apparatus.
- With the Fire Station relocating to the north side of the airfield, the City's response off airport property will be significantly reduced. To maintain the same cost share (based on the proportion of responses between on-Airport property and off-Airport property), we request that the Airport work with the City collaboratively in finding a suitable location for the engine and personnel assigned to it, to be staged on the south side of the airfield during daytime hours. Finding a space, potentially in a new terminal building, is not mandatory, but it would be helpful to the overall service levels, including being on-site for service calls generated inside the new terminal.
- As outlined in our original proposal, under these revised terms, the Airport will benefit from the depth of resources available in the Monterey Fire Department system. This depth will ensure that a resource will always respond to every incident at the Airport within our response time standard of 5 minutes or less (in excess of 90% of all incidents), even if the engine assigned to the Airport is busy on another incident. Furthermore, in the event of a significant incident at the Airport (aircraft crash, aircraft fire, structure fire, etc.), Monterey will send an adequate number of resources to mitigate that incident safely and effectively with resources either under our direct control or utilizing existing automatic aid agreements with neighboring jurisdictions at no additional costs for the Airport District.

Our proposed shared service delivery model will ensure that the Airport District will continue to have state-of-the-art services delivered by many of your original firefighters, who have become part of the regional Monterey fire services model, which includes the cities of Pacific Grove, Carmel, and Sand City. With the Airport remaining part of this powerful firefighting force, we are also ensuring that our taxpayer dollars are being spent effectively, intentionally, and locally.

We know the Monterey Peninsula Airport District will continue to be satisfied with a new and continued fire services partnership with the City of Monterey. We provide the highest level of service that the visitors of the Monterey Regional Airport, including the residents and businesses in the City of Monterey expect. The City of Monterey remains committed to the Airport family now and in the future.

You are welcome to contact me at (831) 646-3760 or Fire Chief Gaudenz Panholzer at (831) 646-3900 for any additional information. We appreciate our partnership and look forward to speaking with you and the Board on April 27, 2023, regarding this supplemental proposal.

Sincerely,



Hans Uslar  
City Manager

Attachments:

Cost Proposal

Letter of Support – Fishermen Flats Homeowners and Residents Association

Letter of Support – Laguna Grande Neighborhood Association

Letter of Support – Monterey Vista Neighborhood Association

Letter of Support – Monterey Peninsula Chamber of Commerce

c: LisAnne Sawhney, Chair  
Bill Sabo, Vice Chair  
Mary Ann Leffel, Board Member  
Carl Miller, Board Member  
Dino Pick, Board Member  
Gaudenz Panholzer, Fire Chief

**Supplemental Proposal**  
**April 21, 2023**

**MPAD Pricing Details**

Item		Cost	MPAD Share	MPAD Cost
Staffing	Captains (Engine)	3 \$247,983.00	20.4%	\$151,655.74
	Engineers (Engine)	3 \$222,707.00	20.4%	\$136,198.02
	Engineers (ARFF)	3 \$222,707.00	100%	\$668,121.00
	Firefighters (Engine)	3 \$192,234.00	20.4%	\$117,562.04
	Division Chiefs	3 \$332,957.00	7.3%	\$73,169.89
	Deputy Fire Marshal	1 \$227,350.00	5%	\$11,367.50
	Fire Prevention Technician	1 \$120,438.00	3%	\$3,613.14
	Fire Prevention Inspector (PT)	1 \$36,980.00	20%	\$7,396.00
Overtime & Out-of-Class	Engine	1 \$331,462.35	20.4%	\$67,569.37
	ARFF	1 \$111,353.64	100%	\$111,353.64
	Division Chiefs - Extra Duty (400 hrs/DC)	3 \$ 25,724.15	7.3%	\$5,653.08
	Deputy Fire Marshal (50 hrs/yr)	1 \$ 8,423.55	5%	\$421.18
Personnel Costs	Annual Training	\$33,000	100%	\$33,000
	Annual Physical Exams (Engine)	9 \$855	20.4%	\$1,569
	Annual Physical Exams (ARFF)	9 \$855	100%	\$7,695
	Annual Physical Exams (DC)	3 \$855	7.3%	\$188
	Tuition Reimbursement	6 \$1,000	100%	\$6,000
	Workers' Compensation & U.I (Engine)	9 \$16,493	20.4%	\$30,260
	Workers' Compensation & U.I (ARFF)	3 \$16,493	100%	\$49,480
	Workers' Compensation & U.I (DC)	3 \$16,493	7.3%	\$3,625
	Other Post Empl Benefits (Engine)	9 \$3,377	20.4%	\$6,197
	Other Post Empl Benefits (ARFF)	3 \$3,377	100.0%	\$10,132
	Other Post Empl Benefits (DC)	3 \$3,377	7.3%	\$742
	Personal Protective Equipment (Engine)	9 \$2,438	20.4%	\$4,472
	Personal Protective Equipment (ARFF)	3 \$2,438	100%	\$7,313
Personal Protective Equipment (DC)	3 \$2,438	7.3%	\$536	
Dispatch	Monterey County Dispatch Services	\$117,158.86	1.06%	\$1,241.88
	NGEN Debt	\$5,448.84	100%	\$5,448.84
	NGEN O&M	\$6,351.80	100%	\$6,351.80
	MDC Fee	\$1,040.00	100%	\$1,040.00
Station	Maintenance	\$5,000	100%	\$5,000
	Supplies	\$12,870	100%	\$12,870
TOTAL				\$1,547,240.17
Administrative Fee			15.533%	\$240,332.81
<b>GRAND TOTAL</b>				<b>\$1,787,572.98</b>

Per month \$148,964.41  
9 months (October 1, 2023- June 30, 2024) \$1,340,679.73

**Fixed Cost Proposal Option**

Year 2 (July 1, 2024 - June 30, 2025) 5% \$1,876,951.63  
Year 3 (July 1, 2025 - June 30, 2026) 5% \$1,970,799.21

## Ltr of Support from FF HOs & RA for extension of existing contract for Fire Services at Monterey Regional Airport for April 27, 2023 meeting

Tom Rowley <tomr2004@hotmail.com>

Sun 4/16/2023 6:51 PM

To: info@montereyairport.com <info@montereyairport.com>



April 17, 2023

Dear Monterey Peninsula Airport District Board of Directors:

I am writing on behalf of the "Fishermen Flats Homeowners & Residents Association" (FF HOs & RA) regarding the Airport District's selection of fire service provider. As indicated by the attached letter submitted by our Association to the City of Monterey in May 2022 during the special comprehensive evaluation of fire services on the Monterey Peninsula, we believe the current integration of the Airport fire services has produced superior fire protection services for our neighborhood -- Fishermen Flats.

We are a vital part of the residential and business area of the Monterey Peninsula called the "Flats and Foothills" area, and this area is now being considered by the City of Monterey for major expanded future residential development under the proposed update of the City Housing Element. Reducing the coverage of fire services to primarily the Airport boundaries makes no sense from the current balanced and very effective services provided in the past, as demonstrated during the major November 2021 fire in our neighborhood on Josselyn Canyon Road. Quick fire service by Engine No 16 -- the first to arrive at the scene - limited the damage to only one home, and the neighboring properties on all sides were protected from receiving fire damages!

The current services have been a win-win for the Airport and its neighbors. With future expanded residential development along Garden Road in the City of Monterey, reducing the level of cooperation between existing services just does not make common sense, and would be a serious fall-back from the ongoing "Good Neighbor" policy of the leadership at the Airport.

We sincerely hope that you will extend or renew the existing contract with the City of Monterey to provide the high level of fire protection services we now receive from the current system. We are confident that the offer from the City will be fair and provide those continued services. We are now a model for fire protection services -- let's keep it up!



"Aloha" Tom Rowley, 2004 Marsala Circle, Monterey, CA 93040 / President FF HOs & RA

Copy to: City of Monterey (Mayor & CM) / Matt Murphy (Mtry Fire Foundation rep) / Mtry Woods HOA / Living Hope Church /

Attachment: Email from FF HOs & RA dtd 5/25/2022

## Comments for Risk Assessment Briefing of Mtry CC on Wed May 25, 2022 during Study Session

TomR2004@hotmail.com <TomR2004@hotmail.com>

Wed 5/25/2022 2:27 PM

To: Clyde Roberson <roberson@monterey.org>

Cc: Hans Uslar <uslar@monterey.org>

Bcc: Ed@Onbaseleadership.com <ed@onbaseleadership.com>;tomr2004@hotmail.com <tomr2004@hotmail.com>;Marilyn Maxner <montmm06@gmail.com>;brand@redshift.com <brand@redshift.com>

To Mayor Clyde Roberson -- The "proof" of any Fire Department is their success in controlling a fire in our Fishermen's Flats neighborhood.

In November 2021, a Single Family Residence (SFR) on Josselyn Canyon Road in Fishermen's Flats ( Hesler residence ) suffered a major fire such that the home is now uninhabitable. Fire damage was limited successfully only to the Hesler residence.

The property is located across the street from homes in the un-incorporated area of the Monterey Peninsula. Logically -- these homes in the Josselyn Cyn area of the Monterey Peninsula should be annexed to the City of Monterey, and the City should offer the Owners the prospect of coming within the city limits... This will allow them complete access to city services at the Mtry Sports Center and Monterey Public Library, etc, etc. The current pockets of un-incorporated Monterey County homes in contiguous areas to the City of Monterey are totally non-sensical. I did not see a discussion of this anywhere in the Risk Assessment study report.

The overall performance of all the fire department services in preventing the fire in November 2021 from spreading to any of the 4 adjacent properties in the immediate area is proof of the capabilities, outstanding training, and very professional firefighting services available to the neighbors in our Fishermen Flats neighborhood. All applicable personnel and the leadership at the Monterey Fire Department should receive recognition for their superb services! This outstanding "proof" of successful service needs to be recognized in the study by CityGate.

Please ensure that a copy of this letter is entered into the record of today's CC study session. Thanks in advance.

"Aloha" Tom Rowley, President of Fishermen Flats HO's and Residents Assoc.  
2004 Marsala Circle, Monterey, CA 93940  
Home Office TEL: (831) 373-5204



**From:** Esther Malkin <esthermalkin@yahoo.com>  
**Sent:** Monday, April 17, 2023 9:30 PM  
**To:** info@montereyairport.com <info@montereyairport.com>  
**Cc:** stanh831 <stanh831@gmail.com>; Renee Erban <rae815@aol.com>; Brandon Naylor <naylor.brandon.lee@gmail.com>; Joseph & Cynthia Hill <hillsgrapevine@frontiernet.net>  
**Subject:** Support for MFD

To the airport board

I'm writing as the president of a neighborhood near the airport supporting MFD & that the airport board not cut corners on our safety to save some dollars.

There are so many OBVIOUS reasons not to use an out of state company, for profit company that frankly I'm appalled that after the city of Monterey has done so much to accommodate the airport's needs that the board would consider not staying with MFD.

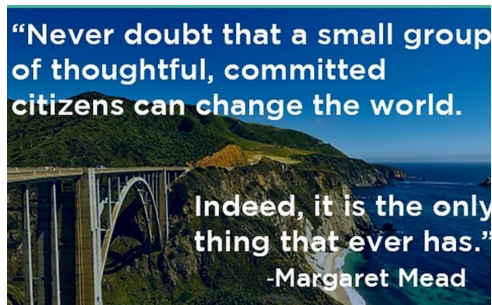
OUR SAFETY MUST NOT BE POTENTIALLY COMPROMISED TO SAVE A FEW DOLLARS & for PROFITS.

I'm confident the majority of VOTERS would agree & will turn out in the next elections to prove it.

We strongly urge the airport board to maintain the current arrangement with MFD.

Thank you.  
Regards,  
Esther Malkin  
President Laguna Grande Neighborhood Assn President

\*Please pardon typos as this is being sent from my phone.



[NOTICE: This message originated outside of the City of Monterey mail system -- DO NOT CLICK on links or open attachments unless you are sure the content is safe.]



**April 14, 2023**

**Re: Contract for Firefighting Services; Support of City of Monterey Firefighters**

Dear Board of Directors (BOD), Monterey Peninsula Airport District:

The Monterey Vista Neighborhood Association (MVNA) Board of Directors writes to share their vote of support for the City of Monterey Firefighters' contract proposal.

Hopefully, the BOD will come to an understanding of how the firefighters can safely transit the airport for faster response times in south airport locations and also allow for response times to the Route 68 corridor. Faster local response times through the airport and the contractual ability to multi-cover in a mutual aid scenario will bring the cost of the Monterey proposal down. The costs of mutual aid coverage must be added to the other competing proposal which will bring the two proposals closer to parity. These offsets to the contract proposals are essential in order to compare the worth of the bids.

The advantages of using the Monterey firefighters are obvious in terms of knowledge of the local geography, response times, depth of coverage in the force during emergencies and other disruptions, and their great relationships with other emergency response providers. Their training in sea rescue is of the utmost value to aircraft emergencies.

Please compare the worth for worth more closely in the two proposals and choose Monterey firefighters.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Jean Rasch".

Jean Rasch, President  
Monterey Vista Neighborhood Association



**MONTEREY  
PENINSULA  
CHAMBER OF  
COMMERCE**

**2022 BOARD OF DIRECTORS**

BOARD CHAIR  
**JENNIFER KUYPER**  
Pinnacle Bank

IMMEDIATE PAST CHAIR  
**AARON WATERS**  
Rayne Technology Solution

CHAIR ELECT  
**KEVIN CAUSEY**  
Montage Health Foundations

**KATHRYN AVILA**  
Avila Construction Company

**NICK DEL POZZO**  
Hyatt Regency-Monterey Bay

**ELIZABETH DIAZ**  
Armanasco Public Relations

**JONATHAN GEISLER**  
Geisler3

**PHYLLIS GRILLO**  
CSUMB

**ADAM HUGHES**  
MBS Business Systems

**DAWN MATHES**  
Pebble Beach Company

**ANAIS MORA**  
JRG Attorneys at Law

**DJ (DJUNA) MUNIZ**  
The Mechanics Bank

**DOUGLAS ROBERTS**  
JHW Architects, Inc.

**CLARISSA ROWE**  
Monterey County Bank

**PAUL WEYANT**  
Express Employment Professionals  
of Monterey County

**JEFF WHITE**  
KRML

**DR. MARK ZACOVIC**  
Monterey Peninsula College

**N. MONICA LAL**  
President/CEO

Board of Directors  
Monterey Peninsula Airport District  
200 Fred Kane Drive, Suite 200  
Monterey, CA 93940

April 18, 2023

Dear Board of Directors,

On April 5, the Monterey Peninsula Airport District Board of Directors held a special meeting to receive presentations and conduct interviews for two entities that submitted proposals for Monterey Regional Airport Fire & Related Emergency Services. The two entities were the City of Monterey Fire Department - a local government agency - and J.J. Protective Services, Inc. d/b/a Pro-Tec Fire Services, Ltd., a Wisconsin-based private contractor of Aircraft Rescue Fire Fighting services.

While supporting the concept that our government needs to be fiscally responsible by seeking the best services at the best price, the mission of the Monterey Peninsula Chamber of Commerce is to "support member success and promote the regional economy." From that perspective, the loss of the City of Monterey Fire Department as the contractor for the local public airport would be a setback. We do not know Pro-Tec Fire Services.

We ask that the Monterey Peninsula Airport District Board of Directors provide a clear outline of their analysis of the two proposals. In particular, we would be interested in knowing the reasons for cost differences between the two proposals. If the difference is mainly related to the reality that cost of living and business operations in Appleton, Wisconsin is lower than the cost of living and business operations in Monterey, California, that difference should be taken into consideration, to the extent allowed by applicable laws regarding local preferences.

Sincerely,

Monica Lal  
President/CEO

Kevin Causey  
2023 Board Chair



March 1, 2023

Michael La Pier, AAE, Executive Director  
Monterey Peninsula Airport District  
200 Fred Kane Drive, Suite 200  
Monterey, CA 93940

RE: Monterey Regional Airport Fire & Related Emergency Services Proposal

Dear Mr. La Pier,

Thank you for providing us with the opportunity to respond to your request for proposals to provide fire and emergency services for the Monterey Peninsula Airport District at the Monterey Regional Airport fire station. We are looking forward to continuing our partnership with the Monterey Peninsula Airport District for the public safety benefit of our adjoining jurisdictions.

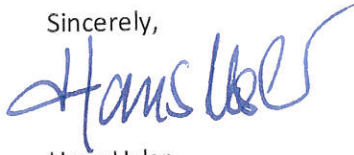
As you recall, our employees are your employees and we hope that the Members of the Monterey Airport District will continue to cherish this very special relationship and commitment to your former employees.

The Monterey Fire Department has a proven track record of providing exceptional fire and emergency services by contract to the cities of Pacific Grove, Carmel-by-the-Sea and Sand City as well as Naval Support Activity Monterey and its housing community at La Mesa Village. Our experienced and dedicated staff is known for providing excellent services that have and will continue to increase and enhance fire protection and community risk reduction for the Monterey Peninsula Airport District. Our strike teams, responding to California Wildfires during fire seasons, are providing insights into understanding the value of training, preparedness, and real firefighting experience.

Monterey is and remains your best choice when it comes to fire and emergency response. We have the best and the brightest firefighters on staff. Our governing body, the City Council, knows and appreciates our firefighters and the value they bring to the community you and your board members live in. We do not compromise when it comes to providing excellent services. We are not driven by profit margins. No one gets rich from a contract like that. Our reward remains to ensure that the Monterey Airport District receives the best services at a fair price. We are keenly aware of the need to manage public funds wisely and were able to find an acceptable compromise in 2018 when we negotiated the current contract price.

You are welcome to contact me at (831) 646-3760 or Fire Chief Gaudenz Panholzer at (831) 646-3900 for any additional information. We appreciate our partnership and look forward to hearing from you to discuss additional contract details.

Sincerely,



Hans Uslar  
City Manager

Enclosure

c: Gaudenz Panholzer, Fire Chief



# Fire Services Proposal

## Monterey Peninsula Airport District

Submitted By  
City of Monterey  
March 1, 2023



*Monterey Fire Truck 11 at Monterey Regional Airport*

## INTRODUCTION

We are pleased to present this proposal to continue partnership with the Monterey Peninsula Airport District, also known as the Monterey Regional Airport, in the provision of Fire and Related Emergency Services. Since 2014, we have worked collaboratively to provide excellent fire and EMS services to the staff, tenants and passengers at the Monterey Regional Airport as well as the citizens of Monterey. We welcome this opportunity to revisit our fire service partnership model that provides numerous benefits, including enhanced fiscal and operational efficiencies and a significantly increased depth of fire protection resources. We know that we provide not only the best service, but a level of service that the visitors of the Monterey Regional Airport expect. The City of Monterey remains committed to the Airport family.

We became your fire department in January 2014 when we added the Monterey Peninsula Airport District firefighters into our workforce. We want to ensure the mutual benefits that our agencies have achieved remain now and into the future.

This proposal presents Monterey's model for continuing to provide exceptional fire services to the Monterey Regional Airport. These results are achieved through individual and team dedication, commitment, contract provision experience and organizational values. We are extremely proud of all the Monterey Fire Department employees and the services they provide to the communities we serve.

We have an excellent track record of successful outcomes in providing outstanding contractual fire services to other jurisdictions and agencies including Pacific Grove, Carmel-by-the-Sea, Sand City, the Naval Support Activity Monterey (NSAM) and the Presidio of Monterey. The Monterey Fire Department as well as the Monterey Fire Fighters Association actively supports numerous community outreach programs and other community-based events within all the communities we serve.

We are confident that the Monterey Regional Airport will be 100% satisfied with continuing our professional grade fire services partnership. Our City pledges our commitment to excellence by protecting people, property and the environment with professionalism, cooperation, compassion, creativity, safety, integrity and fiscal and personal accountability.



*Gaudenz Panholzer  
Fire Chief*



## **BACKGROUND**

### ***The City of Monterey***

The City of Monterey, established as a charter City in 1851, provides a broad range of municipal services to its residents, visitors and businesses with a current staff of 444.50 full-time/regular part-time employees. The City is also a partner in multiple regional shared governance agencies including:

- Transportation Agency of Monterey County
- Monterey-Salinas Transit
- Monterey One Water
- Monterey Bay Unified Air Pollution Control District
- Monterey Peninsula Water Management District
- Presidio Municipal Services Agency

The City of Monterey believes that sharing services between agencies and jurisdictions makes good business sense. It is essential to the current and future economic health of our collective agencies as we all strive to maintain services and infrastructure within the reality of declining fiscal resources. Monterey has adopted a leadership role in promoting shared services and has partnered with multiple neighboring jurisdictions for full or partial services including:

- Vehicle maintenance services with the City of Carmel-by-the-Sea and City of Pacific Grove
- Public Works Engineering and Maintenance services with the Department of Defense
- Library technical services with the City of Pacific Grove
- Fire services with the cities of Pacific Grove, Carmel-by-the-Sea and Sand City, the Monterey Regional Airport, Naval Support Activity Monterey (NSAM) and its associated housing at La Mesa Village

Monterey's conservative fiscal policies and practices, combined with rapid recognition of adverse economic indicators and implementation of appropriate mitigation measures, are critical elements of the City's efforts to maintain long-term fiscal health while minimizing the adverse impacts of declining fiscal resources to residents, businesses, and employees. Our City team is committed to exceptional service, and we look forward to continuing a mutually beneficial fire service partnership.

### ***The Monterey Fire Department***

The Monterey Fire Department serves the City of Monterey as well as the cities of Pacific Grove, Carmel by-the-Sea, Sand City, Monterey Regional Airport, NSAM and La Mesa Village. The department operates out of six (6) stations strategically located to achieve the shortest response





time to emergency calls. The Monterey Fire Department provides urban, wildland, and marine fire suppression, Basic Life Support (BLS) and Advanced Life Support (ALS) Emergency Medical Services (EMS), hazardous material (Hazmat) substance release mitigation, technical rescue, fire prevention, fire code enforcement, fire origin and cause investigation, disaster preparedness, and community safety and risk reduction education services. The department responds to approximately 9000 calls for service annually with a minimum daily staffing of 23 personnel, including a Division Chief, and eight (8) apparatus operating from six (6) stations.

The Monterey Fire Department prides itself as being a customer service organization by providing excellent emergency services as well as additional public safety support through Fire Prevention education and special operations (such as Urban Search and Rescue, Airport Firefighting, and Marine Safety).

In addition to the Monterey Regional Airport, Monterey provides contractual fire protection services to the cities of Pacific Grove, Carmel-by-the-Sea, Sand City, NSAM and its housing community, La Mesa Village. Monterey also provides operational oversight of the Carmel Fire Ambulance. The department is a participating member agency of the Monterey County Operational Area Urban Search and Rescue (USAR) Team.

Monterey also administers, trains volunteers, and finances an active regional Community Emergency Response Training (CERT) program, which, in cases of emergencies, become another emergency response asset for our contractual partners including the Monterey Regional Airport. No other proposer can offer you these additional resources.



*Monterey Firefighters at ARFF training in Dallas, TX*

### ***Operational Resources***

- Structural/All-Risk Fire apparatus (10 Fire Engines)
- Wildland Fire Apparatus (2 Engines)
- 110' Tractor-Drawn Aerial Ladder Trucks (2)
- Heavy Rescue Apparatus
- Fire & Rescue Boat
- Hazardous Material Response Trailer
- Utility Vehicles
- Command Vehicles



- 85 Personnel (budgeted) – full time
  - All Operations personnel are at minimum EMTs and Firefighter II (California State Fire Training standards).
  - We also provide Advanced Life Support (ALS) services with 16 qualified and accredited paramedics.
  - The operations personnel work cycle is a three Platoon A, B, C shift, averaging 56 hours per week. Personnel work two consecutive 24-hour shifts for a total of 48 hours, followed by four consecutive 24-hour shifts off for a total of 96 hours (48/96 work schedule).
- 4 Personnel – part time

## Scope of Services

Monterey will provide all services as requested in the RFP with no exceptions and will meet or exceed all requested standards and level of services.

- **Structural/EMS**
  - Aircraft Fires and Rescue
  - Structural, vegetation, and vehicle/miscellaneous Fires
  - Marine Rescue and Fires
  - Medical Emergencies (including Advanced Life Support)
  - Technical Rescue and Urban Search and Rescue
  - Hazardous Material Mitigation
  - Public Service Calls
  - Emergency Incident Management

The Monterey Fire Department will respond to all emergency incidents within the Monterey Regional Airport jurisdiction. Response will be to any incident reported via 9-1-1, tower direct line, walk-in, telephone call to station, via other public safety agency, or any other means by which Monterey Fire becomes aware of an incident. The City of Monterey proposes to staff the station with three properly qualified personnel, on a 24/7/365 basis with a minimum of one being a fully qualified ARFF Engineer. Monterey acknowledges that the Monterey Regional Airport’s RFP requests only three (3) personnel assigned to the station and is submitting a cost proposal as such. However, Monterey’s standard is a three-person engine company. This is based on numerous studies that have shown that safety for both personnel and the public are significantly improved with that level of staffing. With the location of the fire station moving, there is a reduced benefit to the City of Monterey’s service area in the Highway 68 corridor, but we believe there may still be some benefit to Monterey continuing to use the engine off the Monterey Regional Airport’s property. We request to discuss further the possibility of staffing a three-person engine company and the opportunity to assess call volumes from the new location as well



as other options including requirements for crossing the runways. If we determine that there is a substantial benefit to Monterey in staffing the station with a fourth person, we intend on underwriting the increased cost of that position as well as negotiate a shared cost of the engine staffing on a pro-rata basis similar to how our current pricing structure was developed.

For incidents not requiring the ARFF Vehicle, if the engine company is not available, Monterey will respond with the next closest available appropriate unit which may include a unit moved up to the Monterey Regional Airport station, a unit assigned to another Monterey fire station, or a unit provided by a neighboring fire agency under existing mutual aid and automatic aid agreements. Monterey is the only proposer offering the depth of resources to include all of our available fire fighting and emergency response assets. The City of Monterey currently has automatic aid agreements with Cypress Fire Protection District, Pebble Beach Community Services District, Carmel Highlands Fire Protection District, Monterey County Regional Fire District, Presidio of Monterey and the City of Seaside (every jurisdiction surrounding the Airport) that will provide an immediate response to significant incidents. Monterey further participates in the Monterey County Mutual Aid Plan which provides for mutual aid from all other fire agencies in Monterey County.

When a significant resource commitment is made by Monterey Fire, a call-back of off-duty personnel is initiated. Typically, two additional companies can be staffed using the call-back process; one within 20-25 minutes or less and the second within 45-60 minutes or less. The on-duty Division Chief will respond to all major incidents. If the Division Chief is not available, another available Division Chief, the Assistant Fire Chief, the Fire Chief or a Chief Officer from another agency (via existing automatic/mutual aid agreements) will respond.

Monterey commits to meet and/or exceed the required ARFF response times for all incidents governed by the FAA Part 139 requirements. For all other emergency responses, Monterey commits to meet and/or exceed the emergency (Code 3) response times to incidents within the Airport District from crew notification to first unit on scene within five (5) minutes or less from time of receipt of alarm, 90% of the time. Monterey has a proven track record of meeting this standard of service in the City of Monterey and in all other jurisdictions we serve.

Having these options included will ensure that the Monterey Airport will be able to increase its attractiveness for airlines who may want to expand services or to start new air services, which are so important for the entire Monterey Peninsula and its hospitality industries.

- **Fire Prevention/Community Risk Reduction**

- Technical review of all building and development plans to ensure compliance with applicable fire and life safety codes and regulations.



- Technical review of all fixed fire protection and fire alarm system plans for compliance with applicable codes and standards.
- Inspection of fixed fire protection and fire alarm systems to ensure proper installation and operation.
- Fire safety inspection of all Airport owned occupancies.
- Issuance of permits and associated inspection of hazardous products or processes as defined by Monterey Regional Airport.
- Investigation of all fires to establish origin and cause.
- Technical assistance to Monterey Regional Airport Police Department on fire-related criminal investigations and prosecutions.
- Enforce provisions of Monterey Regional Airport regulations relative to weed abatement, fire code compliance and false fire alarms.
- Coordinate planning and delivery of fire safety and risk reduction educational programs for Airport personnel, businesses, and other related organizations within Monterey Regional Airport's jurisdiction.
- Coordinate and provide other public safety programs (for example, fire safety and CPR classes for Airport employees and tenants).

*The Monterey Fire Department coordinated with Airport staff to host numerous COVID-19 Vaccine Clinics in 2021 at the Airport. The clinics provided a vaccination opportunity for all Airport staff, tenants, their families, and members of the public.*

- **ARFF and Federal Aviation Administration**

The Monterey Fire Department shall meet or exceed the Federal Aviation Administration's Aircraft Rescue and Fire Fighting (ARFF) service requirements for an Index-B Airport pursuant to Title 14 of the Code of Federal Regulations, Part 139, including, but not limited to:

- Maintaining FAA required training records for Firefighters.
- Preparing and organizing all necessary training records and exercises, including the Part 139 required tri-annual disaster exercise and other required training.
- Daily airfield inspections (§ 139.327), including weekends, holidays and special occasions in coordination with Airport Operations personnel.
- Providing annual FAA approved ARFF training school to all qualified ARFF Engineers.
- Providing annual "live fire" drill exercise for qualified ARFF personnel to maintain certification.
- § 139-317: Aircraft Rescue & Fire Fighting – Equipment and Agent.
- § 139-319: Aircraft Rescue & Fire Fighting – Operational Requirements.



It is important to note that a significant event at the Airport will require many more resources than what is proposed in the RFP. National Fire Protection Association (NFPA) Standard 1710 states that an Effective Response Force (ERF) of 16 personnel should arrive at the scene of a structure fire to effectively mitigate the incident; arguably, an aircraft incident would require a comparable, if not larger, response. An ERF would require the response of 5 three-person crews (4 in addition to the crew assigned to the Airport) and a Chief Officer. The 3 next closest fire companies are all within the City of Monterey and under the jurisdiction of the Monterey Fire Department. An automatic aid agreement with the City of Seaside provides the fourth company. Monterey is the only agency that can commit to providing those resources in a timely manner as other entities would have to rely on resources that are further away and subject to a negotiation of automatic aid agreements with the corresponding agencies.

*A recent (2022) Standards of Cover study determined that Monterey meets NFPA 1710 for Effective Response Force (ERF) deployment within 10:37 minutes, 90% of the time.*



*ARFF Vehicle spraying water at Monterey Regional Airport during training*

- **Administration**

- Chief Fire Officer – The Monterey Fire Chief, currently Gaudenz Panholzer, will serve as the Monterey Regional Airport’s Fire Chief. The Chief will work cooperatively and responsively with the Monterey Regional Airport Board and Executive Director to address any service concerns that may arise over time.
- Supervision and Staffing – a Captain (or qualified acting Captain) will be on duty at the Monterey Regional Airport at all times. A Division Chief (or qualified acting Division Chief) will be on duty, working out of Monterey Fire Station 11 (downtown Monterey) at all times to provide oversight of all station Captains and



take over incident management function at all significant events at the Monterey Regional Airport.

- Program Planning – all program areas involved in providing Fire Services are managed by various personnel within the Monterey Fire Department. All Program Managers are supervised by a Chief Officer. Monterey proposes to share and coordinate all program planning functions among all partner agencies, including Monterey Regional Airport, to ensure cost effective program management.
- Documentation of all required training – Monterey has a Training Division run by a Division Chief. Documentation of all training is maintained and reported as required by regulatory agencies. The information can be provided to Monterey Regional Airport as necessary.
- Grant application and management for Fire Service-related grant programs. The Monterey Fire Department has a successful track record of applying for and receiving grants to offset fire service costs for Monterey and partner agencies. Grants received have been for the hiring of personnel and purchasing equipment such as radios, self-contained breathing apparatus (SCBA), and other equipment.
- Fire services planning and administration as authorized by the Monterey Regional Airport’s Board and in consultation with the Airport Executive Director.
- Development and administration of the annual Monterey Regional Airport’s fire services budget.
- Assistance with emergency and disaster planning and management.
- Maintenance of records and data relating to the provision of fire services within Monterey Regional Airport’s jurisdiction.
- Preparation of required reports to other agencies as necessary (for example, CSA-74 funding, NGEN True-up, quarterly audit of SIDA badges).
- Provide monthly information report to Airport Board of Directors.

- **Other Services**

- The City of Monterey and the Monterey Regional Airport are both currently party to the county-wide Next Generation (NGEN) Radio System Service Agreement. The City of Monterey will continue to pay and process the Monterey Regional Airport costs as noted in Exhibit B Pricing Details.
  - The Airport’s interests are currently represented by Monterey’s Fire Chief as the Chair of the Monterey County Emergency Communications and NGEN Operations Boards.
  - Parties seeking to withdraw may do so starting with the end of year three of the agreement and only after providing a two-year advance notice.
- Community Outreach - The Monterey Fire Department will continue to provide community outreach and education to the communities we serve to include



residents, schools, businesses, community associations, childcare providers, City staff and other members of the community, and/or community stakeholders Monterey has been providing such community outreach and education in the area since the department was established. The Monterey Fire Fighters Association (MFFA) and the Monterey Firefighters Community Foundation (MFCF) also have a history of providing community outreach; both of these employee organizations affiliated with the Monterey Fire Department will continue to be involved in the community. Examples of events we support and/or sponsor include the Big Sur Half Marathon and other running events, PG Annual Good Old Days, City of Monterey Trunk or Treat and movie screenings at Colton Hall, annual pancake breakfast, annual community toy drive and food drive, regularly scheduled visits to schools or station tours for students and many more! We welcome opportunities to hold events at the Airport and/or represent the Airport at other events.

- Representation of Monterey Regional Airport’s interests on regional and state committees and to other agencies. Monterey Fire personnel currently serve on the following committees/organizations or regularly attend meetings and represent the interests of all partner agencies:
  - Monterey County Fire Chiefs’ Association (including Training and Operations sub-committees)
  - Monterey County Emergency Communications Center Operations Board
  - Monterey County NGEN Operations Board
  - Monterey County Emergency Medical Care Committee (EMCC)
  - California Fire Chiefs’ Association
  - International Association of Fire Chiefs
  - League of California Cities Fire Chiefs’ Department
  - State Fire Marshal curriculum development committee – was part in developing current Fire Control 5 for Airport Operations
  - Monterey Bay SAR Council
  - Monterey County Urban Search and Rescue (USAR) Operations Committee
  - Statewide Training and Education Advisory Committee (STEAC)
  - California Incident Command Certification System (CICCS) Task Force
  - Monterey County Fire Chiefs Association Operations Committee



- Monterey is fully prepared to discuss any additional related services desired by Monterey Regional Airport.



*Monterey Fire Training at the Airport station*

## **Advantages**

### ***Operational***

The City of Monterey partially surrounds the Monterey Regional Airport. Monterey’s fire services offer significant operational deployment advantages due to our close proximity and robust system-wide resources. In order to meet the response time standard of five (5) minutes or less (in excess of 90% of incidents) from receipt of an alarm to the arrival of the first response team on scene, Monterey uses a zone coverage system. Monterey Regional Airport is in the “East Zone” which also includes Fire Station 13 (located at 401 Dela Vina) in Monterey. Fire Station 13 can respond to incidents on the north side of the airport in approximately 4 minutes or less when needing additional resources. The zone coverage system provides that, when units are committed on incidents or training, another unit will be moved up to ensure availability of a minimum of one unit in each zone.

Monterey has a Fire Division Chief on duty 24 hours per day stationed at Monterey Fire Station 11 (located at 600 Pacific Street) in Monterey ready to respond immediately to an emergency situation and provide incident command. All 4 of Monterey’s current Division Chiefs each have over 15 years of service with the City of Monterey or another jurisdiction we serve, including one who was originally an Airport employee,

*Post-incident evaluations of the Asiana Airlines Flight 214 incident in 2013 determined a significant factor hindering appropriate mitigation of the incident was the lack of ARFF response training of responding Chief Officers. All 4 of Monterey’s Division Chiefs have attended an ARFF training.*





which provides a wealth of knowledge of the service areas and fire systems as well as strong leadership at the Chief Officer level.

In the 9 years that Monterey has provided fire and emergency services to the Monterey Regional Airport, we have passed all annual FAA inspections. We have organized and executed three very successful triennial drills that have included numerous other agencies from law enforcement and fire agencies to aeromedical providers and regional hospitals.

### ***Communication and Decision Making***

Because the highest level of decision maker for the City of Monterey is located here in Monterey, communication between the key decision makers of both agencies is possible. There will be no decisions affecting Monterey Regional Airport fire service made that requires approval from a higher authority located out of town. Current established relationships at all levels from our public safety personnel up to our Mayor and the Airport's Board of Directors will ensure full transparency during key decisions and during labor negotiations.

The City of Monterey and Fire Management employees have also built strong relationships with other jurisdictions outside of our service area. For example, the Fire Chief was able to secure assistance with an ARFF vehicle from San Jose when Monterey Airport resources were unavailable due to mechanical issues. As a partner, the Monterey Fire Department will represent all contracting agencies in their best interest as one unified department.

### ***Personnel***

On January 1, 2014, all then current (10 total employees) Monterey Regional Airport employees transitioned to become City of Monterey – Monterey Fire Department employees. By continuing our partnership, no transfers of employment, layoffs or additional training would be required to execute an agreement. 12 Monterey Fire employees are currently fully qualified ARFF personnel and meet all required FAA standards. The training Division Chief has created a robust system for training records to ensure no FAA violations will occur during the term of the Agreement.

Nine of the ten employees that transitioned to become City of Monterey employees in 2014 are still current employees with the City of Monterey. The one who is no longer an employee moved out of state. One of our current key management personnel, Chris Grogan, began his firefighting career with the Monterey Regional Airport and was promoted to Division Chief in 2020. With over 25 years of experience between both entities, his depth of knowledge



*Division Chief, Chris Grogan*



of the Monterey Regional Airport and the fire services in Monterey cannot be found elsewhere. These examples demonstrate how Monterey is a great City to be a part of as well as how committed the City of Monterey and its employees are to serving the community.

In addition, a majority of our employees are local or live within one hour of the Monterey Peninsula. Local employees provide several benefits including employees being more invested in the community. Their children or other family members attend local schools, they volunteer at local community events, and they are more familiar with the community, landmarks, unique features, and unusual challenges



*Airport swearing-in ceremony, January 2014*

to the fire protection needs of the area they live. Furthermore, our personnel use the Monterey Airport for their, and their families', travel needs and, as such, have a vested interest in the services provided at the Airport, especially with regards to passenger safety. Many have fostered relationships with community members and the citizens they serve; it can be comforting to see a familiar face or a Monterey Fire Department logo when citizens need our services during difficult times. Having local employees also allow our department to implement emergency recalls of personnel quickly and seamlessly which provides a greater response force available in major disasters. All of our personnel are familiar with the Monterey Airport, its operations, and staff. We do not have personnel from elsewhere that we will bring in to staff the Airport Fire Station should a vacancy occur. All our new hires are put through a 17-week in-house Fire Academy which includes training on basic Airport operations before they step foot in any fire station to provide services.

## **Term of Agreement**

The term of the proposed Agreement is three (3) years with an automatic renewal for an additional two (2) years. The Agreement can be terminated by either party by providing a twelve (12) month advance written notification to the other party. The Agreement can also be terminated by mutual consent with concurrent execution of a successor shared services Agreement, such as a Joint Powers Authority.

## **Fees**

Monterey proposes an annual fee of \$3,124,598 to furnish all of the fire and related emergency services previously described in this proposal. This fiscal estimate includes the cost of all personnel, administrative overhead, services and supplies associated with 24/7/365 staffing of three (3) personnel at the Monterey Regional Airport fire station. Pricing details are included in attached Exhibit B. This fee will be guaranteed through June 30, 2024. If services in the new



location start October 2023, the Airport will be responsible for 9 months of service or \$2,343,448 for the remainder of the fiscal year. For the following fiscal year (FY 24/25), the City of Monterey will provide a budget projection in March for the ensuing fiscal year (for example, March 2024 for Fiscal year 2024/2025) with a 'true-up' based on actual service costs by the following November after fiscal year end (the first true-up will be November 2025 for Fiscal year 2024/2025). The projections and 'true-ups' will use the same methodology as shown in Exhibit B Pricing Details.

### *Fixed Cost Proposal Option*

If the Monterey Regional Airport prefers a Fixed Cost Proposal for three (3) years, Monterey proposes \$3,280,828 for the second year (July 1, 2024 – June 30, 2025) and \$3,444,869 for the third year (July 1, 2025 – June 30, 2026). If two additional years are added to the term, pricing is subject to negotiations. The costs for the three years are shown in Exhibit B Pricing Details.

Monterey wishes to continue pricing discussions regarding the potential mutual benefits of the new fire station location. Discussions may include staffing the engine as a three-person engine company and the costs associated, responding to calls in the City of Monterey off Airport property, and other relevant options for a more collaborative cost-sharing approach.

Exclusive of this Agreement, Monterey Regional Airport will retain agreed upon fiscal responsibility for costs associated with major repairs and replacement of the Monterey Regional Airport fire station infrastructure, vehicles and equipment owned by Monterey Regional Airport.

Upon execution of the proposed fire services contract, Monterey Regional Airport will remit 8.33% (1/12) of the annual fiscal fee to the City of Monterey for each month of the ensuing fiscal year.



*Airport Fire Apparatus in front of the Fire Station*



### *Additional Services*

The City of Monterey currently maintains the Monterey Regional Airport vehicles. In the RFP Fire Response to Questions, we see that the Airport intends to assume responsibility for replacement, maintenance, and repairs of all ARFF and structural apparatus and equipment. The City of Monterey's Fleet Division currently has one (1) qualified full time Fire Mechanic and all fleet personnel are extremely familiar with Airport vehicles. The Monterey Regional Airport may add vehicle maintenance, as an option, if interested in continuing the same service.

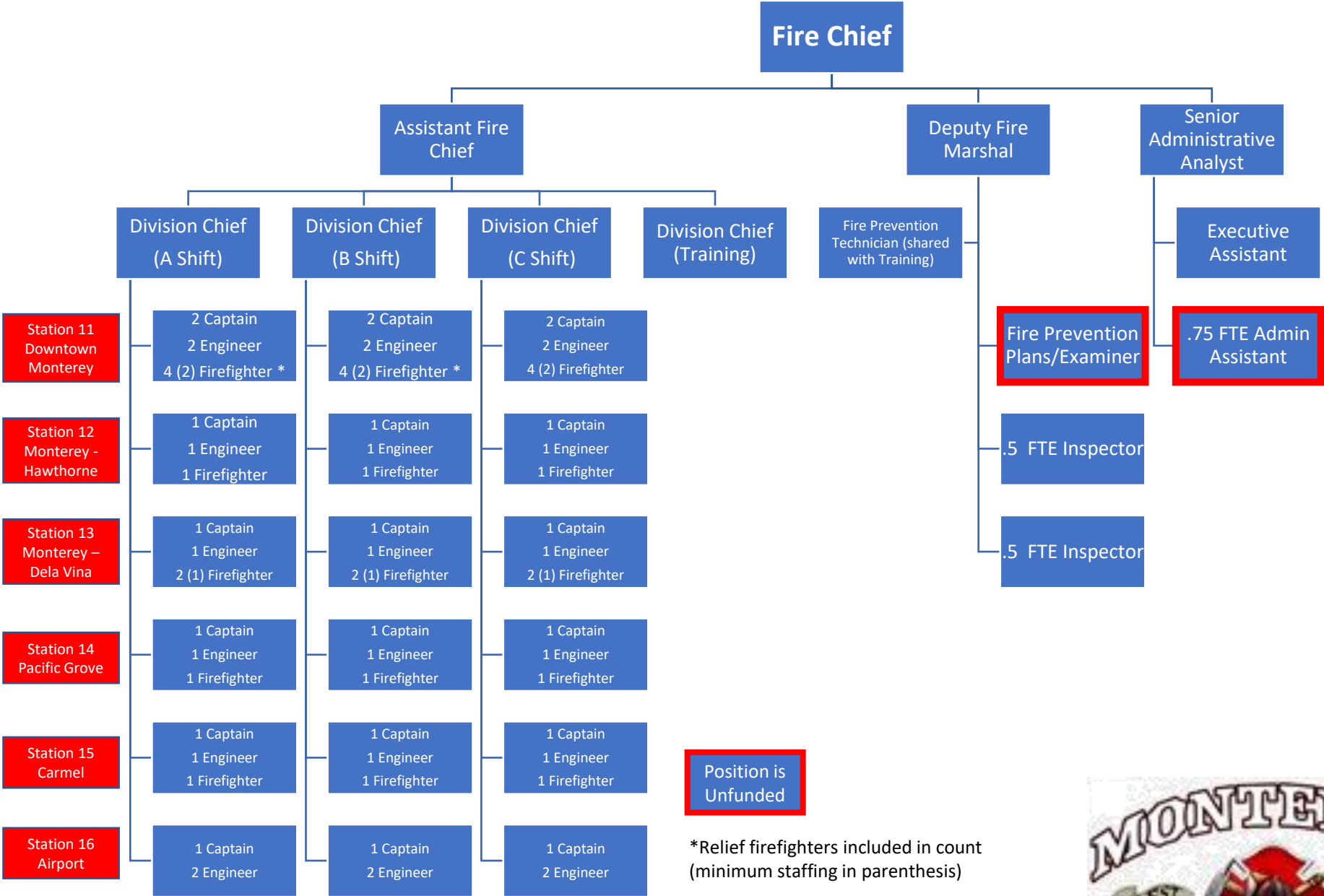
### **Conclusion**

If this proposal for the City of Monterey to provide fire services to Monterey Regional Airport meets with your satisfaction and tentative approval, we would appreciate the opportunity to meet with your assigned representatives to collaboratively develop our mutual contract language. We look forward to a continued partnership with the Monterey Regional Airport to provide fair and equitable shared fire services!



