

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

September 27, 2022 - 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

Due to the expiration of certain directives contained in the Governor's Declaration of Emergency for the State of California (Executive Order N-29-20), the Board of Directors of the Monterey Peninsula Airport District will return to hold meetings at the Airport Board Room, with in-person attendance.

Due to recent increase in the transmission of the Omicron variant of the Coronavirus, and, as a result of the directives issued by the State of California and the Monterey County Public Health Officer intended to prevent the transmission of the coronavirus, the Airport may utilize the procedures outlined in AB361 to utilize alternative measures related to the conduct of remote meetings and remote comments by members of the public.

Should the Board implement the measures outlined in AB 361, members of the public may participate in the Board meeting via Zoom video conference. Please visit www.zoom.us/join and enter the following Meeting ID: **831 7098 4092**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID. Members of the public who wish to provide comment on an item on the agenda may do so during the meeting prior to the item being considered by the Board, as outlined below.

REMOTE PUBLIC COMMENTS

To make a public comment, the following options are available:

1. Before the Meeting via Email: Written comments can be emailed to info@montereyairport.com. 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.
2. During the Meeting via Oral Comments: 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.

Public comments may also be made in person. 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.

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 Airport Property Development & Leases Committee Meeting of August 16, 2022](#)
- Approve 2. [Minutes of the Regular Board Meeting of August 17, 2022](#)
- Approve 3. [Minutes of the Budget and Finance Committee Meeting of September 8, 2022](#)
- Approve 4. [Minutes of the Airport Property Development & Leases Committee Meeting of September 14, 2022](#)
- Approve 5. [Minutes of the Budget and Finance Committee Meeting of September 16, 2022](#)
- Adopt 6. [Resolution No. 1816-8, A Resolution of the Board of Directors of the Monterey Peninsula Airport District Making Findings and Determinations Pursuant to AB 361 or Virtual Meetings and Authorizing Virtual Board Member and Other District Meetings](#)

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

G. REGULAR AGENDA - ACTION ITEMS

- Discuss 1. [Aircraft Rescue and Fire Fighting Facility Exterior Color Story](#)
- Adopt 2. [Resolution No. 1829, A Resolution Approving the Construction Contract with Mill Construction Company and Blue Scope Construction for the Replacement Aircraft Rescue and Fire Fighting Facility \(ARFF\)](#)
- Approve 3. [Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. to Provide Project Management Services in Support of the Safety Enhancement Program \(SEP\) Taxiway A Relocation – Phase C Aircraft Rescue and Fire Fighting Facility Construction Observation](#)
- Approve 4. [Approve an Operating Agreement with Turo Inc., a Peer-to-Peer Vehicle Sharing Concession](#)
- Approve 5. [Amendment to the Professional Service Agreement with Granite Drilling Company Inc.](#)
- Adopt 6. [Resolution No. 1830, A Resolution Authorizing and Approving the Creation of the Position of Controller and Amending the Fiscal Year 2023 Salary Schedule Listing Salary Ranges for the Monterey Peninsula Airport District](#)
- Adopt 7. [Resolution No. 1831, A Resolution for 180-Day Wait Period Exception Pursuant to Government Code Sections 7522.56 and 21221\(H\)](#)
- Approve 8. [Professional Service Agreement between Monterey Peninsula Airport District and Barrett Business Services, Inc. for Human Resource Services](#)

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 | Director Miller & Pick |
| iii. Airport Property Development and Leases | Directors Sawhney & Miller |

b. Ad-Hoc Committees:

- | | |
|-------------------------------|----------------------------|
| i. Local Jurisdiction Liaison | Director Leffel and Miller |
|-------------------------------|----------------------------|

c. Liaison/Representatives:

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

I. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- *Updates to MPAD Governance Manual and Board Operating Rules and Procedures to Reflect Legal Counsel Review*

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 CONTINUATION OF THE AIRPORT PROPERTY DEVELOPMENT & LEASES COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS AUGUST 10, 2022 MEETING

August 16, 2022 – 10:00 AM

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

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Members of the public may participate in the Board meeting via Zoom video conference. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **860 3188 0298**. The password for this meeting is: **20220810**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

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A. CALL TO ORDER

The meeting of the Airport Property Development & Leases Committee Meeting was called to order at 10:01 AM. Director Miller, Director Sawhney, and Executive Director La Pier were in attendance.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

Discussion 1. Future Lease Committee Meeting Schedule

Discussion was had regarding the Committee desire to have a more regular meeting schedule for planning purposes. After discussion it was the desire of the Committee to establish the Wednesday prior to the regular Board meeting as the scheduled date for Lease Committee meetings. It was determined the best time for the committee members would be 10:00 AM.

Discussion 2. Real Estate Matter

Executive Director La Pier recapped the most recent discussions with Monterey Jet Center officials regarding the disposition of the southeast hangars as part of the overall safety enhancement program. La Pier indicated that discussions were ongoing, and he provided the recap to keep the committee up to date on discussions and development. Director Miller asked about the status of including the resolution of the QTA matter in the overall discussions and resolution. La Pier indicated that Monterey Jet Center was in agreement that the QTA matter should be part of the overall discussion. Director Sawhney asked if other alternatives were being examined. La Pier indicated that in fact other alternatives were being considered, however the purpose of the discussion at this meeting was simply to keep the committee up to date on progress.

Review 2. Leasing Activity Review

No discussion occurred regarding other leasing activities.

E. ADJOURNMENT

The meeting was adjourned at 10:47 AM.

Approved at the
Meeting of September 27, 2022

Carl M. Miller, Chair

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

August 17, 2022 - 9:00 AM

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

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Public comments may also be made in person. 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.

A. CALL TO ORDER/ROLL CALL

Chair Miller called to order the regular meeting of the Monterey Peninsula Airport District Board of Directors at 9:03 AM. Directors Pick, Sawhney, Leffel, and Sabo were present. Director Sawhney attended by Zoom videoconference. The following staff were present: Executive Director La Pier, District Counsel Huber, Acting District Secretary Adams, Deputy Executive Director Bergholz, and Deputy Director of Strategy & Development Morello. Deputy Executive Director Bergholz attended by Zoom videoconference.

B. PLEDGE OF ALLEGIANCE

Director Pick led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Executive Director La Pier announced the aha! airlines jet at the terminal gate this morning was a charter, and not a new regular service.

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

E. CONSENT AGENDA - ACTION ITEMS

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- | | |
|---------|--|
| Approve | 1. Minutes of the Air Carrier Service - Marketing - Community Relations Committee Meeting of July 14, 2022 |
| Approve | 2. Minutes of the Regular Board Meeting of July 20, 2022 |
| Approve | 3. Minutes of the Special Board Meeting of July 26, 2022 |
| Approve | 4. Minutes of the Special Board Meeting of August 2, 2022 |
| Approve | 5. Minutes of the Air Carrier Service – Marketing – Community Relations Committee Meeting of August 08, 2022 |
| Approve | 6. Minutes of the Budget and Finance Committee Meeting of August 9, 2022 |
| Approve | 7. Update to Administrative and Personnel Policy Manual |
| Adopt | 8. Resolution No. 1816-7, A Resolution of the Board of Directors of the Monterey Peninsula Airport District Making Findings and Determinations Pursuant to AB 361 or Virtual Meetings and Authorizing Virtual Board Member and Other District Meetings |

Chair Miller asked to pull Item E.7 from the Consent Agenda. Director Leffel made a motion to approve Consent Agenda Items E.1 – E.6 and E.8. Director Pick seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

Chair Miller stated he pulled Item E.7 from the Consent Agenda to make sure that all Directors were happy with the changes. District Counsel Huber stated he had not received any additional comments since the last meeting and the changes from the last meeting are in track changes mode in the packet. Director Sabo asked if the Finance Department had reviewed the document. District Counsel Huber answered Finance has seen it and he did not receive any negative comments.

Director Pick made a motion to approve Consent Agenda Item E.7, Update to Administrative and Personnel Policy Manual. Director Leffel seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

G. REGULAR AGENDA - ACTION ITEMS

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|---------|--|
| Approve | 1. Proclamation in Recognition of Hagerty and Broad Arrow Group for their Inaugural Motorlux Monterey Car Week Kickoff Event and Inaugural Monterey Jet Center Auction |
|---------|--|

Executive Director La Pier introduced item G.1 stating there are new owners to the Monterey Car Week Kickoff Event, and this is their first event at the airport. In addition, there is an inaugural Jet Center Classic Car auction that will preview the evening of the event. District Counsel Huber added they will

acknowledge the airport and it is a ceremonial event so we will fill out CA Form 802 and include it on the website, as we have in the past.

Director Sabo made a motion to approve the Proclamation in Recognition of Hagerty and Broad Arrow Group for their Inaugural Motorlux Monterey Car Week Kickoff Event and Inaugural Monterey Jet Center Auction. Director Leffel seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

Presentation 2. Route Data Report

Executive Director La Pier introduced Amanda Aufer, Social Media Specialist, who gave a Staff presentation on the data gleaned from activity on www.montereyairport.com. The data detailed top domestic and international air service destination locations searched for by the website users. Directors asked various questions and discussed the data and its relevance, as well as some of the current digital marketing efforts. Directors individually suggested ideas for utilizing a recently created year end overview entitled "Leaving Turbulent Times Behind".

Approve 3. HR Services Contract

Executive Director La Pier introduced Item G.3 stating the agreement had been sent to BBSI, Inc. and their legal representatives had requested some changes. District Counsel Huber stated he reviewed the changes requested and they were not material. The redline document tracks the changes that would be accepted into the document if approved.

Director Sabo expressed concern about legal liability language since BBSI will be advising us on legal matters. District Counsel Huber referred to Exhibit "A" and the ensuing discussion brought to light that the document was not in its final form when circulated to BBSI's legal representatives. Chair Miller stated we would table this item to a future meeting.

Approve 4. Director Request to Attend NBAA Leadership Conference, Charlotte, NC, February 27, 2023 as Representative of the Airport

Executive Director La Pier stated Director Sawhney requested Item G.4 and turned the floor over to her. Director Sawhney stated she was absent from the June meeting where other Directors received approval to attend association conferences in FY 2023, so this is her first request. Directors discussed the request. Director Leffel made a motion to approve the request for Director Sawhney to attend NBAA Leadership Conference, Charlotte, NC, February 27, 2023 as a representative of the airport. Director Pick seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

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:

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

b. Ad-Hoc Committees:

- | | |
|-------------------------------|----------------------------|
| i. Local Jurisdiction Liaison | Director Leffel and Miller |
|-------------------------------|----------------------------|

c. Liaison/Representatives:

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

Director Sabo reported for the Finance Committee. Director Leffel added the auditors presented an audit plan. The audit begins August 22nd.

Directors discussed Staff Reports. Executive Director La Pier gave an update on the FAA approvals for the ARFF building and the open Public Relations position.

Director Sawhney reported for the Lease Committee.

Director Pick reported for the Air Service Committee.

There was no Local Jurisdiction meeting to report.

Director Leffel reported the August LAFCO meeting is next Monday, August 22, 2022.

There was no TAMC meeting to report.

There was no Special Districts meeting to report.

Director Sabo reported he attended the AMBAAG meeting in Director Sawhney's absence but there was nothing to report that impacted the airport.

Director Sawhney was excused from the meeting and Chair Miller announced a break at 11:09 AM.

The meeting reconvened at 11:25 AM.

I. CLOSED SESSION

- 1. ANNUAL GOAL SETTING** [Government Code Section 54957(b)]. The Board will meet with the Executive Director and District Counsel to consider the annual goal setting related to the following position: Executive Director.

The Board of Directors entered closed session at 11:29 AM.

J. RECONVENE TO OPEN SESSION

The meeting reconvened at 1:45 PM. There was no reportable action taken during closed session.

K. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- *Updates to MPAD Governance Manual and Board Operating Rules and Procedures to Reflect Legal Counsel Review*

District Counsel Huber stated this item is now in progress. It was dependent on the approval of the Administrative and Personnel Manual.

L. DISCUSSION OF FUTURE AGENDAS

Director Sabo suggested we add Strategic Planning Session to the Pending Requests for Future Agenda Items, pursuant to the agreed upon Executive Director goals. Director's Miller and Leffel agreed.

M. ADJOURNMENT

The meeting adjourned at 1:47 PM.

Approved at the
Meeting of September 27, 2022

Carl M. Miller, Chair

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

September 8, 2022 - 9:00 AM

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Public comments may also be made in person. 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.

A. CALL TO ORDER

The Budget and Finance Committee Meeting of the Monterey Peninsula Board of Directors was called to order at 9:06 AM. Director Sabo and Director Leffel, District Counsel Huber, Deputy Director of Strategy/Development Morello and Executive Director of Finance and Administration Bergholz were present. Executive Director La Pier was absent.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

Deputy Executive Director Bergholz shared that the audit field work was complete and draft financials and supporting schedules had been delivered to LSL CPAs and Advisors. During the exit meeting no audit issues or deficiencies were noted.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

- Review
1. Resolution No. 18XX, A Resolution Approving the Contract Agreement with Mill Construction Company for the Construction of the Relocated Aircraft Rescue and

Fire Fighting Facility, ARFF Airfield Access Road, and Demolition of the Existing Facility

Deputy Director Morello presented Resolution No. 18XX which approves the contract agreement with Mill Construction for the construction phase of the relocated ARFF facility, related access road, and demolition of the existing facility. Director Sabo inquired if the northside ARFF design had been approved and if FAA grant funding would be available. Deputy Director Morello confirmed that the ARFF Design-Build Team led by Mill Construction was approved during the March Board meeting, the ARFF building design footprint was approved during the May Board meeting, and that the FAA grant for the building had been programmed. The Airport expects the grant to be issued before the end of September.

Director Leffel and Director Sabo asked District Counsel Huber and Deputy Director Morello questions about the contract terms and recommended changes to clarify some of those terms. Director Sabo also asked if Mill Construction's project estimate had been verified for grant purposes. Deputy Director Morello explained that Kimley-Horn and their subcontractor Transystems provided an engineer's estimate of the ARFF project that was used to verify Mill Construction's estimate and it was within the FAA's 10% limit for grant funding.

Directors Leffel and Sabo said they would recommend the Board approve the resolution.

- Review 2. Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. to Provide Project Management Services in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase B Aircraft Rescue and Fire Fighting Facility Construction Observation

Deputy Director Morello presented a proposed amendment to the Professional Services Agreement with Kimley-Horn to provided construction management services for the SEP and ARFF. Directors Leffel and Sabo asked questions about Kimley-Horn's professional independence for providing these services. Morello explained that Kimley-Horn had not performed services on the SEP or ARFF projects that would impede proper segregation of services as required by FAA grants.

Directors Leffel and Sabo said they would recommend the Board approve the resolution.

- Review 3. Operating Agreement for Peer-to-Peer Vehicle Sharing Concession

District Counsel Huber presented an Operating Agreement for Peer-to-Peer Vehicle Sharing, stating that the Airport learned that Turo Incorporated (Turo), an online Peer-to-Peer car sharing service, was operating on its property. District Counsel Huber sent a Cease-and-Desist order to Turo. Turo contacted District Counsel Huber and requested a concession agreement for operating at the Airport. The Operating Agreement was reviewed by the Finance Committee.

- Review 4. New Position Job Description

The New Position Job Description was tabled to a later date since Executive Director La Pier was absent.

- Review 5. Resolution No. 18XX, A Resolution For 180-Day Wait Period Exception Pursuant to Government Code Sections 7522.56 and 21221(H)

District Counsel Huber presented Resolution 18XX requesting an exception to CalPERS 180-Day Wait Period for hiring a retiree before 180 days has passed since their retirement date to provide services to small Districts during a transition period not to exceed 960 hours in a calendar year, stating the retiring

Deputy Executive Director of Finance and Administration might assist in the transition of the Finance department's duties and active projects while the District is recruiting a replacement for these duties.

Directors Sabo and Leffel asked questions about the process and the terms for using this CalPERS exception procedure. District Counsel Huber explained that the retirees' duties would be limited to tasks outlined in the incumbent's current job description and that compensation would be limited to their current hourly rate paid at retirement and there would be no benefits. All duties would be assigned by the Executive Director on an as needed basis.

Review 6. FYTD 2023 Statements

Director Sabo asked questions about the impact of the June 2022 \$4.0M CalPERS UAL prepayment on the FY23 actual to budget expense variance. Deputy Executive Director Bergholz answered that for FY23 the Airport budgeted \$1.017M as published by CalPERS in April 2022 for required UAL minimum payments. After making the \$4.0M prepayment CalPERS reduced the Airport's required FY23 UAL payments to \$628K, a \$389K FY23 savings creating an actual to budget variance.

The July UAL actual to budget expense favorable variance was slightly below expectations since staff expensed approximately \$10K of PEPRA UAL payments in July. The remaining \$618K prepayment will be amortized over FY23 operating periods at \$51.5K per month. The favorable variance for the remainder of FY23 will be approximately \$31.5K per month.

Review 7. Variance Analysis - MTD and YTD

No questions were asked about the Variance Analysis.

Review 8. Accounts Receivable Aged Invoice Report

Director Sabo asked questions about MPI - Monterey Pacific Executive Charter (\$1.6K) and Salinas Yellow Cab (\$3.9K) accounts receivable that are over 60 days. MPI's payment was received on 09-08-2022 and Salinas Yellow Cab payment was sent this week.

Review 9. Grant Funds Balance

Director Sabo asked about the remaining FAA ARPA grant funds and asked when the draws would be processed. Deputy Director Morello explained that the Airport is currently working on preparing grant draws.

Discuss 10. General Discussion

Directors Leffel and Sabo requested a Special Finance Committee meeting September 16, 2022, at 9:00 AM to review Item 4 New Position Job Description and a strategic plan facilitation agreement.

E. ADJOURNMENT

The meeting adjourned at 10:50 AM.

Approved at the
Meeting of September 27, 2022

Carl M. Miller, Chair

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

September 14, 2022 – 10:00 AM

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Due to the expiration of certain directives contained in the Governor's Declaration of Emergency for the State of California (Executive Order N-29-20), the Board of Directors of the Monterey Peninsula Airport District will return to hold meetings at the Airport Board Room, with in-person attendance.

Due to recent increase in the transmission of the Omicron variant of the Coronavirus, and, as a result of the directives issued by the State of California and the Monterey County Public Health Officer intended to prevent the transmission of the coronavirus, the Airport may utilize the procedures outlined in AB361 to utilize alternative measures related to the conduct of remote meetings and remote comments by members of the public.

Members of the public may participate in the Board meeting via Zoom video conference. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **886 2165 2597**. The password for this meeting is: **20220914**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

REMOTE PUBLIC COMMENTS

To make a public comment, the following options are available:

1. Before the Meeting via Email: Written comments can be emailed to info@montereyairport.com. 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.
2. During the Meeting via Oral Comments: 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.

Public comments may also be made in person. 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.

A. CALL TO ORDER

The meeting of the Airport Property Development & Leases Committee Meeting was called to order at 10:06 AM. Director Miller, Director Sawhney, District Counsel Huber, and Executive Director La Pier were in attendance.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. Operating Agreement for Peer-to-Peer Vehicle Sharing Concession

District Counsel Huber reviewed a new operating agreement negotiated with Turo covering their peer-to-peer vehicle sharing operations at Monterey Regional Airport. Huber indicated that the agreement was drafted using similar agreements at other airports and included negotiations with Turo to reach the

proposed final agreement being presented to the committee. Turo offered a 10% commission for all activities if vehicles were allowed to park at the curb front of the terminal. If vehicles were required to use short term parking, commissions would be set at 6.5%. Based on the limited curb front at the terminal and the existing congestion already being experienced, it is staff's recommendation that Turo activities be confined to the upper short term parking lot and that a 6.5% commission be established. Director Miller asked if the vehicles would still be required to pay parking charges. Huber replied that the agreement specifically states that all parking charges will be paid for in addition to the commission. Director Sawhney asked how frequently Turo activities were occurring at the airport. Executive Director La Pier indicated that over the past two weeks there had been four instances that were determined to be active Turo activities. Discussion was had regarding how Turo activities were being monitored and how the reporting process would be established.

Huber indicated that the proposed agreement is for a one-year period. After discussion, the committee indicated they would recommend to the Board that the agreement be approved.

Discussion 2. Leasing Activity Review

Executive Director La Pier reported that to date 65 business licenses have been executed and an additional 4 that were in process. He reminded the committee that the initial forecast was for 24 business licenses. He complimented the activities of the Property Specialist to uncover additional business enterprises on airport, most of which are sub-tenant activities.

E. ADJOURNMENT

The meeting was adjourned at 11:03 AM.

Approved at the
Meeting of September 27, 2022

Carl M. Miller, Chair

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

September 16, 2022 - 9:00 AM

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

Due to the expiration of certain directives contained in the Governor's Declaration of Emergency for the State of California (Executive Order N-29-20), the Board of Directors of the Monterey Peninsula Airport District will return to hold meetings at the Airport Board Room, with in-person attendance.

Due to recent increase in the transmission of the Omicron variant of the Coronavirus, and, as a result of the directives issued by the State of California and the Monterey County Public Health Officer intended to prevent the transmission of the coronavirus, the Airport may utilize the procedures outlined in AB361 to utilize alternative measures related to the conduct of remote meetings and remote comments by members of the public.

Members of the public may participate in the Board meeting via Zoom video conference. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **864 1332 7515**. The password for this meeting is: **20220916**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

REMOTE PUBLIC COMMENTS

To make a public comment, the following options are available:

1. Before the Meeting via Email: Written comments can be emailed to info@montereyairport.com. 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.
2. During the Meeting via Oral Comments: 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.

Public comments may also be made in person. 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.

A. CALL TO ORDER

The Budget and Finance Committee Meeting of the Monterey Peninsula Board of Directors was called to order at 9:05 AM. Director Sabo and Director Leffel, Executive Director La Pier, District Counsel Huber, Deputy Director of Strategy/Development Morello, and Acting Board Secretary Adams were present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

- | | |
|--------|--|
| Review | 1. A Resolution Authorizing and Approving the Creation of the Position of Controller and Amending the Fiscal Year 2023 Salary Schedule as Approved June 15, 2022 by Resolution No. 1822, Listing Salary Ranges for the Monterey Peninsula Airport District |
|--------|--|

Executive Director La Pier asked that we review Item 2 prior to Item 1 in order that Deputy Director Morello could present that item and then excuse herself.

- Review 2. An Amendment to the Professional Service Agreement with Granite Drilling Company, Inc.

Deputy Director Morello gave an overview of the Staff Report, reminding Directors the capacity testing requirements for each of the recently drilled wells are required and scheduled by the County. The amendment to the Professional Service Agreement with Granite Drilling is to conduct the capacity testing at both locations: 2801 Monterey Salinas Highway (Fenton & Keller Building) and 2999 Monterey Salinas Highway (Tarcy's). Deputy Director Morello noted this is usually done with temporary pumps. However, the 2801 location provided more water than anticipated during construction and there is adequate electrical in place to install a permanent pump, which is what is recommended and quoted. At the 2999 location there is not adequate power for a permanent pump, so a temporary pump is proposed. The quoted prices for each location reflect these differences.

Director Leffel asked if the capacity is sufficient at Tarcy's will we also install a permanent pump there. Deputy Director Morello answered yes, and that would require a transformer. The pump and transformer would be included in the scope of work for the water distribution system that would be brought to the Board probably in October. Director Leffel stated she supported the proposal.

Director Sabo asked if it was always our intention to test twice. Deputy Director Morello answered yes, we expected to add this to the agreement once we knew we had water at all. This capacity testing is necessary to get approval on how much we can pump. After a few additional questions, Director Sabo stated he supported the amendment and asked that Deputy Director Morello provide a refresher to the full Board including the original project total cost estimate.

There were no further questions and Deputy Director Morello was excused from the meeting.

- Review 1. A Resolution Authorizing and Approving the Creation of the Position of Controller and Amending the Fiscal Year 2023 Salary Schedule as Approved June 15, 2022 by Resolution No. 1822, Listing Salary Ranges for the Monterey Peninsula Airport District

Executive Director La Pier stated the usual process is to create a position prior to posting it, but with the compressed timeline of the Deputy Executive Director's retirement, we posted a draft job description stating it was subject to job creation. There have been some applicants but only one interview, although another is scheduled for today.

Executive Director La Pier reviewed the reasoning for a change in position from a Deputy Executive Director to a Controller. He noted the job description for the Deputy Executive Director contemplated duties outside of finance and accounting, such as properties, which were not assigned and would not be assigned in the future. Therefore, the recommendation is to eliminate the position of Deputy Executive Director and replace it with a Controller, who would oversee finance and accounting and manage the HR Services Agreement, pending its approval. This position would also perform more financial analysis for the SEP plan of finance.

Director Leffel stated she has no problem with the recommendation.

Director Sabo had multiple concerns about the proposed new position. He named several different skillsets he thought were important including financial analysis, financing, and bank lending. Executive Director La Pier concurred with all the skills Director Sabo mentioned and stated the Controller would

work hand in hand with him and the professional team but would have a lead role in financing. He pointed to various parts of the job description.

Director Leffel stated she preferred that in-depth financing analysis come from a third party knowledgeable about the project, as has been done in the past. She also suggested, if the right person came along, they could grow into a new position. She agrees with the Controller position for now. Director Sabo stated he recommends we recruit for a Finance Director and that the new position be an Officer.

District Counsel Huber stated the Enabling Act, in Section 7, names the Officers of the District. In the past the Auditor, who is an Officer, was originally called a Controller and would function as an Officer. There was no recommendation on this suggestion.

Discuss 2. Strategic Planning Consulting Services Proposal

Executive Director La Pier stated the first phase is to approve the facilitators proposal and while the contract is within his dollar signing authority, he sent the proposal to each Director for their feedback on the scope.

There was a discussion about the proposal with Director Leffel supporting it and Director Sabo questioning the need for a new strategic plan, stating he would prefer an operational plan. Executive Director La Pier explained that is Staff's role and will come out of the strategic plan. The strategic plan discussion is a 30K foot view. Director Leffel gave examples of strategic opportunities that she believes should be reviewed as it relates to the future of the airport and supported the opportunity for an exchange of ideas.

Discuss 3. General Discussion

Director Sabo brought up the Peer-to-Peer Ride Share agreement that was reviewed at the last Finance Committee meeting. He asked if legal counsel had made changes to the agreement. Executive Director La Pier answered that he had, and the Lease Committee had reviewed the updated version and agreed with the changes.

E. ADJOURNMENT

The meeting adjourned at 10:37 AM.

Approved at the
Meeting of September 27, 2022

Carl M. Miller, Chair

A T T E S T

Michael La Pier, AAE
District Secretary

TO: Monterey Peninsula Airport District Board of Directors
FROM: Scott E. Huber, District Counsel
SUBJ: Resolution No. 1816-8, A Resolution of the Board of Directors of the Monterey Peninsula Airport District Making Findings and Determinations Pursuant to AB 361 or Virtual Meetings and Authorizing Virtual Board Member and Other District Meetings

BACKGROUND. It is recommended that the Board adopt Resolution No. 1816-8 making findings and determinations under AB 361 for the continuation of virtual meetings and authorizing virtual Board Meetings, and other committee and legislative body meetings pursuant to AB 361.

STAFF ANALYSIS. On March 17, 2020, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act to allow for local legislative bodies to conduct their meetings completely telephonically or by other electronic means. As the Board is aware, this allowed Board Member meetings to be conducted by Zoom with Board Members and staff all joining from remote locations.

The suspension of certain provisions of the Brown Act was further extended by the Governor on June 11, 2021, by the issuance of Executive Order N-08-21 which continued to allow for complete virtual Board (and other legislative body) meetings until September 30, 2021.

With the looming expiration of the Governor's Executive Order, along with the uncertainty that surrounded the Governor's potential recall, the Governor signed into law Assembly Bill 361. Effective October 1, 2021, AB 361 allows local government to continue to conduct remote virtual meetings so long as there is a state-proclaimed state of emergency and the legislative body makes mandatory findings.

AB 361 allows legislative bodies to meet virtually, provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees.

AB 361 preserves many of the provisions of the earlier executive orders, while also adding new requirements to the management of remote and teleconference public meetings in order to better achieve the levels of transparency that the Brown Act demands. Specifically, AB 361 imposes two new rules on remote public meetings:

1. Local governments and agencies hosting teleconference meetings in lieu of traditional in-person public meetings must permit direct public comment during the teleconference and must leave open the opportunity for public comment until the comment period for a given item is closed during the ordinary course of the meeting. The opportunity to

make public comment must be of a sufficient duration so as to allow actual public participation; and

2. Any action by the governing body during a public teleconference meeting must occur while the agency is actively and successfully broadcasting to members of the public through a call-in option or an internet-based service option. If a technical disruption within the agency's control prevents members of the public from either viewing the meeting of the public agency or prevents members of the public from offering public comment, the agency must cease all action on the meeting agenda until the disruption ends and the broadcast is restored. Action taken during an agency-caused disruption may be challenged as a violation of the Brown Act.

The Board previously implemented the above stated requirements for conducting public meetings and, going forward, the meetings would be in full compliance with AB 361, thus the prior procedures would be utilized again. Teleconference accessibility via an internet-based service option (via the Zoom Webinars platform) is listed on the published agenda for each meeting as well as on the Airport's website and the Board provides access for public comment opportunities in real time.

In order to continue to qualify for AB 361's waiver of in-person meeting requirements, the Board must, within thirty (30) days of its first meeting under AB 361, and every thirty (30) days thereafter, make findings that (a) state or local officials continue to recommend measures to promote social distancing, or that (b) an in-person meeting would constitute an imminent risk to the safety of attendees. The findings need not be in the form of a resolution, but a resolution is helpful in formalizing these findings.

The attached Resolution makes the required findings under AB 361, and if adopted, it will allow the Board to continue to offer teleconference accessibility for public meetings after September 30, 2021, to help mitigate the spread of COVID-19, as well as during other state-proclaimed emergencies where physical attendance may present a risk.

Lastly, it is important to note that having virtual meetings under the provisions of AB 361 is optional. If the Board desires, it may meet in person. In addition, hybrid meetings are permissible. Given the recent uptick in transmission of the Omicron variant of the Coronavirus, it seems prudent to have this resolution in place as a stopgap measure to ensure flexibility for holding legislative meetings remotely, if needed.

FISCAL IMPACT. None.

RECOMMENDATION. Adopt Resolution No. 1816-8, A Resolution of The Board of Directors of The Monterey Peninsula Airport District Making Findings and Determinations Under AB 361 for Virtual Meetings and Authorizing Virtual Board Member and Other District Meetings Pursuant to AB 361.

RESOLUTION NO. 1816-8

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT MAKING FINDINGS AND DETERMINATIONS UNDER AB 361 FOR VIRTUAL MEETINGS AND AUTHORIZING VIRTUAL BOARD MEMBER AND OTHER DISTRICT MEETINGS PURSUANT TO AB 361

The Board of Directors of the Monterey Peninsula Airport District does hereby find, order, and resolve as follows:

SECTION 1. Recitals.

A. The Ralph M. Brown Act (Gov. Code § 54950 et seq.) generally requires local agencies meeting via teleconference, including through other virtual or electronic means, to provide public access at each location in which members of the legislative body are teleconferencing;

B. On September 16, 2021, the Governor signed AB 361 (in effect as of October 1, 2021 – Government Code Section 54953(e)), which allows legislative bodies to meet virtually provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees;

C. The Governor issued a proclamation declaring a state of emergency on March 4, 2020, due to the COVID-19 pandemic, pursuant to section 8625 of the California Emergency Services Act, and this proclaimed state of emergency currently remains in effect;

D. State or local officials continue to impose and recommend measures to promote social distancing and because of the ongoing threat of COVID-19, meeting in person would present imminent risks to the health and safety of attendees;

E. The Board has considered the circumstances of the state of emergency and finds that the continuation of virtual meetings will allow for full participation by members of the public until social distancing recommendations are lifted; and

F. The Board of Directors of the Monterey Peninsula Airport District desires to hold virtual meetings pursuant to AB 361 and Government Code section 54953(e).

SECTION 2. Teleconference Meetings.

Consistent with the provisions of Government Code Section 54953(e), the Board of Directors finds and determines that the Board and all other legislative bodies of the Monterey Peninsula Airport District created by the Board of Directors shall be authorized to meet virtually in accordance with Government Code section 54953(e) and without compliance with section 54953(b)(3) based upon the findings and determinations hereby made by the Board of Directors.

SECTION 3. Effective Date.

This Resolution shall take effect immediately upon its adoption and remain in effect for 30 days or until such time as the Board of Directors reaffirms this resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors and all other legislative bodies of the Monterey Peninsula Airport District may continue to teleconference without compliance with Government Code §54953(b)(3).

SECTION 4. Severability.

If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Board hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 27th day of September, 2022 by the following roll call vote:

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

Signed this 27th day of September 2022

Carl M. Miller, Chair

A T T E S T

Michael La Pier, A.A.E.
Executive Director

AGENDA ITEM: G-1
DATE: September 27, 2022

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, Executive Director
SUBJ: Design Build Team Replacement Aircraft Rescue and Fire Fighting Facility Update

BACKGROUND. On March 2022, the Board of Directors of the Monterey Peninsula Airport District (MPAD) adopted Resolution No. 1817, Authorizing a Professional Services Agreement with Mill Construction Company as the Design Build Team for the Replacement Aircraft Rescue and Fire Fighting Facility (ARFF).

SCOPE OF WORK. At the May 18, 2022 Board meeting, the Design-Build Team led by Mill Construction Company presented visual renderings along with the ARFF building footprint. Board agreement was provided for the gabled roof, with a heightened watch area, and the slated entrance design option. The Board also reviewed and agreed with the interior design footprint based on Advisory circular (AC) 150/5210-15A which contains information, references and guidelines for *Aircraft Rescue and Fire Fighting (ARFF) station building design*. The AC sets the policy for federally funded fire stations that meet Federal Aviation Regulations, Title 14 Code of Federal Regulations (CFR) Part 139, Certification of Airports, requirements for airport facilities. Further, the Advisory Circular (AC) establishes and identifies requirements and operational features and space components/square foot dimension for the design and layout of ARFF facilities that support the ARFF index at FAA airports.

Mill Construction Company and staff will present two exterior color renderings of the ARFF station and request the Board choose their preferred exterior color option.

ATTACHMENT.

Monterey Regional Airport ARFF Exterior Rendering Color Study



SOUTH ELEVATION



NORTH ELEVATION



EAST ELEVATION



SOUTH ELEVATION

COLOR SCHEME OPTION A: ORIGINAL

- ① Weathered Zinc, Finish Classic II, Color Code 439RZ2996M
- ② Silversmith, Finish Classic II, Color Code 43RZ5977M

MARJANG



SOUTH ELEVATION



NORTH ELEVATION



EAST ELEVATION



SOUTH ELEVATION

COLOR SCHEME OPTION B: INVERTED COLORS

- ① Weathered Zinc, Finish Classic II, Color Code 439RZ2996M
- ② Silversmith, Finish Classic II, Color Code 43RZ5977M

MARJANG

AGENDA ITEM: G-2
DATE: September 27, 2022

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, Executive Director
SUBJ: Resolution No. 1829, Approving a Design-Build Construction Contract with Mill Construction Company and Blue Scope Construction for the Replacement Aircraft Rescue and Fire Fighting Facility

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

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

The certified FEIR, the certified Revised Addendum, and the approved Airport Master Plan Project for MRY analyzed and included permanent relocation of the Aircraft Rescue and Fire Fighting (ARFF) Facility to the north side of the Airport from the south side as a project component of the Safety Enhancement Program Taxiway A Relocation (SEP).

The FY23 adopted Capital Improvement Budget (CIP) contains Project 2022-01 SEP Phase C1/C2/C3-ARFF Design/Construction/Demo/Airfield Access Road, and the approved Airport Capital Improvement Program (ACIP) for FY 2022-2028 includes this SEP phase.

