

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

March 12, 2014 10:00 AM

Board Room, Terminal Building - Monterey Regional Airport

(Unless you are a public safety official, please turn off your cell phone or place it on vibrate mode during the meeting. Thank you for your compliance.)

A. CALL TO ORDER/ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

D. PUBLIC COMMENTS

Any person may address the Monterey Peninsula Airport District Board at this time. Presentations should not exceed three (3) minutes, should be directed to an item **NOT** on today's agenda, and should be within the jurisdiction of the Monterey Peninsula Airport District Board. Though not required, the Monterey Peninsula Airport District Board appreciates your cooperation in completing a speaker request form available on the staff table. Please give the completed form to the Monterey Peninsula Airport District Secretary. Comments concerning matters set forth on this agenda will be heard at the time the matter is considered.)

E. CONSENT AGENDA – ACTION ITEMS

(10:15AM – 10:30AM Estimated)

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

Approve 1. Minutes of the Regular Meeting of February 12, 2014

Approve 2. Board Member attendance to AAE Conference San Antonio, TX May 18-21, 2014

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

G. REGULAR AGENDA – ACTION ITEMS

(10:30AM-12:00PM Estimated)

Adopt 1. Resolution No. 1612, a Resolution Approving the Bid for the Runway Safety Area Project, and Authorizing Execution of a Construction Contract with the Firm of Granite Rock Company

- | | |
|--------------|---|
| Adopt | 2. Ordinance 914 repealing MPAD Ordinance 637 pertaining to Building Codes, and Adopting by Reference the 2013 California Building Standards Uniform Code (waive 2nd reading and adopt) |
| Adopt | 3. Resolution No. 1613, a Resolution Authorizing and Approving a Policy and Use Agreement for Electronic Tablets by the Board of Directors and Key District Staff |
| Adopt | 4. Resolution No. 1614, a Resolution Establishing an Air Carrier Incentive Program for New and Expanded Air Carrier Service at Monterey Regional Airport |
| Presentation | 5. Update on the Runway Safety Area (RSA) Project by Kimley-Horn and Associates. |

H. ACCEPTANCE OF DEPARTMENT REPORTS (12:00PM – 12:15PM Estimated)

(The board receives department reports which do not require any action by the board)

I. BOARD COMMITTEE REPORTS (12:15PM – 12:30PM Estimated)

(Report on meetings attended by Board Members at Monterey Peninsula Airport District's expense - AB1234)

CHAIR APPOINTMENTS:

- | | |
|--|-------------------------------|
| a. <u>Standing Committees:</u> | |
| i. Air Carrier Service/Marketing/Community Relations | Directors Nelson & Leffel |
| ii. Finance | Directors Miller & Sabo |
| iii. Local Jurisdiction Liaison | Directors Miller & Searle |
| b. <u>Ad-Hoc Committees:</u> | |
| i. Personnel | Directors Miller & Nelson |
| c. <u>Liaison/Representatives:</u> | |
| i. Local Agency Formation Commission | Directors Leffel & Searle |
| ii. Transportation Agency for Monterey County | Directors Sabo/Nelson (alt) |
| iii. Water Management District (Policy Advisory) | Directors Leffel/Searle (alt) |

BOARD APPOINTMENTS:

- | | |
|----------------------------|--------------------------------|
| i. Regional Taxi Authority | Director Leffel/GM Greer (alt) |
|----------------------------|--------------------------------|

LUNCH BREAK (12:30PM – 1:30PM Estimated)

J. CLOSED SESSION

(1:30PM – 2:30PM Estimated)

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Pursuant to Government Code Section 54956.8)

Regarding the following property:
APN 259-021-013; Property Owner: Greek Orthodox Church

Negotiating Parties: Glen Alder, for property owners
Mark Bautista, for MPAD

K. 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.)

Proposed Modification of the Governance Manual

M. ADJOURNMENT

AGENDA DEADLINE

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 Monday before the first Wednesday of the month. This agenda is subject to revision and may be amended prior to the scheduled meeting. A final Agenda will be posted outside the District Offices in the Terminal Building at the Monterey Regional Airport 72 hours prior to the 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. In order to allow the District time within which to make appropriate arrangements, please submit a written request containing a brief description of the materials requested and preferred alternative format or auxiliary aid or service desired as far as possible in advance of the meeting. Requests should be sent to the District Secretary at 200 Fred Kane Drive, Suite 200, Monterey, California 93940.

MINUTES OF THE REGULAR MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS
February 12, 2014, 10:00 AM, BOARD ROOM

A. CALL TO ORDER/ROLL CALL

Chair Miller called to order the Regular Meeting of the Board of Directors. Directors Sabo, Searle Nelson and Leffel were present. The following District officers were present: General Manager Greer, Secretary Posey, Auditor Merritt, and Counsel Huber.

B. PLEDGE OF ALLEGIANCE

Director Nelson led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

1. Recognition of 5 Years of Service

<u>Name</u>	<u>Position</u>	<u>Department</u>
Eddie Galutira	Custodian	Maintenance

General Manager Greer and Deputy General Manager Bautista presented Eddie Galutira.

2. Recognition of 25 Years of Service

<u>Name</u>	<u>Position</u>	<u>Department</u>
Kurt Howe	Police Officer	Police

General Manager Greer and Chief Hardee presented Kurt Howe.

Chair Miller asked that the board join him in congratulating Director Leffel who was named Citizen of the Year 2013 by the Monterey Chamber of Commerce. Chair Miller acknowledged her outstanding contribution to the community.

Chair Miller announced that he handed out two separate reports about the conferences he attended, Airport Council International (ACI) and California Special District Association (CSDA).

D. PUBLIC COMMENTS

None

E. CONSENT AGENDA – ACTION ITEMS

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

Approve 1. Minutes of the Regular Meeting of January 8, 2014

- Approve 2. Minutes of the Special Meeting of January 24, 2014
- Approve 3. Donation of used police vehicles
- Approve 4. Board Member attendance to AAAE/ACI-NA Legislative Conference in Washington, D. C., March 26-27, 2014

Director Leffel moved to approve all Items, E1 – E4. Director Sabo seconded the motion. The amended motion passed unanimously.

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

None

G. REGULAR AGENDA – ACTION ITEMS

- Approve 1. Ordinance 914 repealing MPAD Ordinance 637 pertaining to Building Codes, and Adopting by Reference the 2013 California Building Standards Uniform Code (waive 1st reading)

District Counsel Huber presented this item.

Director Nelson moved to approve Item G.1. Director Leffel seconded the motion. The motion passed by a roll call vote of 5-0.

- Adopt 2. Resolution No. 1611, a Resolution Approving the Extension of the Lease Agreement with Republic Parking System

General Manager Greer presented this item. Bob Linehart, Executive Vice President Chief Operating Officer of Republic Parking was present to answer questions.

RESOLUTION NO. 1611

A RESOLUTION APPROVING THE EXTENSION OF THE LEASE AGREEMENT WITH REPUBLIC PARKING SYSTEM

WHEREAS, the Board of Directors approved the extension of the District’s lease agreement with Republic Parking Systems (RPS), subject to the conditions, provisions and considerations set forth in said agreement, and

WHEREAS, the Federal Aviation Administration (FAA) approved the lease extension pursuant to FAA requirements as set forth in the FAA’s Airport Concessions Disadvantaged Business Enterprise Program (ACDBE);

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT that the Chair or Acting Chairperson of the Board of Directors of said District is hereby authorized to execute and deliver said lease extension agreement to RPS as “Lessee” on behalf of said District, which extends the term of the agreement by 5 years, with one 5-year option added to the agreement, and that the Secretary or the Acting Secretary of said District is authorized to affix thereto the official seal of said District. True and correct copies of the lease and the lease extension are attached as Exhibit A to this Resolution.

ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 12th day of February 2014, by the following roll call vote:

AYES: DIRECTORS: Leffel, Nelson, Searle, Sabo, and Chair Miller
NOES: DIRECTORS:
ABSTAIN: DIRECTORS:
ABSENT: DIRECTORS:

Director Leffel moved to approve Item G.2., as amended to include the additional language; “which extends the term of the agreement by 5 years, with one 5-year option added to the agreement” Director Sabo seconded the motion. The motion passed by a roll call vote of 5-0 as noted above.

Direction to Staff 3. Air Service Incentive Program

Senior Deputy General Manager Hayes presented this item and indicated that the Air Service Development Committee recommends support of this item.

The Board directed staff to move forward and to come back to the board with a more detailed program.

Presentation/ Discussion 4. Financial Mid-Year Review

Accounting Manager/Controller Jerry Merritt presented this item.

Approve 5. Process in the selection of Financial Auditors (Chair Miller)

Director Miller asked for those in favor and those opposed.

The item passed 4-1. Director Leffel opposed.

H. ACCEPTANCE OF DEPARTMENT REPORTS

(The board receives department reports which do not require any action by the board)

I. BOARD COMMITTEE REPORTS

(Report on meetings attended by Board Members at Monterey Peninsula Airport District's expense - AB1234)

CHAIR APPOINTMENTS:

a. Standing Committees:

- | | |
|--|---------------------------|
| i. Air Carrier Service/Marketing/Community Relations | Directors Nelson & Leffel |
| ii. Finance | Directors Miller & Sabo |
| iii. Local Jurisdiction Liaison | Directors Miller & Searle |

b. Ad-Hoc Committees:

- | | |
|--------------|---------------------------|
| i. Personnel | Directors Miller & Nelson |
|--------------|---------------------------|

c. Liaison/Representatives:

- | | |
|--|-------------------------------|
| i. Local Agency Formation Commission | Directors Leffel & Searle |
| ii. Transportation Agency for Monterey County | Directors Sabo/Nelson (alt) |
| iii. Water Management District (Policy Advisory) | Directors Leffel/Searle (alt) |

BOARD APPOINTMENTS:

- | | |
|----------------------------|--------------------------------|
| i. Regional Taxi Authority | Director Leffel/GM Greer (alt) |
|----------------------------|--------------------------------|

J. CLOSED SESSION

1. **CONFERENCE WITH LABOR NEGOTIATORS** (Pursuant to Government Code Section 54957.6)

Agency designated representatives: Tom Ebersole, Cota-Cole LLP and Tonja Posey

2. **REAL PROPERTY NEGOTIATORS** (Pursuant to Government Code Section 54956.8)

Agency designated representatives: District Counsel, General Manager, Senior Deputy General Manager, and District Auditor

Property: 1118 Airport Way, Monterey, California

K. RECONVENE TO OPEN SESSION

Director Nelson excused himself from closed session for Item J.2.

No Reportable action taken in closed session.

Approve 1. Consideration of Lease Amendment for Airport Self Storage

Director Leffel moved to approve Item K.1. Director Searle seconded the motion. The motion passed unanimously.

L. 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.)

Director Nelson returned to the board room for Item L.

Director Sabo asked that staff update the board on the status of the computer tablets.

M. ADJOURNMENT

The meeting adjourned at 4:04pm.

AGENDA ITEM: G-1
DATE: March 12, 2014

TO: Monterey Peninsula Airport District Board of Directors
FROM: Mark Bautista, Deputy General Manager, Planning & Development
Chris Morello, Grants Manager, Planning & Development
SUBJ: Resolution No. 1612, a Resolution Approving the Bid for the Runway Safety Area Improvements Project and Authorize Execution of a Contract with Granite Rock Company

BACKGROUND. On November 13, 2013, in an open and public meeting in strict conformance with the notice, agenda, and public comment requirements of the Ralph M. Brown Act, the MPAD Board of Directors (BOD) considered approval of the EIR Addendum, reconsidered approval of all actions that constitute the RSA Project, and approved Resolution No. 1603, "A Resolution Certifying the Addendum to the Previously Certified Final Environmental Impact Report for the Runway Safety Area Improvements Project; and, Approving Modifications to the Runway Safety Area Improvements Project."

On January 8, 2014 the MPAD Board adopted Resolution No. 1608, "Adopting Plans and Working Details, and Calling for Formal Bids for the Runway Safety Area Improvements Project."

On March 4, 2014 at 1:00 p.m., the proposals for the Runway Safety Area Improvements Project were received and opened.

ENGINEER'S ANALYSIS. Four proposals were received; they were reviewed for consistency, completeness, and accuracy for all documents and requirements requested in the Notice to Bidders by Kimley-Horn and Associates, Inc. (KHA).

Based on that review, Staff recommends a contract be awarded to Granite Rock Company as the lowest responsive bidder for the project with a bid amount of \$29,729,941.31.

The following is a matrix of the Bid Proposals received:

Company	Bid Amount
Granite Rock Company	\$29,729,941
Granite Construction Company	\$32,750,749
DeSilva Gates Construction LP	\$34,088,888
Madonna Construction Co., Inc.	\$37,097,836

STAFF ANALYSIS. Staff concurs with the recommendation of KHA.

SCOPE. District staff has engaged in ongoing meetings and discussions with the FAA, both District and Regional Offices; to that end the District used two (2) phases for bidding. The first phase, clearing & grubbing on the east end of the project, has been completed. The bidding for the 2nd phase has now been achieved; the scope of work covers the remainder of the project approved by the BOD on November 13, 2013.

SOURCE OF FUNDS. The RSA Project costs, including all construction, materials and project management, are currently estimated to be approximately fifty-five million dollars (\$52M).

Between 90% and 95% of these costs will be paid by Airport Improvement Program (AIP) funds with the balance paid for with Passenger Facility Charge (PFC) funds.

IMPACT ON REVENUES. The RSA Project is not anticipated to impact District operating revenues.

SCHEDULE. Assuming BOD approval of a lowest responsible bidder at the March 12, 2014 BOD meeting, Staff's goal is to be under construction in the month of April 2014 and have the RSA standard met by December 31, 2015.

IMPACT ON OPERATIONS. There will be temporary impacts on Airport Operations. Adverse impacts will be minimized and coordinated well in advance.

CONTINGENCY. n/a

STRATEGIC PLAN. Getting construction underway, and ordering the EMAS for the east end of the RSA Project directly implements Strategic Element No. 2 in the Five-year Strategic Plan, September 2011, as amended on April 10, 2013. More specifically, it implements Strategic Goal 2.3, by providing compliance with current federal guidelines; and Strategic Goal 2.5, by managing approved projects within the CIP/ACIP.

RECOMMENDATION. Adopt proposed Resolution No. 1612, a Resolution Approving the Bid for the Runway Safety Area Improvements Project, and Authorizing Execution of a Contract with Granite Rock Company.

RESOLUTION NO. 1612

**A RESOLUTION APPROVING THE BID FOR
THE RUNWAY SAFETY AREA IMPROVEMENTS PROJECT, AND AUTHORIZING EXECUTION
OF A CONTRACT WITH GRANITE ROCK COMPANY**

WHEREAS, at the time and place fixed by the Monterey Peninsula Airport District for the opening of proposals, 1:00 p.m., March 4, 2014, the proposals for the Runway Safety Area Improvements Project were received and opened; and

WHEREAS, after consideration of the Staff report regarding the proposals submitted, the Board of Directors has determined that it is in the best interest of the District to accept and approve the proposal of Granite Rock Company (Pavex) in the amount of \$29,729,941.31; and

WHEREAS, on September 15, 2011 the District received and accepted a grant offer/agreement from the Federal Aviation Administration (FAA) for "*Phase 1, Improve RSA on 10R-28L;*" and

WHEREAS, the District anticipates receiving a 2nd grant offer/agreement from the Federal Aviation Administration (FAA) for the work, based upon the bid received from Granite Rock Company, to complete the funding necessary to accomplish the Project;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT THAT:

1. The General Manager of the District is hereby authorized to execute all grant agreements, and any and all other documents as may be required to implement the project, on behalf of the District, conditioned upon:
 - a) Review and concurrence by District Counsel of final contract form.
 - b) Management of Notices To Proceed (NTPs) such that sufficient AIP grant and PFC funds are secured and in place to cover work for which each NTP as given.
2. The District Secretary or designee is authorized to affix thereto the official seal of the District.
3. The District hereby exercises its right to delay the award, pending approval of the FAA, as reserved in Section 9 of the Instructions to Bidders.