**Exhibit A**

**Monterey Fire Department Organization Chart**



**Exhibit B**

**MPAD Pricing Details**

<b>Item</b>		<b>Cost</b>	<b>MPAD Share</b>	<b>MPAD Cost</b>
Staffing	Captains	3 \$250,263.30	100%	\$750,789.90
	Engineers	3 \$229,937.40	100%	\$689,812.20
	Firefighters	3 \$190,168.65	100%	\$570,505.95
	Division Chiefs	3 \$344,741.25	7.5%	\$77,564.70
	Deputy Fire Marshal	1 \$208,467.00	5%	\$10,423.35
	Fire Prevention Technician	1 \$125,528.55	3%	\$3,765.86
	Fire Prevention Inspector (PT)	1 \$38,840.55	20%	\$7,768.11
Overtime & Out-of-Class	Station	1 \$301,666.43	100%	\$301,666.43
	Division Chiefs - Extra Duty (400 hrs/DC)	3 \$ 27,031.34	7.5%	\$6,081.89
	Deputy Fire Marshal (50 hrs/yr)	1 \$ 8,271.64	5%	\$413.58
Personnel Costs	Annual Training	\$33,000	100%	\$33,000
	Annual Physical Exams (Station)	9 \$855	100%	\$7,695
	Annual Physical Exams (DC)	3 \$855	7.5%	\$192
	Tuition Reimbursement	6 \$1,000	100%	\$6,000
	Workers' Compensation & U.I (Station)	9 \$16,561	100%	\$149,049
	Workers' Compensation & U.I (DC)	3 \$16,561	7.5%	\$3,726
	Other Post Empl Benefits (Station)	9 \$3,390	100%	\$30,510
	Other Post Empl Benefits (DC)	3 \$3,390	7.5%	\$763
	Personal Protective Equipment (Station)	9 \$1,875	100%	\$16,875
Personal Protective Equipment (DC)	3 \$1,875	7.5%	\$422	
Dispatch	Monterey County Dispatch Services	\$100,861.68	1.06%	\$1,069.13
	NGEN Debt	\$6,345.04	100%	\$6,345.04
	NGEN O&M	\$11,158.00	100%	\$11,158.00
	MDC Fee	\$1,040.00	100%	\$1,040.00
Station	Maintenance	\$5,000	100%	\$5,000
	Supplies	\$12,870	100%	\$12,870
<b>TOTAL</b>				<b>\$2,704,506.24</b>
Administrative Fee			15.533%	\$420,090.95
<b>GRAND TOTAL</b>				<b>\$3,124,597.19</b>

Per month \$260,383.10  
 9 months (October 1, 2023- June 30, 2024) \$2,343,447.89

**Fixed Cost Proposal Option**

Year 2 (July 1, 2024 - June 30, 2025) 5% \$3,280,827.05  
 Year 3 (July 1, 2025 - June 30, 2026) 5% \$3,444,868.40

# Exhibit C

<b>CERTIFICATE OF COVERAGE</b>		DATE (MM/DD/YYYY) 2/16/2023
<b>PRODUCER</b>  Alliant Insurance Services, Inc. 560 Mission Street, 6th Floor San Francisco CA 94105	THIS CERTIFICATE IS ISSUED AS A MATTER OF EVIDENCE ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE MEMORANDUM(S) OF COVERAGE BELOW.  THIS CERTIFICATE OF COVERAGE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING COVERAGE PROVIDER, AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.  IMPORTANT: IF THE CERTIFICATE HOLDER IS AN ADDITIONAL COVERED PARTY, THE MEMORANDUM OF COVERAGE MUST BE ENDORSED. A STATEMENT ON THIS CERTIFICATE DOES NOT CONFER RIGHTS TO THE CERTIFICATE HOLDER IN LIEU OF SUCH ENDORSEMENT(S).  IMPORTANT: IF SUBROGATION IS WAIVED, SUBJECT TO THE TERMS AND CONDITIONS OF THE MEMORANDUM(S) OF COVERAGE AN ENDORSEMENT MAY BE REQUIRED. A STATEMENT ON THE CERTIFICATE DOES NOT CONFER RIGHTS TO THE CERTIFICATE HOLDER IN LIEU OF SUCH ENDORSEMENT(S).	
<b>NAMED COVERED PARTY</b>  ACCEL - City of Monterey Finance Department 735 Pacific Street, Suite A Monterey CA 93940	<b>PROGRAM AFFORDING COVERAGE</b>  A: ACCEL  B:  C:	

### COVERAGES

THIS IS TO CERTIFY THAT THE COVERAGE IS AFFORDED TO THE ABOVE NAMED MEMBER, AS PROVIDED BY THE MEMORANDUM(S) OF COVERAGE, FOR THE PERIOD SHOWN BELOW, NOT WITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE COVERAGE AFFORDED BY THE PROGRAM DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUM(S) OF COVERAGE. THE FOLLOWING COVERAGE IS IN EFFECT.

JPA LTR	TYPE OF COVERAGE	MEMORANDUM NUMBER	COVERAGE EFFECTIVE DATE (MM/DD/YY)	COVERAGE EXPIRATION DATE (MM/DD/YY)	LIMITS	
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> MEMOR-ANDUM <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				EACH OCCURRENCE	\$
					FIRE DAMAGE (Any one fire)	\$
					MED EXPENSE (Any one person)	\$
					PERSONAL & ADV INJURY	\$
					GENERAL AGGREGATE	\$
					PRODUCTS-COMP/OP AGG	\$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	\$
	<b>WORKERS' COMPENSATION AND EMPLOYERS LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? IF YES, DESCRIBED UNDER SPECIAL PROVISION BELOW				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
					E.L. EACH ACCIDENT	\$
					E.L. DISEASE - EA EMPLOYEE	\$
					E.L. DISEASE - POLICY LIMIT	\$
A	<b>OTHER</b> Public Entity Liability	ACC2223MON71	7/1/2022	7/1/2023	\$10,000,000 \$1,000,000	Per Occ S.I.R.
	<b>OTHER</b>					

### DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL/PROVISIONS

Evidence of Insurance- RFP Purposes

### CERTIFICATE HOLDER

Monterey Peninsula Airport District  
 200 Fred Kane Drive, Suite 200  
 Monterey CA 93940

### CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUM(S) OF COVERAGE BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUM(S) OF COVERAGE PROVISIONS.

AUTHORIZED REPRESENTATIVE



WC-168	<b>CERTIFICATE OF COVERAGE</b>	06/29/2022
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<p><b>PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT</b></p> <p><b>C/O ALLIANT INSURANCE SERVICES, INC. 18100 VON KARMAN AVENUE, 10TH FLOOR IRVINE, CA 92612</b></p> <p>PHONE (949) 756-0271 / FAX (619) 699-0901 LICENSE #0C36861</p>	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BELOW. THIS CERTIFICATE OF COVERAGE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER
	IMPORTANT: If the certificate holder is requesting a WAIVER OF SUBROGATION, the Memorandums of Coverage must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).
	COVERAGE AFFORDED BY: <b>A - See attached schedule of insurers</b>


<p><b>Member:</b> AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY (ACCEL) CITY OF MONTEREY FINANCE DEPARTMENT 735 PACIFIC STREET, STE A MONTEREY, CA 93940</p>	COVERAGE AFFORDED BY: <b>B</b>
	COVERAGE AFFORDED BY: <b>C</b>
	COVERAGE AFFORDED BY: <b>D</b>

**Coverages**  
THIS IS TO CERTIFY THAT THE MEMORANDUMS OF COVERAGE AND POLICIES LISTED BELOW HAVE BEEN ISSUED TO THE MEMBER NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE COVERAGE AFFORDED BY THE MEMORANDUMS AND POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUMS AND POLICIES.

CO LTR	TYPE OF COVERAGE	MEMORANDUM/ POLICY NUMBER	COVERAGE EFFECTIVE DATE	COVERAGE EXPIRATION DATE	LIABILITY LIMITS
A	EXCESS WORKERS' COMPENSATION & EMPLOYER'S LIABILITY	See attached Schedule of Insurers for policy numbers	07/01/2022	07/01/2023	<p>WORKERS' COMPENSATION: Difference between Statutory and Member's \$500,000 Retention</p> <p>EMPLOYERS' LIABILITY: Difference between \$5,000,000 and Member's \$500,000 Retention</p>

**LIMITS APPLY PER OCCURRENCE FOR ALL PROGRAM MEMBERS COMBINED.**

Description of Operations/Locations/Vehicles/Special Items:  
AS RESPECTS EVIDENCE OF COVERAGE ONLY.

<p>Certificate Holder</p> <p>FOR THE PURPOSE OF EVIDENCE ONLY C/O AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY (ACCEL) CITY OF MONTEREY 735 PACIFIC ST., SUITE A MONTEREY, CA 93940</p>	<p>Cancellation</p> <p>SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUMS OF COVERAGE/POLICIES BE CANCELLED BEFORE THE EXPIRATION THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUMS OF COVERAGE/POLICIES PROVISIONS.</p>
	<p>AUTHORIZED REPRESENTATIVE</p> <p style="text-align: center;"></p> <p style="text-align: center; font-size: 0.7em;">Public Risk Innovation, Solutions, and Management</p>



**PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT**

**EXCESS WORKERS' COMPENSATION PROGRAM**

**2022/2023 SCHEDULE OF INSURERS**

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY (ACCEL) CITY OF MONTEREY**

<b>PROVIDER</b>	<b>MEMORANDUM / POLICY NUMBER</b>	<b>LIMIT</b>
Public Risk Innovation, Solutions, and Management	PRISM PE 22 EWC-04	Workers' Compensation: \$50,000,000 each accident/each employee for disease  (Difference between \$50,000,000 and the individual member's retention)  Employers' Liability: \$5,000,000 each accident/each employee for disease  (Difference between \$5,000,000 and the individual member's retention)
Liberty Insurance Corporation	EW7-64N-444785-012	Statutory each accident/each employee for disease excess of \$50,000,000

Monterey Peninsula Airport District Proposals SUMMARY - Cost to Provide ARFF Services 4/24/2023	COMPARABLE PROPOSALS		ALTERNATE PROPOSAL	Existing Contract
	As submitted on March 1, 2023		Monterey Fire <sup>2</sup>	Monterey Fire
	Pro-Tec	Monterey Fire <sup>1</sup>		
Staffing	\$ 1,256,240	\$ 2,110,630	\$ 1,169,083	
Overtime & Out-of-Class	-	308,162	184,997	
Personnel Costs	147,300	248,232	161,209	
Dispatch	(included)	19,612	14,083	
Startup Costs	29,559	-	-	
Chief's Vehicle	14,200	-	-	
Station Maintenance & Supplies	40,700	17,870	17,870	
<i>Rounding</i>	(2,940)		(2)	
	1,485,059	2,704,506	1,547,240.17	
Administrative Fee	244,941	420,091	240,332.81	
Year 1 Grand Total	1,730,000	3,124,597	1,787,572.98	
less: Errors & Omissions Coverage	(80,000)	-	-	
	<u>\$ 1,650,000</u>	<u>\$ 3,124,597</u>	<u>\$ 1,787,573</u>	<u>\$ 1,344,720</u>
Year 2 Grand Total	<u>\$ 1,708,000</u>	4% <u>\$ 3,280,827</u>	<u>\$ 1,876,952</u>	5%
Year 3 Grand Total	<u>\$ 1,776,000</u>	4% <u>\$ 3,444,868</u>	<u>\$ 1,970,799</u>	5%
Total for 3-Year Contract	<u>\$ 5,214,000</u>	<u>\$ 9,850,292</u>	<u>\$ 5,635,324</u>	
3 Years - Monterey Fire in Excess of Pro-Tec - \$	<u>\$ 4,636,292</u>		Alternate in Excess of Existing Contract - \$	<u>\$ 442,853</u>
3 Years - Monterey Fire in Excess of Pro-Tec - %	<u>89%</u>		- %	<u>33%</u>

**On-Airport and Off-Airport Responses:**

**Monterey Fire Department:**

Based on the shared cost model, the engine may be used outside of the Airport's geographic boundaries whenever deemed operationally necessary by the Fire Chief or a designee. To maintain the same cost share (based on the proportion of responses between on-Airport and off-Airport property), MFD requests that the Airport work with the City collaboratively in finding a suitable location for the engine and personnel assigned to it, to be staged on the south side of the airfield during daytime hours.

**Pro-Tec:**

The Pro-Tec proposal assumes 100% dedication of resources to the Airport, except in the case of a Mutual Aid response.

**Staffing - Pro-Tec:**

Three (3) Captains each working a 24-hr shift  
Six (6) Firefighters each working a 24-hr shift  
One (1) Fire Chief working a 40-hr admin work week  
Captains and Firefighters will be EMTs

**<sup>1</sup>Staffing - Monterey Fire, March 1 Proposal: Allocation**

Three (3) Captains	100%
Three (3) Engineers	0%
Three (3) Engineers(ARFF)	100%
Three (3) Firefighters	100%
Three (3) Division Chiefs	7.6%
One (1) Deputy Fire Marshal	5%
One (1) Fire Prevention Technician	3%
One (1) Fire Prevention Inspector	20%

**<sup>2</sup>Staffing - Monterey Fire Alternate Proposal:**

Three (3) Captains	20.4%
Three (3) Engineers	20.4%
Three (3) Engineers(ARFF)	100%
Three (3) Firefighters - 20.4% Allocation	20.4%
Three (3) Division Chiefs - 7.3% Allocation	7.3%
One (1) Deputy Fire Marshal - 5% Allocation	5%
One (1) Fire Prevention Technician - 3% Allocation	3%
One (1) Fire Prevention Inspector - 20% Allocation	20%

### 2021 BOARD REPORTS

2021	MPAD	Aircraft Alert	Aircraft	no incident found	EMS	assist PD	Smoke detector/alarm	distress - or assist invalid or public service	hazmat	other
Jan	1	1	A/C Stby							
Feb	9				6		2	1		
Mar	3				1		1	1		
Apr	2				2					
May	4			1			1	1		1 Water problem
Jun	5			1	2		1			1 Special type of incident
Jul	5	1	Off site Crash A/C Stby		1		1	2		
Aug	12				5			5	2	
Sep	8			3	2	1	1	1		
Oct	5	2	2x A/C Stby		1	1	1			
Nov	6						2	4		
Dec	4						1	1	1	1 Electrical problem
<b>Total Calls</b>	<b>64</b>	<b>4</b>		<b>5</b>	<b>20</b>	<b>2</b>	<b>11</b>	<b>16</b>	<b>3</b>	<b>3</b>

### 2022 BOARD REPORTS

2022	MPAD	Aircraft Alert	Aircraft	no incident found	EMS	assist PD	Smoke detector/alarm	distress - or assist invalid or public service	hazmat	other
Jan	2				1		1			
Feb	1				1					
Mar	2	1	A/C tire blew		1					
Apr	7				4	1	2			
May	4			1	2	1				
Jun	2						1	1		
Jul	3	1	A/C Stby				1	1		
Aug	7	1	A/C Stby		3		1	1	1	
Sep	5	1	A/C Stby				2	2		
Oct	3					1	1			1 excess heat/scortch
Nov	4				2		2			
Dec	7			1	3		1	1		1 power line
<b>Total Calls</b>	<b>47</b>	<b>4</b>		<b>2</b>	<b>17</b>	<b>3</b>	<b>12</b>	<b>6</b>	<b>1</b>	<b>2</b>

# MEMO

**To** Michael La Pier  
**From** Operations Department  
**Date** 03/06/2023  
**Subject** Pro-Tec Reference Check Responses



## Manchester Boston – Index C – 18 firefighters

- Contract since 2019. Pro Tec took over from Centurion and staff simply moved over.
- ProTec do daily fence inspections and lead any tenants to their hangars as no hangar tenants are able to drive out to their hangars.
- They don't do airfield inspections but are qualified to do so if needed.
- Organization is good to work with from upper executive team to boots on the ground. They have a good team at the airport.
- The person we spoke to oversees the contract. Previously, his airports in Texas were required to use local city fire services. Comparing the city to ProTec he has been extremely happy. No bad words to say against them.

## Tulsa Intl

- Transitioned from city to Pro-tec in 21
- Biggest issue was inventory – what was airports and paid with FAA money, what was paid for by the city.
- Transition was done at midnight. They feel transition at shift change time would have been better.
- Pro-Tec visit every year offering more services ( paid?)
- Pro-Tec work for the airport so any mutual aid agreement is between other agencies and the airport. Tulsa negotiated the mutual aid agreement, Pro-Tec did provide an example document.
- No regrets from Tulsa and they feel is working well whilst also saving over \$1m a year.

## **Mobile**

- First time the director has dealt with a fire contractor having always dealt with city fire service before and is pleasantly surprised. They have been easier to deal with than any city department.
- They are flexible and willing to do more than just ARFF, currently they help out with airfield inspections.
- They have willing and knowledgeable personnel.
- Chief has a good management style and is attentive to training.
- FAA ACSI was very complimentary after their last inspection.

## **Trenton- Mercer**

- They have a great group of fellas that they work with and the corporate interactions have all been good.
- Seamless transition from their last contract (non city).
- One issue were the new firefighters were local hires so had no airfield experience. There was a crossover in contracts to allow the guys time to get airfield experience.
- Pro-tec do inspections, work orders and notams
- They are service providers, they get business by providing good service.
- Very happy with the contract.

## **Appleton Int'l**

- Conduct 139, wildlife and TSA inspections
- Assist with the snow and ice plan
- Contract in place since 2010, huge improvement on last contract provider.
- Very hands on and super easy to deal with.
- Have recommended them to several airports.

**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Michael La Pier, A.A.E., Executive Director  
**SUBJ:** Revised Monterey Peninsula Airport District On-Airport Rental Car Operator Lease and Concession Agreement

**BACKGROUND.** On October 19, 2022, the Board of Directors of the Monterey Peninsula Airport District approved a new On-Airport Rental Car Operator Lease and Concession Agreement (Agreement). The Agreement was intended to update a 15-year-old lease agreement with each of the six rental car brand operators on property. The approved Agreement increased the minimum annual guarantee (MAG) and added a liquidated damages provision for failing to live up to tenant's responsibilities as it relates to operating the counter with personnel during the business hours outlined in the agreement.

In response to receiving the Agreement, two of the six rental car agencies proposed changes. The Agreement set the MAG at \$10,000 per month or \$120,000 for the first year, and thereafter it would be 85% of the prior years' Concession Fee paid, but never less than the first year MAG. Although none disagreed with the increased MAG, there was a request to add MAG abatement language in the event of a serious shortfall in business and an assertion the annual MAG reset should not include a "floor". The Agreement had liquidated damages in the amount of \$1,000 per day for non-compliance with hours of operations, which tenants saw as unacceptably high. They also requested the hours of operation be changed to be based on the first scheduled airline arrival, and the actual time of the last airline arrival, instead of based on departures. In addition, Enterprise and Avis both asked to combine their other brands into one agreement signed by the parent company with a \$10,000 MAG per month per brand. The result is three agreements are currently proposed, all with the same terms but with slightly different language to accommodate three brands for Enterprise, two for Avis, and one for Hertz.

**STAFF ANALYSIS.** After experiencing an unprecedented traffic reduction at the Airport due to COVID travel restrictions, staff understands the desire by the operators for rent abatement language and recommends the addition of Article 5.4, "Tenants Right of MAG Abatement", be added. However, since this abatement is based on a rolling three months, staff believes the "floor" in the annual MAG reset is still appropriate and did not agree to that change. The liquidated damages amount proposed by the operators was \$250.00 per day. Staff considered this amount too low, and not enough of a deterrent to non-compliance with operational hours. Staff recommends, and the operators have agreed, the liquidated damages amount be changed to \$500.00 per day, as shown in Article 4.2.

**FISCAL IMPACT.** None anticipated.

**RECOMMENDATION.** Approve the proposed revised version of the Monterey Peninsula Airport District On Airport Rental Car Operator Lease and Concession Agreement.

**ATTACHMENTS.**

Monterey Peninsula Airport District On Airport Rental Car Operator Lease and Concession Agreement between the Monterey Peninsula Airport District and Avis Budget Group

Monterey Peninsula Airport District On Airport Rental Car Operator Lease and Concession Agreement between the Monterey Peninsula Airport District and Enterprise Rent-A-Car Co. of San Francisco, LLC

Monterey Peninsula Airport District On Airport Rental Car Operator Lease and Concession Agreement between the Monterey Peninsula Airport District and The Hertz Corporation

**MONTEREY PENINSULA AIRPORT DISTRICT ON-AIRPORT RENTAL CAR  
OPERATOR LEASE AND CONCESSION AGREEMENT**

THIS OPERATING AGREEMENT (“AGREEMENT”), dated as of May 1, 2023 (“Effective Date”) is made between the **Monterey Peninsula Airport District**, a special district of the State of California (“District” or “Airport”) and **Avis Budget Group**, 6 Sylvan Way, Parsippany, NJ 07054 (“Tenant” or “Operator”), with reference to the following facts and objectives:

- A. District owns and operates the Monterey Regional Airport, a public airport located in the County of Monterey, State of California (“Airport”).
- B. Tenant is engaged in the management of an automobile business at the Airport commonly known as Avis Budget Group.
- C. District desires to grant and Tenant desires to hire and obtain certain rights, licenses, and privileges to operate at the Airport.
- D. District believes it is important to the travelling public that quality automobile transportation be available for hire or rental by air passengers arriving at the Airport and by other users of the Airport.

**NOW, THEREFORE**, District and Tenant agree as follows:

**1. TERMINATION OF PRIOR AGREEMENTS AND SEPARATE APPLICABILITY OF AGREEMENT**

This agreement shall terminate and supersede the Rental Agreement dated July 1, 1994 and July 1, 1996, respectively between District and Tenant, and the Rental Agreement dated July 1, 1994 and July 1, 1996, respectively between District and Tenant are of no further force and effect.

**2. PREMISES**

District rents to Tenant, and Tenant hires from District, those areas of the types described below, each as is more particularly defined or shown in Exhibit “A” attached to this Agreement (the “Premises”). Tenant shall use the Premises and Airport solely for the purpose of providing automobile rental services to the public.

**3. TERM**

The term of this Agreement shall commence on May 1, 2023 and shall terminate on January 31, 2024 (“Initial Term”). Upon completion of the Initial Term, this Agreement will automatically renew and continue for successive one (1) year terms (“Successive Term”), unless a written notice of non-renewal is delivered by a Party to the other Party no later than one hundred eighty (180) days prior to the completion of the Initial Term or Successive Term, or unless this Agreement is sooner terminated pursuant to the provisions of this Agreement.



**3.1 Office Space.** Multi-purpose office space located in the Airport Terminal as depicted on Exhibit "B".

**3.2. Counter Space.** Multi-purpose counter space adjacent to the office space in the Airport Terminal as depicted in Exhibit "B". Any portion of the counter space area that is within the common-use corridor of the corridor of the Airport Terminal shall be rented to Tenant on a non-exclusive basis.

**3.3 Ready Parking Spaces.** Ready parking spaces within a common-use lot adjacent as depicted on Exhibit "C".

**3.4 Tower Vehicle Storage Spaces.** Vehicle storage spaces within the common-use lot located east of the FAA Tower Parking Area as depicted on Exhibit "D".

**3.5 Overflow Vehicle Storage Area.** Unimproved parking area within a common use lot located in the vicinity of the intersection of Highway 68 and Olmsted Road as depicted on Exhibit "E".

**3.6 Substitute Property.** The Parties acknowledge that the District intends to construct a new terminal. In the event that the District determines, in its sole and absolute discretion, that it needs to reacquire any of the property leased to Tenant through this Agreement, the District shall provide substitute property in similar size and functionality as the property that the District reacquires. The District shall provide as much notice as possible to Tenant prior to the reacquisition of property, but in no event shall the Tenant receive less than ninety (90) days' notice.

#### **4. TENANT'S RESPONSIBILITIES**

**4.1 Equipment and Fixtures.** Tenant, at its own cost and expense, will be required to provide in its concession area all equipment, fixtures, decorations, materials and supplies which Tenant may need to conduct the rental car operation in a first-class, business-like manner, and all of which shall be of high quality, safe, modern in design, attractive in appearance and in keeping with the general architecture and décor of the Airport Terminal's facilities, and all of which shall be subject to written approval of Airport's Executive Director prior to installation.

**4.2. Business Hours.** Tenant's business hours shall remain open to serve seven days per week from 40 minutes before the time of the first scheduled airline arrival, to a time that is least forty minutes after the actual time, scheduled or delayed, of the last airline arrival. If Tenant operates from more than one counter, then Tenant shall be permitted to staff the multiple counters with a single employee. Tenant's schedule of business hours shall be subject to periodic review upon the written request of Tenant to Airport's Executive Director or Airport's Executive Director to Tenant. As a result, Airport's Executive Director may require an expansion or allow reduction of the hours of operation as public demand requires. In addition to any

other remedies available to District as outlined in this Agreement, in the event that Tenant Client fails to operate the counter with personnel during the business hours outlined in this paragraph, the District will suffer a substantial injury for which it is impracticable or extremely difficult to fix actual damages. In an effort to establish, or liquidate, in advance the sum that should represent such damages, Tenant agrees to pay District \$500.00 per day for each and every day that the Tenant fails to operate the counter with personnel during the business hours outlined in this paragraph. The Parties acknowledge and agree that the sums payable under this paragraph shall constitute liquidated damages and not penalties and are in addition to all other rights of the District, including the right to call a default under this Agreement.

**4.3 Supervision.** Tenant shall always retain an active, qualified, competent, and experienced representative, authorized to represent, and act for Tenant, to supervise its operations at the Airport. During any temporary periods of absence by Tenant's representative, an alternate representative of Tenant with like authorization must be present. Tenant shall always keep Airport's Executive Director advised as to who Tenant's representative is and how immediate communication can be established with that representative on a 24-hour basis in the event of an emergency.

**4.4 Employees.** Tenant's employees shall be clean, courteous, efficient, and neat in appearance. Tenant shall not employ any persons in or about the Airport who shall use improper language or act in a loud or boisterous or otherwise improper manner. While on duty and in public view, employees shall limit the use of cell phones and earphones. Upon written notification to Tenant that any person employed by Tenant at the Airport, is, in the District's opinion, disorderly, discourteous, unkempt, or otherwise unsatisfactory, immediate, and appropriate corrective action shall be taken by Tenant to ensure that such unsatisfactory and unacceptable conduct does not reoccur.

**4.5 First-Class Operation.** Tenant shall operate the rental car operation in a first-class manner, in accordance with the highest standards for this type of service at other airport terminals and within the rental car industry. The rental car service shall be prompt, clean, courteous, efficient, and otherwise of the highest quality, and adequate to meet all reasonable demands for rental car services at the Airport.

**4.6 Number and Condition of Automobiles.** Tenant, at its own cost and expense, shall always maintain on the Airport an adequate number of automobiles to reasonably meet the public demand. All automobiles shall at all times be maintained by Tenant, at its own cost and expense, in good operating order and free from known mechanical defects and shall be kept in clean, neat, and attractive condition, inside and out.

**4.7 Vehicles Sales.** Tenant shall not operate vehicle sales on the Premises without first obtaining the written consent of Airport's Executive Director, which

shall not be unreasonably withheld, and provided that such vehicle sales operations shall be subordinated to all of Tenant's rental car operations at the Airport. District shall have strict control of this activity and may at any time immediately suspend this activity if, in the sole discretion of Airport's Executive Director, the vehicle sales operation adversely impacts the Airport. The use of any signs, spotlights, balloons, banners, or other promotional type of activities which are commonly used in connection with vehicle sales operations are strictly prohibited. All revenue generated from vehicle sales operations conducted on Airport property shall be considered Gross Revenue.

## **5. CONCESSION AND FACILITY FEES**

**5.1 Minimum Annual Guarantee and Percentage Fee.** Tenant shall pay to District as compensation for the concession privileges granted under the Agreement the greater of the Minimum Annual Guarantee or a Percentage Fee equal to ten percent (10%) of the Gross Receipts derived by Tenant from the operation of its automobile rental business, at the Airport, as authorized by the Agreement.

**5.2 Minimum Annual Guarantee.** The Minimum Annual Guarantee (MAG) for the first year of this agreement shall be Two Hundred Forty Thousand Dollars (\$240,000.00) per year. The MAG for each Successive Term of this Agreement shall be 85% of the Tenant's actual Concession Fee paid to the District for the previous contract year of this agreement, but in no event shall the MAG drop below Two Hundred Forty Thousand Dollars (\$240,000.00) per year. For any period of less than one (1) calendar year that this Agreement shall be in effect, the Minimum Annual Guarantee shall be calculated on a pro rata basis. Payments of one-twelfth (1/12) of the MAG shall be due in advance without demand, offset of invoice of the first (1<sup>st</sup>) day of each month during the term of this Agreement.

**Percentage Fee.** The Percentage Fee for each year of this agreement shall be calculated as ten percent (10%) of Gross Receipts from all business operations conducted on the Premises in accordance with Section 6.2.

**5.3 Payment of Minimum Annual Guarantee, Percentage Fee, and Other Fees.** All payments and fees shall be due and payable monthly in accordance with the provisions of Paragraph 9.

**5.4 Tenant's Right of MAG Abatement.** In the event that the following condition exists during the term of this Agreement, the minimum annual guarantee hereinabove provided for in Section 5.2 above shall be abated for the period of time the condition exists:

**A.** A major traffic reduction at Airport. A major traffic reduction shall be defined as a fifteen percent (15%) reduction in the number of passengers deplaning on scheduled airline flights at the Airport, during any period of three (3) consecutive calendar months as compared to the number of such deplaning passengers in the

same calendar months during the 2022 calendar year. For example, if May, June and July have a traffic reduction of 17%, 20% and 26% respectively, then the 1/12th minimum annual guarantee payment beginning May would be abated.

**B.** If the major traffic reduction continues for additional months, the abatement will continue as well, until there are three (3) consecutive calendar months when traffic does not fall below the 15% threshold, at which time the full minimum annual guarantee payment shall be made beginning the following month.

**C.** This major traffic reduction can only be identified after any three-month period ends; however, the major traffic reduction exists for any three-month period when all three months had a not less than 15% reduction in passenger deplanements. Overpayments of the MAG will be credited to the Tenant during the year-end reconciliation process Section 8.

**D.** Tenant shall continue to pay the Percentage Concession Fee during this abatement period.

**6. RENT**

**6.1 Commencement Date.** Starting on the Commencement date of this Agreement and continuing each month thereafter, Operator shall pay the following rent to the District:

**A. Airport Terminal Building Rent.** Operator shall pay the current Airport Rates and Charges square footage rate for their uses and occupancy of a portion of the Airport Terminal Building as outlined in Exhibits “A” and “B”.

1. Tenant shall pay the current Airport Rates and Charges square footage rate for their uses and occupancy of a portion of the Airport Terminal Building as outlined in Exhibits “A” and “B”. Operator’s current monthly rate is \$4.40 per square foot. Adjustments to this rent will be in accordance with the Airport’s Rate and Charges modifications approved by the District and shall occur annually every July 1 throughout the term of this agreement. Initial rent shall be calculated as follows:

AVIS		BUDGET	
Monthly Rent	Monthly Rent Amount	Monthly Rent	Monthly Rent Amount
Counter	\$1,078.00	Counter	\$1,140.00
Stowage Parking	\$702.00	Stowage Parking	\$527.00
Ready Park	\$1,160.00	Ready Park	\$880.00
Office	\$546.00	Office	\$1,848.00

**B. Parking Rent.** If operator needs additional parking outside of the designated areas on Exhibits “C”, “D”, and “E”, Rental Car Parking, Return Lot and Staging Areas, the Airport, or Airport’s parking management

company, will designate parking stalls, if available on the Airport for additional automobile rental parking only. The charge for this parking will be listed in the Master Fee Schedule or Airport Rates and Charges under Vehicle Parking Fees; Landside Parking; Commercial Tenant Long-Term Lot Fee. Operator must give prior notice of the number of parking spaces that the Operator requires and pay the fee(s) in accordance with this section. Any automobile belonging to Operator found parked on the Airport (not including allocated parking spaces in Exhibits "C", "D", and "E") without permission shall pay the District the amount of \$50.00 per day per automobile until moved. Each unauthorized vehicle is also subject to ticketing by Airport personnel and/or any law enforcement agency having jurisdiction at the Airport; these fines will be in addition to the \$50.00 per day per unauthorized automobile charge.

**6.2 Gross Receipts.** Gross receipts shall include, but shall not be limited to, all revenues from the following:

- A.** The rental or sale of goods or services under this Agreement, including, but not limited to, all monies or other consideration generated or received by Operator for the conducts of business pursuant to this Agreement, unless specifically excluded below in section 6.3 "Exclusion from Gross Receipts". Gross Receipts shall be determined by the total of charges listed on a customer receipt less any items specifically excluded. All monies or other consideration shall include the following:
  - 1.** Time and Mileage Charges and Rental Charges; Fees for insurance coverage, including Loss Damage Waiver (LDW); Partial Loss Damage Waiver (PDW); Additional (Supplemental) Liability Insurance (ALI/SLI); Personal Accident Insurance (PAI); Personal Effects Protection (PEP); Extended Roadside Assistance; Emergency Sickness Protection; and all other insurance coverage items offered now or in the future during the term of this Agreement.
  - 2.** Fees for rental equipment, including child safety seats, satellite radio access, recreational gear and car racks for recreational gear, tire chains, personal computers, GPS systems, and any other equipment offered now or in the future during the term of this Agreement.
  - 3.** Additional fees charged to Customers, including: Additional and underage fees; Upgrade and exchange fees; Fees for fueling; Pre-paid and other petroleum products; Inter-County charges (drop fees); Transportation fuels; Early and late fee return fees; Parking fees, including fee for valet parking; toll device fees (excluding Tolls themselves); Tire and battery fees; Concession Recovery fees; Automobile license recovery fees; Frequent flyer recovery fees;

Fees for miscellaneous services including road side assistance;  
Other fees charged now or in the future during the term of this Agreement.

4. The value of coupons and vouchers purchased by corporations and tour companies, either in advance or invoiced after use, if the rental charges are not shown in the actual receipt.
5. The contacting for delivering, picking up, or renting of rental automobiles from the Airport property, regardless of ownership, area, fleet, or location assignment and without regard to manner in which, or place at which, the rental automobiles are ordered or furnished or where the rental automobiles are returned, and without regard to duration, or of where, how or by whom payment is made.
6. A transaction in which a rental automobile is exchanged elsewhere when the rental automobile was originally contracted for, delivered, supplied, or rented at the Airport. The Operator shall not allocate transactions to any other location, regardless of which city or location own the rental car, or where the rental car is ultimately returned.

### **6.3 Exclusion from Gross Receipts**

- A. Each exclusion from Gross Receipts shall be segregated in the Operator's monthly statement of Gross Receipts under this Agreement.
- B. Any taxes now or hereinafter levied or imposed by any local, state, or federal law which are separately stated in the rental agreement are paid by the customer and which are directly payable to the taxing or tax collecting authority by the Operator. This exclusion shall include automobile license fees, if separately stated on the rental agreement are paid by the customer.
- C. Sums received as insurance proceeds or otherwise for damage to automobiles or other property of Operator; sums received for loss, coverage, or abandonment of Operator's automobiles; and amounts paid by customers or Operator and billed as separate charges to satisfy Operator's right to recovery from customers for damage to the automobile rented.
- D. Any sums received from the disposal or furniture, fixtures, and equipment.
- E. Any sums received from a customer for reimbursement of impound fees, Tolls, redlight tickets and parking tickets including the administration

thereof.

- F. Fueling charges and CFCs
- G. Corporate discount rebates, but only to the extent that Operator provides auditable proof to District that the discounts or rebates are specifically attributable to rental agreements with customer at the Airport.
- H. Each transaction made during installment or credit shall be treated as a transaction for the full price in the month during which such charge or transaction occurs, regardless of when the Operator receives payment, whether full or partial.
- I. In no event shall the Operator's Gross Sales from any transaction be negative in any revenue for purposes of this Agreement.
- J. Operator may pass through the 10% concession fee to its customer and may "gross up" the concession fee pass thru because concession fee revenue is included as Gross Receipts per Section 6.2 Gross Receipts of this Agreement. The amount of concession fee pass thru should not exceed 11.11% on the rental car invoice.
- K. Gross sales shall not be reduced by bank charges, uncollected or uncollectible credit accounts, charges made by collection agencies, bad debt losses, or any other commission or other amount paid out or rebated by the Operator to travel agents or others with respect to any rental or sale of goods or services.

## **7. CUSTOMER FACILITY CHARGE**

District has authorized a Customer Facility Charge ("CFC") of \$10 per rental agreement. Tenant is required to collect this fee from all customers and remit this collection to the Airport. Subject to applicable regulatory requirements, District reserves the right to modify and/or amend the previously approved CFC following consultation with the Tenant.

Tenant agrees that: (a) the CFC is not income, revenue or any other asset to Tenant; (b) Tenant has no ownership or property interest in the CFC; (c) Tenant hereby waives any claim to a possessory or ownership interest in the CFC; (d) the CFC shall be the property of the Airport and shall be held in trust by Tenant for the benefit of the Airport; and (e) the Airport (or a trustee on its behalf) has complete possessory and ownership rights to the CFC.

## **8. ADJUSTMENT OF RENTS/RENTAL RATES**

**8.1 Adjustments.** An adjustment shall be made at the end of each and every Lease Year with respect to any underpayment or overpayment of the Concession

Fee, including any adjustments on account of MAG abatement. The monthly rents/rental rates may be adjusted from time to time to conform to rates and charges established by any resolution or ordinance by the District's Board of Directors to apply uniformity at the Airport.

**8.2 Notification Letter.** District will notify Tenant of rents/rental increases (whether as a result of annual adjustment or otherwise) by sending a notification letter stating the new rent/rental rates and effective date of the increase, which effective date shall not be less than 30 days after the notice is sent to Tenant. Provided that notice is timely sent, it shall not be necessary to amend this Agreement in order for the rent/rental rates to become effective as of the date specified in the notice.

**8.3 Security and Faithful Performance Deposit.** Tenant shall promptly upon entering into this Agreement, provide the District with a security deposit in the form of cash/bond/Letter of Credit in the amount of four months' total monthly rent. Tenant shall increase the security deposit so as to maintain on deposit at all times an amount equivalent to four month's then current total monthly rent.

**8.4 Other Utility Fees.** Electric power, Water, and Sewer are provided through the District and will be charged to Tenant on a prorated basis, based on the District's reasonable estimate of Tenant's usage. Trash, disposal, telephone service and all other utilities shall be the responsibility of Tenant.

## **9. PAYMENT PROCEDURE**

**9.1 Minimum Annual Guarantee.** Except as provided in this Agreement, one twelfth (1/12<sup>th</sup>) of the Minimum Annual Guarantee is due and payable on the first (1<sup>st</sup>) day of each calendar month during the Term of this Agreement and is delinquent if not paid within (5) calendar days of when due and payable.

**9.2. Monthly Statement of Gross Receipts and Percentage Fee Payment.** On or before the twentieth (20<sup>th</sup>) day of each following month during the term of this Agreement, Operator shall deliver to the District a correct statement and all applicable fees as follows:

- A. The total Gross Receipts for proceeding month.
- B. The Percentage Fee calculated for the total Gross Receipts for the preceding month (exclusions from Gross Receipts shall be itemized); and the total amount of fees due for the preceding month.

**9.3 Monthly Payment.** Each monthly payment shall include the greater of the following two amounts: the Percentage Fee computed for the preceding month to one-twelfth (1/12<sup>th</sup>) of the Minimum Annual Guarantee. The monthly payment is due and payable on the twentieth (20<sup>th</sup>) day of each following calendar month during the Term of this Agreement, and delinquent if not paid with five (5) days of when due and



payable.

**9.4 Cumulative Minimum Annual Guarantee and Percentage Fee.** Once the cumulative Minimum Annual Guarantee monthly payment and the Percentage Fee monthly payment aggregate to the Minimum Annual Guarantee for the applicable year of the Agreement, only the Percentage Fee shall be paid for the balance of the year.

**9.5 Place of Payment.** All rents and fees, together with the accompanying reports and statements of Gross Receipts, shall be mailed to the following address:

**Monterey Peninsula Airport District**

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

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

**9.6 Charge For Late Payment.** Operator hereby acknowledges that the late payment of fees or any other sums are due hereunder will cause District to incur costs not contemplated by this Agreement, the exact amount of which will be extremely difficult to ascertain. Such costs include but are not limited to costs such as administration processing of delinquent notices, increased accounting costs, etc.

Accordingly, if any payment of fees as specified in Section 11.1 "Concession Fees" of this Agreement, or any other sum due to the District is not received by the District within 5 days following the due date, a late fee of five (5%) of the payment due shall be added to the payment, and the total sum shall be due and payable to the District.

Operator and the District hereby agree that such late charges represent a fair and reasonable estimate of the costs that District will incur by reason of Operator's late payment. Acceptance of such late charges (and/or any portion of the overdue payment) by District shall in no event constitute a waiver of Operator's default with respect to such overdue payment or prevent District from exercising any other rights and remedies granted hereunder.

**10. RECORDS AND ACCOUNTS**

**10.1 Records.** Operator shall, at all times during the term of this Agreement, keep or cause to be kept true and complete books, records, controls, and accounts of all financial transactions, including the CFC's as applicable, in the operation of all business activities, to be supported by source documents such as sales slips, cash register tapes, purchase invoices, rental car contracts or other pertinent documents.

**10.2 The Accounting Year.** The accounting year shall be twelve (12) calendar months, commencing on the first day of January and ending the last day of December.

## **11. ANNUAL RECONCILIATION**

**11.1 Concession Fees.** The District will submit an annual reconciliation of concession fees within ninety (90) days of the end of each Accounting Year. No adjustment of concession fee and/or monthly Minimum Annual Guarantee Payments will be allowed from the Operator after one hundred fifty (150) days.

**11.2 Customer Facility Charges.** Within ninety (90) days of the end of each Accounting Year, Operator shall provide an annual reconciliation of CFC revenue, if applicable. The reconciliation shall be prepared and certified as to accuracy by a Certified Public Accountant or the Tenant's Financial Officer. Any substantiated overpayment will be refunded to Operator within forty-five (45) days of receipt or report. Underpayments will be billed.

Operator acknowledges that any and all of the "Financial Statements" submitted to the District pursuant to this Agreement are Public Record and subject to the public inspection. Income tax returns, if submitted to the District pursuant to this Agreement, shall be treated by the District as Confidential Business Information and therefore not subject to public inspection.

**11.3 Audits.** All Operator's books of account and records and supporting documents related to this Agreement or to business operations conducted within or from the Airport shall be made available to District upon reasonable notice. District shall, through its daily authorized agents or representatives, have the right to examine and audit said books of account, records, and supporting source documents at any and all reasonable times, upon prior written request, for the purpose of determining the accuracy thereof, and of the monthly statements of sales made, CFCs collected, and monies received. Income tax returns, if submitted to District pursuant to this Agreement, shall be treated by District as confidential business information and therefore not subject to public inspection, subject to applicable law.

The full cost of said audit, as determined by District, shall be borne by Operator either of the following conditions exists:

- A. Underpayment.** The audit reveals and underpayment of more than three percent (3%) between the fees due and reported and paid by Operator in accordance with this Agreement and the fees due as determined by said audit; and/or
- B. Adequacy of Records.** Operator failed to maintain true and complete books, records, and accounts and supporting source documents in accordance with Paragraph 10, entitled Records and Accounts. The adequacy of records shall be determined by District in its sole and absolute discretion.

Otherwise, District shall bear the cost of said audit, except expenses related to the audit of documents kept outside the limits of Monterey County.

Upon the request of District, Operator shall promptly provide, at Operator's expense, necessary data to enable District to fully comply with any requirement of the State of California or the United States of America for information or reports relating to this agreement and to Operator's use of the Airport. Such data shall include, if required, a detailed breakdown of Operator's receipts and expenses.

**C. Possessory Interest/Taxes.** Pursuant to Section 107.6 of the California Revenue and Taxation Code, Operator's interest in the Premises may be subject to property taxation on the possessory interest created by this Agreement. Operator agrees to pay, before delinquency, all lawful taxes, including taxes on Operator's possessory interest, which, during the term hereof, may be or become a lien or be levied upon the real property, improvements or personal property situated upon the Premises, or upon the subject matter of this Agreement.

## **12. ASSUMPTION OF RISKS**

Operator represents that Operator has inspected said Airport and Premises, and all facilities thereupon and in connection therewith, and that Operator accepts the condition of same and fully assumes all risks incidental to use thereof. District shall not be liable to Operator for any damages or injuries to the property of person, or to other agents, employees, or business visitors of Operator, which may result from hidden, latent, or other dangerous conditions upon said Airport Premises or which may result from any condition of fire, construction, earthquake, flood, rainfall, or escape from any channel, regardless of the cause thereof.

## **13. DESIGNATION, ALLOCATION AND/OR RELOCATION OF READY PARKING SPACES/TOWER VEHICLE STORAGE SPACES/OVERFLOW VEHICLE STORAGE AREA**

**13.1 Allocated Spaces.** District has initially allocated to Tenant the number of Ready Parking Spaces, the number of Tower Vehicle Storage Spaces, and the amount of Overflow Vehicle Storage Area within the Premises as is set forth in Exhibits "C", "D", and "E" attached to this Agreement. District reserves the right, from time to time, to reallocate the number of Ready Parking Spaces, the number of Tower Vehicle Storage Spaces and the amount of Overflow Vehicle Storage Area among the various rental car operators at the Airport, based on the market share held by each Operator or other reasonable means as District may in its reasonable business judgement they choose to employ.

**13.2 Review of Market Share.** District shall review rental car operator's market share each April. Market share data will compare the Gross Receipts reported to District for

the twelve months preceding April 1 (twelve months: April 1 through March 31). District shall reallocate the number of Ready Parking Spaces, the number of Tower Vehicle Storage Spaces and amount of Overflow Vehicle Storage Area among the rental car operators based on this analysis effective on May 31 each year. District shall have the right to relocate said Ready Parking Spaces, Tower Vehicle Storage Spaces and Overflow Vehicle Storage Area to other locations in the designated areas for other District purposes.

#### **14. IMPROVEMENTS**

Tenant shall not make any structural, mechanical, utility, appliance or sign changes, alterations, additions, or modification to the Premises or construct or install any new improvements to the Premises or enter into any contract for making of any or more of such, without the prior written consent of Airport's Executive Director. If Tenant desires to make improvements to the Premises, the proposed work of improvement presented to Airport's Executive Director in written form together with two sets of detailed plans for the proposed work. The District shall have thirty calendar days within which to approve or disapprove Tenant's proposal. If not approved by District in writing within the thirty-day period, the proposal shall be deemed to have been disapproved. District may condition its approval on the payment by Tenant to District or others of permitting fees. Tenant shall protect the Premises and District from any liens or other charges whatsoever, by reason of Tenant's improvements. In the event Tenant performs any work of improvement to the Premises without the consent of Airport's Executive Director, District may require that Tenant remove any and all improvements at Tenant's cost and expense. In each instance, the consent of Airport's Executive Director to any such alterations, additions, modifications, or improvements shall be deemed conditioned upon Tenant's full and faithful compliance with the provisions of this Agreement. Tenant further agrees that no banners, pennants, flags, eye catching spinners or other advertising devices, nor any temporary signs shall be permitted to be flown, installed, placed, or erected on the Premises without the prior written consent of Airport's Executive Director.

#### **15. TITLE TO IMPROVEMENTS**

Improvements of any kind placed on the Premises by Tenant shall, at the option of the District, be removed by Tenant at Tenant's expense on or by the termination date of this Agreement. As to any or all improvements owned by Tenant for which the District does not exercise the option for removal, title to those improvements shall vest in District without the cost to District without any payment to Tenant upon termination of this Agreement. Machines, appliances, equipment, and trade fixtures of any kind placed in the Premises by Tenant shall be removed by Tenant at the expiration or sooner termination or the term of this Agreement. Tenant agrees to repair any and all damage occasioned by the removal. If any machine, appliances, equipment, or trade fixtures are not removed within thirty days after the termination of this Agreement, they may be considered abandoned and shall become the property of District without cost to District and without payment to Tenant; except that

District shall have the right to have them removed at the expense of Tenant. During any period of time employed by Tenant remove machines, appliances, equipment, or trade fixtures extending beyond the expiration of earlier termination of this Agreement. Tenant shall continue to pay the full rental and other fees to District.