August 2021, the MPAD widely solicited for Statements of Qualifications (SOQs) from interested Design-Build Teams to submit a Qualifications for Design-Build (D/B) Project Delivery Services for the replacement ARFF and the demolition/removal/disposal of the existing ARFF. The intent of the SOQ and Request for Proposal (RFP) were designed to evaluate the “D/B Team” under a single, responsible lead contractor who will be responsible for the delivery of the Project.

March 16, 2022, the BOD adopted Resolution No. 1817 authorizing a Professional Service Agreement with Mill Construction Company as the Design Build Team lead for the replacement ARFF facility.

SCOPE OF WORK. May 18, 2022, the Design-Build Team led by Mill Construction Company presented visual renderings along with the ARFF building footprint to the BOD. At the meeting agreement was provided for the gabled roof, with a heightened watch area, and the slated entrance design option. The BOD also reviewed and agreed with the interior design footprint based on Advisory circular (AC) 150/5210-15A which contains information, references and guidelines for *Aircraft Rescue and Fire Fighting (ARFF) station building design* for federally funded fire stations that meet Federal Aviation Regulations, Title 14 Code of Federal Regulations (CFR) Part 139. Further, the Advisory Circular (AC) established and identified funding eligibility

requirements for the design and layout of ARFF facilities that support the ARFF index at FAA airports.

The D/B Construction Contract with Mill Construction as the Design Build Entity and General Contractor and Blue Scope Construction as the Building Engineering & Manufacturing General Contractor & Construction Manager includes the construction phase costs associated with the ARFF Construction/Demo/Airfield Access for a Guaranteed Maximum Price (GMP) in an amount not-to-exceed \$9,151,287.00.

Schedule C Construction Management Fee	\$ 121,803
Schedule D Building Construction Costs	\$ 7,639,975
Schedule E Sitework Construction Costs	\$ 1,388,509
Total	\$ 9,151,287

An independent fee estimate was conducted on the approved design by KHA and their subcontractor Transystems. The conclusion of the review found that the DB-Contractor's GMP is a true and reasonable reflection of construction costs for the proposed improvements.

Mill Construction and Blue Scope Construction, with the assistance of subcontractors, shall provide the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, utilities, and other facilities to complete construction of the Project based on the approved ARFF Construction/Demo/Airfield Access design documents.

BUDGET EFFECT. The project costs are included in the Capital Improvement Budget and grant agreement and include costs associated with the design, construction, project management and administration costs for SEP Phase C.

SOURCE OF FUNDS. The grant agreement includes a 90.66% FAA share of the costs (Airport Improvement Program) and a 9.34% District share (Passenger Facility Charges) for the project eligible components. 1% of square feet of the building are above the eligible size and will be PFC only costs and were included in the approved FY23 CIP.

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

SCHEDULE. The Notice to Proceed is anticipated to be issued on approximately October 1, 2022 and will take approximately 10 months to complete.

CONTINGENCY. None. The fees in Construction Contract are "not to exceed."

RECOMMENDATION. Adopt Resolution No. 1829, Approving a Design-Build Construction Contract with Mill Construction Company and Blue Scope Construction for the Replacement Aircraft Rescue and Fire Fighting Facility.

ATTACHMENTS.

Resolution No. 1829

Design Build Agreement with Mill Construction Company and Blue Scope Construction
Guaranteed Maximum Price Proposal

RESOLUTION NO. 1829

A RESOLUTION APPROVING A DESIGN-BUILD CONSTRUCTION CONTRACT WITH MILL CONSTRUCTION COMPANY AND BLUE SCOPE CONSTRUCTION FOR THE REPLACEMENT AIRCRAFT RESCUE AND FIRE FIGHTING FACILITY (ARFF)

WHEREAS, on November 26, 2018, the Board of Directors (BOD) of the Monterey Peninsula Airport District (MPAD) approved Resolution No. 1730 certifying Final Environmental Impact Report (FEIR) (SCH 2015121105), and Resolution No. 1731, approving Alternative 1 as the Airport Master Plan Project for Monterey Regional Airport (MRY); 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 certified FEIR, the certified Revised Addendum, and the approved Airport Master Plan Project for MRY analyzed and included permanent relocation of the Aircraft Rescue and Fire Fighting (ARFF) Facility to the north side of the Airport from the south side as a project component of the Safety Enhancement Program Taxiway A Relocation (SEP); and

WHEREAS, the FY23 Adopted Capital Improvement Program Budget contains Project 2022-01 SEP Phase C, ARFF Design/Construction/Demo/Airfield ARFF Access Road; and

WHEREAS, the approved MRY Airport Capital Improvement Program (ACIP) FY 2022-2028 includes this SEP Project Phase C; and

WHEREAS, representatives of the Federal Aviation Administration (FAA) have given the approval for use of Alternate Project Delivery Method (APDM) Design-Build (D/B) for the Airport Improvement Program funded project Phase C ARFF Building Design/Construction/Demo/ARFF Airfield Access; and

WHEREAS, On March 16, 2022, the BOD of the MPAD approved Resolution No. 1817 approving Mill Construction Company as the D/B team lead and authorized a Notice to Proceed for the design contract for the ARFF Building Design; and

WHEREAS, the D/B Construction Contract includes Mill Construction as the Design Build Entity and General Contractor and Blue Scope Construction as the Building Engineering & Manufacturing General Contractor & Construction Manager.; and

WHEREAS, the Construction Contract for the SEP Phase C are based on the approved design, including procuring and furnishing all materials, equipment, services and labor outlined in the contract documents.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: Approve Design-Build Construction Contract with Mill Construction Company and Blue Scope Construction for the Replacement ARFF Facility for a Guaranteed Maximum Price (GMP) in an amount not-to-exceed \$9,151,287.00.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 27th day of September 2022, by the following roll call vote:

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

Signed this 27th day of September 2022

Carl M. Miller, Chair

A T T E S T

Michael La Pier, A.A.E.
Executive Director



**DESIGN-BUILD AGREEMENT FOR
AIRCRAFT RESCUE AND FIRE FIGHTING
FACILITY**

by and between

Monterey Peninsula Airport District

and

Mill Construction Company, a
California Corporation

**Standard Form of General Conditions
of Contract Between Owner and Design-Builder**

Table of Contents

Article 1: General
Article 2: Design-Builder's Services and Responsibilities
Article 3: Owner's Services and Responsibilities
Article 4: Hazardous Conditions and Differing Site Conditions
Article 5: Insurance and Bonds
Article 6: Payment
Article 7: Indemnification
Article 8: Time
Article 9: Changes to the Contract Price and Time
Article 10: Contract Adjustments and Disputes
Article 11: Stop Work and Termination for Cause
Article 12: Miscellaneous

This Design-Build Agreement (“Agreement”) for the Design-Build construction of the Aircraft Rescue and Fire Fighting facility is made and effective as of September ____, 2022 between the Monterey Peninsula Airport District, a California special district ("Owner") and Mill Construction, Co., a California corporation ("Design-Builder"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

Article 1

General

1.1 Mutual Obligations

1.1.1 Owner and Design-Builder commit at all times to cooperate fully with each other, and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents.

1.2 Basic Definitions

1.2.1 Agreement refers to the executed contract between Owner and Design-Builder.

1.2.2 Day or Days shall mean calendar days unless otherwise specifically noted in the Contract Documents.

1.2.3 Design Consultant is a qualified, licensed design professional who is not an employee of Design-Builder, but is retained by Design-Builder, or employed or retained by anyone under contract with Design-Builder or Subcontractor, to furnish design services required under the Contract Documents.

1.2.4 Hazardous Conditions are any materials, wastes, substances and chemicals deemed to be hazardous under applicable Legal Requirements, or the handling, storage, remediation, or disposal of which are regulated by applicable Legal Requirements.

1.2.5 General Conditions of Contract.

1.2.6 Legal Requirements are all applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-government entity having jurisdiction over the Project or Site, the practices involved in the Project or Site, or any Work.

1.2.7 Owner’s Project Criteria are developed by or for Owner to describe Owner’s program requirements and objectives for the Project, including use, space, price, time, site and expandability requirements, as well as submittal requirements and other requirements governing Design-Builder’s performance of the Work. Owner’s Project Criteria may include conceptual documents, design criteria, performance requirements and other Project-specific technical materials and requirements.

1.2.8 Site is the land or premises on which the Project is located.

1.2.9 Subcontractor is any person or entity retained by Design-Builder as an independent contractor to perform a portion of the Work and shall include materialmen and suppliers.

1.2.10 Sub-Subcontractor is any person or entity retained by a Subcontractor as an independent contractor to perform any portion of a Subcontractor's Work and shall include materialmen, and suppliers.

1.2.11 Substantial Completion is the date on which the Work, or an agreed upon portion of the Work, is sufficiently complete so that Owner can occupy and use the Project or a portion thereof for its intended purposes.

1.2.12 Work is comprised of all Design-Builder's design, construction and other services required by the Contract Documents, including procuring and furnishing all materials, equipment, services and labor reasonably inferable from the Contract Documents.

Article 2

Design-Builder's Services and Responsibilities

2.1 General Services

2.1.1 Design-Builder's Representative shall be reasonably available to Owner and shall have the necessary expertise and experience required to supervise the Work. Design-Builder's Representative shall communicate regularly with Owner and shall be vested with the authority to act on behalf of Design-Builder. Design-Builder's Representative may be replaced only with the mutual agreement of Owner and Design-Builder.

2.1.2 Design-Builder shall provide Owner with a monthly status report detailing the progress of the Work, including whether (i) the Work is proceeding according to schedule, (ii) discrepancies, conflicts, or ambiguities exist in the Contract Documents that require resolution, (iii) health and safety issues exist in connection with the Work, and (iv) other items require resolution so as not to jeopardize Design-Builder's ability to complete the Work for the Contract Price and within the Contract Time(s).

2.1.3 Design-Builder shall prepare and submit, at least two (2) days prior to the meeting contemplated by Section 2.1.4 hereof, a schedule for the execution of the Work for Owner's review and response. The schedule shall indicate the dates for the start and completion of the various stages of the Construction Work, including the dates when Owner information and approvals are required to enable Design-Builder to achieve the Contract Time(s). The schedule shall be revised as required by conditions and progress of the Work, but such revisions shall not relieve Design-Builder of its obligations to complete the Work within the Contract Time(s), as such dates may be adjusted in accordance with the Contract Documents. Owner's review of and response to the schedule shall not be construed as relieving Design-Builder of its complete and exclusive control over the means, methods, sequences and techniques for executing the Work.

2.1.4 The parties will meet within seven (7) days after execution of the Agreement to discuss issues affecting the administration of the Work and to implement the necessary procedures, including those relating to submittals and payment, to facilitate the ability of the parties to perform their obligations under the Contract Documents.

2.2 Design Professional Services

2.2.1 Design-Builder shall, consistent with applicable state licensing laws, provide through qualified, licensed design professionals employed by Design-Builder, or procured from qualified,

independent licensed Design Consultants, the necessary design services, including architectural, engineering and other design professional services, for the preparation of the required drawings, specifications and other design submittals to permit Design-Builder to complete the Work consistent with the Contract Documents. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between Owner and any Design Consultant.

2.3 Standard of Care for Design Professional Services

2.3.1 Design-Builder warrants that the standard of care for all design professional services performed to execute the Work shall be the care and skill ordinarily used by members of the design profession practicing under similar conditions at the same time and locality of the Project. Notwithstanding the preceding sentence, if the parties agree upon specific performance standards for any aspect of the Work, which standards are to be set forth in an exhibit to the Agreement entitled "Performance Standard Requirements," the design professional services shall be performed to achieve such standards.

2.4 Design Development Services

2.4.1 Design-Builder and Owner shall, consistent with any applicable provision of the Contract Documents and in accordance with the agreed upon design submissions 90% completion that Owner has reviewed, which design submissions include design criteria, drawings, diagrams and specifications setting forth the Project requirements.

2.4.2 Design-Builder shall submit to Owner Construction Documents setting forth in detail drawings and specifications describing the requirements for construction of the Work. The Construction Documents shall be consistent with the latest set of design submissions. The parties shall have a design review meeting to discuss, and Owner shall review and approve, the Construction Documents in accordance

2.4.3 Owner's review and approval of the Construction Documents is for the purpose of mutually establishing a conformed set of Contract Documents compatible with the requirements of the Work. Neither Owner's review nor approval of any interim design submissions and Construction Documents shall be deemed to transfer any design liability from Design-Builder to Owner.

2.4.4 To the extent not prohibited by the Contract Documents or Legal Requirements, Design-Builder may prepare interim submissions and Construction Documents for a portion of the Work to permit construction to proceed on that portion of the Work prior to completion of the Construction Documents for the entire Work.

2.5 Legal Requirements

2.5.1 Design-Builder shall perform the Work in accordance with all Legal Requirements and shall provide all notices applicable to the Work as required by the Legal Requirements.

2.5.2 The Contract Price and/or Contract Time(s) shall be adjusted to compensate Design-Builder for the effects of changes in the Legal Requirements enacted after the date of the Agreement affecting the performance of the Work and the date the parties agree upon the Guaranteed Maximum Price. Such effects may include, revisions Design-Builder is required to make to the Construction Documents because of changes in Legal Requirements.

2.6 Government Approvals and Permits

2.6.1 Except as identified in an Owner's Permit List attached as an exhibit to the Agreement, Design-Builder shall obtain necessary permits, approvals, licenses, government charges and inspection fees required for the prosecution of the Work by any government or quasi-government entity having jurisdiction over the Project. All fees associated the necessary permits, approvals, licenses, government charges and inspection fees required for the prosecution of the Work by any government or quasi-government entity having jurisdiction over the Project will be a direct reimbursable expense from the Owner to the Design-Builder.

2.6.2 Design-Builder shall provide reasonable assistance to Owner in obtaining those permits, approvals and licenses that are Owner's responsibility.

2.7 Design-Builder's Construction Phase Services

2.7.1 Unless otherwise provided in the Contract Documents to be the responsibility of Owner or a separate contractor, Design-Builder shall provide through itself or Subcontractors the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities and other temporary facilities to permit Design-Builder to complete construction of the Project consistent with the Contract Documents.

2.7.2 Design-Builder shall perform all construction activities efficiently and with the requisite expertise, skill and competence to satisfy the requirements of the Contract Documents. Design-Builder shall at all times exercise complete and exclusive control over the means, methods, sequences and techniques of construction.

2.7.3 Design-Builder shall consult with Owner in advance of the selection of Subcontractors and shall employ only Subcontractors who are duly licensed and qualified to perform the Work consistent with the Contract Documents. Owner shall have the right to pre-approve any and all bid-packages submitted to any potential Subcontractor. Owner may reasonably object to Design-Builder's selection of any Subcontractor, provided that the Contract Price and/or Contract Time(s) shall be reasonably adjusted to the extent that Owner's decision impacts Design-Builder's cost and/or time of performance.

2.7.4 Design-Builder assumes responsibility to Owner for the proper performance of the Work of Subcontractors and any acts and omissions in connection with such performance. Nothing in the Contract Documents is intended or deemed to create any legal or contractual relationship between Owner and any Subcontractor or Sub-Subcontractor.

2.7.5 Design-Builder shall coordinate the activities of all Subcontractors. If Owner performs other work on the Project or at the Site with separate contractors under Owner's control, Design-Builder agrees to reasonably cooperate and coordinate its activities with those of such separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption.

2.7.6 Design-Builder shall keep the Site reasonably free from debris, trash and construction wastes to permit Design-Builder to perform its construction services efficiently, safely and without interfering with the use of adjacent land areas. Upon Substantial Completion of the Work, or a portion of the Work, Design-Builder shall remove all debris, trash, construction

wastes, materials, equipment, machinery and tools arising from the Work or applicable portions thereof to permit Owner to occupy the Project or a portion of the Project for its intended use.

2.8 Design-Builder's Responsibility for Project Safety

2.8.1 Design-Builder recognizes the importance of performing the Work in a safe manner so as to prevent damage, injury or loss to (i) all individuals at the Site, whether working or visiting, (ii) the Work, including materials and equipment incorporated into the Work or stored on-Site or off-Site, and (iii) all other property at the Site or adjacent thereto. Design-Builder assumes responsibility for implementing and monitoring all safety precautions and programs related to the performance of the Work. Design-Builder shall, prior to commencing construction, designate a Safety Representative with the necessary qualifications and experience to supervise the implementation and monitoring of all safety precautions and programs related to the Work. Unless otherwise required by the Contract Documents, Design-Builder's Safety Representative shall be an individual stationed at the Site who may have responsibilities on the Project in addition to safety. The Safety Representative shall make routine daily inspections of the Site and shall hold weekly safety meetings with Design-Builder's personnel, Subcontractors and others as applicable.

2.8.2 Design-Builder and Subcontractors shall comply with all Legal Requirements relating to safety, as well as any Owner specific and FAA safety requirements set forth in the Contract Documents, provided that such Owner-specific requirements do not violate any applicable Legal Requirement. Design-Builder will immediately report in writing any safety-related injury, loss, damage or accident arising from the Work to Owner's Representative and, to the extent mandated by Legal Requirements, to all government or quasi-government authorities having jurisdiction over safety-related matters involving the Project or the Work.

2.8.3 Design-Builder's responsibility for safety under this Section 2.8 is not intended in any way to relieve Subcontractors and Sub-Subcontractors of their own contractual and legal obligations and responsibility for (i) complying with all Legal Requirements, including those related to health and safety matters, and (ii) taking all necessary measures to implement and monitor all safety precautions and programs to guard against injury, losses, damages or accidents resulting from their performance of the Work.

2.9 Design-Builder's Warranty

2.9.1 Design-Builder warrants to Owner that: (i) all materials and equipment furnished as part of the construction shall be new (unless otherwise specified in the Contract Documents) and of good quality, (ii) all Work will be performed in a good and workmanlike manner, free of defects in material or workmanship; and (iii) the Facility will be constructed in accordance with the Contract Documents and will contain equipment, supplies and materials described in the Contract Documents. Design-Builder's warranty obligation excludes defects caused by abuse, alterations, or failure to maintain the Work by persons other than Design-Builder or anyone for whose acts Design-Builder may be liable. Nothing in this warranty is intended to limit any manufacturer's warranty which provides Owner with greater warranty rights than set forth in this Section 2.9 or the Contract Documents. Design-Builder will provide Owner with all manufacturers' warranties upon Substantial Completion.

2.10 Correction of Defective Work

2.10.1 Design-Builder agrees to correct any Work that is found to not be in conformance with the Contract Documents, including that part of the Work subject to Section 2.9 hereof, within a period of one year from the date of Substantial Completion of the Work or any portion of the Work, or within such longer period to the extent required by the Contract Documents.

2.10.2 Design-Builder shall, within seven (7) days of receipt of written notice from Owner that the Work is not in conformance with the Contract Documents, take meaningful steps to commence correction of such nonconforming Work, including the correction, removal or replacement of the nonconforming Work and any damage caused to other parts of the Work affected by the nonconforming Work. If Design-Builder fails to commence the necessary steps within such seven (7) day period, Owner, in addition to any other remedies provided under the Contract Documents, may provide Design-Builder with written notice that Owner will commence correction of such nonconforming Work with its own forces. If Owner does perform such corrective Work, Design-Builder shall be responsible for all reasonable costs incurred by Owner in performing such correction. If the nonconforming Work creates an emergency requiring an immediate response, the seven (7) day periods identified herein shall be deemed inapplicable.

2.10.3 The one year period referenced in Section 2.10.1 above applies only to Design-Builder's obligation to correct nonconforming Work and is not intended to constitute a period of limitations for any other rights or remedies Owner may have regarding Design-Builder's other obligations under the Contract Documents.

Article 3

Owner's Services and Responsibilities

3.1 Duty to Cooperate

3.1.1 Owner shall, throughout the performance of the Work, cooperate with Design-Builder and perform its responsibilities, obligations and services in a timely manner to facilitate Design-Builder's timely and efficient performance of the Work and so as not to delay or interfere with Design-Builder's performance of its obligations under the Contract Documents.

3.1.2 Owner shall provide timely reviews and approvals of submissions and Construction Documents consistent with the turnaround times set forth in Design-Builder's schedule.

3.2 Furnishing of Services and Information

3.2.1 Unless expressly stated to the contrary in the Contract Documents, Owner shall provide, at its own cost and expense, for Design-Builder's information and use the following, all of which Design-Builder is entitled to rely upon in performing the Work:

1. Surveys describing the property, boundaries, topography and reference points for use during construction, including existing service and utility lines;
2. Geotechnical studies describing subsurface conditions, and other surveys describing other latent or concealed physical conditions at the Site;

3. Temporary and permanent easements, zoning and other requirements and encumbrances affecting land use, or necessary to permit the proper design and construction of the Project and enable Design-Builder to perform the Work;
4. A legal description of the Site;
5. To the extent available, as-built and record drawings of any existing structures at the Site; and
6. To the extent available, environmental studies, reports and impact statements describing the environmental conditions, including Hazardous Conditions, in existence at the Site.

3.3 Financial Information

3.3.1 At Design-Builder's request, Owner shall promptly furnish reasonable evidence satisfactory to Design-Builder that Owner has adequate funds available and committed to fulfill all of Owner's contractual obligations under the Contract Documents. If Owner fails to furnish such financial information in a timely manner, Design-Builder may stop Work under Section 11.3 hereof or exercise any other right permitted under the Contract Documents.

3.3.2 Design-Builder shall cooperate with the reasonable requirements of Owner's financial sources. Notwithstanding the preceding sentence, after execution of the Agreement Design-Builder shall have no obligation to execute for Owner financial sources any documents or agreements that require Design-Builder to assume obligations or responsibilities greater than those existing obligations Design-Builder has under the Contract Documents.

3.4 Owner's Representative

3.4.1 Owner's Representative shall be responsible for providing Owner-supplied information and approvals in a timely manner to permit Design-Builder to fulfill its obligations under the Contract Documents. Owner's Representative shall also provide Design-Builder with prompt notice if it observes any failure on the part of Design-Builder to fulfill its contractual obligations, including any errors, omissions or defects in the performance of the Work.

3.5 Government Approvals and Permits

3.5.1 Owner shall obtain and pay for all necessary permits, approvals, licenses, government charges and inspection fees set forth in the Owner's Permit List attached as an exhibit to the Agreement.

3.5.2 Owner shall provide reasonable assistance to Design-Builder in obtaining permits, approvals and licenses that are Design-Builder's responsibility.

3.6 Owner's Separate Contractors

3.6.1 Owner is responsible for all work performed on the Project or at the Site by separate contractors under Owner's control. Owner shall contractually require its separate contractors to cooperate with, and coordinate their activities so as not to interfere with, Design-Builder in order to enable Design-Builder to timely complete the Work consistent with the Contract Documents.

Article 4

Hazardous Conditions and Differing Site Conditions

4.1 Hazardous Conditions

4.1.1 Unless otherwise expressly provided in the Contract Documents to be part of the Work, Design-Builder is not responsible for any Hazardous Conditions encountered at the Site. Upon encountering any Hazardous Conditions, Design-Builder will stop Work immediately in the affected area and duly notify Owner and, if required by Legal Requirements, all government or quasi-government entities with jurisdiction over the Project or Site.

4.1.2 Upon receiving notice of the presence of suspected Hazardous Conditions, Owner shall take the necessary measures required to ensure that the Hazardous Conditions are remediated or rendered harmless. Such necessary measures shall include Owner retaining qualified independent experts to (i) ascertain whether Hazardous Conditions have actually been encountered, and, if they have been encountered, (ii) prescribe the remedial measures that Owner must take either to remove the Hazardous Conditions or render the Hazardous Conditions harmless.

4.1.3 Design-Builder shall be obligated to resume Work at the affected area of the Project only after Owner's expert provides it with written certification that (i) the Hazardous Conditions have been removed or rendered harmless and (ii) all necessary approvals have been obtained from all government and quasi-government entities having jurisdiction over the Project or Site.

4.1.4 Design-Builder will be entitled, in accordance with these General Conditions of Contract, to an adjustment in its Contract Price and/or Contract Time(s) to the extent Design-Builder's cost and/or time of performance have been

4.1.5 To the fullest extent permitted by law, Owner shall indemnify, defend and hold harmless Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly for any of them, and their officers, directors, employees and agents, from and against any and all claims, losses, damages, liabilities and expenses, including reasonable attorneys' fees and expenses, arising out of or resulting from the presence, removal or remediation of Hazardous Conditions at the Site.

4.1.6 Notwithstanding the preceding provisions of this Section 4.1, Owner is not responsible for Hazardous Conditions introduced to the Site by Design-Builder, Subcontractors or anyone for whose acts they may be liable. Design-Builder shall indemnify, defend and hold harmless Owner and Owner's officers, directors, employees and agents from and against all claims, losses, damages, liabilities and expenses, including attorneys' fees and expenses, arising out of or resulting from those Hazardous Conditions introduced to the Site by Design-Builder, Subcontractors or anyone for whose acts they may be liable.

4.2 Differing Site Conditions

4.2.1 Concealed or latent physical conditions or subsurface conditions at the Site that (i) materially differ from the conditions indicated in the Contract Documents or (ii) are of an unusual nature, differing materially from the conditions ordinarily encountered and generally recognized as inherent in the Work are collectively referred to herein as "Differing Site Conditions." If Design-Builder encounters a Differing Site Condition, Design-Builder will be entitled to an adjustment in the Contract Price and/or Contract Time(s) to the extent Design-

Builder's cost and/or time of performance are adversely impacted by the Differing Site Condition.

4.2.2 Upon encountering a Differing Site Condition, Design-Builder shall provide prompt written notice to Owner of such condition, which notice shall not be later than seven (7) days after such condition has been encountered. Design-Builder shall, to the extent reasonably possible, provide such notice before the Differing Site Condition has been substantially disturbed or altered.

Article 5

Insurance and Bonds

5.1 Design-Builder's Insurance Requirements

5.1.1 Design-Builder is responsible for procuring and maintaining from insurance companies authorized to do business in the state in which the Project is located, and with a minimum rating set forth in the Agreement, the following insurance coverages for certain claims which may arise from or out of the performance of the Work and obligations under the Contract Documents:

1. Coverage for claims arising under workers' compensation, disability and other similar employee benefit laws applicable to the Work;
2. Coverage for claims by Design-Builder's employees for bodily injury, sickness, disease, or death;
3. Coverage for claims by any person other than Design-Builder's employees for bodily injury, sickness, disease, or death;
4. Coverage for usual personal injury liability claims for damages sustained by a person as a direct or indirect result of Design-Builder's employment of the person, or sustained by any other person;
5. Coverage for claims for damages (other than to the Work) because of injury to or destruction of tangible property, including loss of use;
6. Coverage for claims of damages because of personal injury or death, or property damage resulting from ownership, use and maintenance of any motor vehicle; and
7. Coverage for contractual liability claims arising out of Design-Builder's obligations under Section 7.4.1 hereof.

5.1.2 Design-Builder's liability insurance required by Section 5.1.1 above shall be written for the coverage amounts set forth in the Agreement and shall include completed operations insurance for the period of time set forth in the Agreement.

5.1.3 Design-Builder's liability insurance set forth in Sections 5.1.1.1 through 5.1.1.7 above shall specifically delete any design-build or similar exclusions that could compromise coverages because of the design-build delivery of the Project.

5.1.4 To the extent Owner requires Design-Builder or any Design Consultant to provide professional liability insurance for claims arising from the negligent performance of design

services by Design-Builder or the Design Consultant, the coverage limits, duration and other specifics of such insurance shall be as set forth in the Agreement. Any professional liability shall specifically delete any design-build or similar exclusions that could compromise coverages because of the design-build delivery of the Project. Such policies shall be provided prior to the commencement of any design services hereunder.

5.1.5 Prior to commencing any construction services hereunder, Design-Builder shall provide Owner with certificates evidencing that (i) all insurance obligations required by the Contract Documents are in full force and in effect and will remain in effect for the duration required by the Contract Documents and (ii) no insurance coverage will be canceled, renewal refused, or materially changed unless at least thirty (30) days prior written notice is given to Owner.

5.2 Owner's Liability Insurance

5.2.1 Owner shall procure and maintain from insurance companies authorized to do business in the state of California, such liability insurance to protect Owner from claims which may arise from the performance of Owner's obligations under the Contract Documents or Owner's conduct during the course of the Project.

5.3 Owner's Property Insurance

5.3.1 Unless otherwise provided in the Contract Documents, Owner shall procure and maintain from insurance companies authorized to do business in the state of California, property insurance upon the entire Project to the full insurable value of the Project, including professional fees, overtime premiums and all other expenses incurred to replace or repair the insured property. The property insurance obtained by Owner shall include as additional insureds the interests of Owner, Design-Builder, Design Consultants, Subcontractors and Sub-Subcontractors, and shall insure against the perils of fire and extended coverage, theft, vandalism, malicious mischief, collapse, flood, earthquake, debris removal and other perils or causes of loss as called for in the Contract Documents. The property insurance shall include physical loss or damage to the Work, including materials and equipment in transit, at the Site or at another location as may be indicated in Design-Builder's Application for Payment and approved by Owner.

5.3.2 Unless the Contract Documents provide otherwise, Owner shall procure and maintain boiler and machinery insurance that will include the interests of Owner, Design-Builder, Design Consultants, Subcontractors and Sub-Subcontractors.

5.3.3 Prior to Design-Builder commencing any Work, Owner shall provide Design-Builder with certificates evidencing that (i) all Owner's insurance obligations required by the Contract Documents are in full force and in effect and will remain in effect until Design-Builder has completed all of the Work and has received final payment from Owner and (ii) no insurance coverage will be canceled, renewal refused, or materially changed unless at least thirty (30) days prior written notice is given to Design-Builder. Owner's property insurance shall not lapse or be canceled if Owner occupies a portion of the Work pursuant to Section 6.6.3 hereof. Owner shall provide Design-Builder with the necessary endorsements from the insurance company prior to occupying a portion of the Work.

5.3.4 Any loss covered under Owner's property insurance shall be adjusted with Owner and Design-Builder and made payable to both of them as trustees for the insureds as their interests may appear, subject to any applicable mortgage clause. All insurance proceeds received as a

result of any loss will be placed in a separate account and distributed in accordance with such agreement as the interested parties may reach. Any disagreement concerning the distribution of any proceeds will be resolved in accordance with Article 10 hereof.

5.3.5 Owner and Design-Builder waive against each other and Owner's separate contractors, Design Consultants, Subcontractors, agents and employees of each and all of them, all damages covered by property insurance provided herein, except such rights as they may have to the proceeds of such insurance. Design-Builder and Owner shall, where appropriate, require similar waivers of subrogation from Owner's separate contractors, Design Consultants and Subcontractors and shall require each of them to include similar waivers in their contracts.

5.4 Bonds and Other Performance Security

5.4.1 Design-Builder shall provide through each subcontractor agreement a 100% performance bond and labor and material payment bond or other performance security:

Article 6

Payment

6.1 Schedule of Values

6.1.1 Within ten (10) days of execution of the Agreement, Design-Builder shall submit for Owner's review and approval a schedule of values for all of the Work. The Schedule of Values will (i) subdivide the Work into its respective parts, (ii) include values for all items comprising the Work and (iii) serve as the basis for monthly progress payments made to Design-Builder throughout the Work.

6.2 Monthly Progress Payments

6.2.1 On or before the date established in the Agreement, Design-Builder shall submit for Owner's review and approval its Application for Payment requesting payment for all Work performed as of the date of the Application for Payment. The Application for Payment shall be accompanied by all supporting documentation required by the Contract Documents and/or established at the meeting required by Section 2.1.4 hereof.

6.2.2 The Application for Payment may request payment for equipment and materials not yet incorporated into the Project, provided that (i) Owner is satisfied that the equipment and materials are suitably stored at either the Site or another acceptable location, (ii) the equipment and materials are protected by suitable insurance and (iii) upon payment, Owner will receive the equipment and materials free and clear of all liens and encumbrances.

6.2.3 The Application for Payment shall constitute Design-Builder's representation that the Work has been performed consistent with the Contract Documents, has progressed to the point indicated in the Application for Payment, and that title to all Work will pass to Owner free and clear of all claims, liens, encumbrances, and security interests upon the incorporation of the Work into the Project, or upon Design-Builder's receipt of payment, whichever occurs earlier.

6.3 Withholding of Payments

6.3.1 On or before the date established in the Agreement, Owner shall pay Design-Builder all amounts properly due. If Owner determines that Design-Builder is not entitled to all or part of an

Application for Payment, it will notify Design-Builder in writing at least five (5) days prior to the date payment is due. The notice shall indicate the specific amounts Owner intends to withhold, the reasons and contractual basis for the withholding, and the specific measures Design-Builder must take to rectify Owner's concerns. Design-Builder and Owner will attempt to resolve Owner's concerns prior to the date payment is due. If the parties cannot resolve such concerns, Design-Builder may pursue its rights under the Contract Documents, including those under Article 10 hereof.

6.3.2 Notwithstanding anything to the contrary in the Contract Documents, Owner shall pay Design-Builder all undisputed amounts in an Application for Payment within the times required by the Agreement.

6.4 Right to Stop Work and Interest

6.4.1 If Owner fails to pay Design-Builder any amount that becomes due, Design-Builder, in addition to all other remedies provided in the Contract Documents, may stop Work pursuant to Section 11.3 hereof. All payments due and unpaid shall bear interest at the rate set forth in the Agreement.

6.5 Design-Builder's Payment Obligations

6.5.1 Design-Builder will pay Design Consultants and Subcontractors, in accordance with its contractual obligations to such parties, all the amounts Design-Builder has received from Owner on account of their work. Design-Builder will impose similar requirements on Design Consultants and Subcontractors to pay those parties with whom they have contracted. Design-Builder will indemnify and defend Owner against any claims for payment and mechanic's liens as set forth in Section 7.3 hereof.

6.6 Substantial Completion

6.6.1 Design-Builder shall notify Owner when it believes the Work, or to the extent permitted in the Contract Documents, a portion of the Work, is substantially complete. Within ten (10) days of Owner's receipt of Design-Builder's notice, Owner and Design-Builder will jointly inspect such Work to verify that it is substantially complete in accordance with the requirements of the Contract Documents. If such Work is substantially complete, Owner shall prepare and issue a Certificate of Substantial Completion that will set forth (i) the date of Substantial Completion of the Work or portion thereof, (ii) the remaining items of Work that have to be completed before final payment, (iii) provisions (to the extent not already provided in the Contract Documents) establishing Owner's and Design-Builder's responsibility for the Project's security, maintenance, utilities and insurance pending final payment and (iv) an acknowledgment that warranties commence to run on the date of Substantial Completion, except as may otherwise be noted in the Certificate of Substantial Completion.

6.6.2 Upon Substantial Completion of the entire Work or, if applicable, any portion of the Work, Owner shall release to Design-Builder all retained amounts relating, as applicable, to the entire Work or completed portion of the Work, less an amount equal to the reasonable value of all remaining or incomplete items of Work as noted in the Certificate of Substantial Completion.

6.6.3 Owner, at its option, may use a portion of the Work which has been determined to be substantially complete, provided, however, that (i) a Certificate of Substantial Completion has

been issued for the portion of Work addressing the items set forth in Section 6.6.1 above, (ii) Design-Builder and Owner have obtained the consent of their sureties and insurers, and to the extent applicable, the appropriate government authorities having jurisdiction over the Project, and (iii) Owner and Design-Builder agree that Owner's use or occupancy will not interfere with Design-Builder's completion of the remaining Work.

6.7 Final Payment

6.7.1 After receipt of a Final Application for Payment from Design-Builder, Owner shall make final payment by the time required in the Agreement, provided that Design-Builder has completed all of the Work in conformance with the Contract Documents.

6.7.2 At the time of submission of its Final Application for Payment, Design-Builder shall provide the following information:

1. an affidavit that there are no claims, obligations or liens outstanding or unsatisfied for labor, services, material, equipment, taxes or other items performed, furnished or incurred for or in connection with the Work which will in any way affect Owner's interests;
2. a general release executed by Design-Builder waiving, upon receipt of final payment by Design-Builder, all claims, except those claims previously made in writing to Owner and remaining unsettled at the time of final payment;
3. consent of Design-Builder's surety, if any, to final payment;
4. all operating manuals, warranties and other deliverables required by the Contract Documents; and
5. certificates of insurance confirming that required coverages will remain in effect consistent with the requirements of the Contract Documents.