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**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY
PENINSULA AIRPORT DISTRICT: This 12th day of March 2014 by the following roll call vote:**

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

ATTEST

Signed this 12th day of March 2014

Tonja Posey
District Secretary

Carl Miller, Chairman

MONTEREY PENINSULA AIRPORT DISTRICT
MONTEREY COUNTY, CALIFORNIA

FORM OF CONTRACT AGREEMENT

RUNWAY 10R-28L SAFETY AREA IMPROVEMENTS

Partially Funded by:
A.I.P. 03-06-0159-58

THIS CONTRACT, entered into in duplicate this _____ day of _____, 2014, by and between the Monterey Peninsula Airport District, hereinafter called the "District", party of the first part, and _____, hereinafter called the "Contractor", party of the second party.

WITNESSETH:

In consideration of the mutual promises herein contained, both parties, in relation to a certain public improvement, (hereinafter called the "Work") to wit: **for RUNWAY 10R-28L SAFETY AREA IMPROVEMENTS** at the Monterey Peninsula Airport, Monterey, California, in accordance with the Plans, Specifications and documents consisting of the following:

- (a) Signed Addendum, as accepted by District
- (b) Notice to Contractors
- (c) Information to Bidders
- (d) Signed and executed Proposal of Contractor
- (e) This Form of Contract Agreement
- (f) Performance Bond
- (g) Payment Bond
- (h) Insurance Certifications
- (i) General Provisions
- (j) Technical Specifications
- (k) Supplementary General Provisions
- (l) Plans
- (m) Special Provisions
- (n) Cited Standards for Materials and Testing
- (o) Cited FAA Advisory Circulars
- (p) Cited Design Standards and Standard Specifications and Standard Plans, or as amended, or otherwise indicated in the specifications;

are hereby made a part of this contract, said work to be done as shown on a set of plans of the Monterey Peninsula Airport District dated January 2014 and entitled **RUNWAY 10R-28L SAFETY**

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

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

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

The amount of bid items No's _____
_____ as specified in the Proposal of the Contractor, for the total price not to exceed of

(\$ _____) Dollars.

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

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

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

ARTICLE IV. The plans and specifications referred to in ARTICLE I are hereby incorporated herein, and should there be any conflict between the terms of this instrument and the bid or proposal of the Contractor, this instrument shall control and nothing herein shall be considered as an acceptance of any terms of said proposal conflicting herewith. Contractor's attention is specifically drawn to paragraph 23. *Termination of Contract by MPAD*, subparagraphs a.- e., page IB-8 (Instruction to Bidders), of the **Specifications for the Runway 10R-28L Safety Area Improvements.**

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

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

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

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

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

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

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

The Contractor agrees to hold harmless, indemnify and defend the District and the Engineer, and any agents or employees thereof, while acting within the scope of their duties from

and against any and all liability, claims, damages and cost of defense arising out of the Contractor's performance of the work described herein but not including the sole negligence of the District or the Engineer. The Contractor will require any and all sub-contractors to conform with the provisions of this clause prior to commencing any work.

ARTICLE IX. Contractor shall commence work under this Contract within ten (10) calendar days of the date set by the Engineer in the first written Notice to Proceed.

The Contract Time is divided into two (2) Phases [Phase 1 and 2] and further subdivided into five (5) distinct periods of time [Schedules I, II, III, IV and V]. Each Schedule will be initiated with a separate Notice to Proceed. Notices To Proceed (NTPs) will be managed such that sufficient AIP grant and PFC funds are secured and in place to cover work for which each NTP as given.

Work cover by this contract will be complete within the following:

Phase 1 - Schedule I: — One hundred and seventy one (171) calendar days

Phase 1 - Schedule II: — Eighty (80) calendar days

Phase 1 - Schedule III: — Sixty (60) calendar days

Total Phase 1: — Three hundred and eleven (311) calendar days

Phase 2 - Schedule IV: — Two hundred and forty (240) calendar days

Phase 2 - Schedule V: — Sixty (60) calendar days

Total Phase 2: — Three hundred and fourteen (300) calendar days

The completion dates and schedule durations are based on the assumption that the Contractor will receive the first Notice to Proceed no later than 120 calendar days after bid opening; and will receive the subsequent NTPs' no later than 90 calendar days prior to completion of the preceding schedule.

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

1. 1000.00 dollars (\$) for each minute or part thereof for the first ten (10) minutes and 2,500.00 dollars (\$) for all subsequent minutes or part thereof that expire after the Runway Nightly Closure Time specified that the Runway remains closed to aircraft traffic; and

2. 25,000.00 dollars (\$) for each calendar day or part thereof that expires after the time specified herein for the Contractor to achieve Phase 1 Completion; and
3. 25,000.00 dollars (\$) for each calendar day or part thereof that expires after the time specified herein for the Contractor to achieve Phase 2 Completion.

These measures of liquidated damages shall apply cumulatively and shall be presumed to be, except as provided below, the damages suffered by the District resulting from delay in completion of the Work.

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

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

ARTICLE XI. The Contractor and its subcontractors shall not publish, release, disclose or announce to any member of the public, press, official body, or any other third party: (1) any information concerning this Agreement, the services, or any part thereof; or (2) any documentation or the contents thereof, without the prior written consent of the District, except as required by law. Photos taken by the contractor and its subcontractors on the RSA project must be pre-approved in writing by the District before being made public. Some photos may contain security sensitive information and publication may violate federal law.

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

MONTEREY PENINSULA AIRPORT DISTRICT:

CONTRACTOR:

Carl Miller,
Chairman, Board of Directors

Granite Rock Company

ATTEST:

Tonja Posey,
District Secretary

RECOMMENDED FOR APPROVAL:

Mark Bautista,
Deputy General Manager
Planning & Development Department

APPROVED AS TO FORM:

Scott Huber,
District Counsel

MATERIAL AND LABOR BOND

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

_____ Dollars (\$ _____
_____),

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

THE CONDITIONS OF THIS OBLIGATION ARE SUCH:

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

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

Principal (SEAL)

Surety (SEAL)

By _____
Attorney in Fact

770-09A

STATE OF CALIFORNIA

Monterey Regional Airport

MLB-1

Contract
Runway 10R-28L Safety Area Improvements

On this _____ day of _____, 20____

before me _____

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

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

Attorney in Fact of _____

and acknowledged to me that he subscribed the name of _____

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

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

Notary Public in and for State of California

FAITHFUL PERFORMANCE BOND

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

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

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

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

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

770-XXX

IN WITNESS WHEREOF the above bounden parties have executed this instrument under their seals this _____ day of 20 ____, the name and corporate seal of each corporate party

being hereto affixed and these presents duly signed by its undersigned representatives, pursuant to authority of its governing body.

By _____

_____ (SEAL)

Principal

By _____

_____ (SEAL)

Surety

STATE OF CALIFORNIA

On this _____ day of _____, 20____

before me _____

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

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

Attorney in Fact of _____

and acknowledged to me that he subscribed the name of _____

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

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

Notary Public in and for State of California

SUPPLEMENTARY GENERAL PROVISIONS
AIRPORT IMPROVEMENT PROGRAM REQUIREMENTS

1. GENERAL LABOR REQUIREMENTS FOR ALL CONTRACTS AND SUBCONTRACTS

- a. **Airport Improvement Program (AIP) Project.** The work in this contract is included in the AIP Project which is being undertaken and accomplished by the OWNER in accordance with the terms and conditions of a grant agreement between the OWNER and the United States under the Airport and Airway Safety and Capacity Expansion Act of 1987, pursuant to which the United States has agreed to pay a certain percentage of the costs of the project that are determined to be allowable project costs under that Act. The United States is not a party to this contract and no reference in this contract to the FAA or any representative thereof, or to any rights granted to the FAA or any representative thereof, or the United States, by the contract, makes the United States a party to this contract.
- b. **Consent to Assignment.** The contractor shall obtain the prior written consent of the owner to any proposed assignment of any interest in or part of this contract.
- c. **Convict Labor.** No convict labor may be employed under this contract.
- d. **Veteran's Preference.** In the employment of labor (except in executive, administrative and supervisory positions), preference shall be given to veterans of the Vietnam era and disabled veterans. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.
- e. **Withholding, Sponsor From Contractor.** Whether or not payments or advances to the owner are withheld or suspended by the FAA, the owner may withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the contractor or any subcontractor on the work the full amount of wages required by this contract.
- f. **Nonpayment of Wages.** If the contractor or subcontractor fails to pay any laborer or mechanic employed or working on the site of the work any of the wages required by this contract owner may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment or advance of funds until the violations cease.
- g. **FAA Inspection and Review.** The contractor shall allow any authorized representative of the FAA to inspect and review any work or materials used in the performance of this contract.
- h. **Subcontracts.** The contractor shall insert in each of his subcontracts the provisions contained in paragraphs a, c, d, e, f, and g of this section, and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts which they may enter into, together with a clause requiring this insertion in any further subcontracts they may in turn be made.
- i. **Contract Termination.** A breach of paragraphs f, g, and h of this section may be grounds for termination of the contract.

2. MISCELLANEOUS CLAUSE REQUIREMENTS FOR ALL CONSTRUCTION CONTRACTS AND SUBCONTRACTS

During the performance of this contract, the contractor, for himself, his assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

- a. **Compliance With Regulations.** The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (Title 49, Code of Federal Regulations, Part 21), as they may be amended from time to time, (hereinafter referred to as the Regulations), which are incorporated by reference and made a part of this contract.

- b. **Nondiscrimination.** The contractor, with regard to the work performed by him during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- c. **Solicitation for Subcontracts, Including Procurement 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 procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- d. **Information and Reports.** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to his books, records, accounts, other sources of information and his facilities as may be determined by the sponsor or the FAA to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts he has made to obtain the information.
- e. **Sanction for Noncompliance.** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as they or the FAA may determine to be appropriate, including, but not limited to:
- i. Withholding of payments to the contractor under the contract until the contractor complies, and/or
 - ii. Cancellation, termination, or suspension of the contract in whole or in part.
- f. **Incorporation of Provisions.** The contractor shall include the provisions of paragraphs a through e in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such 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, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
- g. **Breach of Contract Terms - Sanctions.** Contracts/Subcontracts shall contain such contractual provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. A sample clause is:
- h. "Any violation or breach of the terms of this contract on the part of the contractor/subcontractor may result in the suspension or termination of this contract, or such other action which may be necessary to enforce the rights of the parties of this agreement."
- i. **Contract Termination.** (For contracts in excess of \$10,000). This contract may be terminated by the grantee for default or any other conditions or circumstances beyond the control of the contractor. Termination conditions, the manner by which it will be effected and the basis for settlement are as follows: (enumerate conditions applicable to each contract).
- j. **Rights for Inventions - Materials.** (For contracts or agreements involving imported products, processes, methods, etc.). All rights to inventions and materials generated under this contract area subject to regulations issued by the FAA and the recipient of the Federal grant under which this contract is executed. Information regarding these rights is available from the FAA and grantee.

3. ACCESS TO DOCUMENTS, RECORDS, ETC., CLAUSES FOR CONSTRUCTION CONTRACTS AND SUBCONTRACTS

The Administrator of the FAA and the Comptroller General of the United States, or an authorized representative of either, shall be allowed access to the contractor's records which are pertinent to the contract for the purpose of accounting and audit.

4. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS

The contractor assures that it will comply with pertinent statutes, Executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport a program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

5. LABOR CONTRACT CLAUSES FOR ALL CONSTRUCTION CONTRACTS AND SUBCONTRACTS IN EXCESS OF \$2,000.

a. Minimum Wages.

(1) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to laborers or mechanics, subject to the provisions of subparagraph a.(4) below; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in paragraph d of this clause. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under a.(2) of this section) and the Davis Bacon poster (WH-1321) shall be posted at all times by the contractor and his subcontractors at the site of the work in a prominent and accessible place where it can easily be seen by the workers.

(2)

(i) The contracting officer shall require that any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be

classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (a) The work to be performed by the classification requested is not performed by a classification in the wage determination;
 - (b) The classification is utilized in the area by the construction industry; and
 - (c) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- (ii) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standard Administration, U.W. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer within the 30 day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140).
- (iii) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of the receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140).
- (iv) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (2)(ii) or (iii), of this paragraph, shall be paid to all workers performing work in the classification under this contract form the first day on which work is performed in the classification.
- (3) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.
- (4) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program; provided, that the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB control number 1215-0140).
- b. **Withholding.** The FAA or the sponsor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments of advances as may be considered

necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of work, all or part of the wages required by the contract, the Federal Aviation Administration may after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

c. **Payrolls and Basic Records.**

(1) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under paragraph a(4) of this clause that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual costs incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable program. (Approved by the Office of Management and Budget under OMB control numbers 1215-0140 and 1251-0017).

(2)

(i) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the Federal Aviation Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under paragraph C(1) above. This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-0014-1), U.S. Government Printing Office, Washington, D.C. 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. (Approved by the Office of Management and Budget under OMB control number 1215-0149).

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

(a) That the payroll for the payroll period contains the information required to be maintained under paragraphs C(1) above and that such information is correct and complete;

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

- (c) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.
 - (iii) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph C(2)(ii) of this section.
 - (iv) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.
- (3) The contractor or subcontractor shall make the records required under paragraph C(1) of this section available for inspection, copying or transcription by authorized representatives of the sponsor, the Federal Aviation Administration or the Department of Labor, and shall permit such representatives to interview employees during working hour on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request of to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

d. Apprentices and Trainees

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

- (2) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainees' level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
- (3) **Equal Employment Opportunity.** The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.
- e. **Compliance With Copeland Act Requirements.** The contractor shall comply with the requirements of 29 CFR Part 3, which are incorporated by reference in this contract.
- f. **Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses contained in paragraphs a through j of this contract and such other clauses as the Federal Aviation Administration may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5
- g. **Contract Termination: Debarment.** A breach of the contract clauses in paragraphs a through j of this clause and a through e of the fifth clause below may be grounds for termination of the contract, and for the debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.
- h. **Compliance With Davis-Bacon and Related Act Requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Part 30.
- i. **Disputes Concerning Labor Standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5,6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of his subcontractors) and the contracting agency, the U.S. Department of Labor or the employees or their representatives.
- j. **Certification of Eligibility**
- (1) By entering into this contract, the contractor certifies that neither he nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

- (2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
- (3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

6. REQUIREMENTS OF THE CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The following clauses in paragraphs a, b, c, d, and e below, required by the Contract Work Hours and Safety Standards Act, will also be inserted in full in AIP construction contracts in excess of \$2,000 in addition to the clause required by 29 CFR 5.5(a) or 4.6 of Part 4 of Title 29. As used in the following, the term "laborers" and "mechanics" include watchmen and guards.