## **16. MAINTENANCE, CLEANLINESS, ALTERATIONS AND ADVERTISING**

**16.1 Maintenance.** District agrees to keep the roof, exterior walls, plumbing and heating facilities, and the basic electric distribution system of Tenant's counter and office space in good repair; provided however, that Tenant shall be responsible for all damage to District's property caused by any willful act of negligence of Tenant, its agents or employees. District agrees to provide janitorial service for the public space in the Terminal and to keep the public and passenger space in the terminal adequately supplied and equipped. District shall maintain adequate directional signs in the Terminal. Tenant assumes full and exclusive responsibility and liability for any damage or injury to any of Tenant's personal property, equipment, fixtures, and facilities at, in and about the Airport, and for any and all personal property belonging to others in Tenant's custody or possession at the Airport.

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

**16.3 Signage and Advertising.** Tenant shall obtain prior written approval from Airport Executive Director prior to erecting or displaying any directional signs at or on the Airport, which approval shall not be unreasonably withheld. Any and all advertising desired by Tenant on Airport property must be placed through the Airport's exclusive advertising concession operator.

## **17. COMPLIANCE WITH GOVERNMENTAL REQUIREMENTS**

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

## **18. PERMITS**

Tenant shall obtain and pay for any and all permits required by all federal, state, and local government entities for any and all work on alterations, additions, modifications, installations, or improvements accomplished by Tenant or by others on behalf of or for the benefit of Tenant or caused or allowed to be accomplished by Tenant on the Premises. Any consent from Airport's Executive Director required under this Agreement shall be separate from any other consents or approvals required by any federal, state, or other governmental agency.

## **19. DISTRICT RULES AND REGULATIONS**

District reserves the right to adopt, amend and enforce rules and regulations governing the Premises and the public areas and facilities used by tenant in connection therewith. Such rules and regulations shall be consistent with the safety, security, and all public utility of the Airport and with the rules, regulations, and orders of the Federal Aviation Administration ("FAA") and Transportation Security Administration ("TSA"), and such rules and regulations shall not be inconsistent with the provisions of this Agreement, or the procedures prescribed and approved by the FAA, or TSA with respect to the operation of the Airport. Tenant agrees to observe, obey, and abide by all such rules and regulations heretofore or hereafter adopted or amended by District, including compliance with FAA, TSA and airport security rules, regulations and plans. With respect to the Premises, it shall be the responsibility of Tenant to take all necessary measures to carry out requirements imposed by the TSA on District as operator of the Airport pursuant to the access control system requirements of Section 1542 of Title 49 of the Code of Federal Regulations or to other requirements of 1542; and Tenant may be required to pay any and all civile penalties imposed by the TSA on District in the event that Tenant fails to carry out any such security requirements.

## **20. INTERRUPTION OF UTILITY SERVICE**

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

## **21. INDEMNITY AND INSURANCE**

**21.1 Damages.** This Agreement is made upon the express condition that Tenant hereby waives all claim against District for damages to property or for injury or death to any person or persons from any cause excepting however, the negligence of District or any of its agents, employees or servants arising at any time.

**21.2 Insurance Coverage.** Upon execution of this Agreement and prior to Tenant's exercising any of the rights and privileges herein granted, Tenant shall, at Tenant's expense, obtain and, throughout the life of this Agreement, maintain in full force and effect, a broad form commercial coverage policy or policies of public liability insurance protecting both Tenant and District from claims of bodily injury and property damage which may arise out of Tenant's occupancy(ies) and use(s) of the Premises or any portion thereof, or which may arise as a result of any one, more, or all of Tenant's activities/operations on, to, or from the Airport under authority of this Agreement. The required insurance shall include bodily injury and property damage limits of not less than \$1,000,000 combined single limits. The general liability policy shall include Blanket Contractual Liability and Products Liability coverage. Tenant shall maintain Worker's Compensation and Employers' Liability policies in accordance with laws of the State of California and providing coverage for all employees of Tenant. All general liability policies shall name District as an additional insured where their interest may

appear for liabilities arising in whole or in part by the conduct of the Tenant or Tenant's customers. Insurance shall be with a company or companies with an AM Best rating of A- or better in the amounts of not less than the specified herein or in minimum amounts as may be subsequently adjusted by District in the exercise of its reasonable business judgment. Tenant shall always during the term of this Agreement, including any extensions or renewal of this Agreement, provide District with a certificate from the insurance carrier or carriers insuring District and Tenant as required by this section. Insurance policies shall provide written notice to District at least thirty (30) days prior to cancellation. Where policies have normal expirations during the term of this Agreement or of any extension of this Agreement, written evidence of renewal shall be furnished to District at least thirty days prior to expiration.

## **22. WAIVER OF SUBROGATION**

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

## **23. TAXES AND ASSESSMENTS**

Tenant shall pay, as and when due (but not later than fifteen days prior to the delinquency date) any and all taxes and general and special assessments of any and all types or description whatsoever which, at any time during the term of this Agreement are levied upon or assessed against Tenant, the Premises or any one or more of the improvements belonging to District or Tenant, or upon Tenant's interests in the Premises, improvements, or other property.

## **24. TENANT'S RIGHT TO APPEAL**

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

## **25. DEFAULT**

It is mutually understood and agreed that if any default be made in the payment of rent

or other charges dues under this Agreement or in the performance of the other covenants, conditions, or agreements contained in this Agreement, or if Tenant fails to fulfill in any manner that uses and purposes for which the Premises are rented, and if such detail is not to be cured within three days after the provision of written notice if the default is in the submittal of a report, in the payment of rent or in the performance of any other monetary obligation, or ten days after the provision of written notice if the default is in the performance of any non-monetary or other obligation, then District shall have the right to immediately terminate this Agreement. District shall further have all other rights and remedies as provided by law, including without limitation the right to recover damages from the detriment proximately caused by Tenant's failure to perform under this Agreement.

## **26. ASSIGNMENT AND SUBLETTING**

Assignment of this Agreement is prohibited. Without District's prior written consent, which shall not unreasonably be withheld, Tenant (including without limitation) any subtenant shall not either voluntarily or by operation of law hypothecate or encumber this Agreement or any interest in this Agreement, permit the uses of the Premises by any person or persons other than Tenant or sublet the Premises or any part of the Premises. Any transfer of this Agreement from Tenant by merger, consolidation, or liquidation, or the sale, conveyance, transfer by bequest of inheritance, or other transfer of a controlling interest in Tenant shall constitute an assignment of purposes of this Agreement. District's consent to a subletting shall not constitute a waiver of the necessity for such a consent to a subsequent or further subletting, whether by Tenant or any subtenant. Tenant acknowledges that District may evaluate the potential impact of a subtenant's operations on noise, traffic, parking, and other such factors in determining whether or not to give District's consent, and Tenant agrees that a denial of consent because of such concerns shall not be unreasonable.

## **27. DAMAGE OR DESTRUCTION OF PREMISES**

In the event of damage to or destruction by fire, the elements, acts of God, or any other cause of Tenant-constructed improvements located within the Premises or in the event Tenant-constructed improvements located within the Premises are declared unsafe of occupancy by a public entity with the authority to make and enforce such a declaration, Tenant shall, within ninety days of such damage, destruction commence and diligently pursue to completion the repair, replacement, or reconstruction of improvements necessary to permit full use and occupancy of the Premises for the purposes required by this Agreement. Repair, replacement, or construction of improvements within the Premises shall be accomplished in a manner according to plans approved by District; provided, however, the Tenant shall not be obligated to repair, reconstruct, or replace the improvements following their destruction in whole or substantial part except to the extent the loss is covered by insurance carried by Tenant.



## **28. BANKRUPTCY**

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

## **29. RECORDS, REPORTS, AND AUDITS**

**29.1 Records.** In order to ensure the availability of complete, up to date, and verifiable records with respect to any and all business conducted/done by Tenant under the authority of this Agreement. Tenant shall maintain and keep true and accurate accounts, records, books, and data, in accordance with generally accepted accounting principles, which shall, among other things, clearly and accurately show all sales made and services for cash, credit, or otherwise (without regard to whether pair or not); Gross Receipts; and the aggregate amount of sales, services, orders, and all of Tenant's business at Airport, or elsewhere under authority of this Agreement. All accounts, records, books, data, and any and all source, supporting, supplemental and/or backup documentation, including without limitation, any and all electronic data processing/machine/computer generated/retrievable records, reports, files, and registers, and/or computer tapes, disks, whether maintained by Tenant in Monterey or elsewhere, shall be retained by Tenant for a minimum of three years following the date on which they were created. Tenant, using either pre-printed, serially numbered blank-form type documents designed to be completed by hand, or serially numbered machine/computer-generated forms/documents, or a combination of these, shall ensure that a written receipt and/or Rental/Sale Agreement shall be issued for each and every rental, sale, and/or other transaction, whether for cash or credit or otherwise, which shall reflect all receipts associated with the rental/sale or other transaction to which the serially numbered document shall pertain.

**29.2 Reports.** Commencing with the month during which the effective date of this Agreement occurs, and then continuing monthly thereafter throughout the life of this Agreement, Tenant shall prepare and submit to District a detailed monthly statement showing the Gross Receipts of the business (broken down by the components identified in Section 6.2). The statements shall be prepared and submitted by Tenant with sufficient timeliness so as to be delivered not later than the twentieth calendar day of the month for which such statement shall be due. Tenant shall, within three months following the end of each complete operating year (i.e., the twelve-month period commencing July 1 and ending Jun 30) submit to District a detailed annual statement of Gross Receipts (broken down by components identified in Section 6.2) from the rental car business conducted by Tenant under authority of this Agreement, for the immediately preceding operating year. The annual statements shall be certified by Tenant's Financial Officer to be a complete, true, and accurate accounting of all Gross Receipts.

### **30. HAZARDOUS SUBSTANCES**

The provision of this Section, which govern Tenant's obligations with regard to hazardous substances, as defined below, shall survive termination of this Agreement.

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

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

**30.3 Compliance Regarding Hazardous Substances.** Tenant has complied and shall comply and cause all occupants of the Premises to comply, with all laws, regulations, and ordinances governing or applicable to Hazardous Substances which apply or pertain to the Premises. Tenant acknowledges that Hazardous Substances may permanently and materially impair the value and use of the Premises. Tenant acknowledges that Material Safety Data Sheets (MSDS) shall be submitted to District should Hazardous Materials be stored in excess of reasonable quantities required for Tenant operations.

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

**30.5 Site Visits, Observations, and Testing.** District and its agents and representatives shall have the right at any reasonable time to enter and visit the Premises for the purpose of observing the Premises, taking, and removing solid or groundwater samples, and conducting tests on the Premises. District is under no duty, however, to visit or observe the Premises or to conduct these tests. No site visit, observation or testing by District shall result in a waiver of any default of Tenant or impose any liability on District. In no event shall any site, observation or testing by District be a representation that Hazardous Substances are or are not present in, or under the Premises, or that there has been compliance with any law, regulation or ordinance pertaining to Hazardous Substances or any other applicable governmental law. In each instance, District shall give Tenant reasonable notice before entering the Premises or any other place District is permitted to enter under this Section. District shall make reasonable efforts to avoid interfering with Tenant's use of the Premises or any other property exercising any right provided in this Section.

**31. NON-DISCRIMINATION**

Tenant shall always abide by the requirements of the Standard Non-Discrimination and Airport Development Provisions for Leases attached as Exhibit "F". As used in Exhibit "F" the term "Lessee" shall be deemed to refer to Tenant and the term "Lease" shall be deemed to refer to this Agreement.

**32. COMPLIANCE WITH RULES AND REGULATIONS**

Tenant shall at Tenant's sole cost and expense and at all times during the term of this Agreement or any renewal or extension thereof comply with and observe all rules, regulations, ordinances, and laws which have been or may be promulgated by District relating to the Premises and the use of facilities of the Airport including all fire regulations, noise control regulations and security regulations. Such rules and regulations are hereby made a part of this Agreement and Tenant's failure to keep and observe the rules and regulations shall constitute a breach of terms of this Agreement in like manner as if the same were contained herein as covenants and conditions. District reserves the right to amend or supplement the rules and regulations and to adapt additional rules and regulations applicable to the Premises, to Tenant's use of the Premises, and the use of the facilities of the Airport, District shall have no obligation to Tenant as a result of violation of any such rules by any other person. Tenant shall always obey the statutes, codes, ordinances, laws and regulations of the United States of America, the State of California, the County of Monterey, and any other governmental entity having jurisdiction as the same may from time to time be amended during the term of this Agreement.

**33. COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS**

Tenant shall ensure that its use of the Premises and operations are at all times in compliance with Federal Water Pollution Control Act, National Pollutant Discharge

Elimination Permit, and the Monterey Peninsula Airport District Storm Water Prevention Plan.

**34. ATTORNEY'S FEES**

In the event any suit is commenced to enforce, protect, or establish any right or remedy of any terms and conditions hereof, including without limitation a summary action commenced by District under laws of the State of California resulting to unlawful detainer, the prevailing Party shall be entitled to have and recover from the losing Party attorney's fees and cost of suit.

**35. ACCESS BY DISTRICT**

Tenant shall permit District and its agents to enter the Premises at all reasonable times for any appropriate purpose, including, without limitation, the following purposes:

To inspect the Premises; to maintain the Airport; to maintain or make such repairs to the District as obligated or may elect to make; to make repairs, alterations, or additions to any other portion of the Airport; to post notices of non-responsibility for alterations, additions, or repairs; and to show the Premises to prospective purchasers or Tenants.

District's right of entry shall be without any rebate of rent to Tenant for any loss of occupancy or quiet enjoyment of the Premises occasioned by District's entry.

**36. TIME**

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

**37. ENTIRE AGREEMENT**

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

**38. NOTICES**

Wherever notice is required by the terms of this Agreement, notice shall be deemed complete upon personal service of written notice upon the Party to whom such notice is given, or such notice may be given by prepaid U.S. first-class mail addressed as follows:

If to District:  
Monterey Peninsula Airport District  
ATTN: Airport Executive Director  
200 Fred Kane Drive, Suite 200  
Monterey, CA. 93940

With Copy to  
Cole Huber LLP  
Attn: MPAD District Counsel  
2281 Lava Ridge Court #300  
Roseville, CA 95661

If to Tenant:  
Avis Budget Group  
6 Sylvan Way  
Parsippany, NJ 07054  
Attn: Vice President/General Manager

And such notice shall be deemed complete upon the deposit with the State of California.

### **39. CAPTIONS**

The headings and titles to the articles, sections or paragraphs of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.

### **40. APPLICABLE-LAW**

The laws of the state of California shall govern the validity, performance, and enforcement of this Agreement.

### **41. FORCE MAJEURE**

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

### **42. PARTIAL INVALIDITY**

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

**43. TENSE, NUMBER AND GENDER**

Each number, tense and gender used in this Agreement shall include any other tense, number, or gender, where the context and the Parties hereto or the context and references therein shall require. If Tenant shall consist of more than one person, all of the terms, covenants and conditions of this Agreement shall be joint and several as to Tenant.

**44. NO PARTNERSHIP**

District is not in any way or for any purpose a partner to Tenant in the conduct of its business or otherwise, or a joint ventures or a member of a joint enterprise with Tenant. The Provisions of this Agreement relating to the rent and other fees hereunder are included for the purpose of providing a method whereby the rent is measured and ascertained.

**45. EXHIBITS INCORPORATED**

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by reference as though fully set forth herein, whether attached.

**46. COUNTERPART COPIES**

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

**IN WITNESS WHEREOF, the** Parties hereto have executed this Agreement effective as of the day and year first above written.

**MONTEREY PENINSULA  
AIRPORT DISTRICT**

**AVIS BUDGET GROUP**

\_\_\_\_\_  
Michael La Pier, AAE  
Executive Director

\_\_\_\_\_  
By :  
Its :

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Scott E. Huber, District Counsel

## EXHIBIT A

Listed below are the Premises rented by Tenant (Article 2) with rental rates and monthly charges set by District beginning May 1, 2023 – January 31, 2024

### AVIS

- A. **Office Space.** 124 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$546.00.
- B. **Counter Space.** 245 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$1,078.00.
- C. **Ready Parking Spaces. May 1, 2023 – January 31, 2024:** 29 ready parking spaces at \$40.00 per space for a monthly rental fee of \$1,160.00.
- D. **Tower Vehicle Storage Spaces. May 1, 2023 – January 31, 2024:** 24 vehicle storage spaces at \$29.25 per space for a monthly rental fee of \$702.00.
- E. **Overflow Vehicle Storage Area. May 1, 2023 – January 31, 2024:** 8,420 square feet of additional storage area at \$0.15 per square foot, for a monthly rental fee of \$1,263.00.
- F. **Electricity Fee.** 369 square feet (office space plus counter space) x \$0.85 rate for a monthly electricity fee of \$314.00, which electricity fee shall be considered additional rent.

#### TOTAL MONTHLY RENT.

1. **May 2023 (Items A-F).** \$5,063

### BUDGET

- A. **Office Space.** 420 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$1,848.00.
- B. **Counter Space.** 259 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$1,140.00.
- C. **Ready Parking Spaces. May 1, 2023 – January 31, 2024:** 22 ready parking spaces at \$40.00 per space for a monthly rental fee of \$880.00.
- D. **Tower Vehicle Storage Spaces. May 1, 2023 – January 31, 2024:** 18 vehicle storage spaces at \$29.25 per space for a monthly rental fee of \$527.00.
- E. **Overflow Vehicle Storage Area. May 1, 2023 – January 31, 2024:** 6,186 square feet of additional storage area at \$0.15 per square foot, for a monthly rental fee of \$928.00.
- F. **Electricity Fee.** 679 square feet (office space plus counter space) x \$0.85 rate for a monthly electricity fee of \$577.00, which electricity fee shall be considered additional rent.

#### TOTAL MONTHLY RENT.

1. **May 2023 (Items A-F).** \$5,900



EXHIBIT B

Illustrated below are the office and counter space rented by Tenant (Section 3.1 and 3.2).

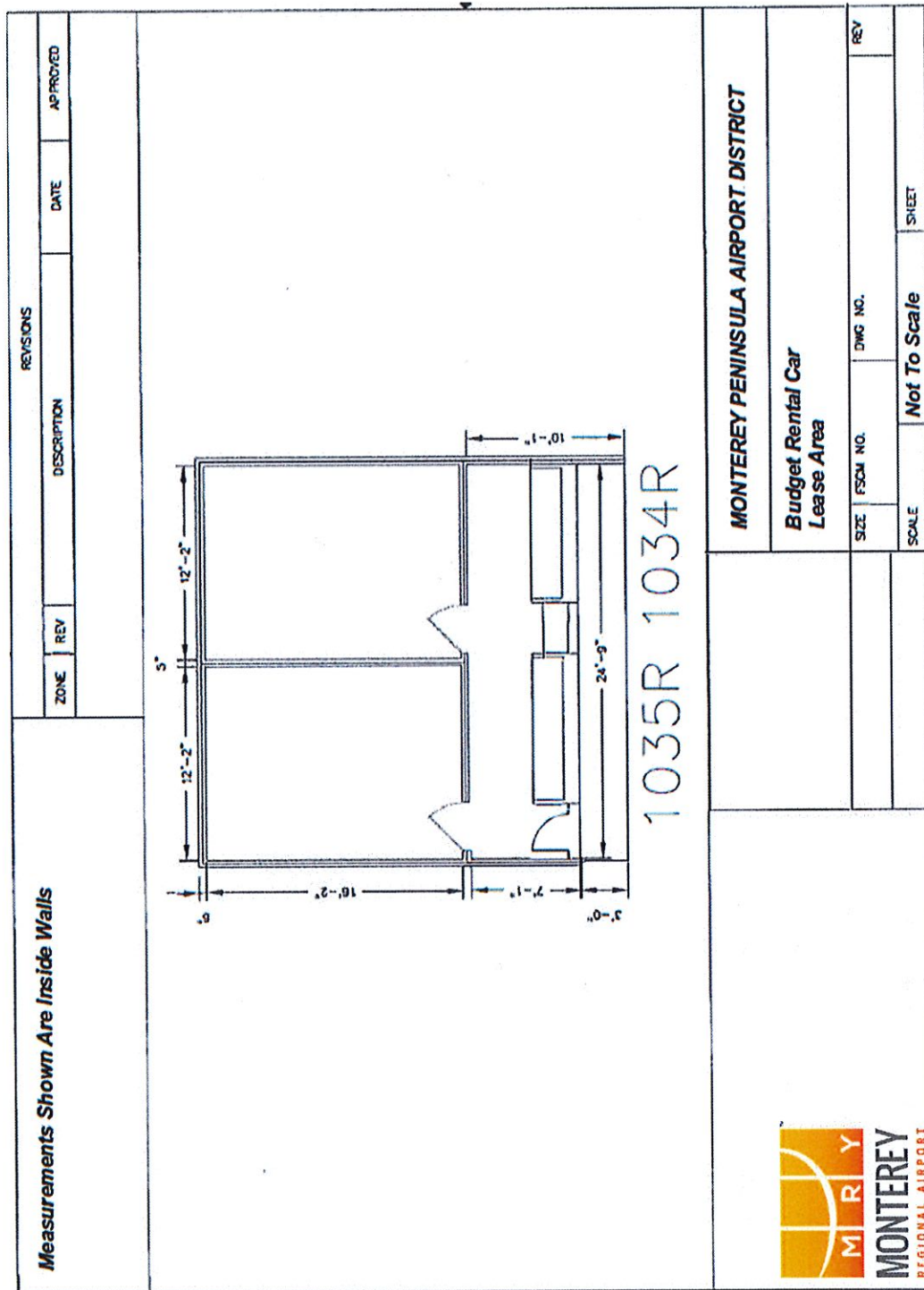
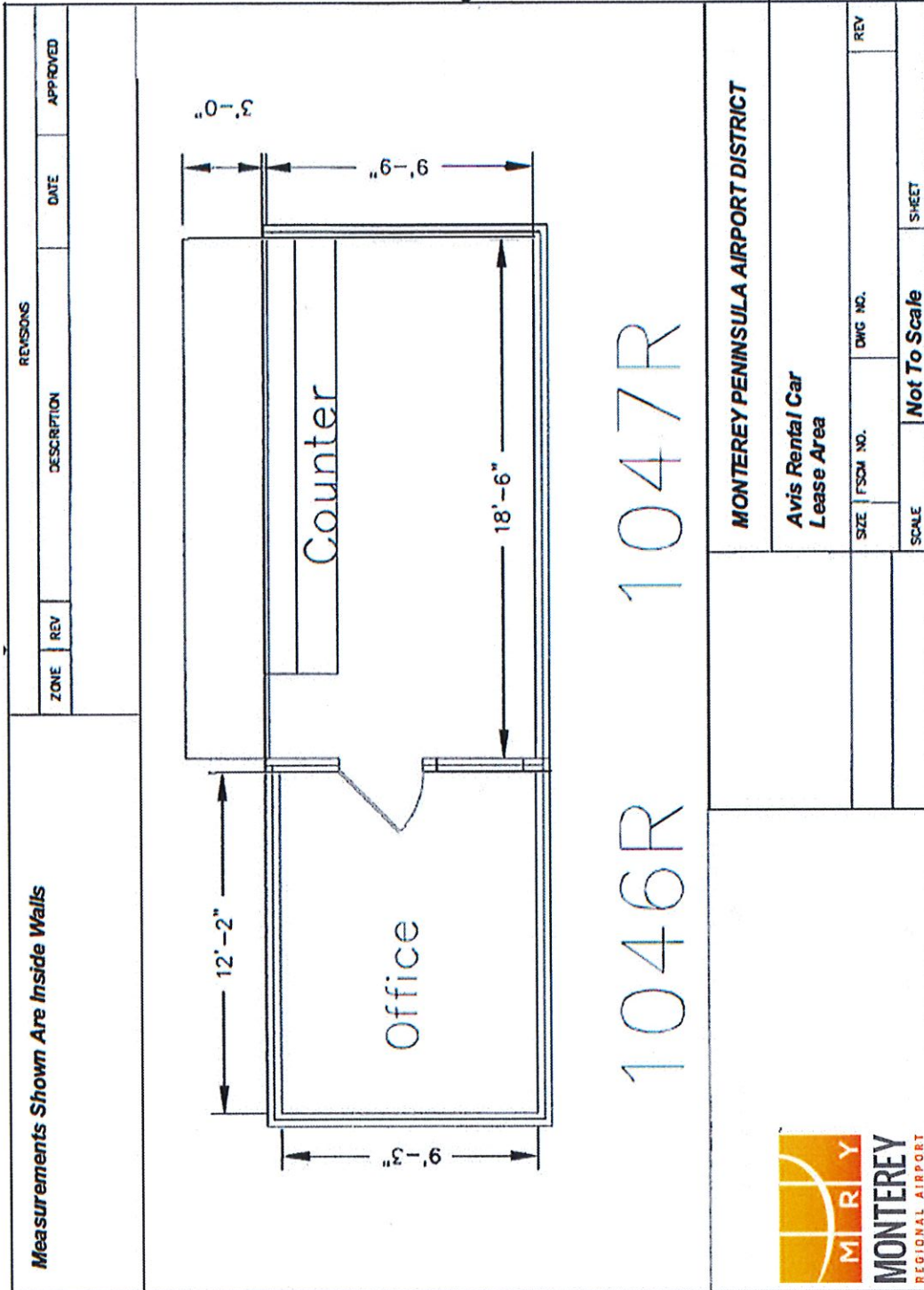


EXHIBIT B

Illustrated below are the office and counter space rented by Tenant (Section 3.1 and 3.2).



# EXHIBIT C

Illustrated below are the ready parking spaces rented by Tenant (Section 3.3)

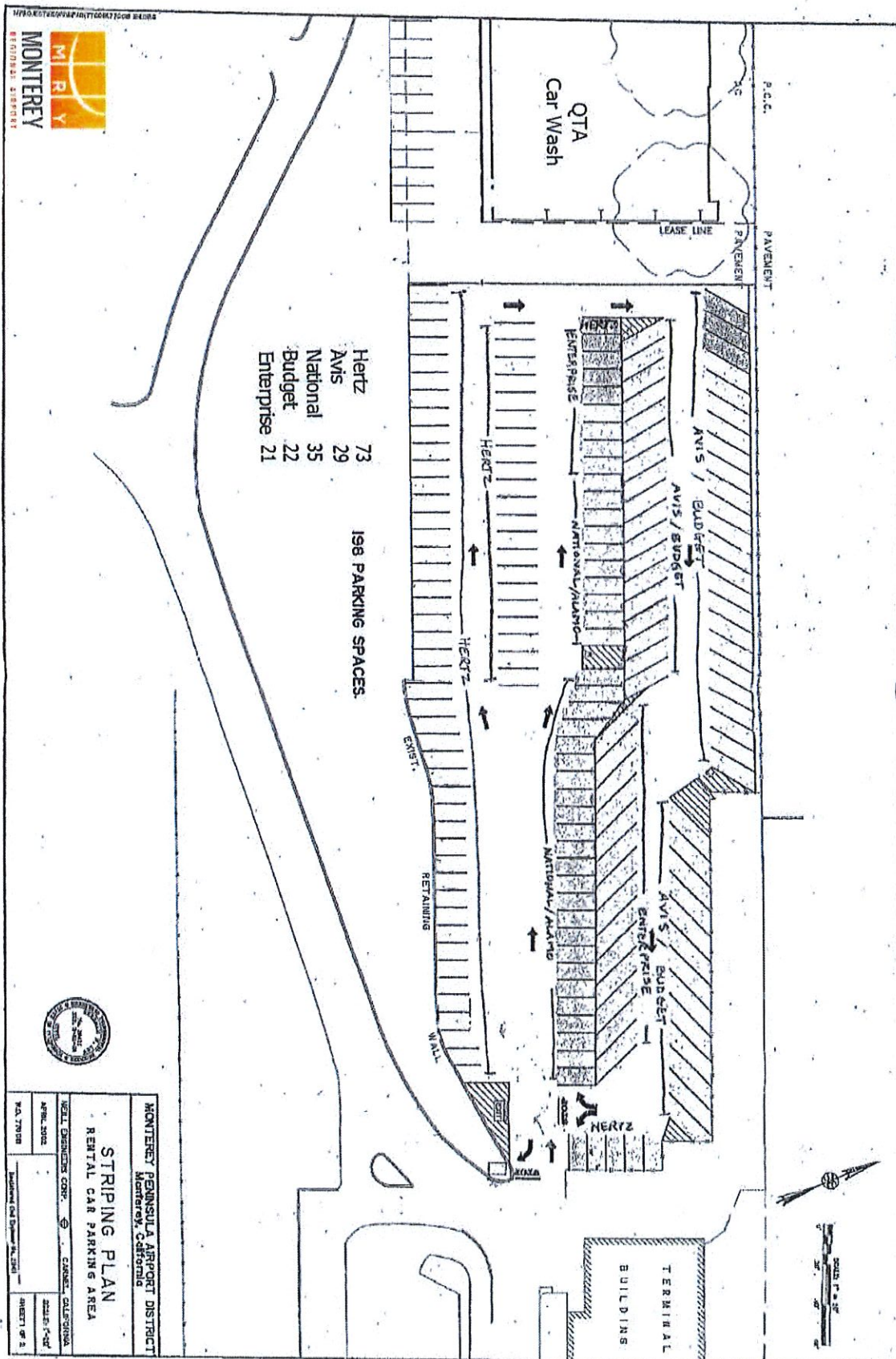


EXHIBIT D

Illustrated below are the tower vehicle storage spaces rented by Tenant (Section 3.4)

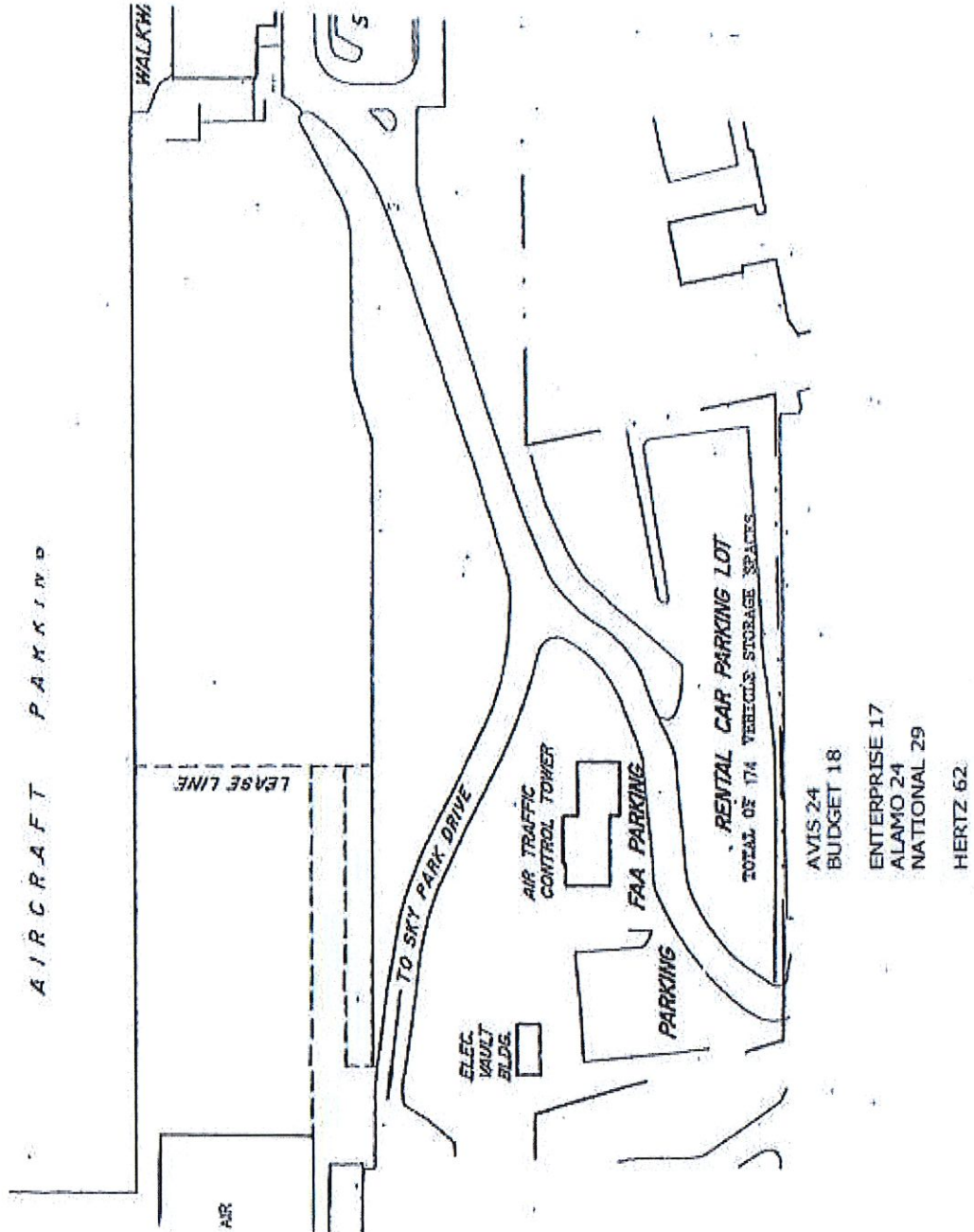
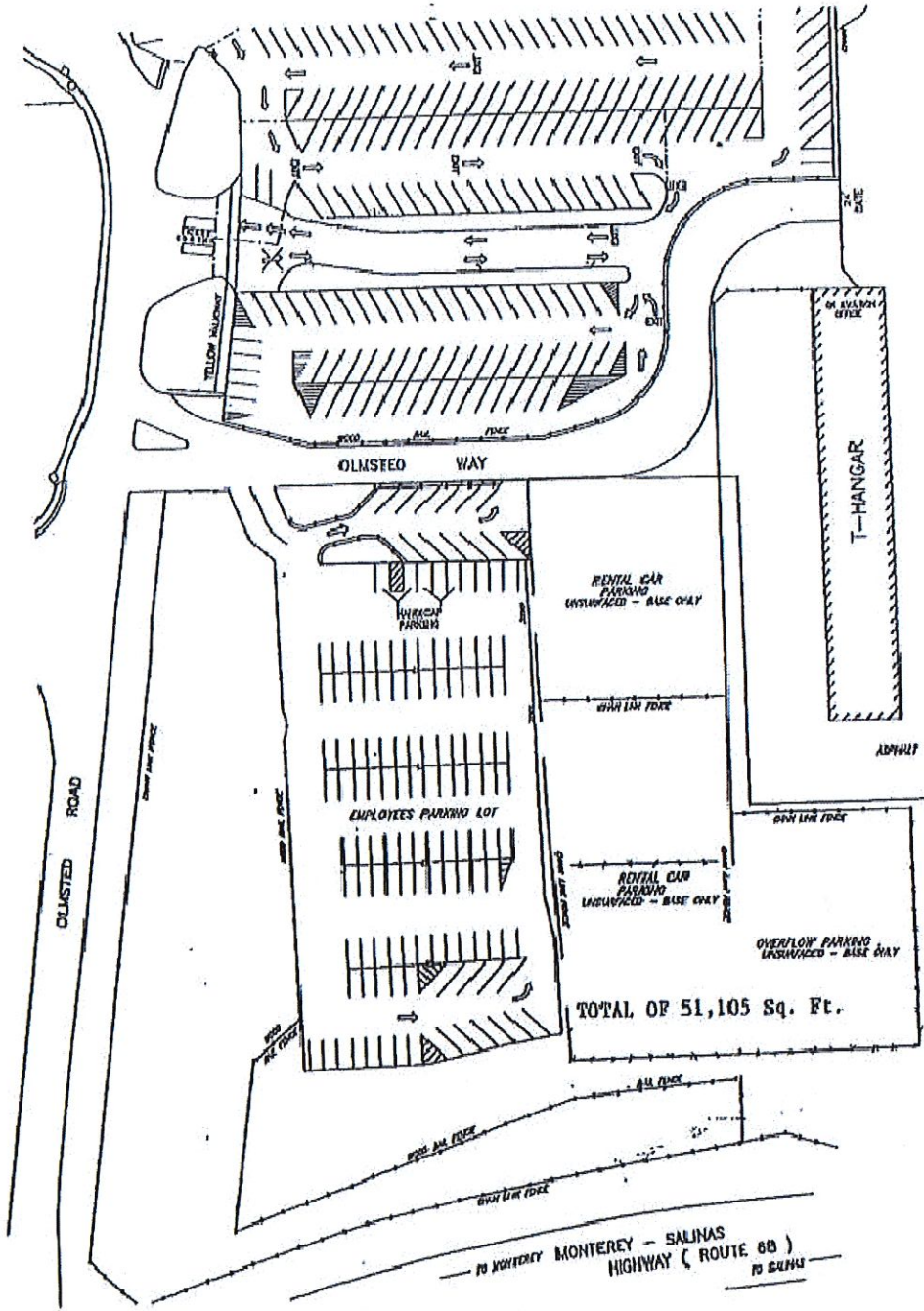


EXHIBIT E

Illustrated below is the overflow parking rented by Tenant (Section 3.5)



## EXHIBIT F

### STANDARD NONDISCRIMINATION AND AIRPORT DEVELOPMENT PROVISIONS AND LEASES

1. Lessee for himself/herself/itself and all heirs, personal representatives, successors in interest, and assigns, as a part of the consideration for these Lease to which these Standard Nondiscrimination and Airport Development Provisions for Leases are attached or made a part (hereinafter, the "Lease"), does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in the Lease (the "Premises") for a purpose for which a United States Department of Transportation ("DOT") program or activity is extended or for another purpose involving the provision of similar services or benefits, Lessee shall maintain and operate such facilities and services in compliance with all requirements imposed pursuant to Title 49, Code of Federal Regulations (CFR), DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the DOT effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
2. Lessee for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Lease, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under the Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, and (3) that Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
3. Lessee for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Lease, does hereby covenant and agree as a covenant running with the land that in the event of breach of any of the above Nondiscrimination covenants, Lessor shall have the right to terminate the Lease and to reenter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

4. Lessee shall furnish all accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchases.
5. Non-compliance with Provision 4 above shall constitute a material breach of the Lease and in the event of such non-compliance Lessor shall have the right to terminate the Lease and the estate thereby created with liability therefore or at the election of Lessor or the United States either or both said governments shall have the right to judicially enforce said provisions.
6. Lessee agrees that Lessee shall insert the above five provisions in any sublease, lease agreement or other contract by which Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Premises.
7. Lessee assures that Lessee will undertake and affirmative action program as required by 14 CFR Part 152, Subpart 3, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee assures that no person shall be excluded on these ground from participating in or receiving the services or benefits of any program or activity covered by this subpart. Lessee assures the Lessee will require that Lessee's covered suborganizations provide assurances to Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effect.
8. Lessor reserves the right to further develop or improve the landing area of the Monterey Regional Airport (the "Airport") as Lessor sees fit, regardless of the desires or view of Lessee and without interference or hindrance.
9. Lessor reserves the right but shall not be obligated to Lessee to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.
10. The Lease shall be subordinate to the provisions and requirements of any existing or future agreement between Lessor and the United States, relative to the development, operation or maintenance of the Airport.

11. There is hereby reserved to Lessor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation of the Airport.
12. Lessee agrees to comply with the notification and review requirements covered by Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.
13. Lessee by accepting the Lease expressly agrees for himself/herself/itself and all successors and assigns that Lessee will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the Premises covered by Part 77. In the event the aforesaid covenants are breached, Lessor reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Lessee.
14. Lessee by accepting the Lease expressly agrees for himself/herself/itself and all successors and assigns that Lessee will not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Monterey Regional Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, Lessor reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of Lessee.
15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a).
16. The Lease and all of the provisions thereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.



**MONTEREY PENINSULA AIRPORT DISTRICT ON-AIRPORT RENTAL CAR  
OPERATOR LEASE AND CONCESSION AGREEMENT**

THIS OPERATING AGREEMENT (“AGREEMENT”), dated as of May 1, 2023 (“Effective Date”) is made between the **Monterey Peninsula Airport District**, a special district of the State of California (“District” or “Airport”) and **Enterprise Rent-A-Car Co of San Francisco, LLC a Delaware limited liability company**, 2633 Camino Ramon #400, San Ramon Ca 94583, DBA Enterprise Rent A Car, Alamo Rent a Car and National Car Rental (“Tenant” or “Operator”), with reference to the following facts and objectives:

- A. District owns and operates the Monterey Regional Airport, a public airport located in the County of Monterey, State of California (“Airport”).
- B. Tenant is engaged in the management of an automobile business at the Airport commonly known as Enterprise Rent A Car and National Rent A Car, Alamo Rent A Car (National Alamo).
- C. District desires to grant and Tenant desires to hire and obtain certain rights, licenses, and privileges to operate at the Airport.
- D. District believes it is important to the travelling public that quality automobile transportation be available for hire or rental by air passengers arriving at the Airport and by other users of the Airport.

**NOW, THEREFORE**, District and Tenant agree as follows:

**1. TERMINATION OF PRIOR AGREEMENTS AND SEPARATE APPLICABILITY OF AGREEMENT**

This agreement shall terminate and supersede the Rental Agreement dated July 1, 1994 and June 12, 1995, respectively between District and Tenant, and the Rental Agreement dated July 1, 1994 and June 12, 1995 respectively between District and Tenant are of no further force and effect.

**2. PREMISES**

District rents to Tenant, and Tenant hires from District, those areas of the types described below, each as is more particularly defined or shown in Exhibit “A” attached to this Agreement (the “Premises”). Tenant shall use the Premises and Airport solely for the purpose of providing automobile rental services to the public.

**3. TERM**

The term of this Agreement shall commence on May 1, 2023 and shall terminate on January 31, 2024 (“Initial Term”). Upon completion of the Initial Term, this Agreement will automatically renew and continue for successive one (1) year terms (“Successive Term”), unless a written notice of non-renewal is delivered by a Party to the other Party no later than one hundred eighty (180) days prior to the completion of the Initial Term or Successive Term, or unless this Agreement is sooner terminated pursuant to the provisions of this Agreement.

**3.1 Office Space.** Multi-purpose office space located in the Airport Terminal as depicted on Exhibit "B".

**3.2. Counter Space.** Multi-purpose counter space adjacent to the office space in the Airport Terminal as depicted in Exhibit "B". Any portion of the counter space area that is within the common-use corridor of the corridor of the Airport Terminal shall be rented to Tenant on a non-exclusive basis.

**3.3 Ready Parking Spaces.** Ready parking spaces within a common-use lot adjacent as depicted on Exhibit "C".

**3.4 Tower Vehicle Storage Spaces.** Vehicle storage spaces within the common-use lot located east of the FAA Tower Parking Area as depicted on Exhibit "D".

**3.5 Overflow Vehicle Storage Area.** Unimproved parking area within a common use lot located in the vicinity of the intersection of Highway 68 and Olmsted Road as depicted on Exhibit "E".

**3.6 Substitute Property.** The Parties acknowledge that the District intends to construct a new terminal. In the event that the District determines, in its sole and absolute discretion, that it needs to reacquire any of the property leased to Tenant through this Agreement, the District shall provide substitute property in similar size and functionality as the property that the District reacquires. The District shall provide as much notice as possible to Tenant prior to the reacquisition of property, but in no event shall the Tenant receive less than ninety (90) days' notice.

#### **4. TENANT'S RESPONSIBILITIES**

**4.1 Equipment and Fixtures.** Tenant, at its own cost and expense, will be required to provide in its concession area all equipment, fixtures, decorations, materials and supplies which Tenant may need to conduct the rental car operation in a first-class, business-like manner, and all of which shall be of high quality, safe, modern in design, attractive in appearance and in keeping with the general architecture and décor of the Airport Terminal's facilities, and all of which shall be subject to written approval of Airport's Executive Director prior to installation.

**4.2. Business Hours.** Tenant's business hours shall remain open to serve seven days per week from 40 minutes before the time of the first scheduled airline arrival, to a time that is least forty minutes after the actual time, scheduled or delayed, of the last airline arrival. If Tenant operates from more than one counter, then Tenant shall be permitted to staff the multiple counters with a single employee. Tenant's schedule of business hours shall be subject to periodic review upon the written request of Tenant to Airport's Executive Director or Airport's Executive Director to Tenant. As a result, Airport's Executive Director may require an expansion or allow reduction of the hours of operation as public demand requires. In addition to any other remedies available to District as outlined in this Agreement, in the event that

Tenant Client fails to operate the counter with personnel during the business hours outlined in this paragraph, the District will suffer a substantial injury for which it is impracticable or extremely difficult to fix actual damages. In an effort to establish, or liquidate, in advance the sum that should represent such damages, Tenant agrees to pay District \$500.00 per day for each and every day that the Tenant fails to operate the counter with personnel during the business hours outlined in this paragraph. The Parties acknowledge and agree that the sums payable under this paragraph shall constitute liquidated damages and not penalties and are in addition to all other rights of the District, including the right to call a default under this Agreement.

**4.3 Supervision.** Tenant shall always retain an active, qualified, competent, and experienced representative, authorized to represent, and act for Tenant, to supervise its operations at the Airport. During any temporary periods of absence by Tenant's representative, an alternate representative of Tenant with like authorization must be present. Tenant shall always keep Airport's Executive Director advised as to who Tenant's representative is and how immediate communication can be established with that representative on a 24-hour basis in the event of an emergency.

**4.4 Employees.** Tenant's employees shall be clean, courteous, efficient, and neat in appearance. Tenant shall not employ any persons in or about the Airport who shall use improper language or act in a loud or boisterous or otherwise improper manner. While on duty and in public view, employees shall limit the use of cell phones and earphones. Upon written notification to Tenant that any person employed by Tenant at the Airport, is, in the District's opinion, disorderly, discourteous, unkempt, or otherwise unsatisfactory, immediate, and appropriate corrective action shall be taken by Tenant to ensure that such unsatisfactory and unacceptable conduct does not reoccur.

**4.5 First-Class Operation.** Tenant shall operate the rental car operation in a first-class manner, in accordance with the highest standards for this type of service at other airport terminals and within the rental car industry. The rental car service shall be prompt, clean, courteous, efficient, and otherwise of the highest quality, and adequate to meet all reasonable demands for rental car services at the Airport.

**4.6 Number and Condition of Automobiles.** Tenant, at its own cost and expense, shall always maintain on the Airport an adequate number of automobiles to reasonably meet the public demand. All automobiles shall at all times be maintained by Tenant, at its own cost and expense, in good operating order and free from known mechanical defects and shall be kept in clean, neat, and attractive condition, inside and out.

**4.7 Vehicles Sales.** Tenant shall not operate vehicle sales on the Premises without first obtaining the written consent of Airport's Executive Director, which shall not be unreasonably withheld, and provided that such vehicle sales

operations shall be subordinated to all of Tenant's rental car operations at the Airport. District shall have strict control of this activity and may at any time immediately suspend this activity if, in the sole discretion of Airport's Executive Director, the vehicle sales operation adversely impacts the Airport. The use of any signs, spotlights, balloons, banners, or other promotional type of activities which are commonly used in connection with vehicle sales operations are strictly prohibited. All revenue generated from vehicle sales operations conducted on Airport property shall be considered Gross Revenue.