6.7.3 Upon making final payment, Owner waives all claims against Design-Builder except claims relating to (i) Design-Builder's failure to satisfy its payment obligations, if such failure affects Owner's interests, (ii) Design-Builder's failure to complete the Work consistent with the Contract Documents, including defects appearing after Substantial Completion.

Article 7

Indemnification

7.1 Patent and Copyright Infringement

7.1.1 Design-Builder shall defend any action or proceeding brought against Owner based on any claim that the Work, or any part thereof, or the operation or use of the Work or any part thereof, constitutes infringement of any United States patent or copyright, now or hereafter issued. Owner shall give prompt written notice to Design-Builder of any such action or proceeding and will reasonably provide authority, information and assistance in the defense of same. Design-Builder shall indemnify and hold harmless Owner from and against all damages and costs, including but not limited to attorneys' fees and expenses awarded against Owner or Design-Builder in any such action or proceeding. Design-Builder agrees to keep Owner informed of all developments in the defense of such actions.

7.1.2 If Owner is enjoined from the operation or use of the Work, or any part thereof, as the result of any patent or copyright suit, claim, or proceeding, Design-Builder shall at its sole expense take reasonable steps to procure the right to operate or use the Work. If Design-Builder cannot so procure such right within a reasonable time, Design-Builder shall promptly, at Design-Builder's option and at Design-Builder's expense, (i) modify the Work so as to avoid infringement of any such patent or copyright or (ii) replace said Work with Work that does not infringe or violate any such patent or copyright.

7.1.3 Sections 7.1.1 and 7.1.2 above shall not be applicable to any suit, claim or proceeding based on infringement or violation of a patent or copyright (i) relating solely to a particular process or product of a particular manufacturer specified by Owner and not offered or recommended by Design-Builder to Owner or (ii) arising from modifications to the Work by Owner or its agents after acceptance of the Work. If the suit, claim or proceeding is based upon events set forth in the preceding sentence, Owner shall defend, indemnify and hold harmless Design-Builder to the same extent Design-Builder is obligated to defend, indemnify and hold harmless Owner in Section 7.1.1 above.

7.1.4 The obligations set forth in this Section 7.1 shall constitute the sole agreement between the parties relating to liability for infringement or violation of any patent or copyright.

7.2 Tax Claim Indemnification

7.2.1 If, in accordance with Owner's direction, an exemption for all or part of the Work is claimed for taxes, Owner shall indemnify, defend and hold harmless Design-Builder from and against any liability, penalty, interest, fine, tax assessment, attorneys' fees or other expenses or costs incurred by Design-Builder as a result of any action taken by Design-Builder in accordance with Owner's directive.

7.3 Payment Claim Indemnification

7.3.1 Providing that Owner is not in breach of its contractual obligation to make payments to Design-Builder for the Work, Design-Builder shall indemnify, defend and hold harmless Owner from any claims or mechanic's liens brought against Owner or against the Project as a result of the failure of Design-Builder, or those for whose acts it is responsible, to pay for any services, materials, labor, equipment, taxes or other items or obligations furnished or incurred for or in connection with the Work. Within seven (7) days of receiving written notice from Owner that such a claim or mechanic's lien has been filed, Design-Builder shall commence to take the steps necessary to discharge said claim or lien, including, if necessary, the furnishing of a mechanic's lien bond. If Design-Builder fails to do so, Owner will have the right to discharge the claim or lien and hold Design-Builder liable for costs and expenses incurred, including attorneys' fees.

7.4 Design-Builder's General Indemnification

7.4.1 Design-Builder, to the fullest extent permitted by law, shall indemnify and hold harmless Owner, its officers, directors, employees and agents from and against claims, losses, damages, liabilities, including attorneys' fees and expenses, for bodily injury, sickness or death, and property damage or destruction (other than to the Work itself) to the extent resulting from the negligent acts or omissions of Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable.

7.4.2 If an employee of Design-Builder, Design Consultants, Subcontractors, anyone employed directly or indirectly by any of them or anyone for whose acts any of them may be liable has a claim against Owner, its officers, directors, employees, or agents, Design-Builder's indemnity obligation set forth in Section 7.4.1 above shall not be limited by any limitation on the amount of damages, compensation or benefits payable by or for Design-Builder, Design Consultants, Subcontractors, or other entity under any employee benefit acts, including workers' compensation or disability acts.

7.5 Owner's General Indemnification

7.5.1 Owner, to the fullest extent permitted by law, shall indemnify, hold harmless and defend Design-Builder and any of Design-Builder's officers, directors, employees, or agents from and against claims, losses, damages, liabilities, including attorneys' fees and expenses, for bodily injury, sickness or death, and property damage or destruction (other than to the Work itself) to the extent resulting from the negligent acts or omissions of Owner's separate contractors or anyone for whose acts any of them may be liable.

Article 8

Time

8.1 Obligation to Achieve the Contract Times

8.1.1 Design-Builder agrees that it will commence performance of the Work and achieve the Contract Time(s) in accordance with Article 5 of the Design Agreement dated 3/16/2022.

8.2 Delays to the Work

8.2.1 If Design-Builder is delayed in the performance of the Work due to acts, omissions, conditions, events, or circumstances beyond its control and due to no fault of its own or those for whom Design-Builder is responsible, the Contract Time(s) for performance shall be reasonably extended by Change Order. By way of example, events that will entitle Design-Builder to an extension of the Contract Time(s) include acts or omissions of Owner or anyone under Owner's control (including separate contractors), changes in the Work, Differing Site Conditions, Hazardous Conditions, wars, floods, labor disputes, unusual delay in transportation, epidemics abroad, earthquakes, adverse weather conditions not reasonably anticipated, and other acts of God.

8.2.2 In addition to Design-Builder's right to a time extension for those events set forth in Section 8.2.1 above, Design-Builder shall also be entitled to an appropriate adjustment of the Contract Price provided, however, that the Contract Price shall not be adjusted for those events set forth in Section 8.2.1 above that are beyond the control of both Design-Builder and Owner, including the events of war, floods, labor disputes, earthquakes, epidemics, adverse weather conditions not reasonably anticipated, and other acts of God.

Article 9

Changes to the Contract Price and Time

9.1 Change Orders

9.1.1 A Change Order is a written instrument issued after execution of the Agreement signed by Owner and Design-Builder, stating their agreement upon all of the following:

1. The scope of the change in the Work;
2. The amount of the adjustment to the Contract Price, if any; and
3. The extent of the adjustment to the Contract Time(s).

9.1.2 All changes in the Work authorized by applicable Change Order shall be performed under the applicable conditions of the Contract Documents. Owner and Design-Builder shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for such changes.

9.1.3 If Owner requests a proposal for a change in the Work from Design-Builder and subsequently elects not to proceed with the change, a Change Order shall be issued to reimburse Design-Builder for reasonable costs incurred for estimating services, design services and services involved in the preparation of proposed revisions to the Contract Documents.

9.2 Work Change Directives

9.2.1 A Work Change Directive is a written order prepared and signed by Owner, directing a change in the Work prior to agreement on an adjustment in the Contract Price and/or the Contract Time(s).

9.2.2 Owner and Design-Builder shall negotiate in good faith and as expeditiously as possible the appropriate adjustments for the Work Change Directive. Upon reaching an agreement, the parties shall prepare and execute an appropriate Change Order reflecting the terms of the agreement.

9.3 Minor Changes in the Work

9.3.1 Minor changes in the Work do not involve an adjustment in the Contract Price and/or Contract Time(s) and do not materially and adversely affect the Work, including the design, quality, performance and workmanship required by the Contract Documents. Design-Builder may make minor changes in the Work consistent with the intent of the Contract Documents, provided, however that Design-Builder shall promptly inform Owner, in writing, of any such changes and record such changes on the documents maintained by Design-Builder.

9.4 Contract Price Adjustments

9.4.1 The increase or decrease in Contract Price resulting from a change in the Work shall be determined by one or more of the following methods:

1. Unit prices set forth in the Agreement or as subsequently agreed to between the parties;
2. A mutually accepted, lump sum, properly itemized and supported by sufficient substantiating data to permit evaluation by Owner;
3. Costs, fees and any other markups set forth in the Agreement; and

4. If an increase or decrease cannot be agreed to as set forth in items .1 through .3 above and Owner issues a Work Change Directive, the cost of the change of the Work shall be determined by the reasonable expense and savings in the performance of the Work resulting from the change, including a reasonable overhead and profit, as may be set forth in the Agreement. If the net result of both additions and deletions to the Work is an increase in the Contract Price, overhead and profit shall be calculated on the basis of the net increase to the Contract Price. If the net result of both additions and deletions to the Work is a decrease in the Contract Price, there shall be no overhead or profit adjustment to the Contract Price. Design-Builder shall maintain a documented, itemized accounting evidencing the expenses and savings associated with such changes.

9.4.2 If unit prices are set forth in the Contract Documents or are subsequently agreed to by the parties, but application of such unit prices will cause substantial inequity to Owner or Design-Builder because of differences in the character or quantity of such unit items as originally contemplated, such unit prices shall be equitably adjusted.

9.4.3 If Owner and Design-Builder disagree upon whether Design-Builder is entitled to be paid for any services required by Owner, or if there are any other disagreements over the scope of Work or proposed changes to the Work, Owner and Design-Builder shall resolve the disagreement pursuant to Article 10 hereof. As part of the negotiation process, Design-Builder shall furnish Owner with a good faith estimate of the costs to perform the disputed services in accordance with Owner's interpretations. If the parties are unable to agree and Owner expects Design-Builder to perform the services in accordance with Owner's interpretations, Design-Builder shall proceed to perform the disputed services, conditioned upon Owner issuing a written order to Design-Builder (i) directing Design-Builder to proceed and (ii) specifying Owner's interpretation of the services that are to be performed. If this occurs, Design-Builder shall be entitled to submit in its Applications for Payment an amount equal to fifty percent (50%) of its reasonable estimated direct cost to perform the services, and Owner agrees to pay such amounts, with the express understanding that (i) such payment by Owner does not prejudice Owner's right to argue that it has no responsibility to pay for such services and (ii) receipt of such payment by Design-Builder does not prejudice Design-Builder's right to seek full payment of the disputed services if Owner's order is deemed to be a change to the Work.

9.5 Emergencies

9.5.1 In any emergency affecting the safety of persons and/or property, Design-Builder shall act, at its discretion, to prevent threatened damage, injury or loss. Any change in the Contract Price and/or Contract Time(s) on account of emergency work shall be determined as provided in this Article 9.

Article 10

Contract Adjustments and Disputes

10.1 Requests for Contract Adjustments and Relief

10.1.1 If either Design-Builder or Owner believes that it is entitled to relief against the other for any event arising out of or related to the Work or Project, such party shall provide written notice to the other party of the basis for its claim for relief. Such notice shall, if possible, be made prior to incurring any cost or expense and in accordance with any specific notice requirements

contained in applicable sections of these General Conditions of Contract. In the absence of any specific notice requirement, written notice shall be given within a reasonable time, not to exceed twenty-one (21) days, after the occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event or condition giving rise to the request, whichever is later. Such notice shall include sufficient information to advise the other party of the circumstances giving rise to the claim for relief, the specific contractual adjustment or relief requested and the basis of such request.

10.2 Dispute Avoidance and Resolution

10.2.1 The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or disagreements do arise, Design-Builder and Owner each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Work.

10.2.2 Design-Builder and Owner will first attempt to resolve disputes or disagreements at the field level through discussions between Design-Builder's Representative and Owner's Representative.

10.2.3 If a dispute or disagreement cannot be resolved through Design-Builder's Representative and Owner's Representative, Design-Builder's Senior Representative and Owner's Senior Representative, upon the request of either party, shall meet as soon as conveniently possible, but in no case later than thirty (30) days after such a request is made, to attempt to resolve such dispute or disagreement. Prior to any meetings between the Senior Representatives, the parties will exchange relevant information and documentation that will assist the parties in resolving their dispute or disagreement.

10.2.4 If after meeting the Senior Representatives determine that the dispute or disagreement cannot be resolved on terms satisfactory to both parties, the parties shall submit the dispute or disagreement to non-binding mediation. The mediation shall be conducted by a mutually agreeable impartial mediator, or if the parties cannot so agree, a mediator designated by the American Arbitration Association ("AAA") pursuant to its Construction Industry Mediation Rules. The mediation will be governed by and conducted pursuant to a mediation agreement negotiated by the parties or, if the parties cannot so agree, by procedures established by the mediator.

10.3 Small Claims, Arbitration and Litigation

10.3.1 Any claims, disputes or controversies with value up to \$10,000 shall be decided by the filing the matter in small claims court.

10.3.2 Any claims, disputes or controversies with value between \$10,000 and \$100,000 between the parties arising out of or relating to the Agreement, or the breach thereof, which have not been resolved in accordance with the procedures set forth in Section 10.2 above shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the AAA then in effect, unless the parties mutually agree otherwise.

10.3.2.1 The award of the arbitrator(s) shall be final and binding upon the parties without the right of appeal to the courts. Judgment may be entered upon it in accordance with applicable law by any court having jurisdiction thereof.

10.3.2.2 Design-Builder and Owner expressly agree that any arbitration pursuant to this Section 10.3 may be joined or consolidated with any arbitration involving any other person or entity (i) necessary to resolve the claim, dispute or controversy, or (ii) substantially involved in or affected by such claim, dispute or controversy. Both Design-Builder and Owner will include appropriate provisions in all contracts they execute with other parties in connection with the Project to require such joinder or consolidation.

10.3.2.3 The prevailing party in any arbitration, or any other final, binding dispute proceeding upon which the parties may agree, shall be entitled to recover from the other party reasonable attorneys' fees and expenses incurred by the prevailing party.

10.3.3 Any claims, disputes or controversies with value in excess of \$100,000 shall be filed in a state or federal court of competent jurisdiction over the matter with venue in Monterey County.

10.4 Duty to Continue Performance

10.4.1 Unless provided to the contrary in the Contract Documents, Design-Builder shall continue to perform the Work and Owner shall continue to satisfy its payment obligations to Design-Builder, pending the final resolution of any dispute or disagreement between Design-Builder and Owner.

10.5 CONSEQUENTIAL DAMAGES

10.5.1 NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY (EXCEPT AS SET FORTH IN SECTION 10.5.2 BELOW), NEITHER DESIGN-BUILDER NOR OWNER SHALL BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL LOSSES OR DAMAGES, WHETHER ARISING IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO LOSSES OF USE, PROFITS, BUSINESS, REPUTATION OR FINANCING.

10.5.2 The consequential damages limitation set forth in Section 10.5.1 above is not intended to affect the payment of liquidated damages, if any, set forth in Article 5 of the Design Agreement, dated 3/16/2022 which both parties recognize has been established, in part, to reimburse Owner for some damages that might otherwise be deemed to be consequential.

Article 11

Stop Work and Termination for Cause

11.1 Owner's Right to Stop Work

11.1.1 Owner may, without cause and for its convenience, order Design-Builder in writing to stop and suspend the Work. Such suspension shall not exceed sixty (60) consecutive days or aggregate more than ninety (90) days during the duration of the Project.

11.1.2 Design-Builder is entitled to seek an adjustment of the Contract Price and/or Contract Time(s) if its cost or time to perform the Work has been adversely impacted by any suspension of stoppage of work by Owner.

11.2 Owner's Right to Perform and Terminate for Cause

11.2.1 If Design-Builder persistently fails to (i) provide a sufficient number of skilled workers, (ii) supply the materials required by the Contract Documents, (iii) comply with applicable Legal Requirements, (iv) timely pay, without cause, Design Consultants or Subcontractors, (v) prosecute the Work with promptness and diligence to ensure that the Work is completed by the Contract Time(s), as such times may be adjusted, or (vi) perform material obligations under the Contract Documents, then Owner, in addition to any other rights and remedies provided in the Contract Documents or by law, shall have the rights set forth in Sections 11.2.2 and 11.2.3 below.

11.2.2 Upon the occurrence of an event set forth in Section 11.2.1 above, Owner may provide written notice to Design-Builder that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Design-Builder's receipt of such notice. If Design-Builder fails to cure, or reasonably commence to cure, such problem, then Owner may give a second written notice to Design-Builder of its intent to terminate within an additional seven (7) day period. If Design-Builder, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Owner may declare the Agreement

11.2.3 Upon declaring the Agreement terminated pursuant to Section 11.2.2 above, Owner may enter upon the premises and take possession, for the purpose of completing the Work, of all materials, equipment, scaffolds, tools, appliances and other items thereon, which have been purchased or provided for the performance of the Work, all of which Design-Builder hereby transfers, assigns and sets over to Owner for such purpose, and to employ any person or persons to complete the Work and provide all of the required labor, services, materials, equipment and other items. In the event of such termination, Design-Builder shall not be entitled to receive any further payments under the Contract Documents until the Work shall be finally completed in accordance with the Contract Documents. At such time, if the unpaid balance of the Contract Price exceeds the cost and expense incurred by Owner in completing the Work, such excess shall be paid by Owner to Design-Builder. Notwithstanding the preceding sentence, if the Agreement establishes a Guaranteed Maximum Price, Design-Builder will only be entitled to be paid for Work performed prior to its default. If Owner's cost and expense of completing the Work exceeds the unpaid balance of the Contract Price, then Design-Builder shall be obligated to pay the difference to Owner. Such costs and expense shall include not only the cost of completing the Work, but also losses, damages, costs and expense, including attorneys' fees and expenses, incurred by Owner in connection with the procurement and defense of claims arising from Design-Builder's default, subject to the waiver of consequential damages set forth in Section 10.5 hereof.

11.2.4 If Owner improperly terminates the Agreement for cause, the termination for cause will be converted to a termination for convenience in accordance with the provisions of Article 8 of the Agreement.

11.3 Design-Builder's Right to Stop Work

11.3.1 Design-Builder may, in addition to any other rights afforded under the Contract Documents or at law, stop work for the following reasons:

1. Owner's failure to provide financial assurances as required under Section 3.3 hereof;
or
2. Owner's failure to pay amounts properly due under Design-Builder's Application for Payment.

11.3.2 Should any of the events set forth in Section 11.3.1 above occur, Design-Builder has the right to provide Owner with written notice that Design-Builder will stop work unless said event is cured within seven (7) days from Owner's receipt of Design-Builder's notice. If Owner does not cure the problem within such seven (7) day period, Design-Builder may stop work. In such case, Design-Builder shall be entitled to make a claim for adjustment to the Contract Price and Contract Time(s) to the extent it has been adversely impacted by such stoppage.

11.4 Design-Builder's Right to Terminate for Cause

11.4.1 Design-Builder, in addition to any other rights and remedies provided in the Contract Documents or by law, may terminate the Agreement for cause for the following reasons:

1. The Work has been stopped for sixty (60) consecutive days, or more than ninety (90) days during the duration of the Project, because of court order, any government authority having jurisdiction over the Work, or orders by Owner under Section 11.1.1 hereof, provided that such stoppages are not due to the acts or omissions of Design-Builder or anyone for whose acts Design-Builder may be responsible.
2. Owner's failure to provide Design-Builder with any information, permits or approvals that are Owner's responsibility under the Contract Documents which result in the Work being stopped for sixty (60) consecutive days, or more than ninety (90) days during the duration of the Project, even though Owner has not ordered Design-Builder in writing to stop and suspend the Work pursuant to Section 11.1.1 hereof.
3. Owner's failure to cure the problems set forth in Section 11.3.1 above after Design-Builder has stopped the Work.

11.4.2 Upon the occurrence of an event set forth in Section 11.4.1 above, Design-Builder may provide written notice to Owner that it intends to terminate the Agreement unless the problem cited is cured, or commenced to be cured, within seven (7) days of Owner's receipt of such notice. If Owner fails to cure, or reasonably commence to cure, such problem, then Design-Builder may give a second written notice to Owner of its intent to terminate within an additional seven (7) day period. If Owner, within such second seven (7) day period, fails to cure, or reasonably commence to cure, such problem, then Design-Builder may declare the Agreement terminated for default by providing written notice to Owner of such declaration. In such case, Design-Builder shall be entitled to recover in the same manner as if Owner had terminated the Agreement for its convenience under Article 8 of the Agreement.

11.5 Bankruptcy of Owner or Design-Builder

11.5.1 If either Owner or Design-Builder institutes or has instituted against it a case under the United States Bankruptcy Code (such party being referred to as the "Bankrupt Party"), such event may impair or frustrate the Bankrupt Party's ability to perform its obligations under the Contract Documents. Accordingly, should such event occur:

1. The Bankrupt Party, its trustee or other successor, shall furnish, upon request of the non-Bankrupt Party, adequate assurance of the ability of the Bankrupt Party to perform all future material obligations under the Contract Documents, which assurances shall be provided within ten (10) days after receiving notice of the request; and

2. The Bankrupt Party shall file an appropriate action within the bankruptcy court to seek assumption or rejection of the Agreement within sixty (60) days of the institution of the bankruptcy filing and shall diligently prosecute such action. If the Bankrupt Party fails to comply with its foregoing obligations, the non-Bankrupt Party shall be entitled to request the bankruptcy court to reject the Agreement, declare the Agreement terminated and pursue any other recourse available to the non-Bankrupt Party under this Article 11.

11.5.2 The rights and remedies under Section 11.5.1 above shall not be deemed to limit the ability of the non-Bankrupt Party to seek any other rights and remedies provided by the Contract Documents or by law, including its ability to seek relief from any automatic stays under the United States Bankruptcy Code or the right of Design-Builder to stop Work under any applicable provision of these General Conditions of Contract.

Article 12

Miscellaneous

12.1 Assignment

12.1.1 Neither Design-Builder nor Owner shall, without the written consent of the other assign, transfer or sublet any portion or part of the Work or the obligations required by the Contract Documents.

12.2 Successorship

12.2.1 Design-Builder and Owner intend that the provisions of the Contract Documents are binding upon the parties, their employees, agents, heirs, successors and assigns.

12.3 Governing Law

12.3.1 The Agreement and all Contract Documents shall be governed by the laws of the State of California, without giving effect to its conflict of law principles.

12.4 Severability

12.4.1 If any provision or any part of a provision of the Contract Documents shall be finally determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to any applicable Legal Requirements, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provision or parts of the provision of the Contract Documents, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

12.5 No Waiver

12.5.1 The failure of either Design-Builder or Owner to insist, in any one or more instances, on the performance of any of the obligations required by the other under the Contract Documents

shall not be construed as a waiver or relinquishment of such obligation or right with respect to future performance.

12.6 Headings

12.6.1 The headings used in these General Conditions of Contract, or any other Contract Document, are for ease of reference only and shall not in any way be construed to limit or alter the meaning of any provision.

12.7 Notice

12.7.1 Whenever the Contract Documents require that notice be provided to the other party, notice will be deemed to have been validly given (i) if delivered in person to the individual intended to receive such notice, (ii) four (4) days after being sent by registered or certified mail, postage prepaid to the address indicated in the Agreement or (iii) if transmitted by facsimile, by the time stated in a machine generated confirmation that notice was received at the facsimile number of the intended recipient.

12.8 Amendments

12.8.1 The Contract Documents may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party. In executing this Agreement, Owner and Design-Builder each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the services described herein.

12.9 FAA Requirements.

Federal law requires that the Monterey Regional Airport, as a recipient of federal assistance, comply with the following Federal Regulations which are herein incorporated by reference:

12.9.1 Davis Bacon - Professional Services. Tasks that meet the definition of construction, alteration or repair as defined in 29 CFR Part 5. If such tasks result in work that qualifies as construction, alteration or repair and it exceeds \$2,000, Design-Builder will be required to comply with the Davis Bacon prevailing wage requirement, and it will be included in the Professional Services Agreement.

12.9.2 Affirmative Action - 49 USC § 47123. Equal Employment Opportunity Policy Statement: The Airport is committed to equal employment opportunity and requires that its agents, lessees and others doing business with the Airport adhere to Title VI of the Civil Rights Act of 1964, as amended, and any other applicable Federal and State laws and regulations hereinafter enacted are Design-Builder's obligation.

Design-Builder will assure that no person is excluded from participation in, denied the benefits of, or otherwise discriminated against in connection with the award and performance of any contract, including leases covered by 49 CFR 23 on the grounds of race, color, national origin or sex. Failure to make full disclosure as required above may result in disqualification of proposal or, if discovered after award, in termination of aforementioned agreement.

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

12.9.4 Federal Fair Labor Standards Act (FLSA) - 29 USC § 201. Design-Builder has full responsibility to monitor compliance to the referenced statute or regulation. Design-Builder must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division

12.9.5 Occupational Safety and Health Act of 1970 – 20 CFR part 1910. Design-Builder must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Design-Builder retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

OWNER:

Monterey Peninsula Airport District

Michael La Pier, AAE
Executive Director

Date

DESIGN-BUILD ENTITY/
GENERAL CONTRACTOR:

Mill Construction

Ernest D. Mill
President

Date

BUILDING ENGINEERING AND
MANUFACTURING GENERAL
CONTRACTOR/CONSTRUCTION
MANAGER:

Blue Scope Construction

President

Date

FEDERAL REQUIREMENTS:

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

- a. ACCESS TO RECORDS AND REPORTS. (Reference: 49 CFR part 18.36(i), 49 CFR part 18.42)
- b. BUILD AMERICA BUY AMERICA ACT P.L. 117-58, Title IX.
- c. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 (Reference: 49 U.S.C. 47123)
- d. CIVIL RIGHTS – GENERAL. (Reference: 49 USC § 47123)
- e. CIVIL RIGHTS RESTORATION ACT OF 1987, P.L. 100-259
- f. DISADVANTAGED BUSINESS ENTERPRISE. (Reference: 49 CFR part 26)
- g. ENERGY CONSERVATION REQUIREMENTS. Source: 49 CFR part 18.36(i)(13)
- h. FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE) (Reference: 29 USC § 201, et seq.)
- i. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970 (Reference 20 CFR part 1910)
- j. RIGHT TO INVENTIONS (Reference 49 CFR part 18.36(i)(8))
- k. TRADE RESTRICTION (Reference: 49 CFR part 30)
- l. VETERAN’S PREFERENCE (Reference: 49 USC § 47112(c))
- M. SEISMIC SAFETY
- n. COPELAND “ANTI-KICKBACK” ACT (Reference: 49 CFR § 18.36(i)(4), 29 CFR parts 3 & 5)
- o. CERTIFICATION OF OFFERER/BIDDER REGARDING DEBARMENT
- p. DAVIS BACON REQUIREMENTS. (Reference: 49 CFR § 18.36(i)(5))
- q. TEXTING WHILE DRIVING. (Reference: Executive Order 13513)
- r. AFFIRMATIVE ACTION REQUIREMENT. (Reference: 41 CFR part 60-4, Executive Order 11246)
- s. EQUAL OPPORTUNITY CLAUSE AND SPECIFICATIONS. (Reference 41 CFR § 60-1.4, Executive Order 11246)
- t. NONSEGREGATED FACILITIES REQUIREMENT. (Reference: 41 CFR § 60-1.8)
- u. RECOVERED MATERIAL. (Reference: 40 CFR part 247)
- v. TERMINATION OF CONTRACT. (Reference: 49 CFR § 18.36(i)(2))
- w. DEBARMENT AND SUSPENSION (NON-PROCUREMENT). (Reference: 2 CFR part 180 (Subpart C), 2 CFR part 1200, DOT Order 4200.5 DOT Suspension & Debarment Procedures & Ineligibility)
- x. CONTRACT WORKHOURS AND SAFETY STANDARDS ACT REQUIREMENTS. (Reference: 49 CFR § 18.36(i)(6))
- y. LOBBYING AND INFLUENCING FEDERAL EMPLOYEES. . (Reference: 49 CFR part 20, Appendix A)
- z. BREACH OF CONTRACT TERMS. (Reference 49 CFR part 18.36(i)(1))
- aa. CLEAN AIR AND WATER POLLUTION CONTROL. (Reference: 49 CFR § 18.36(i)(12))
- bb. DRUG FREE WORKPLACE



September 19, 2022

Monterey Regional Airport
200 Fred Kane Drive, Suite 200
Monterey, CA 93940

Attn: Chris Morello, **Deputy Director of Strategy and Development**
Via: E-mail
Re: New Aircraft Rescue and Fire Fighting Facility - GMP

Dear Chris,

Mill Construction and Blue Scope Construction is pleased to provide you with our Design Build GMP proposal for the new ARFF and the removal of the old ARFF as shown on the 60% complete project plans and specifications. We have also included the added scope of work and value engineering as noted below. Please note that this GMP proposal with the current procurement and volatile material prices is good for 30 days after which we may need to adjust our numbers due to material price increases. Please reference the attached estimate summary sheet and schedules C, D, and E for additional information

Scope of Work clarification:

- a. Proposal is based on Blue Scope Construction as the General Contractor providing project management, the Varco Pruden Building, and all of the performance & payment bonds for the project. Mill Construction will be their only subcontractor carrying all of the subcontracts and performing the work.
- b. New ARFF and VSR complete
- c. Removal of hazardous materials in existing ARFF and removal of ARFF
- d. Installing the new AOA fencing at the reduced parking area due to the removal of the existing ARFF
- e. Added infrastructure and wire from existing PG & E service to the new ARFF site
- f. Reduced the SOG from 6" thick to 5" thick
- g. Deleted the concrete curbs other than all exterior and the apparatus bay walls
- h. Replaced the trench drain at the concrete apron with a 6' wide valley gutter
- i. Deleted framing for storage mezzanine at apparatus bay
- j. Changed phenolic paneling to FRP paneling and eliminated it at grid line "D"
- k. Deleted building permit fees.
- l. Reused native for engineered fill at the building pad
- m. Included the re-engineered / reduced infiltration system
- n. Utilized the stock pile base rock and AC grindings where needed versus import
- o. VE Glass & Glazing (non-thermal broke frames & deleted "Fire-lite")
- p. VE Doors & Hdwr (no side lites, D-series vs mortise locksets & alum cast closers)
- q. Changed tile to an USA made tile in a smaller panel
- r. Deleted all resilient floor covering and have sealed concrete floor finish
- s. Included "Coastal Coating" at roof panels

TOTAL for schedules C, D, & E as noted is a GMP of = \$ 9,151,287.00

Sincerely,
MILL CONSTRUCTION COMPANY

Ernest D. Mill, President

831-809-1450

Email: emill@millconstruction.com

cc: Blue Scope Construction & Design Team

2.1.3 DB Entity Contractor's Construction Management Fixed Fee Proposal

The DB Entity's Contractor shall participate in the construction process as an integral member of the Project team and shall perform all Construction Management Services required for the Project delivery. The Proposer shall provide their fixed-fee price proposal in the following format for the Construction Management Services (DB Entity Contractor's Disciplines as applicable).

Schedule C – DB Entity Contractor's Construction Management Fee

LABOR CATEGORY ¹	HOURLY RATE ²	HOURS		TOTAL HOURS	EXTENDED COSTS
		Construction Phase Services	Commissioning / Project Close Out Activities		
General Manager				0	20,580.00
Project Manager				0	\$ 0.00
Engineering/Technical Manager				0	\$ 0.00
Project Engineer				0	\$ 0.00
Procurement Manager				0	\$ 0.00
Buyer				0	\$ 0.00
Contracts Negotiator				0	\$ 0.00
Senior Project Estimator				0	\$ 0.00
Project Estimator				0	\$ 0.00
Project Planner				0	\$ 0.00
Project Scheduler				0	\$ 0.00
Office Manager				0	6,174.00
Accounting				0	\$ 0.00
Payroll				0	\$ 0.00
Administrative Support				0	\$ 0.00
Safety Manager				0	\$ 0.00
Superintendent				0	72,028.00
Field Supervisor				0	23,021.00

Schedule C – DB Entity Contractor's Construction Management Fee (Continued)

LABOR CATEGORY ¹	HOURLY RATE ²	HOURS		TOTAL HOURS	EXTENDED COSTS
		Construction Phase Services	Commissioning / Project Close Out Activities		
Other Categories, as needed.	—				—
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
				0	\$ 0.00
Labor Total:				121,803.00	
Expense Cost Total ³:				1,000.00	
DB Entity Contractor's Construction Management Fixed Fee Total:				122,803.00	

- 1) Proposers should add labor categories as needed and leave shown categories blank if not used.
- 2) Rates shall be inclusive of all direct labor costs, indirect costs, G&A, overhead, profit, and all costs associated with the staff members proposed, including but not limited to salaries, benefits, vacation, holiday, sick leave, payroll taxes, insurance, bonuses, profit sharing, office equipment and software, and company-assigned vehicles.
- 3) Expense costs must be allowable, reasonable, and allocable to the project. Costs must be consistent with 2 CFR 200.459, FAA Order 5100.38 and 48 CFR Part 31. Travel expenses to and from the jobsite, rental vehicles, temporary living expenses while stationed at the jobsite, and travel expenses for out-of-town travel for specific purposes—as approved by the Airport—will be reimbursed at cost.

2.2 Construction Costs

The Price Proposal's Construction Cost shall be based on this RFP and as amended by Addenda. The classification of building elements and related sitework is in accordance with ASTM E1557 Standard Classification for Building Elements and Related Sitework-UNIFORMAT II.

2.2.1 Construction Price Proposal

Schedule D – Building Construction Costs

MAJOR GROUP ELEMENTS	GROUP ELEMENTS	INDIVIDUAL ELEMENTS		ELEMENT COST
A Substructure	A10 Foundations	A1010	Standard Foundations	263,785.00
		A1020	Special Foundations	-
		A1030	Slab on Grade	307,610.00
B Shell	B10 Superstructure	B1010	Floor Construction	-
		B1020	Roof Construction	521,666.00
	B20 Exterior Enclosure	B2010	Exterior Walls	708,774.00
		B2020	Exterior Windows	184,896.00
		B2030	Exterior Doors	346,705.00
	B30 Roofing	B3010	Roof Coverings	Incl.
		B3020	Roof Openings	-
C Interiors	C10 Interior Construction	C1010	Partitions	53,294.00
		C1020	Interior Doors	158,970.00
		C1030	Fittings	-
	C20 Stairs	C2010	Stair Construction	-
		C2020	Stair Finishes	-
	C30 Interior Finishes	C3010	Wall Finishes	678,277.00
		C3020	Floor Finishes	136,229.00
C3030		Ceiling Finishes	32,177.00	
D Services	D10 Conveying	D1010	Elevators & Lifts	-
	D20 Plumbing	D2010	Plumbing Fixtures	53,164.00
		D2020	Domestic Water Distribution	206,750.00
		D2030	Sanitary Waste	129,957.00
		D2040	Rain Water Drainage	-
		D2090	Other Plumbing Systems	94,514.00
	D30 HVAC	D3010	Energy Supply	Incl.
		D3020	Heat Generating Systems	Incl.
		D3030	Cool Generating Systems	Incl.
		D3040	Distribution Systems	608,577.00
		D3050	Terminal & Package Units	Incl.
		D3060	Controls and Instrumentation	32,030.00
D3070		Systems Testing & Balancing	42,707.00	
D3090		Other HVAC Systems & Equipment	309,627.00	

Schedule D – Building Construction Costs (Continued)

MAJOR GROUP ELEMENTS		GROUP ELEMENTS	INDIVIDUAL ELEMENTS	ELEMENT COST
D Services (Continued)	D40 Fire Protection	D4010 Sprinklers	75,434.00	
		D4020 Standpipes	-	
		D4030 Fire Protection Specialties	Incl.	
		D4090 Other Fire Protection Systems	-	
	D50 Electrical	D5010 Electrical Service & Distribution	533,434.00	
		D5020 Lighting and Branch Wiring	680,128.00	
		D5030 Communications & Security	412,529.00	
		D5090 Other Electrical Systems	120,023.00	
E Equipment & Furnishings	E10 Equipment	E1010 Commercial Equipment	-	
		E1020 Institutional Equipment	-	
		E1030 Vehicular Equipment	74,738.00	
		E1090 Other Equipment	106,329.00	
	E20 Furnishings	E2010 Fixed Furnishings	255,372.00	
		E2020 Movable Furnishings	103,508.00	
F Special Construction & Demolition	F10 Special Construction	F1010 Special Structures	-	
		F1020 Integrated Construction	-	
		F1030 Special Construction Systems	-	
		F1040 Special Facilities	206,269.00	
		F1050 Special Controls and Instrumentation	11,787.00	
	F20 Selective Building Demolition	F2010 Building Elements Demolition	166,273.00	
		F2020 Hazardous Components Abatement	24,442.00	
Building Construction Cost Total:			7,639,975.00	

- 1) All work not included in the Project scope but deemed necessary by the DB Entity should be included in the Price Proposal Form.
- 2) DB Entities are cautioned that information supplied with their Proposals may be subject to disclosure under the California Public Records Act.