- a. **Overtime Requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek, whichever is greater.
- b. **Violation; Liability for Unpaid Wages; Liquidated Damages.** In the event of any violation of the clause set forth in paragraph a above, the contractor or any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph a above, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph "a" above.
- c. **Withholding for Unpaid Wages and Liquidated Damages.** The Federal Aviation Administration or the sponsor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph b above.
- d. **Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs a through d and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs a through d.
- e. **Working Conditions.** No contractor or subcontractor may require any laborer or mechanic employed in the performance of any contract to work in surroundings or under working conditions that are unsanitary, hazardous or dangerous to his health or safety as determined under construction safety and health standards (29 CFR Part 1926) issued by the Department of Labor.

7. VETERAN'S PREFERENCE

In addition to the provision in the contract clauses above for contracts in excess of \$2,000, the following is to be included in all contracts for work on airport development projects involving labor:

Veterans Preference. In the employment of labor (except in executive, administrative and supervisory positions), preference shall be given to veterans of the Vietnam era and disabled veterans. However, this

preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

8. **STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS FOR CONSTRUCTION CONTRACTS**

1) **REQUIRED NOTICE FOR CONTRACTS OVER \$10,000.** The regulations and orders of the Secretary of Labor, Office of Federal Contract Compliance Program (OFCCP) require that the sponsor and/or his contractor(s) include in invitation for Bids or negotiations for contracts over \$10,000 the following:

a) **Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246, as Amended).**

- (1) The offeror's or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.
- (2) The goals and timetables for minority and female participation, expressed in percentage terms for the contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

STATE OF CALIFORNIA

AREA COVERED	TIME TABLES	GOALS (PERCENT) FOR MINORITY PARTICIPATION FOR EACH TRADE	GOALS (PERCENT) FOR MINORITY FEMALE PARTICIPATION FOR EACH TRADE
Monterey County	Until Further Notice	28.9	6.9

These goals are applicable to all the contractor's construction work (whether or not it is Federal or federally-assisted) performed in the covered area. If the contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the contractor also is subject to the goals for both its federally involved and nonfederally involved construction.

The contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a), and its efforts to meet the goals. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the contractor shall make a good faith effort to employ minorities and women evenly on each of his projects. The transfer or minority or female employees or trainees from contractor to contractor, or from project to project, for the sole purpose of meeting the contractor's goals shall be a violation of the contract, the Executive Order, and the regulation in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

- (3) The contractor shall provide written notification to the Director, OFCCP, within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number of the subcontractor; estimated starting and completion dates of the subcontract; and the geographical area in which the subcontract is to be performed.

- (4) As used in this Notice and in the contract resulting from this solicitation, the "covered are" is the one or more geographical areas indicated under Paragraph a(2) above.

b) Contractor/Subcontractor Reporting - 41 CFR 60-1.7

- (1) Monthly Utilization Reports (SF-257). Monthly Utilization Reports (SF 257) may be required to be submitted to the area office of the OFCCP. This requirement applies to contracts to be performed in areas designated by the Department of Labor. Contractors should contact the area office of the Department of Labor to see if this report is required.

- (2) Employer Information Report (SF 100). Contractors/subcontractors working on federally-assisted projects are required to file with the sponsor annually, on or before March 31, complete and accurate reports on Standard Form 100 (Employer Information Report, EEO-1). The first such report is required within 30 days after award unless the contractor/subcontractor has submitted such a report within 12 months preceding the date of award (the FAA or the Department of Labor can designate other intervals). This form is normally furnished based on a mailing list, but can be obtained from the Equal Employment Opportunity Commission (EEOC) - Survey Division, 2401 E Street, NW, Washington, D.C. 20507. The report is required if a contractor or subcontractor meets all of the following conditions:

- (i) Nonexempt. If contractors/subcontractors are not exempt based on 41 CFR 60-1.5;
- (ii) Number of Employers. Has 50 or more employer;
- (iii) Dollar Level. Has a contract or subcontract amounting to \$50,000 or more; and
- (iv) Contractor/Subcontractor. Is a prime contractor or first tier subcontractor. Some subcontractors below the first tier who work at the site are required to file if they meet the above requirements.

- c) The successful bidder will be required to submit a Certification of Nonsegregated Facilities, and to notify prospective subcontractors of the requirements for such a certification where the subcontract exceeds \$10,000. Samples of the certification and the notice to subcontractors appear in the specifications.

2) STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY CONSTRUCTION CONTRACT SPECIFICATIONS (EXECUTIVE ORDER 11236, AS AMENDED)

a. As used in these specifications:

- (1) "Covered are" means the geographical area described in the solicitation from which this contract resulted;
- (2) "Director" means Director, Office of Federal Contract Compliance Programs (OFCCP), United States Department of Labor, or any person to whom the Director delegates authority;
- (3) "Employer Identification Number" means the Federal social security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941;
- (4) "Minority"
 - (i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
 - (ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central of South American, or other Spanish culture or origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the FAR East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and

(iv) American Indian or Alaskan native (all persons having origins in any of the original people of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

- b. Whenever the contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, he shall physically include in each subcontract, in excess of \$10,000, the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.
- c. If the contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors shall be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each contractor or subcontractor participating in an approved plan is individually required to comply with its obligations under the EEO clause and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables
- d. The contractor shall implement the specific affirmative action standards provided in paragraphs 7a through 7p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing construction work in a geographical area where they do not have a Federal or Federally-assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.
- e. Neither the provisions of any collective bargaining agreement nor the failure by a union with whom the contractor has a collective bargaining agreement to refer either minorities or women shall excuse the contractor's obligations under these specifications, Executive Order 11246 or the regulations promulgated pursuant thereto.
- f. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees shall be employed by the contractor during the training period and the contractor shall have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees shall be trained pursuant to training programs approved by the U.S. Department of Labor.
- g. The contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The contractor shall document these efforts fully and shall implement affirmative action steps at least as extensive as the following:
- (1) Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the contractor's employees are assigned to work. The contractor, where possible, will assign two or more women to each construction project. The contractor shall specifically ensure that all foremen, superintendents, and other onsite supervisory personnel are aware of and carry out the contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

- (2) Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the contractor or his unions have employment opportunities available, and maintain a record of the organization's responses.
- (3) Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant, minority or female referral from a union, a recruitment source or community organization, and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the contractor by the union, or, if referred, not employed by the contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions the contractor may have taken.
- (4) Provide immediate written notification to the Director when the union or unions with which the contractor has a collective bargaining agreement has not referred to the contractor a minority person or woman sent by the contractor, or when the contractor has other information that the union referral process has impeded the contractor's efforts to meet his obligations.
- (5) Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the contractor's employment needs, especially those programs funded or approved by the Department of Labor. The contractor shall provide notice of these programs to the sources compiled under g(2) above.
- (6) Disseminate the contractor's EEO policy by providing notice of the policy to unions and training programs, and requesting their cooperation in assisting the contractor in meeting his EEO obligations by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc., by specific review of the policy with all management personnel and with all minority female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.
- (7) Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions, including specific review of these items with on-site supervisory personnel such as superintendents, general foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
- (8) Disseminate the contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the contractor's EEO policy with other contractors and subcontractors with whom the contractor does or anticipates doing business.
- (9) Direct his recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students, and to minority and female recruitment and training organizations serving the contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the contractor shall send written notification to organizations such as the above, describing the openings, screening procedures and tests to be used in the selection process.
- (10) Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on-site and in other areas of a contractor's work force.

- (11) Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
 - (12) Conduct, at least annually, an inventory and evaluation of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
 - (13) Ensure that seniority practices, job classifications, work assignments and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the contractor's obligations under these specifications are being carried out.
 - (14) Ensure that all facilities and company activities are non-segregated, except that separate or single-user toilets and necessary changing facilities shall be provided to assure privacy between the sexes.
 - (15) Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
 - (16) Conduct a review, at least annually, of all supervisor's adherence to and performance under the contractor's EEO policies and affirmative action obligations.
- h. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations g(1) through (16). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar groups of which the contractor is a member and participant, may be asserted as fulfilling any one or more of his obligations under g(1) through (16) of these specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the contractor's minority and female work force participation, makes a good faith effort to meet his individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the contractor. The obligation to comply, however, is the contractor's and failure of such a group to fulfill an obligation shall not be a defense for the contractor's non-compliance.
 - i. A single goal for minorities and a separate single goal for women have been established. The contractor, however, is required to provide Equal Employment Opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the contractor has achieved his goals for women generally, the contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).
 - j. The contractor shall not use the goals and timetables of affirmative action standards to discriminate against any person, because of race, color, religion, sex or national origin.
 - k. The contractor shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246, as amended.
 - l. The contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.
 - m. The contractor, in fulfilling his obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph g of these

specifications, so as to achieve maximum results from his efforts to ensure equal employment opportunity. If the contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

- n. The contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government, and to keep records. Records shall at least include for each employee, the name, address, telephone number, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.
- o. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977, and the Community Development Block Grant Program).

3) REQUIREMENTS UNDER THE DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

- a. **General.** Executive Order 11625 required Federal agencies to develop plans and programs to encourage minority business enterprises. The DOT regulation implementing this mandate is 49 CFR Part 26, Participation by Minority Business Enterprise in Department of Transportation Programs. Until May 23, 1988, sponsors complied with the Minority Business Enterprise (MBA) subparts of the regulation. With the passage of the Airport and Airway Safety and Capacity Expansion Act of 1987 (see Section 105(f), amending section 505(d) of the Airport and Airway Improvement Act and amendment of Subpart D of the implementing regulations, 49 CFR Part 26) and effective on May 23, 1988, sponsors now comply with the Disadvantaged Business Enterprise (DBE) subpart of the regulation (Subpart D). Disadvantaged Business Enterprise (DBE) means a small business concern that is owned (51%) and controlled by one or more socially and economically disadvantaged individuals, including, for purposes of this definition, women. Other legal authorities which support the DBE rule in relation to the FAA's grant program are Title VI of the Civil Rights Act of 1964, Sections 511(a) and 520 of the Airport and Airway Improvement Act of 1982, as amended, and Executive Orders 12138 and 12432.
- b. **Applicability.** All sponsors are required, as a condition of project approval, to assume certain DBE obligations as set forth in 49 CFR Part 23 and Part 26. In addition, there is passed onto contractors a responsibility to make good faith efforts to meet the DBE participation goals contained in the sponsor's bid solicitation.
- c. **Policy.** It is the policy of the Department of Transportation (DOT) that Disadvantaged Business Enterprises (DBE's) as defined in 49 CFR Part 26 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this agreement. Consequently, the DBE requirements of 49 CFR Part 26, apply to this agreement.
- d. **DBE Obligation.** The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in result in the termination of this contract or such other remedy, as the recipient deems appropriate.
- e. **Prompt Payment.** The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than seven (10) days from the receipt of each payment the prime contractor receives from the recipient. The prime contractor agrees further to return retainage payments to each subcontractor within than seven (10) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame

may occur only for good cause following written approval of the recipient. This clause applies to both DBE and non-DBE subcontractor.

- f. Failure to carry out the requirements set forth above shall constitute a breach of contract. After notification, this may result in termination of the contract by the sponsor or such remedy as the sponsor deems appropriate.

9. CERTIFICATES OF SUBSTANTIAL COMPLETION; CERTIFICATE OF COMPLETION; AND CONTRACTOR'S AFFIDAVIT REGARDING SETTLEMENT OF CLAIMS.

- a. The Contractor shall be required to furnish the Owner with sworn affidavits attesting that all subcontractors, employees, materials suppliers, mechanics, etc. have been paid in full, for all debts incurred by the Contractor for work on this Contract. The Contractor shall furnish an original notarized copy of the "Contractor's Affidavit regarding settlement of claims". Final payment shall only be made after the Contractor's Affidavit Regarding Settlement of Claims and the Contractor's Certificate of Completion are received, and the Engineer has issued the Certificate of Substantial Completion. The above Contractor's affidavit regarding settlement of claims shall be submitted on the form provided in this specification.
- b. Only upon receipt of the above documents and upon Final Acceptance, will the Contractor receive full payment for the entire amount of this Contract, less previous progress payments as provided for in the General Provisions of the specifications.

10. BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the contractor or their subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

11. CLEAN AIR AND WATER POLLUTION CONTROL

Contractors and subcontractors agree:

- a) That any facility to be used in the performance of the contract or subcontract or to benefit from the contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities;
- b) To comply with all the requirements of Section 114 of the Clean Air Act, as amended, 42 U.S.C. 1857 et seq. and Section 308 of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 and Section 308 of the Acts, respectively, and all other regulations and guidelines issued thereunder;
- c) That, as a condition for the award of this contract, the contractor or subcontractor will notify the awarding official of the receipt of any communication from the EPA indicating that a facility to be used for the performance of or benefit from the contract is under consideration to be listed on the EPA List of Violating Facilities;
- d) To include or cause to be included in any construction contract or subcontract which exceeds \$ 100,000 the aforementioned criteria and requirements.

MONTEREY PENINSULA AIRPORT DISTRICT
Monterey, California
RUNWAY 10R-28L SAFETY AREA IMPROVEMENTS
A.I.P. 03-06-0159-58

AT THE
MONTEREY REGIONAL AIRPORT
MONTEREY, CALIFORNIA

CERTIFICATE OF SUBSTANTIAL COMPLETION

(To be completed by Engineer/Architect)

I hereby certify that _____ has substantially completed the
(Name of Contractor)
work under

Project Nos.: AIP 03-06-0159-58

Project Name: RUNWAY 10R-28L SAFETY AREA IMPROVEMENTS

in accordance with the contract documents and bid specifications, and all activities required by the contractor under the contract have been substantially completed as of _____ (Date).

Firm Name: _____

(Name)

(Title)

(Signature)

(Date)

MONTEREY PENINSULA AIRPORT DISTRICT

Monterey, California

RUNWAY 10R-28L SAFETY AREA IMPROVEMENTS

A.I.P. 03-06-0159-58

AT THE
MONTEREY REGIONAL AIRPORT
MONTEREY, CALIFORNIA

CERTIFICATE OF COMPLETION

(To be completed by Contractor)

I hereby certify that all goods and/or services required by the **MONTEREY PENINSULA AIRPORT DISTRICT** have been delivered in accordance with the contract documents and bid specifications, and all activities required by the contractor under the contract have been completed as of _____ (Date).

Firm Name: _____

Principal: _____
(Name)

(Title)

(Signature) (Date)

MONTEREY PENINSULA AIRPORT DISTRICT

Monterey, California

RUNWAY 10R-28L SAFETY AREA IMPROVEMENTS

A.I.P. 03-06-0159-58

AT THE
MONTEREY REGIONAL AIRPORT
MONTEREY, CALIFORNIA

**CONTRACTOR'S AFFIDAVIT REGARDING
SETTLEMENT OF CLAIMS**

Gentlemen:

This is to certify that all lawful claims for materials, rental of equipment and labor used in connection with the construction of the above project, whether by subcontractor or claimant in person, have been duly discharged.

The undersigned, for the consideration of \$ _____, as set out in the final pay estimate, as full and complete payment under the terms of the contract, hereby waives and relinquishes any and all further claims or right of lien under, in connection with, or as a result of the above described project. The undersigned further agrees to indemnify and save harmless THE MONTEREY PENINSULA AIRPORT DISTRICT, KIMLEY-HORN AND ASSOCIATES, INC., their employees, agents or representatives, against any and all liens, claims of liens, suits, actions, damages, charges and expenses whatsoever, which said Owner and Engineer may suffer arising out of the failure or the undersigned to pay for all labor performances and materials furnished for the performance of said installation.

Signed and dated at _____, this _____ day of _____, 20_____.

By: _____

(STATE OF CALIFORNIA)

(COUNTY OF _____)

The foregoing instrument was subscribed and sworn to before me this _____ day of _____, 20_____.