## **5. CONCESSION AND FACILITY FEES**

**5.1 Minimum Annual Guarantee and Percentage Fee.** Tenant shall pay to District as compensation for the concession privileges granted under the Agreement the greater of the Minimum Annual Guarantee or a Percentage Fee equal to ten percent (10%) of the Gross Receipts derived by Tenant from the operation of its automobile rental business, at the Airport, as authorized by the Agreement.

**5.2 Minimum Annual Guarantee.** The Minimum Annual Guarantee (MAG) for the first year of this agreement shall be Three Hundred Sixty Thousand Dollars (\$360,000.00) per year. The MAG for each Successive Term of this Agreement shall be 85% of the Tenant's actual Concession Fee paid to the District for the previous contract year of this agreement, but in no event shall the MAG drop below Three Hundred Sixty Thousand Dollars (\$360,000.00) per year.. For any period of less than one (1) calendar year that this Agreement shall be in effect, the Minimum Annual Guarantee shall be calculated on a pro rata basis. Payments of one-twelfth (1/12) of the MAG shall be due in advance without demand, offset of invoice of the first (1<sup>st</sup>) day of each month during the term of this Agreement.

**Percentage Fee.** The Percentage Fee for each year of this agreement shall be calculated as ten percent (10%) of Gross Receipts from all business operations conducted on the Premises in accordance with Section 6.2.

**5.3 Payment of Minimum Annual Guarantee, Percentage Fee, and Other Fees.** All payments and fees shall be due and payable monthly in accordance with the provisions of Paragraph 9.

**5.4 Tenant's Right of MAG Abatement.** In the event that the following condition exists during the term of this Agreement, the minimum annual guarantee hereinabove provided for in Section 5.2 above shall be abated for the period of time the condition exists:

**A.** A major traffic reduction at Airport. A major traffic reduction shall be defined as a fifteen percent (15%) reduction in the number of passengers deplaning on scheduled airline flights at the Airport, during any period of three (3) consecutive calendar months as compared to the number of such deplaning passengers in the same calendar months during the 2022 calendar year. For example, if May, June

and July have a traffic reduction of 17%, 20% and 26% respectively, then the 1/12th minimum annual guarantee payment beginning May would be abated.

**B.** If the major traffic reduction continues for additional months, the abatement will continue as well, until there are three (3) consecutive calendar months when traffic does not fall below the 15% threshold, at which time the full minimum annual guarantee payment shall be made beginning the following month.

**C.** This major traffic reduction can only be identified after any three-month period ends; however, the major traffic reduction exists for any three-month period when all three months had a not less than 15% reduction in passenger deplanements. Overpayments of the MAG will be credited to the Tenant during the year-end reconciliation process Section 8.

**D.** Tenant shall continue to pay the Percentage Concession Fee during this abatement period.

**6. RENT**

**6.1 Commencement Date.** Starting on the Commencement date of this Agreement and continuing each month thereafter, Operator shall pay the following rent to the District:

**A. Airport Terminal Building Rent.** Operator shall pay the current Airport Rates and Charges square footage rate for their uses and occupancy of a portion of the Airport Terminal Building as outlined in Exhibits “A” and “B”.

1. Tenant shall pay the current Airport Rates and Charges square footage rate for their uses and occupancy of a portion of the Airport Terminal Building as outlined in Exhibits “A” and “B”. Operator’s current monthly rate is \$4.40 per square foot. Adjustments to this rent will be in accordance with the Airport’s Rate and Charges modifications approved by the District and shall occur annually every July 1 throughout the term of this agreement. Initial rent shall be calculated as follows:

**ENTERPRISE**

Monthly Rent	Monthly Rent Amount
Counter	\$533.00
Stowage Parking	\$497.00
Ready Park	\$840.00
Office	\$902.00

**NATIONAL /ALAMO**

Monthly Rent	Monthly Rent Amount
Counter	\$1,082.00
Stowage Parking	\$848.00
Ready Park	\$1,400.00
Office	\$528.00

**B. Parking Rent.** If operator needs additional parking outside of the designated areas on Exhibits “C”, “D”, and “E”, Rental Car Parking, Return Lot and Staging Areas, the Airport, or Airport’s parking management company, will designate parking stalls, if available on the Airport for

additional automobile rental parking only. The charge for this parking will be listed in the Master Fee Schedule or Airport Rates and Charges under Vehicle Parking Fees; Landside Parking; Commercial Tenant Long-Term Lot Fee. Operator must give prior notice of the number of parking spaces that the Operator requires and pay the fee(s) in accordance with this section. Any automobile belonging to Operator found parked on the Airport (not including allocated parking spaces in Exhibits "C", "D", and "E") without permission shall pay the District the amount of \$50.00 per day per automobile until moved. Each unauthorized vehicle is also subject to ticketing by Airport personnel and/or any law enforcement agency having jurisdiction at the Airport; these fines will be in addition to the \$50.00 per day per unauthorized automobile charge.

**6.2 Gross Receipts.** Gross receipts shall include, but shall not be limited to, all revenues from the following:

- A.** The rental or sale of goods or services under this Agreement, including, but not limited to, all monies or other consideration generated or received by Operator for the conducts of business pursuant to this Agreement, unless specifically excluded below in section 6.3 "Exclusion from Gross Receipts". Gross Receipts shall be determined by the total of charges listed on a customer receipt less any items specifically excluded. All monies or other consideration shall include the following:
  - 1.** Time and Mileage Charges and Rental Charges; Fees for insurance coverage, including Loss Damage Waiver (LDW); Partial Loss Damage Waiver (PDW); Additional (Supplemental) Liability Insurance (ALI/SLI); Personal Accident Insurance (PAI); Personal Effects Protection (PEP); Extended Roadside Assistance; Emergency Sickness Protection; and all other insurance coverage items offered now or in the future during the term of this Agreement.
  - 2.** Fees for rental equipment, including child safety seats, satellite radio access, recreational gear and car racks for recreational gear, tire chains, personal computers, GPS systems, and any other equipment offered now or in the future during the term of this Agreement.
  - 3.** Additional fees charged to Customers, including: Additional and underage fees; Upgrade and exchange fees; Fees for fueling; Pre-paid and other petroleum products; Inter-County charges (drop fees); Transportation fuels; Early and late fee return fees; Parking fees, including fee for valet parking; toll device fees (excluding Tolls themselves); Tire and battery fees; Concession Recovery fees; Automobile license recovery fees; Frequent flyer recovery fees; Fees for miscellaneous services including road side assistance;

Other fees charged now or in the future during the term of this Agreement.

4. The value of coupons and vouchers purchased by corporations and tour companies, either in advance or invoiced after use, if the rental charges are not shown in the actual receipt.
5. The contacting for delivering, picking up, or renting of rental automobiles from the Airport property, regardless of ownership, area, fleet, or location assignment and without regard to manner in which, or place at which, the rental automobiles are ordered or furnished or where the rental automobiles are returned, and without regard to duration, or of where, how or by whom payment is made.
6. A transaction in which a rental automobile is exchanged elsewhere when the rental automobile was originally contracted for, delivered, supplied, or rented at the Airport. The Operator shall not allocate transactions to any other location, regardless of which city or location own the rental car, or where the rental car is ultimately returned.

### **6.3 Exclusion from Gross Receipts**

- A. Each exclusion from Gross Receipts shall be segregated in the Operator's monthly statement of Gross Receipts under this Agreement.
- B. Any taxes now or hereinafter levied or imposed by any local, state, or federal law which are separately stated in the rental agreement are paid by the customer and which are directly payable to the taxing or tax collecting authority by the Operator. This exclusion shall include automobile license fees, if separately stated on the rental agreement are paid by the customer.
- C. Sums received as insurance proceeds or otherwise for damage to automobiles or other property of Operator; sums received for loss, coverage, or abandonment of Operator's automobiles; and amounts paid by customers or Operator and billed as separate charges to satisfy Operator's right to recovery from customers for damage to the automobile rented.
- D. Any sums received from the disposal or furniture, fixtures, and equipment.
- E. Any sums received from a customer for reimbursement of impound fees, Tolls, redlight tickets and parking tickets including the administration thereof.

- F. Fueling charges and CFCs
- G. Corporate discount rebates, but only to the extent that Operator provides auditable proof to District that the discounts or rebates are specifically attributable to rental agreements with customer at the Airport.
- H. Each transaction made during installment or credit shall be treated as a transaction for the full price in the month during which such charge or transaction occurs, regardless of when the Operator receives payment, whether full or partial.
- I. In no event shall the Operator's Gross Sales from any transaction be negative in any revenue for purposes of this Agreement.
- J. Operator may pass through the 10% concession fee to its customer and may "gross up" the concession fee pass thru because concession fee revenue is included as Gross Receipts per Section 6.2 Gross Receipts of this Agreement. The amount of concession fee pass thru should not exceed 11.11% on the rental car invoice.
- K. Gross sales shall not be reduced by bank charges, uncollected or uncollectible credit accounts, charges made by collection agencies, bad debt losses, or any other commission or other amount paid out or rebated by the Operator to travel agents or others with respect to any rental or sale of goods or services.

## **7. CUSTOMER FACILITY CHARGE**

District has authorized a Customer Facility Charge ("CFC") of \$10 per rental agreement. Tenant is required to collect this fee from all customers and remit this collection to the Airport. Subject to applicable regulatory requirements, District reserves the right to modify and/or amend the previously approved CFC following consultation with the Tenant.

Tenant agrees that: (a) the CFC is not income, revenue or any other asset to Tenant; (b) Tenant has no ownership or property interest in the CFC; (c) Tenant hereby waives any claim to a possessory or ownership interest in the CFC; (d) the CFC shall be the property of the Airport and shall be held in trust by Tenant for the benefit of the Airport; and (e) the Airport (or a trustee on its behalf) has complete possessory and ownership rights to the CFC.

## **8. ADJUSTMENT OF RENTS/RENTAL RATES**

**8.1 Adjustments.** An adjustment shall be made at the end of each and every Lease Year with respect to any underpayment or overpayment of the Concession Fee, including any adjustments on account of MAG abatement. The monthly



rents/rental rates may be adjusted from time to time to conform to rates and charges established by any resolution or ordinance by the District's Board of Directors to apply uniformity at the Airport.

**8.2 Notification Letter.** District will notify Tenant of rents/rental increases (whether as a result of annual adjustment or otherwise) by sending a notification letter stating the new rent/rental rates and effective date of the increase, which effective date shall not be less than 30 days after the notice is sent to Tenant. Provided that notice is timely sent, it shall not be necessary to amend this Agreement in order for the rent/rental rates to become effective as of the date specified in the notice.

**8.3 Security and Faithful Performance Deposit.** Tenant shall promptly upon entering into this Agreement, provide the District with a security deposit in the form of cash/bond/Letter of Credit in the amount of four months' total monthly rent. Tenant shall increase the security deposit so as to maintain on deposit at all times an amount equivalent to four month's then current total monthly rent.

**8.4 Other Utility Fees.** Electric power, Water, and Sewer are provided through the District and will be charged to Tenant on a prorated basis, based on the District's reasonable estimate of Tenant's usage. Trash, disposal, telephone service and all other utilities shall be the responsibility of Tenant.

## **9. PAYMENT PROCEDURE**

**9.1 Minimum Annual Guarantee.** Except as provided in this Agreement, one twelfth (1/12<sup>th</sup>) of the Minimum Annual Guarantee is due and payable on the first (1<sup>st</sup>) day of each calendar month during the Term of this Agreement and is delinquent if not paid within (5) calendar days of when due and payable.

**9.2. Monthly Statement of Gross Receipts and Percentage Fee Payment.** On or before the twentieth (20<sup>th</sup>) day of each following month during the term of this Agreement, Operator shall deliver to the District a correct statement and all applicable fees as follows:

- A. The total Gross Receipts for proceeding month.
- B. The Percentage Fee calculated for the total Gross Receipts for the preceding month (exclusions from Gross Receipts shall be itemized); and the total amount of fees due for the preceding month.

**9.3 Monthly Payment.** Each monthly payment shall include the greater of the following two amounts: the Percentage Fee computed for the preceding month to one-twelfth (1/12<sup>th</sup>) of the Minimum Annual Guarantee. The monthly payment is due and payable on the twentieth (20<sup>th</sup>) day of each following calendar month during the Term of this Agreement, and delinquent if not paid with five (5) days of when due and payable.

**9.4 Cumulative Minimum Annual Guarantee and Percentage Fee.** Once the cumulative Minimum Annual Guarantee monthly payment and the Percentage Fee monthly payment aggregate to the Minimum Annual Guarantee for the applicable year of the Agreement, only the Percentage Fee shall be paid for the balance of the year.

**9.5 Place of Payment.** All rents and fees, together with the accompanying reports and statements of Gross Receipts, shall be mailed to the following address:

**Monterey Peninsula Airport District**

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

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

**9.6 Charge For Late Payment.** Operator hereby acknowledges that the late payment of fees or any other sums are due hereunder will cause District to incur costs not contemplated by this Agreement, the exact amount of which will be extremely difficult to ascertain. Such costs include but are not limited to costs such as administration processing of delinquent notices, increased accounting costs, etc.

Accordingly, if any payment of fees as specified in Section 11.1 "Concession Fees" of this Agreement, or any other sum due to the District is not received by the District within 5 days following the due date, a late fee of five (5%) of the payment due shall be added to the payment, and the total sum shall be due and payable to the District.

Operator and the District hereby agree that such late charges represent a fair and reasonable estimate of the costs that District will incur by reason of Operator's late payment. Acceptance of such late charges (and/or any portion of the overdue payment) by District shall in no event constitute a waiver of Operator's default with respect to such overdue payment or prevent District from exercising any other rights and remedies granted hereunder.

**10. RECORDS AND ACCOUNTS**

**10.1 Records.** Operator shall, at all times during the term of this Agreement, keep or cause to be kept true and complete books, records, controls, and accounts of all financial transactions, including the CFC's as applicable, in the operation of all business activities, to be supported by source documents such as sales slips, cash register tapes, purchase invoices, rental car contracts or other pertinent documents.

**10.2 The Accounting Year.** The accounting year shall be twelve (12) calendar months, commencing on the first day of January and ending the last day of December.

## **11. ANNUAL RECONCILIATION**

**11.1 Concession Fees.** The District will submit an annual reconciliation of concession fees within ninety (90) days of the end of each Accounting Year. No adjustment of concession fee and/or monthly Minimum Annual Guarantee Payments will be allowed from the Operator after one hundred fifty (150) days.

**11.2 Customer Facility Charges.** Within ninety (90) days of the end of each Accounting Year, Operator shall provide an annual reconciliation of CFC revenue, if applicable. The reconciliation shall be prepared and certified as to accuracy by a Certified Public Accountant or the Tenant's Financial Officer. Any substantiated overpayment will be refunded to Operator within forty-five (45) days of receipt or report. Underpayments will be billed.

Operator acknowledges that any and all of the "Financial Statements" submitted to the District pursuant to this Agreement are Public Record and subject to the public inspection. Income tax returns, if submitted to the District pursuant to this Agreement, shall be treated by the District as Confidential Business Information and therefore not subject to public inspection.

**11.3 Audits.** All Operator's books of account and records and supporting documents related to this Agreement or to business operations conducted within or from the Airport shall be made available to District upon reasonable notice. District shall, through its daily authorized agents or representatives, have the right to examine and audit said books of account, records, and supporting source documents at any and all reasonable times, upon prior written request, for the purpose of determining the accuracy thereof, and of the monthly statements of sales made, CFCs collected, and monies received. Income tax returns, if submitted to District pursuant to this Agreement, shall be treated by District as confidential business information and therefore not subject to public inspection, subject to applicable law.

The full cost of said audit, as determined by District, shall be borne by Operator either of the following conditions exists:

- A. Underpayment.** The audit reveals and underpayment of more than three percent (3%) between the fees due and reported and paid by Operator in accordance with this Agreement and the fees due as determined by said audit; and/or
- B. Adequacy of Records.** Operator failed to maintain true and complete books, records, and accounts and supporting source documents in accordance with Paragraph 10, entitled Records and Accounts. The adequacy of records shall be determined by District in its sole and absolute discretion. Otherwise, District shall bear the cost of said audit, except expenses related

to the audit of documents kept outside the limits of Monterey County.

Upon the request of District, Operator shall promptly provide, at Operator's expense, necessary data to enable District to fully comply with any requirement of the State of California or the United States of America for information or reports relating to this agreement and to Operator's use of the Airport. Such data shall include, if required, a detailed breakdown of Operator's receipts and expenses.

**C. Possessory Interest/Taxes.** Pursuant to Section 107.6 of the California Revenue and Taxation Code, Operator's interest in the Premises may be subject to property taxation on the possessory interest created by this Agreement. Operator agrees to pay, before delinquency, all lawful taxes, including taxes on Operator's possessory interest, which, during the term hereof, may be or become a lien or be levied upon the real property, improvements or personal property situated upon the Premises, or upon the subject matter of this Agreement.

## **12. ASSUMPTION OF RISKS**

Operator represents that Operator has inspected said Airport and Premises, and all facilities thereupon and in connection therewith, and that Operator accepts the condition of same and fully assumes all risks incidental to use thereof. District shall not be liable to Operator for any damages or injuries to the property of person, or to other agents, employees, or business visitors of Operator, which may result from hidden, latent, or other dangerous conditions upon said Airport Premises or which may result from any condition of fire, construction, earthquake, flood, rainfall, or escape from any channel, regardless of the cause thereof.

## **13. DESIGNATION, ALLOCATION AND/OR RELOCATION OF READY PARKING SPACES/TOWER VEHICLE STORAGE SPACES/OVERFLOW VEHICLE STORAGE AREA**

**13.1 Allocated Spaces.** District has initially allocated to Tenant the number of Ready Parking Spaces, the number of Tower Vehicle Storage Spaces, and the amount of Overflow Vehicle Storage Area within the Premises as is set forth in Exhibits "C", "D", and "E" attached to this Agreement. District reserves the right, from time to time, to reallocate the number of Ready Parking Spaces, the number of Tower Vehicle Storage Spaces and the amount of Overflow Vehicle Storage Area among the various rental car operators at the Airport, based on the market share held by each Operator or other reasonable means as District may in its reasonable business judgement they choose to employ.

**13.2 Review of Market Share.** District shall review rental car operator's market share each April. Market share data will compare the Gross Receipts reported to District for the twelve months preceding April 1 (twelve months: April 1 through March 31).

District shall reallocate the number of Ready Parking Spaces, the number of Tower Vehicle Storage Spaces and amount of Overflow Vehicle Storage Area among the rental car operators based on this analysis effective on May 31 each year. District shall have the right to relocate said Ready Parking Spaces, Tower Vehicle Storage Spaces and Overflow Vehicle Storage Area to other locations in the designated areas for other District purposes.

#### **14. IMPROVEMENTS**

Tenant shall not make any structural, mechanical, utility, appliance or sign changes, alterations, additions, or modification to the Premises or construct or install any new improvements to the Premises or enter into any contract for making of any or more of such, without the prior written consent of Airport's Executive Director. If Tenant desires to make improvements to the Premises, the proposed work of improvement presented to Airport's Executive Director in written form together with two sets of detailed plans for the proposed work. The District shall have thirty calendar days within which to approve or disapprove Tenant's proposal. If not approved by District in writing within the thirty-day period, the proposal shall be deemed to have been disapproved. District may condition its approval on the payment by Tenant to District or others of permitting fees. Tenant shall protect the Premises and District from any liens or other charges whatsoever, by reason of Tenant's improvements. In the event Tenant performs any work of improvement to the Premises without the consent of Airport's Executive Director, District may require that Tenant remove any and all improvements at Tenant's cost and expense. In each instance, the consent of Airport's Executive Director to any such alterations, additions, modifications, or improvements shall be deemed conditioned upon Tenant's full and faithful compliance with the provisions of this Agreement. Tenant further agrees that no banners, pennants, flags, eye catching spinners or other advertising devices, nor any temporary signs shall be permitted to be flown, installed, placed, or erected on the Premises without the prior written consent of Airport's Executive Director.

#### **15. TITLE TO IMPROVEMENTS**

Improvements of any kind placed on the Premises by Tenant shall, at the option of the District, be removed by Tenant at Tenant's expense on or by the termination date of this Agreement. As to any or all improvements owned by Tenant for which the District does not exercise the option for removal, title to those improvements shall vest in District without the cost to District without any payment to Tenant upon termination of this Agreement. Machines, appliances, equipment, and trade fixtures of any kind placed in the Premises by Tenant shall be removed by Tenant at the expiration or sooner termination or the term of this Agreement. Tenant agrees to repair any and all damage occasioned by the removal. If any machine, appliances, equipment, or trade fixtures are not removed within thirty days after the termination of this Agreement, they may be considered abandoned and shall become the property of District without cost to District and without payment to Tenant; except that District shall have the right to have them removed at the expense of Tenant. During

any period of time employed by Tenant remove machines, appliances, equipment, or trade fixtures extending beyond the expiration of earlier termination of this Agreement. Tenant shall continue to pay the full rental and other fees to District.

## **16. MAINTENANCE, CLEANLINESS, ALTERATIONS AND ADVERTISING**

**16.1 Maintenance.** District agrees to keep the roof, exterior walls, plumbing and heating facilities, and the basic electric distribution system of Tenant's counter and office space in good repair; provided however, that Tenant shall be responsible for all damage to District's property caused by any willful act of negligence of Tenant, its agents or employees. District agrees to provide janitorial service for the public space in the Terminal and to keep the public and passenger space in the terminal adequately supplied and equipped. District shall maintain adequate directional signs in the Terminal. Tenant assumes full and exclusive responsibility and liability for any damage or injury to any of Tenant's personal property, equipment, fixtures, and facilities at, in and about the Airport, and for any and all personal property belonging to others in Tenant's custody or possession at the Airport.

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

**16.3 Signage and Advertising.** Tenant shall obtain prior written approval from Airport Executive Director prior to erecting or displaying any directional signs at or on the Airport, which approval shall not be unreasonably withheld. Any and all advertising desired by Tenant on Airport property must be placed through the Airport's exclusive advertising concession operator.

## **17. COMPLIANCE WITH GOVERNMENTAL REQUIREMENTS**

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

## **18. PERMITS**

Tenant shall obtain and pay for any and all permits required by all federal, state, and local government entities for any and all work on alterations, additions, modifications, installations, or improvements accomplished by Tenant or by others on behalf of or for the benefit of Tenant or caused or allowed to be accomplished by Tenant on the Premises. Any consent from Airport's Executive Director required under this Agreement shall be separate from any other consents or approvals required by any federal, state, or other governmental agency.

## **19. DISTRICT RULES AND REGULATIONS**

District reserves the right to adopt, amend and enforce rules and regulations governing the Premises and the public areas and facilities used by tenant in connection therewith. Such rules and regulations shall be consistent with the safety, security, and all public utility of the Airport and with the rules, regulations, and orders of the Federal Aviation Administration (“FAA”) and Transportation Security Administration (“TSA”), and such rules and regulations shall not be inconsistent with the provisions of this Agreement, or the procedures prescribed and approved by the FAA, or TSA with respect to the operation of the Airport. Tenant agrees to observe, obey, and abide by all such rules and regulations heretofore or hereafter adopted or amended by District, including compliance with FAA, TSA and airport security rules, regulations and plans. With respect to the Premises, it shall be the responsibility of Tenant to take all necessary measures to carry out requirements imposed by the TSA on District as operator of the Airport pursuant to the access control system requirements of Section 1542 of Title 49 of the Code of Federal Regulations or to other requirements of 1542; and Tenant may be required to pay any and all civile penalties imposed by the TSA on District in the event that Tenant fails to carry out any such security requirements.

## **20. INTERRUPTION OF UTILITY SERVICE**

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

## **21. INDEMNITY AND INSURANCE**

**21.1 Damages.** This Agreement is made upon the express condition that Tenant hereby waives all claim against District for damages to property or for injury or death to any person or persons from any cause excepting however, the negligence of District or any of its agents, employees or servants arising at any time.

**21.2 Insurance Coverage.** Upon execution of this Agreement and prior to Tenant's exercising any of the rights and privileges herein granted, Tenant shall, at Tenant's expense, obtain and, throughout the life of this Agreement, maintain in full force and effect, a broad form commercial coverage policy or policies of public liability insurance protecting both Tenant and District from claims of bodily injury and property damage which may arise out of Tenant's occupancy(ies) and use(s) of the Premises or any portion thereof, or which may arise as a result of any one, more, or all of Tenant's activities/operations on, to, or from the Airport under authority of this Agreement. The required insurance shall include bodily injury and property damage limits of not less than \$1,000,000 combined single limits. The general liability policy shall include Blanket Contractual Liability and Products Liability coverage. Tenant shall maintain Worker's Compensation and Employers' Liability policies in accordance with laws of the State of California and providing coverage for all employees of Tenant. All general liability policies shall name District as an additional insured where their interest may appear for liabilities arising in whole or in part by the conduct of the Tenant or Tenant's

customers. Insurance shall be with a company or companies with an AM Best rating of A- or better in the amounts of not less than the specified herein or in minimum amounts as may be subsequently adjusted by District in the exercise of its reasonable business judgment. Tenant shall always during the term of this Agreement, including any extensions or renewal of this Agreement, provide District with a certificate from the insurance carrier or carriers insuring District and Tenant as required by this section. Insurance policies shall provide written notice to District at least thirty (30) days prior to cancellation. Where policies have normal expirations during the term of this Agreement or of any extension of this Agreement, written evidence of renewal shall be furnished to District at least thirty days prior to expiration.

## **22. WAIVER OF SUBROGATION**

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

## **23. TAXES AND ASSESSMENTS**

Tenant shall pay, as and when due (but not later than fifteen days prior to the delinquency date) any and all taxes and general and special assessments of any and all types or description whatsoever which, at any time during the term of this Agreement are levied upon or assessed against Tenant, the Premises or any one or more of the improvements belonging to District or Tenant, or upon Tenant's interests in the Premises, improvements, or other property.

## **24. TENANT'S RIGHT TO APPEAL**

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

## **25. DEFAULT**

It is mutually understood and agreed that if any default be made in the payment of rent or other charges dues under this Agreement or in the performance of the other



covenants, conditions, or agreements contained in this Agreement, or if Tenant fails to fulfill in any manner that uses and purposes for which the Premises are rented, and if such detail is not to be cured within three days after the provision of written notice if the default is in the submittal of a report, in the payment of rent or in the performance of any other monetary obligation, or ten days after the provision of written notice if the default is in the performance of any non-monetary or other obligation, then District shall have the right to immediately terminate this Agreement. District shall further have all other rights and remedies as provided by law, including without limitation the right to recover damages from the detriment proximately caused by Tenant's failure to perform under this Agreement.

## **26. ASSIGNMENT AND SUBLETTING**

Assignment of this Agreement is prohibited. Without District's prior written consent, which shall not unreasonably be withheld, Tenant (including without limitation) any subtenant shall not either voluntarily or by operation of law hypothecate or encumber this Agreement or any interest in this Agreement, permit the uses of the Premises by any person or persons other than Tenant or sublet the Premises or any part of the Premises. Any transfer of this Agreement from Tenant by merger, consolidation, or liquidation, or the sale, conveyance, transfer by bequest of inheritance, or other transfer of a controlling interest in Tenant shall constitute an assignment of purposes of this Agreement. District's consent to a subletting shall not constitute a waiver of the necessity for such a consent to a subsequent or further subletting, whether by Tenant or any subtenant. Tenant acknowledges that District may evaluate the potential impact of a subtenant's operations on noise, traffic, parking, and other such factors in determining whether or not to give District's consent, and Tenant agrees that a denial of consent because of such concerns shall not be unreasonable.

## **27. DAMAGE OR DESTRUCTION OF PREMISES**

In the event of damage to or destruction by fire, the elements, acts of God, or any other cause of Tenant-constructed improvements located within the Premises or in the event Tenant-constructed improvements located within the Premises are declared unsafe of occupancy by a public entity with the authority to make and enforce such a declaration, Tenant shall, within ninety days of such damage, destruction commence and diligently pursue to completion the repair, replacement, or reconstruction of improvements necessary to permit full use and occupancy of the Premises for the purposes required by this Agreement. Repair, replacement, or construction of improvements within the Premises shall be accomplished in a manner according to plans approved by District; provided, however, the Tenant shall not be obligated to repair, reconstruct, or replace the improvements following their destruction in whole or substantial part except to the extent the loss is covered by insurance carried by Tenant.

## **28. BANKRUPTCY**

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

## **29. RECORDS, REPORTS, AND AUDITS**

**29.1 Records.** In order to ensure the availability of complete, up to date, and verifiable records with respect to any and all business conducted/done by Tenant under the authority of this Agreement. Tenant shall maintain and keep true and accurate accounts, records, books, and data, in accordance with generally accepted accounting principles, which shall, among other things, clearly and accurately show all sales made and services for cash, credit, or otherwise (without regard to whether pair or not); Gross Receipts; and the aggregate amount of sales, services, orders, and all of Tenant's business at Airport, or elsewhere under authority of this Agreement. All accounts, records, books, data, and any and all source, supporting, supplemental and/or backup documentation, including without limitation, any and all electronic data processing/machine/computer generated/retrievable records, reports, files, and registers, and/or computer tapes, disks, whether maintained by Tenant in Monterey or elsewhere, shall be retained by Tenant for a minimum of three years following the date on which they were created. Tenant, using either pre-printed, serially numbered blank-form type documents designed to be completed by hand, or serially numbered machine/computer-generated forms/documents, or a combination of these, shall ensure that a written receipt and/or Rental/Sale Agreement shall be issued for each and every rental, sale, and/or other transaction, whether for cash or credit or otherwise, which shall reflect all receipts associated with the rental/sale or other transaction to which the serially numbered document shall pertain.

**29.2 Reports.** Commencing with the month during which the effective date of this Agreement occurs, and then continuing monthly thereafter throughout the life of this Agreement, Tenant shall prepare and submit to District a detailed monthly statement showing the Gross Receipts of the business (broken down by the components identified in Section 6.2. The statements shall be prepared and submitted by Tenant with sufficient timeliness so as to be delivered not later than the twentieth calendar day of the month for which such statement shall be due. Tenant shall, within three months following the end of each complete operating year (i.e., the twelve-month period commencing July 1 and ending Jun 30) submit to District a detailed annual statement of Gross Receipts (broken down by components identified in Section 6.2) from the rental car business conducted by Tenant under authority of this Agreement, for the immediately preceding operating year. The annual statements shall be certified by Tenant's Financial Officer to be a complete, true, and accurate accounting of all Gross Receipts.

### **30. HAZARDOUS SUBSTANCES**

The provision of this Section, which govern Tenant's obligations with regard to hazardous substances, as defined below, shall survive termination of this Agreement.

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

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

**30.3 Compliance Regarding Hazardous Substances.** Tenant has complied and shall comply and cause all occupants of the Premises to comply, with all laws, regulations, and ordinances governing or applicable to Hazardous Substances which apply or pertain to the Premises. Tenant acknowledges that Hazardous Substances may permanently and materially impair the value and use of the Premises. Tenant acknowledges that Material Safety Data Sheets (MSDS) shall be submitted to District should Hazardous Materials be stored in excess of reasonable quantities required for Tenant operations.

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

**30.5 Site Visits, Observations, and Testing.** District and its agents and representatives shall have the right at any reasonable time to enter and visit the Premises for the purpose of observing the Premises, taking, and removing solid or groundwater samples, and conducting tests on the Premises. District is under no duty, however, to visit or observe the Premises or to conduct these tests. No site visit, observation or testing by District shall result in a waiver of any default of Tenant or impose any liability on District. In no event shall any site, observation or testing by District be a representation that Hazardous Substances are or are not present in, or under the Premises, or that there has been compliance with any law, regulation or ordinance pertaining to Hazardous Substances or any other applicable governmental law. In each instance, District shall give Tenant reasonable notice before entering the Premises or any other place District is permitted to enter under this Section. District shall make reasonable efforts to avoid interfering with Tenant's use of the Premises or any other property exercising any right provided in this Section.

### **31. NON-DISCRIMINATION**

Tenant shall always abide by the requirements of the Standard Non-Discrimination and Airport Development Provisions for Leases attached as Exhibit "F". As used in Exhibit "F" the term "Lessee" shall be deemed to refer to Tenant and the term "Lease" shall be deemed to refer to this Agreement.

### **32. COMPLIANCE WITH RULES AND REGULATIONS**

Tenant shall at Tenant's sole cost and expense and at all times during the term of this Agreement or any renewal or extension thereof comply with and observe all rules, regulations, ordinances, and laws which have been or may be promulgated by District relating to the Premises and the use of facilities of the Airport including all fire regulations, noise control regulations and security regulations. Such rules and regulations are hereby made a part of this Agreement and Tenant's failure to keep and observe the rules and regulations shall constitute a breach of terms of this Agreement in like manner as if the same were contained herein as covenants and conditions. District reserves the right to amend or supplement the rules and regulations and to adapt additional rules and regulations applicable to the Premises, to Tenant's use of the Premises, and the use of the facilities of the Airport, District shall have no obligation to Tenant as a result of violation of any such rules by any other person. Tenant shall always obey the statutes, codes, ordinances, laws and regulations of the United States of America, the State of California, the County of Monterey, and any other governmental entity having jurisdiction as the same may from time to time be amended during the term of this Agreement.

### **33. COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS**

Tenant shall ensure that its use of the Premises and operations are at all times in compliance with Federal Water Pollution Control Act, National Pollutant Discharge Elimination Permit, and the Monterey Peninsula Airport District Storm Water

Prevention Plan.

**34. ATTORNEY'S FEES**

In the event any suit is commenced to enforce, protect, or establish any right or remedy of any terms and conditions hereof, including without limitation a summary action commenced by District under laws of the State of California resulting to unlawful detainer, the prevailing Party shall be entitled to have and recover from the losing Party attorney's fees and cost of suit.

**35. ACCESS BY DISTRICT**

Tenant shall permit District and its agents to enter the Premises at all reasonable times for any appropriate purpose, including, without limitation, the following purposes:

To inspect the Premises; to maintain the Airport; to maintain or make such repairs to the District as obligated or may elect to make; to make repairs, alterations, or additions to any other portion of the Airport; to post notices of non-responsibility for alterations, additions, or repairs; and to show the Premises to prospective purchasers or Tenants.

District's right of entry shall be without any rebate of rent to Tenant for any loss of occupancy or quiet enjoyment of the Premises occasioned by District's entry.

**36. TIME**

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

**37. ENTIRE AGREEMENT**

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

**38. NOTICES**

Wherever notice is required by the terms of this Agreement, notice shall be deemed complete upon personal service of written notice upon the Party to whom such notice is given, or such notice may be given by prepaid U.S. first-class mail addressed as follows:

If to District:  
Monterey Peninsula Airport District  
ATTN: Airport Executive Director  
200 Fred Kane Drive, Suite 200  
Monterey, CA. 93940

With Copy to  
Cole Huber LLP  
Attn: MPAD District Counsel  
2281 Lava Ridge Court #300  
Roseville, CA 95661

If to Tenant:  
Enterprise Rent a Car Co of San Francisco, LLC  
2633 Camino Ramon #400  
San Ramon, CA 94583  
Attn: Vice President/General Manager

With Copy to  
Enterprise Holdings  
600 Corporate Park Dr  
St Louis, Mo 63105  
Attn: Airport Properties

And such notice shall be deemed complete upon the deposit with the State of California.

**39. CAPTIONS**

The headings and titles to the articles, sections or paragraphs of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.

**40. APPLICABLE-LAW**

The laws of the state of California shall govern the validity, performance, and enforcement of this Agreement.

**41. FORCE MAJEURE**

Any prevention, delay or stoppage due to strikes, walkouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substance therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the Party obligated to perform, shall excuse the performance by such Party for a period equal to any such prevention, delay,

stoppage, except for the obligation imposed with regard to rental and other charges to be paid by Tenant pursuant to this Agreement.

**42. PARTIAL INVALIDITY**

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

**43. TENSE, NUMBER AND GENDER**

Each number, tense and gender used in this Agreement shall include any other tense, number, or gender, where the context and the Parties hereto or the context and references therein shall require. If Tenant shall consist of more than one person, all of the terms, covenants and conditions of this Agreement shall be joint and several as to Tenant.

**44. NO PARTNERSHIP**

District is not in any way or for any purpose a partner to Tenant in the conduct of its business or otherwise, or a joint ventures or a member of a joint enterprise with Tenant. The Provisions of this Agreement relating to the rent and other fees hereunder are included for the purpose of providing a method whereby the rent is measured and ascertained.

**45. EXHIBITS INCORPORATED**

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by reference as though fully set forth herein, whether attached.

**46. COUNTERPART COPIES**

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

**IN WITNESS WHEREOF, the** Parties hereto have executed this Agreement effective as of the day and year first above written.

**MONTEREY PENINSULA  
AIRPORT DISTRICT**

**ENTERPRISE RENT-A-CAR Co of San  
Francisco, LLC, a Delaware Limited  
Liability company**

\_\_\_\_\_  
Michael La Pier, AAE  
Executive Director

\_\_\_\_\_  
By :  
Its :

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Scott E. Huber, District Counsel



## EXHIBIT A

Listed below are the Premises rented by Tenant (Section 2) with rental rates and monthly charges set by District beginning May 1, 2023 – January 31, 2024

### ENTERPRISE

- A. **Office Space.** 205 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$902.00.
- B. **Counter Space.** 121 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$533.00.
- C. **Ready Parking Spaces. May 1, 2023 – January 31, 2024:** 21 ready parking spaces at \$40.00 per space for a monthly rental fee of \$840.00.
- D. **Tower Vehicle Storage Spaces. May 1, 2023 – January 31, 2024:** 17 vehicle storage spaces at \$29.25 per space for a monthly rental fee of \$497.00.
- E. **Overflow Vehicle Storage Area. May 1, 2023 – January 31, 2024:** 6,023 square feet of additional storage area at \$0.15 per square foot, for a monthly rental fee of \$904.00.
- F. **Electricity Fee.** 326 square feet (office space plus counter space) x \$0.85 rate for a monthly electricity fee of \$277.00, which electricity fee shall be considered additional rent.

#### TOTAL MONTHLY RENT.

1. May 2023 (Items A-F). \$3,953

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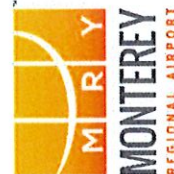
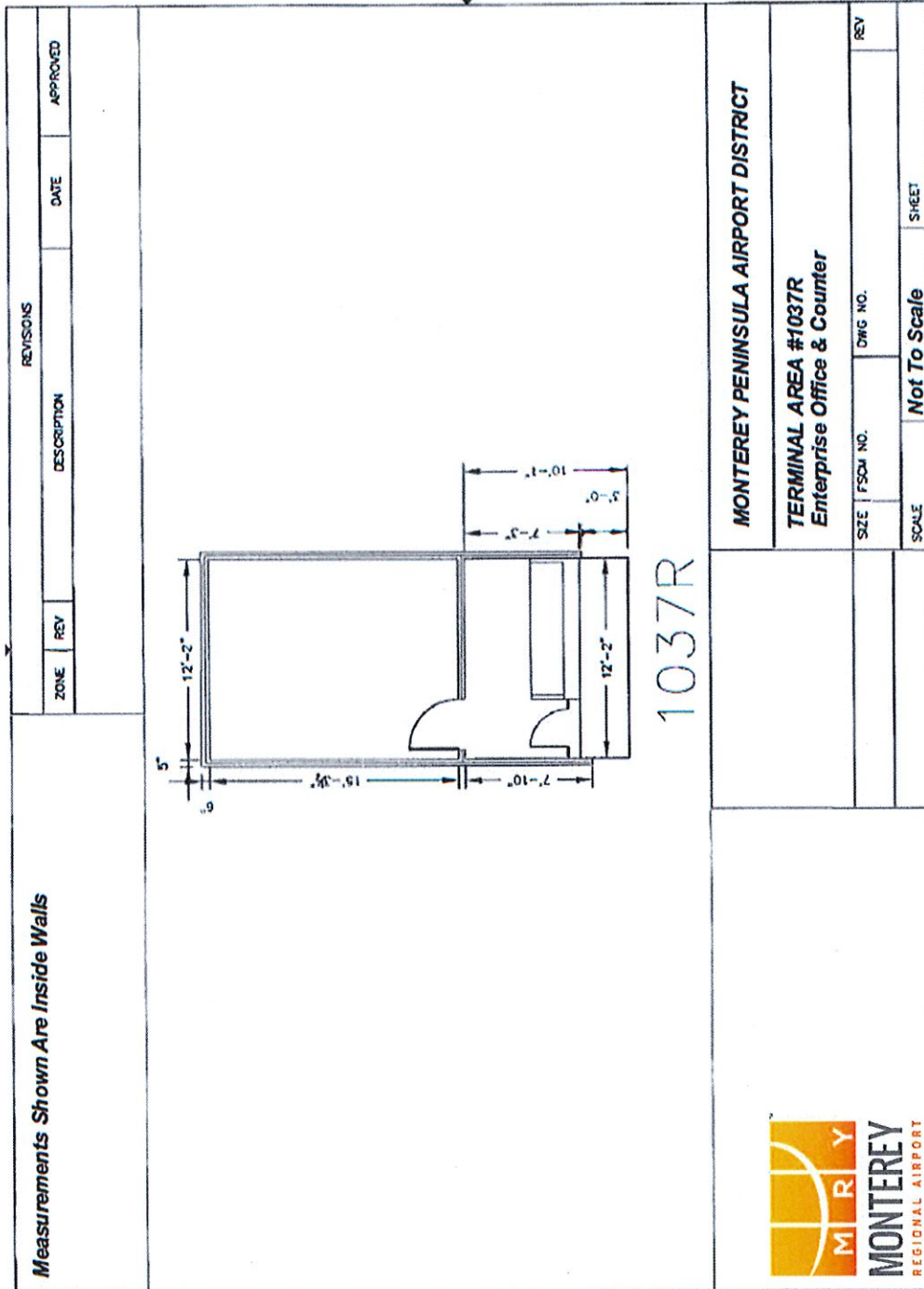
- A. **Office Space.** 120 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$528.00.
- B. **Counter Space.** 246 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$1,082.00.
- C. **Ready Parking Spaces. May 1, 2023 – January 31, 2024:** 35 ready parking spaces at \$40.00 per space for a monthly rental fee of \$1,400.00.
- D. **Tower Vehicle Storage Spaces. May 1, 2023 – January 31, 2024:** 29 vehicle storage spaces at \$29.25 per space for a monthly rental fee of \$848.00.
- E. **Overflow Vehicle Storage Area. May 1, 2023 – January 31, 2024:** 10,156 square feet of additional storage area at \$0.15 per square foot, for a monthly rental fee of \$1,523.00.
- F. **Electricity Fee.** 366 square feet (office space plus counter space) x \$0.85 rate for a monthly electricity fee of \$311.00, which electricity fee shall be considered additional rent.

#### TOTAL MONTHLY RENT.

1. May 2023 (Items A-F). \$5,692

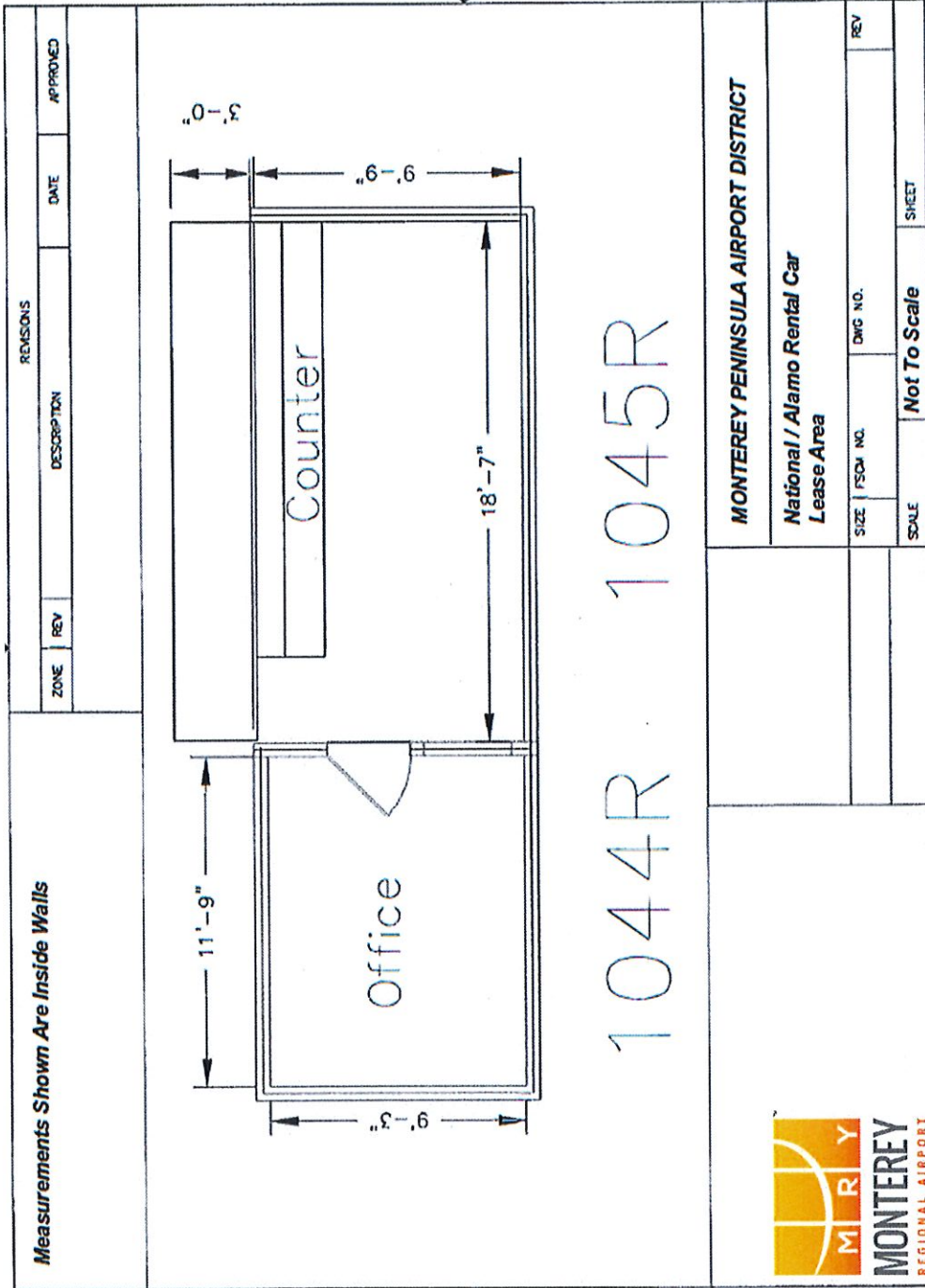
**EXHIBIT B**

**Illustrated below are the office and counter space rented by Tenant (Section 3.1 and 3.2).**



**EXHIBIT B**

Illustrated below are the office and counter space rented by Tenant (Section 3.1 and 3.2).