Schedule E – Sitework Construction Costs

MAJOR GROUP ELEMENTS	GROUP ELEMENTS	INDIVIDUAL ELEMENTS	ELEMENT COST
G Building Sitework	G10 Site Preparation	G1010 Site Clearing	37,839.00
		G1020 Site Demolition and Relocations	-
		G1030 Site Earthwork	324,052.00
		G1040 Hazardous Waste Remediation	-
	G20 Site Improvements	G2010 Roadways	165,629.00
		G2020 Parking Lots	111,991.00
		G2030 Pedestrian Paving	-
		G2040 Site Development	219,987.00
		G2050 Landscaping	4,125.00
	G30 Site Mechanical Utilities	G3010 Water Supply	Incl.
		G3020 Sanitary Sewer	Incl.
		G3030 Storm Sewer	402,830.00
		G3040 Heating Distribution	-
		G3050 Cooling Distribution	-
		G3060 Fuel Distribution	-
		G3090 Other Site Mechanical Utilities	-
	G40 Site Electrical Utilities	G4010 Electrical Distribution	97,644.00
		G4020 Site Lighting	24,412.00
		G4030 Site Communications & Security	Incl.
		G4090 Other Site Electrical Utilities	-
G90 Other Site Construction	G9010 Service and Pedestrian Tunnels	-	
	G9090 Other Site Systems & Equipment	-	
Sitework Construction Cost Total:			1,388,509.00

- 1) All work not included in the Project scope but deemed necessary by the DB Entity should be included in the Price Proposal Form.
- 2) DB Entities are cautioned that information supplied with their Proposals may be subject to disclosure under the California Public Records Act.

AGENDA ITEM: G-3
DATE: September 27, 2022

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

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

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

The certified FEIR, the certified Revised Addendum, and the approved Airport Master Plan Project for MRY analyzed and included permanent relocation of the Aircraft Rescue and Fire Fighting (ARFF) Facility to the north side of the Airport from the south side as a project component of the Safety Enhancement Program Taxiway A Relocaiton (SEP).

The FY23 Adopted Capital Improvement Program Budget contains Project 2022-01 SEP Phase C1/C2/C3-ARFF Design/Construction/Demo/Airfield Access Road, and the approved Airport Capital Improvement Program (ACIP) for FY 2022-2028 includes this SEP project.

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

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

The initial phase of the contract authorization was specific to the management of aviation engineering for design and project support of the ACIP cost estimates.

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

Based on the approved FY2023 ACIP, the Federal Aviation Administration (FAA) has indicated a willingness to fund a FY22 ARFF Design Build grant under the Airport Improvement Program (AIP).

SCOPE OF WORK. This Amendment to the Agreement is related to the Program Management for Engineering oversight of the ARFF Construction Observation.

The objective is to provide PM Services encompassing the following:

Task 4.3 – Program Management Construction Observation Services – ARFF for project and contract management, client coordination and communication, on-site construction observation and project closeout and completion services.

This Contract Amendment of the Project Management for the ARFF Construction Observation Phase 4.3 Services is a not-to-exceed cost of \$ 655,170.00.

The final fee proposals by KHA are considered reasonable as reviewed by an Independent Fee Estimate and outlined in FAA Advisory Circular 150/5100-14E Change 1 to ensure the fees are fair and reasonable.

BUDGET EFFECT. This program management cost is included in the FAA federal funding request through the AIP ARFF grant application.

SOURCE OF FUNDS. The AIP grant agreement provides a 90.66% AIP share of the Program Management costs and a 9.34% District share (Passenger Facility Charges).

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

SCHEDULE. The Construction Notice to Proceed is anticipated to be issued on approximately October 1, 2022.

RECOMMENDATION. Approve the Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. to Provide Project Management Services in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase C ARFF Construction Observation.

ATTACHMENTS.

Kimley-Horn and Associates, Inc. Contract Amendment
Kimley-Horn and Associates, Inc. Scope of Work
Federal FAA Requirements

AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. TO PROVIDE PROJECT MANAGEMENT IN SUPPORT OF THE SAFETY ENHANCEMENT PROGRAM (SEP) TAXIWAY A RELOCATION – PHASE C AIRCRAFT RESCUE AND FIRE FIGHTING FACILITY CONSTRUCTION OBSERVATION

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

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

The certified FEIR, the certified Revised Addendum, and the approved Airport Master Plan Project for MRY analyzed and included permanent relocation of the Aircraft Rescue and Fire Fighting (ARFF) Facility to the north side of the Airport from the south side as a project component of the Safety Enhancement Program (SEP).

The FY23 Adopted Capital Improvement Program Budget contains Project 2022-01 SEP Phase B1/B2/B3-ARFF Design/Construction/Demo/ARFF Airfield Access Road, and the approved Airport Capital Improvement Program (ACIP) for FY 2022-2028 includes this SEP project.

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

This Amendment dated September 27, 2022, is to the Agreement between the Monterey Peninsula Airport District (“District”) and Kimley-Horn and Associates, Inc. for Support of the SEP Phase C ARFF Construction Observation Services.

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

Contract Amendment to Provide Construction Management Services

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

The objective is to provide PM Services that encompass the following:

Task 4.3 – Program Management Construction Observation Services – ARFF for project and contract management, client coordination and communication, on-site construction observation and project closeout and completion services.

The scope of the proposed contract amendment for Phase 4.3 Services is a not-to-exceed cost of \$ 655,170.00.

MONTEREY PENINSULA
AIRPORT DISTRICT

KIMLEY-HORN AND ASSOCIATES, INC.

Michael La Pier, AAE
Executive Director

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

APPROVED AS TO FORM:

Scott Huber
District Counsel

Attachment: Scope of Work for Phase 4.3 Construction Observation Services for the ARFF

KIMLEY-HORN AND ASSOCIATES, INC.

**PROPOSAL FOR
Monterey Regional Airport**

**PROGRAM MANAGEMENT ADVISORY SERVICES
Phase 4
Program Management Construction Observation Services
for the
ARFF
April 1, 2022**

A. OVERVIEW:

Monterey Peninsula Airport District (“District” or “Client”) is employing Kimley-Horn and Associates, Inc. (“Kimley-Horn” or “Consultant”) as the Program Management Team to support the District in delivering multiple projects from the 2018 Master Plan Program’s Infrastructure Project Components within an overall program (hereafter “Program”) at the Monterey Regional Airport (“MRY” or “Airport”).

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

This proposal is for Kimley-Horn in the Program Manager role, to provide the Program Management Construction Observation Services requested for ARFF Construction Phase.

Project Summary: The proposed improvements include the construction of the new ARFF and the VSR, and the demolition of the existing ARFF building. The Project work is located within the Air Operations Area (AOA) of MRY.

Construction Start: October 3, 2022

Construction Time: 40 Weeks

Kimley-Horn will complete the scope of services in one (1) task as follows and as more specifically described in the Detailed Scope of Services.

Task 4.3 – Program Management Construction Observation Services – ARFF: This task is for project and contract management, client coordination and communication, on-site construction observation services including on-site daily observations.

B. DETAILED SCOPE OF SERVICES

Kimley-Horn shall provide the following services:

4.3. Program Management Construction Observation Services – ARFF

4.3.1 Project Management and Administration

Under this Task, Kimley-Horn will develop and implement a client communication process that involves ongoing e-mail and phone calls during the duration of this task order. Kimley-Horn will schedule, provide call in numbers, provide agendas and minutes for project conference calls to be held weekly.

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

Kimley-Horn will participate in up to two (2) meetings per month in Monterey to discuss project progress, issues, status and to ask and answer questions.

(1) Preconstruction Meeting: Kimley-Horn and our subconsultants will participate in a Pre-Construction Conference in person and virtual prior to commencement of Work at the Site. At the Pre-Construction Conference the Architect/Design Team in consultation with the District, will review with the DB Contractor the general requirements for the scope of construction work. Kimley-Horn assumes that all of the effort in this subtask will be accomplished during a one (1) day trip to MRY. Under this subtask Kimley-Horn will provide an agenda and minutes for the Pre-Construction Conference.

4.3.2 On-Site Construction Observation and Representation:

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

- a) Establish and maintain correspondence and project files.
- b) Observe and document Contractor's general conformance to the schedule and contract documents.
- c) Review and document Contractor's compliance for Davis-Bacon wage standard requirements.
- d) Participate in weekly construction progress meetings and prepare meeting agenda and minutes for distribution.
- e) Prepare Daily Observation Reports - Kimley-Horn will maintain a daily log of the construction activities.
- f) Review Weekly Reports for submittal to the FAA - Kimley-Horn will prepare and submit weekly construction observation reports using the FAA's standard form. These reports will focus on the status of the project as observed by Kimley-Horn as well as any

testing provided by the Contractor and the Quality Assurance (QA) geotechnical subconsultant.

- g) Submit observed noncompliance or deficiency reports based on general observations by Kimley-Horn or test results provided by the Contractor or the QA geotechnical consultants. These reports will document non compliance with the approved plans and may require the design engineer of record to provide information on such non compliance to Kimley-Horn. The Client agrees to ensure the design engineer of record will cooperate accordingly
- h) Review QA tests conducted by the design engineer of record at the frequency stated in the specifications.
- i) Review the Contractor's Quality Control Program (QCP) and the Contractor's on-going quality control material testing program results for compliance with the Contract Documents and FAA standards.
- j) Maintain copies of acceptance test reports on site.
- k) Maintain a daily log book, and the contents of a log book may include:
 - Weather conditions and temperature.
 - Work in progress and location.
 - Equipment in use - types and numbers.
 - Size of work force including supervision.
 - Materials delivered.
 - Instructions to the Contractor from the District.
 - Principal visitors
- l) Recommendations with Respect to Defective Work - Kimley-Horn will recommend to the District that the Contractor's work be disapproved and rejected while it is in progress if, on the basis of design engineer of record observations and/or testing results, Kimley-Horn believes that such work will not produce a completed project that conforms generally to the Contract Documents.
- m) Certified Payroll - Kimley-Horn's Subconsultant will conduct employee interviews and review Contractor/Subcontractor prevailing wage requirements and certified payroll reporting requirements pursuant to the applicable federal and state wage determinations, the hours reported and other WH-347 federal payroll form requirements, and non-debarment verification of project contractors.
- n) Applications for Payment. Based on observations, input from the EOR and on review of applications for payment and accompanying supporting documentation, Kimley-Horn will review the amounts submitted for progress payments. By recommending any payment, Kimley-Horn shall not thereby be deemed to have represented that its observations of Contractor's work have been exhaustive, extended to every aspect of Contractor's work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Kimley-Horn in this Agreement. It will also not impose responsibility on Kimley-Horn to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, nor to determine that title to any portion of the work in progress, materials, or

equipment has passed to Client free and clear of any liens, claims, security interests, or encumbrances, nor that there may not be other matters at issue between Client and Contractor that might affect the amount that should be paid.

- o) TranSystems, as a subconsultant to Kimley-Horn, will provide architectural, mechanical, plumbing and electrical engineering consultation services during the construction of the replacement ARFF Facility. TranSystems' role on the program management team will include the following services:
1. Participate in up to thirty (30) virtual construction progress meetings with the Design-Builder. The following level of participation by TranSystems' team members is anticipated for the progress meetings:
 - Architect – up to twenty (20) meetings
 - Mechanical/Plumbing Engineer – up to four (4) meetings
 - Electrical Engineer – up to six (6) meetings
 2. Coordinate with Kimley-Horn's on-site program management representative on technical matters related to architectural, mechanical, plumbing and electrical engineering disciplines. Total team effort of up to eighty (80) hours is assumed.
 3. Provide technical guidance on review of construction submittals and response to construction requests for information (RFI's) related to architectural, mechanical, plumbing and electrical engineering disciplines by the Design-Builder. Total team effort of up to sixty (60) hours is assumed.
 4. Conduct two in-person site visits by Architect – one progress visit at approximately midpoint of construction and one punchlist walk-through at or prior to substantial completion.

(2) Project Closeout:

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

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

Deliverables

1. FAA daily, and weekly reports.

Assumptions, Clarifications and Exclusions

1. Assumptions on the construction phase services schedule are as follows:
 - (a) Assumes that all work under this scope of services will be complete no later than June 30, 2023.
 - (b) Up to 40 Weeks of construction services
 - (c) Up to 3 weeks of post construction services
 - (d) Assumes 40 Weeks from NTP to the Contractor until the notice of substantial completion.
2. Any modifications of these assumptions will require a modification to the consultant contract including schedule and fee.
3. Any other services except as detailed within this scope of services are not included in this Agreement.
4. The design engineer of record will be responsible for the contractor's submittal and material reviews / responding to Contractor RFI's / record drawings (As-Builts) / and bidding services.
5. The contractor will be responsible for project staking.
6. Limitation of Responsibilities. Kimley-Horn shall not be responsible for the acts or omissions of the design engineer of record, any Contractor, or of any of their Subcontractors, suppliers, or of any other individual or entity performing or furnishing the Work. Kimley-Horn shall not have the authority or responsibility to stop the work of any Contractor.
7. Observations by Kimley-Horn are not intended to be exhaustive or to extend to every aspect of Contractor's work in progress. Based on information obtained during such visits and such observations, Kimley-Horn will keep the Client informed of the general progress of the Work.

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

Documents.

Additional Services:

Any other services, including but not limited to the following, are not included in this Agreement.

- Site Design - Including utilities and any relocation of utilities.
- Construction Services including contractor's submittal and material reviews / response to Contractor RFI's / Record Drawings (As-Builts) / Construction Staking / Bidding Services / Negotiation Services.
- Any item not specifically mentioned in our Detail Scope of Services

Special Considerations

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

Owner's Responsibilities

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

Schedule

Kimley-Horn understands that services provided under this scope of services will commence within 90 days of the bid opening (October 3, 2022) and construction work will be substantially complete within 40 Weeks of the Notice-to-Proceed issued to the Contractor. It is anticipated the services will be performed between October 2022 and June 2023.

Terms of Compensation

Kimley-Horn will perform the Services in Task 4 on a labor fee plus expense basis. Labor fee will be billed on an hourly basis according to the below rate schedule.

Direct reimbursable expenses such as express delivery services, fees, air travel, and other direct

expenses will be billed at 1.15 times cost. All permitting, application, and similar project fees will be paid directly by the Client.

Based on current information, Kimley-Horn estimates that the fees will be approximately \$655,170. Fee estimates in this Agreement are for general budgeting purposes only. Actual fees may be less or more than the estimates.

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

Rate Schedule

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

⁽¹⁾ Beginning on June 30, 2021 and each year anniversary thereafter during the term of the professional services agreement, the Consultant will automatically increase the compensation Fee schedule under this agreement. The amount of the annual increase shall be determined by multiplying the compensation rate by the percentage change in the Consumer Price Index ^{**} ("CPI") for the preceding year or 5%, whichever is less.

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

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

Monterey Regional Airport
PROGRAM MANAGEMENT ADVISORY SERVICES
Phase 4 - Construction Phase - ARFF Design-Build
Derivation of Fee

			Labor										Expenses	
			Sr Leader, Principal	Project Manager	Senior Professional I	Senior Professional II	Mid-Level Technical/Planner	Technical Support	Analyst	Clerical Admin.	Total Labor Hours	Labor Total	Subconsultant	Expenses
			\$345.00	\$320.00	\$280.00	\$250.00	\$220.00	\$195.00	\$175.00	\$110.00				
		Rates (w/Fee and Overhead)												
Scope Sections		Title/Task	Enter Labor Hours											
		PROGRAM MANAGEMENT ADVISORY SERVICES												
Phase 4		Program Management - ARFF DB Team Construction Phase												
4.3		ARFF Construction Phase												
	4.3.1	Program Management	144	144						50	194	\$ 51,580	\$ -	\$ 7,500
										50	194	\$ 51,580	\$ -	\$ 7,500
4.4		Construction Observation	192	192			2020	50		50	2,312	\$ 521,090	\$ 75,000	\$ -
	4.4.1	Construction Observation					2020	50				\$ -	\$ -	\$ -
		Assumes Total 44 weeks total – 40 weeks of construction												
		Project Totals		336			2020	50		100	2,506	\$ 572,670	\$ 75,000	\$ 7,500
		Percentage of Total		13%			81%	2%		4%		87%	11%	1%

TO: Board of Directors
FROM: Michael La Pier, Executive Director
Scott E. Huber, District Counsel
SUBJ: Consideration of an Operator Agreement with Turo Inc., a Peer-to-Peer Vehicle Sharing Concession, to Provide Service to the Monterey Regional Airport

BACKGROUND. The Board of Directors may consider approval of an Operating Agreement with Turo Inc., a Peer-to-Peer Vehicle Sharing Concession to provide service to the Monterey Regional Airport.

Currently, Monterey Regional Airport passengers are served by several forms of ground transportation, including taxi cabs, limousines, transportation network companies, car rental companies and courtesy shuttles for hotels, motels, and golf courses.

In recent years, new forms of ground transportation providers have arisen, and a Peer-to-Peer Vehicle Sharing Concession is classified as a Digital Network Company.

Turo, Inc. owns and operates a Peer-to-Peer Vehicle Sharing marketplace that uses its Digital Network to connect owners with Airport customers via a reservation in which vehicles are delivered to the Airport.

Peer-to-Peer Vehicle Sharing means an arms-length, remote, web-based, or mobile transaction where an owner allows a third party to use the Owner's Vehicle(s) for a fee. This includes, but is not limited to, Reservations made through Turo, Inc.'s Digital Network or another platform that connects owners with Airport customers seeking to reserve the vehicle(s). Owners and Airport customers will be allowed to pick up or drop off vehicles at the Airport in the Designated Areas identified in Exhibit "A" of the proposed Operating Agreement. Owners and Airport customers shall be subject to the Airport parking enforcement provisions contained in the Traffic and Parking Regulations contained in Ordinance 822 by the Board of Directors of Monterey Peninsula Airport District (MPAD), as currently exists or as may be amended in the future.

Turo, Inc.'s rights to use the Designated Areas will be on a non-exclusive basis at all times. At any time during the term of this Agreement or for any reason, MPAD may change the location of the Designated Areas or other authorized pick up and drop off locations.

The proposed Agreement is specific to Turo Inc., however, if other Digital Network Companies wish to operate at the Monterey Regional Airport, they will follow the same format and fee structure.

AGREEMENT TERMS: The initial term of this Agreement shall start on the Commencement Date and shall remain in effect for a period of one (1) year thereafter, unless otherwise terminated in accordance with the terms of the attached Agreement.

As provided in the Agreement, Turo, Inc. will be granted an option to renew the Agreement for two (2) consecutive additional periods of one (1) year each, subject to the sole discretion and consent of MPAD; provided that Turo, Inc. notify MPAD in writing at least thirty (30) days in advance of the end of the then-current term of Turo, Inc.'s desire to extend the Agreement.

As compensation for Turo, Inc.'s access to the Airport market and for the privileges granted by the Agreement, Turo, Inc. will pay MPAD a Concession Fee in an amount equal to six and one-half percent (6.50%) of Turo, Inc.'s gross receipts, as defined further in the Agreement, Article 6: Rates and Fees.

RECOMMENDATION. Staff recommends that the Board approve the Operating Agreement with Turo Inc. to provide service to the Monterey Regional Airport.

**OPERATING AGREEMENT FOR
PEER-TO-PEER VEHICLE SHARING CONCESSION**

for

Monterey Regional Airport

by and between

Monterey Peninsula Airport District

and

TURO INC.

Contract No. _____

TABLE OF CONTENTS

ARTICLE 1: RECITALS.....	5
ARTICLE 2: DEFINITIONS	5
ARTICLE 3: USES & PRIVILEGES	6
ARTICLE 4: PROHIBITED ACTIVITIES	10
ARTICLE 5: TERM.....	12
ARTICLE 6: RATES AND FEES	13
ARTICLE 7: AUDIT RIGHTS	16
ARTICLE 8: INDEMNIFICATION	16
ARTICLE 9: INSURANCE.....	17
ARTICLE 10: NO ASSIGNMENT	17
ARTICLE 11: NO EXCLUSIVITY.....	17
ARTICLE 12: WAIVER.....	17
ARTICLE 13: DAMAGE TO PREMISES.....	18
ARTICLE 14: DEFAULT.....	18
ARTICLE 15: TERMINATION	18
ARTICLE 16: RULES AND REGULATIONS.....	19
ARTICLE 17: SECURITY	19
ARTICLE 18: BAN ON TEXTING WHILE DRIVING	20
ARTICLE 19: CONFORMITY WITH APPLICABLE LAW.....	20
ARTICLE 20: GOVERNING LAW AND VENUE.....	20
ARTICLE 21: AUTHORITY.....	20
ARTICLE 22: NONDISCRIMINATION	21
ARTICLE 23: FEDERAL GOVERNMENT AGREEMENTS	21

ARTICLE 24: FEDERAL GOVERNMENT’S EMERGENCY CLAUSE.....	21
ARTICLE 25: AMENDMENTS.....	21
ARTICLE 26: COMPLIANCE WITH PUBLIC RECORDS LAW.....	22
ARTICLE 27: NOTICES	22

THIS OPERATING AGREEMENT FOR PEER-TO-PEER VEHICLE SHARING COMPANY (“Agreement”) is made and entered into this 27th day of September, 2022 (“Commencement Date”) between the MONTEREY PENINSULA AIRPORT DISTRICT, a California Special District, hereinafter called “MPAD”, and TURO INC., authorized to do business in California, hereinafter called “TURO” (individually and collectively referred to as “Party” or “Parties”).

WHEREAS, the MPAD owns and operates an airport known as the Monterey Regional Airport (“Airport”), located in the County of Monterey, State of California, which airport and any additions or improvements thereto or changes therein the MPAD hereafter makes or authorizes are hereinafter collectively referred to as the “Airport”;

WHEREAS, TURO has requested a non-exclusive privilege to conduct certain commercial activities at the Airport as more fully described herein;

WHEREAS, TURO owns and operates a Peer-to-Peer Vehicle Sharing marketplace that uses its Digital Network to connect Owners with Airport Customers via a Reservation in which Vehicles are delivered to the Airport;

WHEREAS, MPAD as the owner and operator of the Airport deems the conduct of said commercial activities to be in the best interests of the public;

WHEREAS, pursuant to Federal Aviation Administration (“FAA”) Grant Assurances, the MPAD is bound to be self-sustainable; thus, imposing reasonable fees and charges for commercial activities at the Airport ensures that the MPAD meets its Grant Assurance obligations;

WHEREAS, MPAD has agreed to allow TURO to make its Digital Network available at the Airport and allow Owners to deliver Vehicles to the Airport for Airport Customers, subject, however, to the terms and conditions of this Agreement; and

NOW, THEREFORE, in consideration of the use of the Airport premises in accordance with Airport Rules and Regulations and the MPAD Minimum Standards (collectively, “Airport Minimum Standards”), as adopted by the MPAD and as may be amended from time to time, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1: RECITALS

The above recitals are true and correct and are incorporated herein.

ARTICLE 2: DEFINITIONS

For the purpose of this Agreement, the following words and terms used herein are defined as follows:

- (a) Airport Customer shall mean any person who makes a Reservation for Peer-to-Peer Vehicle Sharing through TURO's Digital Network for pick up and/or drop off at the Airport.
- (b) Designated Areas shall mean one or more specific areas on Airport property as identified in Exhibit "A" attached hereto, identifying where Owners and Airport Customers operating under this Agreement may pick up or drop off Vehicles.
- (c) Digital Network means any online-enabled technology application service, mobile application, website, or other platform or system offered or used by a Peer-to-Peer Vehicle Sharing company which enables the sharing of vehicles.
- (d) Owner means an individual or company that owns, leases, or otherwise has control over a Vehicle(s) and uses TURO's Digital Network to share the Owner's Vehicle(s) with Airport Customers.
- (e) Reservation means an online electronic reservation completed for an Airport Customer in TURO's Peer-to-Peer Vehicle Sharing Digital Network between an Owner and an Airport Customer where the Owner delivers the Vehicle to the Airport or where the Airport Customer drops off the Vehicle at the Airport.
- (f) Trip shall mean an instance in which Peer-to-Peer Vehicle Sharing occurs between and Owner and an Airport Customer on Airport property.
- (g) Peer-to-Peer Vehicle Sharing means an arms-length, remote, web-based, or mobile transaction where an Owner allows a third party to use the Owner's Vehicle(s) for a fee. This includes, but is not limited to, Reservations made through TURO's Digital Network or another platform that connects Owners with Airport Customers seeking to reserve the

Vehicle(s).

- (h) Vehicle shall mean a motor Vehicle including, but not limited to, cars, minivans, SUVs, trucks, pickup trucks, autocycles, or motorcycles, that an Owner shares with an Airport Customer through a Reservation.

ARTICLE 3: USES & PRIVILEGES

3.01 Authorization.

MPAD grants TURO the non-exclusive right to use the Designated Areas in order to operate a Peer-to-Peer Vehicle Sharing Concession under the trade name TURO to enable Owners to deliver Vehicles to Airport Customers, subject to the terms and conditions set forth in this Agreement. TURO will inform Owners of the terms and conditions of this Agreement and ensure Owners operate on public roadways and in Designated Areas on Airport property to pick up or drop off Airport Customers or Owner's Vehicle(s) all in accordance with Airport Rules and Regulations and governing laws, rules and regulations. Upon request, Owners shall allow Airport personnel access to Reservation information.

3.02 Designated Areas.

Owners and Airport Customers shall not pick up or drop off Vehicles at the Airport in any locations other than the Designated Areas identified in Exhibit "A". Owners and Airport Customers shall be subject to the Airport parking enforcement provisions contained in the Traffic and Parking Regulations contained in Ordinance 822 by the Board of Directors of MPAD, as currently exists or as may be amended in the future. TURO's rights to use the Designated Areas will be on a non-exclusive basis at all times. At any time during the Term of this Agreement or for any reason, MPAD may change the location of the Designated Areas or other authorized pick up and drop off locations.

3.03 Permitted Uses.

TURO and Owners may use the Designated Areas only for the uses specified in this Agreement and for no other purpose. TURO will not conduct any activity or operations at the Airport not expressly authorized by this Agreement, unless otherwise approved by the MPAD Executive Director or his/her designee.

3.04 Rights of Ingress and Egress; Nonexclusive Use of Vehicle Charging Stations.

Owners affiliated with TURO shall have the non-exclusive rights of ingress and egress across Airport property to conduct their permitted operations hereunder, provided that such ingress and egress activity: (1) shall not impede or interfere, in any way, with the operations of the Airport or the use of the Airport by its tenants, passengers, customers or employees; (2) shall be in areas and roadways designated by the Airport; and (3) may be temporarily suspended by the Airport in the event of an emergency or a threat to the Airport during the time period of such emergency or threat. Owners affiliated with TURO may utilize the electric vehicle charging stations located in the Designated Areas on a nonexclusive basis, provided that the Vehicle Owners comply with the regulations posted on signs at the electric vehicle charging stations. Procedures for Entering and Exiting the Designated Areas are attached hereto as Exhibit "C."

3.05 Owner Requirements.

TURO must conduct its trust and safety screenings on all of the Owners that will engage in Peer-to-Peer Vehicle Sharing at the Airport. If an Owner is flagged for potential fraudulent or criminal activity, then TURO's trust and safety team will perform a criminal background search and public records search, and lock down the Owner's account until the Owner clears the background check.

TURO will evaluate the safety of the Vehicles used by Owners by checking the Vehicle Identification Numbers (VINs) for safety recalls and determining whether the title is branded.

3.06 Vehicle Condition.

Vehicles will be clean and neat in appearance, and safe for operation. TURO agrees that it will require Owners to comply with California motor vehicle laws, by TURO company policy.

3.07 Vehicle Inspection.

Vehicles operating under this Agreement may be subject, at any time, to inspection by authorized Airport staff or law enforcement officers as to passenger access, registration,

Owner's license, license tag, insurance, and other matters pertaining to the legal, efficient and safe operation of the Owner and Vehicle at the Airport.

3.08 Changes to Airport.

TURO acknowledges and agrees that: (1) Airport shall have the right, at all times, to change, alter and expand the Airport, including the terminal, roadways, and Designated Areas; and (2) MPAD has made no representations, warranties and/or covenants to TURO regarding the design, construction, passenger or automobile traffic, or views of the Airport. The Airport may, from time to time, undergo renovation, construction and other Airport modifications; and MPAD may adopt regulations relating to security and other operational matters that may affect TURO's business.

3.09 Licenses, Permits and Taxes.

TURO shall comply with the following:

- (a) Licenses and Permits. TURO will have and maintain in current status all federal, state and local licenses required for the operation of the business conducted by TURO.
- (b) Taxes. TURO agrees to bear, pay, and discharge, on or before their respective due dates, all federal, state and local taxes, fees, assessments, and levies, including sales, franchise, intangible, and personal property taxes, which are now and may hereafter be levied upon TURO, or upon the business conducted on Airport property, or upon any of TURO's property used in connection therewith.

3.10 Representative of Company.

Within ten (10) business days of execution of this Agreement, TURO will provide MPAD with the name, address, telephone number(s) and email address for at least one (1) qualified representative authorized to act and represent TURO in matters pertaining to its business and operation under this Agreement. TURO will notify MPAD, in writing, if such person changes or if such person's required information changes, and provide the required information for the new representative.

ARTICLE 4: PROHIBITED ACTIVITIES

Notwithstanding other provisions herein, TURO shall not, without the Executive Director's prior written consent: (1) cause or permit anything to be done in or about the Designated Areas or the Airport, or bring or keep anything thereon which would be reasonably likely to (a) create a nuisance, or (b) obstruct or interfere with the rights of others on the Airport; (2) commit any waste upon the Designated Areas or the Airport; (3) use or allow the Designated Areas to be used for any improper, immoral, unlawful or reasonably objectionable purpose; (4) obstruct the sidewalk, passageways, stairways in front of, within or adjacent to, the Designated Areas and roadways; or (5) perform any action reasonably likely to materially injure the reputation, appearance or image of the Airport.

The following activities are prohibited by Owners:

- (a) Any method used to circumvent Company's Digital Network;
- (b) Failing to comply with the Airport Rules and Regulations;
- (c) Allowing operation of a Vehicle on Airport roadways by an unauthorized driver;
- (d) Transporting an Airport Customer(s) in an unauthorized vehicle;
- (e) Picking up or dropping off a Vehicle(s) or Airport Customer(s) at any location other than the Designated Areas as authorized herein;
- (f) Failing to provide information, or providing false information, to law enforcement officers (e.g., Airport Police Department, Monterey County Sheriff's Office) or Airport officials or personnel;
- (g) Displaying to Airport official(s)/personnel or law enforcement Reservation information in an altered or fictitious form;
- (h) Soliciting Airport Customer(s) on Airport property;
- (i) Failing to operate a Vehicle in a safe manner;
- (j) Texting while driving on Airport property;
- (k) Failing to comply with posted speed limits and traffic control signs;
- (l) Using profane or vulgar language;
- (m) Attempting to solicit payment in excess of that authorized by law;
- (n) Soliciting of any activity prohibited by applicable laws, rules, or regulations;

- (o) Operating a vehicle which is not in safe mechanical condition or which lacks mandatory safety equipment;
- (p) Using or possessing any alcoholic beverage, illegal drug or narcotic while on Airport property;
- (q) Smoking in any buildings on the Airport, except in the areas designated by the Executive Director;
- (r) Operating a Vehicle without proper registration or at any time during which TURO's authority to operate on the Airport is suspended or revoked;
- (s) The use of Airport property that would interfere with or adversely affect the operation or maintenance of the Airport or otherwise constitute an Airport hazard, obstruction or breach of security requirements;
- (t) Mobile detailing or cleaning of Vehicles on Airport property or parking lots;
- (u) Selling gasoline or vehicles or offering maintenance or repair services on Airport property;
- (v) Engaging in any activity that creates a nuisance, disturbs, annoys or offends Airport customers, tenants or employees;
- (w) Soliciting for or on behalf of any hotel, club, nightclub or other business; and
- (x) Engaging in any criminal activity.

Solicitation. With the exception of picking up or dropping off Vehicles, Owners shall not solicit business while on Airport property in any way whatsoever. Should MPAD/Airport be made aware of Owners violating this prohibition, or any other prohibition set forth in this Agreement, Airport will notify TURO of the same and will expect TURO to take any and all appropriate actions against subject Owner(s). TURO shall at all times be responsible for taking action against subject Owner(s) within three (3) business days following notice being provided to the Airport, irrespective of whether the Owner is an employee, independent contractor, licensee, subcontractor or sublessee, or has any arrangement whereby the Owner is authorized by TURO to share its Vehicle(s) via TURO's Reservation platform on Airport property. Airport will have the absolute right to resolve all such disputes or conflicts, and its determination concerning the manner in which TURO will operate at the Airport will be binding upon TURO.

Advertising. TURO may not advertise at the Airport, including the advertising of prices and the dispensing of brochures, pamphlets or leaflets or like items, whether for profit or not, except through the Airport's advertising concessionaire or unless otherwise approved by the Executive Director.

An Owner that engages in any of these prohibited activities may be subject to discipline, as outlined in this Article, up to and including being banned from engaging in Peer-to-Peer Vehicle Sharing Concession at the Airport, which prohibition TURO shall enforce.

TURO shall inform all Owners affiliated with TURO who operate at the Airport of the requirements set forth in this Agreement. TURO shall work in good faith with the Airport to address any instances of Owners who (1) fail to cooperate with the Airport's request to provide information to confirm they are authorized to operate at the Airport; (2) fail to use the Designated Areas in accordance with this Agreement; or (3) engage in any conduct that causes harm to the Airport.

In the event an Owner violates the terms of this Agreement, as determined by the MPAD or TURO, TURO will take the following disciplinary actions:

- i. 1st Offense – Verbal warning to Owner
- ii. 2nd Offense – Written warning to Owner requiring the Owner to agree to the full compliance of rules in writing
- iii. 3rd Offense – Owner will be restricted from delivering Vehicles to the Airport

ARTICLE 5: TERM

5.01 Term.

The Initial Term of this Agreement shall start as soon as practicable following ~~on~~ the Commencement Date above and shall remain in effect for a period of one (1) year thereafter, unless otherwise terminated in accordance with the terms of this Agreement.

5.02 Renewal Options.

TURO is hereby granted an option to renew this Agreement for two (2) consecutive additional periods of one (1) year each, subject to the sole discretion and consent of

MPAD; provided that TURO shall notify the MPAD in writing at least thirty (30) days in advance of the end of the then-current Term of TURO's desire to extend the Agreement.

ARTICLE 6: RATES AND FEES

6.01 Concession Fee.

As compensation for TURO's access to the Airport market and for the privileges granted by this Agreement, TURO agrees to pay MPAD a Concession Fee in an amount equal to Six and One-Half Percent (6.50%) of TURO's Gross Receipts, as defined hereunder, derived from its Peer-to-Peer Vehicle Sharing Concession.

6.02 Parking Fees.

In addition to the Concession Fee, Owners and Airport Customers shall pay MPAD the applicable parking fees upon exiting the Designated Areas, in accordance with the established parking rates published on the Airport's website at <https://MontereyAirport.com/Parking>, as adopted by MPAD and as may be amended from time to time.