(Notary Public)

(My Commission Expires)

AGENDA ITEM: G-2
DATE: March 12, 2014

TO: Monterey Peninsula Airport District Board of Directors
FROM: Mark Bautista, Deputy General Manager, Planning & Development
Desmond Johnston, Planning Manager, Planning & Development
Scott Huber, District Counsel
SUBJ: Ordinance No. 914, an Ordinance to Adopt California Code of Regulations Title 24, 2013 Edition of the California Building Standards Code and Other Building Related Codes (2nd Reading)

BACKGROUND: The Board of Directors may consider adopting the most recent editions of the California Code of Regulations Title 24, 2013 edition of the California Building Standards Code for the Monterey Peninsula Airport District. Further, the Board of Directors (BOD) may consider adopting the most recent edition of the 2013 California Fire Code for the Monterey Peninsula Airport District. On February 12, 2014, the BOD introduced Ordinance No. 914, and waived the first reading. Ordinance No 914 is now back in front of the BOD, for a 2nd reading and consideration of adoption.

STAFF ANALYSIS: The California Health and Safety Code, Section 17958, mandates that the California Building Standards Commission adopt and publish the California Building Standards Code (Title 24 California Code of Regulations) every three (3) years. The State recently adopted the 2013 Edition of the California Building Standards Code, which includes the 2013 California Building, Electrical, Plumbing, Mechanical, Residential, Green Building, Fire, Energy, Administrative, Historical, Existing Building, and Reference Standard Codes. The 2013 Edition of the California Code of Regulations Title 24 becomes effective statewide on January 1, 2014.

The California Health and Safety Code requires that the Monterey Peninsula Airport District adopt ordinances that impose the same building standards as are contained in the 2013 California Building Standards Code, with the exception that the Monterey Peninsula Airport District may make amendments to these building standards that are more restrictive and that are reasonably necessary because of local climatic, geological, topographical and/or local environmental conditions as established by the Monterey Peninsula Airport District.

With the adoption of the attached ordinance, the Monterey Peninsula Airport District will comply with state requirements to adopt the 2013 Building Standards Codes. If approved, Ordinance No. 914 would adopt the California Building Standards Code, which includes the Fire Code.

SCOPE. n/a

SOURCE OF FUNDS. Costs are minimal (purchase of a set of the codes and staff training).

IMPACT ON REVENUES. n/a

SCHEDULE. n/a

IMPACT ON OPERATIONS. n/a

CONTINGENCY. n/a

STRATEGIC PLAN. Adoption of the 2013 Edition of the California Building Standards and Fire Codes implements Strategic Element No. 2 in the Five-year Strategic Plan, Amended April 2013. More specifically, it implements Strategic Goal 2.3, by ensuring compliance with current state regulations.

RECOMMENDATION. Waive the second reading and adopt Ordinance No. 914 - AN ORDINANCE OF THE MONTEREY PENINSULA AIRPORT DISTRICT REPEALING IN ITS ENTIRETY ORDINANCE 637 AND ADOPTING BY REFERENCE THE 2013 CALIFORNIA BUILDING STANDARDS CODE, TITLE 24, AS ADOPTED BY THE CALIFORNIA BUILDING STANDARDS COMMISSION; AND THE 1997 UNIFORM CODE FOR THE ABATEMENT OF DANGEROUS BUILDINGS, THE 1997 UNIFORM HOUSING CODE, AND THE 2012 INTERNATIONAL PROPERTY MAINTENANCE CODE AS PUBLISHED BY THE INTERNATIONAL CONFERENCE OF BUILDING OFFICIALS, Regulating the Erection, Construction, Enlargement, Alternation, Repair, Moving, Removal, Demolition, Conversion, Occupancy, Equipment, Use, Height, Area, and Maintenance of all Buildings or Structures in the Monterey Peninsula Airport; and Providing for Penalties for the Violation Thereof.

**MONTEREY PENINSULA AIRPORT DISTRICT
ORDINANCE NO. 914**

AN ORDINANCE OF THE MONTEREY PENINSULA AIRPORT DISTRICT REPEALING IN ITS ENTIRETY ORDINANCE 637 AND ADOPTING BY REFERENCE THE 2013 CALIFORNIA BUILDING STANDARDS CODE, TITLE 24, AS ADOPTED BY THE CALIFORNIA BUILDING STANDARDS COMMISSION; AND THE 1997 UNIFORM CODE FOR THE ABATEMENT OF DANGEROUS BUILDINGS, THE 1997 UNIFORM HOUSING CODE, AND THE 2012 INTERNATIONAL PROPERTY MAINTENANCE CODE AS PUBLISHED BY THE INTERNATIONAL CONFERENCE OF BUILDING OFFICIALS, REGULATING THE ERECTION, CONSTRUCTION, ENLARGEMENT, ALTERNATION, REPAIR, MOVING, REMOVAL, DEMOLITION, CONVERSION, OCCUPANCY, EQUIPMENT, USE, HEIGHT, AREA, AND MAINTENANCE OF ALL BUILDINGS OR STRUCTURES IN THE MONTEREY PENINSULA AIRPORT; AND PROVIDING FOR PENALTIES FOR THE VIOLATION THEREOF.

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

SECTION 1: Repeal. That Ordinance No. 637 entitled "An Ordinance of the Monterey Peninsula Airport District Adopting the 1997 Edition of the Uniform Building Code, Volumes 1, 2 and 3, Regulating the Erection, Construction, Enlargement, Alternation, Repair, Moving, Removal, Demolition, Conversion, Occupancy, Equipment, Use, Height, Area, and Maintenance of all Buildings or Structures in the Monterey Peninsula Airport; Providing for Penalties for the Violation Thereof; and Repealing Ordinance No. 569 and All Other Ordinances and Parts of Ordinances in Conflict Therewith" and all other ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 2: Adoption. The Monterey Peninsula Airport District hereby adopts by reference the 2013 California Building Standards Code, Title 24, as adopted by the California Building Standards Commission, which includes the 2013 California Administrative Code, the 2013 California Building Code, the 2103 California Residential Code, the 2013 California Electrical Code, the 2013 California Mechanical Code, the 2013 California Plumbing Code, the 2013 California Energy Code, the 2013 California Historical Building Code, the 2013 California Fire Code, the 2013 California Existing Building Code, the 2013 California Green Building Code, the 2013 California Referenced Standards Code, the 1997 Uniform Code for the Abatement of Dangerous Buildings, the 1997 Uniform Housing Code, and the 2012 International Property Maintenance Code. A true and correct copy of the 2013 California Building Code as

adopted by this section shall be on file in the office of the Secretary of the Monterey Peninsula Airport District for examination and use by the Public.

SECTION 3: That any person, firm or corporation violating any provision of the code adopted hereby or failing to comply therewith, or violating or failing to comply with any order made thereunder, or who shall build in violation of any detailed statement of specifications or plans submitted and approved thereunder, or any certificate or permit issued thereunder shall be deemed guilty of a misdemeanor or infraction, whichever may be charged, and, upon conviction thereof, shall be punishable by a fine not to exceed One Thousand Dollars (\$1,000) or by imprisonment in the county jail for not to exceed six (6) months, or both fine and imprisonment. Each separate day or portion thereof, during which any violation occurs or continues, shall be deemed to constitute a separate offense. The imposition of any one penalty for any violation shall not excuse the violation or permit it to continue and all such violations shall be corrected or remedied by the person, firm or corporation responsible for the violation within a reasonable time. The application of any penalties provided for above shall not be held to prevent the enforced removal of any violation of the code hereby adopted.

SECTION 4: Compliance with the California Environmental Quality Act: The Board of Directors finds that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines because it has no potential for resulting in physical change to the environment, directly or indirectly.

SECTION 5: Severability: If any section provision, of this Ordinance or the application thereof to any person or circumstances is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction or preempted by state legislation, such decision or legislation shall not affect the validity of the remaining portions of this Ordinance. The Board of Directors hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause or phrase hereof not declared invalid or unconstitutional without regard to any such decision or preemptive legislation.

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This ordinance shall take effect on the 30th day after its adoption.

PASSED AND ADOPTED by the Board of Directors of the Monterey Peninsula Airport District at a meeting of March 12, 2014 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Signed this 12th day of March 2014

Carl Miller, Chair

ATTEST

Tonja Posey
District Secretary

APPROVED AS TO FORM:

Scott Huber, District Counsel

AGENDA ITEM: G:3
DATE: March 12, 2014

TO: Monterey Peninsula Airport District Board of Directors
FROM: Mark Bautista, Deputy General Manager, Planning & Development
SUBJ: Resolution 1613 Authorizing and Approving a Policy and Use Agreement for Electronic Tablets by the Board of Directors and Key District Staff

BACKGROUND. Through continued technological development, Monterey Peninsula Airport District is dedicated to reducing its use of material resources while improving on the delivery of its mission. In following up on the request of the Board of Directors (BOD) to assess the feasibility of using electronic format for transmittal of BOD agenda and other information, Staff has provided the BOD's with a repurposed, mini-laptop.

In order to protect this investment of District property, we recommend the District adopt, by resolution, an Electronic Tablet Usage Policy that outlines electronic tablet usage rules. Additionally, the District should require that all recipients of a tablet sign an Electronic Tablet Use Agreement.

The recommendation at this time is that the Board adopts by resolution a Policy and Use Agreement.

BUDGET EFFECT. The only on-going cost will be for maintenance/management, per our IT services agreement with ATG.

SOURCE OF FUNDS. General Fund.

IMPACT ON REVENUES. n/a

SCHEDULE. n/a.

IMPACT ON OPERATIONS. The use of electronic tablets will provide the Board of Directors and District staff members with convenience, speed and cost-effectiveness as well as providing environmental benefits.

STRATEGIC PLAN. Changing from paper-based agenda packets, etc., through the use of electronic tablets directly implements Strategic Element No. 2.0 of the 2011 Strategic Plan, and more specifically, it implements Strategic Goal 2.4 by optimizing the operation of the District using sustainable methods.

RECOMMENDATION. Adopt Resolution 1613 Authorizing and Approving a Policy and Use Agreement for Electronic Tablets by the Board of Directors and Key District Staff

RESOLUTION NO. 1613

**A RESOLUTION AUTHORIZING AND APPROVING A USE AGREEMENT FOR
ELECTRONIC TABLETS BY THE BOARD OF DIRECTORS AND KEY DISTRICT
STAFF**

WHEREAS, the Monterey Peninsula Airport District (District) recognizes the benefit of using technology to enhance the business of the District; and

WHEREAS, the Board of Directors have authorized the issuance of an Electronic Tablet to members of the Board and key District staff members; and

WHEREAS, the District now desires to outline usage rules for the issued Electronic Tablet; and

WHEREAS, only individuals agreeing to abide by the attached Electronic Tablet Usage Policy will be issued an Electronic Tablet;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT approves and confirms that the Electronic Tablet Usage Policy is effective as of the date of this meeting, March 12, 2014.

PASSED AND ADOPTED BY THE _____ day of _____, 2014, by the following roll call vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSTAIN: DIRECTORS:

ABSENT: DIRECTORS:

Signed this _____ day of _____, 2014

Carl Miller, Chair

ATTEST

Tonja Posey

District Secretary

Monterey Peninsula Airport District

Electronic Tablet Usage Policy

Through continued technological development, Monterey Peninsula Airport District is dedicated to reducing its use of material resources while improving on the delivery of its mission. The use of Electronic Tablets will provide the Board of Directors and District staff members with convenience, speed and cost-effectiveness as well as providing environmental benefits.

A. Ownership

1. Upon approval of the Board of Directors, one Electronic Tablet will be issued to each Board Member and key District staff members (recipient(s)). Electronic Tablets issued to the Board of Directors are the property of District. Neither Board Members nor staff has any ownership, interest or right to title of the Electronic Tablet.
2. Each person who is issued an Electronic Tablet is responsible for the security and care of that Electronic Tablet regardless of where the Electronic Tablet is used.
3. Upon leaving the District service, the Electronic Tablet will be returned to District Administration, who will have the Electronic Tablet wiped and will reissue the unit upon receipt of the necessary paperwork from the new recipient.

B. License Agreements

1. District is the sole licensee of the software included with the Electronic Tablet. Any copying, modification, merging or distribution of the software by the Board Member, including written documentation, is prohibited. The Board Member is responsible for complying with any and all hardware, software and *service* provider licensing agreements, terms of use, and applicable state and federal copyright and other intellectual property protections. Violation of any such licenses, terms or laws shall constitute a *violation* of this policy.

C. Liability

1. Recipients of the Electronic Tablet are responsible for all material sent by and/or stored on the Electronic Tablet issued to them. Recipients accept responsibility for keeping their Electronic Tablet free from all inappropriate or dangerous files.

2. District is not liable for any material sent by and/or stored on Electronic Tablet issued to any recipient.

D. Acceptable Use

1. District only authorizes use of its Electronic Tablet in a manner that supports its mission.
2. Personal use is *permissible* so long as, in the determination of the District, it does not interfere with the District's mission, does not interfere with or negatively impact any other people or entity's rights and work and or learning environment, and does not conflict with any law.
 - a. Notwithstanding the *above* described permissible personal uses, District Electronic Tablet is not to be used for personal profit or non-profit purposes such as advertising, rentals, selling or buying things, soliciting for charity, or other such uses.
 - b. Examples of inappropriate uses include, but are not limited to, transmission or storage of copyrighted materials not in the name of the Recipient or District and transmission or receipt of explicit sexual material, whether or not such material is illegal.
3. Installation of applications is limited to applications that are consistent with the terms listed in this policy.
4. Modification of the Electronic Tablet's operating system to allow installation of applications not approved by District is prohibited.
5. The General Manager or his designee shall *have* final authority to determine if an application or use of the issued Electronic Tablet is appropriate.
6. All usage of the Electronic Tablet is subject to the Public Records Act.

E. Loss and Damage

1. Recipients are personally responsible for the security and safety of their assigned Electronic Tablet and will be held fully liable if stolen, lost, destroyed or not returned. Recipients will be required to reimburse District for the full replacement cost of the Electronic Tablet if it is stolen, lost, destroyed or not returned. The replacement cost will be the same as the original purchase price of the Electronic Tablet.
2. Loss of or damage to a District issued Electronic Tablet must be reported immediately to the General Manager or his designee.

3. Recipients must not modify, upgrade, or attempt to repair Electronic Tablet issued under this policy without the express permission of the General Manager or his designee. All repairs must be made through an approved vendor for such services.

F. Data Plan

1. Recipients *may not* individually select a data plan, except upon prior approval by the General Manager or his designee.

Electronic Tablet Use Agreement

Monterey Peninsula Airport District, California

I, _____ acknowledge that I am in receipt of an Electronic Tablet which is on loan from the Monterey Peninsula Airport District (District) for my use in my official capacity for the District. I have read and understand District Resolution No. _____ and agree to abide by all terms and conditions of use described in said resolution. Under no circumstance will I allow anyone other than myself access to the loaned Electronic Tablet.

Date: _____

Print Name

Signature

(This document shall be lodged in the personnel file for the above Elected Official or District employee.)

AGENDA ITEM: G-4
DATE: March 12, 2014

TO: Monterey Peninsula Airport District Board of Directors
FROM: Thomas E. Greer, General Manager
DATE: March 7, 2014
SUBJ: Resolution No. 1614, a Resolution Establishing an Air Carrier Incentive Program for New and Expanded Air Carrier Service at Monterey Regional Airport

BACKGROUND. The Board at its Regular Meeting on February 12th, in response to the request by the Air Carrier Service/Marketing/Community Relations Committee, directed staff to draft a Resolution defining an Air Service Incentive Program for the Board's consideration and adoption at the Regular Meeting in March 2014. The objective of this program is to attract (1) new air service to Seattle (SEA) and Salt Lake City (SLC) and (2) added flights to Denver (DIA) and San Diego (SAN).