# EXHIBIT C

Illustrated below are the ready parking spaces rented by Tenant (Section 3.3)

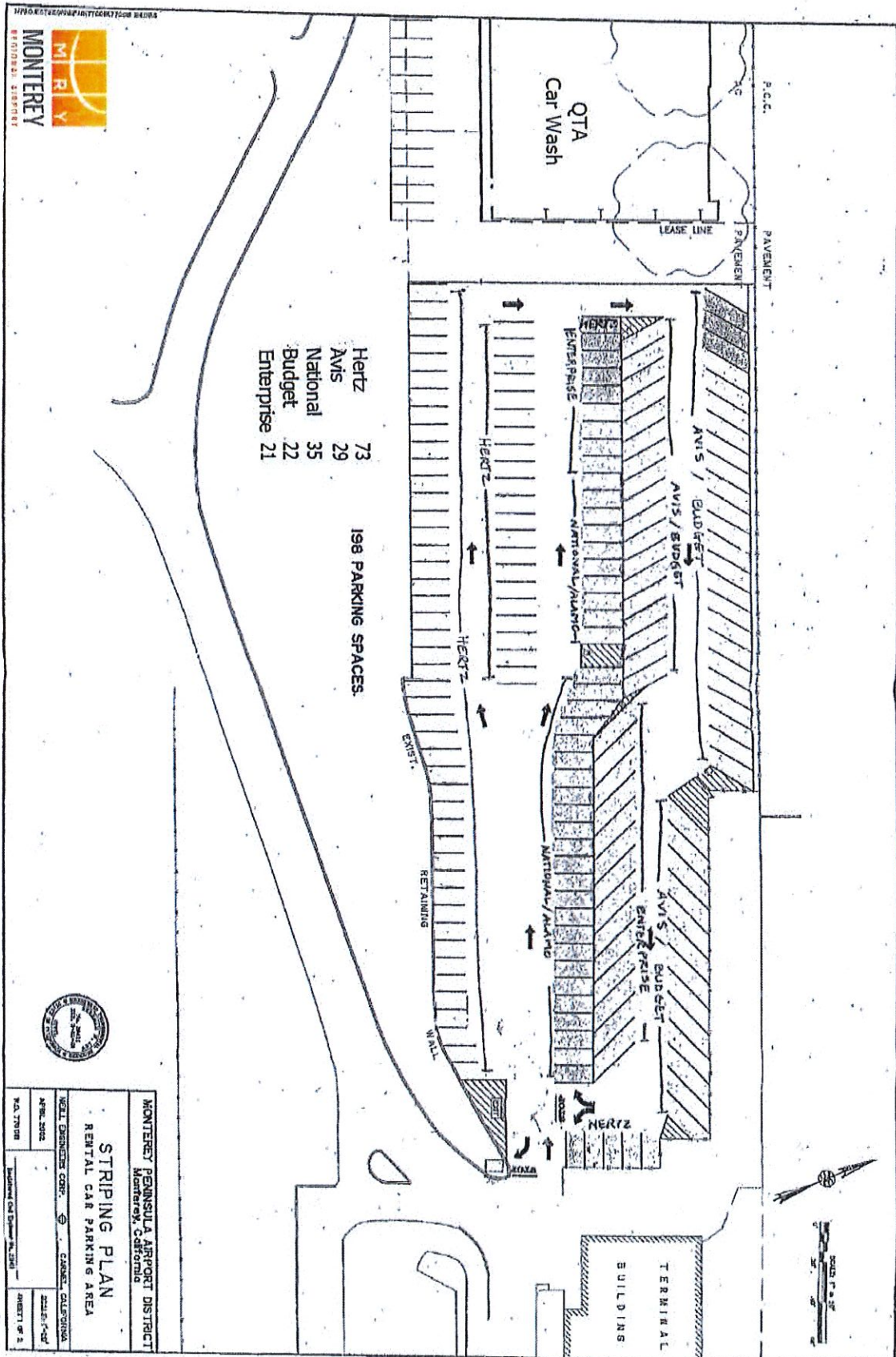


EXHIBIT D

Illustrated below are the tower vehicle storage spaces rented by Tenant (Section 3.4)

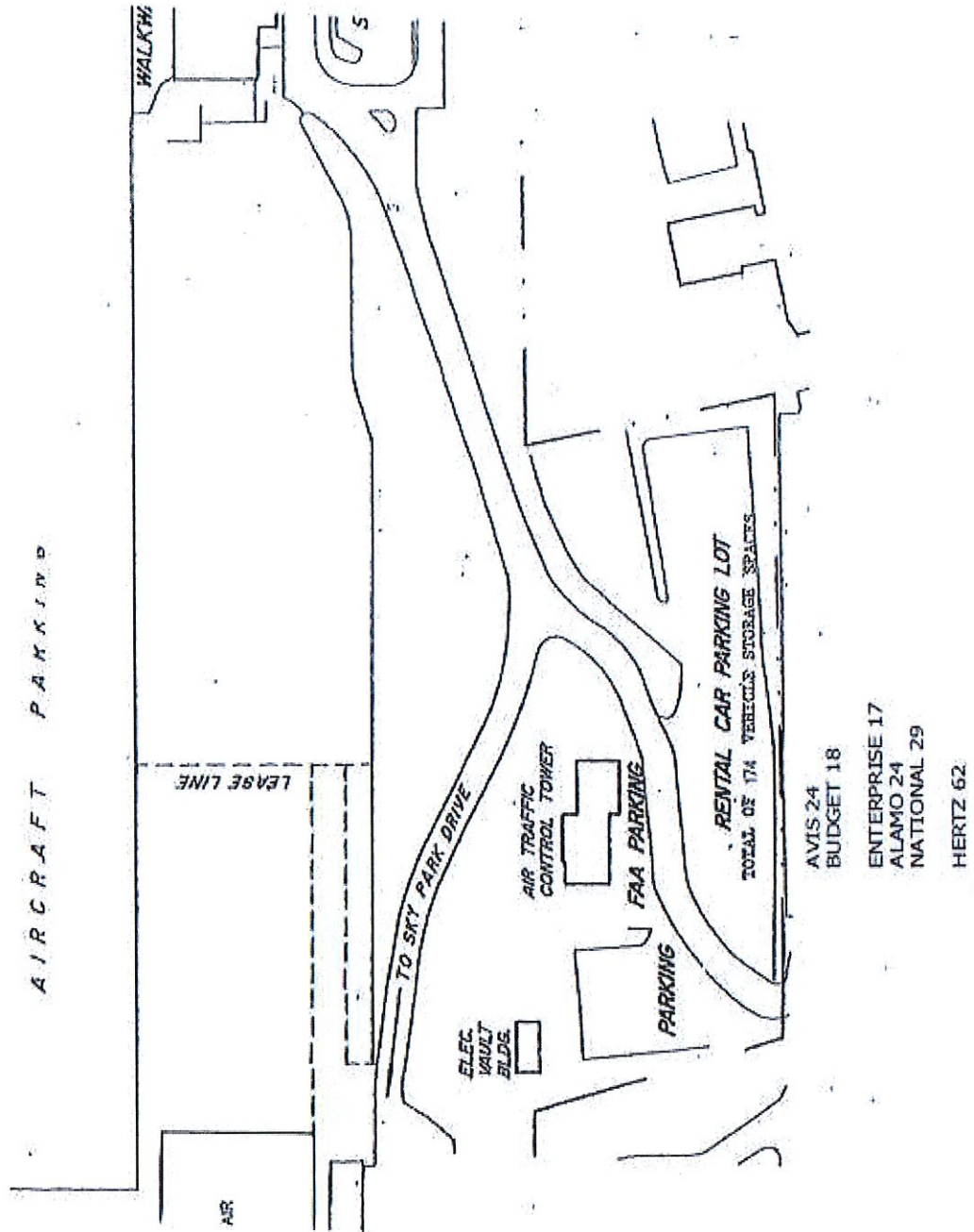
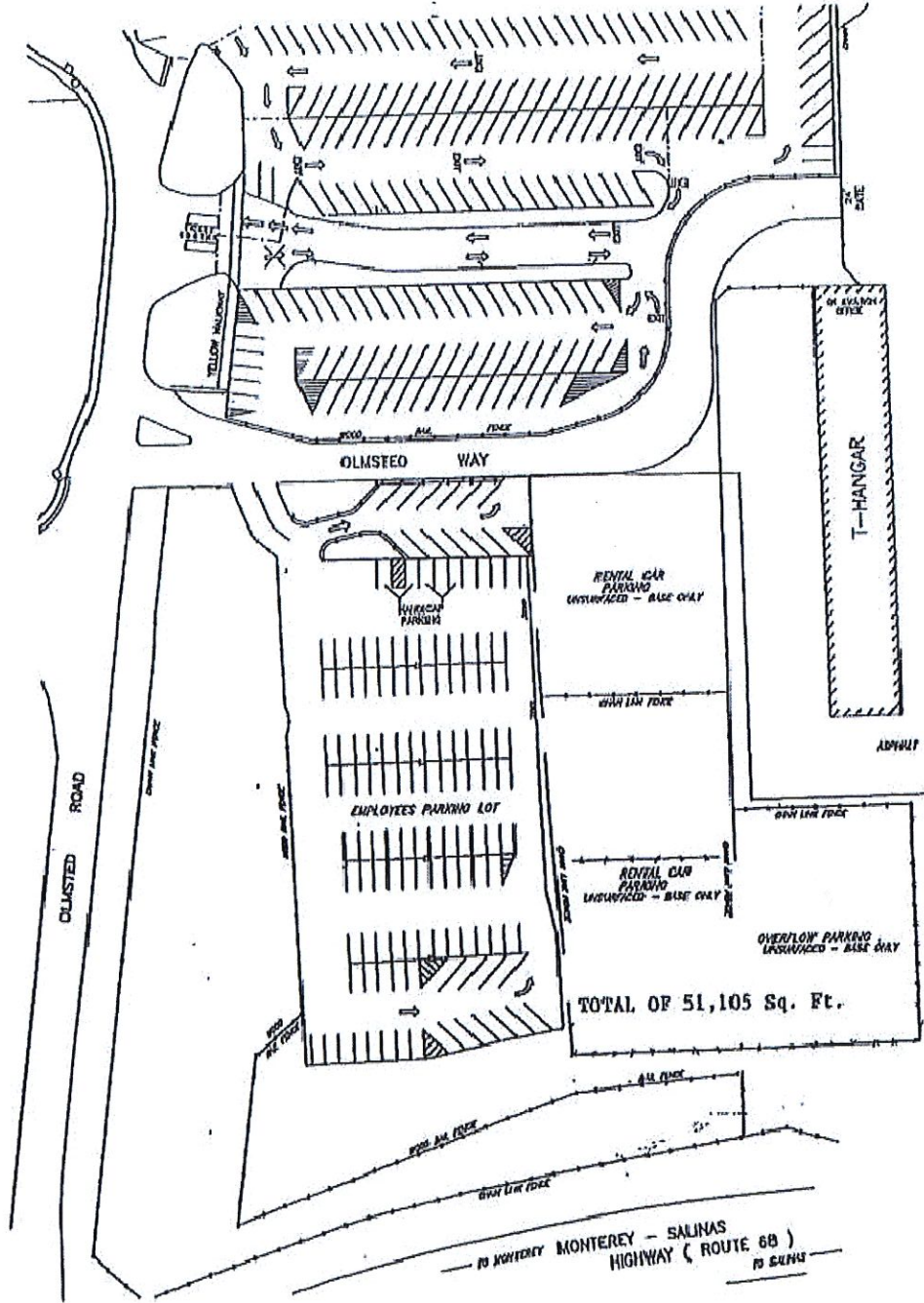


EXHIBIT E

Illustrated below is the overflow parking rented by Tenant (Section 3.5)



## EXHIBIT F

### STANDARD NONDISCRIMINATION AND AIRPORT DEVELOPMENT PROVISIONS AND LEASES

1. Lessee for himself/herself/itself and all heirs, personal representatives, successors in interest, and assigns, as a part of the consideration for these Lease to which these Standard Nondiscrimination and Airport Development Provisions for Leases are attached or made a part (hereinafter, the "Lease"), does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in the Lease (the "Premises") for a purpose for which a United States Department of Transportation ("DOT") program or activity is extended or for another purpose involving the provision of similar services or benefits, Lessee shall maintain and operate such facilities and services in compliance with all requirements imposed pursuant to Title 49, Code of Federal Regulations (CFR), DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the DOT effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
2. Lessee for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Lease, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under the Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, and (3) that Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
3. Lessee for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Lease, does hereby covenant and agree as a covenant running with the land that in the event of breach of any of the above Nondiscrimination covenants, Lessor shall have the right to terminate the Lease and to reenter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

4. Lessee shall furnish all accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchases.
5. Non-compliance with Provision 4 above shall constitute a material breach of the Lease and in the event of such non-compliance Lessor shall have the right to terminate the Lease and the estate thereby created with liability therefore or at the election of Lessor or the United States either or both said governments shall have the right to judicially enforce said provisions.
6. Lessee agrees that Lessee shall insert the above five provisions in any sublease, lease agreement or other contract by which Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Premises.
7. Lessee assures that Lessee will undertake and affirmative action program as required by 14 CFR Part 152, Subpart 3, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee assures that no person shall be excluded on these ground from participating in or receiving the services or benefits of any program or activity covered by this subpart. Lessee assures the Lessee will require that Lessee's covered suborganizations provide assurances to Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effect.
8. Lessor reserves the right to further develop or improve the landing area of the Monterey Regional Airport (the "Airport") as Lessor sees fit, regardless of the desires or view of Lessee and without interference or hindrance.
9. Lessor reserves the right but shall not be obligated to Lessee to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.
10. The Lease shall be subordinate to the provisions and requirements of any existing or future agreement between Lessor and the United States, relative to the development, operation or maintenance of the Airport.



11. There is hereby reserved to Lessor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation of the Airport.
12. Lessee agrees to comply with the notification and review requirements covered by Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.
13. Lessee by accepting the Lease expressly agrees for himself/herself/itself and all successors and assigns that Lessee will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the Premises covered by Part 77. In the event the aforesaid covenants are breached, Lessor reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Lessee.
14. Lessee by accepting the Lease expressly agrees for himself/herself/itself and all successors and assigns that Lessee will not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Monterey Regional Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, Lessor reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of Lessee.
15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a).
16. The Lease and all of the provisions thereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

**MONTEREY PENINSULA AIRPORT DISTRICT ON-AIRPORT RENTAL CAR  
OPERATOR LEASE AND CONCESSION AGREEMENT**

THIS OPERATING AGREEMENT (“AGREEMENT”), dated as of May 1, 2023 (“Effective Date”) is made between the **Monterey Peninsula Airport District**, a special district of the State of California (“District” or “Airport”) and **The Hertz Corporation**, 8501 Williams Road, Estero, FL 33928 (“Tenant” or “Operator”), with reference to the following facts and objectives:

- A. District owns and operates the Monterey Regional Airport, a public airport located in the County of Monterey, State of California (“Airport”).
- B. Tenant is engaged in the management of an automobile business at the Airport commonly known as Hertz Car Rental.
- C. District desires to grant and Tenant desires to hire and obtain certain rights, licenses, and privileges to operate at the Airport.
- D. District believes it is important to the travelling public that quality automobile transportation be available for hire or rental by air passengers arriving at the Airport and by other users of the Airport.

**NOW, THEREFORE**, District and Tenant agree as follows:

**1. TERMINATION OF PRIOR AGREEMENTS AND SEPARATE APPLICABILITY OF AGREEMENT**

This agreement shall terminate and supersede the Rental Agreement dated July 1, 1994 between District and Tenant, and the Rental Agreement dated July 1, 1994 between District and Tenant are of no further force and effect.

**2. PREMISES**

District rents to Tenant, and Tenant hires from District, those areas of the types described below, each as is more particularly defined or shown in Exhibit “A” attached to this Agreement (the “Premises”). Tenant shall use the Premises and Airport solely for the purpose of providing automobile rental services to the public.

**3. TERM**

The term of this Agreement shall commence on May 1, 2023 and shall terminate on January 31, 2024 (“Initial Term”). Upon completion of the Initial Term, this Agreement will automatically renew and continue for successive one (1) year terms (“Successive Term”), unless a written notice of non-renewal is delivered by a Party to the other Party no later than one hundred eighty (180) days prior to the completion of the Initial Term or Successive Term, or unless this Agreement is sooner terminated pursuant to the provisions of this Agreement.

**3.1 Office Space.** Multi-purpose office space located in the Airport Terminal as depicted on Exhibit "B".

**3.2. Counter Space.** Multi-purpose counter space adjacent to the office space in the Airport Terminal as depicted in Exhibit "B". Any portion of the counter space area that is within the common-use corridor of the corridor of the Airport Terminal shall be rented to Tenant on a non-exclusive basis.

**3.3 Ready Parking Spaces.** Ready parking spaces within a common-use lot adjacent as depicted on Exhibit "C".

**3.4 Tower Vehicle Storage Spaces.** Vehicle storage spaces within the common-use lot located east of the FAA Tower Parking Area as depicted on Exhibit "D".

**3.5 Overflow Vehicle Storage Area.** Unimproved parking area within a common use lot located in the vicinity of the intersection of Highway 68 and Olmsted Road as depicted on Exhibit "E".

**3.6 Substitute Property.** The Parties acknowledge that the District intends to construct a new terminal. In the event that the District determines, in its sole and absolute discretion, that it needs to reacquire any of the property leased to Tenant through this Agreement, the District shall provide substitute property in similar size and functionality as the property that the District reacquires. The District shall provide as much notice as possible to Tenant prior to the reacquisition of property, but in no event shall the Tenant receive less than ninety (90) days' notice.

#### **4. TENANT'S RESPONSIBILITIES**

**4.1 Equipment and Fixtures.** Tenant, at its own cost and expense, will be required to provide in its concession area all equipment, fixtures, decorations, materials and supplies which Tenant may need to conduct the rental car operation in a first-class, business-like manner, and all of which shall be of high quality, safe, modern in design, attractive in appearance and in keeping with the general architecture and décor of the Airport Terminal's facilities, and all of which shall be subject to written approval of Airport's Executive Director prior to installation.

**4.2. Business Hours.** Tenant's business hours shall remain open to serve seven days per week from 40 minutes before the time of the first scheduled airline arrival, to a time that is at least forty minutes after the actual time, scheduled or delayed, of the last airline arrival. If Tenant operates from more than one counter, then Tenant shall be permitted to staff the multiple counters with a single employee. Tenant's schedule of business hours shall be subject to periodic review upon the written request of Tenant to Airport's Executive Director or Airport's Executive Director to Tenant. As a result, Airport's Executive Director may require an expansion or allow reduction of the hours of operation as public demand requires. In addition to any other remedies available to District as outlined in this Agreement,

in the event that Tenant Client fails to operate the counter with personnel during the business hours outlined in this paragraph, the District will suffer a substantial injury for which it is impracticable or extremely difficult to fix actual damages. In an effort to establish, or liquidate, in advance the sum that should represent such damages, Tenant agrees to pay District \$500.00 per day for each and every day that the Tenant fails to operate the counter with personnel during the business hours outlined in this paragraph. The Parties acknowledge and agree that the sums payable under this paragraph shall constitute liquidated damages and not penalties and are in addition to all other rights of the District, including the right to call a default under this Agreement.

**4.3 Supervision.** Tenant shall always retain an active, qualified, competent, and experienced representative, authorized to represent, and act for Tenant, to supervise its operations at the Airport. During any temporary periods of absence by Tenant's representative, an alternate representative of Tenant with like authorization must be present. Tenant shall always keep Airport's Executive Director advised as to who Tenant's representative is and how immediate communication can be established with that representative on a 24-hour basis in the event of an emergency.

**4.4 Employees.** Tenant's employees shall be clean, courteous, efficient, and neat in appearance. Tenant shall not employ any persons in or about the Airport who shall use improper language or act in a loud or boisterous or otherwise improper manner. While on duty and in public view, employees shall limit the use of cell phones and earphones. Upon written notification to Tenant that any person employed by Tenant at the Airport, is, in the District's opinion, disorderly, discourteous, unkempt, or otherwise unsatisfactory, immediate, and appropriate corrective action shall be taken by Tenant to ensure that such unsatisfactory and unacceptable conduct does not reoccur.

**4.5 First-Class Operation.** Tenant shall operate the rental car operation in a first-class manner, in accordance with the highest standards for this type of service at other airport terminals and within the rental car industry. The rental car service shall be prompt, clean, courteous, efficient, and otherwise of the highest quality, and adequate to meet all reasonable demands for rental car services at the Airport.

**4.6 Number and Condition of Automobiles.** Tenant, at its own cost and expense, shall always maintain on the Airport an adequate number of automobiles to reasonably meet the public demand. All automobiles shall at all times be maintained by Tenant, at its own cost and expense, in good operating order and free from known mechanical defects and shall be kept in clean, neat, and attractive condition, inside and out.

**4.7 Vehicles Sales.** Tenant shall not operate vehicle sales on the Premises without first obtaining the written consent of Airport's Executive Director, which shall not be unreasonably withheld, and provided that such vehicle sales

operations shall be subordinated to all of Tenant's rental car operations at the Airport. District shall have strict control of this activity and may at any time immediately suspend this activity if, in the sole discretion of Airport's Executive Director, the vehicle sales operation adversely impacts the Airport. The use of any signs, spotlights, balloons, banners, or other promotional type of activities which are commonly used in connection with vehicle sales operations are strictly prohibited. All revenue generated from vehicle sales operations conducted on Airport property shall be considered Gross Revenue.

## **5. CONCESSION AND FACILITY FEES**

**5.1 Minimum Annual Guarantee and Percentage Fee.** Tenant shall pay to District as compensation for the concession privileges granted under the Agreement the greater of the Minimum Annual Guarantee or a Percentage Fee equal to ten percent (10%) of the Gross Receipts derived by Tenant from the operation of its automobile rental business, at the Airport, as authorized by the Agreement.

**5.2 Minimum Annual Guarantee.** The Minimum Annual Guarantee (MAG) for the first year of this agreement shall be One Hundred Twenty Thousand Dollars (\$120,000.00) per year. The MAG for each Successive Term of this Agreement shall be 85% of the Tenant's actual Concession Fee paid to the District for the previous contract year of this agreement, but in no event shall the MAG drop below One Hundred Twenty Thousand Dollars (\$120,000.00) per year. For any period of less than one (1) calendar year that this Agreement shall be in effect, the Minimum Annual Guarantee shall be calculated on a pro rata basis. Payments of one-twelfth (1/12) of the MAG shall be due in advance without demand, offset of invoice of the first (1<sup>st</sup>) day of each month during the term of this Agreement.

**Percentage Fee.** The Percentage Fee for each year of this agreement shall be calculated as ten percent (10%) of Gross Receipts from all business operations conducted on the Premises in accordance with Section 6.2.

**5.3 Payment of Minimum Annual Guarantee, Percentage Fee, and Other Fees.** All payments and fees shall be due and payable monthly in accordance with the provisions of Paragraph 9.

**5.4 Tenant's Right of MAG Abatement.** In the event that the following condition exists during the term of this Agreement, the minimum annual guarantee hereinabove provided for in Section 5.2 above shall be abated for the period of time the condition exists:

**A.** A major traffic reduction at Airport. A major traffic reduction shall be defined as a fifteen percent (15%) reduction in the number of passengers deplaning on scheduled airline flights at the Airport, during any period of three (3) consecutive calendar months as compared to the number of such deplaning passengers in the same calendar months during the 2022 calendar year. For example, if May, June

and July have a traffic reduction of 17%, 20% and 26% respectively, then the 1/12th minimum annual guarantee payment beginning May would be abated.

**B.** If the major traffic reduction continues for additional months, the abatement will continue as well, until there are three (3) consecutive calendar months when traffic does not fall below the 15% threshold, at which time the full minimum annual guarantee payment shall be made beginning the following month.

**C.** This major traffic reduction can only be identified after any three-month period ends; however, the major traffic reduction exists for any three-month period when all three months had a not less than 15% reduction in passenger deplanements. Overpayments of the MAG will be credited to the Tenant during the year-end reconciliation process Section 8.

**D.** Tenant shall continue to pay the Percentage Concession Fee during this abatement period.

**6. RENT**

**6.1 Commencement Date.** Starting on the Commencement date of this Agreement and continuing each month thereafter, Operator shall pay the following rent to the District:

**A. Airport Terminal Building Rent.** Operator shall pay the current Airport Rates and Charges square footage rate for their uses and occupancy of a portion of the Airport Terminal Building as outlined in Exhibits “A” and “B”.

1. Tenant shall pay the current Airport Rates and Charges square footage rate for their uses and occupancy of a portion of the Airport Terminal Building as outlined in Exhibits “A” and “B”. Operator’s current monthly rate is \$4.40 per square foot. Adjustments to this rent will be in accordance with the Airport’s Rate and Charges modifications approved by the District and shall occur annually every July 1 throughout the term of this agreement. Initial rent shall be calculated as follows:

Monthly Rent	Monthly Rent Amount
Counter	\$533.00
Stowage Parking	\$497.00
Ready Park	\$840.00
Office	\$902.00

**B. Parking Rent.** If operator needs additional parking outside of the designated areas on Exhibits “C”, “D”, and “E”, Rental Car Parking, Return Lot and Staging Areas, the Airport, or Airport’s parking

management company, will designate parking stalls, if available on the Airport for additional automobile rental parking only. The charge for this parking will be listed in the Master Fee Schedule or Airport Rates and Charges under Vehicle Parking Fees; Landside Parking; Commercial Tenant Long-Term Lot Fee. Operator must give prior notice of the number of parking spaces that the Operator requires and pay the fee(s) in accordance with this section. Any automobile belonging to Operator found parked on the Airport (not including allocated parking spaces in Exhibits "C", "D", and "E") without permission shall pay the District the amount of \$50.00 per day per automobile until moved. Each unauthorized vehicle is also subject to ticketing by Airport personnel and/or any law enforcement agency having jurisdiction at the Airport; these fines will be in addition to the \$50.00 per day per unauthorized automobile charge.

**6.2 Gross Receipts.** Gross receipts shall include, but shall not be limited to, all revenues from the following:

- A. The rental or sale of goods or services under this Agreement, including, but not limited to, all monies or other consideration generated or received by Operator for the conducts of business pursuant to this Agreement, unless specifically excluded below in section 6.3 "Exclusion from Gross Receipts". Gross Receipts shall be determined by the total of charges listed on a customer receipt less any items specifically excluded. All monies or other consideration shall include the following:
  - 1. Time and Mileage Charges and Rental Charges; Fees for insurance coverage, including Loss Damage Waiver (LDW); Partial Loss Damage Waiver (PDW); Additional (Supplemental) Liability Insurance (ALI/SLI); Personal Accident Insurance (PAI); Personal Effects Protection (PEP); Extended Roadside Assistance; Emergency Sickness Protection; and all other insurance coverage items offered now or in the future during the term of this Agreement.
  - 2. Fees for rental equipment, including child safety seats, satellite radio access, recreational gear and car racks for recreational gear, tire chains, personal computers, GPS systems, and any other equipment offered now or in the future during the term of this Agreement.
  - 3. Additional fees charged to Customers, including: Additional and underage fees; Upgrade and exchange fees; Fees for fueling; Pre-paid and other petroleum products; Inter-County charges (drop fees); Transportation fuels; Early and late fee return fees; Parking fees, including fee for valet parking; toll device fees (excluding Tolls themselves); Tire and battery fees; Concession Recovery

fees; Automobile license recovery fees; Frequent flyer recovery fees; Fees for miscellaneous services including road side assistance; Other fees charged now or in the future during the term of this Agreement.

4. The value of coupons and vouchers purchased by corporations and tour companies, either in advance or invoiced after use, if the rental charges are not shown in the actual receipt.
5. The contacting for delivering, picking up, or renting of rental automobiles from the Airport property, regardless of ownership, area, fleet, or location assignment and without regard to manner in which, or place at which, the rental automobiles are ordered or furnished or where the rental automobiles are returned, and without regard to duration, or of where, how or by whom payment is made.
6. A transaction in which a rental automobile is exchanged elsewhere when the rental automobile was originally contracted for, delivered, supplied, or rented at the Airport. The Operator shall not allocate transactions to any other location, regardless of which city or location own the rental car, or where the rental car is ultimately returned.

### **6.3 Exclusion from Gross Receipts**

- A. Each exclusion from Gross Receipts shall be segregated in the Operator's monthly statement of Gross Receipts under this Agreement.
- B. Any taxes now or hereinafter levied or imposed by any local, state, or federal law which are separately stated in the rental agreement are paid by the customer and which are directly payable to the taxing or tax collecting authority by the Operator. This exclusion shall include automobile license fees, if separately stated on the rental agreement are paid by the customer.
- C. Sums received as insurance proceeds or otherwise for damage to automobiles or other property of Operator; sums received for loss, coverage, or abandonment of Operator's automobiles; and amounts paid by customers or Operator and billed as separate charges to satisfy Operator's right to recovery from customers for damage to the automobile rented.
- D. Any sums received from the disposal or furniture, fixtures, and equipment.
- E. Any sums received from a customer for reimbursement of impound fees,



Tolls, redlight tickets and parking tickets including the administration thereof.

- F. Fueling charges and CFCs
- G. Corporate discount rebates, but only to the extent that Operator provides auditable proof to District that the discounts or rebates are specifically attributable to rental agreements with customer at the Airport.
- H. Each transaction made during installment or credit shall be treated as a transaction for the full price in the month during which such charge or transaction occurs, regardless of when the Operator receives payment, whether full or partial.
- I. In no event shall the Operator's Gross Sales from any transaction be negative in any revenue for purposes of this Agreement.
- J. Operator may pass through the 10% concession fee to its customer and may "gross up" the concession fee pass thru because concession fee revenue is included as Gross Receipts per Section 6.2 Gross Receipts of this Agreement. The amount of concession fee pass thru should not exceed 11.11% on the rental car invoice.
- K. Gross sales shall not be reduced by bank charges, uncollected or uncollectible credit accounts, charges made by collection agencies, bad debt losses, or any other commission or other amount paid out or rebated by the Operator to travel agents or others with respect to any rental or sale of goods or services.

## **7. CUSTOMER FACILITY CHARGE**

District has authorized a Customer Facility Charge ("CFC") of \$10 per rental agreement. Tenant is required to collect this fee from all customers and remit this collection to the Airport. Subject to applicable regulatory requirements, District reserves the right to modify and/or amend the previously approved CFC following consultation with the Tenant.

Tenant agrees that: (a) the CFC is not income, revenue or any other asset to Tenant; (b) Tenant has no ownership or property interest in the CFC; (c) Tenant hereby waives any claim to a possessory or ownership interest in the CFC; (d) the CFC shall be the property of the Airport and shall be held in trust by Tenant for the benefit of the Airport; and (e) the Airport (or a trustee on its behalf) has complete possessory and ownership rights to the CFC.

## **8. ADJUSTMENT OF RENTS/RENTAL RATES**

**8.1 Adjustments.** An adjustment shall be made at the end of each and every

Lease Year with respect to any underpayment or overpayment of the Concession Fee, including any adjustments on account of MAG abatement. The monthly rents/rental rates may be adjusted from time to time to conform to rates and charges established by any resolution or ordinance by the District's Board of Directors to apply uniformity at the Airport.

**8.2 Notification Letter.** District will notify Tenant of rents/rental increases (whether as a result of annual adjustment or otherwise) by sending a notification letter stating the new rent/rental rates and effective date of the increase, which effective date shall not be less than 30 days after the notice is sent to Tenant. Provided that notice is timely sent, it shall not be necessary to amend this Agreement in order for the rent/rental rates to become effective as of the date specified in the notice.

**8.3 Security and Faithful Performance Deposit.** Tenant shall promptly upon entering into this Agreement, provide the District with a security deposit in the form of cash/bond/Letter of Credit in the amount of four months' total monthly rent. Tenant shall increase the security deposit so as to maintain on deposit at all times an amount equivalent to four month's then current total monthly rent.

**8.4 Other Utility Fees.** Electric power, Water, and Sewer are provided through the District and will be charged to Tenant on a prorated basis, based on the District's reasonable estimate of Tenant's usage. Trash, disposal, telephone service and all other utilities shall be the responsibility of Tenant.

## **9. PAYMENT PROCEDURE**

**9.1 Minimum Annual Guarantee.** Except as provided in this Agreement, one twelfth (1/12<sup>th</sup>) of the Minimum Annual Guarantee is due and payable on the first (1<sup>st</sup>) day of each calendar month during the Term of this Agreement and is delinquent if not paid within (5) calendar days of when due and payable.

**9.2. Monthly Statement of Gross Receipts and Percentage Fee Payment.** On or before the twentieth (20<sup>th</sup>) day of each following month during the term of this Agreement, Operator shall deliver to the District a correct statement and all applicable fees as follows:

- A.** The total Gross Receipts for proceeding month.
- B.** The Percentage Fee calculated for the total Gross Receipts for the preceding month (exclusions from Gross Receipts shall be itemized); and the total amount of fees due for the preceding month.

**9.3 Monthly Payment.** Each monthly payment shall include the greater of the following two amounts: the Percentage Fee computed for the preceding month to one-twelfth (1/12<sup>th</sup>) of the Minimum Annual Guarantee. The monthly payment is due and payable on the twentieth (20<sup>th</sup>) day of each following calendar month during the Term

of this Agreement, and delinquent if not paid with five (5) days of when due and payable.

**9.4 Cumulative Minimum Annual Guarantee and Percentage Fee.** Once the cumulative Minimum Annual Guarantee monthly payment and the Percentage Fee monthly payment aggregate to the Minimum Annual Guarantee for the applicable year of the Agreement, only the Percentage Fee shall be paid for the balance of the year.

**9.5 Place of Payment.** All rents and fees, together with the accompanying reports and statements of Gross Receipts, shall be mailed to the following address:

**Monterey Peninsula Airport District**  
ATTN: Accounts Receivable  
200 Fred Kane Drive, Suite 200  
Monterey, CA 93940

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

**9.6 Charge For Late Payment.** Operator hereby acknowledges that the late payment of fees or any other sums are due hereunder will cause District to incur costs not contemplated by this Agreement, the exact amount of which will be extremely difficult to ascertain. Such costs include but are not limited to costs such as administration processing of delinquent notices, increased accounting costs, etc.

Accordingly, if any payment of fees as specified in Section 11.1 "Concession Fees" of this Agreement, or any other sum due to the District is not received by the District within 5 days following the due date, a late fee of five (5%) of the payment due shall be added to the payment, and the total sum shall be due and payable to the District.

Operator and the District hereby agree that such late charges represent a fair and reasonable estimate of the costs that District will incur by reason of Operator's late payment. Acceptance of such late charges (and/or any portion of the overdue payment) by District shall in no event constitute a waiver of Operator's default with respect to such overdue payment or prevent District from exercising any other rights and remedies granted hereunder.

## **10. RECORDS AND ACCOUNTS**

**10.1 Records.** Operator shall, at all times during the term of this Agreement, keep or cause to be kept true and complete books, records, controls, and accounts of all financial transactions, including the CFC's as applicable, in the operation of all business activities, to be supported by source documents such as sales slips, cash register tapes, purchase invoices, rental car contracts or other pertinent documents.

**10.2 The Accounting Year.** The accounting year shall be twelve (12) calendar months, commencing on the first day of January and ending the last day of

December.

## **11. ANNUAL RECONCILIATION**

**11.1 Concession Fees.** The District will submit an annual reconciliation of concession fees within ninety (90) days of the end of each Accounting Year. No adjustment of concession fee and/or monthly Minimum Annual Guarantee Payments will be allowed from the Operator after one hundred fifty (150) days.

**11.2 Customer Facility Charges.** Within ninety (90) days of the end of each Accounting Year, Operator shall provide an annual reconciliation of CFC revenue, if applicable. The reconciliation shall be prepared and certified as to accuracy by a Certified Public Accountant or the Tenant's Financial Officer. Any substantiated overpayment will be refunded to Operator within forty-five (45) days of receipt or report. Underpayments will be billed.

Operator acknowledges that any and all of the "Financial Statements" submitted to the District pursuant to this Agreement are Public Record and subject to the public inspection. Income tax returns, if submitted to the District pursuant to this Agreement, shall be treated by the District as Confidential Business Information and therefore not subject to public inspection.

**11.3 Audits.** All Operator's books of account and records and supporting documents related to this Agreement or to business operations conducted within or from the Airport shall be made available to District upon reasonable notice. District shall, through its daily authorized agents or representatives, have the right to examine and audit said books of account, records, and supporting source documents at any and all reasonable times, upon prior written request, for the purpose of determining the accuracy thereof, and of the monthly statements of sales made, CFCs collected, and monies received. Income tax returns, if submitted to District pursuant to this Agreement, shall be treated by District as confidential business information and therefore not subject to public inspection, subject to applicable law.

The full cost of said audit, as determined by District, shall be borne by Operator either of the following conditions exists:

- A. Underpayment.** The audit reveals and underpayment of more than three percent (3%) between the fees due and reported and paid by Operator in accordance with this Agreement and the fees due as determined by said audit; and/or
- B. Adequacy of Records.** Operator failed to maintain true and complete books, records, and accounts and supporting source documents in accordance with Paragraph 10, entitled Records and Accounts. The adequacy of records

shall be determined by District in its sole and absolute discretion. Otherwise, District shall bear the cost of said audit, except expenses related to the audit of documents kept outside the limits of Monterey County.

Upon the request of District, Operator shall promptly provide, at Operator's expense, necessary data to enable District to fully comply with any requirement of the State of California or the United States of America for information or reports relating to this agreement and to Operator's use of the Airport. Such data shall include, if required, a detailed breakdown of Operator's receipts and expenses.

**C. Possessory Interest/Taxes.** Pursuant to Section 107.6 of the California Revenue and Taxation Code, Operator's interest in the Premises may be subject to property taxation on the possessory interest created by this Agreement. Operator agrees to pay, before delinquency, all lawful taxes, including taxes on Operator's possessory interest, which, during the term hereof, may be or become a lien or be levied upon the real property, improvements or personal property situated upon the Premises, or upon the subject matter of this Agreement.

## **12. ASSUMPTION OF RISKS**

Operator represents that Operator has inspected said Airport and Premises, and all facilities thereupon and in connection therewith, and that Operator accepts the condition of same and fully assumes all risks incidental to use thereof. District shall not be liable to Operator for any damages or injuries to the property of person, or to other agents, employees, or business visitors of Operator, which may result from hidden, latent, or other dangerous conditions upon said Airport Premises or which may result from any condition of fire, construction, earthquake, flood, rainfall, or escape from any channel, regardless of the cause thereof.

## **13. DESIGNATION, ALLOCATION AND/OR RELOCATION OF READY PARKING SPACES/TOWER VEHICLE STORAGE SPACES/OVERFLOW VEHICLE STORAGE AREA**

**13.1 Allocated Spaces.** District has initially allocated to Tenant the number of Ready Parking Spaces, the number of Tower Vehicle Storage Spaces, and the amount of Overflow Vehicle Storage Area within the Premises as is set forth in Exhibits "C", "D", and "E" attached to this Agreement. District reserves the right, from time to time, to reallocate the number of Ready Parking Spaces, the number of Tower Vehicle Storage Spaces and the amount of Overflow Vehicle Storage Area among the various rental car operators at the Airport, based on the market share held by each Operator or other reasonable means as District may in its reasonable business judgement they choose to employ.

**13.2 Review of Market Share.** District shall review rental car operator's market share

each April. Market share data will compare the Gross Receipts reported to District for the twelve months preceding April 1 (twelve months: April 1 through March 31). District shall reallocate the number of Ready Parking Spaces, the number of Tower Vehicle Storage Spaces and amount of Overflow Vehicle Storage Area among the rental car operators based on this analysis effective on May 31 each year. District shall have the right to relocate said Ready Parking Spaces, Tower Vehicle Storage Spaces and Overflow Vehicle Storage Area to other locations in the designated areas for other District purposes.

#### **14. IMPROVEMENTS**

Tenant shall not make any structural, mechanical, utility, appliance or sign changes, alterations, additions, or modification to the Premises or construct or install any new improvements to the Premises or enter into any contract for making of any or more of such, without the prior written consent of Airport's Executive Director. If Tenant desires to make improvements to the Premises, the proposed work of improvement presented to Airport's Executive Director in written form together with two sets of detailed plans for the proposed work. The District shall have thirty calendar days within which to approve or disapprove Tenant's proposal. If not approved by District in writing within the thirty-day period, the proposal shall be deemed to have been disapproved. District may condition its approval on the payment by Tenant to District or others of permitting fees. Tenant shall protect the Premises and District from any liens or other charges whatsoever, by reason of Tenant's improvements. In the event Tenant performs any work of improvement to the Premises without the consent of Airport's Executive Director, District may require that Tenant remove any and all improvements at Tenant's cost and expense. In each instance, the consent of Airport's Executive Director to any such alterations, additions, modifications, or improvements shall be deemed conditioned upon Tenant's full and faithful compliance with the provisions of this Agreement. Tenant further agrees that no banners, pennants, flags, eye catching spinners or other advertising devices, nor any temporary signs shall be permitted to be flown, installed, placed, or erected on the Premises without the prior written consent of Airport's Executive Director.

#### **15. TITLE TO IMPROVEMENTS**

Improvements of any kind placed on the Premises by Tenant shall, at the option of the District, be removed by Tenant at Tenant's expense on or by the termination date of this Agreement. As to any or all improvements owned by Tenant for which the District does not exercise the option for removal, title to those improvements shall vest in District without the cost to District without any payment to Tenant upon termination of this Agreement. Machines, appliances, equipment, and trade fixtures of any kind placed in the Premises by Tenant shall be removed by Tenant at the expiration or sooner termination or the term of this Agreement. Tenant agrees to repair any and all damage occasioned by the removal. If any machine, appliances, equipment, or trade fixtures are not removed within thirty days after the termination of this Agreement, they may be considered abandoned and shall become the

property of District without cost to District and without payment to Tenant; except that District shall have the right to have them removed at the expense of Tenant. During any period of time employed by Tenant remove machines, appliances, equipment, or trade fixtures extending beyond the expiration of earlier termination of this Agreement. Tenant shall continue to pay the full rental and other fees to District.

## **16. MAINTENANCE, CLEANLINESS, ALTERATIONS AND ADVERTISING**

**16.1 Maintenance.** District agrees to keep the roof, exterior walls, plumbing and heating facilities, and the basic electric distribution system of Tenant's counter and office space in good repair; provided however, that Tenant shall be responsible for all damage to District's property caused by any willful act of negligence of Tenant, its agents or employees. District agrees to provide janitorial service for the public space in the Terminal and to keep the public and passenger space in the terminal adequately supplied and equipped. District shall maintain adequate directional signs in the Terminal. Tenant assumes full and exclusive responsibility and liability for any damage or injury to any of Tenant's personal property, equipment, fixtures, and facilities at, in and about the Airport, and for any and all personal property belonging to others in Tenant's custody or possession at the Airport.

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

**16.3 Signage and Advertising.** Tenant shall obtain prior written approval from Airport Executive Director prior to erecting or displaying any directional signs at or on the Airport, which approval shall not be unreasonably withheld. Any and all advertising desired by Tenant on Airport property must be placed through the Airport's exclusive advertising concession operator.

## **17. COMPLIANCE WITH GOVERNMENTAL REQUIREMENTS**

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

## **18. PERMITS**

Tenant shall obtain and pay for any and all permits required by all federal, state, and local government entities for any and all work on alterations, additions, modifications, installations, or improvements accomplished by Tenant or by others on behalf of or for the benefit of Tenant or caused or allowed to be accomplished by Tenant on the Premises. Any consent from Airport's Executive Director required under this Agreement shall be separate from any other consents or approvals required by any federal, state, or other governmental agency.

## **19. DISTRICT RULES AND REGULATIONS**

District reserves the right to adopt, amend and enforce rules and regulations governing the Premises and the public areas and facilities used by tenant in connection therewith. Such rules and regulations shall be consistent with the safety, security, and all public utility of the Airport and with the rules, regulations, and orders of the Federal Aviation Administration ("FAA") and Transportation Security Administration ("TSA"), and such rules and regulations shall not be inconsistent with the provisions of this Agreement, or the procedures prescribed and approved by the FAA, or TSA with respect to the operation of the Airport. Tenant agrees to observe, obey, and abide by all such rules and regulations heretofore or hereafter adopted or amended by District, including compliance with FAA, TSA and airport security rules, regulations and plans. With respect to the Premises, it shall be the responsibility of Tenant to take all necessary measures to carry out requirements imposed by the TSA on District as operator of the Airport pursuant to the access control system requirements of Section 1542 of Title 49 of the Code of Federal Regulations or to other requirements of 1542; and Tenant may be required to pay any and all civile penalties imposed by the TSA on District in the event that Tenant fails to carry out any such security requirements.

## **20. INTERRUPTION OF UTILITY SERVICE**

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

## **21. INDEMNITY AND INSURANCE**

**21.1 Damages.** This Agreement is made upon the express condition that Tenant hereby waives all claim against District for damages to property or for injury or death to any person or persons from any cause excepting however, the negligence of District or any of its agents, employees or servants arising at any time.

**21.2 Insurance Coverage.** Upon execution of this Agreement and prior to Tenant's exercising any of the rights and privileges herein granted, Tenant shall, at Tenant's expense, obtain and, throughout the life of this Agreement, maintain in full force and effect, a broad form commercial coverage policy or policies of public liability insurance protecting both Tenant and District from claims of bodily injury and property damage which may arise out of Tenant's occupancy(ies) and use(s) of the Premises or any portion thereof, or which may arise as a result of any one, more, or all of Tenant's activities/operations on, to, or from the Airport under authority of this Agreement. The required insurance shall include bodily injury and property damage limits of not less than \$1,000,000 combined single limits. The general liability policy shall include Blanket Contractual Liability and Products Liability coverage. Tenant shall maintain Worker's Compensation and Employers' Liability policies in accordance with laws of the State of California and providing coverage for all employees of Tenant. All general



liability policies shall name District as an additional insured where their interest may appear for liabilities arising in whole or in part by the conduct of the Tenant or Tenant's customers. Insurance shall be with a company or companies with an AM Best rating of A- or better in the amounts of not less than the specified herein or in minimum amounts as may be subsequently adjusted by District in the exercise of its reasonable business judgment. Tenant shall always during the term of this Agreement, including any extensions or renewal of this Agreement, provide District with a certificate from the insurance carrier or carriers insuring District and Tenant as required by this section. Insurance policies shall provide written notice to District at least thirty (30) days prior to cancellation. Where policies have normal expirations during the term of this Agreement or of any extension of this Agreement, written evidence of renewal shall be furnished to District at least thirty days prior to expiration.

## **22. WAIVER OF SUBROGATION**

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

## **23. TAXES AND ASSESSMENTS**

Tenant shall pay, as and when due (but not later than fifteen days prior to the delinquency date) any and all taxes and general and special assessments of any and all types or description whatsoever which, at any time during the term of this Agreement are levied upon or assessed against Tenant, the Premises or any one or more of the improvements belonging to District or Tenant, or upon Tenant's interests in the Premises, improvements, or other property.