6.03 Gross Receipts.

As used herein, the term "Gross Receipts" shall mean the total amount actually charged by TURO to its Airport Customers in connection with its Peer-to-Peer Vehicle Sharing Concession, and any additional services or accessories contracted, delivered, or rented, as shown in the Reservation, regardless of where, how (cash, credit, or barter) or by whom the payment is made or where the Vehicle is returned. Such revenues shall be included in Gross Receipts.

Gross Receipts shall include, but are not limited to: all sums paid or payable to TURO for a Trip, and any other fees paid or payable by the Airport Customer to TURO when making the Reservation including: insurance (protection), pre-paid mileage overages, additional bookings (hours or days), pick up or delivery, pre-paid cleaning, pre-paid fuel, electric vehicle (EV) fees, young driver, pets, administrative, commercial hosting, extras (e.g., camping tent, child car safety seat, travel accessories or conveniences, global positioning system (GPS) navigation devices, guaranteed reservations, etc.); credits given to Airport

Customers for out-of-pocket purchases for fuel, oil, emergency services, deposits or other matters, regardless of where such purchases were made; any amount charged by Owner or TURO as a pass-through fee to Airport Customers, service charges, and all other transactions and charges of any nature, including fees, surcharges, and all other charges arising from TURO's Peer-to-Peer Vehicle Sharing Concession under this Agreement, unless expressly excluded by this Agreement.

Gross Receipts shall exclude: (a) the amounts of any federal, state, or municipal sales taxes now or hereafter levied or imposed, which are separately stated and collected from customers of TURO; (b) the amount of any sum received as insurance proceeds or a judicial judgment or settlement to restore damage to automobiles or other property of Owner, or to restore a tangible loss, theft or conversion; (c) the amount of State road tolls and government-issued fines or citations that are (1) paid by TURO and charged back to the Airport Customer or (2) received by TURO as payment on behalf of the Airport Customer; (d) cancellation fees; and (e) any amounts received by TURO from Airport Customers which are fully passed through to Owners such as post-trip reimbursements, smoking fees, excessive cleaning fees, etc.

6.04 Diversion of Gross Receipts.

TURO will not intentionally divert, through direct or indirect means, any of TURO's Peer-to-Peer Vehicle Sharing business with Airport Customers to locations of TURO or affiliates of TURO without including Gross Receipts of such transactions, as defined herein, in TURO's reported Gross Receipts. Any such intentional diversion of Gross Receipts will constitute a breach of this Agreement upon determination by MPAD or its auditors that an intentional diversion exists or has occurred.

6.05 Monthly Reporting and Method of Payment.

Within fifteen (15) calendar days after the close of each calendar month of the Term of this Agreement, TURO will pay MPAD the Concession Fee and also submit to MPAD a statement of its Gross Receipts, in a format with detail satisfactory to MPAD, as shown by example on the attached Exhibit "B." The monthly statement of Gross Receipts should include the following information:

- (a) Details of Gross Receipts for the prior calendar month;
- (b) Separate identification of any exclusions from Gross Receipts as provided herein to calculate Gross Receipts upon which the Concession Fee payments to MPAD are computed;
- (c) Number of Peer-to-Peer Vehicle Sharing transactions with Airport Customers, number of Vehicle use days and average Peer-to-Peer Vehicle Sharing price occurring during the calendar month;
- (d) Number of Peer-to-Peer Vehicle Sharing transaction days during the calendar month with Airport Customers; and
- (e) Signature of authorized official of TURO.

The Concession Fee shall be payable monthly, in arrears and without demand, for the Term of this Agreement. All payments herein, plus any applicable State of California sales tax thereon, shall be paid in lawful money of the United States of America, should be made payable to the “Monterey Peninsula Airport District” and forwarded to:

Monterey Peninsula Airport District
ATTN: Finance Department
200 Fred Kane Dr., #200
Monterey, CA 93940

6.06 Changes in Rates and Fees.

The MPAD may adjust any applicable rates and fees outlined herein. The MPAD shall provide TURO advance written notice of any rate/fee adjustment. If TURO fails to timely pay same, the operating privileges granted hereunder shall automatically terminate or be suspended until paid or at the discretion of the Executive Director.

6.07 Interest on Delinquent Payments.

If TURO is delinquent in payment to MPAD for a period of thirty (30) calendar days or more, TURO shall pay to MPAD interest at a rate of one and one-half percent (1 1/2 %) per month on the delinquent amount from the date such payment was due until full payment plus interest is received by MPAD. In addition to payment of interest for any delinquency, an administrative fee of One Hundred Dollars and Zero Cents (\$100.00) shall also be paid

to MPAD for additional accounting and recording expenses occasioned by such delinquent payment. The foregoing shall not constitute a waiver of any other right or action available to MPAD in the event of default in payments of any amounts due herein.

ARTICLE 7: AUDIT RIGHTS

TURO agrees and covenants that the MPAD, or other authorized designee of the MPAD, may examine any records or accounts pertaining to the commercial activity herein and maintained by TURO. Any such examination shall be allowed at the time specified in a written request for same and shall be conducted during standard business hours (i.e., 9AM – 5PM PST). Failure to allow such reasonable examination shall constitute a material breach of this Agreement and shall be considered a default by TURO, resulting in the termination of operating privileges of this Agreement.

ARTICLE 8: INDEMNIFICATION

TURO hereby waives any claim against the MPAD and the Airport for, but not limited to, loss of anticipated profits, direct or indirect out-of-pocket losses or any other damages of any kind or nature which may be raised by any suit or other proceedings, directly or indirectly, relating to this Agreement, its performance or its termination. TURO agrees to indemnify and hold harmless MPAD from and against all loss or expense (including costs and attorneys' fees) by reason of liability imposed by law upon TURO for damages (including any strict or statutory liability and any liability under Workers' Compensation laws) because of bodily injury, including death, at the time therefrom, sustained by any person or persons, or damage to property, including loss of use thereof, arising out of, or in consequence of, the use of the premises, whether such injuries to person or damage to property is due, or claimed to be due, to the negligence of TURO, its agents, employees, and/or independent contractors, MPAD, its Board Members, officers and employees, except only such injury or damage as shall have been occasioned by the sole negligence or willful misconduct of MPAD.

ARTICLE 9: INSURANCE

TURO shall maintain, at its own expense and at all times during the Term of this Agreement and any renewal options, the insurance coverages and limits required by the State of California or those required by MPAD, whichever provide greater coverage. The required insurance coverage and limits covering TURO's commercial activities and assumed liability are set forth in Exhibit "D," attached hereto.

ARTICLE 10: NO ASSIGNMENT

TURO shall not assign, encumber or otherwise transfer, whether voluntarily or involuntarily or by operation of law, this Agreement, or any right hereunder, without MPAD's prior written consent, which consent may be granted or denied in MPAD's sole and absolute discretion. (The term "Transfer" shall mean any such assignment, encumbrance or transfer.) The consent to one Transfer shall not be deemed consent to any subsequent Transfers. Any Transfer made without MPAD's consent shall constitute a default hereunder and shall be voidable at MPAD's election.

ARTICLE 11: NO EXCLUSIVITY

TURO acknowledges and agrees that it has no exclusive rights to conduct the business described herein, and that Airport has the right, at all times, to arrange with others for similar activities at the Airport.

ARTICLE 12: WAIVER

No waiver by MPAD at any time of any of the terms or conditions of this Agreement, or acquiescence in any breach hereof, shall be deemed a waiver or acquiescence at any time thereafter of the same or of any other terms, conditions, or breach hereof.

ARTICLE 13: DAMAGE TO PREMISES

TURO agrees and covenants to remedy, correct and repair, or pay to MPAD the cost of correction and repair, any and all damage to Airport property caused by TURO, its employees, agents and/or independent contractors, or invitees, upon written notification by MPAD of such damage, or upon written notification by MPAD of the reasonable charges for any labor, materials, engineering services or other cost occasioned thereby, notwithstanding that such written notification may be made after this Agreement terminates, or such damage occurs thereafter.

ARTICLE 14: DEFAULT

Upon failure of TURO to fully perform any covenant or obligation or to comply with any condition of this Agreement, MPAD may notify TURO thereof, in writing, and declare TURO in default hereunder. TURO shall have ten (10) days after receipt of said notice within which the declared default may be cured without prejudice to the privileges of TURO; provided, however, that a failure to pay the Rates and Fees as required herein shall constitute a material breach of this Agreement and shall not require any such notice, or any demand or request. Failure of TURO to cure the default within said period, or pay the Rates and Fees as required, shall constitute grounds for suspension and/or termination.

ARTICLE 15: TERMINATION

Either party may terminate this Agreement, at any time, for any reason, by giving no less than thirty (30) days' prior written notice thereof to the other Party. MPAD may terminate this Agreement and the privileges granted hereunder for whatever reason(s) it deems necessary or advisable, including default as set forth above. TURO may relinquish all its operating privileges by providing written notification as specified in Article 27 herein of such termination or relinquishment at least thirty (30) days prior to the effective date thereof. The Parties agree that any termination or relinquishment exercised pursuant to this article shall not, in and of itself, give rise to any liability or claim for loss or damages of any kind.

ARTICLE 16: RULES AND REGULATIONS

TURO shall observe and obey all the laws, ordinances, rules and regulations of the federal, state, county and municipal governments, which may be applicable to its operations at the Airport. TURO agrees that it will comply with the Airport Minimum Standards and the Airport Rules and Regulations, located on the Airport's website at <http://MontereyAirport.com>, as adopted by the MPAD and as may be amended from time to time.

MPAD may, from time to time, adopt, amend or revise reasonable rules and regulations for the conduct and operations of the Airport, terminal building, airfield, adjacent buildings, parking areas, and other Airport property, for reasons of safety, health, preservation of the property or for maintenance of the good and orderly appearance of the Airport and the property in general. TURO, its employees, agents and representatives, shall faithfully comply with and observe such rules and regulations of which it receives notice, except as they may conflict with regulations of another appropriate governmental authority or as such rule or regulation would deprive TURO of any of the rights hereunder. Further, TURO and its employees, agents and representatives, shall comply with all reasonable requests of the Executive Director or his authorized representatives relating to its operations or activities at the Airport. In the event of conflict between such rules and regulations and the terms hereof, this Agreement shall control.

ARTICLE 17: SECURITY

TURO, its employees, agents and representatives shall comply with security measures contained in the Airport Security Program, as approved by the Transportation Security Administration (TSA). If TURO, its employees, agents or representatives fail or refuse to comply with said measures and such non-compliance results in a monetary penalty being assessed against the MPAD (Department of Aviation), TURO shall be held responsible and shall reimburse MPAD in the full amount of any such monetary penalty. Unless otherwise prohibited or limited by applicable law, MPAD will provide TURO with copies of any notices or other correspondence in this regard.

ARTICLE 18: BAN ON TEXTING WHILE DRIVING

In accordance with Executive Order 13513, “Federal Leadership on Reducing Text Messaging While Driving,” October 1, 2009, and DOT Order 3902.10, “Text Messaging While Driving,” December 30, 2009, text messaging while driving is prohibited in the conduct of any operations provided in connection with this Agreement. TURO will implement workplace safety initiatives and outreach programs to educate employees regarding the risks associated with texting while driving.

ARTICLE 19: CONFORMITY WITH APPLICABLE LAW

TURO agrees and covenants to observe and promptly comply with applicable provisions of any and all Federal and State laws or Special Acts, and all MPAD ordinances, codes or regulations; with authorizations or restrictions; with all applicable Airport Rules and Regulations; and with all policies and procedures or operating directives of the Executive Director issued pursuant thereto.

ARTICLE 20: GOVERNING LAW AND VENUE

This Agreement shall become valid when executed and shall be construed according to the laws of the State of California. Any legal action sought by either Party hereto in connection with this Agreement shall be brought in state or federal courts with jurisdiction over Monterey County, California.

ARTICLE 21: AUTHORITY

TURO represents and warrants that TURO is a duly authorized and existing entity qualified to do business in the State of California, that TURO has full right and authority to enter into this Agreement, and that each and all of the persons signing on behalf of TURO are authorized to do so in compliance with all known State statutes and regulations.

ARTICLE 22: NONDISCRIMINATION

During the performance of this Agreement, TURO agrees to comply with the FAA Civil Rights and Nondiscrimination Requirements set forth in Exhibit “E,” attached hereto and incorporated by reference.

ARTICLE 23: FEDERAL GOVERNMENT AGREEMENTS

This Agreement shall be subordinate to the provisions of any existing or future agreement between MPAD and the United States of America relative to the operation and maintenance of the Airport.

ARTICLE 24: FEDERAL GOVERNMENT’S EMERGENCY CLAUSE

All provisions of this Agreement shall be subordinate to the rights of the United States of America to operate at the Airport or any part thereof during time of war or national emergency, and such rights shall supersede any provisions of this Agreement inconsistent with the operations of this Airport by the United States of America.

ARTICLE 25: AMENDMENTS

All duties, obligations, and liabilities of MPAD and TURO, with respect to the privileges granted, are expressly set forth herein and this Agreement can only be modified or amended by a written instrument executed by MPAD and TURO, except as provided for herein. In the event that changes to the exhibits are made by mutual written agreement to reflect changes in the Designated Areas, rates and fees, insurance requirements or other changes which do not alter the provisions of this Agreement, then said revised exhibits may be substituted herein without necessity for formal amendment.

ARTICLE 26: COMPLIANCE WITH PUBLIC RECORDS LAW

TURO acknowledges that the MPAD is a governmental entity subject to the California Public Records Act, as governed by California Government Code section 6250, et seq. The Parties further acknowledge that the information, materials or documents provided to MPAD by TURO may be “public records” and, as such, may be subject to disclosure to, and copying by, the public unless otherwise specifically exempt by statute.

ARTICLE 27: NOTICES

All notices, requests, consents, and approvals under this Agreement shall be served or given by certified or registered mail or electronically through email, except in cases of dispute, in which case they shall be confirmed by certified or registered mail; and, if intended for TURO, shall be served upon it at:

Turo Inc.
Attn: Legal - Airports
111 Sutter Street, 12th Floor
San Francisco, CA 94104

Provided, however, that TURO shall give notice in writing to MPAD of any change in address, then in such event, such notice shall be given to MPAD at such substituted address.

Any notice permitted or required to be served upon MPAD shall be served upon it at:

Monterey Peninsula Airport District
Attn: Executive Director
200 Fred Kane Dr., #200
Monterey, CA 93940
Mike@MontereyAirport.com

IN WITNESS WHEREOF, MPAD has caused this Agreement to be executed by and through its authorized officers, has accepted and shall meet and fully discharge the conditions, terms and covenants set forth hereinabove, and TURO has caused the same to be executed by its appropriate and authorized officer.

**MONTEREY PENINSULA
AIRPORT DISTRICT**

TURO, INC.

By: _____
Carl Miller, Chair

By: _____
Alex Benn
Its: President

APPROVED AS TO FORM:

By: _____
Scott E. Huber, District Counsel

Exhibit "A"
Designated Parking Area – Upper Short Term Parking and Long Term Parking



EXHIBIT B
MONTHLY REPORT

Turo Inc.
Monterey Regional Airport
Peer-to-Peer Vehicle Sharing Services Report

Monthly Detail

FY 2022	Gross Revenue	Specific Exclusions	Reportable Revenue	Fees Due (10% of Reportable Revenue)
[Month]	(\$ -)	(\$ -)	(\$ -)	(\$ -)
Total	(\$ -)	(\$ -)	(\$ -)	(\$ -)

Transaction Detail

Trip Start (Date/Time)	Trip End (Date/Time)	Reservation ID	Reservation Created (Date/Time)	Invoice ID	Invoice Created (Date/Time)	Owner ID	License Plate Number	Trip Revenue	Other Charges	Total Gross Revenue	Specific Exclusions	Reportable Revenue	Permit Fee @ 6.510%	Comments
									(\$ -)	(\$ -)	(\$ -)	(\$ -)	(\$ -)	(\$ -)

Unique Shared Car Owner IDs at Airport

Authorized Signature _____ Date _____

Exhibit “C”
Procedures for Entering and Exiting the Designated Areas

*The Designated Areas pertain specifically to Short-Term Parking at the Airport. Owners may not leave Vehicle in Long-Term or Overflow parking areas.

Owner Leaving Vehicle in the Designated Areas:

- Owner pulls a parking ticket from the ticket dispenser and enters the Designated Areas.
- Owner parks the Vehicle in any available space in the Designated Areas, leaving the parking ticket in the Vehicle for the Airport Customer.

Airport Customer Picking Up Vehicle from the Designated Areas:

- Airport Customer retrieves Vehicle and exits the Designated Areas.
- Airport Customer proceeds to the exit and pays the requisite parking fees.

Airport Customer Returning Vehicle to the Designated Areas:

- Airport Customer pulls a parking ticket from the ticket dispenser and enters the Designated Areas.
- Airport Customer parks the Vehicle in any available space in the Designated Areas, leaving the parking ticket in the Vehicle for the Owner.

Owner Picking Up Vehicle from the Designated Areas:

- Owner retrieves Vehicle and exits the Designated Areas.
- Owner proceeds to the exit and pays the requisite parking fees.

Exhibit “D” Insurance Requirements

TURO shall obtain and maintain at all times during its performance of this Agreement, insurance of the types and amounts set forth hereunder. All insurance policies shall be from companies authorized to do business in the State of California and have an AM Best rating of A- VIII or better.

- a) Within ten (10) days prior to commencement of operations, TURO shall mail certificate that is compliant with the insurance requirements to:

Monterey Peninsula Airport District
Attn: Executive Director
200 Fred Kane Dr., #200
Monterey, CA 93940

The Certificate(s) of Insurance shall be signed by authorized representatives of the insurance companies shown on the certificates. **A copy of the endorsement(s) referenced below for Additional Insured shall be attached to the certificate(s) referenced in this paragraph.**

- b) Approval by MPAD of any Certificate(s) of Insurance does not constitute verification by MPAD that the insurance requirements have been satisfied or that the insurance policy shown on the Certificate(s) of Insurance is in compliance with the requirements of this Agreement.
- c) All policies providing liability coverage(s), other than professional liability and workers' compensation policies, obtained by TURO and any sub-contractors to meet the requirements of this Agreement shall be endorsed to include the “Monterey Peninsula Airport District” as Additional Insured.
- d) TURO shall also notify MPAD within twenty-four (24) hours after receipt, of any notices of expiration, cancellation, non-renewal or adverse material change in coverage received by TURO from its insurer. Notice shall be given by certified mail to:

Monterey Peninsula Airport District
Attn: Executive Director
200 Fred Kane Dr., #200
Monterey, CA 93940
Mike@MontereyAirport.com

Nothing contained herein shall absolve TURO of this requirement to provide notice. If TURO fails to maintain the insurance coverages required herein, the MPAD may terminate this Agreement.

- e) Each insurance policy and/or certificate shall include the following terms and/or conditions:
- (1) The Named Insured on the Certificate of Insurance and insurance policy must match the entity's name that is signing this Agreement with the MPAD. If TURO is a Joint Venture, the Certificate of Insurance and Named Insured must show Joint Venture Legal Entity name, and the Joint Venture must comply with the insurance requirements with regard to limits, terms and conditions, including completed operations coverage.

- (2) Companies issuing the insurance policy, or policies pursuant to these requirements, shall have no recourse against MPAD for payment of any premiums or the assessments of any deductibles which are the sole responsibility and risk of TURO.
- (3) The policy clause "Other Insurance" shall not apply to any insurance coverage currently held by MPAD or any such future coverage, or to MPAD's Self-Insured Retentions of whatever nature.
- (4) All policies shall be written on a primary, non-contributory basis.
- (5) Insurance policies, other than Professional Liability, shall include waivers of subrogation in favor of MPAD from both TURO and any sub-contracted Provider(s) if sub-contractors are permitted under this Agreement.
- (f) The minimum insurance requirements and limits for this Agreement, which shall remain in effect throughout its duration are as follows:

- (1) Commercial General Liability Insurance including, but not limited to, Independent Contractor, Contractual Liability Premises/Operations, Products/Completed Operation and Personal Injury covering liability assumed under indemnification provisions of this Agreement.

Limits	
Combined Single Limit Per Occurrence	\$1,000,000
Products/Completed Operations Aggregate	\$2,000,000
General Aggregate	\$2,000,000

- (2) Business Automobile or Truckers' Liability Insurance covering owned, hired, and non-owned vehicles. If TURO does not own any vehicles, then evidence of Hired or Non-Owned coverage is sufficient. Coverage shall be on an "occurrence" basis, such insurance to include coverage for loading and unloading hazards, unless TURO can show that this coverage exists under the Commercial General Liability policy.

Limits	
Per Accident	\$1,000,000

- (g) TURO shall provide notice of any and all claims, accidents, and any other occurrences associated with this Agreement to any relevant insurer and the MPAD's Risk Management Office, as soon as practical.

Exhibit “E”
FAA Civil Rights and Nondiscrimination Requirements

1. **GENERAL CIVIL RIGHTS PROVISIONS.** The Contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability, be excluded from participating in any activity conducted with or benefitting from Federal assistance.
2. **COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS.** During the performance of this contract, the Contractor, for itself, its assignees and successors in interest (hereinafter referred to as the “Contractor”) agrees as follows:
 - a. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities included hereunder, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
 - b. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Act and Authorities, including employment practices when the contract covers any activity, project or program set forth in Appendix B of 49 CFR Part 21.
 - c. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the Contractor’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color or national origin.
 - d. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration (“FAA”) to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the sponsor or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

- e. **Sanctions for Noncompliance:** In the event of a Contractor's noncompliance with the Nondiscrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:
 - i. Withholding payments to the Contractor until the Contractor complies; and/or
 - ii. Cancelling, terminating, or suspending a contract, in whole or in part.
- f. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs a.) through f.) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor or supplier because of such direction, the Contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this contract, the Contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following nondiscrimination statutes and authorities; including, but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR Part 21 (Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age of Discrimination Act of 1975, as amended (42 U.S.C. § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 U.S.C. § 471, Section 47123), as amended (prohibits discrimination on the basis of race, creed, color, national origin or sex);

- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age of Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally-funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 CFR Parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency (“LEP”), and resulting agency guidance, national origin discrimination includes discrimination on the basis of LEP. To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087-74100); and
- Title IX of Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in education programs or activities (20 U.S.C. 1681 *et seq.*)

AGENDA ITEM: G-5
DATE: September 27, 2022

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, Executive Director
SUBJ: Approve an Amendment to the Professional Service Agreement with Granite Drilling Company Inc.

BACKGROUND. On January 19, 2022, the Board adopted Resolution No. 1812 that approved the Professional Service Agreement with Granite Drilling Company Inc. for well construction and destruction at two Airport property locations: 2801 Monterey Salinas Highway property and 2999 Monterey Salinas Highway.

Permit applications for destruction and replacement were approved by the Monterey County Health Department; Well Construction Permit 21-13533 for 2999 Monterey-Salinas Highway was approved in November 2021; and Well Construction Permit 21-13534 for 2801 Monterey-Salinas Highway was approved in December 2021.

DISCUSSION. The FY2023 Capital Budget includes a project for evaluation of a Water Distribution System.

Granite Drilling Company Inc. completed the well construction/destruction in May through June 2022. Monterey County Health Department post construction requirements include a capacity test be completed between September and December. This test will provide a determination of the amount of water that can be drawn annually from each well location.

The initial phase of the Agreement with Granite Drilling was to complete the well construction/destruction. During the construction the initial water capacity and well depth that was achieved provided a use estimate. This combined information determined the well pump size necessary to complete the capacity testing. At the 2801 location, due to the volume of water provided during construction and power availability at that site, the test work will include a permanent pump installation for future use of the non-potable water. At the 2999 property location the test will include a temporary test pump. Once the capacity test is completed at this location the permanent pump size can then be determined and a power source can be installed.

The Granite Drilling Company Inc. contract amendment cost for capacity test and pump installation are as follows:

2801 Monterey Salinas Highway – estimate 1044	
• Drill up-to 800-foot, 5" water well	\$48,985.00
2999 Monterey Salinas Highway – estimate 1045	
• Drill up-to 800-foot, 5" water well	\$15,200.00
TOTAL PROPOSAL	\$64,185.00

Once the above test requirements are complete and the capacity is determined, staff will bring a proposal for Board consideration for the design and use of the water distribution system.

Staff recommendation is that the Board approve the expenditure as provided in the Proposal from Granite Drilling Company Inc. in an amount not-to-exceed \$64,185.00 and authorize the Executive Director to execute the purchase order.

SOURCE OF FUNDS. The project is included in the FY2023 CIP Budget as a Financed Capital project using CFC funds.

IMPACT ON REVENUES. None.

SCHEDULE. The timing of the well capacity testing is schedule between September 28 through October 7, 2022.

IMPACT ON OPERATIONS. The project team will work with the tenants, but minimal interruptions are anticipated.

RECOMMENDATION. Approve an Amendment to the Professional Service Agreement with Granite Drilling Company Inc. for the Expenditure of \$64,185.00.

ATTACHMENTS.

Granite Drilling Company, Inc. Estimate 1044
Granite Drilling Company, Inc. Estimate 1045



PO Box 6038
Salinas, CA 93912
(831) 751-6300

ADDRESS

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

ESTIMATE

1044

DATE

09/07/2022

JOB:

Pump Installation

JOB LOCATION:

2801 Monterey-Salinas Hwy

DESCRIPTION	AMOUNT
Fenton & Keller Permanent Pump Installation	
Grundfos Pump and Motor: 62GPM, 24 Stage, 10HP, 460V, 3PH	10,098.00
660' of 2" SCH120 Deep Set with stainless couplings	9,240.00
665' of #10/3 with ground submersible pump wire & splice kits	3,250.00
660 ' of 1" sounding tube	990.00
Torque arrestor and stainless safety cable	850.00
10'x2" Well Seal with vent	540.00
(3) 2" Check Valves	540.00
Stainless Plumbing: 2" Tee, 2"x2" Nipple, 2" Union, 2" Pipe Plug, (2) 2"x12" Nipple, Sample Valve	780.00
2" Stainless Water Meter with plumbing and pipe stand	1,950.00
Control Panel Backboard	550.00
Yaskawa iQmicro 480V, 17.5A An4x, Service disconnect with fuse cart	4,997.00
Pump rig time and labor for shop assembly, pump installation, wiring the drive to the pump and motor, program the drive	12,500.00
Generator Rental for the 72 hour pump test. 25 KVA, 460 Volt, 3 Phase	2,700.00
<hr/>	
TOTAL	\$48,985.00

Accepted By

Accepted Date



PO Box 6038
Salinas, CA 93912
(831) 751-6300

ADDRESS

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

ESTIMATE

1045

DATE

09/07/2022

JOB:

Temporary pump installation

JOB LOCATION:

29999 Monterey-Salinas Hwy

DESCRIPTION	AMOUNT
Temporary Pump Installation at 29999 Monterey-Salinas Hwy (Tarp's Well Site)	
Installation of temporary test pump (1 day- Pump rig with a two man crew)	5,000.00
Pump Equipment Rental (Pump, motor, controller, pipe, wire, sounding tube) 40 gpm, 10 hp., 3 Ph, 460 V pump and motor	2,500.00
Generator with fuel for the 72 hr. pump test (25 kva, 460 Volt, 3 Phase)	2,700.00
Removal of test pump and equipment (1 day - Pump rig with two man crew)	5,000.00
<hr/>	
TOTAL	\$15,200.00

Accepted By

Accepted Date

AGENDA ITEM: G-6
DATE: September 27, 2022

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, A.A.E., Executive Director
SUBJ: Resolution No. 1830, A Resolution Authorizing and Approving the Creation of the Position of Controller and Amending the Fiscal Year 2023 Salary Schedule as Approved June 15, 2022 by Resolution No. 1822, Listing Salary Ranges for the Monterey Peninsula Airport District

BACKGROUND. Prior to the retirement of the former Deputy Executive Director, Administration and Finance, on September 15, 2022, the organizational structure of the Monterey Peninsula Airport District included two Deputy Director positions. With the retirement of the Deputy Executive Director, Administration and Finance, there is an opportunity to streamline the highest level of the management team going forward.

When the Deputy Executive Director, Administration and Finance, job description was created it was contemplated that position would include duties outside of Finance. Those duties were never assigned. Therefore, it is Staff's recommendation that the position of "Deputy Executive Director, Administration and Finance" be eliminated, and the position of "Controller" be created to manage the day-to-day operations of the accounting and finance departments, and the Human Resources services contract. This position will, under the direction of the Executive Director, perform a full range of financial functions and services to the organization including financial management, analysis, budgeting, accounting, and monthly reconciliation. The position is responsible for ensuring the policies and objectives of the Finance Department are maintained. The Controller would report to the Executive Director.

Pursuant to Government Code, the Board is required to annually approve the salary schedule listing the various salary ranges for District employees. On June 15, 2022 the Board approved Resolution No. 1822, A Resolution Authorizing and Approving the Fiscal Year 2023 Salary Schedule, Listing Salary Ranges for the Monterey Peninsula Airport District, which is still in effect. With the Board approval of the creation of the Controller position, the salary range for the Controller would be incorporated in the Amended Fiscal Year 2023 Salary Schedule.

SCOPE. Create a full-time Controller position and amend the Fiscal Year 2023 Salary Schedule to incorporate the position.

IMPACT ON OPERATING EXPENSE. The salary range for the Controller is incorporated in the Amended Fiscal Year 2023 Salary Schedule. Subject to Board approval, the former Deputy Executive Director, Administration and Finance, may work on a part-time temporary assignment as needed until the position of Controller is filled and trained. The Controller position will replace the Deputy Executive Director position once filled and trained. The starting salary of the Controller has not yet been determined and will depend on market demands. However, it is anticipated there will be savings as compared to budget. The potential amount of savings will depend upon

the exact starting salary of the Controller and the scope and duration of the Deputy Executive Director part-time temporary assignment.

The Fiscal Year 2023 Salary Schedule will be further amended to remove the position of Deputy Executive Director, Administration and Finance once the temporary assistance is no longer needed.

RECOMMENDATION. Adopt Resolution No. 1830, A Resolution Authorizing and Approving the creation of the position of Controller and Amending the Fiscal Year 2023 Salary Schedule listing Salary Ranges for the Monterey Peninsula Airport District.

ATTACHMENTS.

Resolution No. 1830

FY 2023 Salary Schedule, as Amended

FY 2023 Monterey Regional Airport Updated Organization Chart

Controller Job Description

RESOLUTION NO. 1830

A RESOLUTION AUTHORIZING AND APPROVING THE CREATION OF THE POSITION OF CONTROLLER AND AMENDING THE FISCAL YEAR 2023 SALARY SCHEDULE LISTING SALARY RANGES FOR THE MONTEREY PENINSULA AIRPORT DISTRICT

WHEREAS, on September 15, 2022 the Deputy Executive Director, Finance & Administration, of the Monterey Peninsula Airport District (District) retired.

WHEREAS, the District has created the position of Controller to fill the vacancy created by the retirement of the Deputy Executive Director, Finance & Administration.

WHEREAS, pursuant to Government Code, on June 15, 2022 the Board approved Resolution No. 1822, A Resolution Authorizing and Approving the Fiscal Year 2023 Salary Schedule, Listing Salary Ranges for the Monterey Peninsula Airport District, which is still in effect.

WHEREAS, the salary range for the Controller is incorporated in the Amended Fiscal Year 2023 Salary Schedule.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: That the position of Controller is hereby created and compensation of all employees of the Monterey Peninsula Airport District as set forth and prescribed in the FY 2023 Salary Schedule Listing Salary Ranges as amended is hereby approved and adopted. A copy of said schedule is attached hereto and made a part of by reference as though the same were set forth in full herein.

AND BE IT FURTHER RESOLVED: That there be filed in the office of said District, said Salary Schedule in accordance with and designated "Monterey Peninsula Airport District Fiscal Year 2023 Salary Schedule" listing salary ranges.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 27th day of September 2022 by the following roll call vote:

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

Signed this 27th day of September 2022

Carl M. Miller, Chair

A T T E S T

Michael La Pier, A.A.E.
District Secretary

**MONTEREY PENINSULA AIRPORT DISTRICT
FISCAL YEAR 2023 SALARY SCHEDULE**

Adopted June 15, 2022 by Resolution No. 1822, As Amended by Resolution No. 1830, September 27, 2022

EFFECTIVE: July 1, 2022

PER CONTRACT

EXECUTIVE DIRECTOR	ANNUAL	193,000
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Position Titles	FY 2023 Salary Ranges	
	Min	Max
DEPUTY EXECUTIVE DIRECTOR - ADMINISTRATION AND FINANCE	ANNUAL 128,606 PER MONTH 10,717 PER HOUR 61.83	158,090 13,174 76.00
CONTROLLER ADMINISTRATION AND FINANCE	ANNUAL 118,606 PER MONTH 9,884 PER HOUR 57.02	148,090 12,341 71.20
DEPUTY DIRECTOR - STRATEGY AND DEVELOPMENT	ANNUAL 105,692 PER MONTH 8,808 PER HOUR 50.81	136,708 11,392 65.72
SUPERINTENDENT OF FIELD OPERATIONS	ANNUAL 96,000 PER MONTH 8,000 PER HOUR 46.15	110,000 9,167 52.88
OPERATIONS MANAGER	ANNUAL 64,952 PER MONTH 5,413 PER HOUR 31.23	93,943 7,829 45.16
PROJECT MANAGER	ANNUAL 59,034 PER MONTH 4,919 PER HOUR 28.38	93,943 7,829 45.16
FINANCIAL ACCOUNTANT	ANNUAL 60,345 PER MONTH 5,029 PER HOUR 29.01	93,943 7,829 45.16
ACCOUNTING SPECIALIST	ANNUAL 51,355 PER MONTH 4,280 PER HOUR 24.69	77,367 6,447 37.20
SENIOR EXECUTIVE ASSISTANT	ANNUAL 60,345 PER MONTH 5,029 PER HOUR 29.01	93,943 7,829 45.16
EXECUTIVE ASSISTANT	ANNUAL 50,681 PER MONTH 4,223 PER HOUR 24.37	76,344 6,362 36.70
PUBLIC RELATIONS SPECIALIST	ANNUAL 71,000 PER MONTH 5,917 PER HOUR 34.13	88,000 7,333 42.31
PROPERTY SPECIALIST	ANNUAL 60,345 PER MONTH 5,029 PER HOUR 29.01	93,943 7,829 45.16
SOCIAL MEDIA SPECIALIST	ANNUAL 66,000 PER MONTH 5,500 PER HOUR 31.73	84,200 7,017 40.48
MAINTENANCE MANAGER	ANNUAL 74,616 PER MONTH 6,218 PER HOUR 35.87	105,647 8,804 50.79
MAINTENANCE LEAD WORKER	ANNUAL 53,704 PER MONTH 4,475 PER HOUR 25.82	75,867 6,322 36.47

**MONTEREY PENINSULA AIRPORT DISTRICT
FISCAL YEAR 2023 SALARY SCHEDULE**

Adopted June 15, 2022 by Resolution No. 1822, As Amended by Resolution No. 1830, September 27, 2022

Position Titles	FY 2023 Salary Ranges	
	Min	Max
MAINTENANCE WORKER	ANNUAL	43,511
	PER MONTH	3,626
	PER HOUR	20.92
CUSTODIAN	ANNUAL	37,208
	PER MONTH	3,101
	PER HOUR	17.89

HOURLY WAGE FOR PART-TIME (NO BENEFITS)

None

NOTE 1: INDICATED SALARY RATES DO NOT INCLUDE PAGER/IMMEDIATE RESPONSE PAY FOR MAINTENANCE/CUSTODIAL POSITIONS.

PAGER PAY: \$200 per week to the individual responsible for pager/immediate response.

NOTE 2: INDICATED SALARY RATES DO NOT INCLUDE AUTOMOBILE ALLOWANCES FOR EXECUTIVE MANAGEMENT POSITIONS.

AUTO ALLOWANCE: \$750 per month to Executive Director.