STAFF ANALYSIS. The FAA permits Airport Sponsors to offer incentives to air carriers for new service defined as (1) service to an airport destination not currently served, (2) a new entrant carrier, and/or (3) added flights to increase the frequency of flights to a specific destination.

The FAA defines an incentive as any fee reduction, a fee waiver, or use of airport revenue for acceptable promotional costs where the purpose is to encourage an air carrier to increase service at the airport. It permits incentives but prohibits subsidies. A subsidy is a direct payment of airport revenue to a carrier, or to any provider of goods or services to that carrier, in exchange for additional service by the carrier.

To offer incentives to an airline, the airport must adopt an Air Carrier Incentive Program that:

- Clearly explains the incentives offered
- Is based upon destinations the Airport Sponsor chooses to support
- Has a specified duration
- Is not unjustly discriminatory

This program is not related to the Small Community Air Service Development Program (SCASDP), a grant program of the USDOT. Both may be used together to attract air service.

Other revenues associated with increased enplanements from additional flights more than cover the landing fees that MPAD would forgo for one year. Assume AS added a 76 seat Q400 for the round trip flight to SEA and ran a 75% LF. The flight would add 20,805 annually (76 seats x 365 days x 75%). Assume a contribution of approximately \$5/enplaned passenger as an estimate for ancillary revenues related to other sources (parking, rental car, concessions, etc.). MRY would collect an additional \$104,025 in other revenues, more than offsetting the \$47,331 of landing fees not collected over a 12-month period. In addition, the \$4.50 PFC would generate \$93,623 for capital improvement projects.

In 2003, MPAD adopted a two-year Air Carrier Incentive Program. Since 2005, MPAD (1) has waived the landing fees for new service by a Part 121 commercial air carrier for the first year and (2) funded advertising, marketing & public relations costs as high as \$100,000 (2005). In 2012, MPAD committed and spent \$35,000 to promote AS's new SANMRYSAN route.

MPAD has not provided an incentive to an airline to increase its frequency of flights. It is offering to do so specifically for United Airlines to fly a second flight to Denver and for Alaska Airlines to fly a second flight to San Diego. We expect these incentives will make MRY more competitive amongst other destinations that United Airlines considers from its Denver hub. The industry acknowledges the synergistic growth that occurs when two flights serve a destination. We expect a second flight to Denver and to San Diego will benefit MRY in this way.

SOURCE OF FUNDS. Marketing budget after an air carrier commits to offer additional service.

IMPACT ON REVENUES. An expected increase in revenue from an additional flight.

SCHEDULE. This Air Carrier Incentive Plan would be for two (2) years beginning on April 1, 2014, through March 31, 2016.

IMPACT ON OPERATIONS. Increased passengers using MPAD facilities.

CONTINGENCY. n/a

STRATEGIC PLAN. Fulfills the objectives stated in Element 1.3, "Create incentives for the District to offer to airlines to attract new air service" (page 12, Strategic Plan Amended April 10, 2013).

RECOMMENDATION. Adopt Resolution No. 1614, a Resolution Establishing an Air Carrier Incentive Program for New and Expanded Air Carrier Service at Monterey Regional Airport.

RESOLUTION NO. 1614

A RESOLUTION ESTABLISHING AN AIR CARRIER INCENTIVE PROGRAM FOR NEW AND EXPANDED AIR CARRIER SERVICE AT MONTEREY REGIONAL AIRPORT

WHEREAS, the Monterey Peninsula Airport District (MPAD) as an FAA *Airport Sponsor* desires to properly structure and administer an Air Carrier Incentive Program in accordance with FAA statutes to enhance air carrier service and increase traffic at the Monterey Regional Airport (MRY), and

WHEREAS, the FAA defines "incentive" as any fee reduction, fee waiver, or use of airport revenue for acceptable promotional costs where the purpose is to encourage an air carrier to increase service at the airport, and

WHEREAS, the FAA allows Airport Sponsors to offer incentives to air carriers for new service defined as (1) service to an airport destination not currently served, (2) a new entrant carrier, and/or (3) added flights to increase the frequency of flights to a specific destination, and

WHEREAS, the Airport Sponsor in an Air Carrier Incentive Program must identify (1) the marketing incentives that will be offered, (2) the new service it is seeking, and (3) an end date or timeframe for the Air Carrier Incentive Program, and

WHEREAS, the following offer of incentives is consistent with the mission and purpose of the Monterey Peninsula Airport District, is deemed to be in the best public interest, and is designed pursuant to the guidance provided by the FAA Office of Airports in its Air Carrier Incentive Program Guidebook, September 2010.

NOW, THEREFORE, BE IT RESOLVED THAT the Monterey Peninsula Airport District as Airport Sponsor for the MRY Air Carrier Incentive Program shall offer the marketing incentives set forth below:

1. For new service to SEA (Seattle, WA) and/or to SLC (Salt Lake City, UT), airport destinations not currently served by an incumbent airline (now serving MRY) or a new entrant:

During the first year of air carrier service:

- a. The waiver of landing fees, and
- b. The costs of marketing and promotional activities equivalent to \$35,000.

2. For one additional flight (to increase the frequency of flights) by United Airlines to DIA (Denver, CO) and/or by Alaska Airlines to SAN (San Diego):

During the first year of air carrier service:

- a. The waiver of landing fees, and
 - b. The costs of marketing and promotional activities equivalent to \$20,000.
3. MPAD will use its best efforts to seek marketing and promotional assistance (1) from the paired city and (2) from local community partners (chambers of commerce), industry groups, and private sources.

AND, BE IT FURTHER RESOLVED THAT the Air Carrier Incentive Program shall begin on April 1, 2014 and shall end on March 31, 2016

ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT this 12th day of March, 2014, by the following roll call vote:

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

Signed this 12th day of March, 2014

Carl M. Miller, Chair

ATTEST

Tonja Posey
District Secretary

AGENDA ITEM: H
DATE: March 12, 2014

TO: Monterey Peninsula Airport District Board of Directors
FROM: Thomas E. Greer, General Manager
DATE: March 6, 2014
SUBJ: Monthly Report

1. I attended the MCHA Board of Directors meeting and Quarterly Luncheon on February 11th.
2. On Thursday, February 13th, I attended the MCHA Government Affairs Committee Meeting in the morning and the Fire Department Open House at noon.
3. I attended the MCBC monthly luncheon and the Monterey County Hospitality Association Annual Dinner on February 21st.
4. Mark, Chris, Kevin Flynn and I made a presentation to the Del Rey Oaks City Council regarding the RSA project on February 25th at 6:00 p.m. The presentation went very well.
5. I made a presentation to the City of Monterey City Council on March 4th at 4:00 p.m. The information was well received.
6. Staff spent several hours preparing for the Strategic Plan update meeting that was held on Wednesday, March 5th

TO: Tom Greer, General Manager, Monterey Peninsula Airport District
FROM: Jerry Merritt, District Auditor/Controller
SUBJ: Financial Summary for January 2014 (FY 2014)

BACKGROUND. The Financial Summary for January 2014 (the seventh period of Fiscal Year 2014) is summarized by the following documents:

- **Graphic Comparisons – Actual Operating Revenue & Actual Operating Expense**
- **Airport District Operating Statistics & Financial Performance**
- **Sources / Uses of Cash**
- **Capital Expenditures**

SUMMARY. In January, operating revenue was above plan by \$14,563 (2%). Commercial aeronautical fees, parking concession, hangar rents and interest income were below plan; GA landing fees, fuel flowage fees and rental car concessions were above plan. Due to phasing and one-time costs related to fire, operating expense was above plan by \$11,092 (2%). Net income for January was 8% above plan; fiscal year-to-date net income was below plan by 23% or \$35,029.

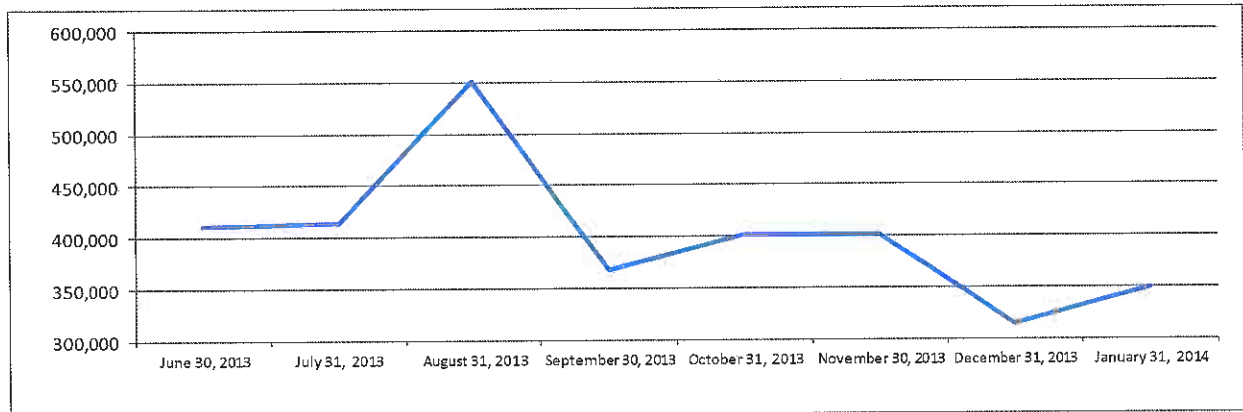
OPERATING REVENUE							
JANUARY 2014 ACTUAL	JANUARY 2014 PLAN	VARIANCE		FYTD 2014 ACTUAL	FYTD 2014 PLAN	VARIANCE	
		\$	%			\$	%
\$ 620,843	\$ 606,280	\$ 14,563	2%	\$ 4,669,562	\$ 4,692,603	\$ (23,041)	0%

OPERATING EXPENSE							
JANUARY 2014 ACTUAL	JANUARY 2014 PLAN	VARIANCE		FYTD 2014 ACTUAL	FYTD 2014 PLAN	VARIANCE	
		\$	%			\$	%
\$ 659,158	\$ 648,066	\$ (11,092)	2%	\$ 4,549,304	\$ 4,537,316	\$ (11,988)	0%

OPERATING INCOME / (LOSS)							
JANUARY 2014 ACTUAL	JANUARY 2014 PLAN	VARIANCE		FYTD 2014 ACTUAL	FYTD 2014 PLAN	VARIANCE	
		\$	%			\$	%
\$ (38,315)	\$ (41,786)	\$ 3,471	8%	\$ 120,258	\$ 155,287	\$ (35,029)	-23%

ACCOUNTS RECEIVABLE. The accounts receivable balance on January 31, 2014, was \$350,557. This balance is 11.2% higher than the balance on December 31, 2013, and 14.9% lower than the balance on June 30, 2013. Chart 1 depicts the accounts receivable balances by month.

Chart 1



Under normal circumstances, the balance of accounts receivable at month-end will align with the dynamic (variable) operating revenue in that month, such as landing fees, fuel flowage fees, concession-based revenues. Typically, accounts receivable balances will span a range from \$325,000 to \$550,000, depending on the District's business cycle. We have a cyclic high in July and August; a cyclic low in January. Compared to December, January operating revenue decreased 9.8%. Chart 2 graphically presents the monthly comparison of operating revenues to accounts receivable.

Chart 2

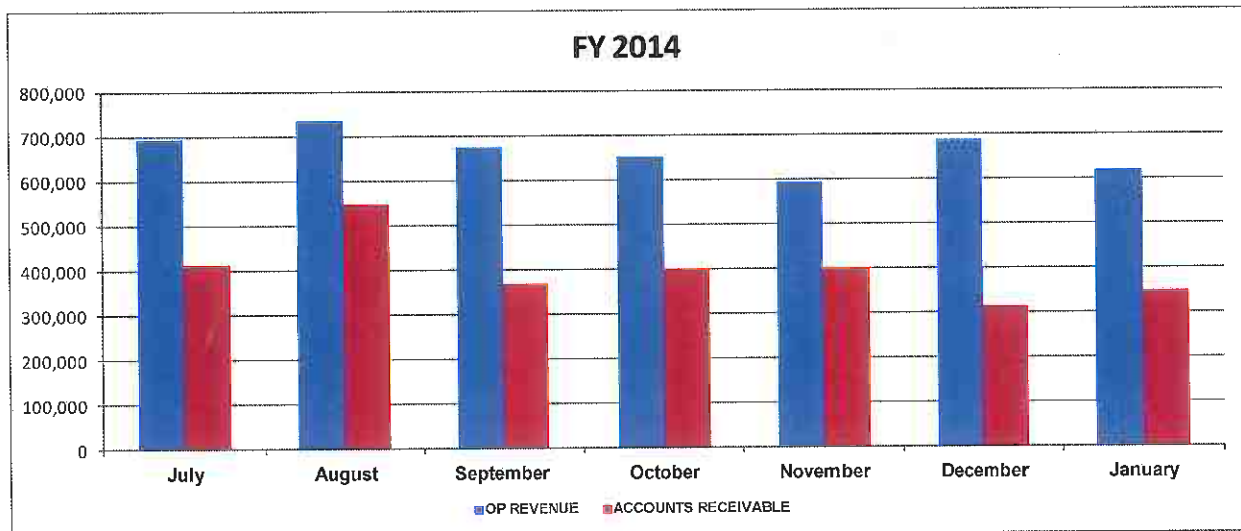
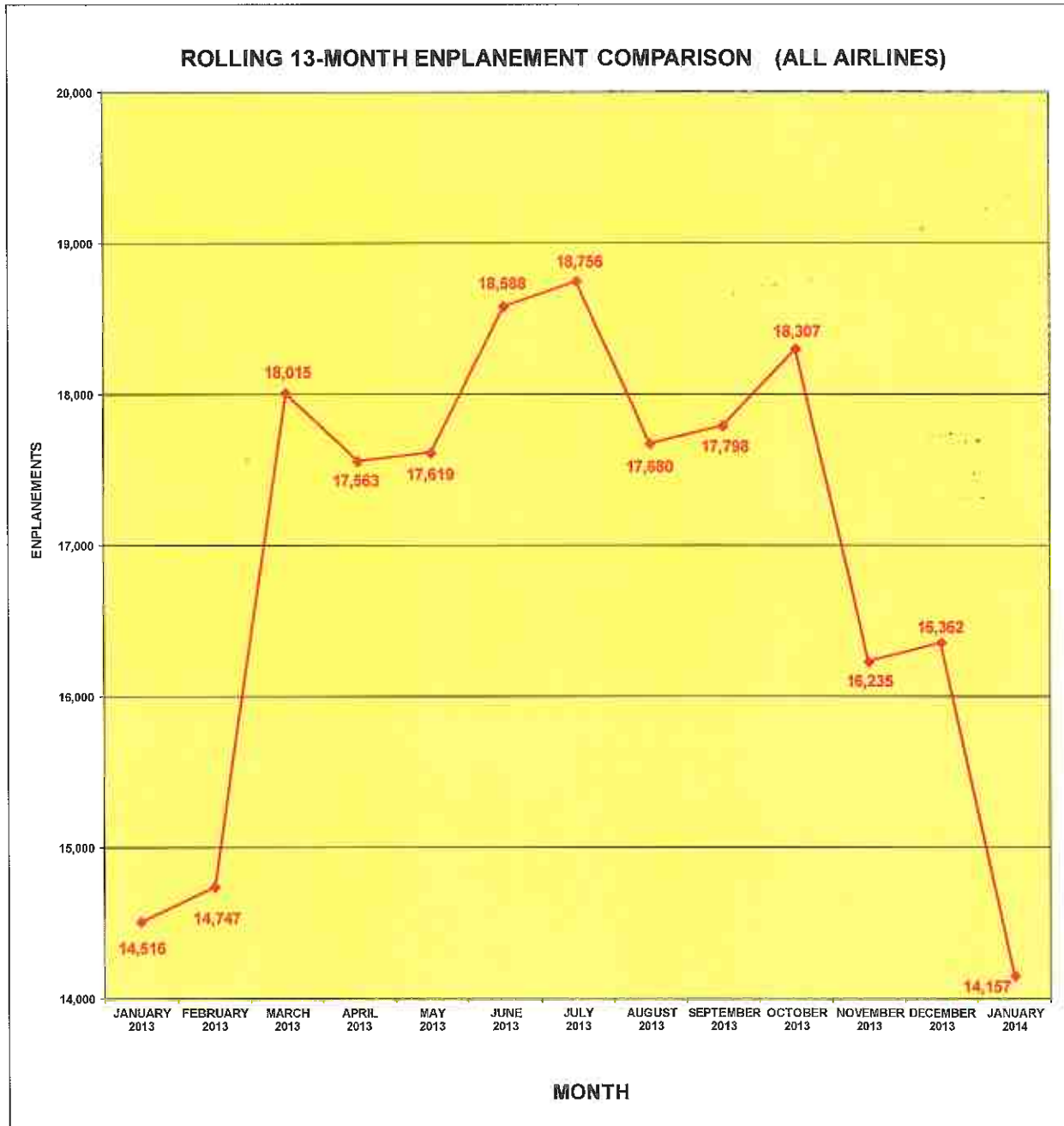
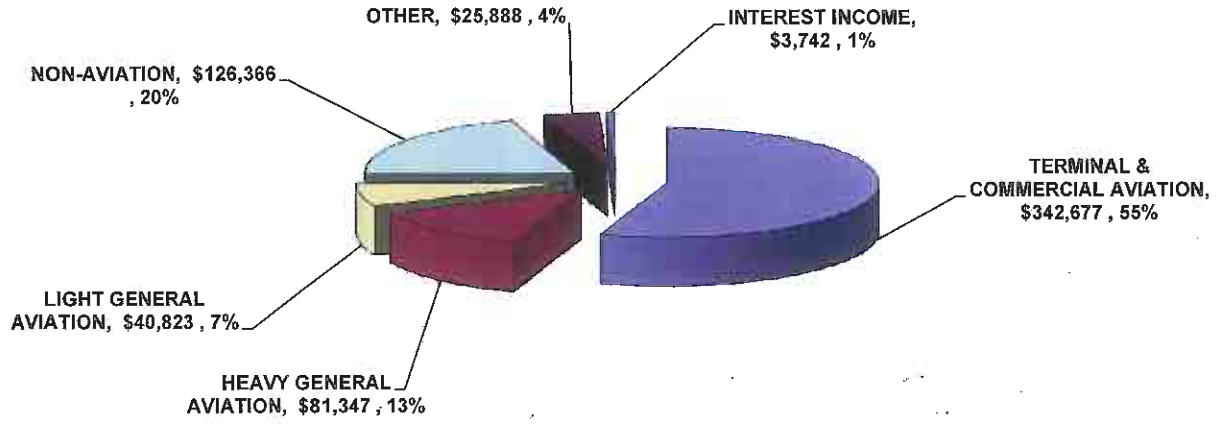