## **24. TENANT'S RIGHT TO APPEAL**

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

## **25. DEFAULT**

It is mutually understood and agreed that if any default be made in the payment of rent or other charges dues under this Agreement or in the performance of the other covenants, conditions, or agreements contained in this Agreement, or if Tenant fails to fulfill in any manner that uses and purposes for which the Premises are rented, and if such detail is not to be cured within three days after the provision of written notice if the default is in the submittal of a report, in the payment of rent or in the performance of any other monetary obligation, or ten days after the provision of written notice if the default is in the performance of any non-monetary or other obligation, then District shall have the right to immediately terminate this Agreement. District shall further have all other rights and remedies as provided by law, including without limitation the right to recover damages from the detriment proximately caused by Tenant's failure to perform under this Agreement.

## **26. ASSIGNMENT AND SUBLETTING**

Assignment of this Agreement is prohibited. Without District's prior written consent, which shall not unreasonably be withheld, Tenant (including without limitation) any subtenant shall not either voluntarily or by operation of law hypothecate or encumber this Agreement or any interest in this Agreement, permit the uses of the Premises by any person or persons other than Tenant or sublet the Premises or any part of the Premises. Any transfer of this Agreement from Tenant by merger, consolidation, or liquidation, or the sale, conveyance, transfer by bequest of inheritance, or other transfer of a controlling interest in Tenant shall constitute an assignment of purposes of this Agreement. District's consent to a subletting shall not constitute a waiver of the necessity for such a consent to a subsequent or further subletting, whether by Tenant or any subtenant. Tenant acknowledges that District may evaluate the potential impact of a subtenant's operations on noise, traffic, parking, and other such factors in determining whether or not to give District's consent, and Tenant agrees that a denial of consent because of such concerns shall not be unreasonable.

## **27. DAMAGE OR DESTRUCTION OF PREMISES**

In the event of damage to or destruction by fire, the elements, acts of God, or any other cause of Tenant-constructed improvements located within the Premises or in the event Tenant-constructed improvements located within the Premises are declared unsafe of occupancy by a public entity with the authority to make and enforce such a declaration, Tenant shall, within ninety days of such damage, destruction commence and diligently pursue to completion the repair, replacement, or reconstruction of improvements necessary to permit full use and occupancy of the Premises for the purposes required by this Agreement. Repair, replacement, or construction of improvements within the Premises shall be accomplished in a manner according to plans approved by District; provided, however, the Tenant shall not be obligated to repair, reconstruct, or replace the improvements following their destruction in whole or substantial part except to the extent the loss is covered by insurance carried by Tenant.

## **28. BANKRUPTCY**

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

## **29. RECORDS, REPORTS, AND AUDITS**

**29.1 Records.** In order to ensure the availability of complete, up to date, and verifiable records with respect to any and all business conducted/done by Tenant under the authority of this Agreement. Tenant shall maintain and keep true and accurate accounts, records, books, and data, in accordance with generally accepted accounting principles, which shall, among other things, clearly and accurately show all sales made and services for cash, credit, or otherwise (without regard to whether pair or not); Gross Receipts; and the aggregate amount of sales, services, orders, and all of Tenant's business at Airport, or elsewhere under authority of this Agreement. All accounts, records, books, data, and any and all source, supporting, supplemental and/or backup documentation, including without limitation, any and all electronic data processing/machine/computer generated/retrievable records, reports, files, and registers, and/or computer tapes, disks, whether maintained by Tenant in Monterey or elsewhere, shall be retained by Tenant for a minimum of three years following the date on which they were created. Tenant, using either pre-printed, serially numbered blank-form type documents designed to be completed by hand, or serially numbered machine/computer-generated forms/documents, or a combination of these, shall ensure that a written receipt and/or Rental/Sale Agreement shall be issued for each and every rental, sale, and/or other transaction, whether for cash or credit or otherwise, which shall reflect all receipts associated with the rental/sale or other transaction to which the serially numbered document shall pertain.

**29.2 Reports.** Commencing with the month during which the effective date of this Agreement occurs, and then continuing monthly thereafter throughout the life of this Agreement, Tenant shall prepare and submit to District a detailed monthly statement showing the Gross Receipts of the business (broken down by the components identified in Section 6.2. The statements shall be prepared and submitted by Tenant with sufficient timeliness so as to be delivered not later than the twentieth calendar day of the month for which such statement shall be due. Tenant shall, within three months following the end of each complete operating year (i.e., the twelve-month period commencing July 1 and ending Jun 30) submit to District a detailed annual statement of Gross Receipts (broken down by components identified in Section 6.2) from the rental car business conducted by Tenant under authority of this Agreement, for the immediately preceding operating year. The annual statements shall be certified by Tenant's Financial Officer to be a complete, true, and accurate accounting of all Gross Receipts.

### **30. HAZARDOUS SUBSTANCES**

The provision of this Section, which govern Tenant's obligations with regard to hazardous substances, as defined below, shall survive termination of this Agreement.

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

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

**30.3 Compliance Regarding Hazardous Substances.** Tenant has complied and shall comply and cause all occupants of the Premises to comply, with all laws, regulations, and ordinances governing or applicable to Hazardous Substances which apply or pertain to the Premises. Tenant acknowledges that Hazardous Substances may permanently and materially impair the value and use of the Premises. Tenant acknowledges that Material Safety Data Sheets (MSDS) shall be submitted to District should Hazardous Materials be stored in excess of reasonable quantities required for Tenant operations.

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

pertaining to any Hazardous Substance.

**30.5 Site Visits, Observations, and Testing.** District and its agents and representatives shall have the right at any reasonable time to enter and visit the Premises for the purpose of observing the Premises, taking, and removing solid or groundwater samples, and conducting tests on the Premises. District is under no duty, however, to visit or observe the Premises or to conduct these tests. No site visit, observation or testing by District shall result in a waiver of any default of Tenant or impose any liability on District. In no event shall any site, observation or testing by District be a representation that Hazardous Substances are or are not present in, or under the Premises, or that there has been compliance with any law, regulation or ordinance pertaining to Hazardous Substances or any other applicable governmental law. In each instance, District shall give Tenant reasonable notice before entering the Premises or any other place District is permitted to enter under this Section. District shall make reasonable efforts to avoid interfering with Tenant's use of the Premises or any other property exercising any right provided in this Section.

### **31. NON-DISCRIMINATION**

Tenant shall always abide by the requirements of the Standard Non-Discrimination and Airport Development Provisions for Leases attached as Exhibit "F". As used in Exhibit "F" the term "Lessee" shall be deemed to refer to Tenant and the term "Lease" shall be deemed to refer to this Agreement.

### **32. COMPLIANCE WITH RULES AND REGULATIONS**

Tenant shall at Tenant's sole cost and expense and at all times during the term of this Agreement or any renewal or extension thereof comply with and observe all rules, regulations, ordinances, and laws which have been or may be promulgated by District relating to the Premises and the use of facilities of the Airport including all fire regulations, noise control regulations and security regulations. Such rules and regulations are hereby made a part of this Agreement and Tenant's failure to keep and observe the rules and regulations shall constitute a breach of terms of this Agreement in like manner as if the same were contained herein as covenants and conditions. District reserves the right to amend or supplement the rules and regulations and to adapt additional rules and regulations applicable to the Premises, to Tenant's use of the Premises, and the use of the facilities of the Airport, District shall have no obligation to Tenant as a result of violation of any such rules by any other person. Tenant shall always obey the statutes, codes, ordinances, laws and regulations of the United States of America, the State of California, the County of Monterey, and any other governmental entity having jurisdiction as the same may from time to time be amended during the term of this Agreement.

### **33. COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS**

Tenant shall ensure that its use of the Premises and operations are at all times in

compliance with Federal Water Pollution Control Act, National Pollutant Discharge Elimination Permit, and the Monterey Peninsula Airport District Storm Water Prevention Plan.

**34. ATTORNEY'S FEES**

In the event any suit is commenced to enforce, protect, or establish any right or remedy of any terms and conditions hereof, including without limitation a summary action commenced by District under laws of the State of California resulting to unlawful detainer, the prevailing Party shall be entitled to have and recover from the losing Party attorney's fees and cost of suit.

**35. ACCESS BY DISTRICT**

Tenant shall permit District and its agents to enter the Premises at all reasonable times for any appropriate purpose, including, without limitation, the following purposes:

To inspect the Premises; to maintain the Airport; to maintain or make such repairs to the District as obligated or may elect to make; to make repairs, alterations, or additions to any other portion of the Airport; to post notices of non-responsibility for alterations, additions, or repairs; and to show the Premises to prospective purchasers or Tenants.

District's right of entry shall be without any rebate of rent to Tenant for any loss of occupancy or quiet enjoyment of the Premises occasioned by District's entry.

**36. TIME**

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

**37. ENTIRE AGREEMENT**

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

**38. NOTICES**

Wherever notice is required by the terms of this Agreement, notice shall be deemed complete upon personal service of written notice upon the Party to whom such notice is given, or such notice may be given by prepaid U.S. first-class mail addressed as follows:

If to District:  
Monterey Peninsula Airport District  
ATTN: Airport Executive Director  
200 Fred Kane Drive, Suite 200  
Monterey, CA. 93940

With Copy to  
Cole Huber LLP  
Attn: MPAD District Counsel  
2281 Lava Ridge Court #300  
Roseville, CA 95661

If to Tenant:  
The Hertz Corporation  
8501 Williams Road,  
Estero, FL 33928

And such notice shall be deemed complete upon the deposit with the State of California.

**39. CAPTIONS**

The headings and titles to the articles, sections or paragraphs of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.

**40. APPLICABLE-LAW**

The laws of the state of California shall govern the validity, performance, and enforcement of this Agreement.

**41. FORCE MAJEURE**

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

**42. PARTIAL INVALIDITY**

If any term, covenant or condition of this Agreement or the application thereof to any

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

**43. TENSE, NUMBER AND GENDER**

Each number, tense and gender used in this Agreement shall include any other tense, number, or gender, where the context and the Parties hereto or the context and references therein shall require. If Tenant shall consist of more than one person, all of the terms, covenants and conditions of this Agreement shall be joint and several as to Tenant.

**44. NO PARTNERSHIP**

District is not in any way or for any purpose a partner to Tenant in the conduct of its business or otherwise, or a joint ventures or a member of a joint enterprise with Tenant. The Provisions of this Agreement relating to the rent and other fees hereunder are included for the purpose of providing a method whereby the rent is measured and ascertained.

**45. EXHIBITS INCORPORATED**

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by reference as though fully set forth herein, whether attached.

**46. COUNTERPART COPIES**

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

**IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective as of the day and year first above written.**



**MONTEREY PENINSULA  
AIRPORT DISTRICT**

**THE HERTZ CORPORATION**

---

Michael La Pier, AAE  
Executive Director

---

By :  
Its :

**APPROVED AS TO FORM:**

---

Scott E. Huber, District Counsel

## EXHIBIT A

Listed below are the Premises rented by Tenant (Section 2) with rental rates and monthly charges set by District beginning May 1, 2023 – January 31, 2024

### HERTZ

- A. Office Space.** 124 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$546.00.
- B. Counter Space.** 290 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$1,276.00.
- C. Corporate Office.** 321 square feet at \$4.40 per square foot per month, for a monthly rental fee of \$1,412.00.
- D. Ready Parking Spaces. May 1, 2023 – January 31, 2024:** 73 ready parking spaces at \$40.00 per space for a monthly rental fee of \$2,920.00.
- E. Tower Vehicle Storage Spaces. May 1, 2023 – January 31, 2024:** 62 vehicle storage spaces at \$29.25 per space for a monthly rental fee of \$1,814.00.
- F. Overflow Vehicle Storage Area. May 1, 2023 – January 31, 2024:** Zero (0) square feet of additional storage area at \$0.15 per square foot, for a monthly rental fee of \$0.00.
- G. Electricity Fee.** 735 square feet (office space plus counter space) x \$0.85 rate for a monthly electricity fee of \$311.00, which electricity fee shall be considered additional rent.

### TOTAL MONTHLY RENT.

- 1. May 2023 (Items A-G). \$8,279

EXHIBIT B

Illustrated below are the office and counter space rented by Tenant (Section 3.1 and 3.2).

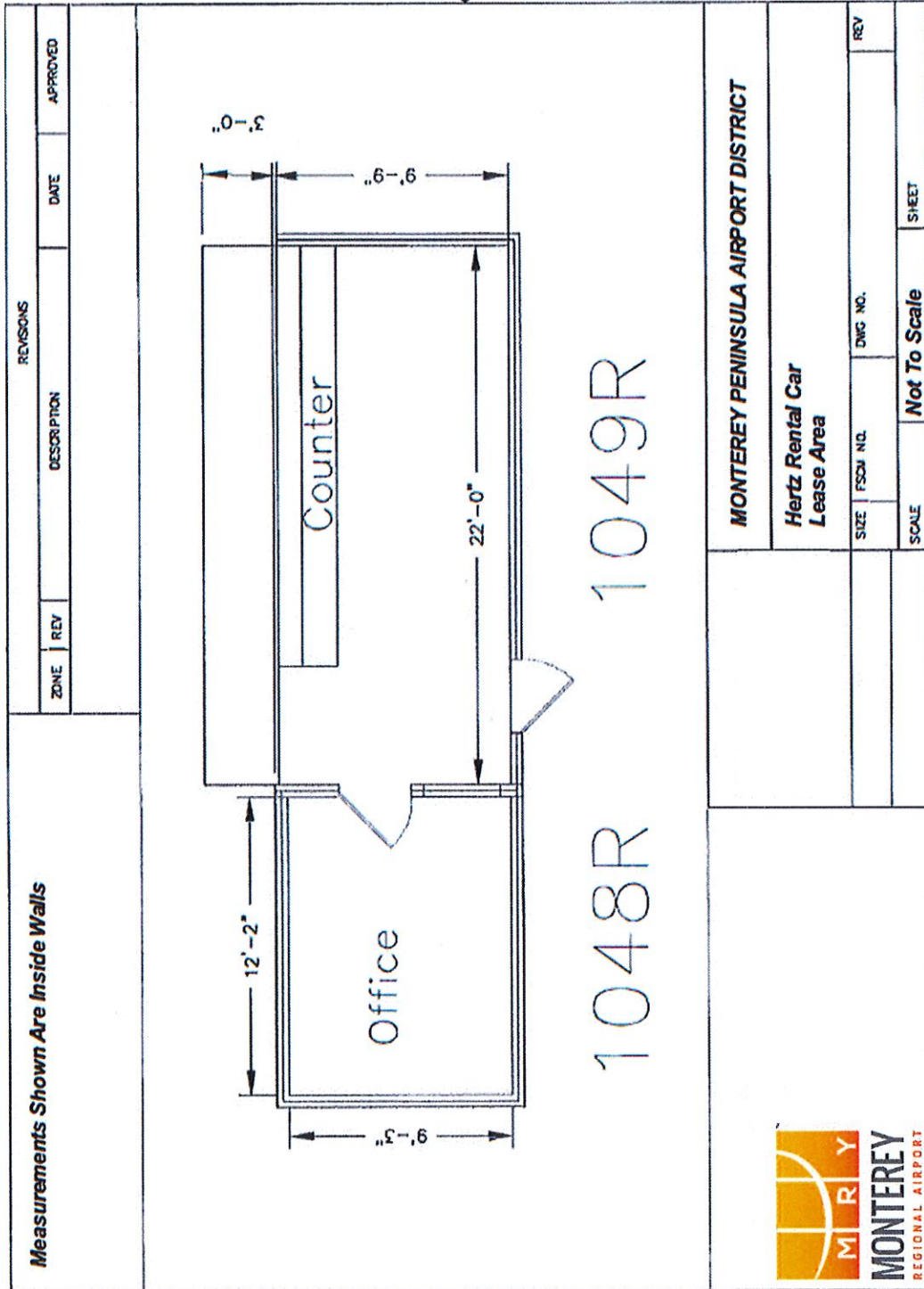




EXHIBIT D

Illustrated below are the tower vehicle storage spaces rented by Tenant (Section 3.4)

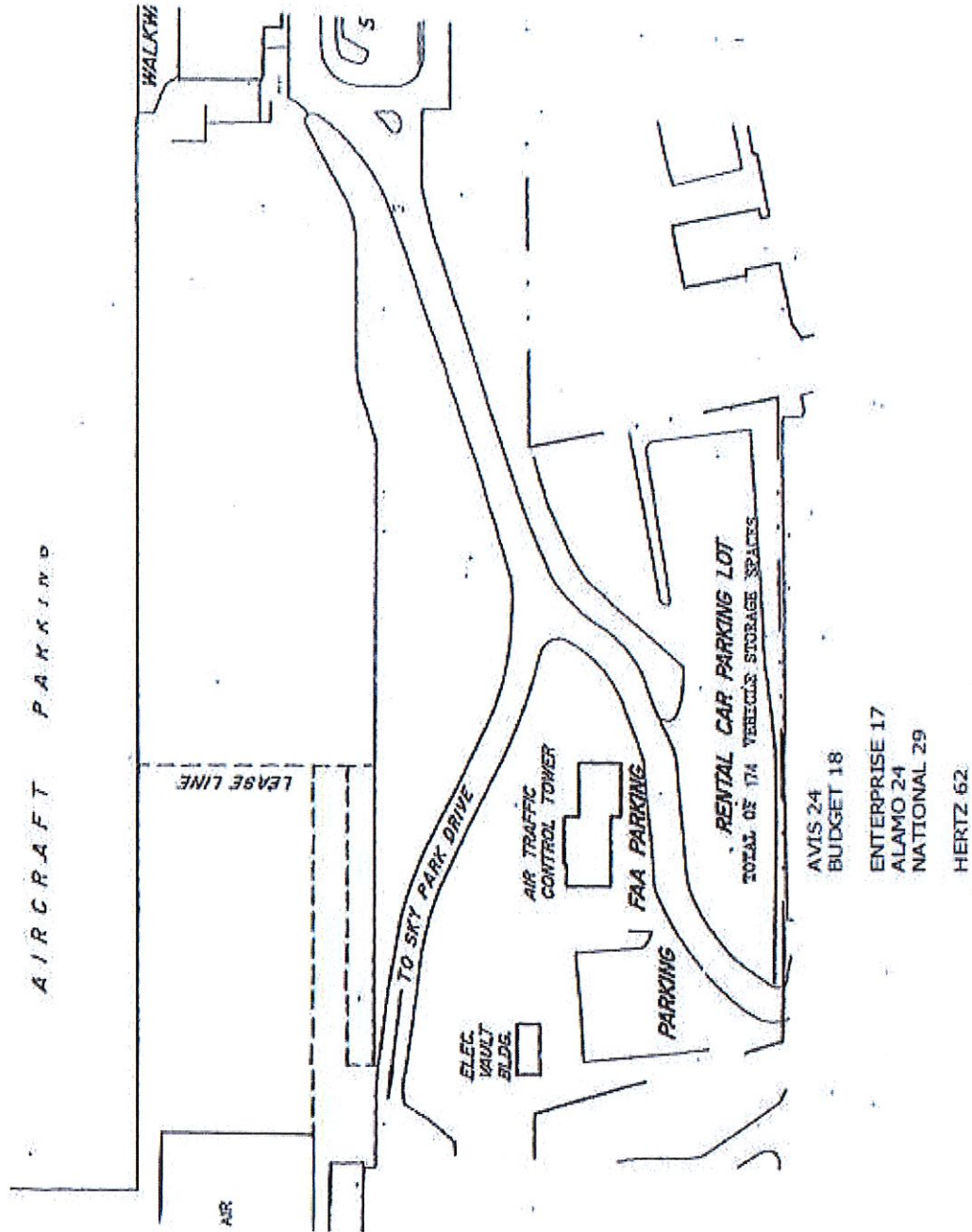
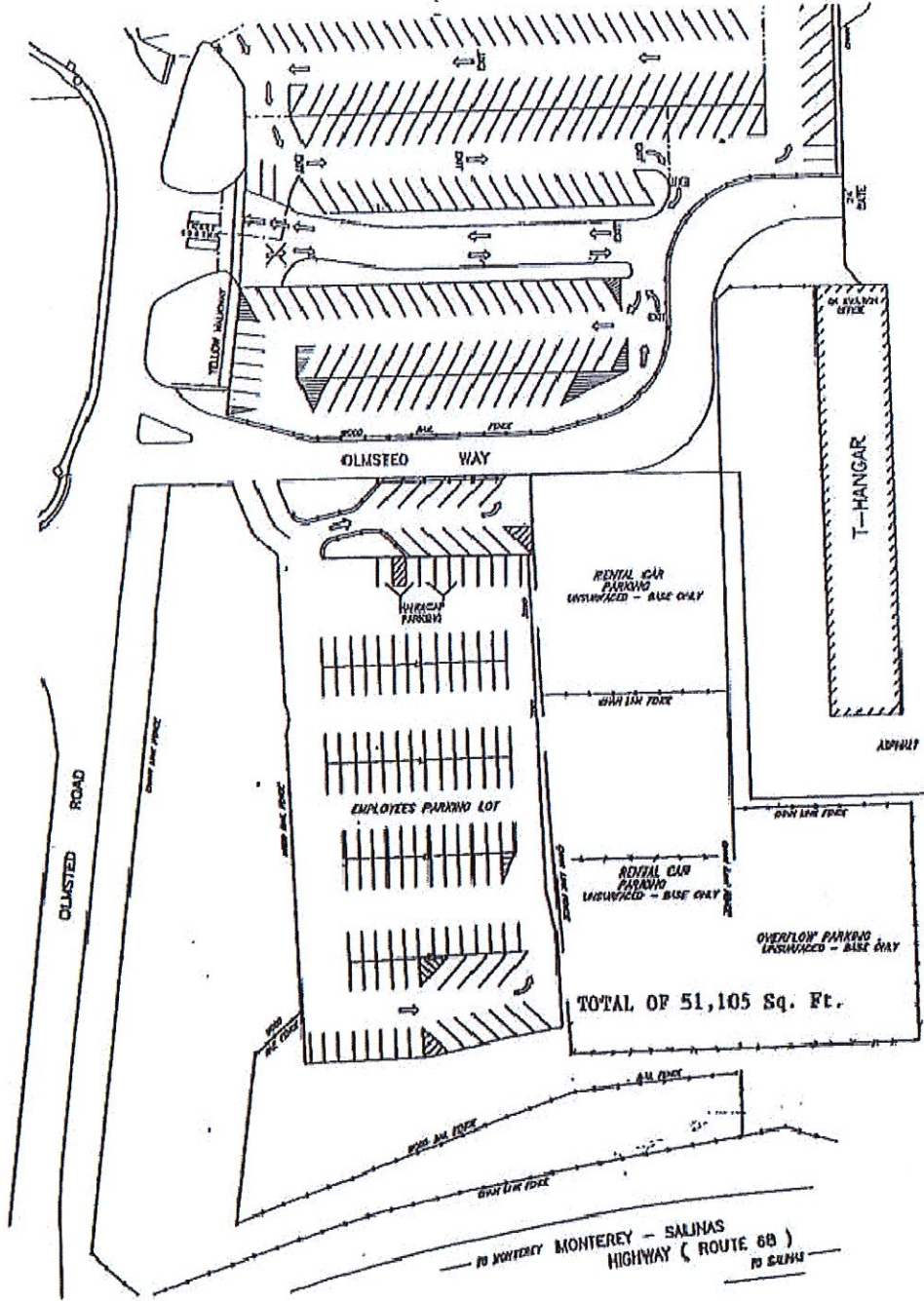


EXHIBIT E

Illustrated below is the overflow parking rented by Tenant (Section 3.5)



## EXHIBIT F

### STANDARD NONDISCRIMINATION AND AIRPORT DEVELOPMENT PROVISIONS AND LEASES

1. Lessee for himself/herself/itself and all heirs, personal representatives, successors in interest, and assigns, as a part of the consideration for these Lease to which these Standard Nondiscrimination and Airport Development Provisions for Leases are attached or made a part (hereinafter, the "Lease"), does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in the Lease (the "Premises") for a purpose for which a United States Department of Transportation ("DOT") program or activity is extended or for another purpose involving the provision of similar services or benefits, Lessee shall maintain and operate such facilities and services in compliance with all requirements imposed pursuant to Title 49, Code of Federal Regulations (CFR), DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the DOT effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
2. Lessee for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Lease, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under the Premises and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, and (3) that Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
3. Lessee for himself/herself/itself and all personal representatives, successors in interest, and assigns, as a part of the consideration for the Lease, does hereby covenant and agree as a covenant running with the land that in the event of breach of any of the above Nondiscrimination covenants, Lessor shall have the right to terminate the Lease and to reenter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

4. Lessee shall furnish all accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchases.
5. Non-compliance with Provision 4 above shall constitute a material breach of the Lease and in the event of such non-compliance Lessor shall have the right to terminate the Lease and the estate thereby created with liability therefore or at the election of Lessor or the United States either or both said governments shall have the right to judicially enforce said provisions.
6. Lessee agrees that Lessee shall insert the above five provisions in any sublease, lease agreement or other contract by which Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Premises.
7. Lessee assures that Lessee will undertake and affirmative action program as required by 14 CFR Part 152, Subpart 3, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee assures that no person shall be excluded on these ground from participating in or receiving the services or benefits of any program or activity covered by this subpart. Lessee assures the Lessee will require that Lessee's covered suborganizations provide assurances to Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effect.
8. Lessor reserves the right to further develop or improve the landing area of the Monterey Regional Airport (the "Airport") as Lessor sees fit, regardless of the desires or view of Lessee and without interference or hindrance.
9. Lessor reserves the right but shall not be obligated to Lessee to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.
10. The Lease shall be subordinate to the provisions and requirements of any existing or future agreement between Lessor and the United States, relative to the development, operation or maintenance of the Airport.



11. There is hereby reserved to Lessor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation of the Airport.
12. Lessee agrees to comply with the notification and review requirements covered by Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises.
13. Lessee by accepting the Lease expressly agrees for himself/herself/itself and all successors and assigns that Lessee will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the Premises covered by Part 77. In the event the aforesaid covenants are breached, Lessor reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of Lessee.
14. Lessee by accepting the Lease expressly agrees for himself/herself/itself and all successors and assigns that Lessee will not make use of the Premises in any manner which might interfere with the landing and taking off of aircraft from the Monterey Regional Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, Lessor reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of Lessee.
15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a).
16. The Lease and all of the provisions thereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

**AGENDA ITEM: H**  
**DATE:** April 27, 2023

**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 Mark Curtis, Superintendent of Field Operations](#)

**PLANNING AND DEVELOPMENT.**

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

**POLICE.**

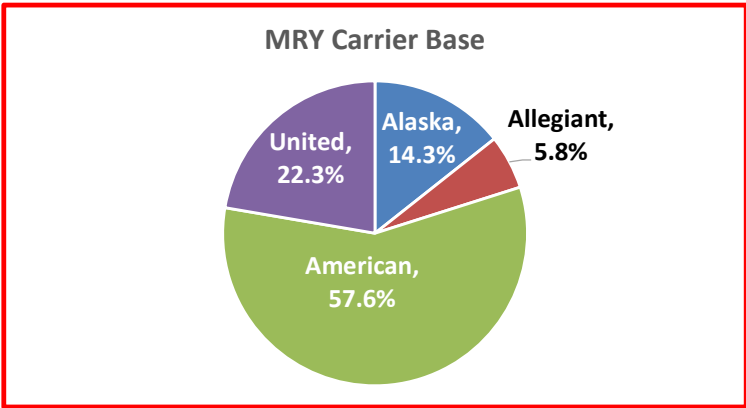
[Police Activity Report by Del Rey Oaks Police Department](#)

RATING	DATE OF VISIT	TIME OF VISIT	PURPOSE	FLIGHT	AIRLINE	COMMENT	CITY	STATE
POOR	3/28/2023	5:50 AM	Departing	2181	American	The lady at TSA by the name of Tucio decided that since my last name has a hyphen that apparently I'm an in flight risk and wouldn't let me board unless I changed my name on my ticket. On my ID it has the hyphen but when you purchase tickets it doesn't let you add the hyphen. Then she decided to power trip and send me for additional screening meanwhile my wife and 4 month old baby are waiting and crying. I had to be pulled aside and basically stripped searched in front of the whole airport just because of Tucio and her issue with my hyphenated last name. I've NEVER had this issue happen anywhere else while traveling. I will NEVER be flying out of this airport ever again.	Stamford	CT
EXCELLENT	3/30/2023	5:00 AM	Departing	2005	Alaska	Excellent customer service from checking bag to getting through security.	Seattle	WA

**TO:** Michael La Pier, Executive Director, Monterey Regional Airport  
**FROM:** Mark Wilson, Controller  
**SUBJECT:** Discussion and Analysis of the February 28, 2023 Financial Statements

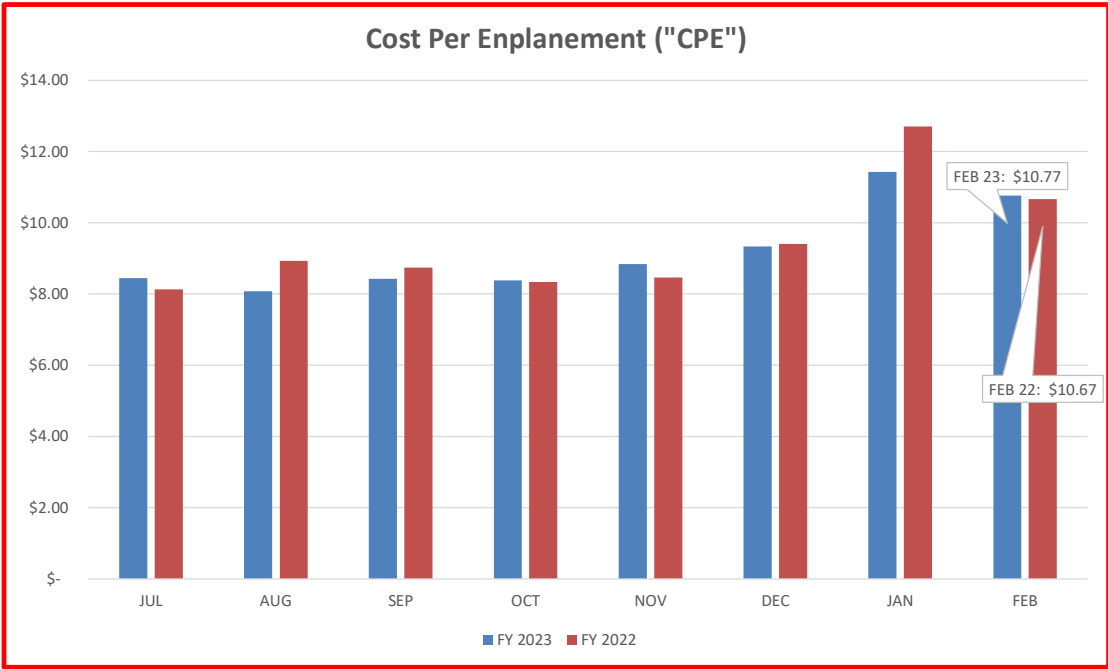
KEY OPERATING STATISTICS. February enplanements were 15,790, up 7.3% from the 14,721 in the previous period in 2022. February airline landings were less than budgeted (271 actual vs. 373 budgeted). Total Passengers for the month of February were 31,203 up from 29,373 in the previous period in 2022. Total aircraft operations for February were 3,687, down from 5,032 in the previous period in 2022, while Vehicle exit counts in the parking lots were 9,048 up 18.3% from the exit counts in February of 2022.

In February American Airlines accounted for approximately 57.6%, of the Airport's traffic.



In February the Airport's CPE was \$10.77, compared to \$10.67 in the same period in 2022 .

**Chart 1**



LIQUIDITY AND CAPITAL RESOURCES. As of February 28, 2023 the Airport had unrestricted cash and investments of \$14.235M with \$.987M of funds available under the CARES Grant. In February 2023, we made a CARES draw for \$705K.

To date, the Airport has received FAA Grants of \$9.483M for the new ARFF building. In addition, the Airport has previously received notice of eligibility for \$4.28M of Grants for Terminal Design under the BIL/Entitlements. In March, 2023, the Airport received notice of eligibility for another \$3.0M Grant for Terminal Design under the competitive BIL/ATP process.

As of February 28, 2023 the Airport had Restricted PFC cash and investments of \$1.827M and Restricted CFC cash and investments of \$1.096M.

The Current Ratio of unrestricted current assets to current liabilities is a very healthy 11.2X. Days Cash on Hand (based on FY 23 Budgeted Operating Expenses), was 549.

OPERATING INCOME. The Airport's higher than budgeted revenues and lower than budgeted operating expenses in February resulted in an operating income of \$141.2K, which is a favorable variance of \$212.1K to February's budgeted operating loss of \$70.8K.

	OPERATING INCOME			
	February 2023 ACTUAL	February 2023 BUDGET	VARIANCE Favorable (Unfavorable)	
			\$	%
Operating Revenues	\$ 827,652	\$ 693,340	\$ 134,312	19%
Operating Expenses	(686,434)	(764,184)	77,750	10%
Operating Income	<u>\$ 141,218</u>	<u>\$ (70,844)</u>	<u>\$ 212,062</u>	<u>299%</u>

REVENUES. February 2023 combined reported Airport Operating Revenues were \$827.7K, which was \$134.3K (19%) higher than budget (\$693.3K). This favorable variance was primarily due to higher Terminal Revenues and General Aviation.

	February 2023 ACTUAL	February 2023 BUDGET	VARIANCE Favorable (Unfavorable)	
			\$	%
Terminal Revenues	\$ 442,492	\$ 363,583	\$ 78,910	22%
General Aviation	160,550	125,434	35,116	28%
Non-Aviation	186,906	182,732	4,174	2%
Other Operating	33,552	18,900	14,652	78%
Interest Income	4,151	2,692	1,460	54%
Total Operating Revenues	<u>\$ 827,652</u>	<u>\$ 693,340</u>	<u>\$ 134,312</u>	<u>19%</u>

**Terminal Revenues:**

Commercial Aviation fees (\$78.1K) for February were lower than the budget (\$84.5K) by \$6.4K/8%. This unfavorable variance was primarily due to lower than budgeted landing fees.

Terminal Rents (\$142.6K) for February were materially on budget (\$145.K).

TNC Permits & Trip Fees (\$14.6K) for February were higher than the budget (\$12.K) by \$2.6K/21%. This favorable variance was primarily due to higher than budgeted revenues for Uber and Lyft.

Terminal Concessions (\$22.3K) for February were higher than the budget (\$14.8K) by \$7.4K/50%. This favorable variance was primarily due to higher than budgeted revenues for Woody's, Lamar and Gifts & More.

Rental Car Concessions (\$102.4K) for February were higher than the budget (\$43.7K) by \$58.6K/134%. This favorable variance was due primarily to higher than budgeted rental car activity around the AT&T event.

Parking Concession (\$79.8K) for February was higher than the budget (\$59.5K) by \$20.3K/34%. Parking Concession revenues for February were budgeted at 7,650 parked cars with an average of \$7.77. In February the number of parked cars was more at 9,048 with an average of \$8.82 per car, resulting in a favorable variance.

**General Aviation Revenues:**

Heavy General Aviation revenues (\$127.5K) for February were higher than budget (\$92.6K) due primarily to higher than budgeted landing and fuel fees at the FBOs.

Light General Aviation revenues (\$33.1K) for February were materially on budget (\$32.8K).

**Non-Aviation Revenues:**

Non-Aviation revenues (\$186.9K) for February were materially on budget (\$182.7K).

**Other Operating Revenues:**

Other Operating revenues (\$33.6K) for February were higher than budget (\$18.9K) due primarily to higher than budgeted License Fees, Utility Chargebacks and Tenant Employee Parking.

**Interest Income:**

Interest Income (\$4.2K) for February was materially on budget (\$2.7K).

EXPENSES. Total operating expenses of (\$686.4K) for February were lower than the budget (\$764.2K) by \$77.8K/10%. This favorable variance was primarily due to lower Employer Benefits, Salaries & Taxes, Professional Services and Supplies & Materials, partially offset by higher than budgeted Outside and Business Services; detailed analyses follows:

**OPERATING EXPENSES - BY MAJOR CATEGORY TYPE**

	February 2023	February 2023	VARIANCE	
	ACTUAL	BUDGET	Favorable (Unfavorable) \$	%
Salaries & Taxes	\$ 182,165	\$ 195,555	\$ 13,390	7%
Employer Benefits	111,852	161,964	50,113	31%
Recruitment & Training	10,861	10,540	(321)	-3%
Business Expenses	33,602	29,799	(3,803)	-13%
Supplies & Materials	4,234	11,250	7,016	62%
Repairs & Maintenance	51,437	51,240	(197)	0%
Outside Services	215,615	211,559	(4,056)	-2%
Professional Services	25,550	33,955	8,405	25%
Marketing, PR	18,959	25,405	6,446	25%
Utilities	30,276	31,035	759	2%
Interest Expense	1,881	1,881	-	0%
<b>Total Operating Expenses</b>	<b>\$ 686,434</b>	<b>\$ 764,184</b>	<b>\$ 77,750</b>	<b>10%</b>

**OPERATING EXPENSES - BY DEPARTMENT**

	February 2023	February 2023	VARIANCE	
	ACTUAL	BUDGET	Favorable (Unfavorable) \$	%
Admin & Finance	\$ 169,570	\$ 182,254	\$ 12,684	7%
Planning & Development	58,069	65,737	7,668	12%
Maintenance	140,728	164,589	23,861	14%
Operations	51,458	54,649	3,191	6%
Police	98,815	110,623	11,808	11%
Fire	137,639	159,747	22,109	14%
Board of Directors	20,402	18,123	(2,279)	-13%
Rental Properties	7,873	6,580	(1,293)	-20%
Interest Expense	1,881	1,881	-	0%
<b>Total Operating Expenses</b>	<b>\$ 686,434</b>	<b>\$ 764,184</b>	<b>\$ 77,750</b>	<b>10%</b>

Salary & Tax Expenses (\$182.2K) for February were lower than the budget (\$195.6K) by \$13.4K/7%. This favorable variance was primarily due to lower salaries and wages for the Maintenance Department (\$10.9K) and the Finance Department (\$3.6K).

Employer Benefit Expenses (\$111.9K) for February were lower than the budget (\$162.K) by \$50.1K or 30.9%. This favorable variance was primarily due to lower UAL amortization expense (\$33.3K) from prepaying the \$4.0M in June of 2022, lower CalPERS Health Insurance (\$13.8K) and lower CalPERS Retirement (\$1.3K).

Personnel Recruitment, Training & Pre-Employment and Related Expenses (\$10.9K) for February were materially on budget (\$10.5K).

Business Expenses (\$33.6K) were higher than the budget (\$29.8K) by \$3.8K/13%. This unfavorable variance was primarily due to higher than budgeted Insurance (\$3.1K) and Telephone (\$3.0K), partially offset by lower Telecommunications Expense (\$2.5K).

Supplies & Materials expenses (\$4.2K) for February were lower than the budget (\$11.3K) by \$7K or 62%. This favorable variance was primarily due to lower than budgeted Custodial Supplies & Materials (\$4.5K) and District Vehicle Fuel (\$2.8K).

Repair & Maintenance expenses (\$51.4K) for February were materially on budget (\$51.2K).

Outside Services expenses (\$215.6K) for were higher than the budget (\$211.6K) by \$4K or 2%. This unfavorable variance was primarily due to higher than budgeted Other Contract Services (\$4.1K) .

Professional Service expenses for the Art Program, Architect & Engineer, Legal, Audit, Computer / LAN & IT, Environmental, and Human Resources (\$25.6K) for February were lower than the budget (\$34.K) by (\$8.4K)/24.8%. This favorable variance was primarily due to lower Environmental (\$6.3K), and Computer Expenses (\$2.0K).

Marketing, Public Relations, Air Service Development and Social Media Marketing expenses (\$19.K) for February were lower than the budget (\$25.4K) by \$6.4K or 25.4%. This favorable variance was primarily due to lower than budgeted Marketing (\$5.5K), Air Service Development (\$1.2K), and Social Media Marketing expenses (\$1.8K), partially offset by higher Public Relations expense (\$2.0K).

Utilities expenses, combined, (\$30.3K) for February were materially on budget (\$31.K).

Interest expense (\$1.9K) for February was materially on budget (\$1.9K).

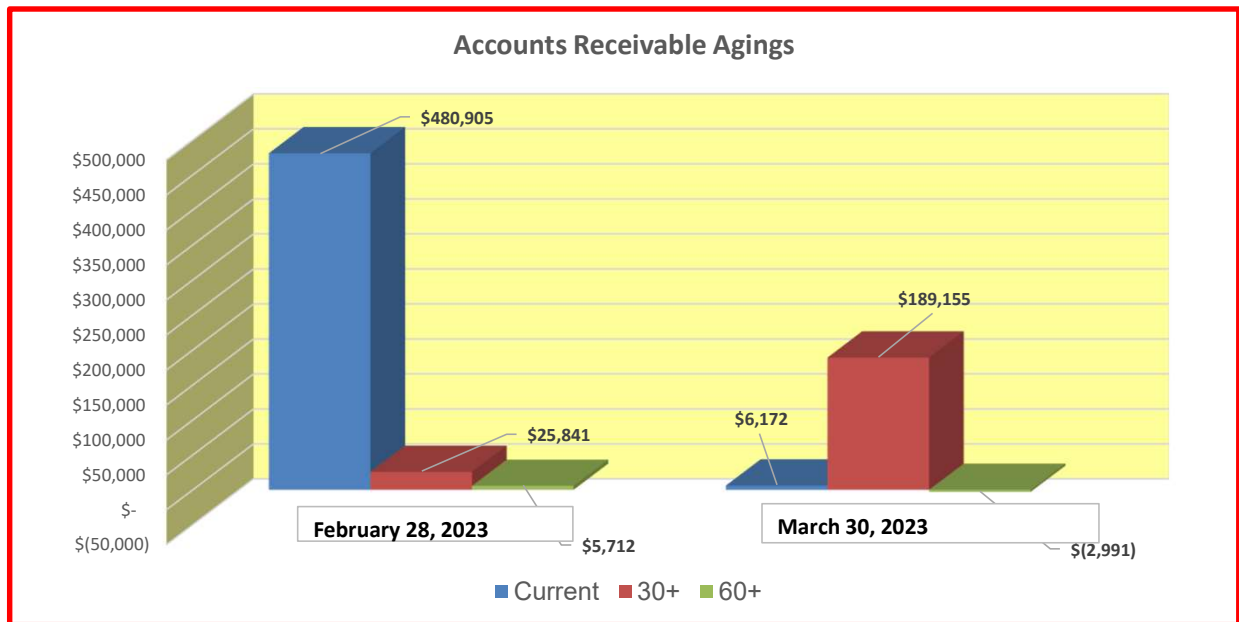


**SELECTED BALANCE SHEET ANALYSES:**

ACCOUNTS RECEIVABLE. The accounts receivable balance on February 28, 2023 was \$512.5K. This balance is \$73.4K or 17% higher than the January 31, 2023 balance (\$439.K), and \$107.1K/17% lower than the \$619.5K balance on February 28, 2022. The accounts receivable balance over 60 days old on February 28, 2023, was \$5.7K.

Chart 2 below graphically presents the aging of accounts receivable (1) as of February 28, 2023 and (2) prior to the next billing cycle (March 30, 2023).

**Chart 2**



Total accounts receivable of \$512.5K as of February 28, 2023 was comprised of \$120.6K/(23.5%) from Commercial Airlines, \$99.8K/(19.5%) from Rental Car companies, \$85.4K/(16.7%) from FBOs, \$72.5K/(14.2%) from Parking, \$32.5K/(6.3%) from the Monterey Hi-Way Self Storage, \$18.3K/(3.6%) from TNCs and Taxis, \$12.2K/(2.4%) from Woody's and \$71.1K/(13.9%) from all other customer accounts.

The District carries a \$10K allowance for doubtful accounts. Prepaid accounts receivable as of February 28, 2023 of \$18.3K have been reclassified to deferred revenue.

**Chart 3** below graphically presents the composition of accounts receivable by major customer/concessionaire/tenant.

**Chart 3**

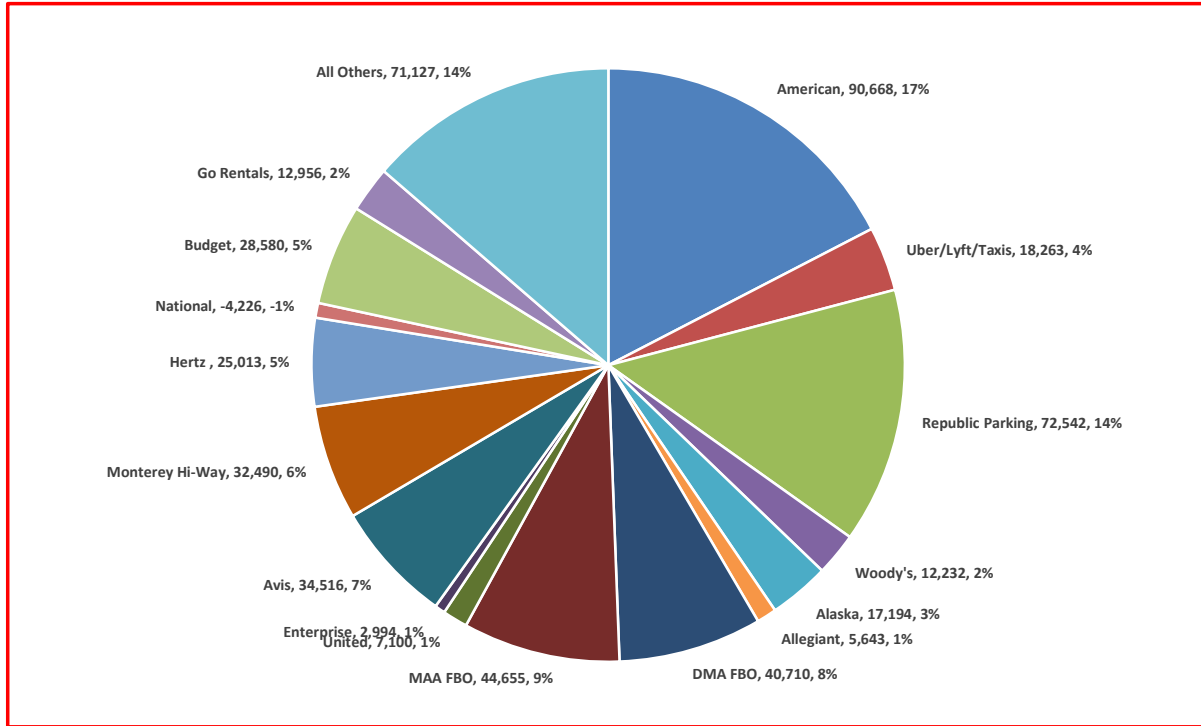
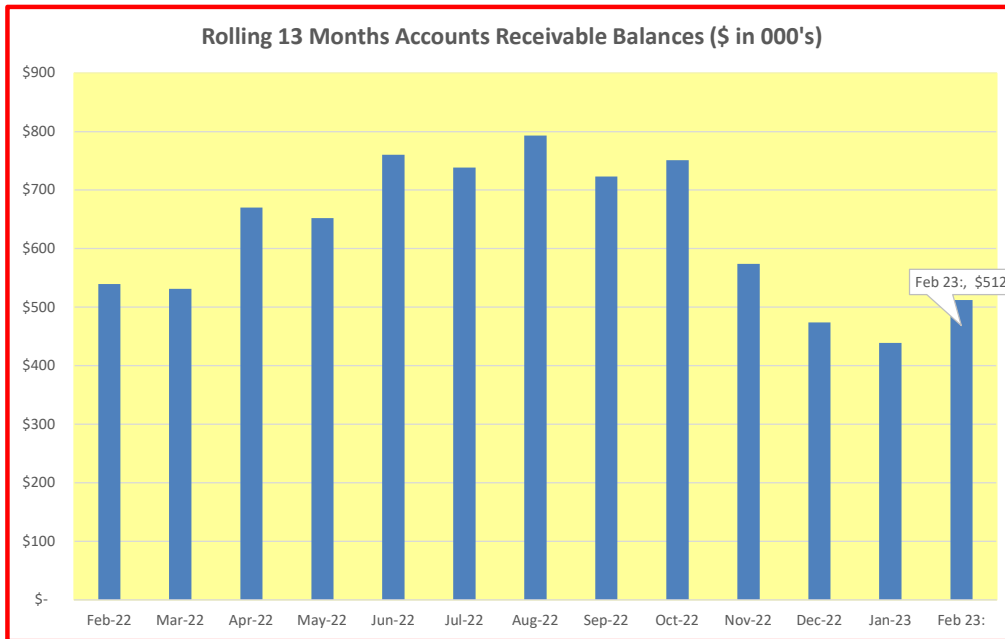


Chart 4 below depicts the total accounts receivable balances for the 13 months from February 2022 to February 2023.