NOTE 3: INDICATED SALARY RATES DO NOT INCLUDE TECHNOLOGY ALLOWANCE FOR EXECUTIVE DIRECTOR.

TECHNOLOGY ALLOWANCE: \$200 per month to Executive Director.

NOTE 4: INDICATED SALARY RATES DO NOT INCLUDE HEALTH AND WELLNESS ALLOWANCE FOR EXECUTIVE DIRECTOR.

HEALTH AND WELLNESS ALLOWANCE: \$412 per month to Executive Director.

NOTE 5: INDICATED SALARY RATES DO NOT INCLUDE COMPENSATION FOR THE BOARD OF DIRECTORS.

DIRECTOR COMPENSATION: \$105 per meeting/day of service; not to exceed \$630 per month.

JOB DESCRIPTION

JOB CLASSIFICATION: Controller
JOB TITLE: Controller
REPORTS TO: Executive Director
APPROVED BY: PENDING JOB CREATION

DEPARTMENT: Finance & Admin.
EXEMPT: Yes
APPROVED DATE:
REVISED: August 18, 2022 DRAFT

JOB SUMMARY: As directed by the Executive Director, the Controller directs a full range of financial functions and services to the organization including financial management, analysis, budgeting, accounting, and monthly reconciliation. The position is responsible for ensuring the policies and objectives of the Finance Department are maintained.

ESSENTIAL DUTIES AND RESPONSIBILITIES: The following duties are performed personally or through subordinate staff. Other duties may be assigned.

FINANCE AND BUDGET FUNCTIONS

- Direct and coordinate daily operations of accounts receivable/payable, budget, payroll, and human resource functions.
- Assure that Airport District funds are managed and accounted for in accordance with budget and current federal and state regulations.
- Prepare, review, and interpret monthly financial statements, including budget variance analysis in a timely manner.
- Maintain and refine accounting and financial reporting systems to track expenditures against budget.
- Lead the accounting division in developing and implementing policies, procedures, and systems for optimal accounting/financial management, AIP (Airport Improvement Programs), and PFC (Passenger Facility Charge) program.
- Maintain and manage the systems necessary for effective and efficient budget preparation that includes departmental operating manager budget input; refine budget data as needed to accommodate a fluid process.
- Coordinate budget activities, develop procedures, set budget calendar, and present budget recommendations to the Executive Director.
- Ensure that the District's annual budget is prepared and submitted to the Executive Director and Board of Directors for approval each year.
- Interpret and administer financial components of Airline Use and Rental Car Agreements and other revenue producing contracts and agreements. Insures proper debt management and debt service coverage. Prepare ongoing cash flow analysis and forecasts.
- Ensure optimum return on Airport District funds. Recommend placement of funds in accordance with Airport District investment policy and interact on a regular basis with the appropriate investment advisors under the direction of the Executive Director.
- Coordinate annual District audit by compiling requested information, producing reports, and responding to auditor's inquiries, collating the final audit information into document form, and completing government required audit report. Implement any changes recommended by auditors and accepted by the District.
- Direct, supervise, delegate, hire, counsel, recommend separation, and conduct performance

evaluations for Finance personnel.

- Oversee staff's activities ensuring compliance with all Airport policies, laws, TSA, State and FAA regulations.
- Prepare department long and short-term goals and objectives and develop and recommend policies and resolutions for Executive Director approval.
- Approve all payrolls for payment and develop and implement internal controls for Airport property, cash, and equipment.
- Prepare reports and documents related to bonds and contractual obligations.
- Perform special cost studies and other projects as assigned by the Executive Director.

ADMINISTRATIVE FUNCTIONS

- Attend all regular Monterey Peninsula Airport District (MPAD) Board meetings and make oral and written reports to the Board as assigned by the Executive Director.
- Ensure compliance with organizational and departmental policies and procedures.
- Remain informed about and responsive to current and pending legislation and regulations and overall trends affecting the Airport District.
- Develop and maintain a liaison with outside professional providers (legal, accounting, outside auditors, insurance agencies, lending institutions, and otherwise) to MPAD. Recommend contract agreements for outside professional services for Board approval.
- Responsible for insurance programs, selection of qualified brokers, and policy review maintaining effective rates for property, fire, E&O, liability, medical, and dental.
- Develop insurance criteria for contracts and tenants.
- Manage and monitor risk exposure.
- Coordinate and manage Human Resource functions with outside HR Services contractor.
- May act as Administrative Officer in Executive Director's absence, as designated.

QUALIFICATION REQUIREMENTS: To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. Requirements listed below are representative of the knowledge, skill and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

EDUCATION AND/OR EXPERIENCE

- Bachelor's degree in Business Administration with concentration in accounting or finance, or a field closely related to the duties and intent of this position. CPA required. Audit experience preferred.
- Previous experience as a senior finance manager in aviation, corporate, or public setting and demonstrated background of increasingly responsible management and financial experience. Knowledge of and experience with the concepts of airport finance preferred.
- Must have competency and experience in Microsoft Windows applications including spreadsheets, financial analysis, and data base development and forecasting.

FINANCE /ACCOUNTING SKILLS

- Have a thorough knowledge of Generally Accepted Accounting Principles (GAAP), Government Accounting Standards Board (GASB) and Finance Accounting Standards Board (FASB) pronouncements and reporting standards.

- Must be knowledgeable of principles of governmental accounting, including budgeting, cost reporting, taxation, reimbursement coding, etc.
- Must be knowledgeable in auditing principles and practices.
- Ability to prepare and present accurate and reliable reports containing findings and recommendations.
- Must be knowledgeable of accounting laws, regulations, and guidelines.
- Must possess the ability to seek out new accounting methods and principles and be willing to incorporate them into existing accounting practices.
- Must have the ability to apply mathematical concepts such as probability and statistical inference; to apply concepts such as fractions, percentages, ratios, and proportions to practical situations, and to apply basic concepts of algebra and geometry.

LANGUAGE /COMMUNICATION SKILLS

- Ability to read, analyze, and interpret common technical journals, financial reports, and legal documents.
- Knowledge of general management principles, personnel administration and training, and federal, state, and local employment laws.
- Ability to effectively present information to, and communicate with, Board Members, department managers, employees, public groups, regulatory agencies, and others.
- Practices effective leadership and supervisory skills which foster consensus and cooperation within the Airport District.
- Possess exceptional written and verbal communication skills, including accurate grammar and business correspondence knowledge.

OTHER SKILLS AND ABILITIES

- Ability to define problems, collect data, establish facts, and draw valid conclusions.
- Ability to make sound independent decisions when circumstances warrant such action.
- Ability to plan, set goals, communicate effectively with staff, stakeholders, and Executive Director.
- Strong leadership and management skills with ability to lead by example, train, mentor and supervise staff.
- Professional business savvy.
- Ability to successfully negotiate contracts and agreements.
- Ability to collaborate with other departments.
- Strong interpersonal and customer relationship skills.
- Ability to manage multiple priorities, projects, and tasks.
- Excellent communication, problem solving, and decision-making skills
- Even tempered and able to adjust to tasks in accordance with changing deadlines and priorities.
- Able to establish and maintain cooperative working relationships both within and among other departments.
- Skilled in the principles of effective supervision and training.
- A neat, professional appearance.

PHYSICAL DEMANDS AND WORK ENVIRONMENT: The physical demands and work environment described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

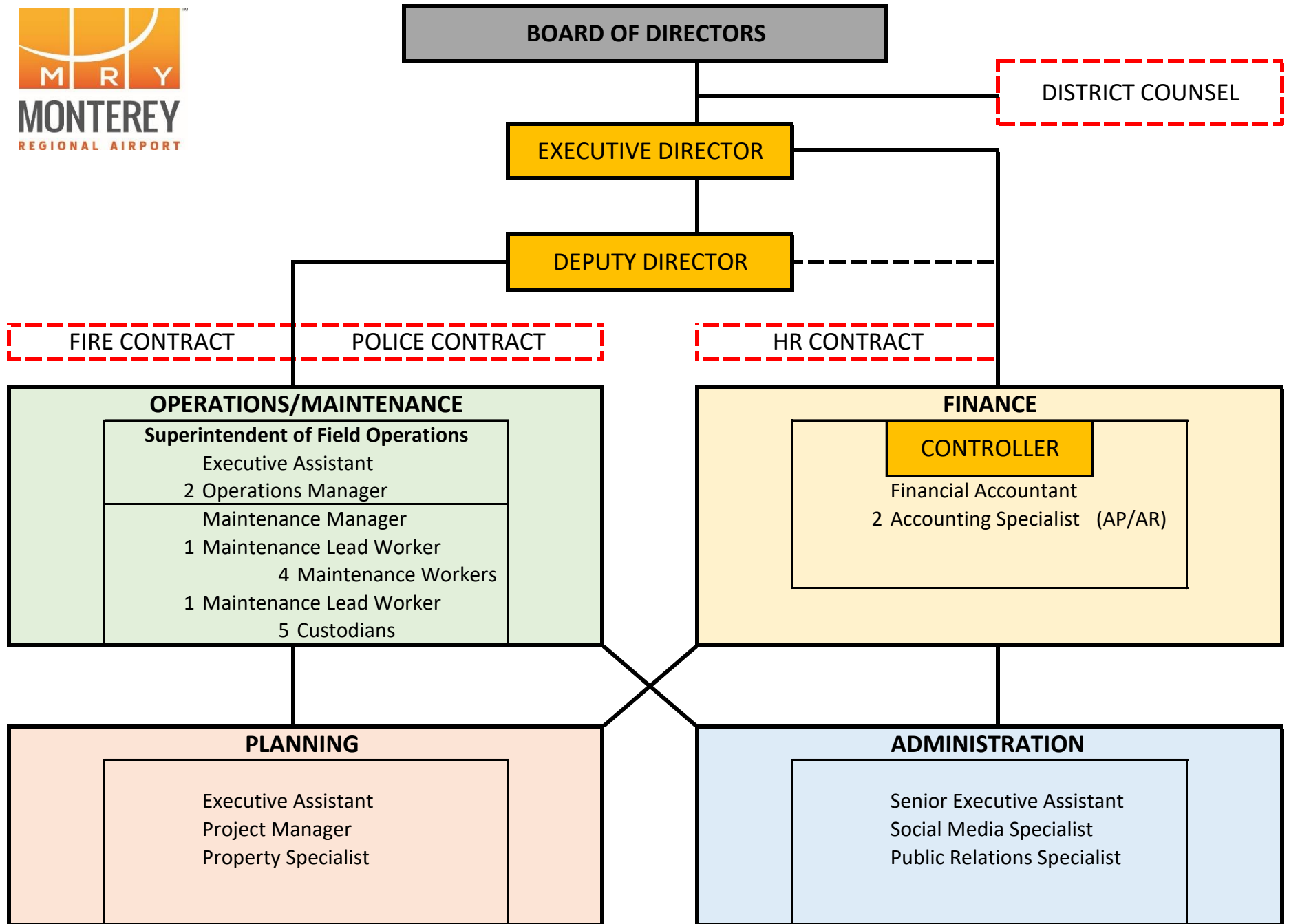
- While performing the duties of this job, the employee is regularly required to talk or hear. The employee frequently is required to walk and sit. The employee is occasionally required to stand; use hands to

- finger, handle, or feel objects, tools, or controls; stoop, kneel, crouch, or crawl; and taste or smell.
- The employee must occasionally lift and/or move up to 40 pounds, but regularly lifts or pushes items weighing 5-10 pounds.
- Specific vision abilities required by this job include close vision, distance vision, peripheral vision, and color vision.
- The noise level in the work environment is moderate.
- Able to sit for most of the day.

SPECIAL REQUIREMENTS: Prior to employment, applicant must complete and/or provide all of the following:

- Successful completion of a background investigation.
- Proof of eligibility to legally work in the United States.
- Possess a valid California Motor Vehicle Driver's License and be insurable by the District's insurance provider at the standard rate.
- Pass the District's physical examination, including pre-employment drug testing, in accordance with District's drug/substance abuse policy.

ORGANIZATIONAL CHART FY 2023 (Revised)



Contracted Service

Management

RESOLUTION NO. 1831

A RESOLUTION FOR 180-DAY WAIT PERIOD EXCEPTION PURSUANT TO GOVERNMENT CODE SECTIONS 7522.56 AND 21221(H)

WHEREAS, in compliance with Government (Gov.) Code section 7522.56 of the Public Employees' Retirement Law, the Board of Directors of the Monterey Peninsula Airport District must provide CalPERS this certification resolution when hiring a retiree before 180 days has passed since their retirement date; and

WHEREAS, Tim Bergholz (CalPERS ID 2185931510) retired from Monterey Peninsula Airport District in the position of Deputy Executive Director Finance and Administration, effective September 15, 2022; and

WHEREAS, Gov. Code section 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date, which is March 15, 2023 without this certification resolution; and

WHEREAS, Gov. Code section 7522.56 provides that this exception to the 180-day wait period shall not apply if the retiree accepts any retirement-related incentive; and

WHEREAS, the Board of Directors, the Monterey Peninsula Airport District, and Tim Bergholz certify that Tim Bergholz has not and will not receive a Golden Handshake or any other retirement-related incentive; and

WHEREAS, an appointment under Gov. Code section 21221(h) requires the retiree is appointed into the interim appointment during recruitment for a permanent appointment; and

WHEREAS, the governing body has authorized the search for a permanent appointment on September 15, 2022; and

WHEREAS, the Board of Directors of the Monterey Peninsula Airport District hereby appoints Tim Bergholz as an interim appointment retired annuitant to the vacant position of Deputy Executive Director Finance and Administration for the Monterey Peninsula Airport District under Gov. Code section 21221(h), effective September 28, 2022; and

WHEREAS, this Gov. Code section 21221(h) appointment shall only be made once and therefore will end on or before March 27, 2023; and

WHEREAS, no matters, issues, terms or conditions related to this employment and appointment have been or will be placed on a consent calendar; and

WHEREAS, the employment shall be limited to 960 hours per fiscal year for all CalPERS employers; and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

WHEREAS, the maximum base salary for this position is \$13,174.00 and the hourly equivalent is \$76.00, and the minimum base salary for this position is \$10,717.00 and the hourly equivalent is \$61.83; and

WHEREAS, the hourly rate paid to Tim Bergholz will be \$70.03; and

WHEREAS, Tim Bergholz has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to this hourly pay rate; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED THAT the Board of Directors hereby certifies the nature of the employment of Tim Bergholz as described herein and that this appointment is necessary to fill the critically needed position of Deputy Executive Director Finance and Administration for the Monterey Peninsula Airport District by September 28, 2022 because the position is critical to the day to day fiscal operations and the long term health and well-being of the Monterey Peninsula Airport District.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 27th day of September 2022, by the following roll call vote:

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

Signed this 27th day of September 2022

Carl Miller, Chair

A T T E S T

Michael La Pier, A.A.E.
District Secretary

**PROFESSIONAL SERVICE AGREEMENT BETWEEN MONTEREY PENINSULA AIRPORT
DISTRICT AND BARRETT BUSINESS SERVICES, INC. FOR HUMAN RESOURCE
SERVICES**

This Professional Services Agreement ("Agreement") for human resource services is made and effective as of _____, 2022 between the Monterey Peninsula Airport District, a California special district ("District") and Barrett Business Services, Inc. ("BBSI"), a Maryland corporation ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

I. TERM

This Agreement shall commence upon full execution by the Parties and shall remain and continue in effect through June 30, 2023 ("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 thirty (30) 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.

II. SCOPE OF SERVICES

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. To the extent that Exhibit A is a proposal from Consultant, such proposal is incorporated only for the description of the scope of services and no other terms and conditions from any such proposal shall apply to this Agreement unless specifically agreed to in writing. BBSI will provide Client with human resources and risk consulting services as described in Exhibit A (the "Services")

Consultant is not responsible for District's compliance with any laws, regulations, and/or statutes. The Services, including any related advice, recommendations, or communications provided by Consultant, do not constitute legal or tax advice, analysis, or opinion. District agrees that it shall not interpret or rely on any of Consultant's services, advice, recommendations, or communications as legal or tax advice, analysis, or opinion.

III. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement. District shall provide such access to its information and property and cooperation as may be reasonably required in order to permit Consultant to perform its services.

IV. DISTRICT MANAGEMENT

The Executive Director shall represent District in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant.

V. PAYMENT

- A. The District agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks.
- B. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing as an amendment to this Agreement, which requires approval of the Board of Directors.
- C. Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the District disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within forty-five (45) days of receipt of an invoice therefore.

VI. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

- A. The District may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least thirty (30) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the District suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.
- B. In the event this Agreement is terminated pursuant to this Section, the District shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the District. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the District pursuant to Section 5.

VII. DEFAULT OF CONSULTANT

- A. The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, District shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.
- B. If the Executive Director or his/her designee determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement,

he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time or fails to present the District with a written plan for the cure of the default, the District shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

VIII. INDEMNIFICATION AND DEFENSE

A. Mutual Indemnity

To the fullest extent permitted by law, the Parties shall indemnify and hold harmless the other Party and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs, caused in whole or in part by the negligent or wrongful act, error or omission of the other Party, its officers, agents, employees or subconsultants (or any agency or individual that the Party shall bear the legal liability thereof) related to the performance of services under this Agreement. The Party's duty to indemnify and hold harmless the other Party shall not extend to the District's sole or active negligence.

B. Mutual Duty to defend

In the event a Party ("Defending Party"), its officers, employees, agents and/or volunteers are made a party to any action, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this Agreement, and upon demand by the Defending Party, the other party shall defend the Defending Party at the other Party's cost or at the Defending Party's option, to reimburse the Defending Party for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters to the extent the matters arise from, relate to or are caused by the other Party's negligent acts, errors or omissions. Payment by District is not a condition precedent to enforcement of this indemnity.

IX. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached to and part of this Agreement. Consultant shall submit proof of insurance to the District in a form and substance satisfactory to the District.

X. INDEPENDENT CONSULTANT

- A. Consultant is and shall at all times remain as to the District a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither District nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the District. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against District, or bind District in any manner.
- B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, District shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for District. District shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

XI. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The District, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

XII. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the District in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the District has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the District to any and all remedies at law or in equity.

XIII. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of District, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

XIV. RELEASE OF INFORMATION/CONFLICTS OF INTEREST/CONFIDENTIAL INFORMATION

- A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without District's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the Executive Director or unless requested by the Agency Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the District. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives District notice of such court order or subpoena.
- B. All information gained by District through this Agreement shall be considered confidential and shall not be released by District without Consultant's prior written authorization, except as required by law. District shall provide reasonable notice to Consultant related to the required release of information to afford Consultant an opportunity to seek a court order, should it desire to do so, preventing the release of confidential information. District, its officers, employees, or agents, shall not without written authorization from Consultant, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement, except as required by law. Response to a subpoena or court order shall not be considered "voluntary" provided District gives Consultant notice of such court order or subpoena.
- C. Consultant shall promptly notify District should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the District, unless the District is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Consultant is prohibited by law from informing the District of such Discovery. District retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless District is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with District and to provide the opportunity to review any response to discovery requests provided by Consultant. However, District's right to review any such response

does not imply or mean the right by District to control, direct, or rewrite said response.

- D. Each party acknowledges that the wrongful use or disclosure of confidential information of the other party may result in irreparable harm for which there will be no adequate remedy at law. In the event of a breach by the other party or any of its officers, employees, or agents of its or their obligations under this Section, the non-breaching party may immediately terminate this Agreement without liability to the other party and may bring an appropriate legal action to enjoin such breach and shall be entitled to recover from the breaching party reasonable legal fees and cost in addition to other appropriate relief.

XV. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To District: Monterey Peninsula Airport District
Attn: Mike La Pier
200 Fred Kane Dr., #200
Monterey, CA 93940

To Consultant: BBSI
Attn: Gary Puckett
2 Lower Ragsdale, Suite 100
Monterey, CA 93940

XVI. ASSIGNMENT

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the District, and District will not assign this Agreement, nor any part thereof, without the prior written consent of Consultant. Because of the personal nature of the services to be rendered pursuant to this Agreement, only Consultant shall perform the services described in this Agreement utilizing the individuals identified in Exhibit D as the Primary Engagement Team. Consultant shall provide District fourteen (14) days' notice prior to the departure of any member of the Primary Engagement Team from Consultant's employ. Following such notice, the District shall have the option to immediately terminate this Agreement, within three (3) days of the close of said notice period. Upon termination of this Agreement, Consultant's sole compensation shall be payment for actual services performed up to, and including, the date of termination or as may be otherwise agreed to in writing between the Governing Board and the Consultant. Before retaining or contracting with any sub-consultant for any services under this Agreement, Consultant shall provide District with the identity of the proposed sub-consultant, a copy of the proposed written contract between Consultant and such sub-consultant which shall include and indemnity provision similar to the one provided herein and identifying District as an indemnified

party, or an incorporation of the indemnity provision provided herein, and proof that such proposed sub-consultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from District for such insurance.

XVII. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

XVIII. GOVERNING LAW

The District and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the District.

XIX. MODIFICATION AND WAIVER

Any modification or amendment of any provision of this Agreement must be in writing and bear the signature of the duly authorized representatives of both parties. The failure of a Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of any such provision. The past waiver of a provision by either Party shall not constitute a course of conduct or a waiver in the future of that same provision.

XX. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

XXI. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

Consultant

(Signature)

(Typed Name)

(Title)

Monterey Peninsula Airport District,
A California Special District

Michael La Pier, AAE

APPROVED AS TO FORM:

By: _____

Attachments:	Exhibit A	Tasks to Be Performed
	Exhibit B	Payment Schedule
	Exhibit C	Insurance Requirements
	Exhibit D	Primary Engagement Team

EXHIBIT A

TASKS TO BE PERFORMED

Scope of Operations:

Human Capital Management

- Collaborate on an HR “Tune Up” to review employee lifecycle from recruitment to exit and provide written report of corrective actions Monterey Airport should implement. This should occur on an annual basis to review Monterey Airport’s process for compliance.
- BBSI will partner with appropriate personnel within the Monterey Airport team to enhance Monterey Airport’s human resources and human capital management business processes.
- In conjunction with the Executive Director, create, review, and implement a standardized process for the onboarding and integration of new personnel.
- Provide required and optional training classes. (i.e., sexual harassment avoidance training, AB1234 and others as required by governing agencies.)
- A BBSI professional HR Consultant will be on site at the Monterey Airport one (1) day per week to allow for in person meetings with employees to discuss benefits, concerns, and or other items as they arise. BBSI will be responsible to maintain employee records and files at the direction of the Executive Director or his/her designee, which files will remain on site at the Monterey Airport. Employee records shall be immediately accessible by the Executive Director or his/her designee at all times.
- With the manager or Executive Director, schedule and participate in annual employee evaluations.
- Consultant shall NOT be responsible for the following:
 - Compliance with CalPERS/benefit reviews for employees
 - Production of new employee packets

Risk and Safety

- Development and implementation of loss control management programs designed towards risk reduction and “zero loss” injury prevention efforts.
- Perform gap analysis of existing and OSHA required programs and develop plans for implementation, execution, and maintain compliance with required posting of notices, posters, employee information, and updated Administrative and Personnel Policy Manual.
- Consistent injury reporting protocols that support triage strategies for minimizing the probability of lingering or difficult to treat injuries.
- Continual improvement process to evaluate long and short-term safety targets while reviewing risk management KPIs to identify any needed changes and work with staff to implement the needed changes.
- Attendance and Participation with safety committee meeting on a quarterly basis, or as requested by the Executive Director or his/her designee.
- Assistance with responding to and abating OSHA investigation activities, cases, etc. Deployment and implementation of behavior-based safety efforts to be included in quarterly required safety walks.
- Provide assistance to legal counsel with investigations of alleged workplace violations and/or harassment.

EXHIBIT B

PAYMENT SCHEDULE

The fees for services as outlined are \$34,000 annually, to be paid in monthly installments, which are generally allocated to Human Resources consulting services (\$24,000) and Safety & Risk consulting services (\$10,000). There are no additional per call or per visit fees.

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of District, and prior to commencement of Work, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to District.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

Consultant shall submit to District, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of District, its officers, agents, employees and volunteers.

Other provisions or requirements

Proof of insurance. Consultant shall provide certificates of insurance to District as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by Agency's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with District at all times during the term of this contract. District reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by Consultant, his agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by District shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of District before the District's own insurance or self-insurance shall be called upon to protect it as a named insured.

Agency's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Consultant or District will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, District may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Agency's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against District, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of contract provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the District to inform Consultant of non-compliance with any requirement imposes no additional obligations on the District nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the District requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to District with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that District and its officers, officials, employees, and agents, and volunteers shall be additional

insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to District and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to District for review.

Agency's right to revise specifications. The District reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the District and Consultant may renegotiate Consultant's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by District. District reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by District.

Timely notice of claims. Consultant shall give District prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

EXHIBIT D

Primary Engagement Team

The primary engagement team will consist of:

- Gary Puckett – Engagement lead
- Naty Lopez – HR Consultant, primary
 - o Bobby Shariat, HR Consultant
- Austin Smith, Risk Consultant – Primary for Day to Day
 - o Rob Singh – Risk & Safety Consultant & Practice lead for the San Jose and Monterey offices

AGENDA ITEM: H
DATE: September 27, 2022

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 Tim Bergholz, Deputy Executive Director of Finance & Administration](#)

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
Director of Strategy and Development](#)

POLICE.

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

RATING	DATE OF VISIT	TIME OF VISIT	PURPOSE	FLIGHT	AIRLINE	COMMENT	CITY	STATE
EXCELLENT	8/1/2022	9:47 AM	Departing	5248	United	Great airport and wonderful customer service at every location!	Chepachet	RI
EXCELLENT	8/1/2022	1:30 PM	Departing	5692	American	TSA agents were fantastic! Seemed like they really enjoy their jobs. Polite. Friendly. Cannot say enough good things about it. Car rental places could use a little help. Maybe not have people go on break as a flight is arriving?	Mansfield	TX
POOR	8/9/2022	3:00 PM	Arriving	-	Other (Flew in Private)	Your airport is so hot. I don't think your ac works. It would be more comfortable if to just left the doors open as it's too hot just waiting insdide.	Piedmont	CA
POOR	8/12/2022	9:15 AM	Greeting / Dropping Off	-	-	I have come two on two separate occasions to try and purchase tickets with alligent and no one is at the counter. When I come the United employee says she comes in on Friday. I come today on Friday and no one is here but now says they come in two hours before the flight. I am coming all the way from Santa Cruz county and have work at the time they are suppose to be arriving. I am not able to purchase tickets. I am very upset with the lack of communication and attendance this airline has.	Watsonville	CA
POOR	8/12/2022	1:00 AM	Greeting / Dropping Off	-	-	Is there any plan to add additional airlines? United is a terrible corporation and I hate that they are the only option out of Monterey.	Monterey	CA
POOR	8/26/2022	3:45 AM	Departing	5681	United	There are no services (food/drink) available for the early flights. Having a 5:15 am flight and a restaurant that doesn't open until 9:00 is disappointing/frustrating. One cannot even get coffee. Overall, the airport could use some sprucing up. It isn't very inviting.	Keymar	MD

TO: Michael La Pier, Executive Director, Monterey Regional Airport
FROM: Tim Bergholz, Deputy Executive Director Finance and Administration
SUBJECT: Fiscal Year 2023 Financial Summary

BACKGROUND. July 2022 pre-audited financial results are summarized in the following documents:

- **Graphic Comparison - Actual Operating Revenue & Actual Operating Expense**
- **Airport Operating Statistics & Financial Performance**
- **Capital Expenditures**
- **Investments Schedule**
- **Sources / Uses of Cash**
- **CARES CRRSA and ARPA Draw Summary**

SUMMARY. July airline landings were over budget (417 budget vs 412 actual), and the mix of airline aircraft also had an impact on commercial airline revenues. General aviation revenues are materially on budget with offsetting differences in landing and fuel flowage fees. Terminal Leases & Concessions are over budget by \$33.4K with higher TNC, Terminal Concessions, Rental Car and Parking revenues.

In July, the District submitted a draw from the CARES Act (\$131K). Total CARES, CRSSA and ARP Act funds available for future draws are \$3.80M, \$50K and \$200K respectively.

Revenues. July 2022 combined reported Airport Operating Revenues are \$954.3K which is \$55.9K (6.2%) higher than budget (\$898.3K). The revenue variance resulted from a mix of higher Commercial Airline, Terminal Concession, Non-Aviation and Other Operating revenues which offset slightly lower Heavy General Aviation revenues. Light General Aviation revenues continue to materially operate within budget.

OPERATING REVENUES							
July 2022 ACTUAL	July 2022 BUDGET	VARIANCE		FYTD 2023 ACTUAL	FYTD 2023 BUDGET	VARIANCE	
		\$	%			\$	%
\$ 954,289	\$ 898,342	\$ 55,947	6.2%	\$ 954,289	\$ 898,342	\$ 55,947	6.2%

The revenue variances came from the following:

Commercial Aviation (CA) fees in July are over budget (\$97.6K actual vs \$93.7K budget) by \$3.9K or 4.1%. The favorable variance came from higher landing and fuel flowage fees that offset slightly lower Ron and Apron fees. In July, the Airport landings were over budget (417 budget vs. 412 actual). There was a reduction of 31 budgeted flights (United) that were offset by the addition of 36 unbudgeted JSX landings. Commercial airline passenger enplanements decreased slightly

from 21,933 in June to 21,615 in July.

General Aviation (combined heavy and light) operating revenues for July (\$170.4K) are materially on budget (\$168.9K).

In July, combined TCP permits, Taxi Permits/Trips, TNC Trips, Terminal Concessions, Rental Car and Parking Concessions (Concessions) revenues (\$323.8K) are \$33.4K or 11.5% higher than budget (\$290.4K). The favorable Concession variance comes from higher TNC (\$2.4K) and Terminal Concessions (\$6.3K), Rental Car (\$21.3K), Parking (\$3.6K) revenues that offset slightly lower revenues in TCP and Taxi (\$67) and (\$181).

July Non-Aviation Tenant revenues (\$183.1K) are over budget (\$179.8K) by \$3.3K or 1.8%. The favorable variance comes from higher Facility/Space Rents with CPI increases (\$2.6K), RV storage fees (\$1.0K) that were offset by slightly lower Monterey Highway Self Storage.

July Other Operating Revenues (\$31.9K) are over budget (\$18.9K) by \$13.0K or 68.7%. Most of the variance came from Business License Fees (\$2.0K), Tenant Plan Reviews, Checks & Inspections (\$9.2K) and slightly higher utilities charge backs (\$3.0K) and other small variances.

Expenses. July operating expenses (\$745,8K) are under budget (\$809.2K) by \$63.4K or 7.8%.

OPERATING EXPENSES							
July 2022 ACTUAL	July 2022 BUDGET	VARIANCE		FYTD 2023 ACTUAL	FYTD 2023 BUDGET	VARIANCE	
		\$	%			\$	%
\$ 745,765	\$ 809,167	\$ 63,402	-7.8%	\$ 745,765	\$ 809,167	\$ 63,402	-7.8%

The expense variance came from the following:

Salary & Wages and Employer Payroll Tax (Wages) Expenses (\$162.4K) for July are lower than budget (\$186.9K) by \$24.5K or 13.1%. The July Wages budget variance came mostly from staff vacations and two custodial vacancies.

Employer Benefit Expenses (\$123.3K) for July are lower than budget (\$155.9K) by \$32.6K or 20.88%. Most of the favorable variance is the result of lower CalPERS retirement (\$2.2K) and lower UAL amortization expense from prepaying the \$4.0M in June (\$22.1K), lower CalPERS Health Insurance (\$8.3K) and other small differences in health benefits.

Personnel Recruitment, Training & Pre-Employment and BOD Related Expenses (\$13.3K) for July are over budget (\$7.9K) by \$5.4K or 68.3%. The variance comes from higher BOD Professional Development & Education expenses (\$5.8K) and Seminars & Conferences (\$1.0K) that were offset by lower travel expenses (\$1.5K) and other small variances.

Business, LAFCO, Insurance, Communications, Postage, Banking, and Related Expenses (\$67.7K) for July are under budget (\$69.8K) by \$2.2K or 3.1%. Most of the variances comes from removing Monterey County Office of Emergency Communications expense accruals that are being paid by City of Monterey and Del Rey Oaks (\$2.3K) that was offset by other small variances.

Expendable/Consumable Supplies & Materials expenses (\$4.8K) for July are lower than budget (\$11.2K) by \$6.4K or 56.8%. The variance comes from lower Custodial Supplies & Materials (\$2.6K) and District Vehicle Fuel (\$2.9K) that were offset by other small variances.

Repair & Maintenance expenses (\$76.6K) for July are over budget (\$50.1K) by \$26.4K or 52.7%. This unfavorable expense variance resulted from higher Terminal Repair & Maintenance – sewer line/plumbing repairs (\$35.9K), Rental Space Repairs & Maintenance – plumbing repairs (\$13.4K), that were offset by lower Airfield Repairs (\$14.9K), Landscape & Grounds Repair & Maintenance (\$2.6K), General Repairs (\$1.9K) and District Vehicle Repairs (\$4.0K).

Outside Services expenses (\$209.1K) for July are under budget (\$216.1K) by \$7.0K or 3.2%. The variance comes from lower TSA Janitorial services (\$3.5K) and Landside Camera System Support services (\$3.3K) and other small variances.

Professional Service expenses for the Art Program, Architect & Engineer, Legal, Computer / LAN & IT, Environmental, and Human Resources (\$22.1K) for July are under budget (\$39.3K) by \$17.2K or 43.8%. The favorable variance comes from a timing difference in Art Program expenses (\$1.2K), lower Architect & Engineer fees for tenant plan checks (\$4.6K), lower Computer Purchases and Software fees (\$5.6K), Environmental service fees and budgeted Human Resources expenses.

Marketing, Public Relations, Air Service Development and Social Media Marketing related expenses (\$19.2K) for July are under budget (\$25.9K) by \$6.7K or 25.9%. The variance includes lower than budget Marketing fees (\$5.9K), Air Service Development fees (\$1.4K) and Social Media Marketing expenses (\$1.6K) that offset higher Public Relations expense from a payment to the California International Airshow Salinas (\$2.1K).

Combined Utilities expenses for July (\$45.3K) are materially on budget (\$44.1K).

The Airport's higher than budgeted revenues and lower operating expenses in July resulted in an operating surplus of \$208.5K which is \$119.4K higher than the budgeted income of \$89.2K.

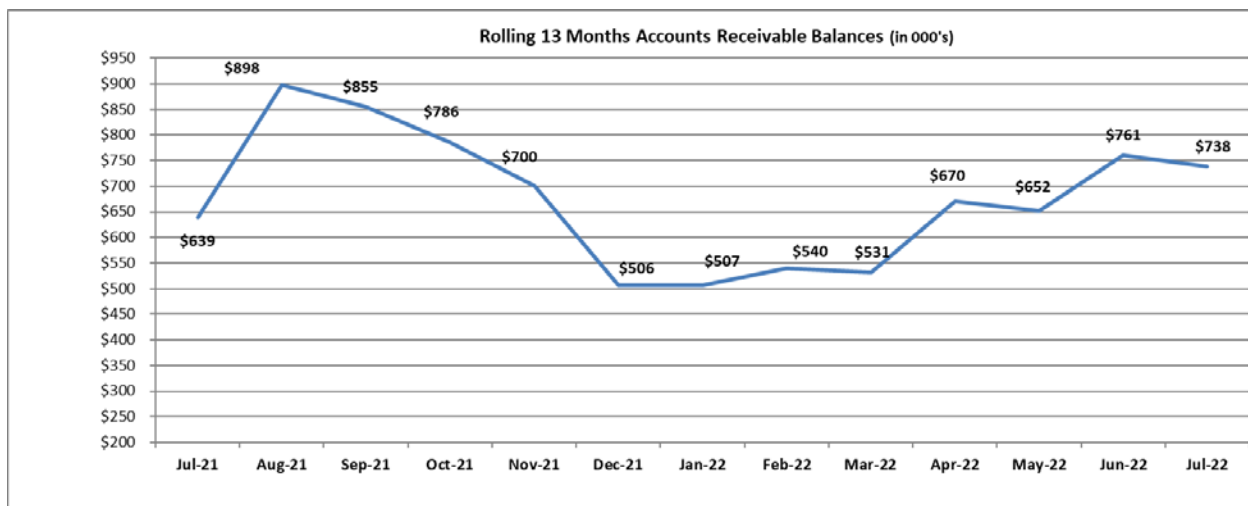
OPERATING INCOME / (LOSS)							
July 2022 ACTUAL	July 2022 BUDGET	VARIANCE		FYTD 2023 ACTUAL	FYTD 2023 BUDGET	VARIANCE	
		\$	%			\$	%
\$ 208,524	\$ 89,174	\$ 119,350	133.8%	\$ 208,524	\$ 89,174	\$ 119,350	133.8%

ACCOUNTS RECEIVABLE. The accounts receivable balance on July 31, 2022, is \$738K. This balance is \$22.1K or 2.9% lower than the June 30, 2022 balance (\$761K), and 15.5% higher or \$99.1K than the \$639K balance on July 31, 2021. The net accounts receivable balance over 60 days old on July 31, 2022, is a credit of \$5.5K.