Chart 3 presents a rolling 13-month display of total enplanements which mimics the business cycle of the District. When compared to December 2013, January 2014 enplanements decreased 13.5%. When compared to January 2013, January 2014 enplanements decreased 2.5%.

Chart 3

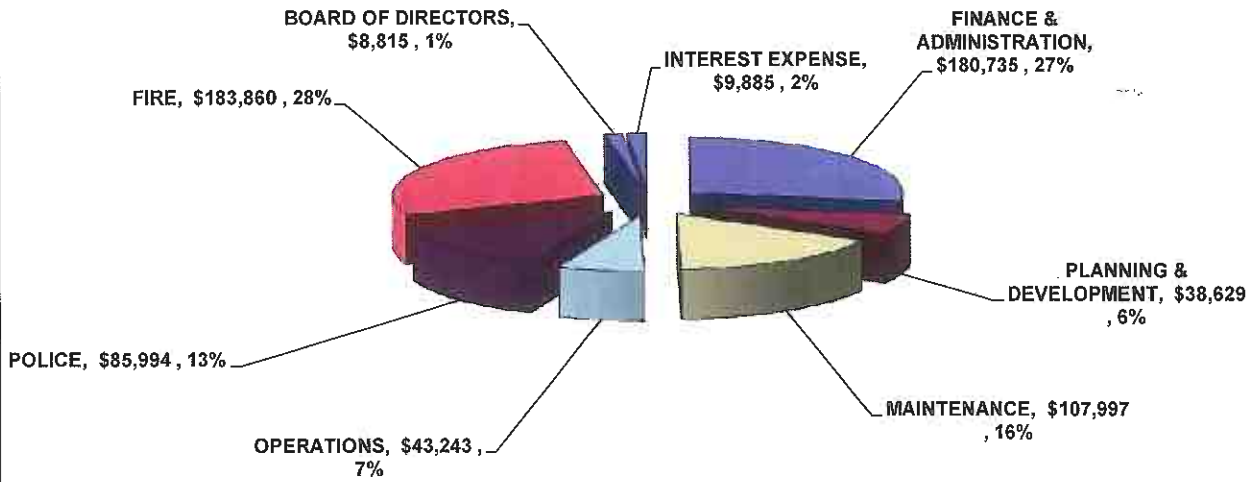


JANUARY 2014 OPERATING REVENUE



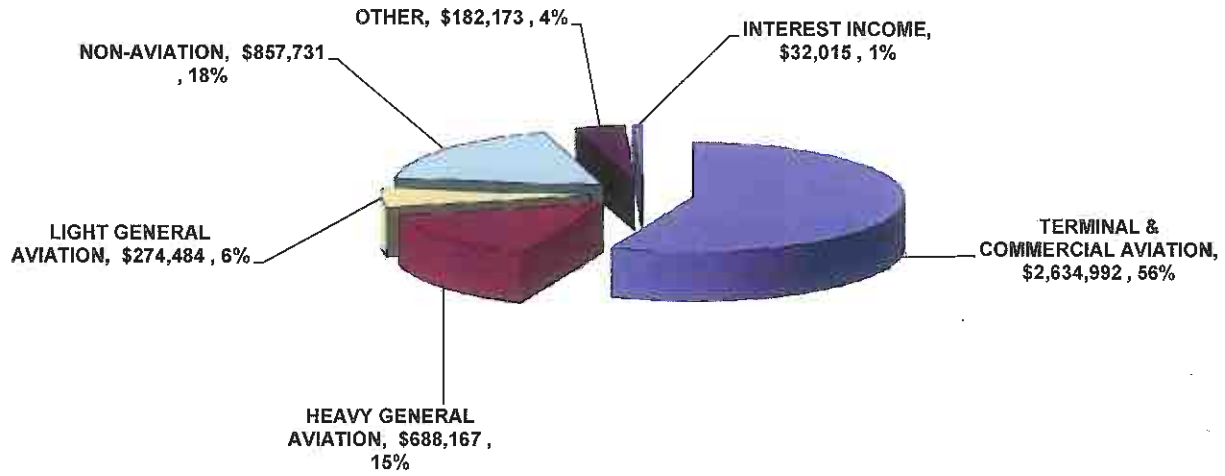
TOTAL OPERATING REVENUE: \$620,843

JANUARY 2014 OPERATING EXPENSE



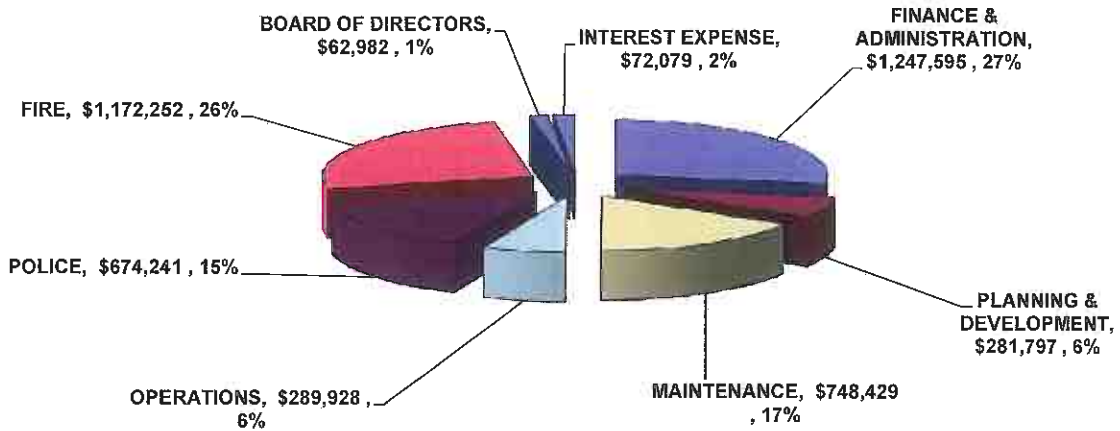
TOTAL OPERATING EXPENSE: \$669,158

FY 2014 (July 13 - Jan 14) YTD OPERATING REVENUE



TOTAL OPERATING REVENUE: \$4,669,562

FY 2014 (July 13 - Jan 14) YTD OPERATING EXPENSE



TOTAL OPERATING EXPENSE: \$4,549,304

AIRPORT DISTRICT OPERATING AND FINANCIAL PERFORMANCE SUMMARY

January 31, 2014

OPERATING STATISTICS	JANUARY 14	JANUARY 13	YTD FY 14	YTD FY 13
AIRPORT ACTIVITY				
Air Carrier Landings ¹	453	512	3,263	3,611
Passengers (emp/dep)	29,371	30,216	237,347	243,578
Total Cargo (in pounds)	99,545	96,944	630,607	660,816
			3,870	-15%
AIRCRAFT OPERATIONS				
Commercial	1,072	1,184	8,862	9,952
General Aviation	2,967	2,712	20,661	21,697
Military	256	107	1,150	706
TOTAL AIRCRAFT OPERATIONS	4,295	4,003	30,673	32,355
VEHICLE EXIT COUNT				
Upper Short Term (1) Lot	1,634	1,853	14,004	14,510
Long Term (2) Lot	1,700	1,900	13,650	14,691
Lower Short Term (3) Lot	6,855	6,532	52,954	52,944
TOTAL VEHICLE EXIT COUNT	10,189	10,285	80,808	82,145

1Cancelled Flights: January = 17 (0 - Alaska / 0 - Allegiant / 3 - American Eagle / 1 - US Airways / 13 - United Express); YTD = 223 (9 - Alaska / 2 - Allegiant / 9 - American Eagle / 6 - US Airways / 197 - United Express)

FINANCIAL INFORMATION	JANUARY 14	JANUARY 14	JANUARY 13	YTD FY 14	YTD FY 14	YTD FY 13
	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL
BGT OPERATING REVENUE						
TERMINAL						
CA Landing, Apron & RON Fees	59,947	67,560	58,630	409,536	458,521	402,954
Rents	141,185	137,984	138,888	963,019	964,200	962,193
TCP Operator Permits	669	667	734	5,864	4,667	5,149
Taxi Operator Permits & Trip Fees	13,251	13,016	13,117	100,436	104,110	106,773
Concessions	9,118	9,287	9,201	88,038	87,866	87,314
Rental Car	64,023	58,682	58,308	634,927	616,326	611,119
Parking	54,464	59,461	59,165	433,172	440,248	437,128
HEAVY GENERAL AVIATION						
GA Landing Fees	13,602	10,705	10,600	154,919	145,074	142,726
FBO Rent	59,394	53,393	52,134	373,758	373,751	364,938
Fuel Fees	14,261	13,068	11,968	160,733	160,733	148,956
LIGHT GENERAL AVIATION						
NON AVIATION	40,823	39,966	37,901	274,484	279,818	264,263
OTHER OPERATING REVENUE	126,366	125,438	124,620	857,731	856,378	841,663
INTEREST INCOME	25,888	10,315	13,419	182,173	153,798	152,172
	3,742	6,736	7,195	32,015	47,114	56,677
TOTAL BGT OPERATING REVENUE	\$ 620,043	\$ 606,290	\$ 595,879	\$ 4,569,562	\$ 4,692,603	\$ 4,586,026
BGT OPERATING EXPENSE						
Finance & Administration	180,735	172,073	174,250	1,247,595	1,239,895	1,167,870
Planning & Development	38,629	55,891	43,410	261,797	297,306	289,968
Maintenance & Custodial Services	107,907	106,654	101,466	748,429	812,782	683,913
Airport Operations	43,243	45,170	37,949	289,928	313,438	269,303
Police Department	85,994	98,530	91,162	674,241	688,103	625,807
Fire Department	193,860	145,896	140,285	1,172,252	1,037,810	993,509
Board of Directors	8,815	14,177	17,512	62,982	75,801	119,764
Interest Expense	9,865	9,885	10,828	72,079	72,081	79,650
TOTAL BGT OPERATING EXPENSE	\$ 659,159	\$ 648,066	\$ 616,862	\$ 4,549,304	\$ 4,537,316	\$ 4,229,784
BGT OPERATING INCOME / (LOSS)	\$ (38,315)	\$ (41,786)	\$ (20,983)	\$ 120,258	\$ 155,287	\$ 356,241
DISTRICT CAPITAL EXPENDITURES	\$ 436,344	\$ -	\$ -	\$ 811,567	\$ 121,460	\$ 544,111
DEBT SERVICE - PRINCIPAL ONLY	\$ 21,833	\$ -	\$ 21,000	\$ 152,833	\$ -	\$ 145,000

MONTEREY PENINSULA AIRPORT DISTRICT

	FY 2014 JANUARY 2014 ACTUAL	FY 2014 YEAR-TO-DATE ACTUAL
SOURCES AND USES OF CASH -- OPERATIONS		
SOURCES OF CASH		
CASH RECEIVED - OPERATING REVENUE	\$ 617,101	\$ 4,637,547
CASH RECEIVED - INTEREST INCOME	3,742	32,015
CASH RECEIVED	<u>\$ 620,843</u>	<u>\$ 4,669,562</u>
USES OF CASH -- OPERATIONS		
CASH DISBURSED - OPERATING EXPENSE ¹	\$ 647,462	\$ 4,464,555
CASH DISBURSED - DEBT SERVICE (BOND INTEREST EXPENSE) ²	9,885	72,079
CASH DISBURSED - DEBT SERVICE (PRINCIPAL REDUCTION) ²	21,833	152,833
CASH DISBURSED	<u>\$ 679,181</u>	<u>\$ 4,689,468</u>
CHANGE IN CASH POSITION FROM OPERATIONS & DEBT SERVICE	<u>\$ (58,338)</u>	<u>\$ (19,905)</u>
USES OF CASH -- CAPITAL PROGRAM		
CASH DISBURSED - DISTRICT CAPITAL PROJECTS ³	\$ 436,344	\$ 811,567
CASH DISBURSED	<u>\$436,344</u>	<u>\$811,567</u>
CHANGE IN CASH POSITION FROM CAPITAL PROGRAM	<u>\$ (436,344)</u>	<u>\$ (811,567)</u>
CHANGE IN CASH POSITION FROM OPERATIONS, CAPITAL & DEBT SERVICE	<u>\$ (494,682)</u>	<u>\$ (831,472)</u>