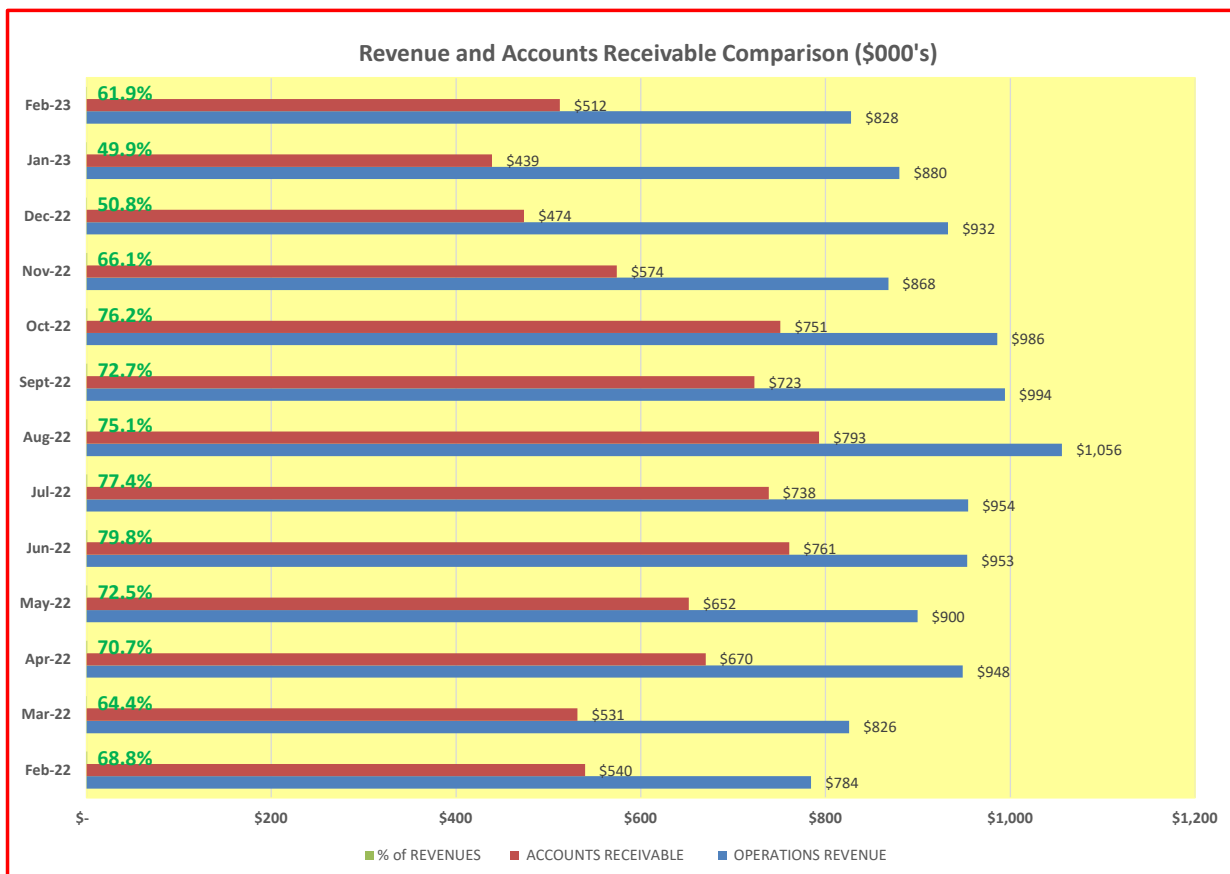
**Chart 4**



The balance of accounts receivable at month-end aligns with operating revenues in that month. The month-end balance of accounts receivable historically is approximately 50% to 70% of revenues. On February 28, 2023, accounts receivable is 61.9% of revenues and the rolling thirteen-month average is 68.2%.

**Chart 5** below graphically presents the monthly comparison of accounts receivable to operating revenues.

**Chart 5**

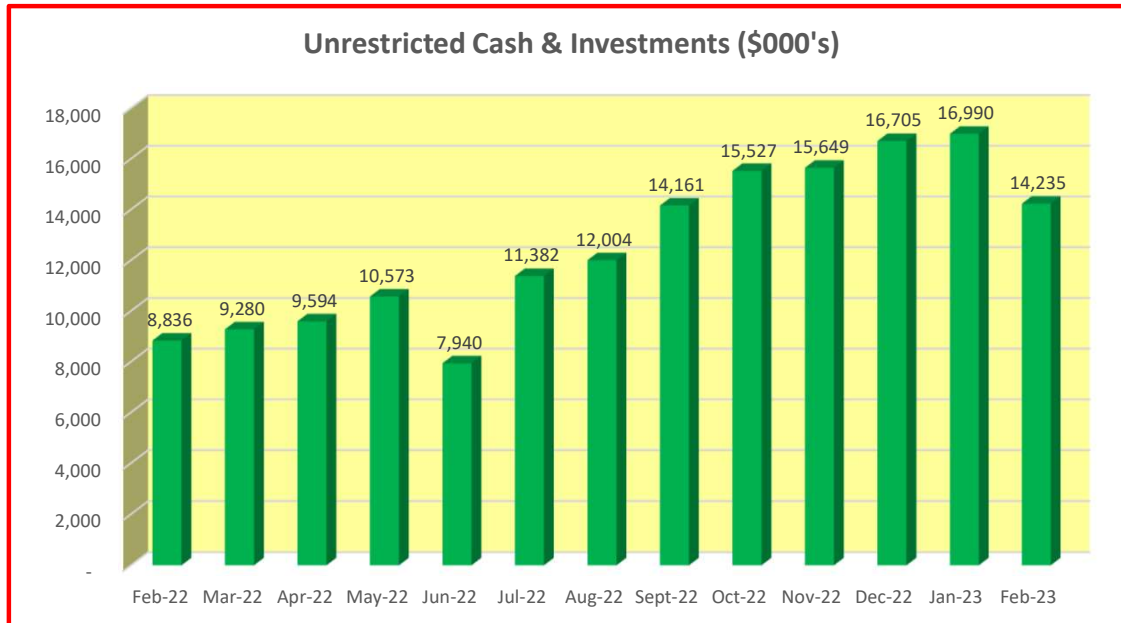


**UNRESTRICTED CASH AND INVESTMENTS.** The unrestricted cash and investments balance on February 28, 2023, was \$14.235M and the unrestricted cash and investments balance on January 31, 2023 was \$16.99M, a decrease of \$2.755M.

The decrease in unrestricted cash and investments was primarily due to: (1) cash used by Capital and Related Financing Activities of \$4,041K, partially offset by (2) the net cash provided by Operating Activities of \$600.3K, and (3) the net cash from our CARES Act draw of \$705K (see Statement of Cash Flows on Page 17 for more detail).

Chart 6 graphically presents the monthly balances of unrestricted cash and investments.

**Chart 6**



**SELECTED OPERATING STATISTICS:**

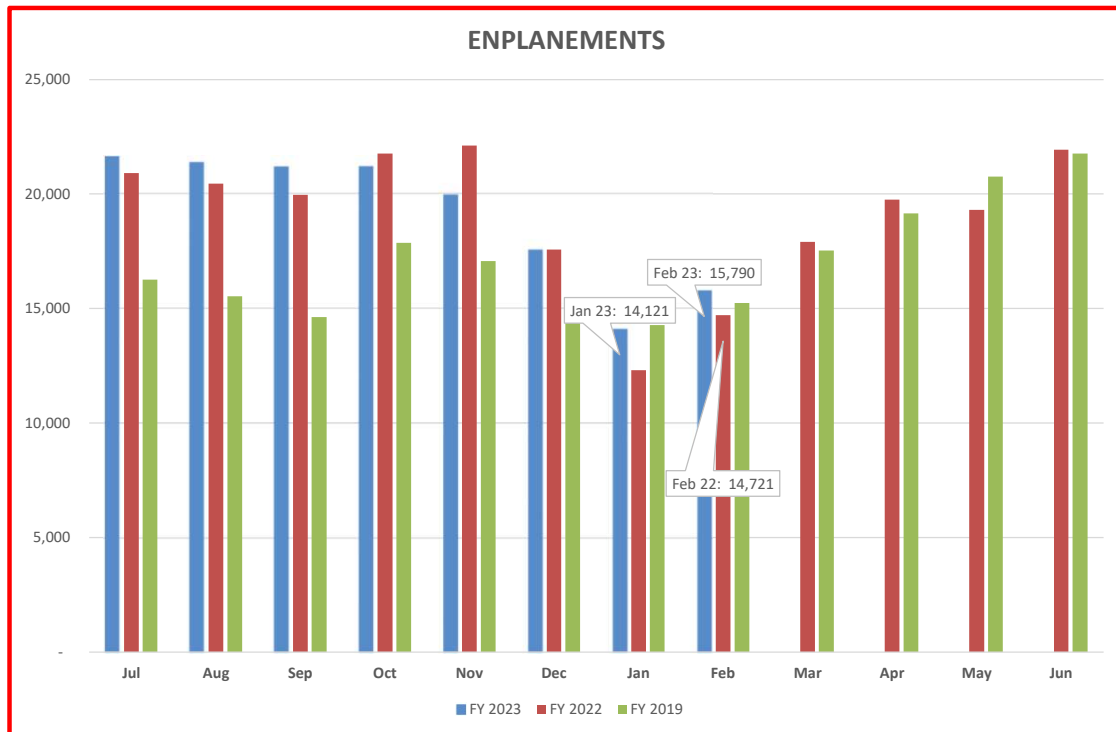
**ENPLANEMENTS AND LOAD FACTORS.** Table 1 presents simple load factors for fiscal years 2016 to 2023. Load factors indicate the customer utilization of available airline seat capacity which generally correlates to customer use of TCP, Taxi and TNC services, parking, and other support services. Simple load factors do not include non-revenue enplanements. Historically annual load factors range from approximately 70% to 77%. 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	February 28, 2023				FYTD			
	Load Factors	Enplanements	Available Seats	Flights	Load Factors	Enplanements	Available Seats	Flights
2023	70.8%	15,790	22,298	271	76.9%	138,834	180,477	2,551
2022	69.4%	14,721	21,200	328	73.1%	149,846	205,095	3,017
2021	35.6%	5,052	14,188	192	42.6%	47,795	112,182	1,537
2020	70.8%	16,222	22,924	352	74.7%	157,305	210,700	3,201
2019	68.6%	15,242	22,224	336	68.5%	126,378	184,615	2,786
2018	79.0%	13,758	17,406	276	77.2%	126,419	163,762	2,572
2017	74.3%	15,102	20,316	320	74.5%	133,051	178,490	2,736
2016	69.4%	13,673	19,706	292	77.1%	120,474	156,344	2,560

Airline/destination specific simple load factors for February 2023 were Alaska/SAN 78.8%, Alaska /SEA 63.1% American/DFW 92.7%, American/PHX 67.4%, United/DEN 79.4%, United/LAX 85.7%, United/SFO 65.8%, and Allegiant/LAS 72.8%. JSX did not fly out of MRY in February 2023.

Chart 7 below presents a comparison of monthly enplanements for FY 2023 to all FY 2022 enplanements (which reflect the seasonality of the Airport's historical business cycle). When comparing enplanements for February 2023 (15,790) and January 2023 (14,121), enplanements increased by 1,669. When comparing February 2023 to February 2022, enplanements were up: (15,790) vs. (14,721).

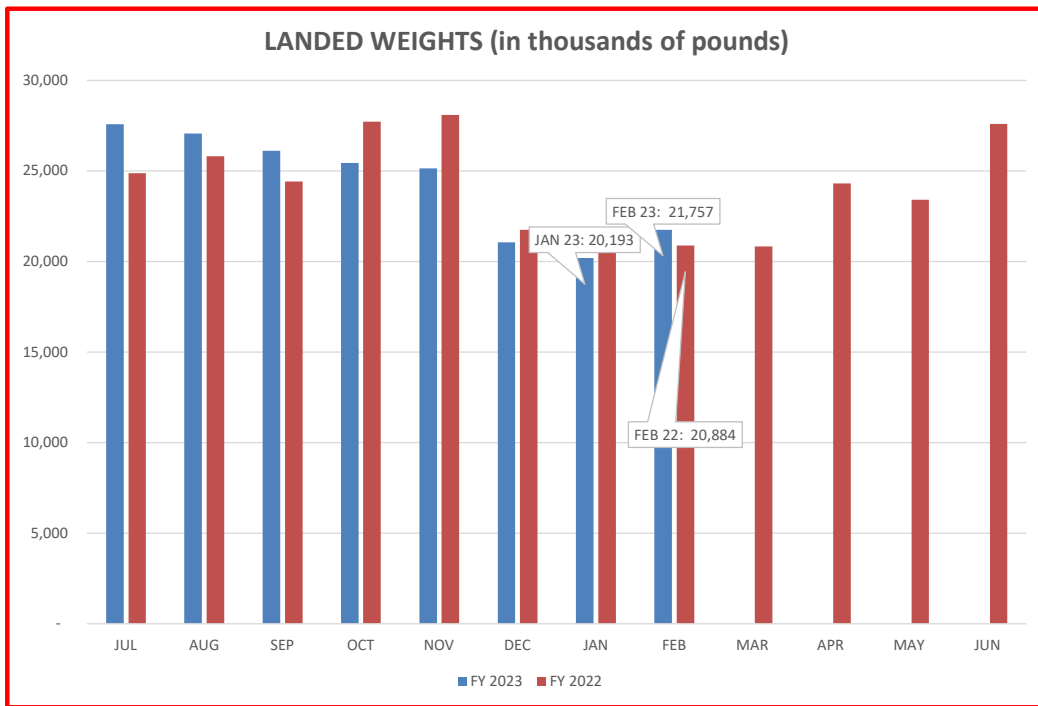
**Chart 7**



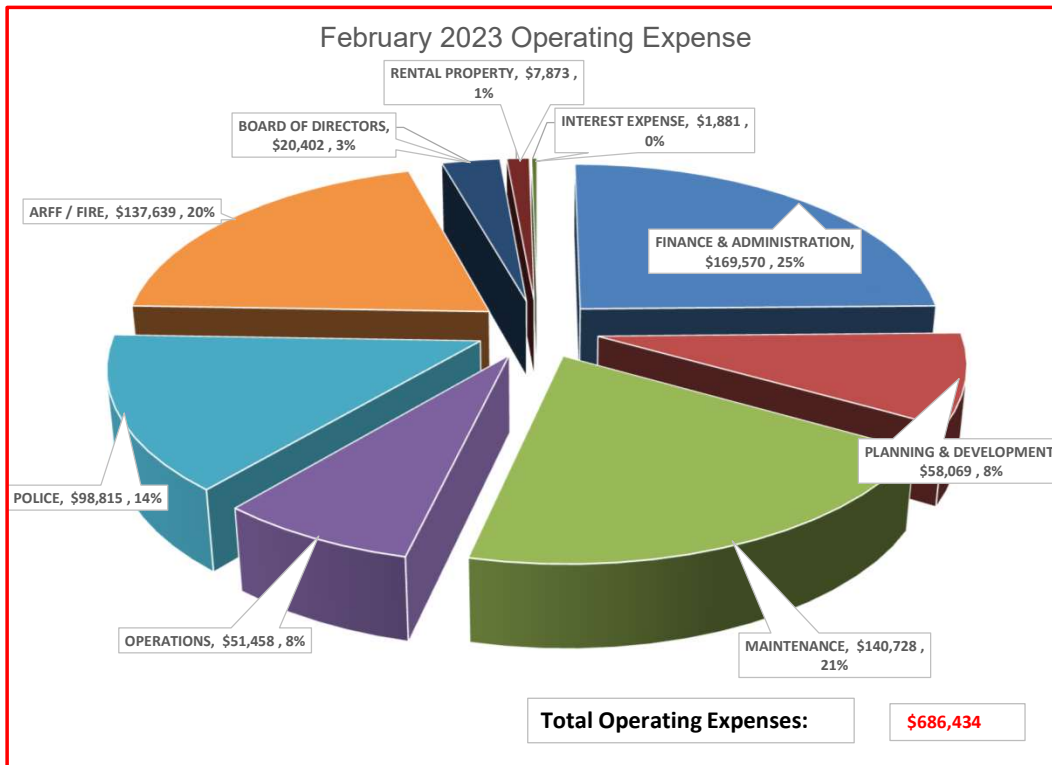
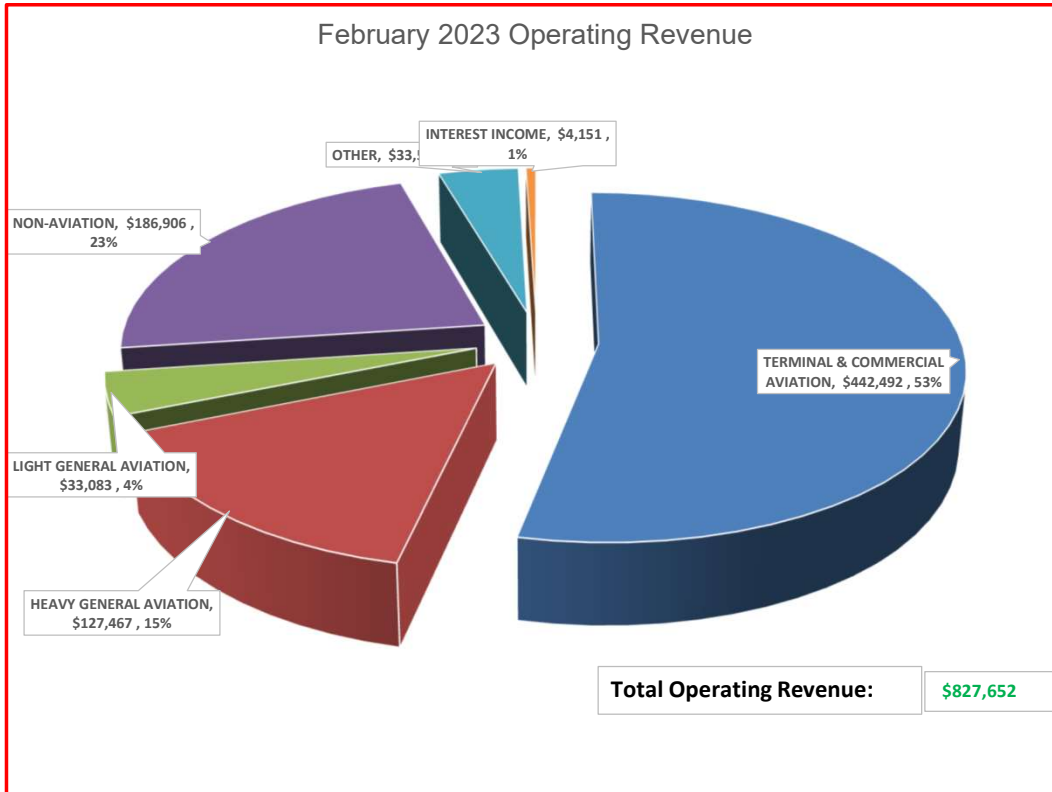
**LANDED WEIGHTS.** Chart 8 presents the Airport’s landed weights for FY 2022 to FY 2023. We expect landed weights to increase when American begins up-gauging with heavier aircraft (the Mainline A319 has a Maximum Gross Landing Weight of 134,482 pounds, as compared to a Maximum Gross Landing Weight of 74,957 pounds for the Regional Embraer 175).

Total landed weights for February 2023 were 21,757 thousand pounds, an increase of 873 thousand pounds over the 20,884 landed in the comparable period in 2022, and an increase of 1,564 thousand pounds over the 20,193 thousand pounds landed in January 2023.

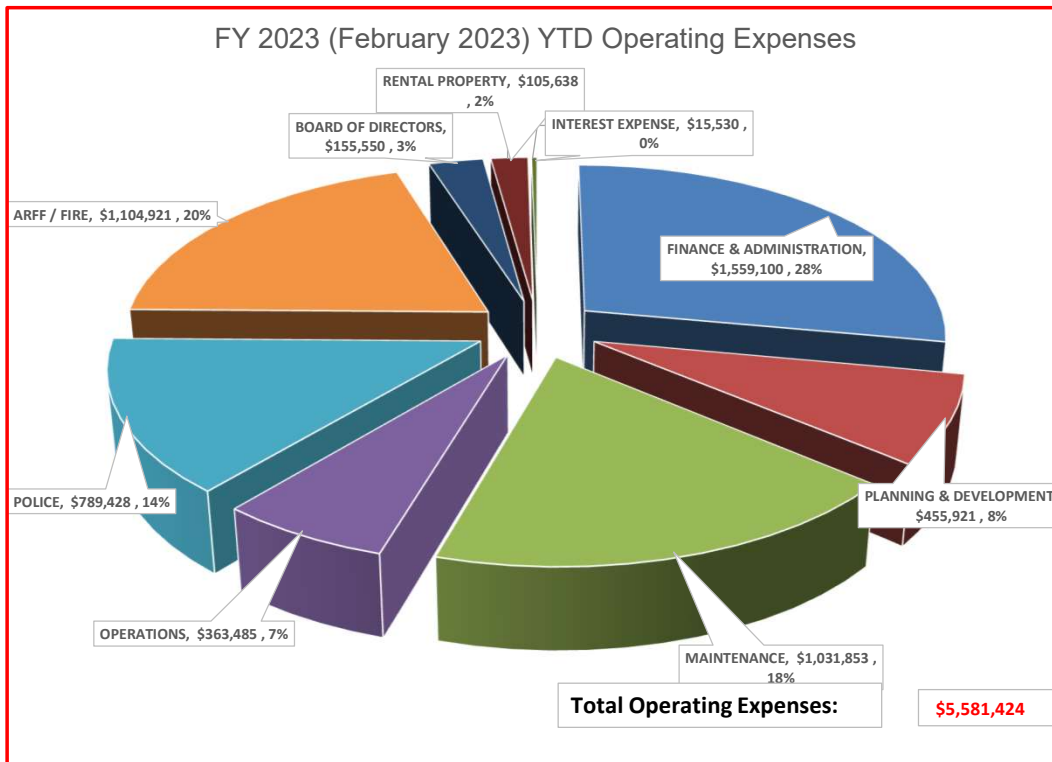
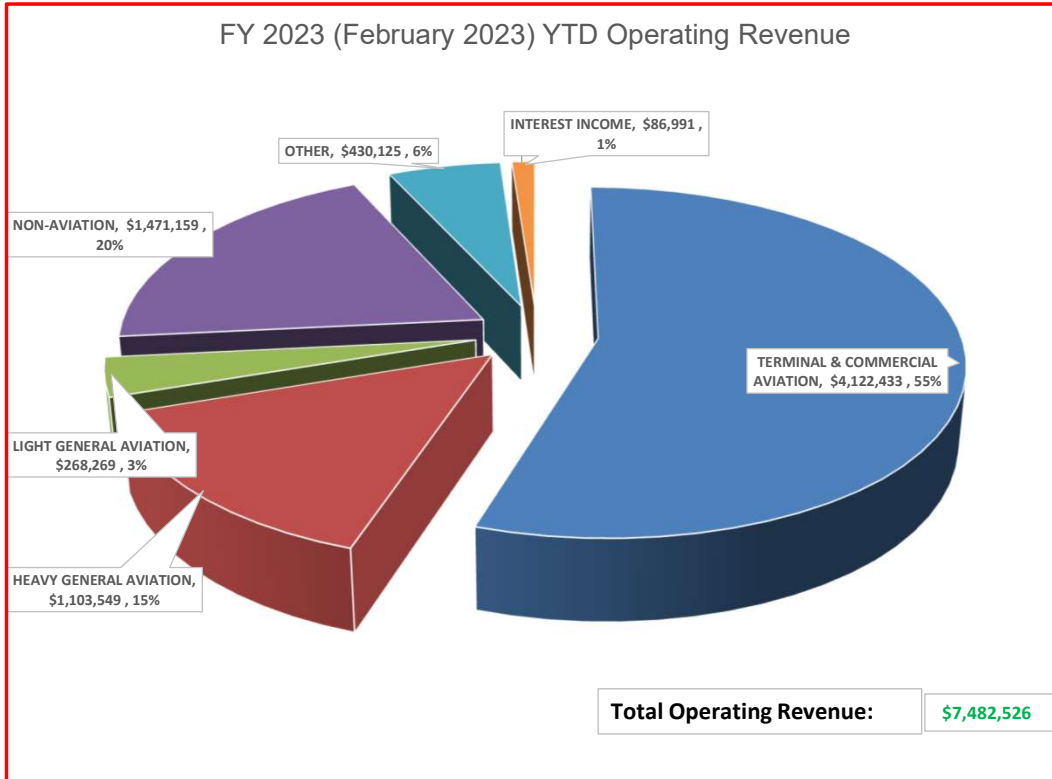
**Chart 8**



Monterey Peninsula Airport District



Monterey Peninsula Airport District





# AIRPORT DISTRICT OPERATING AND FINANCIAL PERFORMANCE SUMMARY

**Feb. 28, 2023**

OPERATING STATISTICS	Feb. 28, 2023	Budget	%	Feb. 28, 2022	YTD FY 23	Budget	%	YTD FY 22
<b>AIRPORT ACTIVITY</b>								
Air Carrier Landings <sup>1</sup>	271	373	-27%	328	2,843	3,465	-18%	3,016
Landed Weight (in thousands of pounds)	21,757			20,884	194,534			194,011
Enplanements	15,790			14,721	152,755			149,846
Passengers (emp/dep)	31,203			29,373	303,059			299,624
Total Cargo (in pounds)	28,004			53,300	392,595			480,365
Commercial	1,142			1,305	11,526			12,495
General Aviation	2,368			3,438	23,693			26,148
Military	177			289	1,488			2,178
<b>TOTAL AIRCRAFT OPERATIONS</b>	<b>3,687</b>	<b>0</b>	<b>0</b>	<b>5,032</b>	<b>36,707</b>	<b>0</b>	<b>0</b>	<b>40,821</b>

<b>VEHICLE EXIT COUNT</b>								
Long Term (1) Lot	2,071			1,454	19,962			15,350
Upper Short Term (2) Lot	1,665			1,616	14,469			15,648
Lower Short Term (3) Lot	5,312			4,713	42,561			38,544
<b>TOTAL VEHICLE EXIT COUNT</b>	<b>9,048</b>	<b>0</b>	<b>0</b>	<b>7,783</b>	<b>76,992</b>	<b>0</b>	<b>0</b>	<b>69,542</b>

1: Cancelled Flight Landings: Current Month =8 (2 - Alaska /0 - Allegiant /4 - American /2 - United) FYTD = 26 (9 - Alaska /0 - Allegiant /10 - American /7 - United)

	Feb. 28, 2023	Feb. 28, 2023	Var.	Feb. 28, 2022	YTD FY 23	Budget	Var.	YTD FY 22
	ACTUAL	Budget	\$	15%	ACTUAL	Budget	\$	ACTUAL
<b>OPERATING REVENUE</b>								
<b>TERMINAL</b>								
CA Landing, RON, Apron, and Fuel Flowage Fees	\$ 78,066	\$ 84,516	\$ (6,450)	64,875	\$ 683,874	\$ 764,457	\$ (80,583)	650,420
Rents	142,578	145,044	(2,466)	144,724	1,157,729	1,160,352	(2,623)	1,169,076
TCP Operator Permits	620	450	170	470	3,931	3,600	331	4,231
Taxi Operator Permits & Trip Fees	2,241	3,540	(1,299)	3,343	25,399	35,947	(10,547)	33,920
TNC Permits, Trip Fees and Peer-to-Peer Rentals	14,567	12,000	2,567	11,730	133,687	108,657	25,030	108,387
Concessions	22,254	14,823	7,431	16,069	181,608	147,425	34,183	141,801
Rental Car	102,374	43,741	58,633	110,058	1,194,028	1,084,718	109,310	1,149,936
Parking	79,792	59,469	20,323	63,410	742,178	727,536	14,642	696,123
<b>HEAVY GENERAL AVIATION</b>								
GA Landing Fees	33,756	10,878	22,878	39,780	309,326	324,809	(15,483)	353,863
FBO Rent	58,677	60,232	(1,555)	57,780	469,416	481,856	(12,440)	462,240
Fuel Fees	35,034	21,479	13,555	37,197	324,808	335,420	(10,612)	331,170
<b>LIGHT GENERAL AVIATION</b>								
	33,083	32,845	238	32,717	268,269	262,760	5,509	254,716
<b>NON AVIATION</b>								
	186,906	182,732	4,174	178,244	1,471,159	1,452,578	18,581	1,473,489
<b>OTHER OPERATING REVENUE</b>								
	33,552	18,900	14,652	21,225	430,125	265,200	164,925	252,931
<b>INTEREST INCOME</b>								
	4,151	2,692	1,460	355	86,991	27,533	59,457	14,712
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 827,652</b>	<b>\$ 693,340</b>	<b>\$ 134,312</b>	<b>\$ 781,976</b>	<b>\$ 7,482,526</b>	<b>\$ 7,182,848</b>	<b>\$ 299,678</b>	<b>\$ 7,097,015</b>

<b>OPERATING EXPENSE</b>								
Finance & Administration	\$ 169,570	\$ 182,254	\$ (12,684)	180,571	\$ 1,559,100	\$ 1,698,988	\$ (139,888)	1,194,247
Planning & Development	58,069	65,737	(7,668)	53,676	455,921	498,018	(42,097)	275,670
Maintenance & Custodial Services	140,728	164,589	(23,861)	130,480	1,031,853	1,274,248	(242,395)	757,961
Airport Operations	51,458	54,649	(3,191)	39,482	363,485	431,053	(67,568)	259,961
Police Department	98,815	110,623	(11,808)	102,787	789,428	878,903	(89,474)	620,067
ARFF /Fire Services	137,639	159,747	(22,109)	151,865	1,104,921	1,280,464	(175,544)	905,018
Board of Directors	20,402	18,123	2,279	14,126	155,550	276,584	(121,034)	88,399
Office Rentals	7,873	6,580	1,293	12,397	105,638	96,280	9,358	86,474
Interest Expense	1,881	1,881	-	2,693	15,530	13,624	1,906	26,046
<b>TOTAL OPERATING EXPENSE</b>	<b>\$ 686,434</b>	<b>\$ 764,184</b>	<b>\$ (77,750)</b>	<b>\$ 688,077</b>	<b>\$ 5,581,424</b>	<b>\$ 6,448,162</b>	<b>\$ (866,738)</b>	<b>\$ 4,213,843</b>

<b>OPERATING INCOME / (LOSS)</b>	<b>\$ 141,218</b>	<b>\$ (70,844)</b>	<b>\$ 212,062</b>	<b>\$ 93,899</b>	<b>\$ 1,901,102</b>	<b>\$ 734,686</b>	<b>\$ 1,166,416</b>	<b>\$ 2,883,172</b>
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<b>DISTRICT CAPITAL EXPENDITURES</b>	<b>\$ (3,560,316)</b>	<b>\$ (3,500,000)</b>	<b>\$ (60,316)</b>	<b>\$ (123,916)</b>	<b>\$ (2,670,397)</b>	<b>\$ (5,601,130)</b>	<b>\$ 2,930,733</b>	<b>\$ (195,547)</b>
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<b>DEBT SERVICE - PRINCIPAL ONLY</b>	<b>\$ (1,019)</b>			<b>\$ (48,164)</b>	<b>\$ (110,220)</b>			<b>\$ (288,981)</b>
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**MONTEREY PENINSULA AIRPORT DISTRICT**

Statements of Net Position

	<b>Feb. 28, 2023 (Unaudited)</b>	<b>June 30, 2022 (Audited)</b>
<b>ASSETS:</b>		
Current assets:		
Unrestricted:		
Cash	\$ 1,515,504	\$ 2,004,131
Investments - L.A.I.F.	11,663,245	5,581,919
Investments - Negotiable CDs	1,057,479	768,848
Accounts receivable, net of \$10,000 allowance	502,458	763,199
Accrued Interest receivable	11,597	8,014
Leases receivable (GASB 87), current portion <sup>(1)</sup>	1,092,200	1,092,200
FAA Grant Receivable	-	4,806,805
Prepaid and other assets	555,714	183,582
	<u>16,398,197</u>	<u>15,208,699</u>
Restricted:		
Cash	2,821,025	2,392,750
Investments - Negotiable CDs	557,261	540,013
Total restricted current assets	<u>3,378,287</u>	<u>2,932,763</u>
<b>Total Current Assets</b>	<b><u>19,776,484</u></b>	<b><u>18,141,462</u></b>
Noncurrent assets:		
Leases receivable (GASB 87), net of current portion <sup>(1)</sup>	10,127,032	10,855,165
Capital assets:		
Construction-in-Process	18,905,740	14,000,068
Non-depreciable land	4,206,755	4,206,755
Depreciable capital assets, net	64,567,973	66,179,970
	<u>87,680,468</u>	<u>84,386,793</u>
	<b><u>97,807,500</u></b>	<b><u>95,241,958</u></b>
	<b><u>117,583,984</u></b>	<b><u>113,383,419</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>		
Actuarial valuation of deferred outflows related to pensions <sup>(2)</sup>	6,194,423	6,194,423
Actuarial valuation of deferred outflows related to OPEB <sup>(4)</sup>	410,942	410,942
	<u>6,605,365</u>	<u>6,605,365</u>
<b>LIABILITIES:</b>		
Current liabilities:		
Accounts Payable	914,390	935,434
Accrued liabilities	115,443	177,401
Unearned revenues, current portion	31,594	16,826
Accrued compensated absences, current portion	34,044	34,044
Due to the City of Monterey	0	19,966
Loans payable, current portion	209,972	209,972
Funds held in trust (CFCs)	1,134,911	922,457
<b>Total Current Liabilities</b>	<b><u>2,440,354</u></b>	<b><u>2,316,100</u></b>
Long-term liabilities:		
Security deposits	461,575	442,154
Unearned revenues, net of current portion	230,044	238,921
Accrued compensated absences, net of current portion	140,270	155,573
Loans payable, net of current portion	2,128,400	2,238,619
Actuarial valuation of net pension liability <sup>(6)</sup>	6,509,179	6,509,179
Actuarial valuation of OPEB liability <sup>(7)</sup>	2,032,252	2,032,252
<b>Total Long-Term Liabilities</b>	<b><u>11,501,720</u></b>	<b><u>11,616,699</u></b>
<b>Total Liabilities</b>	<b><u>13,942,074</u></b>	<b><u>13,932,798</u></b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
Actuarial valuation of deferred inflows related to pensions <sup>(3)</sup>	5,159,271	5,159,271
Actuarial valuation of deferred inflows related to OPEB <sup>(5)</sup>	737,385	737,385
Deferred inflows related to leases (GASB 87) <sup>(1)</sup>	11,219,232	11,947,365
Total Deferred Inflows of Resources	<u>17,115,888</u>	<u>17,844,021</u>
<b>NET POSITION:</b>		
Net investment in capital assets	84,746,204	81,250,855
Restricted - unspent Passenger Facilities Charges	1,815,979	1,611,495
Restricted - Cash Assets	1,100,715	881,507
Unrestricted	5,468,489	4,468,108
	<u>\$ 93,131,387</u>	<u>\$ 88,211,965</u>

See Notes to Statements of Net Position.

Notes to Statement of Net Position  
As of Feb. 28, 2023

	Lease Receivable	Lease Interest	Total Lease Payments
<b>1. Lease Receivable (GASB 87)</b>			
<b>Current:</b>			
FY 2023	\$ 1,092,200	\$ 343,580	\$ 1,435,780
<b>Noncurrent:</b>			
FY 2024	396,654	129,216	525,870
FY 2025	1,046,968	277,587	1,324,555
FY 2026	1,007,337	246,749	1,254,086
FY 2027	1,043,172	215,988	1,259,160
FY 2028-FY2032	2,689,211	763,579	3,452,790
FY 2033-FY2037	1,182,766	493,643	1,676,409
FY 2038-FY2042	1,001,169	342,175	1,343,344
FY 2043-FY2047	1,099,260	181,320	1,280,580
FY 2048-FY2052	581,179	51,152	632,331
FY 2053	79,316	1,094	80,410
	<u>10,127,032</u>	<u>2,702,503</u>	<u>12,829,535</u>
	<u>\$ 11,219,232</u>	<u>\$ 3,046,083</u>	<u>\$ 14,265,315</u>

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.

**2. Deferred Outflows of Resources related to Pensions**

Pension contributions subsequent to measurement date	\$ 5,035,621
Differences between expected and actual experience	1,022,699
Adjustments due to differences in proportions	136,103
	<u>\$ 6,194,423</u>

**3. Deferred Inflows of Resources related to Pensions**

Net differences between projected and actual earnings on pension plan investments	\$ 4,297,015
Adjustments due to differences in proportions	9,981
Differences between actual contributions and the proportionate share of contributions	852,275
	<u>\$ 5,159,271</u>

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	\$ 178,572
Differences between expected and actual experience	137,447
Contributions made subsequent to the Measurement Date	94,923
	<u>\$ 410,942</u>

**5. Deferred Inflows of Resources related to OPEB**

Changes in assumptions	\$ 84,280
Differences between expected and actual experience	653,105
	<u>\$ 737,385</u>

**6. Net Pension Liability**

CalPERS - Miscellaneous Plan (6/30/2021 Measurement Date)	\$ 1,522,217
CalPERS - Safety Plan (6/30/2021 Measurement Date)	4,986,961
	<u>\$ 6,509,178</u>

**7. Total OPEB Liability**

Actives	\$ 302,431
Retirees	1,729,821
	<u>\$ 2,032,252</u>

**MONTEREY PENINSULA AIRPORT DISTRICT**  
Statement of Cash Flows

	<b>February 2023 (Unaudited)</b>	<b>FYTD 2023 (Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	\$ 750,035	\$ 7,681,588
Payments to vendors for goods and services	36,738	(4,491,105)
Payments for employees pension and OPEB benefits	(70,515)	(560,372)
Payments to employees for services	(115,957)	(1,004,822)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>600,301</b>	<b>1,625,290</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Proceeds from operating grants (CARES Act)	704,813	2,945,671
<b>Net cash provided by non-capital financing activities</b>	<b>704,813</b>	<b>2,945,671</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds from FAA Grants and Passenger Facilities Charges	232,312	8,455,024
Proceeds from Customer Facilities Charges	38,552	349,073
Acquisition and construction of capital assets	(4,310,457)	(7,003,819)
Interest paid on loans	-	(15,530)
Principal paid on loans	(1,019)	(110,220)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(4,040,613)</b>	<b>1,674,528</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment income received	324	80,428
Investments (purchased)	795	(6,386,269)
<b>Net cash (used) by investing activities</b>	<b>1,119</b>	<b>(6,305,841)</b>
Net Change in Cash and Cash equivalents	(2,734,379)	(60,352)
Cash and Cash Equivalents at Beginning of Period	7,070,910	4,396,882
Cash and Cash Equivalents at End of Period	<b>\$ 4,336,530</b>	<b>\$ 4,336,530</b>
<b>STATEMENT OF NET POSITION</b>		
<b>CLASSIFICATION OF CASH AND CASH EQUIVALENTS:</b>		
Unrestricted	\$ 1,515,504	\$ 1,515,504
Restricted	2,821,025	2,821,025
Total cash and cash equivalents	<b>\$ 4,336,530</b>	<b>\$ 4,336,530</b>
<b>Reconciliation of operating loss to net cash provided (used) by operating activities:</b>		
Operating Loss after Depreciation and Amortization	\$ (329,872)	\$ (1,880,503)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	468,821	3,710,144
(Increase) decrease in:		
Accounts receivable	(73,422)	260,741
Prepaid and other current assets	83,976	(372,132)
Increase (decrease) in:		
Accounts payable	433,826	(21,045)
Accrued liabilities	10,462	(61,958)
Security deposits	360	19,421
Unearned revenues	(404)	5,891
Accrued compensated absences	6,554	(15,303)
Due to the City of Monterey	-	(19,966)
<b>Total Adjustments</b>	<b>930,173</b>	<b>3,505,793</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ 600,301</b>	<b>\$ 1,625,290</b>
<b>Non-cash capital and related financing activities:</b>		
Acquisition of capital assets in accounts payable	<b>\$ 769,624</b>	<b>\$ 769,624</b>
Accrued interest on CEC loan	<b>\$ 1,881</b>	<b>\$ 15,530</b>

MONTEREY PENINSULA AIRPORT DISTRICT  
FINANCIAL STATEMENTS UNAUDITED

	FY 2023 February ACTUAL	FY 2023 YEAR-TO-DATE ACTUAL
<b>SOURCES AND USES OF CASH -- OPERATIONS</b>		
<b>SOURCES OF CASH:</b>		
CASH RECEIVED - OPERATING REVENUE	\$ 823,501	\$ 7,395,535
CASH RECEIVED - INTEREST INCOME	4,151	86,991
CASH RECEIVED	<u>827,652</u>	<u>7,482,526</u>
<b>USES OF CASH -- OPERATIONS:</b>		
CASH (DISBURSED) - OPERATING EXPENSE	(684,552)	(5,565,894)
CASH (DISBURSED) - DEBT SERVICE (INTEREST EXPENSE)	(1,881)	(15,530)
CASH (DISBURSED) - DEBT SERVICE (PRINCIPAL REDUCTION)	<u>(1,019)</u>	<u>(110,220)</u>
CASH (DISBURSED)	<u>(687,452)</u>	<u>(5,691,644)</u>
CHANGE IN CASH POSITION FROM OPERATIONS & DEBT SERVICE	<u>140,200</u>	<u>1,790,882</u>
<b>USES OF CASH -- CAPITAL PROGRAM:</b>		
CASH (DISBURSED) - ALL CAPITAL PROJECTS (See Page 20)	(4,571,210)	(6,922,603)
CASH REIMBURSED - ALL CAPITAL PROJECTS (See Page 21)	<u>216,824</u>	<u>3,449,734</u>
CHANGE IN CASH POSITION FROM CAPITAL PROGRAM	<u>(4,354,386)</u>	<u>(3,472,868)</u>
CHANGE IN CASH POSITION FROM OPERATIONS, CAPITAL & DEBT SERVICE	<u>\$ (4,214,186)</u>	<u>\$ (1,681,986)</u>

Supplemental Information:

PAID FROM 2023 OPERATING INC:	DATE PAID	AMOUNT PAID	AMOUNT UNAMORTIZED
WORKER'S COMP PREPAID	7/1/2022	(43,405)	(874)
UAL PREPAID 07-01-2022	7/1/2022	(628,029)	(205,344)
			<u>\$ (206,218)</u>
FAA CARES, CRRSA and ARPA Grants Billed FYTD (See Page 24)			<u>\$ 3,387,467</u>

**FISCAL YEAR 2023**  
**FINANCIAL STATEMENTS UNAUDITED**  
**Construction-In-Progress**  
**Feb. 28, 2023**

Project Number/AIP #	Project Name	Balance at 30-Jun-22	FYTD Additions	FYTD Placed in Service	Balance at Feb. 28, 2023	Total Project Budget	Percentage Physically Complete
<b>CFC Funded:</b>							
2019-03	Water Distribution System	\$535,192	\$240,393		\$ 775,585	\$2,828,058	45%
<b>PFC Funded:</b>							
2020-04	CCTV and Perimeter Camera System	-	6,279		6,279	200,000	5%
<b>FAA Funded:</b>							
2020-12/AIP 73	Northside GA Apron Construction	8,516,259	378,559		8,894,818	11,000,000	99%
2020-13/AIP 72	Northeast VSR Improvements	1,912,961	103,970	(2,016,931)	-	1,946,065	100%
2021-04/AIP 76	SEP Phase 1 A1- Commercial Apron Design	2,429,001	438,803		2,867,804	3,350,000	95%
2022-01/AIP 79	SEP Phase B1/B2/B3 - ARFF Design	374,767	2,196,849		2,571,616	6,603,000	25%
2023-01	SEP Phase D1 - Terminal Design	150	4,750		4,900	3,775,000	0%
<b>District Only Funded:</b>							
2020-14	Northwest Building Abatement	203,879	-		203,879	350,000	50%
2022-02	Vehicle Replacement	27,859	53,357	(81,216)	-	n/a	n/a
2023-04	2801 Property Repairs	-	23,490		23,490	350,000	0%
2023-06	Airfield Vehicle Gates - \$100K	-	15,833		15,833	100,000	15%
2023-07	Terminal Building Painting	-	25,000		25,000	160,000	16%
2023-07	West Hold Room Passenger flow upgrades	-	-	-	-	165,000	0%
2023-08	SE Hangar Relocation - \$7M	-	3,516,536		3,516,536	7,000,000	0%
		<b>\$ 14,000,068</b>	<b>\$ 7,003,819</b>	<b>\$ (2,098,147)</b>	<b>\$ 18,905,740</b>	<b>\$ 37,827,123</b>	

**FISCAL YEAR 2023**  
**Airport Capital Improvements / Capital Expenditures**  
**FINANCIAL STATEMENTS UNAUDITED**  
**Feb. 28, 2023**

**Airport Improvement Programs**

District Expenditures	
AIP -- FAA Funded Expenditures	
AIP -- PFC Funded Expenditures	
AIP -- CFC Funded Expenditures	
<b>Total Capital Improvement Expenditures</b>	

Actual FY 2023	
Current Period	
\$ 3,560,315.51	78%
777,229.37	17%
80,543.00	2%
153,122.00	3%
<b>\$ 4,571,209.88</b>	<b>100%</b>

Actual FY 2023	
Year-To-Date	
\$ 2,670,396.80	39%
3,519,516.51	51%
492,297.07	7%
240,392.40	3%
<b>\$ 6,922,602.78</b>	<b>100%</b>

**FY 2022/23 District Capital Expenses/Budget:**

	Actual PTD	Budget PTD	Actual FYTD	Budget FYTD
2019-03 Water Distribution System	C \$ 153,122.00	-	\$240,392.73	\$ 1,051,705.00
2020-04 CCTV and Perimeter Camera System	R -	-	6,278.97	200,000.00
2020-12 Northside GA Apron Construction	R 18,916.99	20,405.00	378,558.72	440,194.00
2020-13 Northside VSR Improvement	D -	-	103,969.95	-
2020-14 Northwest Building Abatement	D -	50,000.00	-	144,425.00
2021-04 SEP Phase A1 Commercial Apron	R 10,983.37	-	438,803.24	1,398,403.00
2022-01 SEP Phase B1/B2/B3-ARFF Design	R 827,872.01	949,167.00	2,196,849.10	4,768,336.00
2022-02 Replacement Vehicles	D -	-	(27,859.00)	55,000.00
2023-01 SEP Phase D1 Terminal Design	R 2,946.25	209,720.00	4,750.36	1,677,760.00
2023-02 Runway 28L-10R Treatment	R -	-	-	2,170,000.00
2023-03 Commercial Apron Construction	R -	-	-	-
2023-04 2801 Property Repairs	D -	-	23,489.45	175,000.00
2023-05 Fred Kane to Skypark Pavement Improvements	D -	-	-	250,000.00
2023-06 Airfield Vehicle Gate Upgrades	D 15,833.00	-	15,833.00	100,000.00
2023-07 Terminal Building Outside Painting	D 25,000.00	-	25,000.00	325,000.00
2023-08 Southeast Hangar Relocation	D 3,516,536.26	-	3,516,536.26	3,500,000.00
	<b>\$4,571,209.88</b>	<b>\$1,229,292.00</b>	<b>\$6,922,602.78</b>	<b>\$16,255,823.00</b>

R - District advances to FAA/PFC projects that will be reimbursed through grant draws; D - District only Expense projects; C - Project that will be funded using CFC funds.