As of August 29, 2022, the over 60 days old balance is a credit of \$6.9K and the net accounts receivable balance is \$145.9K. The following customer accounts are impacting accounts receivable: Alaska Airlines (\$6.2K), JSX (\$2.3K), MPI Charter LLC (\$1.6K) and Salinas Yellow Cab (\$3.9K), .

Chart 1 below depicts the accounts receivable balances by month for the 13 months from July 2021 to July 2022.

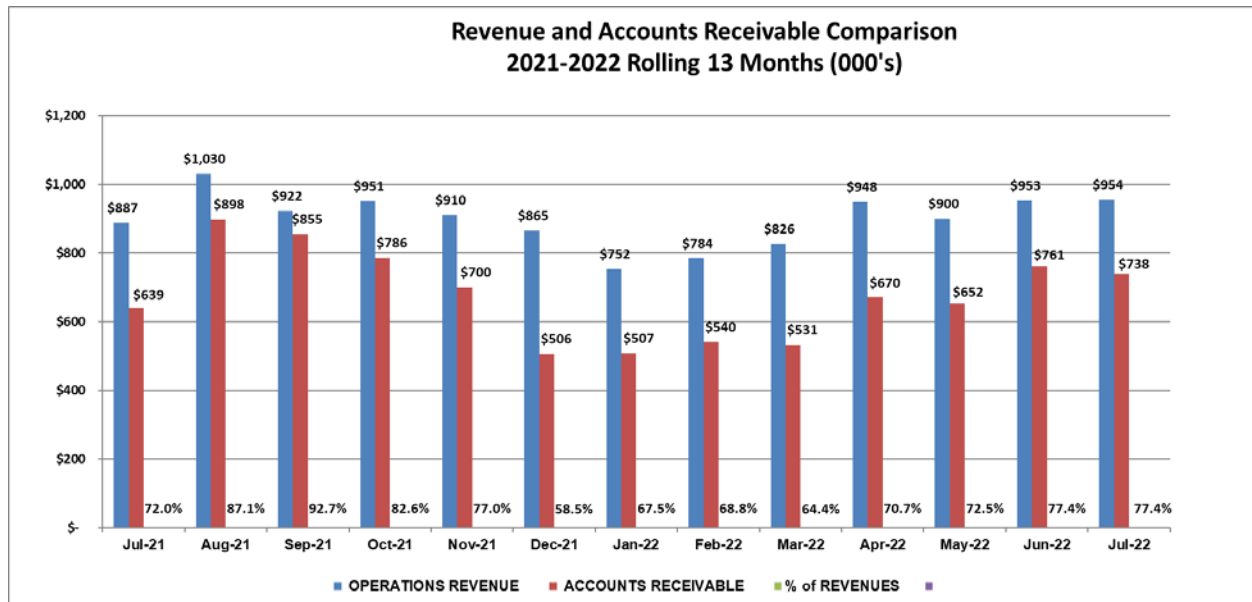
Chart 1



The balance of accounts receivable at month-end will align with operating revenues in that month. The month-end balance of accounts receivables historically is approximately 50% to 70% of revenues. On July 31, 2022, accounts receivable is 77.4% of revenues and the thirteen-month average is 75.2%. Included in the July accounts receivables balance is a bad debts reserve of \$10.0K.

Chart 2 below graphically presents the monthly comparison of operating revenues to accounts receivable.

Chart 2



UNRESTRICTED CASH AND INVESTMENTS. The unrestricted cash and investments balance on July 31, 2022, is \$11.4M and the unrestricted cash and investments balance on June 30, 2022, was \$7.9M, an increase of \$3.4M. The increase in unrestricted cash and investments comes from submitting a CARES Act draw for reimbursement of the CalPERS UAL payment and general operating invoices (\$4.3M) that was decreased by transfers to the A&I CIP account (\$98.8K), prepayment of the FY23 CalPERS UAL (\$628K), prepayment of FY23 Workers Comp insurance and payments for Airport liability insurance (\$44.2K) .

Chart 3 graphically presents the monthly balances of unrestricted cash and investments.

Chart 3

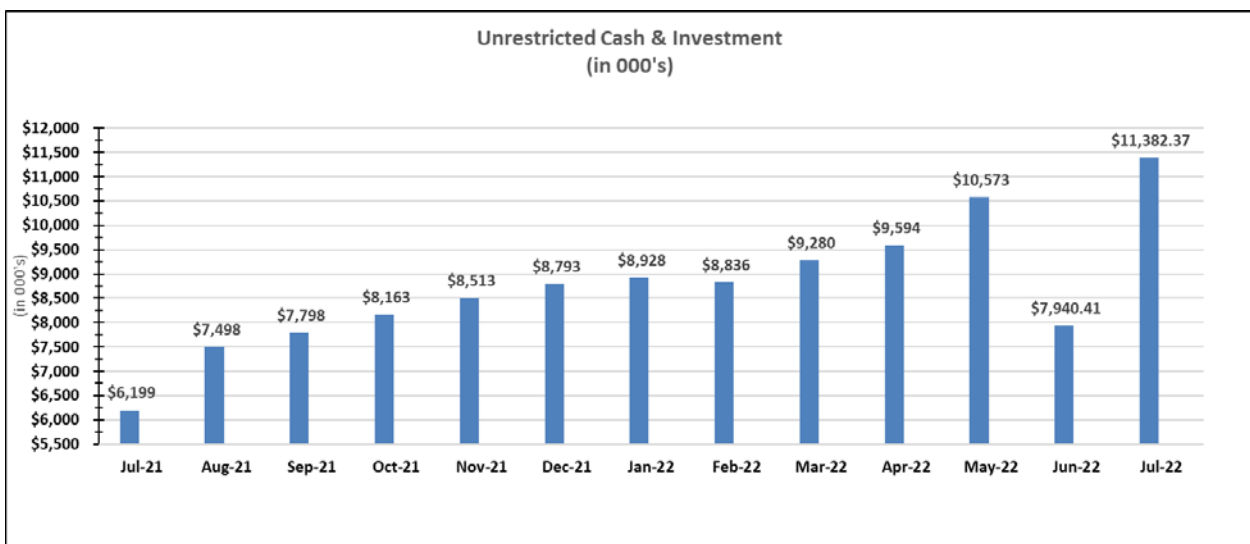


Table 1 presents simple load factors for fiscal years 2016 to 2023. Load factors indicate the customer utilization of available airline seat capacity which generally correlates to customer use of TCP, Taxi and TNC services, parking, and other support services. Simple load factors do not include non-revenue enplanements. Historically annual load factors range from approximately 70% to 77%. Commercial Airline aircraft types have a direct link to capacity and potential changes in enplanements. As the mix of aircraft and destinations change, the goal is to have load factors follow, which indicates that customers are willing to use the services offered by the Airlines.

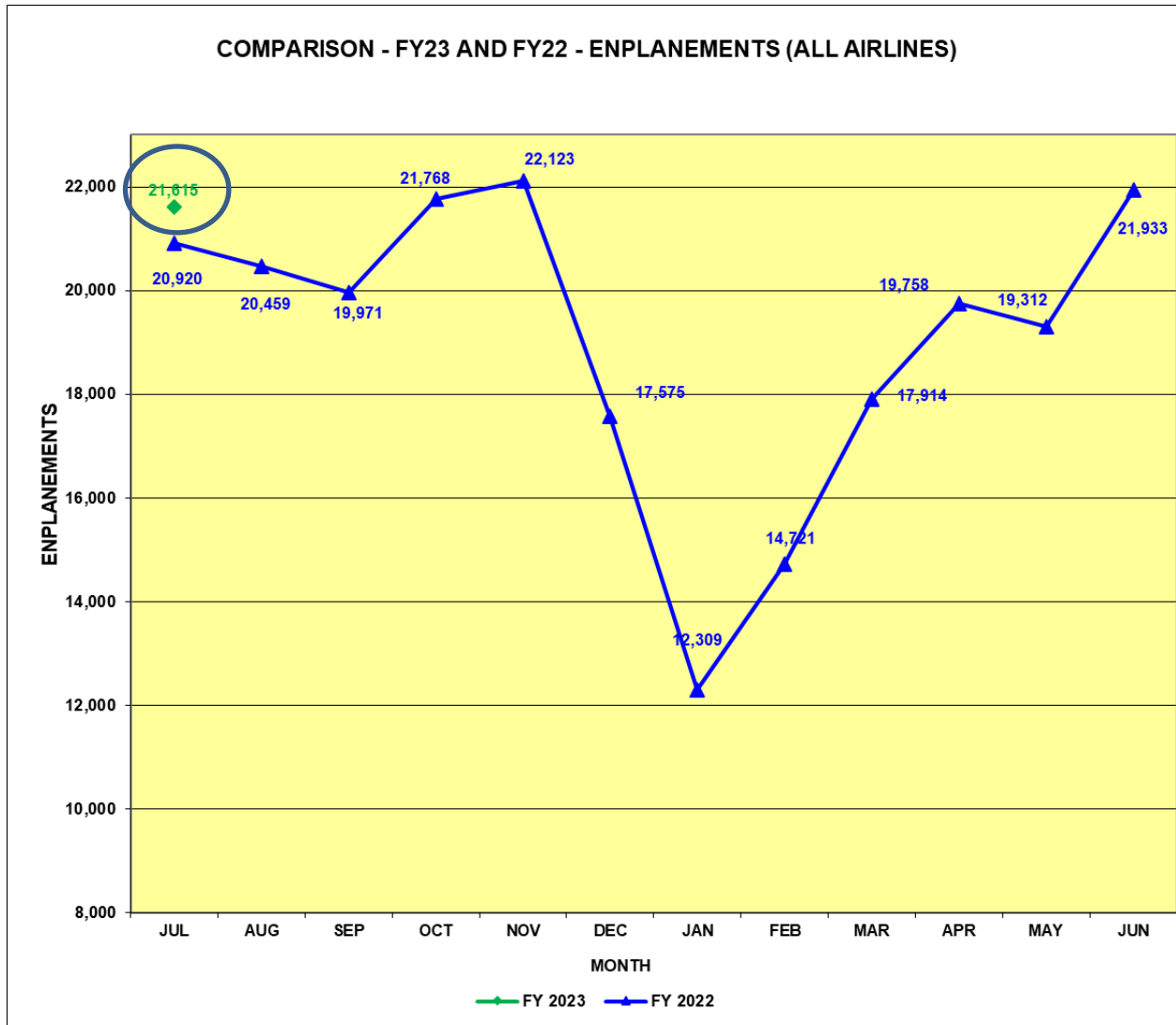
Table 1

		July 2022					FYTD			
Fiscal Year		Load Factors	Enplanements	Available Seats	Flights		Load Factors	Enplanements	Available Seats	Flights
2023		76.3%	21,615	28,318	417		76.3%	21,615	28,318	417
2022		83.5%	20,920	25,056	354		83.5%	20,920	25,056	354
2021		45.9%	5,606	12,206	168		45.9%	5,606	12,206	168
2020		74.0%	22,109	29,878	441		74.0%	22,109	29,878	441
2019		68.2%	16,262	23,852	355		68.2%	16,262	23,852	355
2018		71.6%	18,068	25,248	392		71.6%	18,068	25,248	392
2017		77.8%	17,679	22,734	358		77.8%	17,679	22,734	358
2016		76.2%	16,239	21,318	366		76.2%	16,239	21,318	366

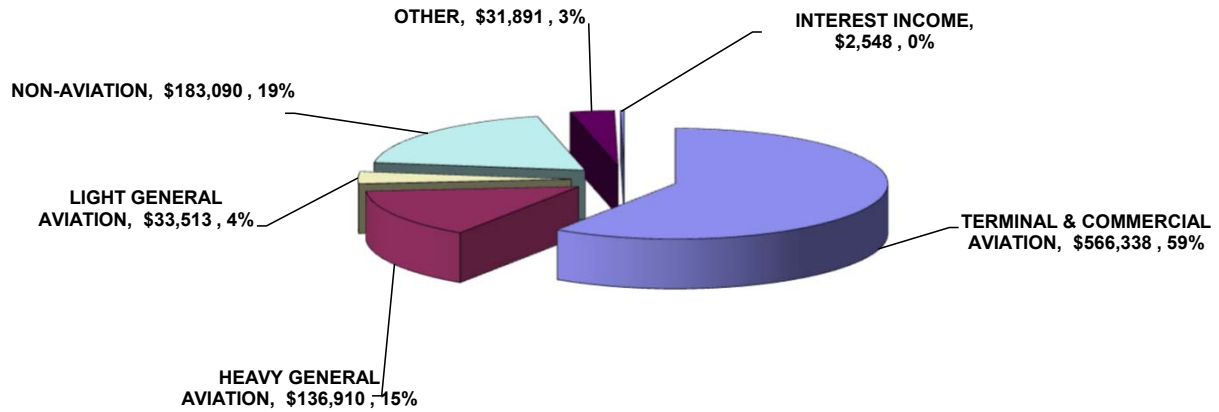
Airline specific simple load factors for July 2022 are Alaska SAN 75.6%, Alaska SEA 81.2%, American DFW 90.7%, American PHX 74.8%, United DEN 79.8%, United SFO/LAX 68.2%, Allegiant LAS 91.8%, and JSX BUR/SNA 37.0%.

Chart 4 below presents a comparison of monthly FY 2022 to FY 2023 enplanements, which represents the Airport's business cycle. When comparing enplanements for July 2022 (21,615) and June 2022 (21,933), enplanements decreased 1.5% or 318 enplanements. When comparing July 2022 to July 2021, enplanements increased 3.3% or 695 enplanements.

Chart 4

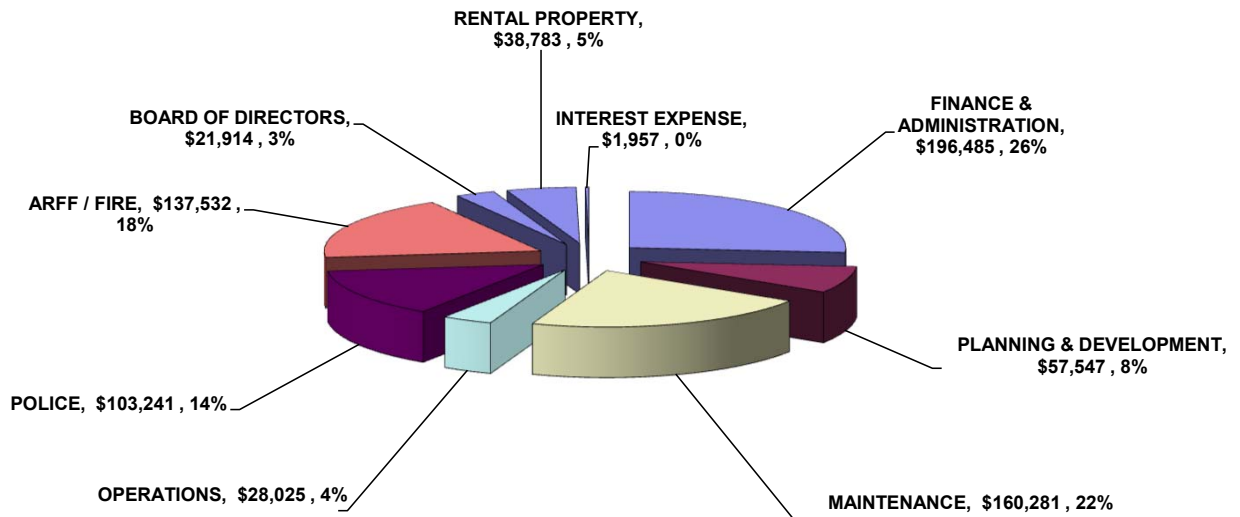


July 2022 Operating Revenue



TOTAL OPERATING REVENUE: \$954,289

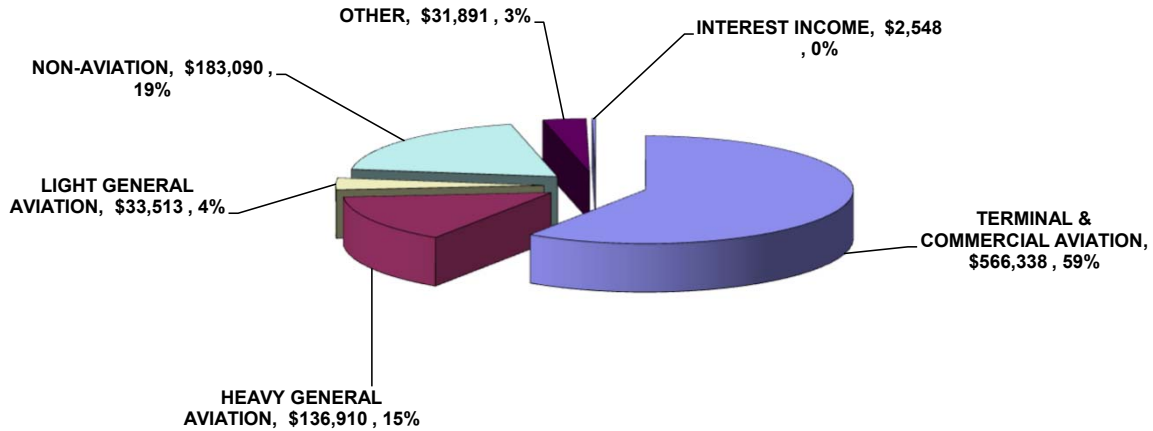
July 2022 Operating Expense



TOTAL OPERATING EXPENSE: \$745,765

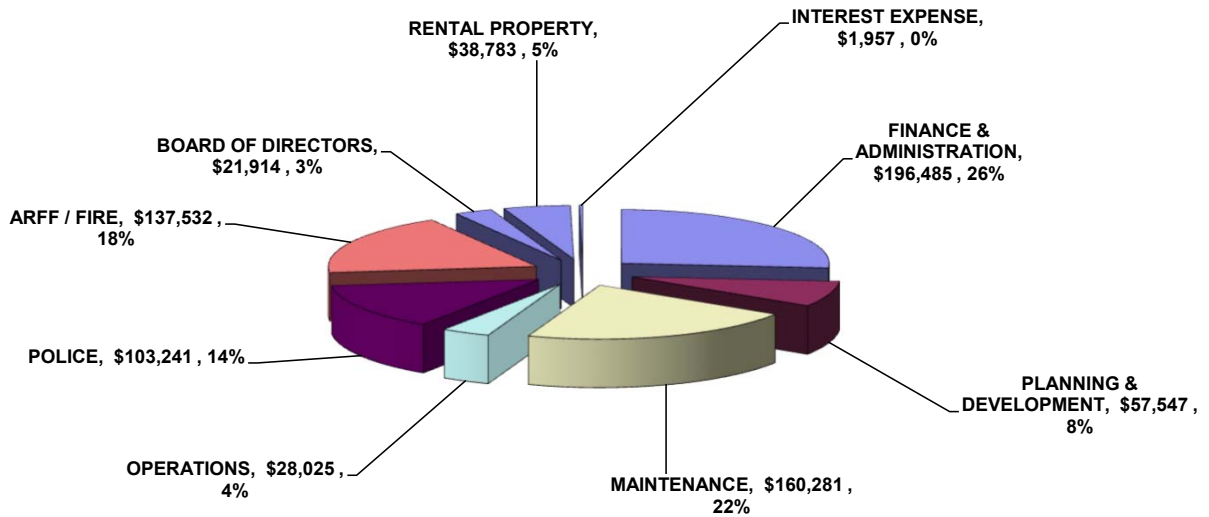
Monterey Peninsula Airport District

FY 2023 (July 22) YTD Operating Revenue



TOTAL OPERATING REVENUE: \$954,289

FY 2023 (July 22) YTD Operating Expense



TOTAL OPERATING EXPENSE: \$745,765

AIRPORT DISTRICT OPERATING AND FINANCIAL PERFORMANCE SUMMARY

July 31, 2022

OPERATING STATISTICS	Jul-22	Budget		Jul-21	YTD FY 23	Budget		YTD FY 22
AIRPORT ACTIVITY								
Air Carrier Landings ¹	417	412	1.2%	354	417	412	1.2%	354
Passengers (emp/dep)	43,943			41,068	43,943			41,068
Total Cargo (in pounds)	50,587			49,653	50,587			49,653
Commercial	1,571			1,430	1,571			1,430
General Aviation	3,310			3,305	3,310			3,305
Military	114			349	114			349
TOTAL AIRCRAFT OPERATIONS	4,995			5,084	4,995			5,084
VEHICLE EXIT COUNT								
Long Term (1) Lot	1,796			1,764	1,796			1,764
Upper Short Term (2) Lot	1,897			2,275	1,897			2,275
Lower Short Term (3) Lot	6,669			5,540	6,669			5,540
TOTAL VEHICLE EXIT COUNT	10,362			9,579	10,362			9,579
1 Cancelled Flight Landings: Current Month = 1 (0 - Alaska /0 - Allegiant /1- American /0- United) FYTD = 105 (7 - Alaska /7 - Allegiant /56- American /36 - United)								
	Jul 22 ACTUAL	Jul 22 BUDGET	%	Jul 21 ACTUAL	YTD FY 23 ACTUAL	BUDGET	%	YTD FY 22 ACTUAL
OPERATING REVENUE								
TERMINAL								
CA Landing, Apron, RON and Fuel Flowage Fees	97,578	93,700	4.1%	81,508	97,578	93,700	4.1%	81,508
Rents	144,936	145,044	-0.1%	147,238	144,936	145,044	-0.1%	147,238
TCP Operator Permits	383	450	-14.8%	433	383	450	-14.8%	433
Taxi Operator Permits & Trip Fees	4,332	4,513	-4.0%	4,098	4,332	4,513	-4.0%	4,098
TNC Permits & Trip Fees	16,188	13,749	17.7%	13,749	16,188	13,749	17.7%	13,749
Concessions	23,540	17,188	37.0%	8,959	23,540	17,188	37.0%	8,959
Rental Car	190,619	169,318	12.6%	169,318	190,619	169,318	12.6%	169,318
Parking	88,762	85,198	4.2%	79,624	88,762	85,198	4.2%	79,624
HEAVY GENERAL AVIATION								
GA Landing Fees	39,791	36,715	8.4%	36,715	39,791	36,715	8.4%	36,715
FBO Rent	58,677	60,232	-2.6%	57,780	58,677	60,232	-2.6%	57,780
Fuel Fees	38,441	39,036	-1.5%	36,778	38,441	39,036	-1.5%	36,778
LIGHT GENERAL AVIATION								
	33,513	32,845	2.0%	31,497	33,513	32,845	2.0%	31,497
NON AVIATION								
	183,090	179,804	1.8%	187,435	183,090	179,804	1.8%	187,435
OTHER OPERATING REVENUE								
	31,891	18,900	68.7%	31,653	31,891	18,900	68.7%	31,653
INTEREST INCOME								
	2,548	1,650	54.4%	697	2,548	1,650	54.4%	697
TOTAL OPERATING REVENUE	\$ 954,289	\$ 898,342	6.2%	\$ 887,482	\$ 954,289	\$ 898,342	6.2%	\$ 887,482
OPERATING EXPENSE								
						\$ 55,947		
Finance & Administration	196,485	198,352	-0.9%	188,203	196,485	198,352	-0.9%	188,203
Planning & Development	57,547	69,018	-16.6%	38,069	57,547	69,018	-16.6%	38,069
Maintenance & Custodial Services	160,281	159,492	0.5%	113,390	160,281	159,492	0.5%	113,390
Airport Operations	28,025	58,190	-51.8%	39,879	28,025	58,190	-51.8%	39,879
Police Department	103,241	109,663	-5.9%	102,869	103,241	109,663	-5.9%	102,869
ARFF /Fire Services	137,532	160,242	-14.2%	149,917	137,532	160,242	-14.2%	149,917
Board of Directors	21,914	15,323	43.0%	13,062	21,914	15,323	43.0%	13,062
Office Rentals	38,783	36,930	5.0%	32,404	38,783	36,930	5.0%	32,404
Interest Expense	1,957	1,957	0.0%	3,447	1,957	1,957	0.0%	3,447
TOTAL OPERATING EXPENSE	\$ 745,765	\$ 809,167	-7.8%	\$ 681,241	\$ 745,765	\$ 809,167	-7.8%	\$ 681,241
OPERATING INCOME / (LOSS)	\$ 208,524	\$ 89,174	133.8%	\$ 206,241	\$ 208,524	\$ 89,174	133.8%	\$ 206,241
DISTRICT CAPITAL EXPENDITURES								
	\$ 153,896	\$ 82,000	87.7%	\$ 206,241	\$ 153,896	\$ 82,000	87.7%	\$ 206,241
DEBT SERVICE - PRINCIPAL ONLY								
	\$ 17,460			\$ 48,164	\$ 17,460			\$ 48,164

OPERATING EXPENSE OFF-SET BY FAA AIP GRANT / PFC DRAWDOWN

	DEPARTMENT / ACCOUNT	July 2022	FYTD 2023
1.	Finance & Admin / Salary & Wage Reimbursement	\$ -	\$ -
	P&D / Salary & Wage Reimbursement	-	-
	Maintenance / Salary & Wage Reimbursement	-	-
	Operations / Salary & Wage Reimbursement	-	-
		<u>\$ -</u>	<u>\$ -</u>

2. OPERATING EXPENSE OFF-SET BY HOMELAND SECURITY / TSA LEO GRANT

	DEPARTMENT / ACCOUNT	Jul 2022	FYTD 2023
	Police / Salary & Wage Reimbursement	\$ 9,920.00	\$ 9,920.00
		<u>\$ 9,920.00</u>	<u>\$ 9,920.00</u>

3. OPERATING EXPENSE OFF-SET BY SDI/WORKERS' COMP INSURANCE REIMBURSEMENT

	DEPARTMENT / ACCOUNT	2022	2023
	Admin / Salary & Wage Reimbursement	\$ -	\$ -
	P&D / Salary & Wage Reimbursement	-	-
	Maintenance / Salary & Wage Reimbursement	-	-
	Operations / Salary & Wage Reimbursement	-	-
		<u>\$ -</u>	<u>\$ -</u>

4. OPERATING EXPENSE OFF-SET BY DIRECT BILLING - NON-STANDARD SERVICE(S)

	DEPARTMENT / ACCOUNT	Jul 2022	FYTD 2023
	Admin / Salary & Wage Reimbursement	\$ -	\$ -
	P & D / Salary & Wage Reimbursement	-	-
	Maintenance / Salary & Wage Reimbursement	-	-
	Operations / Salary & Wage Reimbursement	-	-
	Police / Salary & Wage Reimbursement	-	-
		<u>\$ -</u>	<u>\$ -</u>

TOTAL - PERIOD & FYTD	<u>\$ 9,920.00</u>	<u>\$ 9,920.00</u>
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FISCAL YEAR 2023
Airport Capital Improvements / Capital Expenditures
FINANCIAL STATEMENTS UNAUDITED
July 31, 2022

<u>Airport Improvement Programs</u>	Actual FY 2023 Current Period		Prior Fiscal Year Current Period		Actual FY 2023 Year-To-Date		Prior Fiscal Year Year-To-Date	
District Expenditures	153,895.62	92.4%	0.00	0.0%	153,895.62	92.4%	0.00	0.0%
AIP -- FAA Funded Expenditures	8,184.95	4.9%	1,199,818.68	90.6%	8,184.95	4.9%	1,199,818.68	90.6%
AIP -- PFC Funded Expenditures	4,471.08	2.7%	124,967.58	9.4%	4,471.08	2.7%	124,967.58	9.4%
AIP -- CFC Funded Expenditures	-	0.0%	0.00	0.0%	-	0.0%	0.00	0.0%
Total Capital Improvement Expenditures	166,551.65	100%	1,324,786.26	100%	166,551.65	100%	1,324,786.26	100%

District Capitalized Acquisitions / Expenditures By Department

Finance & Administration	-		-		-		-	
Planning & Development	-		-		-		-	
Maintenance & Custodial Services	-		-		-		-	
Airport Operations	-		-		-		-	
Police	-		-		-		-	
ARFF / Fire	-		-		-		-	
Total Capital Acquisition Expenditures	-	0%	-		0.00	0%	0.00	0%

Consolidated

District Expenditures	153,895.62	92.4%	0.00	0.0%	153,895.62	92.4%	0.00	0.0%
AIP -- FAA Funded Expenditures	8,184.95	4.9%	1,199,818.68	90.6%	8,184.95	4.9%	1,199,818.68	90.6%
AIP -- PFC Funded Expenditures	4,471.08	2.7%	124,967.58	9.4%	4,471.08	2.7%	124,967.58	9.4%
AIP -- CFC Funded Expenditures	-	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%
Total Capital Expenditures	166,551.65	100%	1,324,786.26	100%	166,551.65	100%	1,324,786.26	100%

FY 2021/22 District Capital Expenses/Budget:	Actual PTD	Budget PTD	Actual FYTD	Budget FYTD
2019-03 Water Distribution System	-	32,000.00	-	32,000.00
2020-12 Northside GA Apron Construction R	1,495.75	-	1,495.75	-
2020-13 Northside VSR Improvement R	-	-	-	-
2020-14 Demolish Building 505	-	-	-	-
2022-01 SEP Phase B1/B2/B3-ARFF Design R	150,595.76	-	150,595.76	-
2022-02 Replacement Vehicles	-	-	-	-
2022-03 Terminal Refresh	-	-	-	-
2022-04 IT-Upgrades	-	-	-	-
2023-01 SEP Phase D1 Terminal Design R	1,804.11	-	1,804.11	-
2023-04 2801 Property Repairs	-	-	-	-
2023-05 Fred Kane to Skypark Pavement Improvements	-	-	-	-
2023-06 Airfield Vehicle Gate Upgrades	-	50,000.00	-	50,000.00
2023-07 Terminal Building Outside Painting	-	-	-	-
	<u>153,895.62</u> *	<u>82,000.00</u>	<u>153,895.62</u> *	<u>82,000.00</u>

R - District advances to FAA/PFC projects that will be reimbursed through grant draws

FISCAL YEAR 2023
Schedule Of Investments
FINANCIAL STATEMENTS UNAUDITED

	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Value At 07/31/23</u>	<u>Interest Rate</u>
Money Market Account - MPAD				
State of California - Local Agency Investment Fund	Various	Various	<u>\$5,654,721.63</u>	0.480%
Money Market Account - MPAD				
JP Morgan Chase - District Reserve - Money Market Account			<u>\$4,556,488.41</u>	0.01%
Debt Service Accounts - MPAD				
JP Morgan Chase - Pension Obligation Bonds and California Energy Commission Loan Reserve			<u>\$99,909.17</u>	0.01%
Royal Alliance - Certificates of Deposits and Cash Equivalents - MPAD				
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	46,249.43	Variable
			<u>\$1,071,249.43</u>	
Sub-Total: MPAD INVESTMENTS:			<u>\$11,382,368.64</u>	

Tenant's Security Deposits & Certificates of Deposit - RESTRICTED

FISCAL YEAR 2023
Schedule Of Investments
FINANCIAL STATEMENTS UNAUDITED

	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Value At 07/31/23</u>	<u>Interest Rate</u>
JP Morgan Chase - Money Market Account			\$459,155.92	0.01%
Passenger Facility Charges (PFCs) - RESTRICTED				
JP Morgan Chase - Passenger Facility Charges (PFCs)			1,130,493.42	0.01%
Customer Facility Charges (CFCs) - RESTRICTED				
JP Morgan Chase - Customer Facility Charges (CFCs)			862,000.73	0.01%
Royal Alliance - Certificates of Deposits and Cash Equivalents:				
American Express NATL BK	04/13/22	04/15/22	100,000.00	2.60%
Capital One Bank USA New York CFT DEP ACT/365	04/13/22	04/15/22	100,000.00	3.15%
CitiBank NATL ASSN SIOUX FALLS SB CTF DEP ACT /365	08/14/19	08/15/22	120,000.00	3.15%
Discover Bk Greenwood Del CTF DEP ACT/365	08/30/19	08/08/22	130,000.00	2.25%
Goldman Sachs Bk USA New York CTF DEP ACT/365	04/13/22	04/15/22	100,000.00	0.00%
Cash and Cash Equivalents	Various	Various	10,364.23	Variable
			<u>\$560,364.23</u>	
Sub-Total: MPAD Investments - RESTRICTED:			<u>\$3,012,014.30</u>	
Total MPAD Investment Portfolio:			<u>\$14,394,382.94</u>	

**MONTEREY PENINSULA AIRPORT DISTRICT
FINANCIAL STATEMENTS UNAUDITED**

	FY 2023 July ACTUAL	FY 2023 YEAR-TO-DATE ACTUAL
SOURCES AND USES OF CASH -- OPERATIONS		
SOURCES OF CASH		
CASH RECEIVED - OPERATING REVENUE	\$ 951,741	\$ 951,741
CASH RECEIVED - INTEREST INCOME	2,548	2,548
CASH RECEIVED	<u>\$ 954,289</u>	<u>\$ 954,289</u>
USES OF CASH -- OPERATIONS		
CASH DISBURSED - OPERATING EXPENSE ¹	\$ 743,808	\$ 743,808
CASH DISBURSED - DEBT SERVICE (INTEREST EXPENSE) ^{2&3}	1,957	1,957
CASH DISBURSED - DEBT SERVICE (PRINCIPAL REDUCTION) ^{2&3}	17,460	17,460
CASH DISBURSED	<u>\$ 763,225</u>	<u>\$ 763,225</u>
CHANGE IN CASH POSITION FROM OPERATIONS & DEBT SERVICE	<u>\$ 191,064</u>	<u>\$ 191,064</u>
¹ Net of non-cash operating expense (OPEB)		
² Moved to Restricted POB Account/Disbursement occurred in December 2020 & June 2021		
³ Moved to Restricted CEC Account/Disbursement occurred in November 2020 & May 2021		
USES OF CASH -- CAPITAL PROGRAM		
CASH DISBURSED - DISTRICT CAPITAL PROJECTS ⁴	\$ 153,896	\$ 153,896
CASH DISBURSED	<u>\$ 153,896</u>	<u>\$ 153,896</u>
CHANGE IN CASH POSITION FROM CAPITAL PROGRAM	<u>\$ (153,896)</u>	<u>\$ (153,896)</u>
⁴ District-funded capital plan for FY23		
CHANGE IN CASH POSITION FROM OPERATIONS, CAPITAL & DEBT SERVICE	<u>\$ 37,169</u>	<u>\$ 37,169</u>
PAID FROM 2023 OPERATING INC:	DATE PAID	PAID
CEC LOAN PRINCIPAL PAYMENTS	Semiannual Payment DEC & JUN	-
PG&E PAYMENTS	Monthly Payments	4,441.66
WORKER'S COMP PREPAID	7/1/2022 and 7/1/2023	(43,405.00)
UAL PREPAID 07-01-2022	07/01/22	(628,029.00)
TOTAL IN/(OUT FLOWS)		<u>(38,963.34)</u>
FAA CARES, CRRSA and ARPA Act Grant Billed FYTD		130,956
CASH CHANGE OVER/(UNDER) FROM CARES, CRRSA and ARPA Act Grant		<u><u>\$ (447,357)</u></u>

Monterey Peninsula Airport District
CARES, CRSSA and ARPA Grants, Expenditures Processed and Balances
July 31, 2022

CARES ACT GRANT -3-06-0159-071-2021

Grant Date	Grant Amount	Total Draws	Balance
5/13/2020	\$ 12,664,025.00	\$ 8,731,771.00	\$ 3,932,254.00

CRSSA ACT GRANT -3-06-0159-074-2021

Grant Date	Grant Amount	Total Draws	Balance
3/22/2021	\$ 2,076,111.00	\$ 2,076,111.00	-

CRSSA ACT CONCESSIONS GRANT -3-06-0159-075-2021

Grant Date	Grant Amount	Total Draws	Balance
3/22/2021	\$ 50,110.00	\$ -	\$ 50,110.00

ARPA ACT GRANT -3-06-0159-077-2021

Grant Date	Grant Amount	Total Draws	Balance
8/12/2021	\$ 3,149,773.00	\$ 3,149,773.00	-

ARPA ACT LARGE CONCESSIONS GRANT -3-06-0159-078-KY 2022

Grant Date	Grant Amount	Total Draws	Balance
12/22/2021	\$ 40,088.00	\$ -	\$ 40,088.00

ARPA ACT SMALL CONCESSIONS GRANT -3-06-0159-078-KY 2022

Grant Date	Grant Amount	Total Draws	Balance
12/22/2021	\$ 160,351.00	\$ -	\$ 160,351.00

Grant Funds General	\$ 17,889,909.00	\$ 13,957,655.00	\$ 3,932,254.00
Grant Funds Concession	\$ 250,549.00	\$ -	\$ 250,549.00
Grants Funds	<u>\$ 18,140,458.00</u>	<u>\$ 13,957,655.00</u>	<u>\$ 4,182,803.00</u>



MONTEREY FIRE DEPARTMENT

Report to Airport Board of Directors

August 2022

1. Incident Responses

Engine assigned to Fire Station 16 (Airport) responded to a total of 28 incidents during the month as follows:

- MPAD property – 7
- City of Monterey – 19
- Other Cities in Monterey Fire Jurisdiction – 0
- Auto / Mutual Aid – 2

2. Training

Personnel completed a total of 41.0 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): 79
- Operational (qualified to work at Airport, but live fire training not current): 34
- Technician (fully qualified to be the designated ARFF fire engineer): 11

3. Other

- With the new fiscal year, we have added a Division Chief in our Training Division. Division Chief Justin Cooper has stepped into that role, and we are completing a promotional recruitment to fill his previous assignment. Justin will be in an office at the Airport Station two days per week.