¹Net of non-cash operating expense (OPEB)

²Moved to Restricted Account/Disbursement will occur in December 2013 & June 2014

³District-funded capital plan for FY14



Monterey Peninsula Airport District
Airport Capital Improvements / Capital Expenditures
January 31, 2014

Airport Improvement Programs

	Actual FY 2014		Prior Fiscal Year		Actual FY 2014		Prior Fiscal Year	
	Current Period	83.9%	Current Period	0.0%	Year-To-Date	64.8%	Year-To-Date	36.8%
MPAD Expenditures	436,343.72	83.9%	0.00	0.0%	771,369.23	64.8%	544,110.72	36.8%
AIP -- FAA Funded Expenditures	40,006.82	7.7%	5,833.00	7.0%	283,106.93	23.8%	540,828.00	36.6%
AIP -- PFC Funded Expenditures	43,544.90	8.4%	77,314.78	93.0%	136,644.94	11.5%	393,636.43	26.6%
Total Capital Improvement Expenditures	519,895.44	100%	83,147.78	100%	1,191,121.10	100%	1,478,575.15	100%

Capital Acquisitions / Expenditures By Department

	Actual FY 2014		Prior Fiscal Year		Actual FY 2014		Prior Fiscal Year	
	Current Period	0%	Current Period	0%	Year-To-Date	100%	Year-To-Date	0%
Finance & Administration	0.00	0%	0.00	0%	0.00	100.0%	0.00	0%
Planning & Development	0.00	0%	0.00	0%	0.00	0.00	0.00	0%
Maintenance & Custodial Services	0.00	0%	0.00	0%	0.00	0.00	0.00	0%
Airport Operations	0.00	0%	0.00	0%	0.00	0.00	0.00	0%
Police	0.00	0%	0.00	0%	40,197.40	100.0%	40,197.40	100%
Fire	0.00	0%	0.00	0%	0.00	0.00	0.00	0%
Total Capital Acquisition Expenditures	0.00	0%	0.00	0%	40,197.40	100%	0.00	0%

Consolidated

	Actual FY 2014		Prior Fiscal Year		Actual FY 2014		Prior Fiscal Year	
	Current Period	83.9%	Current Period	0.0%	Year-To-Date	65.9%	Year-To-Date	36.8%
District Expenditures	436,343.72	83.9%	0.00	0.0%	811,566.63	65.9%	544,110.72	36.8%
AIP -- FAA Funded Expenditures	40,006.82	7.7%	5,833.00	7.0%	283,106.93	23.0%	540,828.00	36.6%
AIP -- PFC Funded Expenditures	43,544.90	8.4%	77,314.78	93.0%	136,644.94	11.1%	393,636.43	26.6%
Total Capital Expenditures	519,895.44	100%	83,147.78	100%	1,231,318.50	100%	1,478,575.15	100%

AGENDA ITEM: H
DATE: March 12, 2014

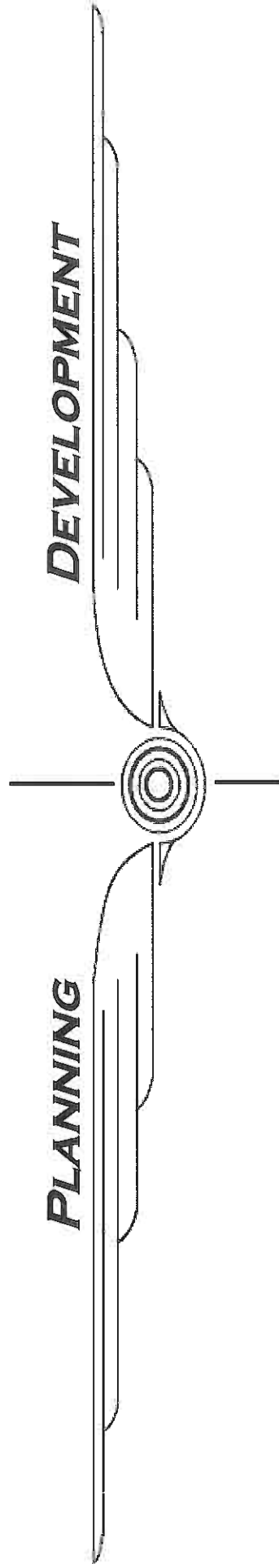
TO: Thomas E. Greer, General Manager
FROM: Mark Bautista, Deputy General Manager, Planning & Development
DATE: February 28, 2014
SUBJ: Planning & Development Monthly Project Report

Attached is the current monthly Project Report for the Planning and Development Department. Highlights for February 2014 include:

- Work directed toward implementation of the Runway Safety Area (RSA) Project was accomplished during the reporting period, including tree and shrub removal near the approach end of Rwy 28L. The formal bid process for the remainder of the RSA project was commenced, as well.
- Work directed toward the Airport Master Plan (AMP).
- On-going mitigation (monitoring) efforts for FWSS continued during the reporting period.

I will make a presentation at the Board Meeting on any items that arise subsequent to the publishing of the Agenda.

Monthly Capital Project Report
March 2014



Monterey Peninsula Airport District

PROJEC T#	FUNDING			BUDGETING				EXPENDITURES			STATUS		
	AIP #	PFC	Prior FY Budget	FY 2014 Budget	Post FY Budget	Total Project Budget	Spent in Prior Fiscal Years	FY 2014 Expenditures to Date	Cumulative 02/28/14	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
ACTIVE FEDERALLY FUNDED PROJECTS:													
1	2012-01	10-15-C-00-MRY 11-17-C-00-MRY 13-18-C-00-MRY	\$31,371,402	\$14,779,824		\$46,461,506	\$3,865,026	\$1,246,859	\$5,111,885	2%	Phase 1 RSA Runway 10R/28L - Construction	Settlement agreement approved by BOD on August 14, 2013. Stipulated judgment signed by Court. EIR Addendum approved by the BOD 11-13-2013. Phase 1 of construction bidding approved by the BOD at the 12-11-13 meeting.	Clearing and grubbing on east area of project is complete. Bid award on remainder of work by BOD anticipated 3-12-2014.
2	2013-02	13-18-C-00-MRY	\$810,000	\$690,000		\$1,094,980	\$86,044	\$193,168	\$281,212	20%	Airport Master Plan	Grant agreement executed. Professional services agreement with Coffman Associates approved by BOD. First PAC meeting held 1-23-2014.	The 2nd meeting of the Project Advisory Committee is scheduled for April 15, 2014, as is a public workshop on the AMP.
3	2013-03	13-18-C-00-MRY	\$125,000	\$114,285		\$125,000	\$10,715	\$65,790	\$76,313	100%	ARFF Apron Joint Seal Replacement	No bids were received for the project; contract successfully negotiated with Grubben Contractors	Completed

FUNDING			BUDGETING				EXPENDITURES				STATUS		
PROJEC T#	AIP #	PFC	Prior FY Budget	FY 2014 Budget	Post FY Budget	Total Project Budget	Spent in Prior Fiscal Years	FY 2014 Expenditures to Date	Cumulative 02/28/14	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
ACTIVE DISTRICT FUNDED PROJECTS:													
4	2013-07	N/A	\$85,000	\$80,460		\$85,000	\$4,540	\$5,460	\$125,792	100%	Starry Seal Skypark	Construction has been completed; project closeout awaiting receipt by MPAD of final certified payroll records from contractor.	Completed.
5	N/A	N/A	\$14,148	\$32,500		\$99,000	\$50,860	\$20,788	\$71,648	90%	FWSS Mitigation Land Restoration	Preparation and planting is complete at the off-airport site. Signage delineating status as habitat area has been installed.	Monitoring will continue through FY 2014 and into FY 2015.
6	2014-04	N/A	N/A			\$180,000	\$0	\$156,188	\$156,188	90%	Tarpy's Roof & Structure Repair	Work is almost finished.	Repairs are anticipated to be completed within the next two weeks.

AGENDA ITEM: H
DATE: March 12, 2014

TO: Thomas E. Greer, General Manager
FROM: Police Chief Fred Hardee
DATE: March 4, 2014
SUBJECT: Police Activity Report for February 2014

The following is a summary of significant activity in the Police Department during the month of February 2014:

1. One mutual aid call was requested from another police agency.
2. Responded to 225 door and gate alarms.
3. Officers assisted Monterey Fire Department with seven fire / medical aid calls.
4. Officers assisted with seven lost or found property incidents in the terminal.
5. 2/8/14: An airline ground employee was given a second strike administrative notice for failing to secure the American Eagle door from the main terminal into the secure area.
6. 2/10/14: Suspicious subject reported to be sitting in a tree behind Tarpy's video recording the tree cutting on Airport property. An area check was conducted for the subject, unable to locate.
7. 2/18/14: Hertz Car Rental employee reported a rental car not returned per rental agreement / stolen. Report taken and vehicle entered into the stolen vehicle system.
8. 2/21/14: An arriving Skywest flight reported a laser strike near the Asilomar / Pacific Grove area. No further information on the source of the laser.
9. Department members worked 49.5 hours of overtime in February; budgeted for 40 hours.
10. Monthly training consisted of: A) CA POST Learning Portal Environmental Crimes course, 2 hours. B) Lexipol daily training bulletins.

TO: Thomas E. Greer, General Manager
FROM: Operations Manager Griggs
DATE: March 4, 2014
SUBJ: Operations Report

The following is a summary of significant activity in the Operations Department for February 2014.

Operations Department

1. Oversaw aeronautical and non-aeronautical activities during the AT&T Pro-Am Golf week. Despite the weather, our FBO's were pleased with the amount of general aviation traffic and fuel sales received.
2. Assisted Planning & Development staff with logistics involving the first phase of the RSA project. Accompanied contractors with various needs and support for operational movements transitioning to and from the worksite area.
3. In conjunction with the City of Monterey Fire Department (MFD), Operations is revising the Airport Emergency Plan to incorporate necessary MFD protocol and procedures prior to the upcoming annual Part 139 certification inspection (April 8 -10).
4. Implemented an AOA perimeter lock & key program for Monterey Jet Center and FAA Tech Ops personnel per direction by TSA.
5. Attached is the Noise Comment Report for February 2014.
6. Attached is the Operating and Expense Report for the Taxi Open-Entry System.
7. Attached is the Commercial Flight Cancellations & Delay Report. In the month of February there were a total of 146 delays and 52 cancellations.
8. Attached is the Commercial Flight Schedule for March 2014.
9. Below is the summary of scheduled activity for March 2014:

Alaska Air

- No changes from February
- Still flying one daily flight to San Diego
- Scheduled to operate a total of 62 flights (Arrivals and Departures)

Allegiant Air

- No changes from February
- Continuing to operate twice a week on Sundays and Thursdays.
- Scheduled to operate a total of 18 flights (Arrivals and Departures)

American Eagle/SkyWest

- No changes from January
- Will operate three flights daily, two on Saturdays.
- Scheduled to operate a total of 176 flights (Arrivals and Departures)

United/SkyWest

- No changes from February. Denver resumes Sunday flights.
- Will operate 8 daily flights (4-SFO, 3-LAX, 1-DEN).
- Scheduled to operate a total of 494 flights (Arrivals and Departures)

US Airways/SkyWest

- No changes from February.
- Will operate three flights daily.
- Scheduled to operate a total of 186 flights (Arrivals and Departures)

Cumulatively speaking the airlines have scheduled 172 fewer flights (936 vs. 1,108) as compared to last March. This is primarily due to the United Express service reduction to/from San Francisco from six to four flights a day as well as the temporary increase of three weekly flights with Allegiant Air this time last year.

MRY AIRPORT NOISE COMMENT LOG FEBRUARY 2014

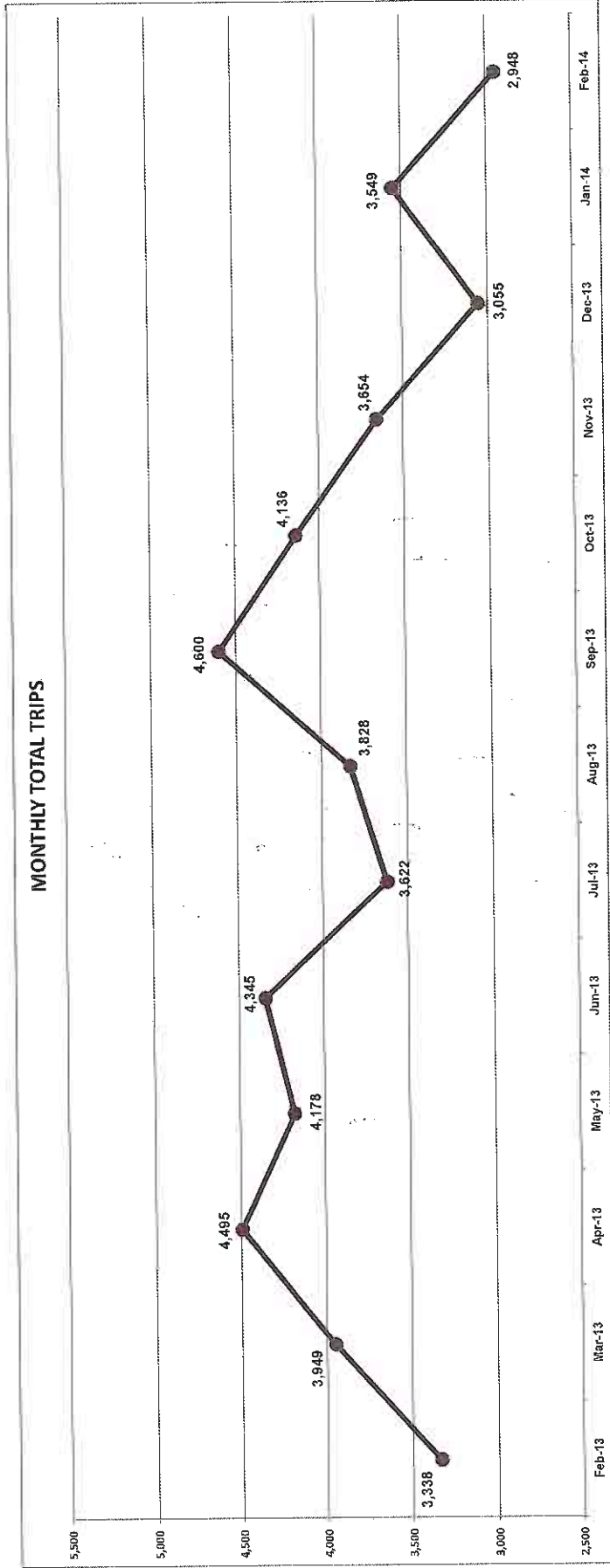
Name	Location (Address)	Incident Date	Incident Time	Aircraft ID	</> of Flight	Comments	By	Action Taken	Notes	
AIR OPERATIONS CENTERED AT MONTEREY AIRPORT										
1	Mystere Sapia	unknown	2/8/2014	2:30 AM	Falcon 50	unknown	Ms. Sapia complained via the website that she heard aircraft noise over her house at 2:30 AM and is unaccustomed to hearing noise at that time of night.	NG	I explained voluntary curfew and accompanying procedures to Ms. Sapia. She was appreciative of this information and understands that that this was an infrequent occurrence.	Ops had a PPR on file for this aircraft. Likely an unusual operation due to the AT&T Pro-Am.
2	Kelley Calvert	300 Sloat Ave Monterey	n/a - date of complaint 2/12/14	n/a	n/a	n/a	Ms. Calvert complained via the website that she "feels like she lives under a landing strip" and asked about the proximity of MRY to residential areas and regulation regarding late-night operations. She also referenced the early morning aircraft arrival discussed in Ms. Sapia's complaint.	NG	I left a voicemail for Ms. Calvert explaining the voluntary curfew.	Ms. Calvert's residence is directly under the final approach to RWY 10R. She also indicated in her message that she will be moving away from Monterey.
3										
4										
5										
AIR OPERATIONS ORIGINATING FROM ANOTHER AIRPORT										
AIR OPERATIONS OF UNKNOWN ORIGIN										
MONTHLY TOTALS and COMPARISONS										
0	**NONE**									