**FISCAL YEAR 2023**  
**FINANCIAL STATEMENTS UNAUDITED**  
**Reimbursements of Construction-In-Progress**  
**Feb. 28, 2023**

Project Number/AIP #	Project Name	FAA	PFC	CFC	Totals
<b>Jul 2022 Reimbursements</b>					
<b>CFC Funded:</b>					
2019-03	Water Distribution System			14,950	
<b>FAA/PFC Funded:</b>					
2021-04/AIP 76	SEP Phase 1 A1- Commercial Apron Design	171,860	6,711		
		<u>171,860</u>	<u>6,711</u>	<u>14,950</u>	<b>\$193,521</b>
<b>Aug 2022 Reimbursements</b>					
<b>CFC Funded:</b>					
2019-03	Water Distribution System			1,402	
<b>FAA/PFC Funded:</b>					
2020-12/AIP 73	Northside GA Apron Construction		2,151		
2021-04/AIP 76	SEP Phase 1 A1- Commercial Apron Design	116,876	45,640		
		<u>116,876</u>	<u>47,791</u>	<u>1,402</u>	<b>\$166,069</b>
<b>Sept 2022 Reimbursements</b>					
<b>CFC Funded:</b>					
2019-03	Water Distribution System				
<b>FAA/PFC Funded:</b>					
2020-12/AIP 73	Northside GA Apron Construction	252,159	25,975		
2020-13/AIP 72	Northeast VSR Improvements	258,990			
		<u>511,149</u>	<u>25,975</u>	<u>-</u>	<b>\$537,125</b>
<b>Oct 2022 Reimbursements</b>					
<b>CFC Funded:</b>					
2019-03	Water Distribution System			64,185	
<b>FAA/PFC Funded:</b>					
2020-12/AIP 73	Northside GA Apron Construction	5,127			
2021-04/AIP 76	SEP Phase 1 A1- Commercial Apron Design	305,523	21,439		
2022-01/AIP 79	SEP Phase B1/B2/B3 - ARFF Design	615,670			
		<u>926,320</u>	<u>21,439</u>	<u>64,185</u>	<b>\$1,011,944</b>
<b>Nov 2022 Reimbursements</b>					
<b>CFC Funded:</b>					
2019-03	Water Distribution System				
<b>FAA/PFC Funded:</b>					
2020-12/AIP 73	Northside GA Apron Construction	194,123	22,379		
2020-13/AIP 72	Northeast VSR Improvements	18,863	84,352		
2022-01/AIP 79	SEP Phase B1/B2/B3 - ARFF Design	111,466	10,924		
		<u>324,452</u>	<u>117,655</u>	<u>-</u>	<b>\$442,107</b>
<b>Dec 2022 Reimbursements</b>					
<b>CFC Funded:</b>					
2019-03	Water Distribution System				
<b>FAA/PFC Funded:</b>					
2020-12/AIP 73	Northside GA Apron Construction		953		
2021-04/AIP 76	SEP Phase 1 A1- Commercial Apron Design	468,951	12,733		
		<u>468,951</u>	<u>13,686</u>	<u>-</u>	<b>\$482,637</b>
<b>Jan 2023 Reimbursements</b>					
<b>CFC Funded:</b>					
2019-03	Water Distribution System			20,983	
<b>FAA/PFC Funded:</b>					
2022-01/AIP 79	SEP Phase B1/B2/B3 - ARFF Design	378,524			
		<u>378,524</u>	<u>0</u>	<u>20,983</u>	<b>\$399,507</b>
<b>Feb 2023 Reimbursements</b>					
<b>CFC Funded:</b>					
2019-03	Water Distribution System			35,098	
<b>FAA/PFC Funded:</b>					
2022-01/AIP 79	SEP Phase B1/B2/B3 - ARFF Design	181,726			
		<u>181,726</u>	<u>0</u>	<u>35,098</u>	<b>\$216,824</b>
		<b>\$3,079,858</b>	<b>\$233,257</b>	<b>\$136,618</b>	<b>\$3,449,734</b>



**FISCAL YEAR 2023**  
Schedule Of Cash and Investments  
FINANCIAL STATEMENTS UNAUDITED

	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Value At Feb. 28, 2023</u>	<u>Interest Rate</u>
<b>UNRESTRICTED:</b>				
<b>Pooled Money Investment Account - MPAD</b>				
State of California - Local Agency Investment Fund	Various	Various	\$ 11,736,046.97	2.07%
<b>Money Market Account - MPAD</b>				
JP Morgan Chase - District Reserve - Money Market Account			567,166.15	0.01%
<b>Debt Service Accounts - MPAD</b>				
JP Morgan Chase - California Energy Commission Loan Reserve			94,933.22	0.01%
<b>Royal Alliance - Certificates of Deposits and Cash Equivalents - MPAD</b>				
American Express NATL BK	04/13/22	04/15/24	200,000.00	2.25%
Capital One Bank USA New York CFT DEP ACT/365	04/13/22	04/15/25	250,000.00	2.60%
Goldman Sachs Bk USA New York CTF DEP ACT/365	04/13/22	04/15/25	200,000.00	2.25%
Sallie Mae BK Salt Lake City UT CTF DEP ACT/365	06/13/19	06/13/23	125,000.00	3.30%
Sallie Mae BK Salt Lake City UT CTF DEP ACT/365	06/28/22	07/08/24	250,000.00	3.30%
Cash And Cash Equivalents	Various	Various	63,123.22	Variable
			<u>1,088,123.22</u>	
<b>General Accounts - MPAD</b>				
JP Morgan Chase - various checking accounts			852,602.81	
			14,338,872.37	
			(72,802.20)	
			(30,643.76)	
			<u>\$ 14,235,426.41</u>	
			14,338,872.37	
			(72,802.20)	
			(30,643.76)	
			<u>\$ 14,235,426.41</u>	

**FISCAL YEAR 2023**  
Schedule Of Cash and Investments  
FINANCIAL STATEMENTS UNAUDITED

	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Value At Feb. 28, 2023</u>	<u>Interest Rate</u>
<b>RESTRICTED:</b>				
<b>Passenger Facility Charges (PFCs) - RESTRICTED:</b>				
JP Morgan Chase - Passenger Facility Charges (PFCs)			\$ 1,258,717.76	0.01%
Royal Alliance - Certificates of Deposits and Cash Equivalents:				
American Express NATL BK	04/13/22	04/15/24	100,000.00	2.60%
Capital One Bank USA New York CFT DEP ACT/365	04/13/22	04/15/25	100,000.00	3.15%
Goldman Sachs Bk USA New York CTF DEP ACT/365	04/13/22	04/15/24	100,000.00	2.25%
Cash and Cash Equivalents	Various	Various	268,124.09	Variable
			<b><u>\$ 1,826,841.85</u></b>	
<b>Customer Facility Charges (CFCs) - RESTRICTED:</b>				
JP Morgan Chase - Customer Facility Charges (CFCs)			<b><u>\$ 1,095,714.76</u></b>	0.01%
<b>Tenant's Security Deposits - RESTRICTED:</b>				
JP Morgan Chase - Money Market Account			<b><u>\$ 461,592.84</u></b>	0.01%
<b>Airport Improvement Program - RESTRICTED:</b>				
JP Morgan Chase - AIP Checking Account			<b><u>\$ 5,000.00</u></b>	
			Sub-Total: MPAD Cash and Investments - Restricted	3,389,149.45
			Less: CDs Feb. 28, 2023 matrix pricing adjustment	<u>(10,977.00)</u>
			Sub-total: Restricted Cash and Investments	<b><u>3,378,172.45</u></b>
			<b>Total MPAD Cash and Investments:</b>	<b><u>\$ 17,613,598.86</u></b>

Monterey Peninsula Airport District  
 CARES, CRSSA and ARPA Grants, Expenditures Processed and Balances  
 Feb. 28, 2023

**CARES ACT GRANT -3-06-0159-071-2021**

Grant Date	Grant Amount	Total Draws		FY 2023		Balance
		Prior Fiscal Years		Draws		
5/13/2020	\$ 12,664,025	\$ 8,289,975	\$	3,387,467	\$	986,583

**CRSSA ACT CONCESSIONS GRANT -3-06-0159-075-2021**

Grant Date	Grant Amount			Total Draws*		Balance
3/22/2021	\$ 50,110	\$	-	\$ 50,110	\$	-

**ARPA ACT GRANT -3-06-0159-077-2021**

Grant Date	Grant Amount			Total Draws		Balance
8/12/2021	\$ 3,149,773	\$	3,149,773	\$	-	-

**ARPA ACT LARGE CONCESSIONS GRANT -3-06-0159-078-KY 2022**

Grant Date	Grant Amount			Total Draws*		Balance
12/22/2021	\$ 40,088	\$	-	\$ 40,088	\$	-

**ARPA ACT SMALL CONCESSIONS GRANT -3-06-0159-078-KY 2022**

Grant Date	Grant Amount			Total Draws*		Balance	
12/22/2021	\$ 160,351	\$	-	\$ 160,351	\$	-	
	<u>\$ 16,064,347</u>	<u>\$</u>	<u>11,439,748</u>	<u>\$</u>	<u>3,638,016</u>	<u>\$</u>	<u>986,583</u>

Grant Funds General	\$ 15,813,798	\$	11,439,748	\$	3,387,467	\$	986,583
Grant Funds Concession	250,549		-		250,549		-
Grants Funds	<u>\$ 16,064,347</u>	<u>\$</u>	<u>11,439,748</u>	<u>\$</u>	<u>3,638,016</u>	<u>\$</u>	<u>986,583</u>

\*Draws submitted and pending approval: (250,549)  
 Funded: \$ 3,387,467

**CARES ACT DRAWS:**

July	\$ 572,752
Aug	-
Sept	654,933
Oct	567,444
Nov	-
Dec	887,525
Jan	-
Feb	704,813
Mar	-
Apr	-
May	-
June	-
	<u>\$ 3,387,467</u>



# MONTEREY FIRE DEPARTMENT

## Report to Airport Board of Directors

March 2023

### 1. Incident Responses

Engine assigned to Fire Station 16 (Airport) responded to a total of 30 incidents during the month as follows:

- MPAD property – 7
- City of Monterey – 21
- Other Cities in Monterey Fire Jurisdiction – 0
- Auto / Mutual Aid – 2

### 2. Training

Personnel completed a total of 98.0 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): 78
- 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

- March is our month to get personnel qualified with their live fire training. We sent 12 personnel to the ARFF training facility at DFW. As always, they found it to be a great experience and a good refresh of those perishable skills.

### 4. Incident List – on Airport property incidents

Alarm Date / Time	Response Time	Location	Incident Type
3/1/2023 8:32 PM	0:02:36	100 Sky Park DR	EMS call, excluding vehicle accident with injury
3/9/2023 8:49 PM	0:11:25	1174 Airport RD	Alarm system sounded due to malfunction
3/9/2023 9:11 PM	0:04:11	200 Fred Kane DR	Smoke detector activation due to malfunction
3/10/2023 12:15 AM	0:08:46	1174 Airport RD	False alarm or false call, other
3/26/2023 9:52 PM	0:04:24	200 Fred Kane DR	EMS call, excluding vehicle accident with injury
3/30/2023 1:16 PM	0:04:17	200 Fred Kane DR	EMS call, excluding vehicle accident with injury
3/30/2023 3:27 PM	0:00:03	300 Sky Park DR	Assist invalid

**TO:** Michael La Pier, Executive Director  
**FROM:** Operations Department  
**DATE:** April 4, 2023  
**SUBJ:** Operations Report

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The following is a summary of activity of general Airport Operations for March 2023 and planned airline activities for April 2023.

1. The following reports are attached:
  - March 2023 Noise Comment Report
  - Operating and Expense Reports for the Taxi (through March 2023) and TNC ground transportation systems (through February 2023)
  - Commercial Flight Cancellations & Delays Report for March 2023
  - Commercial Flight Schedule for April 2023
  
2. Below is the summary of scheduled airline activity for April 2023:

Alaska Air operated by SkyWest / Horizon

- SAN operates 5 days a week using the EMB 175.
- SEA operates 5 days a week using the EMB 175.
- Scheduled to operate a monthly total of 88 flights (Arrivals and Departures)

Allegiant Air

- Continues to operate twice weekly to LAS using the Airbus 319/320 series.
- Scheduled to operate a total of 16 flights (Arrivals and Departures)

United operated by SkyWest

- SFO operates daily using the CRJ 200.
- LAX operates twice daily using the CRJ 200 / 700.
- DEN operates daily using the CRJ 200.
- Scheduled to operate a monthly total of 240 flights (Arrivals and Departures)

American operated by AA / Envoy

- PHX is scheduled to operate three flights a day using the CRJ 900.
- DFW operates twice daily using the A319.
- Scheduled to operate a monthly total of 300 flights (Arrivals and Departures)

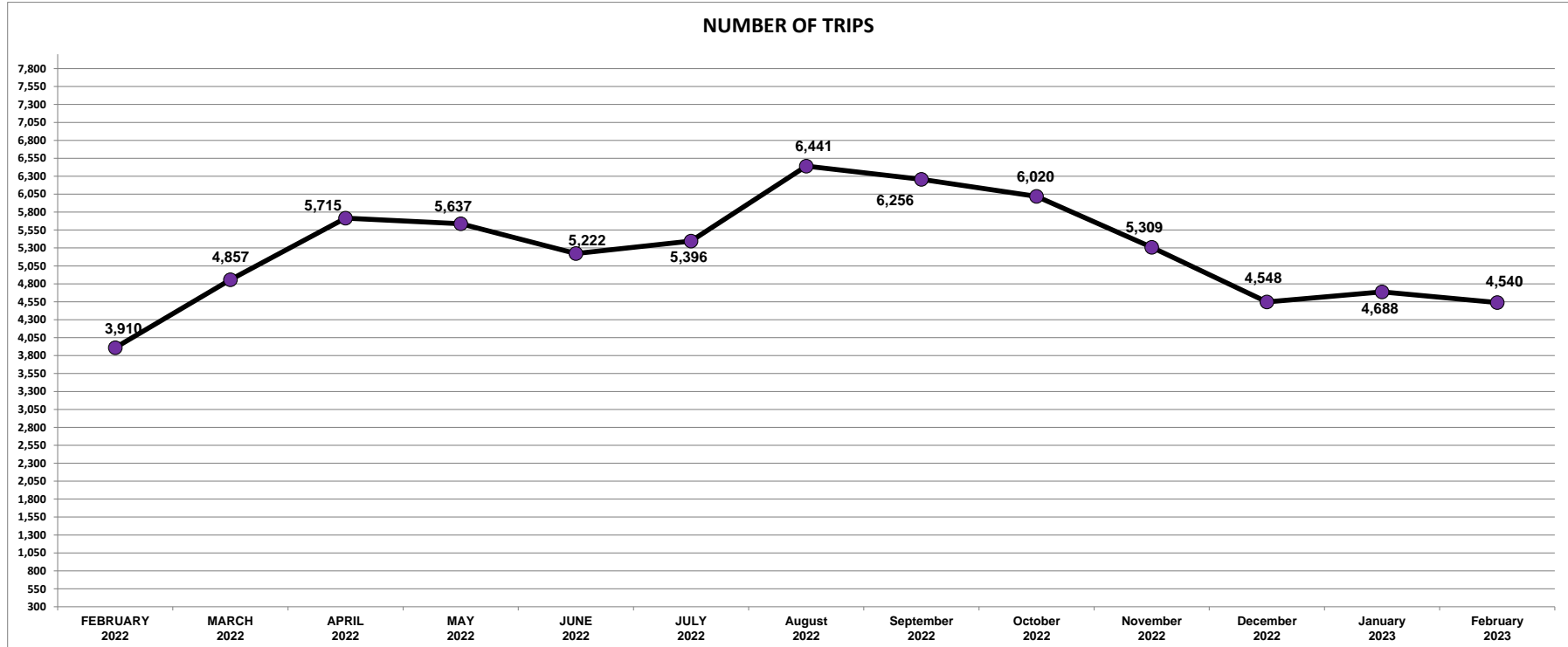
Cumulatively speaking, the airlines have increased flights by 16 (644 vs 628) compared to April 2022, an increase of 2%. The number of available seats has increased by approximately 0.3% (51,124 vs 50,956).

## MRY AIRPORT NOISE COMMENT LOG MARCH 2023

Name	Location (Address)	Incident Date	Incident Time	Aircraft ID	</> of Flight	Comments	By	Action Taken	Notes / Weather		
<b>AIR OPERATIONS CENTERED AT MONTEREY AIRPORT</b>											
1	Steve Souza	Old Monterey	3/23/2023	5:38 AM	Unknown	28L Dep		Yet another loud jet taking off over the neighborhoods downtown, Monterey. Your aircraft are making too much noise far too frequently and negatively impacting the community's peace. Please stop letting jets fly so early in the morning. Thank you, Steve	BR	Responded that weather and ATCT dictate the traffic pattern and that overflight was unavoidable	
2	Kathleen Grzanowski	Pasadera	3/11/23, 3/24/23, 3/27/23, 3/31/23	Various	Unknown	28L Arr		Plane looked like a 737 with 2 engines. Stripes on tail like a commercial (so maybe Alaska?) Party cloudy but mostly clear day. Came right over the top of our home and very low. Shook the windows. Could have easily used the Laguna golf course or Highway 68.	BR	Responded that weather and ATCT dictate the traffic pattern and that overflight was unavoidable	Complaint received 03 April for March flights. Could not confirm aircraft in question due to late notification
<b>AIR OPERATIONS ORIGINATING FROM ANOTHER AIRPORT</b>											
<b>AIR OPERATIONS OF UNKNOWN ORIGIN</b>											
<b>MONTHLY TOTALS and COMPARISONS</b>											

	Mar-23	Mar-22	% Change	Other Airport	UNKNOWN ORIGINS
Number of Complaints:	2	9	-78%		
Number of Operations:	3,986	4,762	-16%		
Annual Total	17	17	0%	0	0

### Transportation Network Companies (TNCs)

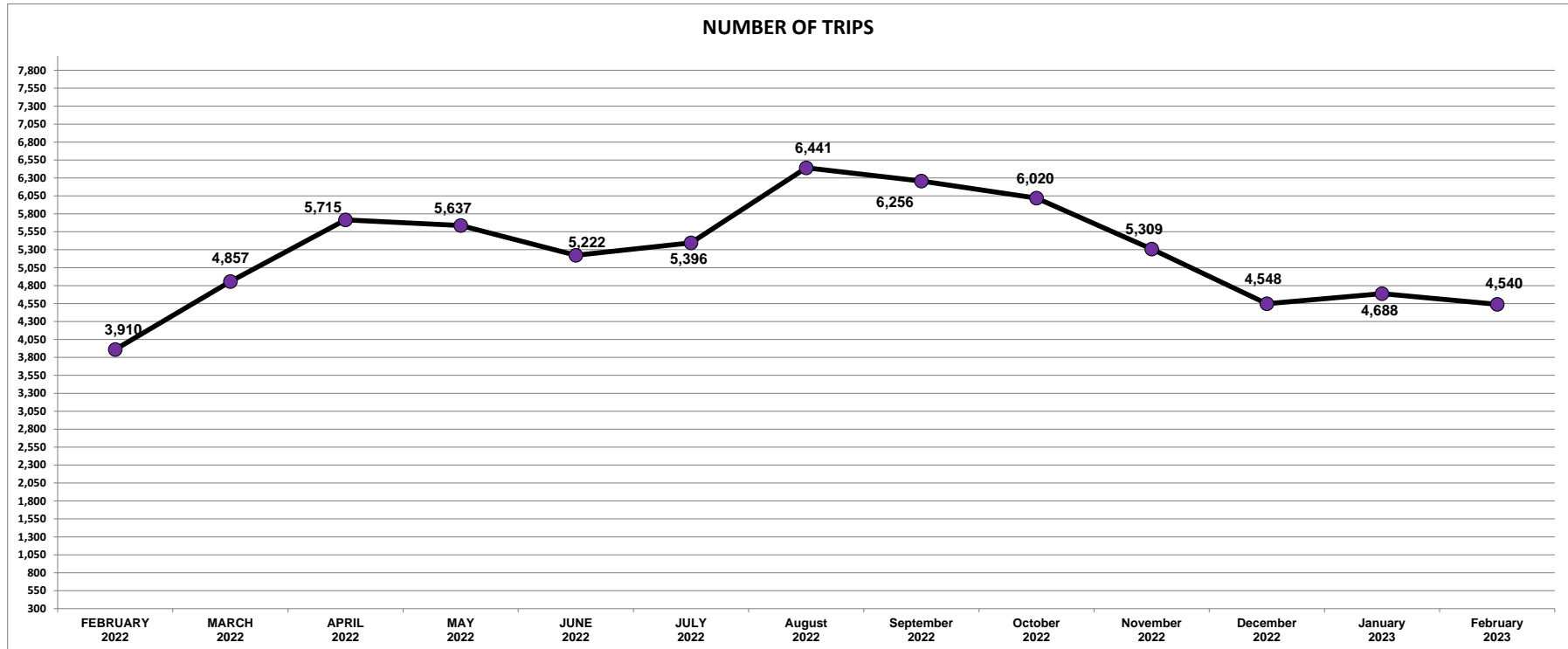


	2022 FEBRUARY	2022 MARCH	2022 APRIL	2022 MAY	2022 JUNE	2022 JULY	2022 August	2022 September	2022 October	2022 November	2022 December	2023 January	2023 February
<b>NUMBER OF TRIPS</b>	3,910	4,857	5,715	5,637	5,222	5,396	6,441	6,256	6,020	5,309	4,548	4,688	4,540
<b>NUMBER OF TNCs</b>	2	2	2	2	2	2	2	2	2	2	2	2	2
<b>TNC TRIP FEES</b>	\$ 11,730	\$ 14,571	\$ 17,145	\$ 16,911	\$ 15,666	\$ 16,188	\$ 19,323	\$ 18,768	\$ 18,060	\$ 15,927	\$ 13,644	\$ 14,064	\$ 13,620
<b>TNC PAYMENT PENALTIES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TNC - TOTAL REVENUE</b>	<u>\$ 11,730</u>	<u>\$ 14,571</u>	<u>\$ 17,145</u>	<u>\$ 16,911</u>	<u>\$ 15,666</u>	<u>\$ 16,188</u>	<u>\$ 19,323</u>	<u>\$ 18,768</u>	<u>\$ 18,060</u>	<u>\$ 15,927</u>	<u>\$ 13,644</u>	<u>\$ 14,064</u>	<u>\$ 13,620</u>

Cumulative 12-Month Operating Income: \$ 193,887

Fiscal Year To Date (July 2022 - June 2023) Operating Income: \$ 129,594

### Transportation Network Companies (TNCs)



	2022 FEBRUARY	2022 MARCH	2022 APRIL	2022 MAY	2022 JUNE	2022 JULY	2022 August	2022 September	2022 October	2022 November	2022 December	2023 January	2023 February
<b>NUMBER OF TRIPS</b>	3,910	4,857	5,715	5,637	5,222	5,396	6,441	6,256	6,020	5,309	4,548	4,688	4,540
<b>NUMBER OF TNCs</b>	2	2	2	2	2	2	2	2	2	2	2	2	2
<b>TNC TRIP FEES</b>	\$ 11,730	\$ 14,571	\$ 17,145	\$ 16,911	\$ 15,666	\$ 16,188	\$ 19,323	\$ 18,768	\$ 18,060	\$ 15,927	\$ 13,644	\$ 14,064	\$ 13,620
<b>TNC PAYMENT PENALTIES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TNC - TOTAL REVENUE</b>	<u>\$ 11,730</u>	<u>\$ 14,571</u>	<u>\$ 17,145</u>	<u>\$ 16,911</u>	<u>\$ 15,666</u>	<u>\$ 16,188</u>	<u>\$ 19,323</u>	<u>\$ 18,768</u>	<u>\$ 18,060</u>	<u>\$ 15,927</u>	<u>\$ 13,644</u>	<u>\$ 14,064</u>	<u>\$ 13,620</u>

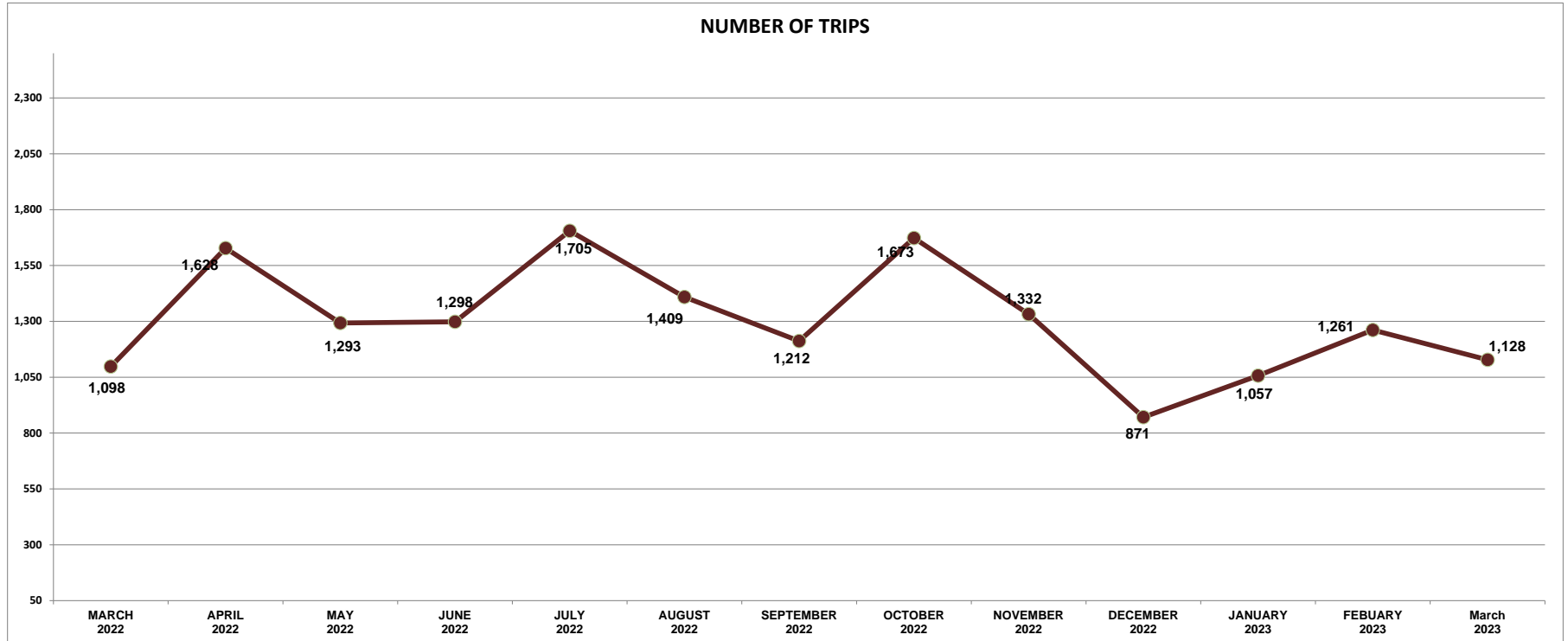
Cumulative 12-Month Operating Income: \$ 193,887

Fiscal Year To Date (July 2022 - June 2023) Operating Income: \$ 113,406



13-MONTH ROLLING COMPARISON

Taxis

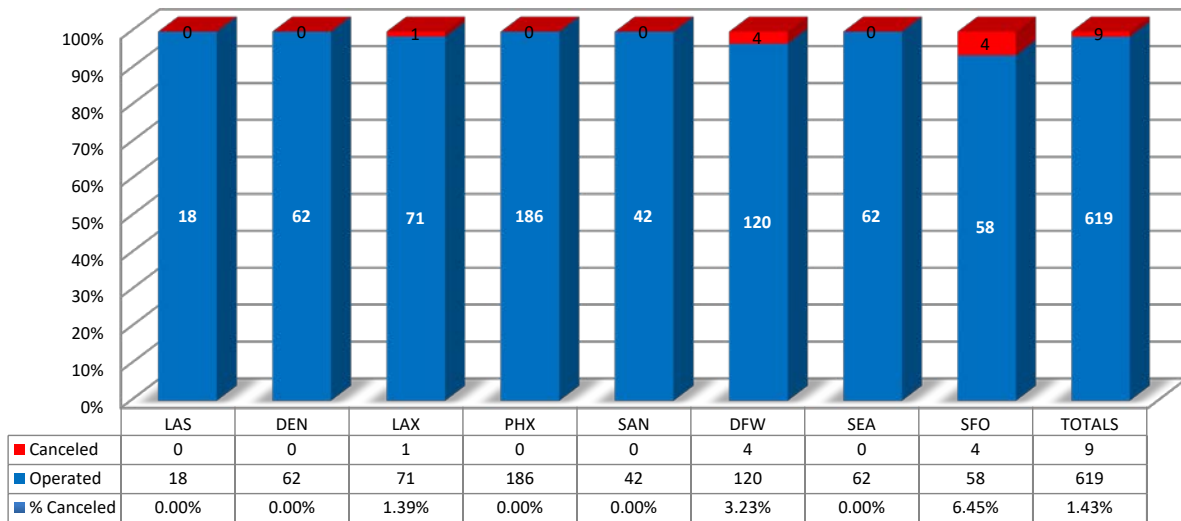


	2022 MARCH	2022 APRIL	2022 MAY	2022 JUNE	2022 JULY	2022 AUGUST	2022 SEPTEMBER	2022 OCTOBER	2022 NOVEMBER	2022 DECEMBER	2023 JANUARY	2023 FEBRUARY	2023 March
<b>NUMBER OF TRIPS</b>	1,098	1,628	1,293	1,298	1,705	1,409	1,212	1,673	1,332	871	1,057	1,261	1,128
<b>PERMITS SOLD</b>	0	0	1	17	7	3	1	0	0	0	1	1	1
<b>TAXI TRIP FEES</b>	\$ 3,294	\$ 4,884	\$ 3,879	\$ 3,894	\$ 5,115	\$ 4,227	\$ 3,636	\$ 5,019	\$ 3,996	\$ 2,613	\$ 3,171	\$ 3,783	\$ 3,384
<b>TAXI PERMIT FEES</b>	\$0	\$0	\$50	\$850	\$350	\$75	\$25	\$0	\$0	\$100	\$100	\$100	\$100
<b>TAXI - TOTAL REVENUE</b>	<u>\$ 3,294</u>	<u>\$ 4,884</u>	<u>\$ 3,929</u>	<u>\$ 4,744</u>	<u>\$ 5,465</u>	<u>\$ 4,302</u>	<u>\$ 3,661</u>	<u>\$ 5,019</u>	<u>\$ 3,996</u>	<u>\$ 2,713</u>	<u>\$ 3,271</u>	<u>\$ 3,883</u>	<u>\$ 3,484</u>
<b>CURB MGMT CONTRACT</b>													
<b>SOFTWARE LICENSE/HOSTING</b>							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>BEACON LICENSING</b>	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,916	\$ 2,916	\$ 2,916	\$ 2,916	\$ 2,916	\$ 2,916
<b>TAXI - TOTAL EXPENSE</b>	<u>\$ 2,083</u>	<u>\$ 2,083</u>	<u>\$ 2,083</u>	<u>\$ 2,083</u>	<u>\$ 2,083</u>	<u>\$ 2,083</u>	<u>\$ 2,083</u>	<u>\$ 2,083</u>	<u>\$ 2,916</u>	<u>\$ 2,916</u>	<u>\$ 2,916</u>	<u>\$ 2,916</u>	<u>\$ 2,916</u>
<b>OPERATING INCOME / (LOSS)</b>	\$ 1,211	\$ 2,801	\$ 1,846	\$ 2,661	\$ 3,382	\$ 2,219	\$ 1,578	\$ 2,103	\$ 1,080	\$ (203)	\$ 355	\$ 967	\$ 568
<b>FYTD 2023 (July 2022 - June 2023) OPERATING INCOME / (LOSS)</b>													\$ 12,049
<b>CUMULATIVE (12-MONTH) OPERATING INCOME / (LOSS)</b>													\$ 19,357

\* September 1st swap to "OBD" system

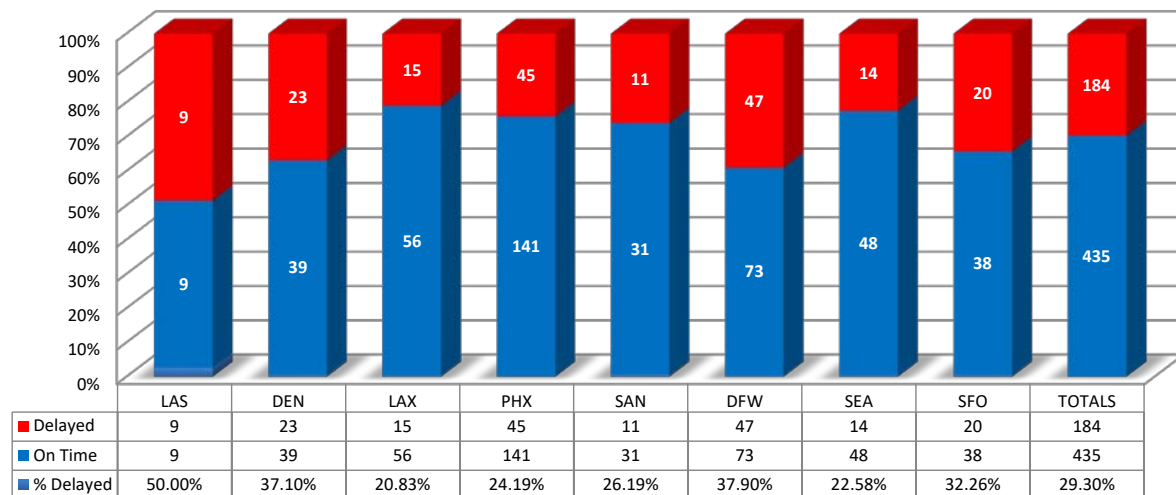
# MARCH 2022

## March Commercial Flights Operated vs. Canceled



**TOTAL CANCELED FLIGHTS: 9**

## March Commercial Flights On Time vs. Delayed



**TOTAL DELAYED FLIGHTS: 184**



# Monterey Regional Airport

## April 2023 Flight Schedule



		ARRIVALS					DEPARTURES						
Aircraft Type (Seats)	FROM	AIRLINE	FLIGHT	TIME	SCHD	TO	AIRLINE	FLIGHT	TIME	SCHD	Aircraft Type (Seats)		
CRJ700 (66)	LAX		5310	9:45 AM	DAILY	PHX		5012	5:30 AM	DAILY	EMB175 (76)		
EMB175 (76)	PHX		4907	12:00 PM	DAILY	DFW		2181	6:15 AM	DAILY	A319 (128))		
CRJ200 (50)	SFO		5479	12:15 PM	DAILY	LAX		5658	10:30 AM	DAILY	CRJ700 (66)		
EMB175 (76)	SEA		2046	1:00 PM	20-30 EX TUE, WED	PHX		4907	12:30 PM	DAILY	EMB175 (76)		
A319 (128))	DFW		2879	1:05 PM	DAILY	DEN		5241	1:00 PM	DAILY	CRJ200 (50)		
CRJ200 (50)	DEN		5438	1:50 PM	DAILY	SEA		2047	1:30PM	20-30 EX TUE, WED	EMB175 (76)		
CRJ700 (66)	PHX		3097	3:50 PM	DAILY	DFW		2118	2:00 PM	DAILY	A319 (128))		
CRJ700 (66)	LAX		5280	2:30 PM 3:50 PM	13-30 1-12	SFO		4729	2:30 PM	DAILY	CRJ200 (50)		
EMB175 (76)	SAN		2045	2:15 PM	1-17 EX TU-WE	SAN		3489	2:55 PM	1-17 EX TU-WE	EMB175 (76)		
A319 (156)	LAS		141	9:30 PM	3, 7, 10, 14, 17, 21, 24, 28	SAN		3489	4:20 PM	20-30 EX TU-WE	EMB175 (76)		
EMB175 (76)	SAN		2045	3:40 PM	20-30 EX TU-WE	PHX		3097	4:25 PM	DAILY	CRJ700 (66)		
EMB175 (76)	SEA		2046	6:30 PM	1-17 EX TU-WE	LAX		5410	4:35 PM	26-31	CRJ700 (66)		
A319 (128))	DFW		2174	9:00 PM	DAILY	SEA		3471	7:05PM	1-17 EX TU-WE	EMB175 (76)		
EMB175 (76)	PHX		5009	10:30 PM	DAILY	LAS		37	10:30 PM	3, 7, 10, 14, 17, 21, 24, 28	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:** April 1, 2023  
**SUBJ:** Planning, Environmental and Maintenance Monthly Project Report

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Attached is the current monthly Project Report for the Planning and Maintenance Departments with the following highlights for March 2023:

➤ **ARFF Construction**

- Building concrete floor was poured during the first week of March.
- The steel for the building frame arrived at the end of March 2023.
- Steel erection is scheduled to begin on April 5<sup>th</sup> and is weather (light to no wind needed) dependent.

➤ **Building License Update**

- Calendar year 2022 had 75 Business Licenses processed.
- As of March 31, we have received 62 applications for 2023.

➤ **Commercial Ramp Design**

- Construction solicitation was posted on February 7, 2023 with a Request for Proposal due date of April 4, 2023.
- A mandatory pre-bid meeting was held on February 28, 2023 with four contractors in attendance.

➤ **Well Water Distribution System**

- A presentation from Kimley-Horn presenting the draft water distribution route will be provided at the April 27, 2023 board meeting.

➤ **Terminal Building Painting**

- The painting will be completed the first week of April 2023.

➤ **Camera Installation and Gate Upgrades**

- Both approved projects are scheduled to begin the first week of April 2023.

➤ **West Hold Room Upgrades**

- The furniture will be ordered in mid-April and has an approximate 12-week delivery delay.

FUNDING				EXPENDITURES				STATUS			
PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2023 Expenditures to Date	3/31/2023	% Physical Complete	Project Name	Current Status	4 Week Look Ahead	
<b>ACTIVE FEDERALLY-FUNDED PROJECTS:</b>											
1	2020-12	73	18-22-C-00-MRY	\$11,000,000	\$8,435,652	\$459,165	\$8,894,818	99%	<b>NORTHSIDE GA APRON CONSTRUCTION</b>	Grant was executed on 12/18/2020. Construction contract was awarded to Teichert at the 12/18/20 BOD meeting. Construction began on March 29, 2021.	Final engineering reports have been submitted to FAA with the primary project complete; mitigation will remain open until April 2023.
2	2020-13	72	18-22-C-00-MRY	\$1,946,065	\$1,881,783	\$135,148	\$2,016,931	100%	<b>NORTHEAST VSR IMPROVEMENTS</b>	Grant was executed on 9/10/2020. Construction contract was awarded to Teichert at the 12/18/20 BOD meeting. Construction began on March 29, 2021.	Final reports have been submitted to FAA for grant closeout.
3	2021-04	76	18-22-C-00-MRY	\$3,350,000	\$2,207,111	\$891,663	\$3,098,774	99%	<b>SEP Phase B1 Commercial Apron Design</b>	An FAA Grant Offer for Design was executed on August 2, 2021.	C&S Engineering completed design and FAA gave approval to begin solicitation. The Notice to Bidders was published on February 7, 2023 and Request for Proposals are due on April 4, 2023.
4	2022-01	79	18-22-C-00-MRY	\$6,603,000	\$258,771	\$2,312,845	\$2,571,616	25%	<b>SEP Phase C1/C2/C3 ARFF Design/Construction Demo/Airfield Access</b>	Mill Construction and Mar Jang Architects have completed the footprint design based on AIP eligibility and the site positioning. The AIP grant was executed on September 22, 2022. The contract for construction was approved at the September BOD meeting.	Construction began in late November and the underground utilities and site preparation are complete. The concrete pad for the building was poured the first week of March 2023. The steel frame was delivered the last week of March 2023. Steel erection will begin on April 6, 2023.
5	2023-01	TBD	18-22-C-00-MRY	\$3,775,000	\$0	\$4,900	\$4,900	0%	<b>SEP Phase D1 Terminal Design</b>	The initial interview panel selected two architectural firms for Board interviews on 10/21/22: HOK was the first-ranked team. The draft HOK Scope of Work was discussed at an online meeting with FAA in February 2023.	The contract for Terminal Design will be brought to the Board for consideration at the April 5, 2023 meeting.
6	2023-02	TBD	18-22-C-00-MRY	\$2,170,000	\$0	\$0	\$0	0%	<b>RUNWAY 28L-10R TREATMENT</b>		No work has started at this time.
7	2023-034	TBD	18-22-C-00-MRY	\$40,000,000	\$0	\$0	\$0	0%	<b>SEP Phase B2 Commercial Apron Construction</b>		The Project is out to bid and Request for Proposals are due on April 4, 2023.

FUNDING				EXPENDITURES				STATUS			
PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2023 Expenditures to Date	3/31/2023	% Physical Complete	Project Name	Current Status	4 Week Look Ahead	
<b><u>OUTSIDE FUNDED PROJECTS:</u></b>											
8	2019-03	N/A	N/A	\$2,828,058	\$520,242	\$255,343	\$775,585	45%	<b>WATER DISTRIBUTION SYSTEM</b>	Capacity testing was completed at both locations, 2999 Monterey Salinas Highway and 2801. The contract amendment with Kimley Horn to design the distribution system was approved at the December BOD meeting.	KHA are completing the water distribution route and project design specifications. A presentation will be provided at the April 27, 2023 board meeting.
9	2023-08	N/A	N/A	\$7,100,000		\$4,401,776	\$4,401,776	0%	<b>SOUTHEAST HANGAR RELOCATION</b>	A purchase agreement with Monterey Fuel Company was approved at the January meeting.	Staff have been reviewing the design submittals. A construction permit for grading was provided to Avila Construction in March 2023.
<b><u>PFC FUNDED PROJECTS</u></b>											
10	2020-04	N/A	20-24-C-00-MRY	\$200,000	\$0	\$6,279	\$6,279	5%	<b>CCTV TERMINAL AND PERIMETER SECURITY UPGRADES</b>	After approval at the December BOD meeting, staff have begun to work with Bandit Systems to develop a schedule for construction/installation.	The first phase began at the end of March and will continue through the month of April 2023.
<b><u>DISTRICT ONLY FUNDED PROJECTS</u></b>											
11	2020-14	N/A	N/A	\$350,000	\$203,879	\$0	\$203,879	0%	<b>NORTHWEST BUILDING ABATEMENT</b>	Abatement work was completed in June, 2021.	Staff are evaluating building 1105 Airport Way.
12	2022-02	N/A	N/A	\$83,000	\$27,859	\$53,357	\$81,216	100%	<b>VEHICLE REPLACEMENT</b>	The new maintenance truck was finally ready for pickup on September 13, 2022 and has been added to the vehicle fleet.	Project closed.
13	2023-04	N/A	N/A	\$350,000		\$23,490	\$23,490	0%	<b>2801 PROPERTY REPAIRS</b>	2801 Building A needed significant elevator updates to meet State requirements that were completed in September.	Staff are working with our consulting engineers to design the parking lot pavement improvements.

FUNDING				EXPENDITURES				STATUS			
	PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2023 Expenditures to Date	3/31/2023	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
14	2023-05	N/A	N/A	\$250,000		\$0	\$0	0%	<b>FRED KANE-SKYPARK PAVEMENT IMPROVEMENTS</b>		Staff are working with our consulting engineers to design the pavement improvements.
15	2023-06	N/A	N/A	\$100,000		\$15,833	\$15,833	5%	<b>AIRFIELD VEHICLE GATE IMPROVEMENTS</b>	A contract was approved at the February 2023 Board meeting with R&S Erection Company. R&S have ordered the materials for the improvements. There is a three to five week lead time for the materials.	It is anticipated the improvements will begin in April 2023.
16	2023-07	N/A	N/A	\$325,000		\$142,855	\$142,855	95%	<b>TERMINAL BUILDING OUTSIDE PAINTING and WEST HOLD ROOM UPGRADES</b>	A contract was approved at the January 2023 meeting with RC Elite Painting Company.	The work began in February 2023 and will be completed during the first week of April 2023.



# POLICE

## DEL REY OAKS

# MONTHLY POLICE ACTIVITY REPORT

## MARCH 2023

**TO:** Michael La Pier, Executive Director  
**FROM:** Sergeant Roger Guzman  
**DATE:** APRIL 2, 2023  
**SUBJECT:** Police Activity Report for MARCH 2023

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The following is a summary of significant activity in the Police Department in March, 2023:

### Highlights

Del Rey Oaks Police Officers responded to approx 6 **door and gate alarms** in March.

### Training

Officer Dowson provided updated training regarding MRY OPS. Sgt Guzman and Officer Dowson, and Mark Curtis meet weekly regarding MRY/DROPD operations.

### Calls for Service

1. 03/09/23 9:12 PM  
MRY: Terminal  
Det Moore responded to Fire Alarm in terminal. FD and PD cleared terminal.
2. 3/10/2023 9:55 PM Det Moore  
MRY/Baggage area: Equipment malfunction  
Det Moore responded to baggage area and was able to reset belt.
3. 03/26/23 9:52 PM Det Moore  
MRY/Gate 2: Medical  
Det Moore responded to medical emergency for female who fell while walking down stairs off flight. Passenger self-transported.
4. 3/31/23 2:30 AM Det Moore  
MRY/ Terminal: Medical  
Det Moore responded to airport to assist AMR with gate access for medical helicopter.

END OF REPORT.