4. Incident List – on Airport property incidents

Alarm Date / Time	Response Time	Location	Incident Type
8/3/2022 1:35 PM	0:02:11	200 Fred Kane DR	EMS call, excluding vehicle accident with injury
8/4/2022 3:20 PM	0:02:05	100 Sky Park DR	EMS call, excluding vehicle accident with injury
8/15/2022 12:43 PM	0:00:09	300 Sky Park DR	EMS call, excluding vehicle accident with injury
8/18/2022 1:32 PM	0:05:12	300 Sky Park DR	Gasoline or other flammable liquid spill
8/20/2022 9:48 AM	0:03:11	200 Fred Kane DR	Alarm system sounded due to malfunction
8/20/2022 1:16 PM	0:00:00	200 Fred Kane DR	Aircraft standby
8/25/2022 4:59 PM	0:00:03	200 Fred Kane DR	Public service

TO: Michael La Pier, Executive Director
FROM: Operations Department
DATE: September 1, 2022
SUBJ: Operations Report

The following is a summary of activity of general Airport Operations for August 2022 and planned airline activities for September 2022.

1. It was generally agreed that last month saw our busiest car week to date. The smaller runway was closed on Wednesday to allow for the entire military ramp to be utilized for aircraft parking. Thursday and Friday saw the peaks for arrivals with Sunday afternoon and Monday morning being the peak period for departures. Operations worked closely with the FBO's and the FAA tower to ensure the airfield remained safe and free flowing.
2. The following reports are attached:
 - August 2022 Noise Comment Report
 - Operating and Expense Reports for the Taxi (through August 2022) and TNC ground transportation systems (through July 2022)
 - Commercial Flight Cancellations & Delays Report for August 2022
 - Commercial Flight Schedule for September 2022
3. Below is the summary of scheduled airline activity for September 2022:

Alaska Air operated by SkyWest.

- Continues to use the Embraer (EMB) 175 aircraft to SAN and SEA once a day.
- Scheduled to operate a monthly total of 120 flights (Arrivals and Departures)

Allegiant Air

- Continues to use the Airbus 319/320 series to LAS on Mondays and Fridays
- Scheduled to operate a total of 18 flights (Arrivals and Departures)

United operated by SkyWest.

- SFO operates once a day using the CRJ 200. LAX continues 2 flights a day using the EMB 175 and CRJ 200. DEN continues twice a day with the CRJ 200.
- Scheduled to operate a monthly total of 299 flights (Arrivals and Departures)

American Eagle operated by Mesa / Envoy.

- PHX operates three daily flights using a mix of CRJ 700 & CRJ 900 aircraft.
- DFW continues with two daily flights using the EMB 175 aircraft.
- Scheduled to operate a monthly total of 272 flights (Arrivals and Departures)

Cumulatively speaking, flights have decreased by 27 (709 vs. 736) compared to September 2021, a decrease of 3%. The number of available seats has also decreased by approximately 5% (48,312 vs. 51,258).

MRY AIRPORT NOISE COMMENT LOG

AUGUST 2022

Name	Location (Address)	Incident Date	Incident Time	Aircraft ID	</> of Flight	Comments	By	Action Taken	Reported Weather / Notes
NOISE CONCERNS FROM AIR OPERATIONS AT MONTEREY AIRPORT									
1	Andrew	Monterey	8/1/2022	5:30 AM	CRJ200	28L dep	Loud aircraft taking off heading west waking up household during normal sleeping hours, and outside of the noise abatement curfew window.	MC	Scheduled DEN departure that leaves daily. Explained there is no curfew at the airport.
2	Ron Cantu	Monterey	8/4/2022	10:54 PM	Unknown	28L Dep	A jet took off and made noise late at night. Is there no flight departure / arrival time restriction?	MC	Explained MRY is unable to enforce night time curfews. No movements show on FlightAware around that time so unable to verify aircraft details.
3	Rina Graves	Monterey	8/8/2022	8:56 PM	CRJ 200	28L Dep	Early morning flights have been departing. Is this allowed?	MC	Explained we are unable to enforce curfews. Also explained our noise abatement guidelines, but that these are governed by the weather, in particular prevailing winds.
4	Kathy Grivamowki	Pasadera	8/9/2022	9:39 PM	Unknown	28L Arr	Large aircraft loud and low. Wanted to know why they couldn't fly down 68.	MC	Nothing was showing on FlightAware, but it's suspected the aircraft was the PHX CRJ7 arrival. We explained the tower hours and that aircraft flew what they felt would get them in during tower hours of closure. Also explained they couldn't fly visually at night. Reassured her we continue to work with operators to try and minimize the noise issues.
5	Patti	DRO	8/12/2022	5:20 AM	CRJ200	28L Dep	5:20 too early for planes taking off. thank you	MC	Explained they heard the first scheduled commercial departure.
6	Ann Lipson	Pacific Grove	8/12/2022	1:36 PM	CRJ900	28L Dep	Very loud jet noise over house.	MC	Explained aircraft are required to fly straight out occasionally to avoid other traffic in the area.
7	Casey Warcken	Carmel Valley	8/19/2022	1:03 PM	Albatross	28L Dep	Tail N98TP, Grumman HU-16B, flying way too low, loud, though Carmel Valley. Circled near Carmel and came back over slightly higher	MC	Explained aircraft was flying VFR.

8	Brenda Crawford	Ambler Park	8/26/2022	4:00 & 4:10	Two private jets and one SkyWest Embraer 175	28L Arr	3 loud jets and planes. Way to low. And loud. Might be in your guide lines but not acceptable. Thank you	KG	Explained that FAA publishes flight procedures and ATCT have discretion to alternate approaches for safety reasons. Other factors such as lateral dispersions may occur due to combination of factors such as aircraft approach speeds, terrain and weather.	According to FlightAware, two of the three aircraft altitudes were about 2300 feet MSL over Ambler Park.
9	Jed Parker	Del Rey Oaks	8/28/2022	8pm	Cessna 182	North Pattern	N53456 Repeated, successive flyovers, making Sunday worship incredibly difficult.	KG	Explained that training operations are a vital component for student pilots and that MRY attempts to balance the needs of their training within the noise guidelines recommended.	This aircraft performed eight touch n' goes, yet FlightAware indicates other operations occurred at areas outside of MRY.
10	Kent Hodgkinson	Pasadera	8/31/2022	3:55pm	Embraer 175	28L Arr	August 31, 2022 15:52 KMRY Commercial Sky West Aviation SKW5280 ERJ 170-200 LR Arrival 0.77 / 960	KG	None. Altitude shows aircraft over Pasadera at 1200 feet MSL.	Responded to inquire more details

AIR OPERATIONS ORIGINATING FROM ANOTHER AIRPORT

1	Lanier Sammons	DRO	8/11/2022	11:08	Military	28L Dep	Two EXTREMELY loud departures in a row. They appear to be military planes. Please stop flying these out of an airport in a residential area! They produce dangerous and disruptive levels of sound!	MC	Explained jets performed a fly by and that we have no authority over military aircraft	

AIR OPERATIONS OF UNKNOWN ORIGIN

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MONTHLY TOTALS and COMPARISONS

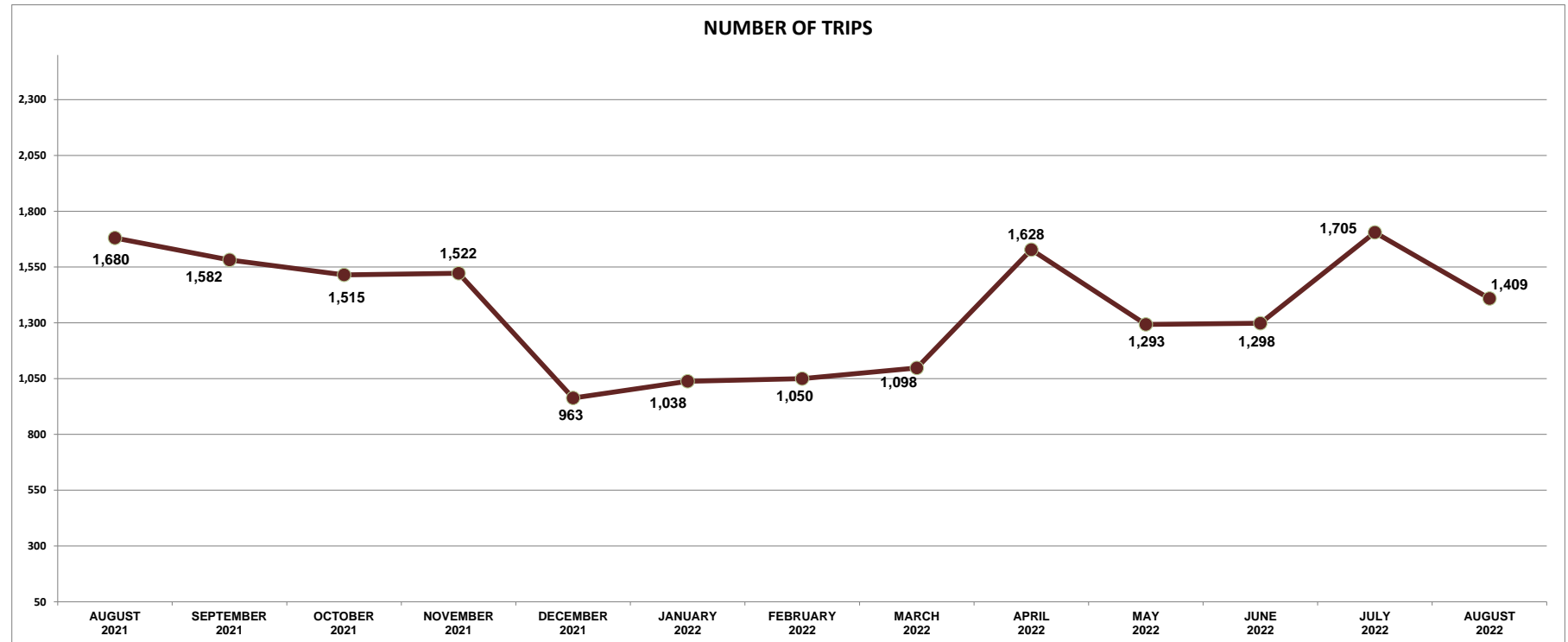
	Aug-22	Aug-21	% Change
Number of Complaints:	11	14	-79%
Number of Operations:	6,368	6,349	0%
			% Change
Annual Total	55	66	-17%

Other Airport
0
2

UNKNOWN ORIGINS
0
0

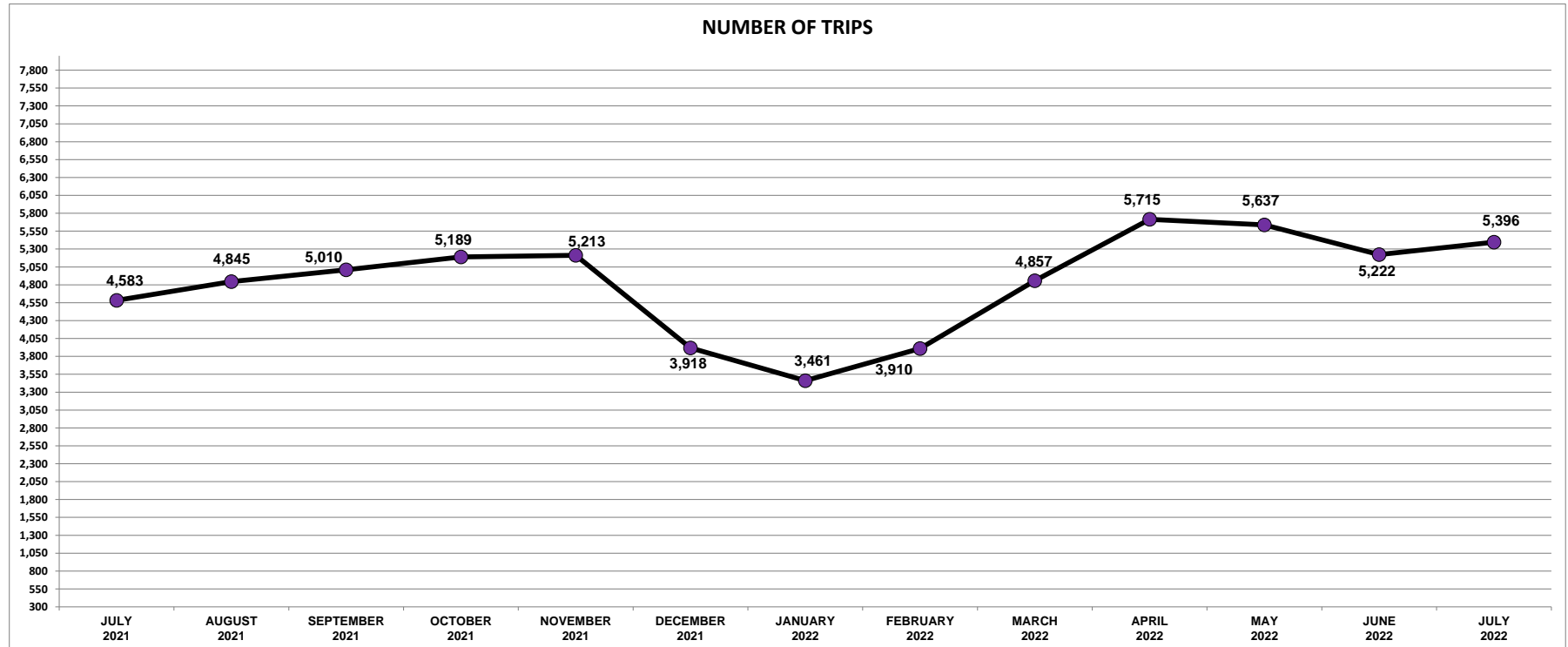
13-MONTH ROLLING COMPARISON

Taxis



	2021 AUGUST	2021 SEPTEMBER	2021 OCTOBER	2021 NOVEMBER	2021 DECEMBER	2022 JANUARY	2022 FEBRUARY	2022 MARCH	2022 APRIL	2022 MAY	2022 JUNE	2022 JULY	2022 AUGUST
NUMBER OF TRIPS	1,680	1,582	1,515	1,522	963	1,038	1,050	1,098	1,628	1,293	1,298	1,705	1,409
PERMITS SOLD	0	2	2	2	3	0	1	0	0	1	17	7	3
TAXI TRIP FEES	\$ 5,040	\$ 4,746	\$ 4,545	\$ 4,566	\$ 2,889	\$ 3,114	\$ 3,150	\$ 3,294	\$ 4,884	\$ 3,879	\$ 3,894	\$ 5,115	\$ 4,227
TAXI PERMIT FEES	\$0	\$200	\$200	\$150	\$225	\$0	\$50	\$0	\$0	\$25	\$425	\$700	\$300
TAXI - TOTAL REVENUE	\$ 5,040	\$ 4,946	\$ 4,745	\$ 4,716	\$ 3,114	\$ 3,114	\$ 3,200	\$ 3,294	\$ 4,884	\$ 3,904	\$ 4,319	\$ 5,815	\$ 4,527
CURB MGMT CONTRACT													
SOFTWARE LICENSE/HOSTING								\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BEACON LICENSING	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083
TAXI - TOTAL EXPENSE	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083
OPERATING INCOME / (LOSS)	\$ 2,957	\$ 2,863	\$ 2,662	\$ 2,633	\$ 1,031	\$ 1,031	\$ 1,117	\$ 1,211	\$ 2,801	\$ 1,821	\$ 2,236	\$ 3,732	\$ 2,444
FYTD 2023 (July 2022 - June 2023) OPERATING INCOME / (LOSS)													\$ 6,176
CUMULATIVE (12-MONTH) OPERATING INCOME / (LOSS)													\$ 25,582

Transportation Network Companies (TNCs)



	2021 JULY	2021 AUGUST	2021 SEPTEMBER	2021 OCTOBER	2021 NOVEMBER	2021 DECEMBER	2022 JANUARY	2022 FEBRUARY	2022 MARCH	2022 APRIL	2022 MAY	2022 JUNE	2022 JULY
NUMBER OF TRIPS	4,583	4,845	5,010	5,189	5,213	3,918	3,461	3,910	4,857	5,715	5,637	5,222	5,396
NUMBER OF TNCs	2	2	2	2	2	2	2	2	2	2	2	2	2
TNC TRIP FEES	\$ 13,749	\$ 14,535	\$ 15,030	\$ 15,567	\$ 15,639	\$ 11,754	\$ 10,383	\$ 11,730	\$ 14,571	\$ 17,145	\$ 16,911	\$ 15,666	\$ 16,188
TNC PAYMENT PENALTIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TNC - TOTAL REVENUE	\$ 13,749	\$ 14,535	\$ 15,030	\$ 15,567	\$ 15,639	\$ 11,754	\$ 10,383	\$ 11,730	\$ 14,571	\$ 17,145	\$ 16,911	\$ 15,666	\$ 16,188

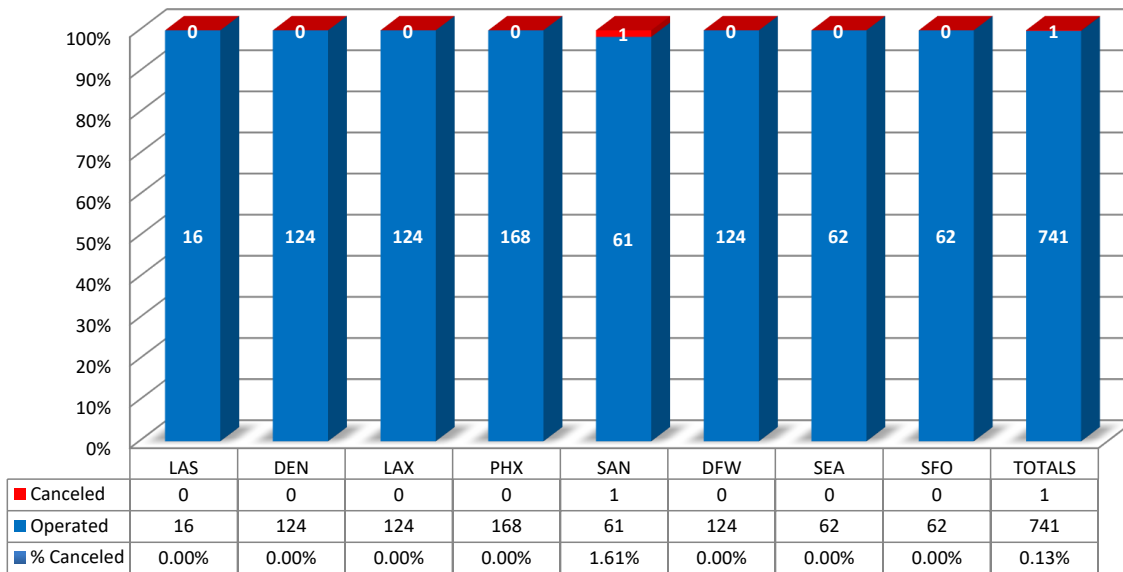
Cumulative 12-Month Operating Income: \$ 175,119

Fiscal Year To Date (July 2022 - June 2023) Operating Income: \$ 16,188

AUGUST 2022

August Commercial Flights

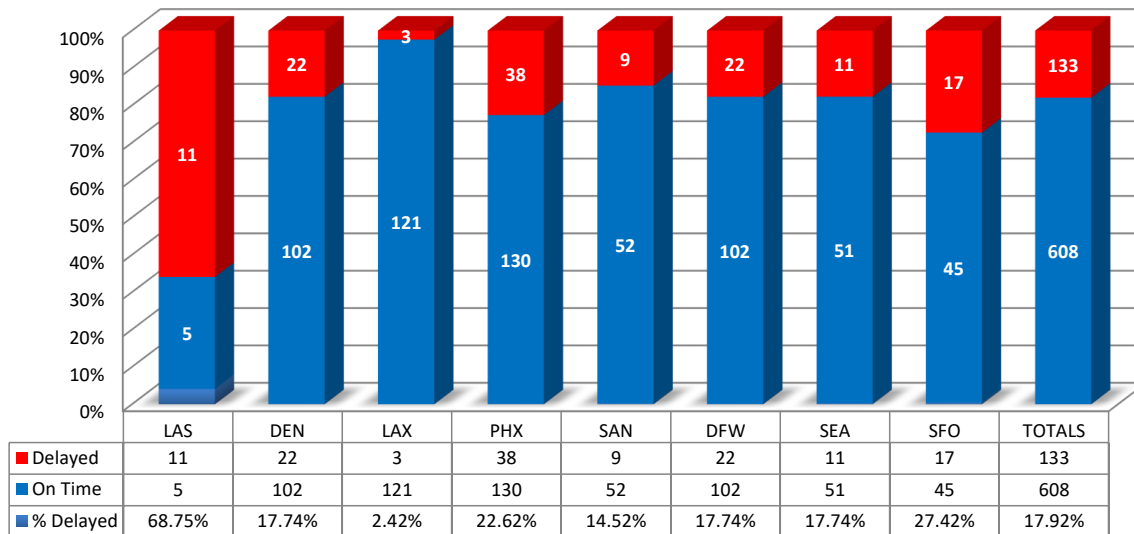
Operated vs. Canceled



TOTAL CANCELLATIONS: 1

August Commercial Flights

On Time vs. Delayed



TOTAL DELAYED FLIGHTS: 133



Monterey Regional Airport

September 2022 Flight Schedule



Aircraft Type (Seats)	ARRIVALS					DEPARTURES					Aircraft Type (Seats)
	FROM	AIRLINE	FLIGHT	TIME	SCHD	TO	AIRLINE	FLIGHT	TIME	SCHD	
EMB175 (76)	LAX	UNITED	5310	9:40 AM	DAILY	DEN	UNITED	4802	5:10 AM	DAILY	CRJ200 (50)
CRJ700 (66)	PHX	American Airlines	3099/ 6287	11:30 AM	DAILY EXC 3 & 4	PHX	American Airlines	5868	6:00 AM	DAILY EXC 4	CRJ700 (66)
CRJ200 (50)	SFO	UNITED	5479	12:30 PM	DAILY	DFW	American Airlines	3868	7:00 AM	DAILY	EMB175 (76)
EMB175 (76)	DFW	American Airlines	4004	12:50 PM	DAILY	PHX	American Airlines	5768 3099	9: 50 AM 12:15 PM	SEP 4 1 -2, 5 - 30	CRJ700 (66)
EMB175 (76)	SEA	Alaska	3471	1:30 PM	DAILY	LAX	UNITED	5658	10:30 AM	DAILY	EMB175 (76)
CRJ200 (50)	DEN	UNITED	5558	2:00 PM	DAILY EXC SEP 5	DEN	UNITED	5778	1:00 PM	DAILY	CRJ200 (50)
CRJ900 (76)	PHX	American Airlines	5767 5698	3:45 PM	DAILY EXC WED, 4, 19, 13, 17, 20, 24, 27	DFW	American Airlines	4004	1:25 PM	DAILY	EMB175 (76)
A319 (156)	LAS	allegiant	77	4:00 PM 2:30 PM 1:05 PM 12:30 PM	2, 12 5, 19 9, 16, 23, 30 26	SFO	UNITED	4729	2:30 PM	DAILY EXC SEP 5	CRJ200 (50)
EMB175 (76)	LAX	UNITED	5280/ 5257	4:05 PM 7:54 PM	SUN - FRI 10, 17, 24, 30	SEA	Alaska	3471	2:05 PM	DAILY	EMB175 (76)
EMB175 (76)	SAN	Alaska	3383 3314	5:10 PM 2:40 PM	SEP 1-6 SEP 7-30	PHX	American Airlines	5703	4:25 PM	DAILY EXC SAT, WED, 4, 13, 20, 27	CRJ900 (76)
CRJ700 (66)	PHX	American Airlines	4931	7:00 PM	7, 10, 13, 14, 17, 20, 21, 24, 27, 28	LAS	allegiant	78	4:55 PM 3:10PM 1:55 PM 1:10 PM	2, 12 5, 19 9, 16, 23, 30 26	A319 (156)
EMB175 (76)	DFW	American Airlines	3880	8:45 PM	DAILY	LAX	UNITED	5269/ 4777	5:00 PM 8:20 PM	MON-FRI, SUN SAT	EMB175 (76)
CRJ200 (50)	DEN	UNITED	5454	8:50 PM	DAILY	SAN	Alaska	3383	5:50 PM 3:20 PM	SEP 1 - 6 SEP 7 - 30	EMB175 (76)
CRJ700 (66)	PHX	American Airlines	4994 5814	10:00 PM	DAILY EXC 3, 7, 10, 13, 14, 17, 20, 21, 24, 27, 28						

*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 Director for Strategy and Development
DATE: September 1, 2022
SUBJ: Planning, Environmental and Maintenance Monthly Project Report

Attached is the current monthly Project Report for the Planning and Maintenance Departments with the following highlights for August 2022:

➤ **Photovoltaic Solar Array System Performance**

Under a performance-based Energy Services Contract by and between the Monterey Peninsula Airport District and ENGIE Services U.S. dated March 9, 2017, Engie installed a Solar Photovoltaic System that began production on 10/1/2017. The following production analysis is provided:

Actual PV Production Compared to Projected PV Production
For time period August 1, 2021 through July 31, 2022

From Timestamp	Total PV Production (kWh)	Projected (kWh)	Percent of Expected %	Total PV Savings
8/1/2021 0:00	132,128	153,219	86%	\$ 22,779.00
9/1/2021 0:00	129,275	126,298	102%	\$ 22,287.00
10/1/2021 0:00	115,163	103,864	111%	\$ 19,854.00
11/1/2021 0:00	93,249	84,772	110%	\$ 16,076.00
12/1/2021 0:00	59,128	77,709	76%	\$ 10,194.00
1/1/2022 0:00	83,218	76,467	109%	\$ 14,347.00
2/1/2022 0:00	103,999	81,907	127%	\$ 17,929.00
3/1/2022 0:00	122,054	128,973	95%	\$ 21,042.00
4/1/2022 0:00	152,247	140,294	109%	\$ 27,434.92
5/1/2022 0:00	190,737	153,212	124%	\$ 34,370.81
6/1/2022 0:00	187,359	157,202	119%	\$ 33,762.09
7/1/2022 0:00	163,833	138,491	118%	\$ 29,522.62
Total	1,532,387	1,422,408	108%	\$ 269,598.44

Since 10/1/2017-to-July 31 2022 actual electricity production value cost savings is \$1,096,284.00.

Notes:

Actual: the actual electricity produced by the photovoltaic system.

Projected: the electricity predicted to be produced by the solar model using 30-year average weather data.

- Additional notes for the PV Solar Array System: Since the production has exceeded expectations and the Airport has continued to install energy efficient upgrades, the 2801 Monterey Salinas Highway properties electrical meters have been added to the system. There is still additional capacity on the electricity generation provided by the PV Array and we plan to add the EV DCFC meter to this system at time of annual True-Up.
- **2801 and 2999 Monterey Salinas Highway Well Construction/Destruction**
 - The 72-hour source capacity test for both of the well locations has been scheduled and approved by County of Monterey Health Department. This test will validate the amount of water available for use in future projects.
 - 2999 Monterey Salinas Highway is scheduled for 10:00 am September 27, 2022 through 10:00 am September 30, 2022
 - 2801 Monterey Salinas Highway is scheduled for 10:00 am October 4 through 10:00 am October 7, 2022
 - A follow-up presentation will be provided at a future Board meeting by Kimley-Horn and Bierman Hydrogeologic once the post testing data has been compiled.

FUNDING				EXPENDITURES				STATUS			
	PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2023 Expenditures to Date	8/31/2022	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
ACTIVE FEDERALLY-FUNDED PROJECTS:											
1	2020-12	71	18-22-C-00-MRY	\$11,000,000	\$8,435,652	\$84,253	\$8,519,905	98%	NORTHSIDE GA APRON CONSTRUCTION	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.	The primary project is complete, mitigation will remain open for the next year. Staff and the engineering team are working on completing the project final reports.
2	2020-13	72	18-22-C-00-MRY	\$1,946,065	\$1,881,783	\$31,178	\$1,912,961	98%	NORTHEAST VSR IMPROVEMENTS	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.	The construction is complete and Staff and the engineering team are working on completing the project final reports.
3	2021-04	76	18-22-C-00-MRY	\$3,350,000	\$2,207,111	\$341,088	\$2,548,198	85%	SEP Phase A1 Commercial Apron Design	An FAA Grant Offer for Design was executed on August 2, 2021.	C&S Engineering and staff continue to meet weekly to review design components and status. Goal is that design will be completed in November 2022 and BID documents ready when FAA releases the FY23 funding schedule.
4	2022-01	79	18-22-C-00-MRY	\$6,603,000	\$258,771	\$266,591	\$525,363	10%	SEP Phase C1/C2/C3 ARFF Design/Construction Demo/Airfield Access	The Design Build Request For Qualifications (RFQ) package to solicit interest for a qualified Project Team process began in August 2021. Mill construction began work on the preliminary design and an AIP grant application was submitted in April 2022.	Mill construction and Mar Jang Architects have completed the footprint design based on AIP eligibility and the site positioning.They continue to complete design and should have a GMP by August 2022. The contract for construction will be brought to the BOD for consideration in September.
5	2023-01	TBD	18-22-C-00-MRY	\$3,775,000	\$0	\$1,954	\$1,954	0%	SEP Phase D1 Terminal Design		RFQ was posted and published. Response submittals were received on August 16, 2022. The evaluation panel is reviewing the submittals and will invite the top 3 respondents for an interview.
6	2023-02	TBD	18-22-C-00-MRY	\$2,170,000	\$0	\$0	\$0	0%	RUNWAY 28L-10R TREATMENT		

FUNDING				EXPENDITURES				STATUS			
	PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2023 Expenditures to Date	8/31/2022	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
7	2023-034	TBD	18-22-C-00-MRY	\$40,000,000	\$0	\$0	\$0	0%	SEP Phase B2 Commercial Apron Construction		
<u>OUTSIDE FUNDED PROJECTS:</u>											
8	2019-03	N/A	N/A	\$2,828,058	\$520,242	\$17,052	\$537,294	45%	WATER DISTRIBUTION SYSTEM	The Monterey County approved the two demolition and two reconstruction permits. A contract to proceed with this work was approved at the January 2022 meeting.	Granite Drilling completed the destruction and construction of the wells at the 2 locations. Capacity testing is scheduled for September 2022.
<u>PFC FUNDED PROJECTS</u>											
9	2020-04	N/A	20-24-C-00-MRY	\$200,000	\$0	\$0	\$0	0%	CCTV TERMINAL AND PERIMETER SECURITY UPGRADES	No work has been completed on this project at this time.	Staff continue to evaluate and review camera and security system options.
<u>DISTRICT ONLY FUNDED PROJECTS</u>											
10	2020-14	N/A	N/A	\$350,000	\$203,879	\$0	\$203,879	100%	NORTHWEST BUILDING ABATEMENT	Abatement work was completed in June, 2021.	Staff are evaluating building 1105 Airport Way.
11	2022-02	N/A	N/A	\$83,000	\$27,859	\$0	\$27,859	50%	VEHICLE REPLACEMENT	A resolution to approve the purchase of one maintenance vehicle was approved at the September 2021 Board meeting.	Awaiting availability of a vehicle; chassis has been built, waiting on the computer chip for completion of the vehicle, anticipated that the vehicle will arrive in September 2022.
12	2023-04	N/A	N/A	\$350,000		\$0	\$0	0%	2801 PROPERTY REPAIRS		
13	2023-05	N/A	N/A	\$250,000		\$0	\$0	0%	FRED KANE-SKYPARK PAVEMENT IMPROVEMENTS		
14	2023-06	N/A	N/A	\$100,000		\$0	\$0	0%	AIRFIELD VEHICLE GATE IMPROVEMENTS		

FUNDING				EXPENDITURES				STATUS			
	PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2023 Expenditures to Date	8/31/2022	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
15	2023-07	N/A	N/A	\$325,000		\$0	\$0	0%	TERMINAL BUILDING OUTSIDE PAINTING		



POLICE

DEL REY OAKS

MONTHLY POLICE ACTIVITY REPORT

August 2022

TO: Michael La Pier, Executive Director
FROM: Sergeant Roger Guzman
DATE: September 5, 2022
SUBJECT: Police Activity Report for August 2022

The following is a summary of significant activity in the Police Department in August 2022:

Highlights

Del Rey Oaks Police Officers responded to approx 10 **door and gate alarms** in August.

Training

Commander Bourquin provided updated training regarding MRY OPS. Commander Bourquin and Ken Griggs/Mark Curtis meet weekly regarding MRY/DROPD operations.

Calls for Service

1. 8/7/22 2:00 PM Commander Bourquin
Terminal: TSA check point
Commander Bourquin responded to a found firearm in luggage. The owner was located in addition, directed to fill out a declaration.
2. 8/15/22 5:35 PM Commander Bourquin
MJC: Trespass subject. Commander Bourquin responded to an upset temporary Employee, who was seen climbing fence to leave AOA area. Subject was escorted off property.
3. 8/18/22 4:15 PM Commander Bourquin
TSA Check Point: 415 man
Commander Bourquin responded to subject acting strange. Subject was not allowed to board and escorted off terminal.
4. 8/25/22 3:55 PM Ofcr Andoy
NSSI: Unattended bags
Ofcr Andoy cited transporter for no permit near NSSI hangar.

END OF REPORT.