	Feb-14	Feb-13	% Change	
Number of Complaints:	2	1	100%	UNKNOWN ORIGINS
Number of Operations:	3,846	4,560	-16%	Other Airport
Annual Total	4	2	100%	0

13-MONTH ROLLING COMPARISON

Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14
3,338	3,949	4,495	4,178	4,345	3,822	3,828	4,600	4,136	3,654	3,055	3,549	2,948

MONTHLY TOTAL TRIPS



	FEBRUARY 2013	MARCH 2013	APRIL 2013	MAY 2013	JUNE 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013	OCTOBER 2013	NOVEMBER 2013	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014
NUMBER OF TRIPS	3,338	3,949	4,495	4,178	4,345	3,622	3,828	4,600	4,136	3,654	3,055	3,549	2,948
NUMBER OF CABS	137	140	149	155	155	121	126	129	131	134	134	135	135

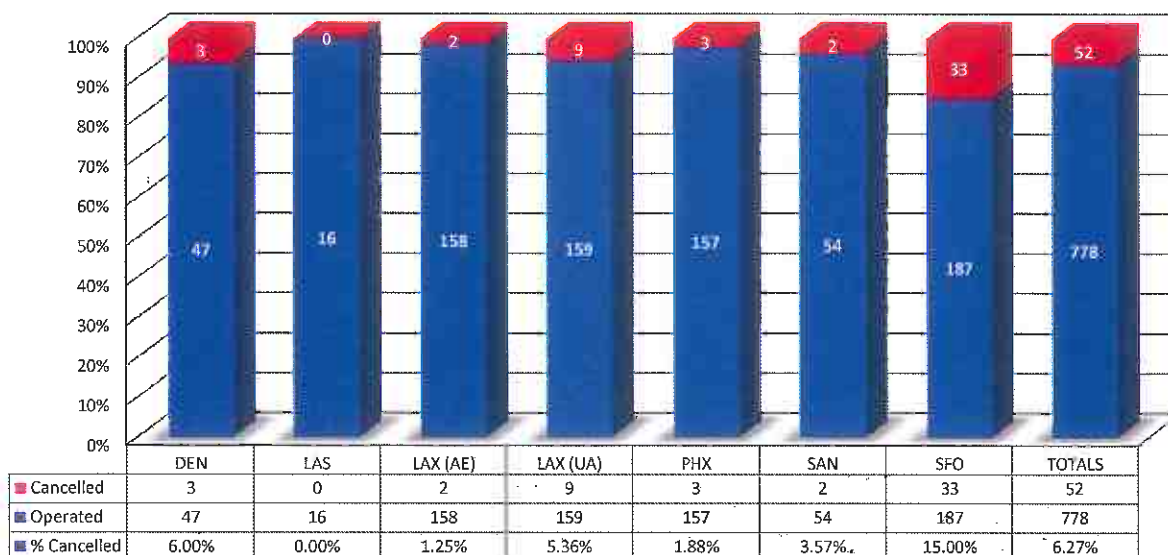
	FEBRUARY 2013	MARCH 2013	APRIL 2013	MAY 2013	JUNE 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013	OCTOBER 2013	NOVEMBER 2013	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014
TAXI TRIP FEES	\$ 10,014	\$ 11,847	\$ 13,485	\$ 12,534	\$ 13,035	\$ 10,866	\$ 11,484	\$ 13,800	\$ 12,408	\$ 10,962	\$ 9,165	\$ 10,647	\$ 8,844
TAXI MEDALLION FEES ¹	\$ 2,542	\$ 2,542	\$ 2,729	\$ 2,542	\$ 2,167	\$ 2,879	\$ 3,729	\$ 3,229	\$ 2,979	\$ 3,104	\$ 2,479	\$ 2,604	\$ 2,479
TAXI - TOTAL REVENUE	\$ 12,556	\$ 14,389	\$ 16,214	\$ 15,076	\$ 15,202	\$ 13,845	\$ 15,213	\$ 17,029	\$ 15,387	\$ 14,066	\$ 11,644	\$ 13,251	\$ 11,323

	FEBRUARY 2013	MARCH 2013	APRIL 2013	MAY 2013	JUNE 2013	JULY 2013	AUGUST 2013	SEPTEMBER 2013	OCTOBER 2013	NOVEMBER 2013	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014
CURB MGMT CONTRACT	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327
EQUIPMENT DEPRECIATION	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600
SOFTWARE LICENSE / HOSTING	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175
EXPENDABLE SUPPLIES	\$ 352	\$ 352	\$ 352	\$ 352	\$ 352	\$ 352	\$ 352	\$ 352	\$ 352	\$ 352	\$ 352	\$ 352	\$ 352
TAXI - TOTAL EXPENSE	\$ 11,927	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,454	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102

OPERATING INCOME / (LOSS)	\$ 629	\$ 287	\$ 2,112	\$ 974	\$ 1,100	\$ (608)	\$ 1,111	\$ 2,927	\$ 1,285	\$ (58)	\$ (2,458)	\$ (851)	\$ (2,778)
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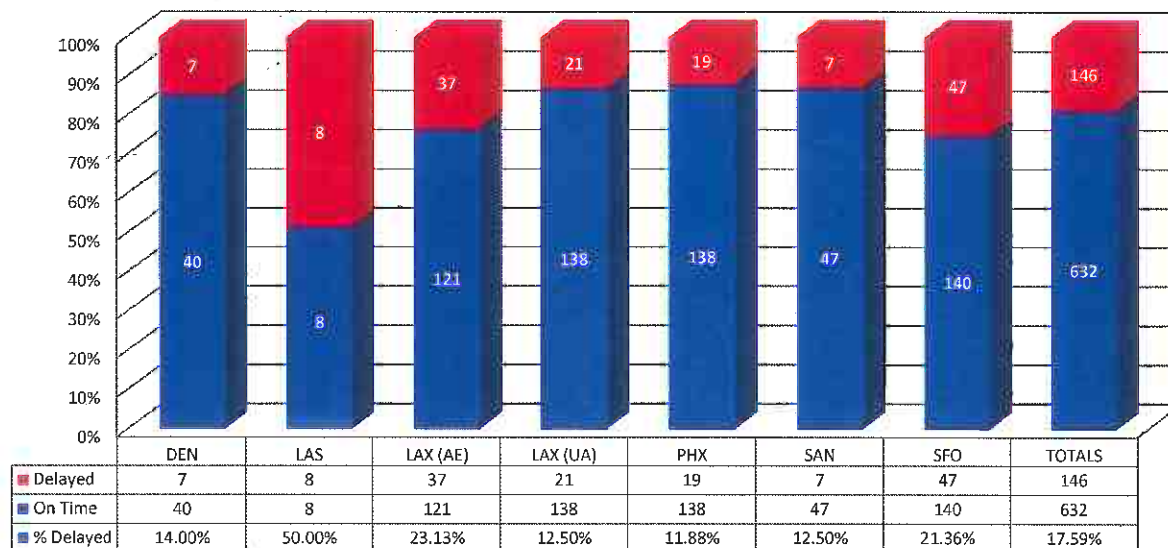
February 2014

February Commercial Flights Operated vs. Cancelled





















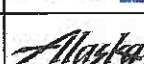











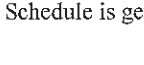
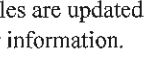
TOTAL CANCELED FLIGHTS: 52

February Commercial Flights On Time vs. Delayed



TOTAL DELAYED FLIGHTS: 146

Monterey Regional Airport March 2014 Flight Schedule

ARRIVALS					DEPARTURES						
	FROM	AIRLINE	FLIGHT	TIME	SCHD	TO	AIRLINE	FLIGHT	TIME	SCHD	
EMB (27)	SFO		5503	8:50 AM	DAILY	SFO		6346	5:22 AM	DAILY	EMB (27)
CRJ200 (50)	LAX		5360	9:50 AM 9:20 AM	MAR 1-6 MAR 7-31	DEN		5514/5564	5:40 AM	DAILY	CRJ200 (50)
CRJ200 (50)	LAX		2619	10:05 AM 9:55 AM	MAR 1-5 MAR 6-31	LAX		5316	5:45 AM 5:15 AM	MAR 1-5 MAR 6-31	CRJ200 (50)
CRJ200 (50)	PHX		2907	11:50 AM	DAILY	LAX		2616	6:00 AM 6:45 AM	MAR 1-5 MAR 6-31	CRJ200 (50)
CRJ200 (50)	SFO		5487	12:40 PM	DAILY	PHX		2965	6:15 AM	DAILY	CRJ200 (50)
MD80 (166)	LAS		540	1:15 PM 8:55 AM 2:47 PM	MAR 2 TH SU	SAN		2437	7:30 AM	DAILY	Q400 (76)
CRJ200 (50)	PHX		2951	3:35 PM	DAILY	SFO		5503	9:10 AM	DAILY	EMB (27)
CRJ200 (50)	LAX		2589	5:05 PM	DAILY	LAX		5350	10:15 AM 9:50 AM	MAR 1-6 MAR 7-31	CRJ200 (50)
CRJ200 (50)	LAX		5338	5:25 PM 5:55 PM	MAR 1-5 MAR 6-31	LAX		2619	10:35 AM 10:20 AM	MAR 1-5 MAR 6-31	CRJ200 (50)
EMB (27)	SFO		5609	7:46 PM	DAILY	PHX		2916	12:20 PM	DAILY	CRJ200 (50)
Q400 (76)	SAN		2436	8:25 PM	DAILY	SFO		6359	1:10 PM	DAILY	EMB (27)
CRJ200 (50)	DEN		6373	9:05 PM 9:20 PM	MAR 1-5 MAR 6-31	LAS		541	2:00 PM 9:40 AM 3:32 PM	MAR 2 TH SU	MD80 (166)
CRJ200 (50)	LAX		2595	9:50 PM	DAILY EXC SA	PHX		2912	4:05 PM	DAILY	CRJ200 (50)
CRJ200 (50)	PHX		2928	9:54 PM	DAILY	LAX		2589	5:35 PM	DAILY EXC SA	CRJ200 (50)
EMB (27)	SFO		6376	11:22 PM	DAILY EXC MAR 1	LAX		5368/5391	5:55 PM 6:25 PM	MAR 1-5 MAR 6-31	CRJ200 (50)
CRJ200 (50)	LAX		5352/5294	11:25 PM	DAILY	SFO		5609	8:12 PM	DAILY EXC MAR 1	EMB (27)

*Flight Schedule is general information and subject to change. Schedules are updated monthly and can change daily. Please contact your airline for further information.

AGENDA ITEM: H
DATE: March 12, 2014

TO: Thomas E. Greer, General Manager
FROM: Charles R. Hayes, Senior Deputy General Manager
DATE: March 7, 2014
SUBJ: Air Service Development Report

The Air Carrier Service/Marketing/Community Relations Committee met today, Friday, February 7th, at 10:00 am. The agenda is included at the end of this memo.

Marketing, Advertising & Promotions

- We reviewed the marketing/advertising budget projected through year end.
- The winter Cactus League commercial (produced last year and modified for this run) began two weeks ago. We've had great ad placement. An ad appeared just before the award of the "best picture" at the Oscars last Sunday.
- Monterey Visitors Channel (MVC): Our 60-sec ad continues to run on the In-Room Visitors TV Channel in Monterey, Carmel and Santa Cruz.
- Billboard: New creative will be installed by the end of April.
- Four-Wall Marketing: Twenty-four of 38 main hotel properties from the Monterey Peninsula south to Big Sur mention MRY on their websites. Seven of the 24 do this well! Jennifer continues her electronic canvass of motels/hotels/attractions. The committee edited the wording to be distributed to venues for inclusion on their websites and in answer to the question that so many ask, "What would you like to see?"
- In-terminal advertising banners: We are completing instructions and specifications for the production of banners by local promoters of events for display prior to and during the weekend of the event. Banner size is 3 ½' x 8'. Maintenance can install the hardware. We'll advertise this in our e-newsletter and by emails.
- Salinas 411: We will contact Trish Sullivan to be included in her promotions of out of area media writers who at her invitation will come to Monterey County on April 14th for a market visit (familiarization tour) and return home to write about the county. Estimated cost is \$500.
- Rabobank Stadium at the Salinas Sports Center: This will be an excellent venue for promoting MRY. We will research the costs of sponsorships.
- "Pilot Getaways" magazine: This is a bi-monthly magazine. Monterey is featured in this month's edition.

Public Relations

- Weekly e-Newsletter: Below are the featured cities in January/February:

Feb 4	LAX	American & United
Feb 12	Denver	United
Feb 19	Phoenix	US Airways
Feb 26	San Diego	Alaska Airlines
Mar 4	Las Vegas	Allegiant

Air Carrier Update (March Flight Schedule) & Air Service Planning:

- There are only minor changes (flight times) in the March schedule.
- Since I provided an extensive review of MRY's air service to the Board at the Board's Special Meeting on March 5th, there was no need to repeat it. We reviewing the research to be conducted by Mead & Hunt and the processes and timeframes for implementation. Our focus is expanded air service to San Diego and Denver and new service to Seattle.
- The resolution to establish the District's Air Carrier Incentive Plan is in the Board's agenda packet. I provided to the committee case studies and examples of incentives and subsidies that other airports and communities have provided.

Customer Service:

- Social Media/Facebook: "Total Likes" are 4,666.
During February, we ran Facebook advertisements to increase our Facebook "likes". The ads helped. We generated 599 "likes" during a twelve day period. Typically, growth without the ads has been 20 +/- over 30 days. We have received a lot of positive feedback.
- Frosting - East Hold-room glass: We will complete this project in July, funded in FY15.
- Water Fountains in the Secured Area: We reviewed the new water fountains provided by Cal Am Water to be installed in the secured area and discussed ideas for selling "Fly Monterey" water bottles in the retail shop
- Café in the Unsecured Area: Discussed ideas to improve service and increase the profitability for the Golden Tee and MRY.
- Taxi Starters: Staff will review instructions to taxi starters re. distribution of the "comment cards" to generate more feedback. The starters should provide a debarking passenger with a comment card and request that they complete it. New cards should indicate the location in the terminal where the card may be turned in.
- Updating the FIDS: Envoy staff, although trained early on, has not been updating the FIDs, instead waiting for the OAG feed to do so. Staff will investigate to improve this service.

AGENDA - SPECIAL MEETING
AIR CARRIER SERVICE – MARKETING - COMMUNITY RELATIONS COMMITTEE
March 7, 2014 - 10 AM – Conference Room

REGULAR AGENDA – ACTION ITEMS

- | | | |
|------------|----|---|
| Review | 1. | Marketing, Advertising and Promotions |
| Review | 2. | Public Relations |
| Review | 3. | Air Carrier Update |
| Discussion | 4. | Air Service Planning & Incentives |
| Review | 5. | Customer Service Ideas, Feedback & Reports |
| Discussion | 6. | Schedule next meeting set for <u>Thursday, April 10, 2014 at 10 am.</u> |